

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

December 2, 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 Elect Crystal Shoji and Councilors Elect Jennifer Groth, Stephanie Kramer, and Fred Brick; Councilors Mark Daily and Mike Vaughan. Councilor Elect Thomas Leahy was absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Community Development Director Eric Day, Public Works Director Jim Hossley, Library Director Sami Pierson, Fire Chief Mark Anderson, and Police Captain Chris Chapana.

Flag Salute

Mayor Shoji opened the meeting and led the Council and assembly in the salute to the flag.

Administration of the Oath of Office to Mayor Shoji and Councilors Jennifer Groth, Stephanie Kramer and Fred Brick

The oath of office was administered to Mayor Crystal Shoji and Councilors Jennifer Groth, Stephanie Kramer, and Fred Brick by City Recorder/Finance Director Susanne Baker. Councilor Elect Thomas Leahy was absent.

Election of Council President

Mayor Shoji nominated Councilor Stephanie Kramer to serve as Council President. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent. By action of Council ballot Stephanie Kramer was appointed Council President for a term ending with the next general biennium election.

Public Comments

Robert Cummings, Coos Bay: suggested the flag for the country of Finland should be displayed on the City of Coos Bay Boardwalk. Ken Fulkner, Coos Bay: stated he was opposed to Jordon Cove's proposed liquefied natural gas development; cited pollution concerns. Bill Moe, Coos Bay: noted the Oregon Coast Historical Railway Museum recently secured the Snug Harbor Railroad (miniature steam train) and encouraged community support. Wim De Vriend, Coos Bay: stated he was the owner of Blue Heron Bistro in Coos Bay; expressed concern about the process for planting trees in downtown Coos Bay; recommended the City provide a list of modest size trees and to allow property owners to choose from the list which tree to purchase and plant.

City Council Minutes – December 2, 2014

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 5a: approval of the minutes of November 18, 2014; 5b: adoption of Resolution 14-20 accepting the voter canvass for the November 4, 2014 election; 5c: approval of an Oregon State Marine Board (OSMB) grant award, and; 5d: approval of an OLCC new outlet license application for Luxor Eclipse Bar & Nightclub LLC. Councilor Groth requested item 5d: approval of an OLCC new outlet license application for Luxor Eclipse Bar & Nightclub LLC be moved to the agenda as item 6a for further consideration. Councilor Groth moved to approve the consent calendar as amended accepting the November 18, 2014 minutes, adopting Resolution 14-20 accepting the voter canvass for the November 4, 2014 election, and approving an OSMB grant award. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

New Council Business

Councilor Daily recommended the Council hold a work session to discuss plans for trees/tree planting in the downtown. Mayor Shoji stated she received a citizen inquiry about the construction project along Ocean Boulevard. Public Works Director Jim Hossley explained the Coos Bay-North Bend Water Board was working to replace waterline infrastructure along Ocean Boulevard; noted the project was scheduled to be completed by the end of year (2014) wherein the roadway would be repaved.

Approval of an OLCC New Outlet License Application for Luxor Eclipse Bar & Nightclub LLC

Councilor Groth expressed concern about approval of an OLCC new outlet license application for Luxor Eclipse Bar & Nightclub LLC noting a history of serious and persistent problems at the proposed location. City Manager Rodger Craddock advised the past problems occurred while under different ownership and OLCC could no longer place restrictions on new owners based on a locations past history. Councilor Groth moved to approve the OLCC new outlet license application for Luxor Eclipse Bar & Nightclub LLC. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

Presentation on the City Audit for Fiscal Year Ending (FYE) 2014 by Auditor Tara Kamp

