

## **MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL**

**January 21, 2014**

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Mayor Crystal Shoji and Councilors Mark Daily, Jennifer Groth, Stephanie Kramer, John Muenchrath, and Mike Vaughan. Councilor Gene Melton was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Library Director Sami Pierson, Community Development Director Eric Day, Public Works Director Jim Hossley, Acting Fire Chief Mark Anderson, and Police Chief Gary McCullough.

### **City Council Interviews**

At 6:15 p.m. prior to the start of the regularly scheduled Council meeting, the Council interviewed applicants for the Budget Committee. No decisions were made.

### **Flag Salute**

Mayor Shoji opened the meeting and asked Coos Bay Lions Club President Donna Woods to lead the Council and assembly in the salute to the flag.

### **Public Comments**

Katherine Hayes, Coos Bay: spoke on behalf of the Coos Bay Downtown Association and reported Celebrate Downtown 2014 event was a success and thanked everyone who participated. Ken Fulkner, Coos Bay: suggested the Council consider implementing a ban on plastic grocery bags.

### **Consent Calendar**

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of January 7, 2014; 3b: acceptance of the December 2013 accounts payable and payroll check registers; and 3c: acceptance of the December 2013 combined cash report. Mayor Shoji requested the minutes of January 7, 2014 be moved down to the agenda as item 4a for further discussion. Councilor Groth moved to approve the consent calendar as amended accepting the December 2013 accounts payable and payroll check registers, and accepting the December 2013 combined cash report. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Presentation of Retirement Plaque for Fire Chief Stan Gibson**

City Manager Rodger Craddock stated Fire Chief Stan Gibson officially retired on January 17, 2014 and thanked Chief Gibson for his 16 years of service to the City. Mayor Shoji presented Chief Gibson with an appreciation of service retirement plaque. Mr. Gibson thanked the Lions

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Club and Fire Department staff for attending the meeting on his behalf and noted he was grateful for the opportunity and privilege to serve the community.

### **Approval of the Minutes of January 7, 2014**

Councilor Kramer requested the minutes of January 7, 2014 be amended to reflect that she was not in attendance as noted in the “Those Attending” section of the minutes. Councilor Groth moved to approve the minutes of January 7, 2014 as amended. Mayor Shoji seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Consideration of Appointments to the Budget Committee**

City Manager Rodger Craddock stated the City received three applications for appointment to the Budget Committee to fulfill three openings on the Committee. Applications were received from Alan Pettit, Phillip Marler, and Brooke Walton. Mayor Shoji moved to appoint Alan Pettit and Phillip Marker to the Budget Committee for three year terms ending December 31, 2016 and to appoint Brooke Walton to fulfill Howard Forte’s unexpired term ending December 31, 2015. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Appointment to the Council Finance Committee**

City Manager Rodger Craddock stated in January of 2013, the Council appointed Budget Committee Member, Howard Forte to the Council Finance Committee. Mr. Forte recently moved out of the area; consensus of the Council Finance Committee was to approach Budget Committee Members Brian Bowers or Roy Metzger to see if either one would be willing to serve on the Committee. Mr. Bowers agreed to serve on the Committee if his appointment was approved by the Council. Councilor Groth moved to approve the appointment of Brian Bowers to the Council Finance Committee as the lay member of the Budget Committee. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Consideration of Moorage Rate Fee Adjustment – Approval Would Require Adoption of Resolution 14-02**

Finance Director Susanne Baker stated based on the consensus of the Finance Committee staff presented a proposed moorage rate increase to the Council for consideration at the November 19, 2013 meeting; the Council requested more information and a less steep rate structure. The Council Finance Committee met on January 10, 2014 and agreed that the cost of services (water, electric, and labor) had risen since the last moorage rate increase in 2012. In effort to moderate the cost increase while talking into consideration the advantage of having a viable downtown marina, the Committee by consensus agreed to recommend a rate increase based upon the difference in the Municipal Cost Index (MCI) index rate between the 2012 moorage rate increase and December 2013.

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Ms. Baker stated the MCI for July - December 2012 was .8% and December 2013 was 1.27% for a total increase of 2.07%. With Council approval through the city fee resolution, the additional rate increases would be based upon the preceding December's MCI index rate, effective for the following February moorage billing period. The rate structure would be implemented March 1, 2014 and adjusted annually as long as there was a positive increase each year (negative adjustments would not be made). Councilor Muenchrath moved to adopt Resolution 14-02. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Consideration of Adoption of a Sidewalk Maintenance Policy**

Consideration of adoption of a Sidewalk Maintenance Policy was postponed for review at a future date yet to be determined.

