

The following files are the email and text exchanges between several Bandon City Officials concerning the “emergency” resolution passed by the Utility Commission and the illegal fee increase on the water bill.

On June 3, 2019, the City Mayor and City Councilors enacted an illegal fee increase voting against the citizens and their own city charter that clearly states that the city officials do not have this authority.

The authority of “rate setting” is in the hands of the voters of the city.

The city officials violated that “AUTHORITY.”

These emails and texts will explain the mindset of the former City Manager, Matt Winkel, and his plot to do an end run around the voters and the city charter with the complicity of a willing Mayor and City Council.

After the city gave up these emails for City Manager, Robert Mawson and Chair of the Utilities Commission, Matt Winkel, both men resigned their positions.

Why did they really quit?

Cast of Players:

Former Manager Matt Winkel

Mayor Mary Schamehorn

Former Manager Robert Mawson

Utility Commissioner Mary O’Dea

City Recorder Denise Russell

Administrative Assistant Beth Hager

City Attorney Frederick J. Carleton

City Councilor Madeline Seymour

The other city councilors must not have been concerned enough to be involved in the conversation.

These are from March 16, 2019 to August 14, 2019:

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Saturday, March 16, 2019 9:05 AM
To: "M O’Dea" <me_odea@hotmail.com>; <sherbre@frontier.com>
Subject: Re: Fwd: City of Coquille Boil Water Notice

What a drag! Maybe at the next meeting, you could ask Jim Youravish whether our turbidity is also high. We had the same problem in reverse a couple years ago....the water was too clean and the turbidity was too low!

Thanks for sending that to me.

Matt

From: Matt Winkel

Sent: Friday, March 29, 2019 8:53 AM

To: Beth Hager ; Donald Starbuck ; Patricia Soltys ; Daniel Graham ; Sheryl Bremmer ; Mary O'Dea ; Joe Kuehner ; Madeline Seymour ; Peter braun

Cc: Robert Mawson ; Mary Schamehorn ; Brian M. Vick ; geri Procetto ; Claudine Hundhausen ; Chris Powell

Subject: Re: Draft Agenda for the April 17th Utilities Commission Meeting - need feedback by Friday, April 5th

Beth:

To provide an appropriate spot on the agenda (and also as a reminder for me), perhaps we could add the following Item 2.B.:

2.

B. Review and Discuss the Draft Draft Meeting Minutes Program.

Thanks.

Have a great day!

Matt

From: "Matt Winkel" <winkel@mycomspan.com>

Date: Friday, March 29, 2019 12:26 PM

To: "Beth Hager" <bhager@ci.bandon.or.us>

Subject: Re: Draft Agenda for the April 17th Utilities Commission Meeting - need feedback by Friday, April 5th

Beth:

Could you get me copies of all the City Council resolutions increasing water, sewer, and electric rates since 2000? It would be helpful to have that information in advance of the upcoming Budget Committee and Utilities Commission meetings.

Thanks!

Matt

From: M O'Dea
Sent: Saturday, April 6, 2019 12:21 PM
To: winkel@mycomspan.com
Cc: sherbre@frontier.com
Subject: Utility Commission stuff

Hi Matt,

Attached is a copy of the Waterdude assessment. Bill N. thinks highly of it and him. He is apparently working for Coos Bay as well. I have made electronic copies available to Mayor &

MW 0175

9/18/2019

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CC since they never saw it. As of this email, three have requested it (Mayor, Powell, Vick). I have also included Bill N. capital improvement needs for the budget (reference 12/2018 UC meeting handouts for projects by number). Bill feels these are critical, but he has no support from City. Apparently, the city manager is also not receptive to the Waterdude report. Not sure what is going on.

I will fill you in later about the two reports to Mayor and CC, but to say they had not been informed about many things is not hyperbole. I have definitely rubbed Robert the wrong way. But, going into the budget prep. I think everything has to be on the table. People vent to me and I am not sure what's what given the lack of openness in the City.

I never got the information from the City to finish my conservation report. Robert and Richard (Jim Y.) all blew me off. The Mayor and CC don't seem bothered.

The next month will be crazy for me. I would like you, Sheryl and myself to get together before the next UC meeting (which I will not be in town for) to fill you in. I would also like to see if we can put together an information packet to help with budget generation?

So welcome back to rainy Bandon.

Mary O'Dea

From: <sherbre@frontier.com>
Date: Monday, April 8, 2019 5:05 PM
To: "Matt Winkel" <winkel@mycomspan.com>; "M O'Dea" <me_odea@hotmail.com>
Subject: Re: Utility Commission stuff

Hi,

Got this.

Sheryl

From: City of Bandon, Oregon <bandon1@ci.bandon.or.us>
Sent: Wednesday, April 10, 2019 4:21 PM
To: bhager@cityofbandon.org
Subject: Form submission from: Public Records Request Form

Submitted on Wednesday, April 10, 2019 – 4:21 pm

Submitted by anonymous user: [172.16.64.18]

Submitted values are:

Contact Information

FIRST NAME Matt

LAST NAME Winkel

MAIL ADDRESS PO Box 868, Bandon, OR 97411

EMAIL winkel@mycomspan.com

PHONE 5414043762

FAX

Request Information

Tell us about the information you are requesting

Section (if known) Administration

RECORDS REQUEST (Please be specific)

Copies of all City Council Resolutions increasing water, sewer, and/or electric utility rates from the year 2000 to

----- Forwarded message -----

From: jkuehner <jkuehner@protonmail.com>

Date: On Thu, Apr 11, 2019 at 12:39 PM

Subject: Fwd: Meeting notes

To: sherbre@frontier.com <sherbre@frontier.com>, John Tamous <john@artula.org>, M O'Dea <me_odea@hotmail.com>

Cc:

Folks,

Thank you again for meeting this morning.

I would like outline my notes and welcome revisions or comments.

1. At our May 15th Committee meeting we will host John and invite the Mayor, Chamber members, Anthony Z and others to explore educational possibilities which include the introduction of Bandon Earth Day, 2020. Bandon Earth Day will be community wide effort to bring awareness of methods to preserve and protect our precious resource, water and will culminate in the unveiling of a 'refreshed' Henry.
2. Our monthly newsletter will include a Washed Ashore feature.
3. Washed Ashore will help in educational efforts for the community which might include a traveling collage and possibility of Bandon educational site in the WA facility.
4. The committee members will assist WA with fundraising/grant proposal efforts.
5. I will contact Daniel Graham to share our plans.
6. A proposed work session after the May committee meeting to include City Council and Utility committee.
7. Mary will contact State of Oregon Extension on the Corvallis campus.

From: Beth Hager
Sent: Thursday, April 11, 2019 1:15 PM
To: Matt Winkel
Cc: Denise Russell
Subject: FW: Form submission from: Public Records Request Form

Good Afternoon Matt,

I am working on your record request, and will notify you as soon as I have it completed.

Thank you,
Beth

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Thursday, April 11, 2019 3:15 PM
To: "Beth Hager" <bhager@ci.bandon.or.us>
Cc: "Denise Russell" <drussell@cityofbandon.org>
Subject: Re: Form submission from: Public Records Request Form

Thanks Beth!

Have a great weekend!

Matt

From: Matt Winkel
Sent: Friday, April 19, 2019 10:19 AM
To: Beth Hager
Subject: April 24 Utilities Commission Special Meeting-Work Session Agenda

Beth:

I'm sure you haven't had the opportunity to prepare and send out the agenda for the upcoming April 24 Utilities Commission Special Meeting/Work Session, but, in addition to the normal (Call to Order, Roll Call, Adjournment, etc. items), the Action and Discussion Items need to include:

- Review and Discussion of the Proposed FY 2019-2020 Budget
- Recommendation to the Budget Committee and City Council

Thanks!

Have a great weekend!

Matt

From: Matt Winkel <winkel@mycomspan.com>
Sent: Friday, April 19, 2019 10:24 AM
To: Denise Russell <drussell@cityofbandon.org>
Subject: Resolution Numbers?

Denise:

If the Utilities Commission was to prepare and approve a Resolution, what would its Number be? Maybe something

like UC-19-01?

Also, if the Budget Committee was to prepare and approve a Resolution, what would its Number be? Maybe something like BC-19-01?

Thanks.

Have a great weekend!

Matt

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Friday, April 19, 2019 10:40 AM
To: "Beth Hager" <bhager@ci.bandon.or.us>
Cc: "Denise Russell" <drussell@cityofbandon.org>
Subject: Re: April 24 Utilities Commission Special Meeting-Work Session Agenda

Beth:

If necessary in order to have the Action Item "Recommendation to the Budget Committee and City Council" on the Utilities Commission agenda, then the Agenda may have to have two parts: Work Session (for Review and Discussion of the Proposed FY 2019-2020 Budget) followed by a Special Meeting (for Recommendation to the Budget Committee and City Council). I am considering the possibility that the Utilities Commission may want to consider the adoption of a Resolution making a recommendation to the Budget Committee and City Council. I have asked Denise for appropriate Resolution Numbers for potential Resolutions from both the Utilities Commission and the Budget Committee.

Thanks again!

