

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

July 15, 2014

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held immediately following the City of Coos Bay Urban Renewal Agency meeting which began 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, Councilors Brian Bowers, Mark Daily, Jennifer Groth, Stephanie Kramer, Thomas Leahy, and Mike Vaughan. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Community Development Director Eric Day, Library Director Sami Pierson, Public Works Director Jim Hossley, Wastewater Project Engineer Jennifer Wirsing, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

City Council Interviews

At 6:45 p.m. prior to the start of the City of Coos Bay Urban Renewal Agency meeting, the Council interviewed applicant Hillary Baker for an opening on the Urban Renewal Agency Advisory Committee. No decisions were made.

Public Comments

No comments were given.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 2a: approval of the minutes of July 1, 2014; 2b: acceptance of the June 2014 accounts payable and payroll check registers; 2c: acceptance of the June 2014 combined cash report; 2d: approval of Oregon Liquor Control Commission (OLCC) annual license renewals for Bon Appetit Bistro & Catering, Red Lion Inn, and Rodeo Steakhouse and Grill, and; 2e: approval of new outlet OLCC licenses for Tokyo Bistro and Fast Mart Convenience Store. Councilor Kramer moved to approve the consent calendar approving the minutes of July 1, 2014, accepting the June 2014 accounts payable and payroll check registers, accepting the June 2014 combined cash report, approving OLCC annual license renewals for Bon Appetit Bistro & Catering, Red Lion Inn, and Rodeo Steakhouse and Grill, and approving new outlet OLCC licenses for Tokyo Bistro and Fast Mart Convenience Store. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Bowers, Daily, Groth, Kramer, Leahy, and Vaughan voting aye.

New Council Business

Councilor Daily inquired as to the status on the windmill moratorium ordinance whereby City Manager Rodger Craddock stated staff had not received any requests to pursue the matter. Councilor Vaughan inquired about changing the flags on the Boardwalk; Mayor Shoji stated the Flag Committee needed to coordinate with staff on the matter.

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Discussion on the Mel Counts Way Sign

Community Development Director Eric Day stated during the March City Council meeting Citizen Bob James proposed installation of a “Mel Counts Way” sign in Eastside to commemorate Mel Counts. Mr. Day noted the following locations were proposed based on conversations with Mr. James and Mr. Counts; Option 1: locate the sign along 16th Avenue in the public right-of-way in Eastside. Option 2: locate the sign on 6th Avenue in Eastside on property owned (and authorized) by Rex Miller; locating the sign at this location was allowable per CBMC but a permit would be required. Permitting fees were estimated under \$50. Mr. Day stated if the Council wanted to include an informational sign along with the “Mel Counts Way” sign, the signs would likely need to be located in the right-of-way along 6th Avenue. Mr. Day provided a brief biography on Mel Counts noting he was born in Coos Bay (Eastside neighborhood) and played high school basketball for Marshfield. Mr. Counts was drafted by the Boston Celtics in 1964 and went on to play 12 seasons in the National Basketball Association (NBA). Mr. Counts won an Olympic gold medal with the United States basketball team in 1964 and two NBA championships with the Boston Celtics in 1965 and 1966. Mr. Day estimated the cost to purchase the sign(s) was \$500 to \$1,500. Bob James, Coos Bay; stated Mel Counts’ home was located at the southwest corner of 10th Avenue. Councilor Kramer recommended including an interpretive with the “Mel Counts Way” sign. Councilor Vaughan recommended adding a third sign. City Manager Rodger Craddock recommended the Council add three corridor signs and the fourth sign could be an interpretive sign; staff envisioned having three signs; two corridor signs and one interpretive sign (located near Rex Miller’s property). It was the consensus of the Council for the City Manager to move forward with the project as proposed.

Discussion on Changes in Promoting Coos Bay

City Manager Rodger Craddock provided the Council with a historical review of transient occupancy tax and tourism promotion activities; the Council first enacted transient occupancy tax (tax) in 1976 but due to controversy the matter was referred to the voters who approved the tax later that year. Mr. Craddock noted the purpose of the tax was to offset the general fund property tax losses related to a declining economy; the ordinance authorizing the tax did provide that 5% of the revenue would be paid to the Chamber of Commerce for tourism related promotions. In 1983, a Joint Tourism Committee was formed with the City of North Bend; in 1986 the committee was formalized through a Tourism Promotions Agreement. In 1990, the committee became known as the North Bend – Coos Bay Tourism Promotion Committee; 1993 the 5% tax was increased in both Coos Bay and North Bend to 7% with an agreement that the 2% increase (29% of collected revenue) would go to fund the activities of the North Bend – Coos Bay Tourism and Promotions Committee. In 1997 a new agreement was created which moved the services away from the Chamber of Commerce and provided capacity for the Committee to hire a contractor or staff to carry out the tourism related promotions. In 2010, an updated agreement, which served as the current agreement was entered into which allowed a third entity, Coquille Tribe to partner with the cities of Coos Bay and North Bend in tourism related promotions. The updated agreement also ratified the organizations name change to the Coos Bay/North Bend Visitor Convention Bureau. Mr. Craddock also provided the Council with Oregon Revised Statutes on the use of Transient Occupancy Tax; noted the City used 100% of the transient tax dollars collected on tourism related activities and promotion.