Finance Director Susanne Baker stated Pauly, Rogers and Co., P.C. were retained to perform audit services for the City of Coos Bay; briefly explained the audit process. Tara Kamp of Pauly, Rogers and Co., P.C. stated the City of Coos Bay's audit for fiscal year ending June 30, 2014 (FYE14) was completed and the Council had the document before them. The first component of the audit was of the financial statements to verify compliance with generally accepted accounting principles, the second part of the audit was to ensure compliance with Oregon Municipal Audit Law, compliance with Oregon Budget Law and testing of bids and quotes. The third part of the audit process for FYE14 included a review of federal grant awards and expenditures with no exceptions noted. Ms. Kamp commended the Finance Department noting they were a leader in the industry with their use of technology for business processes and efficiency. Ms. Kamp noted the Statement of Auditing Standards 114 (SAS 114) required

City Council Minutes – December 2, 2014

communication with management of the results of the audit; resulted in an unmodified opinion or clean audit; and “no management comments”; stated based upon the audit and testing, financial statements are fairly presented, there were no difficulties in performing the audit, no disagreements with management or the accounting, and adjusting entries were completed together with staff. Councilor Kramer moved to accept the FYE14 City audit report in compliance with SAS 114. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

Approval of Boardwalk Flag Display

City Manager Rodger Craddock stated during the November 18, 2014 Council meeting the Council reviewed and discussed the Council Flag Committee’s proposal for the flag display on the Coos Bay Boardwalk. The matter was postponed until this meeting to allow an opportunity for additional public input. Mayor Shoji briefly reviewed the Flag Committee’s proposal. Robert Cummings, Coos Bay: recommended displaying flags to represent all five branches of the U.S. Military. John Hill, Coos Bay: expressed concern about the fragility of returning U.S. Veterans and their family members with the potential impact of removal of American flag from the Coos Bay Boardwalk. Ken Fulkner, Coos Bay: suggested displaying flags from each branch of the military and all Oregon Native American Tribes. Councilor Groth moved to adopt the plan as proposed by the Flag Committee. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

Review of the Waterfront Development Group Sub-Committee Proposal

City Manager Rodger Craddock stated the City was working in partnership with the City of North Bend, Coos County, and the International Port of Coos Bay as the four legally designated sponsors of the Bay Area Enterprise Zone to develop a Community Enhancement Plan (CEP). City Manager Craddock provided a brief history on the purpose of the CEP, reviewed necessary agreements, and relationship to Jordon Cove Energy Partnership (JCEP). One of the three components of the CEP involved the creation of an organization to manage a share of the Community Service Fee (CSF) funds as an endowment for the benefit of economic development (waterfront rehabilitation and development) within the combined boundaries of the Coos Bay Estuary Management Plan and the Bay Area Enterprise Zone.

City Manager Craddock stated to address the matter the Enterprise Zone members formed a subcommittee which resulted in a draft intergovernmental agreement and included the proposed name of Waterfront Development Partnership (WDP). The sub-committee recommended the formation of the WDP would be through an intergovernmental agreement (IGA); suggested it be comprised of a seven member board. During the discussion of board appointment it was noted further clarification of appointment requirements would be necessary. The sub-committee defined the service area as the boundaries which included both the Coos Bay Estuary Management Plan and the Bay Area Enterprise Zone; only projects within the service area would be funded. Five program areas included: Establishing a wetland mitigation bank; establishing brownfield/vacant derelict sites; providing grants to support public agency projects; establishing a program to support private or non-profit investment, and; establishing a program to support land use planning and permit assistance. City Manager Craddock briefly reviewed

City Council Minutes – December 2, 2014

proposed revenue allocations noting the sub-committee elected for option two where no more than 50% of the fees received could be used for distribution but less than 50% was an alternative.

Councilor Daily expressed concern about the City's streets infrastructure and inquired if a portion of the proceeds could be used for said purpose. Mayor Shoji explained the Waterfront Partnership was envisioned to carryout economic development and public infrastructure investment activities within the designated boundaries of the Coos Bay Estuary Management Plan and/or the Bay Area Enterprise Zone. Councilor Daily suggested the City of Bay's portion of the proceeds should be in the direct control of the City. No decisions were made.