Matt

From: drussell@ci.bandon.or.us
Sent: Friday, April 19, 2019 11:22 AM
To: 'Matt Winkel'
Cc: 'Beth Hager' ; 'Robert Mawson'
Subject: RE: Resolution Numbers?

Good Morning Matt,

As advisory bodies to the Council, the Utilities Commission and the Budget Committee can provide recommendations to the Council. These would be tracked through the minutes for the Committee/Commission or by written recommendation to the Council. Resolutions by definition are regulatory in nature and should not be used. No committee or commission should provide documentation in a format that would be perceived as binding on the Council.

Regards,

Denise Russell
City Recorder
City of Bandon

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Friday, April 19, 2019 2:55 PM
To: <drussell@ci.bandon.or.us>
Cc: "Beth Hager" <bhager@ci.bandon.or.us>; "Robert Mawson" <citymanager@ci.bandon.or.us>
Subject: Re: Resolution Numbers?

Denise:

Thanks for getting back to me, but what I was looking for was "if" the Utilities Commission and/or Budget Committee adopted a resolution, what would the number be. I assume from your response that there is no established numbering system for Utilities Commission or Budget Committee resolutions, so I can use whatever numbering system I want.

Thanks again, and have a great weekend!

Matt

On Sat, Apr 20, 2019, 2:22 PM Mary Schamehorn <marys@coosnet.com> wrote:

Hi all. I know you are tired of hearing me complain, but you are not nearly as tired as I am about having to do this.

To begin with, I want to say that the City of Bandon budget meetings are some of the most important meetings of the year. More than ever the public needs to know our financial situation ... which is dire.

But, in Robert's April newsletter, all meetings of the council were outlined, but NOT one word about the budget meetings. How could anyone forget at least two scheduled meetings, and now three?

Today, I went to the post office and happened to notice the schedule of meetings posted. Again, not one mention of the budget committee under April.

This is some of our most important work and until the citizens understand the perils that we face, we will battle this alone.

Maybe there is a reason that no one thinks the budget meetings are important enough to post, or mention in a newsletter, and if you have an explanation, I would love to hear it.

Maybe it's just me

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Saturday, April 20, 2019 3:25 PM
To: "Mary O'Dea" <me_odea@hotmail.com>; "Sheryl Bremmer" <sherbre@frontier.com>
Attach: UC-19-01 RESOLUTION RE EMERGENCY WATER & SEWER RATES.doc
Subject: Utilities Commission Resolution

Mary and Sheryl:

Firstly, always be doing something better and more enjoyable than opening the attachment.

Secondly, if your finger slips and you do open this, shame on you, but give me your thoughts anyway.

Thirdly, if I haven't already told you, remind me to tell you sometime about my interaction with City staff on this whole resolution and related issues.

Fourthly, have great weekend.

Happy Easter!

Matt

From: <sherbro@frontier.com>
Date: Saturday, April 20, 2019 4:11 PM
To: "Matt Winkel" <winkel@mycomspan.com>
Subject: Re: Utilities Commission Resolution

Hi,

My life is so woefully dismal that I eagerly open your attachments. Also, I am so obsessive that I am working on refining the newsletter to eliminate all of the sugar coating.

I've read the proposed resolution through twice and I think it covers the problem.

The lower figures Robert gave us for the Water and the Sewer shortfalls are here. I suspect that's because the language of the resolution accounts for the higher figures Robert gave to the Utilities Commission and not the Council or Budget Committee.

I eagerly await your tale of City interaction. See, I told you my life is dismal.

I'm providing some background points, merely because they are background points; I'm an historian; I need to use my notes for something. On 2/10/16, we were informed by C. Good, that our expenditures are outpacing our revenues. The Commission discussed how we wanted to approach the utility rate issue and agreed that maintenance must be done on an ongoing basis. This is when the Commission agreed that we were not going to put rate setting on the November ballot (in response to Bob Berry's question regarding same). We agreed that we need to increase the base rate. The Chair of the Utilities Commission, you, said that we need a cost of service study, which we haven't gotten to this day, 4/10/19.

At the Utilities Commission meeting on 3/16/16, Chris Good addressed closing the gap in the water fund. Figures given were: \$360,000 out of capital funding for seismic retrofit and filter/media, regular operations. We'd still have a deficit of \$100-600K. Proposals were made. Increase in rates, 54%. Emergency power generator at the water plant.

At the 3/30/16 meeting we worked under the stated premise: "Utilities are a business, fees support the business just like any business." We proposed a minimal amount of water rate raise. \$10/month residential, \$20/month commercial. This will pay for maintenance and damage control but is not enough to build up a reserve account. We need to maintain what we have.

At the 5/11/16 meeting, we figured out how to publicize the rate increases and said we would tell the people exactly what we are doing. 4 projects identified: filter/media; chlorine generator; seismic valve; refurbishing 2million gallon water tank. Additional mentions of back up pumps/generators. Daniel Graham asked, "If this doesn't pass, then what?" Answer: "Transfer \$ from the General Fund and from other areas."

In 2016, all of the meetings above included detailed discussion of the proposed reservoir.

Back to the newsletter.

Bye for now,

Sheryl

From: Denise Russell
Sent: Saturday, April 20, 2019 4:13 PM
To: Mary Schamehorn
Cc: mailto:bhager@cityofbandon.org ; Denise Russell ; Robert Mawson
Subject: Re: meeting notices

Good Afternoon Mary,

The notice for all budget meetings, including the possible third, are posted and run in the legal section of the paper by statute requirement 5-30 days prior to the first meeting. These notices ran the last week of March per our budget calendar. The notices were also posted to the website.

Regards,

Denise Russell
City Recorder
City of Bandon

From: Mary Schamehorn
Sent: Saturday, April 20, 2019 4:45 PM
To: Denise Russell
Cc: mallto:bhager@cityofbandon.org ; Denise Russell ; Robert Mawson
Subject: Re: meeting notices

Of course, I understand that we have complied with the letter of the law, but people are way more apt to see a notice in Robert's newsletters or at the post office than they ever would a legal notice.

I have no doubt that we have complied with the letter of the law.... but when we had other opportunities, where people might actually see it and attend our meetings, we need to take advantage of these opportunities.

I think Robert's newsletter is well read by people, so still not sure why the budget meetings would not be listed as coming events for April.

Thank heavens we sent out the required legal notices or we would not have been able to hold the meetings.

Thanks to whoever took care of that.

Mary

From: Mary Schamehorn
Sent: Saturday, April 20, 2019 4:49 PM
To: Matt Winkel
Subject: Fw: meeting notices

All the meetings were mentioned in Robert's newsletter except those pesky little budget meetings. And then I just saw the notice posted at the post office for April, May and June. Again no mention of the budget meetings. See Denise's reply to me.

I guess this is why I can't ever get through to anyone.

if they really wanted people to attend the meetings, they would understand how much better it would have been to have them noted in Robert's newsletter ... than buried on some legal page and on the mostly unhelpful website.

why have a newsletter if things like budget meetings are to be omitted?

Are we still considering declaring an emergency? We need to do something. I am certainly willing to do it.

Mary

From: "Matt Winkel" <winkel@mycomspan.com>
Date: Saturday, April 20, 2019 6:33 PM
To: "Mary Schamehorn" <marys@coosnet.com>
Subject: Re: meeting notices

Mary:

Yes to the emergency. Despite City Hall's efforts to stop me, I am preparing a resolution for the Utilities Commission recommending an emergency declaration, bond issue, and increasing utility rates.

Staff doesn't want the City Council, Budget Committee, Utilities Commission, or the public involved in their budget process (assuming you can call it a process).

I think it will get interesting!

Matt

From: M O'Dea <me_odea@hotmail.com>
Sent: Monday, April 22, 2019 10:02 AM
To: mattwinkel@outlook.com; sherbre@frontier.com
Subject: RE: Resolution

Good morning.

Having looked over the resolution, the proposed budget, Sheryl's reminder, etc. I feel that it is imperative that we as a commission protect our interests. Not to be dramatic, but we seem to be the last bastions of honesty and hard truths.

I strongly feel that these two points are critical and need to be added to the resolution because we as a commission have to retain our credibility. CYA.

a) We need to specifically address the fiscal status of the 941 fund and the lack of City accountability.

b) I believe we need to add to the resolution that because of the delinquency of the City's previous year's budget audits, and its intentional restriction of public information, we need an external audit to find out how in three years the two utility funds developed such dramatic shortfalls. Perhaps an audit should be extended to all enterprises; want to make sure we have no electrical enterprise surprises.

1) and of equal importance, we need to clarify that the Utility Commission was intentionally not informed of these problems.

While I understand that this is just about water and wastewater, the lack of information in the budget about increased BPA rates and spillage costs are important to note. The City Manager stated on 4/1/2019 that it had been absorbed by the city. Where?

And lastly, No. 2. should read "Treated 2MG water storage tank seismic protection valves."

Mary

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Monday, April 22, 2019 4:17:40 PM
To: M O'Dea; sherbre@frontier.com
Subject: RE: Resolution

Mary:

I made the adjustment to specify the "2 million gallon" water treatment plant seismic protection valves. (Good catch!)