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Mayor Shoji stated she was the City of Coos Bay's representative on the Coos Bay/North Bend Visitor Convention Bureau (VCB); noted the City of Coos Bay contributed 58% of the VCB's revenue. Mayor Shoji highlighted the City of Coos Bay's role within the region and various City of Coos Bay events; noted opportunities for promoting the City and building its reputation as a visitor-friendly community differed from those of other communities and suggested it was the Coos Bay City Council's responsibility to address and encourage discussion about the role and promotion of the City of Coos Bay. Mayor Shoji suggested in effort to promote the City as a more dynamic urban area, the City must shift the way Coos Bay presented itself and ultimately the way tourism dollars were utilized. Mayor Shoji reviewed strategies to be incorporated, summary of benefits, and suggested two options for moving forward.

Councilor Daily suggested the City of Coos Bay was not being represented to the extent of the City's investment/contribution to the VCB. Councilor Leahy suggested this was a needed and meaningful discussion to take input and listen to new ideas; stated he did not understand the reluctance to discuss the matter. Councilor Bowers stated it was healthy for businesses to evaluate and re-evaluate; noted it was the Council's job was to do right by the citizens of Coos Bay; suggested Coos Bay needed to be promoted as a destination. Councilor Kramer stated many of her Bed and Breakfast guests reported they were not able to find information online about Coos Bay; recommended the Tourism Committee put more effort in representing Prefontaine. Councilor Vaughan suggested more information needed to be disseminated about the history and culture of Coos Bay.

Frank Smoot, Coos Bay: suggested everyone needed to work together to create a critical mass of interesting and compelling places for visitors. Carmen Matthews, Coos Bay: stated he was a local business owner in Coos Bay; thanked the Council for wanting to represent and promote Coos Bay, and; expressed his support of the VCB for its promotion of his business and the local area.

Katherine Hoppe, North Bend: stated she was the Director of the Coos Bay – North Bend Visitor & Convention Bureau (VCB). Ms. Hoppe provided the Council with a brief overview of the VCB strategies directly related to the promotion of Coos Bay which included marketing, public relations, working with tour operators and lodging partners, collaborating with state and regional tourism organizations, and Coos Bay events listed on the TravelOregon.com website. Ms. Hoppe further detailed various tradeshow events, the VCB's monthly newsletter, industry conferences, assistance with area events, education efforts to help train local lodging staff about the area. Printed materials provided by the VCB included a visitor's guide, Prefontaine brochure, fishing guide, Things to do Guide, Coos Bay historical walking map; also working with Coos Bay Downtown Association to provide funding and creative for the Coos Bay Downtown walking maps. Future initiatives included the "Bring it Home" campaign, increased tour operator activity, launching a new Brand, increased communication with local media/partners, and generating media stories for cultural offerings. The proposed new Brand name was "Travel Coos". Councilor Daily inquired why not "Travel Coos Bay" whereby Ms. Hoppe explained it was the VCB's goal to provide equal representation for all partners. Councilor Vaughan liked the use of the North Bend Bridge in the newly proposed branding. Ms. Hoppe stated the VCB welcomed more input from the Council and noted changes to the VCB Board and existing agreement was a discussion between Coos Bay, North Bend, and the Coquille Tribe.

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Joel Pomerantz, Eugene: stated he was with the Restaurant Association; noted he was impressed with Coos Bay's motivation to want to promote itself; advised the Coos Bay/North Bend VCB was well known throughout Oregon for its efforts to promote tourism and suggested tourism was an important part of the community. Deb Lal, Coos Bay: spoke on behalf of the Coos Bay Downtown Association; thanked the VCB for their advertising efforts on behalf of Coos Bay; requested the Council to continue focusing efforts to promote downtown Coos Bay. Gina Young, Coos Bay: also spoke on behalf of the Downtown Association; suggested it was everyone's due diligence to work with the VCB to provide information and input to the VCB. Catherine Beechly, North Bend: Co-President of the Oregon Coast Music Association stated the Association benefited dramatically from working with the VCB; suggested Coos Bay was doing a disservice by trying to parse out Coos Bay from the local area. Kathy Metzger, North Bend: Co-President of Oregon North Coast Music Association noted the VCB helped to guide the Association to bring people to the local area. Martin Callery, North Bend: Chief Commercial Officer for the Oregon International Port of Coos Bay; spoke on behalf of Charleston noting Charleston did not provide any lodging tax; suggested Charleston was part of the draw to the local area; encouraged the Council and VCB to continue to promote the local area. Councilor Daily inquired if VCB Board representation should be based on dollars contributed; Mr. Callery suggested entities should be equally represented on the board. Steven Broocks, Coos Bay: suggested the real strength in the area was the cultural diversity of the area. Joseph Monahan, Coos Bay: as Chair of the VCB Board, read a letter on behalf of local hotel operators which expressed support of the VCB's efforts to promote tourism in the off season to help sustain the local economy.