### **Acceptance of the Urban Renewal Agency's Annual Financial Report for Fiscal Year 2012-2013**

Community Development Director Eric Day stated Oregon Revised Statutes (ORS) 457.460 required a financial impact statement from the Urban Renewal Agency be filed with the Council by January 31<sup>st</sup> of each year. The report complied with ORS 457.460 and was in addition to the Urban Renewal Budget adopted on June 4, 2013 and the Urban Renewal Agency Audit accepted on December 3, 2013. Mr. Day explained the components of the financial report and noted the purpose of the urban renewal was to improve specific areas of the city which were poorly developed or underdeveloped, eliminate blight, and encourage economic development. Mr. Day noted major projects during 2012/2013 included the City Hall Seismic upgrade, Coos Art Museum, Eastside boat ramp expansion, Lockhart building, Egyptian Theatre restoration project, Highway 101 project, Bayshore sidewalk and fence, Dolphin Theatre, Hollering Place, and Empire Boulevard/Cape Arago improvements. City Manager Rodger Craddock noted the report was available on the city's website. Councilor Groth moved to accept the Urban Renewal Agency's annual report for fiscal year 2012-2013. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Muenchrath, and Vaughan voting aye. Councilor Melton was absent.

### **Approval of a Moratorium on Issuance of Permits for Medical Marijuana – Approval Would Require Adoption of Resolution 14-03**

Community Development Director Eric Day stated City staff had received several inquiries from persons interested in opening medical marijuana dispensaries (MMDs) within the City and anticipated future additional inquiries on the matter. Under the City's current municipal code, MMDs would fall under retail sales operations with permitted use in a wide variety of zones including those primarily intended for residential use. Mr. Day noted the City of Coos Bay currently had no land use or business regulations concerning the operations of MMD's. Staff believed twelve months would be a reasonable period of time to determine the extent to which MMDs would be regulated on a statewide basis and to properly investigate, develop, and if appropriate adopt and implement local regulations related to MMDs.

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John Omara, Bandon: stated he was looking to open a MMD in Coos Bay; suggested MMDs would provide a great benefit to the people in need of the service by allowing them safe access to the medicine they needed; suggested regulated and controlled sales was an improvement over current “black market” purchase and use. Councilor Muenchrath stated as a physician he had patients that use medical marijuana and spoke in favor of improving safer access to the product; expressed concern about the proposed length of time to develop local regulations and noted he hoped it would take less time. Police Chief Gary McCullough noted statistics of increased drug use typically lead to higher crime and supported regulations to help keep drugs out of local neighborhoods. Councilor Daily inquired if the City would be allowed to tax marijuana use wherein City Attorney Nate McClintock advised state statute did not comment on taxing or not taxing but did provide for cities to create local regulations that would have to complement the state’s regulations which had not been finalized. Councilor Kramer noted marijuana use and distribution was against federal law and expressed concern about Council liability. Mr. McClintock noted there was an inherent conflict but in view of the fact that the State specifically authorized the use of medical marijuana and MMDs; advised the Council to adhere to State law.

Councilor Daily moved to enact Resolution 14-03. Councilor Kramer seconded the motion. Councilor Daily amended his motion to request staff to provide an update on the resolution in six months. Councilor Kramer re-seconded the motion as amended. Discussion continued. A call for the question was made which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, and Muenchrath voting aye and Councilor Vaughan voting nay. Councilor Melton was absent.

Councilor Daily moved for the Council to ask the Congress of the United States to reconsider its position regarding the regulation of marijuana to be consistent with State regulations. Councilor Kramer seconded the motion. Councilor Daily suggested City Attorney Nate McClintock could draft the letter to Congress wherein Mr. McClintock was agreeable. Discussion continued on the purpose and intent of the proposed letter. Councilor Daily clarified his motion to direct City Attorney McClintock to write a simple letter to the effect the Federal Government allow the States to regulate use of marijuana. Councilor Kramer re-seconded the motion as clarified. A call for the question was made which carried with Councilors Daily, Kramer, Muenchrath and Vaughan voting aye and Mayor Shoji and Councilor Groth voting nay. Councilor Melton was absent.

### **City Attorney’s Report**

No comments were given.

### **City Manager’s Report**

City Manager Rodger Craddock briefly reviewed the upcoming 2014 Budget Committee meetings, and Council Finance Committee meetings; negotiations continued with the Fire Department union (IAFF), the Hollering Place, and the Confederated Tribes.

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### Council Comments

Councilor Muenchrath stated he attended Senator Merkley's town hall meeting in Bandon and noted meeting highlights included proposed infrastructure bills to Congress for local projects including bridge repairs. Councilor Kramer stated she recently attended the South Coast Development Council (SCDC) stakeholders meeting but was still looking for more transparency from SCDC; noted there was a large amount of trash all around the Welcome to Coos Bay sign along southbound Highway 101. Councilor Daily asked staff to look into "Boost" signs posted on public property; thanked former Fire Chief Stan Gibson for his service and wished him well. Mayor Shoji stated she attended the Human Rights Advocates of Coos County Martin Luther King celebration; highlighted one of the sayings from the meeting, "injustice anywhere is a threat to justice everywhere".

### Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for February 4, 2014 in the Council Chambers at City Hall.

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Crystal Shoji, Mayor

Attest: \_\_\_\_\_  
Susanne Baker, City Recorder