As far as the other items related to the lack of accountability in the 941 Fund, intentional restriction of public information, intentionally not informing the Commission of the problems, and requesting an outside audit, those may best be subjects addressed in a different venue. I was trying to use this Resolution in an effort to fix the problems with the proposed budget. If you feel strongly that they should be included in this Resolution, I'm not sure the best and most appropriate way to do that, so perhaps you can suggest some language to be added.

I believe the utility shortfalls are essentially the result of not having adequate revenues to cover the costs to operate and maintain aging facilities, which I had predicted in my Budget Messages for many years prior to my retirement in 2014. That is why the City made prior (albeit unsuccessful) attempts to regain utility rate setting authority and increase rates.

I believe the place where the "spillage" costs were "absorbed" was in the Electric Fund (910) – Source of Supply expenditures, which are shown on Page 51 of the proposed budget. Robert should be able to clarify whether or not that is the case.

Let me know your thoughts on this.

Thanks.

Have a great evening!

Matt

From: M O'Dea <me_odea@hotmail.com>
Sent: Monday, April 22, 2019 5:13 PM
To: Matt Winkel; sherbre@frontier.com
Subject: RE: Resolution

The crux of my problem is that we have no real cash numbers to back up anything in the utilities budget. On one hand, R has said that wastewater is the hole for about \$200K, and yet last month he told Bill N that he had 50% of his budget still to spend. Is Bill N spending overdrafts? Who am I to believe? Why were we not informed of this problem before now? Was it manufactured or is it real? We have never gotten the info in the 941 fund balance, and yet there is enough to transfer elsewhere...but not do the work that the voters agreed to?

I cannot in good conscience give the City a "get out of jail free card" without some language that states we were intentionally left in the dark and refused information pertinent to our ability to advise the M& CC.

You can remove me from the resolution. Remove me from the commission. Whatever, but I feel strongly about this prevarication by the City over the past few years. I feel there has been a breach of trust by the M & CC, and the City to the rate payers/residents of Bandon.

From: M O'Dea <me_odea@hotmail.com>
Sent: Tuesday, April 23, 2019 2:07 PM
To: Matt Winkel; Sheryl Bremmer
Subject: COuld we add tot he resolution
Attachments: UC-19-01 RESOLUTION RE EMERGENCY WATER & SEWER RATES[3982]_b.doc

Matt,

Can we say something like this (see whereas in red)? I really want UC to plausible deniability when we try to sell this to the public. I know its awkward and I am still working on it.

From: sherbre@frontier.com
Sent: Tuesday, April 23, 2019 3:19 PM
To: Matt Winkel
Subject: Re: COuld we add tot he resolution

Matt,

It's pretty general. I'd suggest revising the first line in red where it says, "up to the time of the time of", and putting a comma after the word "presentation". Inserting this sentence doesn't change the recommendation and it doesn't add much or detract from the whole. If it makes Mary happy, fine.

I'm composing an email and you'll get a copy.

Sheryl

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Tuesday, April 23, 2019 5:30 PM
To: M O'Dea <me_odea@hotmail.com>; Sheryl Bremmer <sherbre@frontier.com>
Subject: REVISED WATER & SEWER EMERGENCY DOCUMENT

Here's my latest revision, based on your input. Please review and give me your thoughts. I'm getting less and less confident in the figures presented in the proposed budget, but I guess that's all we have to work with. The format got a bit messed up, since I work in WordPerfect, and auto-translated it to Word, which can mess it up. The words are still all there.

I've made a bunch of changes, including the title. Let me know if you think there's too much detail regarding the estimated bond costs, property tax assessments, water rate increase percentages, etc., but I was attempting to answer the questions the Council will immediately ask: How much will this cost? How much of a utility rate increase? How much of a property tax assessment?

Have a great evening!

Matt

From: Matt Winkel <mattwinkel@outlook.com> on behalf of mattwinkel@outlook.com
Sent: Tuesday, April 23, 2019 5:33 PM
To: 'Matt Winkel'; 'M O'Dea'; 'Sheryl Bremmer'
Subject: RE: REVISED WATER & SEWER EMERGENCY DOCUMENT
Attachments: 2019-2020 WATER & SEWER BUDGET EMERGENCY.doc

Whoops! I guess including the attachment would be good!

From: M O'Dea <me_odea@hotmail.com>
Sent: Tuesday, April 23, 2019 6:41 PM
To: Matt Winkel; Sheryl Bremmer
Subject: RE: REVISED WATER & SEWER EMERGENCY DOCUMENT

Yes, I can work with this. Thanks for all your hard work.
I particularly like the re-take on the pre-amble.

Mary

From: sherbre@frontier.com
Sent: Tuesday, April 23, 2019 7:03 PM
To: Matt Winkel
Cc: M. O'Dea
Subject: Re: REVISED WATER & SEWER EMERGENCY DOCUMENT

This looks good to me and it addresses all of the "what is this going to cost?" issues. Also, the rate-setting authority at the end provides something for everyone.

I don't see how anyone in the know could be against this.

Sheryl

From: [Matt Winkel](#)
Sent: Tuesday, April 23, 2019 7:29 PM
To: [Mary Schamehorn](#)
Subject: Water & Sewer Emergency - Utilities Commission

Mary:

Here you go!

Good luck with this!

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Tuesday, April 23, 2019 7:40 PM
To: Matt Winkel
Subject: Re: Water & Sewer Emergency - Utilities Commission

That pretty well covers it all. You have done a great deal of work on this and pretty much covered all our bases. I will definitely be there tomorrow, and I think Chris plans to be there, as well. He is getting more and more interested in what happens in the city.

today, he reminded me that we had approved the city manager's evaluation form and wanted to know when we are going to do the actual evaluation.

See you tomorrow.

M

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Wednesday, April 24, 2019 7:11 PM
To: Beth Hager
Subject: Utilities Commission Findings and Recommendation
Attachments: 2019-2020 WATER & SEWER BUDGET EMERGENCY.wpd

Beth:

Attached please find a .wpd copy of the Utilities Commission Findings and Recommendation from today's meeting.

Let me know when you have a copy of the revised document ready for me and Mary O'Dea to sign.

If you need anything further, please let me know.

Thanks.

Have a great day!

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, April 25, 2019 9:54 AM
To: Matt Winkel
Subject: emergengy statement.doc
Attachments: emergengy statement.doc

what do you think of this statement. I think we need to get on top of this quickly, and I will tell Amy that I plan to put this in my column, which means it will be in Western World. Give me feedback please. Mary

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Thursday, April 25, 2019 10:05 AM
To: Mary Schamehorn
Subject: RE: emergengy statement.doc

Sounds good to me!

To get ahead of it, Amy could certainly do a column about the Utilities Commission recommendation. I think the fact that the recommendation is coming from the Utilities Commission gives the City Council the backing and coverage they need. In your article, you may want to put the word "emergency" in all caps. EMERGENCY as a bigger impact than emergency, and emphasizes the EMERGENCY nature of the situation.

By the way, have you talked to Fred about this whole thing? I also suggested that Robert contact CCIS to find out if the City would be covered for legal expenses if you are sued, but am certainly not confident he will do anything.

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, April 25, 2019 10:12 AM
To: Matt Winkel
Subject: Re: emergency statement.doc

I have mentioned it to Fred, but he didn't say much.

I guess we will just have to let the proverbial chips fall where they may. But yes, I do need to make sure people know this recommendation comes from the utilities commission.

The bottom line, for doomsdayers like Claudine, is we are talking \$14 a MONTH, for Christ's sake for those little users, like me. If you have a big mansion and use a lot of water, yes your increase will be higher. some people choose to do laundry every day; maybe they will rethink their water usage.

I still remember when you mentioned to me that the \$10 rate increase actually hurt the little guy more than a percentage increase would.

M

From: Mary Schamehorn
Sent: Thursday, April 25, 2019 10:32 AM
To: Claudine Hundhausen ; Madeline Seymour ; geri Procetto ; brian vick ; Peter braun ; Chris Powell
Subject: My pledge

After talking with Claudine after the utility commission meeting, she seems to think this \$14 a month rate increase will be a huge burden to some of our utility customers.

I will pledge to pay the \$14 a month increase for up to seven of our utility customers each month for a year (that would amount to \$98 a month) if you will provide me the names of those you feel will suffer because of this rate increase.

If necessary, I will ask Linda to give me a list of people she feels will be adversely impacted ... and I do not mean deadbeats like John Olson of Tesorio vineyards, who stuck us with a bill of over \$600 when he left his Bandon Wine Co. business to become manager of Edgewater's Restaurant (where he is no longer the manager). Just saying

so if any of you know someone that truly will suffer with an increase of \$14 a month, let me know. I will pay it. I mean it. \$100 a month does not mean much to me as long as I can pay my bills.

I will also be pledging \$2,000 toward the new crosswalk lights at 9th Street.

Mary

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, April 25, 2019 11:45:34 AM
To: Sheryl Bremmer; Mary O'Dea; Don Starbuck; Patricia Soltys; jkuehner@protonmail.com
Subject: emergency statement.doc

Here is a statement I will probably make in my column. Mary

From: M O'Dea <me_odea@hotmail.com>
Sent: Thursday, April 25, 2019 2:12 PM
To: Mary Schamehorn
Cc: sherbre@frontier.com; mattwinkel@outlook.com
Subject: Re: emergengy statement.doc

Remember that Robert is going to give us the final shortfalls (1. at the bottom of pg 1). We'll (I'll) make sure to get you the percentages & rate numbers before meeting 5/6.