Councilor Kramer exited the meeting at approximately 8:43 p.m. and returned at approximately 8:46 p.m.

Councilor Groth stated she was in favor of a regional approach; suggested there needed to be a better mechanism to provide better input to the VCB; suggested developing or defining a method to measure success. Councilor Daily suggested the City of Coos Bay was contributing a disproportionate share of the VCB's budget; suggested City should be proportionally represented on the VCB's Board. Councilor Bowers found value in promoting the Bay Area and working together but noted it was the Council's responsibility to provide due diligence on the matter. Mayor Shoji stated she still had concerns about representation gaps in Coos Bay. It was the consensus of the Council to create a committee consisting of Mayor Shoji and Councilors Daily and Leahy to further explore the matter.

Councilor Kramer exited the meeting at approximately 9:10 p.m. and did not return for the remainder of the meeting.

Approval of Purchase of Wastewater Collection TV Van, Camera, and Software System

Public Works Director Jim Hossley stated the City's sewer investigation truck was over 20 years old and was no longer able to mobilize to locations with grades steeper than 10% due to the vehicles failing transmission. Internal truck equipment (cables, hoists, computer, generator, backup camera, etc.) were also past their useful life and were in a constant state of repair. The software utilized to perform the investigations was over ten years old and as no longer supported; often resulting in operators having to re-televisive due to software malfunction.

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City staff budgeted \$150,000 for a new investigation truck and \$25,000 for the required software for a total of \$175,000. The City advertised for a request for quote for the new sewer investigation truck; one bid was received from Western Systems. Original bid for the truck was \$163,327.43. Staff negotiated with Western Systems and the bid was reduced to \$150,719.15. Additionally, the following informal quotes were received for replacement of the outdated software from IT Pipes, Pro-Logix, POSM, and Red Zone. Staff interviewed the four software vendors and recommended approval of IT Pipes for purchase their Mobile and Office Package totaling \$17,725 which included up to three days of training. Councilor Groth moved to approve the purchase of the sewer investigation truck and required software for an amount not to exceed \$175,000. Councilor Bowers seconded the motion. Discussion continued as to the cost of licensing for the proposed vehicle. A call for the question which carried with Mayor Shoji and Councilors Bowers, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

Approval of a Change Order to Wastewater Treatment Plant #2 Design Contract for Additional Biological Assessment Work

Public Works Director Jim Hossley stated the City contracted with the design team of SHN and CH2M Hill to prepare final design plans for the Wastewater Treatment Plant #2 (WWTP #2) project. In the original scope of work, the preparation for a biological assessment (BA) was included. After the scope was submitted and approved, further consultation with the National Marine Fisheries Service (NMFS) revealed that the level of effort presented in the original scope of work and budget for the BA were not sufficient for the preparation of a report that covered the breadth and level of detail required by NMFS. The requirement elevated BA was in part due to the adverse impact of metals on endangered Coho Salmon. The project site per the Oregon Department of Environmental Quality (DEQ) was required to capture all storm water runoff with potential to co-mingle with sewer and route the storm water through the treatment plant. If the City opted otherwise, DEQ would require the City to obtain a National Pollutant Elimination Discharge Permit (NPDES) resulting in immediate and long term financial costs. Staff and the design team opted to move forward with DEQ's original recommendation of routing the storm water through the plant to avoid the additional review and NPDES permit. NMFS was also requiring the City to include information related to storm water management programs that were planned for the next 20 years. Estimated cost to complete the comprehensive BA was \$41,060.

Councilor Vaughan recused himself from the discussion declaring a conflict of interest as part of the landscape design team for the project. Councilor Groth moved to approve the award and change order to the WWTP #2 contract to the design team of SHN and CH2M Hill for additional biological assessment work for an amount not to exceed \$41,060. Councilor Bowers seconded the motion. Mayor Shoji expressed concern as to why DEQ was not aware of the new NMFS requirements. A call for the question was which carried with Mayor Shoji and Councilors Bowers, Daily, Groth, and Leahy voting aye. Councilor Kramer was absent. Councilor Vaughan having abstained from the vote was deemed, pursuant to the provisions of 4.7.4 of the Rules of the City Council, to have voted with the majority, which approved the motion.