Mary O'Dea

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, April 25, 2019 4:54 PM
To: Matt Winkel
Subject: Fw: emergengy statement.doc

So how much do you think those percentages will change? Mary

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Thursday, April 25, 2019 5:01 PM
To: Mary Schamehorn
Subject: RE: emergengy statement.doc

Not sure. Robert hasn't sent me anything. Perhaps he will let us know at our meeting tomorrow?

Planning Commission tonight. Oh joy!

See you tomorrow,

Matt

From: M O'Dea <me_odea@hotmail.com>
Sent: Friday, April 26, 2019 8:49 AM
To: mattwinkel@outlook.com
Cc: sherbre@frontier.com
Subject: 941 monies and 2016/17 audit of enterprise funds

Matt,

If this emergency, etc is going forward, we have to have a truthful acct of the 941 monies from Jan. 2017 onward, even if the fund formation was delayed... 6 mos.? Exactly what did the City spend it on? If it had been inappropriately spent there will at least be a PR prob. So, 1) pls request for me the monies trail from the \$10 fee, and 2) I would like a digital copy of 2016/2017 audit of statement of revenues, expenditures, and changes in net position of enterprise funds ending FY 2016.

I know you have a lot more urgent questions, and to you're meeting today. If this is complicated I will make formal information requests when I get back.

Cheers,
Mary

From: Matt Winkel <mattwinkel@outlook.com>
Sent: Friday, April 26, 2019 12:53 PM
To: M O'Dea
Cc: sherbre@frontier.com
Subject: RE: 941 monies and 2016/17 audit of enterprise funds

Mary:

Good point. Thanks! I will be meeting with Robert and Mary S this afternoon, and will raise this issue.

I hope you're having more fun than I did at Planning Commission last night!

Matt

Text Messages between Matt Winkel and Mary Schamehorn RE: Emergency Water & Sewer Rate Increases - 2019

Fri, Apr 26

MW Why am I still not comfortable with the budget?
MS Because we don't have any idea where she got the figures. But they need to keep it within the \$200,000 shortfall in both water and sewer so I can write my article. after that we're not responsible for what happens. Thank God You were nice but it was clear that the two people on the other side of the table didn't really know where the figures came from. And that's scary!
MW I think we need to INSIST they give us the current cash balances in each Fund, which should add up to the \$9,151,869.54 which is in the LGPI.
MW To double check, I'm going to re-add the balances shown in the budget.
MS Good idea!
MS I fear for the City of Bandon!!!
MW I still show the same figures.
MS So what should we do?
MW Robert's budget still shows an emergency in water and sewer, so I guess we'll have to go with that. I'll have to cogitate on it!
MS True!
MS I looked at page68 again. I just can't figure out how the beginning fund balance in the sewer fund could go from 480,000 down to 435,000 down to 336,000 and
MS I looked at page68 again. I just can't figure out how the beginning fund balance in the sewer fund could go from 480,000 down to 435,000 down to 336,000 and now \$697. What could possibly have occurred for that precipitous drop.? It's important to remember that the same people who thought the revenue sharing dollars had gone from 50,000 down to 25,000 are the same people who are bringing us these numbers. I think we need to ask Denise and Robert about the total of the sewer fun 950 how it could've dropped down below \$1000 because all the other figures on that page seem to be fairly stable.

Sat, Apr 27

- MS I think Amy is going to write an article about the recommendation from utilities commission but I worry that the figure isn't right which is going to be the most important figure the \$14 a month I'm going to beg her to wait until the council has made that declaration but like she said it was a public meeting and she was there so I don't know. What do you think?
- MS I just looked at the new budget pages that he handed out the other day at the utilities commission. each one of them is numbered but they do not match the pages that they're supposed to replace in the budget. I was attempting to see what changes he had made but since there's no correlation between the pages there's no way to determine what changes were made.
- MW Hopefully Robert has some accurate updated information at Monday's meeting. I

guess we'll just have to wait until then to see what he comes up with.

- MW As far as Amy, I don't see a problem with her publishing what the Utilities Commission did. If Robert's and Denise's figures turn out to be correct, then the Utilities Commission did the right thing. If their figures are wrong, all fingers will be pointing at the two of them sitting down in the bottom of the very deep hole they dug themselves into. I think this is a make-it or break-it moment for them both.
- MS Unfortunately the finger-pointing Will not be at Robert and Denise it will be at the city Council who hired and was responsible for these incompetent people. You should see the new documents that he gave us at the Abbey utilities commission he has increased personnel by \$58,000 in the administration budget and \$170,000 in the electric fund he has moved these figures around he has cut back on materials and services to try and make it balance but they're still both funds are way way off of what he originally gave us Personally I think we need to postpone the budget committee meeting until Thursday night and go in there and have them explain all the changes in these 15 or so pages that they have given us and to try and get Sheri to give us the ending fund balances before we write anything to anyone. Questions that you ask were based on the original pages that were in the book but you should see the changes that he suggested.
- MS There are actually 27 new pages that he handed out at the utilities commission meeting where all the all the figures have been changed and in some cases materially we are not ready to have this budget approved in any way shape or form. That's why Denise said we could always have a fourth budget committee

form. That's why Denise said we could always have a fourth budget committee meeting because she knows very well these figures do not make sense I truly believe that the emergency action we should take is to fire Robert for allowing Denise to put this budget together without his oversight

MW If the budget is still all confused on Monday night and people aren't satisfied, then there won't be enough votes to pass it, so we'd have to have another meeting.

MS True but I'm not sure that anybody but you or I will be confused by it because they aren't going to look at it.

MW That's true, but if it's clear we aren't happy, then I would bet everyone else would get the clue. We just need to be clear about how we feel.

Sun, Apr 28

MS The big change in the sewer budget are the \$250,000 increases in the materials and services budget that Bill wanted added in there. But I don't believe the budget committee members received the new 15 or 20 pages for the enterprise funds. That will show where all of those increases came from in his budget. How about if we meet tomorrow at noon at that pizza place on Elmira since the bakery is closed so we can go over some of the questions that I have.

Sun, Apr 28

MS The big change in the sewer budget are the \$250,000 increases in the materials and services budget that Bill wanted added in there. But I don't believe the budget committee members received the new 15 or 20 pages for the enterprise funds. That will show where all of those increases came from in his budget. How about if we meet tomorrow at noon at that pizza place on Elmira since the bakery is closed so we can go over some of the questions that I have.

MW The more I reflect on Friday's meeting with Robert and Denise, and the more I look at the revised water and sewer budgets, the more confused and

uncomfortable I get. Tomorrow at noon at Brewed Awakenings works for me. See you then.

MS So when did we hire him? October 2016

MS So why is he having so much trouble with this budget if he's already done two?

MW Yep. He was hired in October 2016. I have no idea why it is so hard this year. Probably mostly because of the water and sewer fund balances being so low, and the figures needing to be absolutely accurate if you are declaring an emergency.

From: Mary Schamehorn <marys@coosnet.com>
Sent: Friday, May 3, 2019 10:17 AM
To: Matt Winkel <mattwinkel@outlook.com>
Subject: what's next

I need to know what is going to happen Monday night, and what the percentages are going to be. I am wondering if I should run my piece about the emergency declaration this week in my column, which would come out Monday.

that way no one could say they didn't know about it.

How will that actually happen. After you have presented the utility commission's recommendation, than do we make a motion to pass the emergency rate increase?

Also when should we hold a Town Hall meeting? I don't want this to go off the rails before we have least explained that it will probably only amount to \$14 a month on the little guy's basic bill.

MW 0051

What do you think?

Did you and Robert figure out how it will be assessed; basic bill, consumption, etc.

M

From: Matt Winkel
Sent: Friday, May 3, 2019 10:52 AM
To: Mary Schamehorn
Subject: RE: what's next

Mary:

I figure I would just announce the Utilities Commission emergency recommendation during my report at this upcoming May Council meeting.

I would then anticipate that the City Council would put the matter on the June agenda as an action item, including declaring and emergency and adopting the emergency rate increases to be effective for all water sold after July 1. The word will certainly get out through the newspaper and your column, which I suggest happen after the Utilities Commission makes its recommendation on Monday night. That way, people will have plenty of notice to show up at the June Council meeting, do their Facebook postings, and grumble and grouse at the City Council during the June meeting, as part of your consideration of whether to go with the Utilities Commission recommendation and declare emergency and raise the rates.

As for a Town Hall meeting, that needs to happen sometime after the rates have been increased. I think it is critical that we are in a position to defend our action after the emergency has been declared and the rates have been increased, not trying to explain things to the public in advance and begging them to please support the proposal. Maybe August or September would be a good time for the Town Hall? It would also be nice to have heard the grousing, and know if we have been sued, prior to holding the Town Hall.

Robert is supposed to get me his proposal on the rates today. I kind of support a straight across percentage increase. It's easier to explain, and is less regressive than tilting it towards the base rate. If I was to lean one direction or the other, I think I would prefer increasing the consumption rates. I'll see what Robert comes up with, using his new figures.

We shall see!

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Friday, May 3, 2019 12:02 PM
To: Matt Winkel
Subject: Re: what's next

Thanks. Good advice. I just needed direction. M

From: [Robert Mawson](#)
Sent: Friday, May 03, 2019 12:59 PM
To: [Matt Winkel](#)
Cc: [Beth Hager](#) ; [Mary O'Dea](#) ; [Mary Schamehorn](#)
Subject: Utilities Commission Recommendation

Hi Matt.

I've enclosed the amended document for your review. If you see something that doesn't look right or anything else that needs to be amended just let me know.

I will ask Beth to print out a copy for your signatures.

Thanks.

Robert J Mawson
City Manager



Fri, May 3

- MS** I just sent you an email trying to figure out exactly what will happen Monday night once you have presented the utilities commission recommendation to the council. What is the next action and when do we take it? And should I run my column item on Sunday to soften the blow or would that be premature?
- MW** I just responded to your email.

From: Mary Schamehorn <marys@coosnet.com>
Sent: Monday, May 6, 2019 8:46 AM
To: Robert Mawson; Matt Winkel
Cc: Beth Hager; Mary O'Dea
Subject: Re: Utilities Commission Recommendation

Hi all. When I printed this out, the bold part of it is huge and the document itself is so small that it takes a magnifying glass to read it at least with my eyes. I would appreciate it if this could be redone in regular 10 or 12-point type, and I believe this may be important for me to see the percentages that you have come up with. It may be my computer as I don't know that others had the same problem, but I am always able to print out anything that is sent to me by the city and it is generally readable. But this is simply too tiny. Thanks for redoing this so I will have it at my place tonight in a readable form.
mary

From: [Beth Hager](#)
Sent: Monday, May 06, 2019 9:56 AM
To: [Mary Schamehorn](#) ; [Robert Mawson](#) ; [Matt Winkel](#)
Cc: [Beth Hager](#) ; [Mary O'Dea](#)
Subject: RE: Utilities Commission Recommendation

Good Morning Mary,

Attached is the PDF version of the document I printed from my PC. Is anyone else having issues with the attachment Robert sent out? Please let me know.

Thanks
Beth

From: Mary Schamehorn <marys@coosnet.com>
Sent: Monday, May 6, 2019 10:34 AM
To: Beth Hager; Robert Mawson; Matt Winkel; Mary O'Dea
Subject: Re: Utilities Commission Recommendation

I just printed out the new version and it is perfect. Not sure what happened the first time, but there is NO comparison. It is the difference between reading it ... and not being able to read it. I do not know if the others had problems as I have not discussed it with them. Mary

On Mon, May 6, 2019, 10:54 AM Matt Winkel <mattwinkel@outlook.com> wrote:

Robert:

I received it Friday afternoon, and was able to review it over the weekend. I called your office around 10:20 am this morning, but was told you weren't in the office. So, I left a message with Beth.

I have some minor corrections and/or clarifications that I want to discuss with you. Please contact me as soon as possible, so we can meet to finalize the document.

Thanks.

Matt

From: Matt Winkel
Sent: Monday, May 6, 2019 10:55 AM
To: Robert Mawson
Cc: Beth Hager; Mary O'Dea; Mary Schamehorn
Subject: RE: Utilities Commission Recommendation

Robert:

I received it Friday afternoon, and was able to review it over the weekend. I called your office around 10:20 am this morning, but was told you weren't in the office. So, I left a message with Beth.

I have some minor corrections and/or clarifications that I want to discuss with you. Please contact me as soon as possible, so we can meet to finalize the document.

Thanks.

Matt

From: Robert Mawson <citymanager@ci.bandon.or.us>
Sent: Monday, May 6, 2019 11:01 AM
To: Matt Winkel <mattwinkel@outlook.com>
Cc: Beth Hager <bhager@cityofbandon.org>; M O'Dea <me_odea@hotmail.com>; Mary Schamehorn <marys@coosnet.com>
Subject: Re: Utilities Commission Recommendation

Hi Matt.

I just missed your call. Come in and let's get the document finalized.

From: Matt Winkel
Sent: Monday, May 6, 2019 11:03 AM
To: Robert Mawson
Subject: RE: Utilities Commission Recommendation

Robert:

Great! I'll head your way in about 15 minutes.

Thanks.

Matt

From: Matt Winkel
Sent: Monday, May 6, 2019 2:00 PM
To: Beth Hager; Robert Mawson
Subject: Revised Utilities Commission Findings and Recommendations
Attachments: 2019-2020 WATER SEWER BUDGET EMERGENCY (Rev 5-6-19).wpd

Robert and Beth:

Attached is the latest revised copy of the Utilities Commission Findings and Recommendations for tonight's meeting. Please check to make sure I got everything correct, and let me know.

Thanks!

Matt

From: Matt Winkel
Sent: Monday, May 6, 2019 2:39 PM
To: Mary O'Dea
Subject: Revised Utilities Commission Findings and Recommendations
Attachments: 2019-2020 WATER SEWER BUDGET EMERGENCY (Rev 5-6-19).wpd

Mary:

Attached is the latest revised copy of the Utilities Commission Findings and Recommendations for tonight's meeting. Please check, and let me know if anything needs to be changed.

Thanks!

Matt

From: Matt Winkel on behalf of mattwinkel@outlook.com
Sent: Monday, May 6, 2019 3:40 PM
To: 'Megan Lawrence'; 'Robert Mawson'
Subject: Utilities Commission Report to City Council - 5-6-19
Attachments: Monthly Report to City Council - 5-6-19 w.Attachments.pdf

Megan:

Attached please find the Utilities Commission Report for tonight's, May 6, 2019, City Council meeting. If you think it would make clearer copies than the email .pdf, I could bring in an original copy. Please let me know.

Thanks!

Matt

From: Matt Winkel on behalf of mattwinkel@outlook.com
Sent: Monday, May 6, 2019 4:36 PM
To: Beth Hager; 'Robert Mawson'; 'Denise Russell'
Subject: Utilities Commission Report for 5-6-19 City Council Meeting
Attachments: Monthly Report to City Council - 5-6-19 w.Attachments.pdf

Beth:

Attached please find the REVISED Utilities Commission Report for tonight's, May 6, 2019, City Council meeting. If you think it would make clearer copies than the email .pdf, I could bring in an original copy. Please let me know.

Thanks!

Matt

Fri, May 10

MS Don't forget to let me know what 5000 gals of water cost so I can compute the increases for both water and sewer. I am more convinced than ever that he never intended to run the trolley this year because he knew it was going to be too expensive and then he had an out because someone complained to him verbally

never intended to run the trolley this year because he knew it was going to be too expensive and then he had an out because someone complained to him verbally

MW I sent you an email with the bill a few minutes ago.

MS (Thumb Up Emoji)

From: sherbre@frontier.com <sherbre@frontier.com>
Sent: Monday, May 13, 2019 3:10:06 PM
To: Matt Winkel; M. O'Dea
Subject: Draft of June Utility Newsletter

Hi,

The June newsletter is about the Utilities Commission's recommendations to the Mayor and City Council. In the interest of using the limited space we have in the newsletter, I tried to keep the article confined to the main points of the recommendation. I also included a small article about the 4 I&I priorities because I promised I would do this in the last newsletter. I'll have to locate these and report those locations in the next newsletter.

Also, I think the Mayor and Council are going to address these recommendations at their June meeting—at least, that's what I was told. However, if either of you have more recent info on that, let me know. Also, if we have an update from the Mayor or Council about this issue, I'll edit that in. My deadline for this to be in Beth's hands is May 23. I can copy this version, with any edits you send me, for the Utilities Commission meeting on May 15.

If you think this is too soon to inform the public about the issue (although, after the recent meetings about it, I think a large section of the public knows) I can change the entire thing. I might or might not have copies of that version at the meeting on Wednesday this week.

Thanks for feedback and ignore the 3rd page that may be hanging out on there,

Sheryl

From: M O'Dea <me_odea@hotmail.com>
Sent: Monday, May 13, 2019 6:54 PM
To: sherbre@frontier.com; Matt Winkel
Subject: RE: Draft of June Utility Newsletter

Hi Sheryl,

I am not sure I understand your space saving note. So, hopefully this will make sense. If you are going to use the heading, wording, etc. of the UC recommendation to the M&C I think the newsletter publication should be verbatim, so there is no confusion. One version in the public realm. Otherwise, I would use a different heading/format of the salient points.

As for it being too early to publish/notify....no way, publish it. It is in the public record. Everyone should know what is coming. What the very real problems are. I think we need to minimize anybody's ability to say they didn't know.

Hopefully to get stickers/poster material tomorrow. If I get the stickers I will leave them in the planning office as per usual. I will also let you know if they are there.

Thanks for the great job.

Cheers,
Mary

On Monday, May 13, 2019, 10:35 PM, Matt Winkel <mattwinkel@outlook.com> wrote:

Sheryl:

I agree that it is not too early to notify the public. The sooner, the better.