Award of Contract for Sewer Replacement on North 11th Street

Public Works Director Jim Hossley stated the City's Inflow and Infiltration investigation identified 270 lineal feet of eight inch sewer along N. 11th Street needed to be replaced due to several

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deficiencies. The clay pipe was estimated to be 70 years old and well past its useful life. The limits of construction were located along N. 11th Street and extended approximately 174 feet to the south and 96 feet to the north of Commercial Avenue. Along with replacement of the clay pipe, the scope of work also included replacement of two existing manholes, one existing sewer cleanout, 35 feet of storm drain pipe, and replacing the existing concrete street with new asphalt pavement for the full width within the identified limits. A request for bid was advertised on June 9, 2014 and closed on July 2, 2014. A total of two bids were received with Johnson Rock being the lowest bid at \$145,245; staff recommended including a 15% contingency of \$21,785 for a total amount of \$167,030. Councilor Groth moved to award the bid to Johnson Rock for the 11th Street sewer line replacement project for an amount not to exceed \$167,030 without prior approval from Council. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Bowers, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

Discussion of Building & Fire Code Board of Appeals

Community Development Director Eric Day stated the City was having a difficult time finding interested parties to serve on the Building and Fire Code Board of Appeals for several years; staff recommended replacing the Board with a Hearings Officer. Mr. Day noted there had been very few appeals of this type ever filed in the City and staff did not anticipate an increase of appeals in the future. Replacing the Board with a Hearings Officer would require modifications to Ordinance 239 which included: replacing “Building and Fire Code Board of Appeals” with “Hearings Officer” throughout the document and replacing “Community Services Department” with “Community Development Department”. It was the consensus of the Council for staff to draft a proposed ordinance to make the change to replace the Building and Fire Code Board of Appeals with a Hearings Officer.

Presentation on Tsunami Preparedness

Fire Chief Mark Anderson reviewed the City's Emergency Operations Plan (EOP) on tsunami preparedness; provided a brief overview on various types (local, distance, etc.) of tsunamis and the impact on the local area. Fire Chief Anderson noted the City's EOP identified a unified command structure, the role of each department, the location of the emergency operations center, and the steps for declaration of a local disaster. Development and posting of evacuation routes and temporary shelters was also included in the EOP. Fire Chief Anderson noted the City also maintained a tsunami siren at the Empire fire hall to aid with alerting the community of the need for evacuation; noted community education played an important role in disaster preparedness and recovery. Coos Bay Fire Department would be providing a free disaster preparedness class on August 12, 2014 and was also in the process of developing a single page informational brochure on the essential elements of a “grab and go kit”. Fire Chief Anderson suggested the City had a continued responsibility to local citizens to provide continued education on disaster preparedness.

Presentation on the Development Code Revision Process

Community Development Director Eric Day noted the main goals of the development code rewrite were: providing a new land use review format which would be easier for applicant to follow; providing clear and objective language for applicants; establishing conformity within the

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pre-application process; deleting many unnecessary reviews for proposed uses, and; deleting some of the unnecessary zonings within the City. Mr. Day stated unless otherwise directed by the Planning Commission (PC) or City Council, staff was not proposing to modify the following components of the Code: changing the spatial standards within each zone; changing the allowed uses within each zone, and; changing the Empire Design Standards. Staff proposed a year-long process to complete the task. The first eight months would be spent working with the PC in a series of work sessions and public hearings with the purpose of gathering public opinion, listening to PC member comments, and writing a draft document reflecting the majority opinion for development within the City of Coos Bay. Mr. Day noted the process was already underway and anticipated presenting the draft document to the PC and Council in January 2015. No decision was made.

Approval of Appointment to the Urban Renewal Agency Advisory Committee

City Manager Rodger Craddock stated the City recently advertised and received an application from Hilary Baker for the unfilled position of the Urban Renewal Advisory (URA) Committee. Councilor Groth moved to appoint Hilary Baker to the unfilled term as the citizen-at-large representative to the URA Advisory Committee, term ending July 31, 2016. Councilor Leahy seconded the motion which carried with Mayor Shoji and Councilors Bowers, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

City Attorney's Report

No comments were given.

City Manager's Report

No comments were given.

Council Comments

Councilor Leahy was pleased the condition of the Boardwalk following the 4th of July festivities. Councilor Bowers expressed concern about the negative information disseminated throughout the community regarding the Council's discussion on promoting Coos Bay.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for August 5, 2014 in the Council Chambers at City Hall.

Crystal Shoji, Mayor

Attest: _____
Susanne Baker, City Recorder