I think we should include the estimated percentage water and sewer rate increases necessary to balance the operation and maintenance budgets (*asterisk 1), in addition to the ones shown for the potential revenue bond issue *asterisk 5). I would double-check the final signed Utilities Commission Findings and Recommendation to make sure we have the final figures on those estimated percentage rate increases, since I can't remember exactly where we ended up.

Thanks for all of you work on this!

Matt

From: Matt Winkel
Sent: Monday, May 13, 2019 10:36 PM
To: sherbre@frontier.com; M. O'Dea
Subject: RE: Draft of June Utility Newsletter

Sheryl:

I agree that it is not too early to notify the public. The sooner, the better.

I think we should include the estimated percentage water and sewer rate increases necessary to balance the operation and maintenance budgets (*asterisk 1), in addition to the ones shown for the potential revenue bond issue *asterisk 5). I would double-check the final signed Utilities Commission Findings and Recommendation to make sure we have the final figures on those estimated percentage rate increases, since I can't remember exactly where we ended up.

Thanks for all of you work on this!

Matt

From: sherbre@frontier.com
Sent: Tuesday, May 14, 2019 11:59 AM
To: Matt Winkel
Subject: Re: Draft of June Utility Newsletter

I agree with your suggestions and Mary's. I'll change the title and add the amounts and send you the new draft. I'll try to have this for everybody at the meeting tomorrow but I for sure will have it for you and Mary by this evening. I'm in Coos Bay right now so I'll have to work on this later this afternoon.

Sheryl

From: Matt Winkel
Sent: Tuesday, May 14, 2019 4:34 PM
To: sherbre@frontier.com
Subject: RE: Draft of June Utility Newsletter

Thanks Sheryl!

Matt

From: sherbre@frontier.com
Sent: Wednesday, May 15, 2019 1:02 PM
To: Matt Winkel; M. O'Dea
Subject: New version of Utility Newsletter
Attachments: June 2019 Newsletter copy pdf.pdf

Hi,
Here's the latest version and the one I'm distributing at the meeting today. (as a draft). My deadline is still May 23 so I can edit it further if necessary.

Wow, Beth sure did give us a load of time to read the documentation for today's meeting--a whole day or less.

Sheryl

From: sherbre@frontier.com
Sent: Wednesday, May 15, 2019 1:23 PM
To: Matt Winkel; M. O'Dea
Subject: Correction
Attachments: June 2019 Newsletter copy 3 pdf.pdf

Hi,

The correct draft is below. Changed the title to make it correct. WTF.

Sheryl

From: Matt Winkel
Sent: Tuesday, May 21, 2019 11:07 PM
To: Mary Schamehorn
Subject: RE: need report

Mary:

I don't have a signed copy. You can get one from either Denise or Beth.

Matt

From: [R. Ponessa](#)
Sent: Tuesday, May 21, 2019 11:29 AM
To: marys@coosnet.com
Subject: the deficits in the water and sewer funds

Dear Mary,

I am hoping you can clarify why there is a \$200,000 deficit in the water fund and a \$198,000 deficit in the sewer fund since the Band Western World didn't explain. I carefully read the City Manager's newsletter and the city's utility newsletters, (both of which we greatly appreciate), and didn't catch there was such a massive deficit. Is it because of unexpected repairs, problems arising, someone running off to Mexico with the funds??? I really think it would make a lot of people easier if they were told how such large deficits occurred. As of us, we totally support city owned utilities and it was one of the reasons we bought here in

Bandon 21 years ago and, of course, will vote for any increase to keep these utilities functional even though, since we maintain a big green space on city property in front of our house as well as our garden it will be costly to us personally. But, I think the City would get much more support especially if it has to go to a vote if people knew how such deficits happen. I know the utility company newsletter has been very good about explaining where the money we voted for has been used and what is further needed and think such information would help get the public's support for an increase if the City explained how such large deficits occurred when there are so many new houses being built and going onto the city's utilities.

Thank you for your assistance in this matter.

Mona Ponessa

From: [Mary Schamehorn](#)
Sent: Tuesday, May 21, 2019 11:54 AM
To: [R. Ponessa](#)
Subject: Re: the deficits in the water and sewer funds

Thanks Mona. the deficits have occurred because the city is not able to raise utility rates because of a charter amendment. When the charter amendment first went into effect, there were pre-existing agreements with the state, which allowed us to raise rates, but those debts have now been paid off and we have not been able to raise rates for some years, except for the \$10 increase for capital water projects which the voters approved last year, which has resulted in a big deficit. Water, sewer and electric are enterprise funds, which need to pay for themselves, but without being able to raise rates in our utilities, that has not been possible. We have been putting this off for several years, by being as frugal as possible, but the time has come that these very modest rate increases are necessary. Had we, like every other city in the state and pretty much the country, been able to keep pace with our utilities, we would be fine, but that has not been the case. I hope you read my column, which clearly shows what others in our area are paying for the same amount of water.

Not only that, and I do not mention it in my column, but our general property tax rate is 46 cents a thousand; others in the county range from \$6 to \$8 a thousand.

Not only are we in a deficit position in operating both the water and the sewer departments, but our sewage treatment plant is nearing the end of its 20-year life. we have very dedicated people in both departments, including our electric (where we were able to balance that budget without a deficit), but they can only do so much..

I will send you a copy of what I wrote for my column in case you did not see it.

And yes, thank God, we are growing because not only do they pay much-needed Systems Development Charges, which go toward capital projects, but they also hook up to our utilities.

Mary

From: R. Ponessa

From: Mary Schamehorn <marys@coosnet.com>
Sent: Tuesday, May 21, 2019 11:59 AM
To: Matt Winkel; Claudine Hundhausen; Madeline Seymour; geri Procetto; Peter braun; brian vick; Chris Powell
Subject: Fw: the deficits in the water and sewer funds

Here is a question from a constituent and my answer. Not sure what else to say. M

From: Matt Winkel
Sent: Tuesday, May 21, 2019 12:42 PM
To: Mary Schamehorn
Subject: RE: the deficits in the water and sewer funds

Mary:

That pretty much covers it.

If you want to include figures in future responses, a simple explanation might be:

The City Manager projects that next year, without a rate increase, the Water Fund will have revenues of \$935,121, but expenditures of \$1,095,121, leaving a deficit of \$160,000. The emergency rate increase is projected to raise the necessary \$160,000. The City Manager projects that next year, without a rate increase, the Sewer Fund will have revenues of \$838,197, but expenditures of \$1,060,197, leaving a deficit of \$222,000. The emergency rate increase is projected to raise the necessary \$222,000.

I think we will be getting much more support than opposition. I wonder what would have happened if we hadn't proposed the emergency rate increases? E coli in our drinking water? Crabs eating our sewage?

Power to the People!

Matt

From: [R. Ponessa](#)
Sent: Tuesday, May 21, 2019 4:14 PM
To: [Mary Schamehorn](#)
Subject: Re: the deficits in the water and sewer funds

Thank you, Mary, for the very comprehensive explanation. I am sorry I had not read your column and would really appreciate a copy. As you said, thank God, for the systems development charges and it puts a very different spin to the houses going in (despite them scaring off the deer!). Will pass on all your great info to the neighbors and friends with questions and, as I said in my email, the city has definitely two votes for rate increases because we believe in city utilities and the great job you all are doing with very little funds...and that with the newsletters you all are keeping us informed.

Mona

From: Mary Schamehorn <marys@coosnet.com>
Sent: Tuesday, May 21, 2019 4:29 PM
To: Matt Winkel
Subject: Fw: the deficits in the water and sewer funds

this is a pretty nice response. M

From: Mary Schamehorn <marys@coosnet.com>
Sent: Tuesday, May 21, 2019 9:56 PM
To: Matt Winkel <mattwinkel@outlook.com>
Subject: need report

I need a copy of the final report, signed by you and Mary O'Dea, to send on to a constituent who is asking about our long-range plan. I should have it, but I am not sure where. I thought it might be on the website, under the utilities commission, but it's not. Can you send it to me so I can forward it on. Thanks, mary

From: Madeline Seymour
Sent: Monday, June 03, 2019 7:26 AM
To: Mary
Cc: Robert Mawson
Subject: ?

Don't we have to declare a Utility Emergency before we can vote on the rate increases?

I might have missed something, but the agenda doesn't say anything about the declaration to be voted on.

Madeline

From: Mary Schamehorn <marys@coosnet.com>
Sent: Monday, June 3, 2019 10:08 AM
To: Matt Winkel
Subject: Fw: ?

Have you see the resolutions? Is this what we need to do? Mary

From: Mary Schamehorn
Sent: Monday, June 03, 2019 11:43 AM
To: Robert Mawson
Subject: an emergency

Robert. I think the whole basis for going against the charter is because we were declaring an emergency. An emergency would mean that we don't have enough in the budget to adequately operate the utilities, which could result in bad water and sewer on the mudflats. I do not see how it will work if we don't declare an emergency.

The information that Matt presented should have been used as a guideline for the resolution to raise the rates. Period!

It would be a lot easier to uphold that decision since we truly think it is an emergency rather than to just say we decided not to move money out of other funds to balance the budget.

I believe an emergency is the only way to justify this, and we would base our decision on the recommendation of the utilities commission.

I think you need to take the utilities commission recommendation and weave it into a resolution as the roadmap for raising the rates.

Mary

From: Mary Schamehorn
Sent: Monday, June 03, 2019 11:45 AM
To: [Claudine Hundhausen](#) ; [Madeline Seymour](#) ; [geri Procetto](#) ; [brian vick](#) ; [Peter braun](#) ; [Chris Powell](#)
Cc: [Fred Carleton](#)
Subject: Fw: an emergency

Here is what I just sent Robert. I still have not heard anything from Fred. M

From: [Robert Mawson](#)
Sent: Monday, June 03, 2019 12:37 PM
To: [Mary Schamehorn](#)
Subject: RE: an emergency

Mary

Here is the updated Resolution. I sent it to Shala for her review also.

The attorney's don't believe that the Council has to declare an emergency to adopt a Resolution establishing new rates. You just do it and let the courts decide, if you get challenged. The action is really being taken to avoid an emergency with our water and wastewater systems. If a judge reviews the merits of the action and determines that the reason for declaring an emergency did not fall within statutory definitions, we may not get to argue the real merits of the case, which include the authority for Council to set rates.

Hopefully, the new language and incorporation of the Utilities Commission recommendation will be sufficient to address the urgency of the action.

Robert J Mawson
City Manager

From: City of Bandon, Oregon <bandon1@ci.bandon.or.us>
Sent: Monday, June 3, 2019 2:16 PM
To: obetewic@msn.com
Subject: [City of Bandon Newsletters and Notices] City Council

Sorry for the delay in sending this out, we were having technical difficulties.

City Council

From: Matt Winkel
Sent: Wednesday, June 5, 2019 12:34 PM
To: Beth Hager
Cc: Mary O'Dea; Sheryl Bremmer; Joe Kuehner; Patricia Soltys; Rod Jackson; Madeline Seymour; Peter Braun; Robert Mawson
Subject: Utilities Commission Agenda - June 19, 2019

Beth:

In addition to the normal items, please add the following reports from the City Manager to the agenda for the upcoming June 19, 2019, Utilities Commission meeting.

1. Report on the Status, Revenues, Expenditures, and Cash Balance in the Low Income Energy Assistance Program.
2. Report on the Status, Revenues, Expenditures, and Cash Balance in the Helpful 2 Others Low Income Water Assistance Program.
3. Report on the Cash Balances in each of the City's Funds.
4. Update and Status Report on the Proposed General Obligation Bond for Water and Sewer System Improvements.

Also, could you email me the contact information for our new member, Steve Heine?

Thanks.

Have a great day!

Matt

From: [Rob Taylor](#)
Sent: Monday, June 10, 2019 2:05 AM
To: [Robert Mawson](#)
Cc: [Mary Schamehorn](#) ; [Brian Vick](#)
Subject: Official Public Record Request

Hello Robert,

Would you please explain where the city council has the authority to ignore the City Charter and increase the water rate without a vote of the people? Does the city have any documentation to the existence of this authority? Is the city under Marshal Law?

[4.3 Resolution No 19-08 Amending the Water Rate Schedule effective July 1, 2019](#)

From: Mary Schamehorn <marys@coosnet.com>
Sent: Monday, June 10, 2019 10:40 AM
To: Matt Winkel
Subject: Fw: Official Public Record Request

From: [Rob Taylor](#)
Sent: Monday, June 10, 2019 2:05 AM
To: [Robert Mawson](#)
Cc: [Mary Schamehorn](#) ; [Brian Vick](#)
Subject: Official Public Record Request

Sincerely,
Rob Taylor
PO Box 973
Bandon, OR 97411
Phone: 541-347-9942

From: [Robert Mawson](#)
Sent: Monday, June 10, 2019 2:01 PM
To: [Fred Carleton](#)
Cc: [Mary Schamehorn](#) ; [Brian Vick](#)
Subject: RE: Official Public Record Request

Hi Fred

How would you suggest we answer Mr. Taylor's inquiry about the Council setting rates, despite the Charter restrictions? I think the Resolution speaks for itself, but since this could be challenged in court, do you think it would be prudent for the City to make an official statement to use in responding to these inquiries?

Robert J Mawson
City Manager

From: Mary Schamehorn <marys@coosnet.com>
Sent: Monday, June 10, 2019 4:27 PM
To: Matt Winkel
Subject: Fw: Official Public Record Request

Do you have any ideas as to how he should handle this? M

From: Matt Winkel
Sent: Monday, June 10, 2019 5:37 PM
To: Mary Schamehorn
Subject: RE: Official Public Record Request

Mary:

I absolutely know how to reply:

DON'T!

If he submits a public records request, then supply the requested public records.

If the City Manager or City Council or anybody else representing the City gets involved in a written back and forth with Rob Taylor or anybody else about it, I will have nothing to do with it!

Matt

From: M O'Dea <me_odea@hotmail.com>
Sent: Thursday, June 20, 2019 9:26 AM
To: sherbre@frontier.com
Cc: mattwinkel@outlook.com
Subject: Could you, please

Hi Sheryl,

Huge favor to ask. Could you talk to Fred about specifically how to proceed with FOIA and his offer to file? Since you had the discussion with him I thought you would be a better one to approach him rather than me with a cold call.

I am quite serious, and I am hoping that when we start asking for data we get it in a timely manner. And that the FOIA threat will get them in gear. I think that since Matt requested the info too many times to be counted (pre-budget), and the fact that he asked weeks ago that it be available for the Wed. meeting shows that the commission has been reasonable in both the info. they want and the timeline they have asked for it. I don't think everyone (Sherri) has been on vacation for 3 weeks. Also, since Sherri was on the mailing list for our Commission packet she has also been in the loop.

Cheers,
Mary

From: [Rob Taylor](#)

Sent: Thursday, June 20, 2019 10:45 AM

To: [bandonbakingco](#) ; [braunboy](#) ; [bvick](#) ; [carllaw](#) ; [citymanager](#) ; [geri](#) ; [Press Mary Schamehorn](#) ; [Madeline Seymour](#)

Subject: Lawsuit on Charter Violation

Hello City Councilors of Bandon,

I will be discussing my lawsuit against the city council of Bandon on my radio show this week. All of you are invited to be on the show to discuss your side of the case, or you can call in. If you want to be at the studio in person then you can choose which hour you would like to be on the show. The show is on Mondays from 3 to 5pm.

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, June 20, 2019 11:07 AM
To: Matt Winkel
Subject: Fw: Lawsuit on Charter Violation

I have no intention of responding to this email. I guess it will play out in court. What do you think, should I agree to be interviewed, or just say nothing?

M

From: Matt Winkel
Sent: Thursday, June 20, 2019 11:20 AM
To: Mary Schamehorn
Subject: RE: Lawsuit on Charter Violation

Mary:

It's a setup! I would not respond, nor would I appear on the radio show.

The main thing the Utilities Commission wanted me to discuss with the City Council at your next meeting was how to proceed with the whole water and sewer rate, GO bond, and rate setting authority issues. Also, concerns were expressed regarding the legal restrictions against commissioners campaigning for or against ballot measures. Since this gets into the whole legal realm, liability concerns, etc., perhaps there is a way that you could call an executive session for legal advice at the upcoming meeting, so Fred could weigh in regarding those restrictions, potential liabilities, what should and shouldn't be done on these issues, etc., for both the City Council and the Utilities Commission? If so, perhaps I could be invited to attend as Chair of the Utilities Commission?

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Thursday, June 20, 2019 2:37 PM
To: Matt Winkel
Subject: Re: Lawsuit on Charter Violation

will do. M

From: sherbre@frontier.com <sherbre@frontier.com>
Sent: Friday, June 21, 2019 2:29 PM
To: Matt Winkel; M. O'Dea
Subject: July Utilities Newsletter

Hi,

I've amended the newsletter after receiving input from Mary O'Dea. I've attached the edited edition. Hopefully, this version is acceptable because my deadline is today and I'm sending this to Beth soon.

Thanks,
Sheryl

From: M O'Dea <me_odea@hotmail.com>
Sent: Friday, June 21, 2019 3:18 PM
To: sherbre@frontier.com; Matt Winkel
Subject: Re: July Utilities Newsletter

Looks good to me.

From: [Judy Smilan](#)
Sent: Sunday, June 23, 2019 8:18 AM
To: [Mary Schamehorn](#)
Cc: [Peter Braun](#) ; [Claudine Hundhausen](#) ; [Geri Prochetto](#) ; [Chris Powell](#) ; [Brian Vick](#) ; [Madeline Seymour](#) ; [Matt Winkel](#) ; [Robert Mawson](#)
Subject: Thank you Mayor Schamehorn

Mayor Schamehorn,

Thank you for your comment in the May 23, 2019 Bandon Western World.

You said:

"The City Council has been entrusted to take care of the health and welfare of the people of Bandon."

Thank you so much for acknowledging this fact. Though you were talking about making sure we had clean water, this statement would also apply to cell towers, electric meters, 5G and so on.

Thank you,

Judy Smilan

From: Mary Schamehorn <marys@coosnet.com>
Sent: Sunday, June 23, 2019 10:10 AM
To: Matt Winkel <mattwinkel@outlook.com>
Subject: Fw: Thank you Mayor Schamehorn

Interesting

From: M O'Dea <me_odea@hotmail.com>
Sent: Monday, June 24, 2019 11:37 AM
To: Mary Schamehorn
Cc: mattwinkel@outlook.com; sherbre@frontier.com
Subject: Frustration with City

Madame Mayor,

I am writing because as your Utility Commissioner I am frustrated with the public lies and the obstruction of the City Manager to get access to public data. I am tired and done with politely responding to the arrogance and obstruction of certain City staff. I am tired of you, the Council and the City treating your Utility Commission as lackeys. You show no consideration or appreciation for the time that we volunteer to the City or the professional expertise that we made available to you.

Current issues are (as supported by the public record):

1. Robert and Denise said that the new rates were on the website. They are not. They made it clear that they did not feel it was a priority to inform the public. Your constituents will be receiving bills with increased rates, and there is no public statement of these new rates. I checked the web page at 10:00 am this morning.
2. Your City Manager and his associated staff tried to block the Utility Commission's newsletter for this month with fatuous reasons. In the end, it appears that Sheryl had to jump through hoops to appease Beth.
3. Your City Manager and his associated staff have blocked the Utility Commission's ability to receive the cash balances of enterprise fund with fatuous reasons. Information that we have the legal right to see.
4. Your City Manager and his associated staff have made it clear that the Utility Commission will not be involved in the bond measure.
5. Your City Clerk has made inappropriate statements attempting to abrogate Commissioner's rights in regard to social interaction at council meetings. Not to put too fine a point on it, we are allowed to talk together whenever we want, as long as it is not Commission business. We are restricted to not make a quorum.

I have come to the conclusion that you and the City Council condone this behavior as you are the only ones to have oversight over his actions. I can only believe that you and the Council knew that the City's utilities were in such dire straits and funds were in deficit. It is in the public record that the Utility Commission has notified you of our frustration of the public lies and obstruction perpetrated by the City Manager and his staff. I can only believe that the financial specialty that you hired our current City Manager for is working out well for the City. I am though confused why the retired City Manager had to fix(do) the budget for the next fiscal year if our City Manager is so competent. The City Manager's animus towards the Utility Commission, as well as some members of his staff, is openly apparent. I assume you and Council are fine with it as our liaisons never object.

Madame Mayor, I realize if the bond measure doesn't pass you will attempt to again increase rates. I also realize that the status quo at City Hall will remain unchanged. But, I hope you understand that I will not be able to idly sit by. I will not be able to stay on your commission and still be able to face myself. However, I will also not be a silent constituent with all that I now know.

Regards,

Mary O'Dea

From: Matt Winkel
Sent: Friday, June 28, 2019 2:33 PM
To: Mary Schamehorn
Cc: sherbre@frontier.com; Mary O'Dea
Subject: RE: Frustration with City

Mary:

Did you get the email below from Mary O'Dea? Just checking. She didn't hear back from you, so she is wondering.

Power to the people!

Matt

From: Mary Schamehorn <marys@coosnet.com>
Sent: Friday, June 28, 2019 3:52 PM
To: Matt Winkel
Cc: sherbre@frontier.com; Mary O'Dea
Subject: Re: Frustration with City

No I did not see this. Something is going on with my computer; this is not the first thing that people say I am not getting. I will read it and respond.

Mary

From: Mary Schamehorn <marys@coosnet.com>
Sent: Friday, June 28, 2019 4:00 PM
To: Matt Winkel
Cc: sherbre@frontier.com; Mary O'Dea
Subject: Re: Frustration with City

Thanks Mary

I will certainly share your concerns with other members of the council as I feel it is important to keep them in the loop.

Right now, we are dealing with a near crisis involving the audit, and my spare time is being spent trying to deal with the advise of those doing our financials.

I certainly understand your frustration and share it on many fronts.

Mary

Sat, Aug 3

MS Do you remember the piece of paper that you and Sheryl showed me at the Asian Garden after the June meeting that showed -145,000 and -176,000 in the 950 and 940 funds. I am trying to figure out where that piece of paper came from who printed it out because Sheryl says she never got anything directly from Denise or what she did get she sent on to us but there was nothing on that sheet of paper except those two figures and I need to know whether those were made

up figures that Denise gave to her or where those figures came from? I think The accountants are finally figuring out what is going on down there with Sheri or not going on and Robert had better come to grips with it.

MS In fact if you remember correctly it was me who after looking at that piece of paper noticed that the figures had a minus in front of them and you guys hadn't even noticed that so there wasn't much on that paper except those two figures but I need to know where they came from.

MW The cash balance reports kept changing. That's from June 19. I'll try to find the other conflicting reports.

MS Thanks

MS I am trying To download whatever you just sent me as a JPEG document but on my phone I can't do it so whatever it is I'll probably have to wait till I get home
Oops I see it wasn't a JPEG but it was some kind of a document. At any rate I can't download it

MW I'll try it this way. It is a section from the June 19, 2019 Utilities Commission minutes:

MW E. Enterprise Finance Report

O'Dea asked for actual account cash balances for water and sewer utilities funds 940 and 950 which have blanks in the finance report handout; 941 was not yet added to the report. Russell said with Sherri Wheeler, Administrative Services, out of the office, the report was the best Russell could do today.

There are blanks across the 940 columns because funds are negative or not yet calculated. There was approximately \$35,000 in 950 in March, but she didn't want to make estimates for April and May because she didn't know what the

calculated. There was approximately \$35,000 in 950 in March, but she didn't want to make estimates for April and May because she didn't know what the expenses were. O'Dea asked when the figures will be available.

Mawson said Wheeler will be back next week. Mawson asked if the updated information can be transmitted to the Commission by the following Friday and Russell said yes.

MS And that never came. Correct? Or were those the minus 145,000 and minus 176,000 figures that we saw at Asian Gardens?

MW I can't keep it straight anymore!

MS It will be interesting to see what Cayleigh comes up with next week after she meets with Sheri and helps her try to learn how to reconcile the bank statements without doing it by hand.

MS I just talked to Peter about the problem and he feels we need to get rid of this administrative management position that we have no idea how it got there and get rid of that position and then if he wants to hire her back at her skill level that's one thing so what do you think of that?

MW I say the same thing I've been saying for a long time. The Administration Department should consist the City Manager and an Administrative Assistant. The Finance Department needs to be re-established, and include a Finance Director, Assistant Finance Director, Utility Clerks, Payroll Clerk, etc., etc. Anything else just ain't going to work.

MS (hands praying emoji) amen

ME I just emailed you two more documents supposedly showing electric, water, and

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MW 0163

MS sewer Fund cash balances.
(hands praying emoji)

Wed, Aug 7

- MW On your latest utility bill (dated 7/31/19) how many gallons of water did you use, and what were your water and sewer bills? Neither Mary O'Dea nor I can make ours calculate to the amount we were billed, no matter whether we use the old rates, the new rates adopted on 7/3/19, or a hybrid of the two which I thought was being used during this transition month. Maybe you could help straighten us out before we make fools of ourselves?
- MS Because I watered constantly I used 5000 gallons of water for \$32.02 the sewer was \$36.03 and the utility tax was \$12.35.
- MS Does that seem right?
- MW I don't think so. I think it should be \$32.34, but I will check at the City tomorrow to see if it's me or them. Hopefully me!
- MW That's water. I didn't bother checking sewer.
- MW It sounds like none of Mary O's neighbors (all <2000 gallons) have the same or correct base rates per the rate schedules on the City website and per the rate resolution schedule attached to the City Council resolution. I'll be checking at City Hall tomorrow, and hopefully finding that the problems are ours and not the City's.
- MS Let me know what you find out. Nothing would surprise me anymore. By the way did you have the flu or was that the stomach flu and you're OK now?
- MW No flu. Went to the doctor, and he said it was an irritated stomach and possibly inflamed pancreas. No flu and nothing contagious. No medicine, just watch what I eat for a while. Not feeling completely healed, but better than Monday!

Thu, Aug 8

- MS I guess I'm curious since the financials are almost completed for the 1819 audit why wouldn't those financials have shown that the bank statements had not been reconciled for eight months? What good is an audit if things like that can't be detected?
- MW You are correct! The auditors should have picked up on the problem immediately, once they showed up to begin the audit. None of this should require us amateur sleuths to reveal. Doesn't speak very well for the auditors. Of course it really should have been addressed by City staff way back when I originally brought the problem to their attention. I also find it disheartening to watch this whole thing be like pulling teeth to get anybody to fess up to it, or even figure out what you, the Utilities Commission, and I have been pissing about for months and months.

Wed, Aug 14

5

MW 0164

MS I am not sure what is going on? But I was under the impression from Amanda that as of Monday she would be sending me the last time that the cash balances were correct which I believe was going to be June 2018. But today at noon I am once again getting the June 2019 with all the red marks which are the amendments that need to be done. Either I'm losing my mind or someone is playing games with us. I'm not sure but I am not happy about this. I know very well that she promised to get me June 2018 by Monday evening.