Public Hearing to Consider a Proposed Vacation for a Portion of South 13th Street Between Idaho and Montana Avenues – Approval Would Require Enactment of the Proposed Ordinance

Community Development Director Eric Day stated the proposed property vacation was initiated by Council motion on October 7, 2014 at the request of the applicants. On November 12, 2014 the Planning Commission voted unanimously to recommend approval of the proposed vacation. Mr. Day stated South 13th Street was platted to be 60-feet in width; noted the current right of way was graveled to varying degrees between 12 and 20-feet in width. The roadway was developed on the west side of the platted right of way due to the higher elevation on the west side; noted there was a drop of approximately 30-feet between the end of the developed South 13th Street and the developed portion of the Montana Avenue right of way.

Mr. Day stated a connection from Idaho Avenue to Montana Avenue was unlikely due to the following circumstances: the 30-foot elevation change; the right-of-way provided primary access to one single-family dwelling and secondary access for an additional single-family dwelling, and; no vacant lots. The Port of Coos Bay, Coos Bay-North Bend Water Board, Pacific Power, and the City of Coos Bay Fire and Engineering Departments were all contacted regarding the proposed vacation and no objections were noted.

Mayor Shoji opened the public hearing. No public comments were given and the hearing closed. Councilor Kramer moved to enact the proposed ordinance approving the proposed vacation of the east 30-feet of South 13th Street between Idaho and Montana Avenues, abutting Lot 12 and 13, Block 18, First Addition to Marshfield found in Section 3AB, Township 26, Range 13 West of the Willamette Meridian, Coos County, Oregon. Councilor Groth seconded the motion. Councilor Daily expressed concern about vacating the proposed property. Deputy Finance Director Amy Kinnaman read the ordinance by title only and Ordinance No. 467 was enacted by the following vote:

Aye:	Mayor Shoji and Councilors Brick, Groth, Kramer, and Vaughan
Nay:	Councilor Daily
Absent:	Councilor Elect Leahy

Award of Miscellaneous Engineering Services Contract for Phase II

Public Works Director Jim Hossley stated the City's Miscellaneous Engineering Services contract would expire December 2014. As such, staff prepared a Request for Qualifications

City Council Minutes – December 2, 2014

(RFQ) to obtain the services of qualified engineering firms to provide engineering design and support on wastewater, stormwater, traffic, and street projects on an as needed basis for the duration of three years. The proposed contract would allow for two-one year extensions and provide city staff with a pre-approved list for engineering support for projects less than \$75,000. Six firms submitted an RFQ: CH2M Hill, Civil West, Dyer Partnership, HGE, KPFF, and SHN. Staff recommended all six SOQ's be accepted to all the City to contract with all six firms to provide as needed miscellaneous engineering services. Mayor Shoji moved to approve the award of the RFQ for Miscellaneous Engineering Services to all six engineering firms (CH2M Hill, Civil West, Dyer Partnership, HGE, KPFF, and SHN). Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

Approval of the Annual Library District Contract

City Manager Rodger Craddock briefly reviewed the July 1, 2014 through June 30, 2015 annual contract between the City of Coos Bay and the Coos County Library Service District; noted the contract was delayed due to modifications to change the fiscal agent for the Extended Service Office (ESO) from Southwestern Community College to the City of Coos Bay. Approval of the contract would allow the City to continue to receive tax revenue from the Library District tax base for the purpose of operating the public library. Councilor Kramer moved to approve the annual library district contract and to authorize the City Manager to sign the contract. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilor Brick, Daily, Groth, Kramer, and Vaughan voting aye. Councilor Elect Leahy was absent.

City Attorney's Report

City Attorney Nate McClintock was absent. No comments were given.

City Manager's Report

City Manager Rodger Craddock stated Empire Tree Lighting event would be 6:00 p.m. on December 5, 2014; dedication of the Mel Counts Way Corridor would be 2:30 p.m. on December 6, 2014; reminded the Council of the Bus Jam food and toy donation event scheduled for Saturday, December 6th from 10 a.m. to 3 p.m. at the Coos Bay Bi-Mart Store; noted various open Committee positions, and; advised a large sinkhole had developed on Michigan Avenue.

Council Comments

Councilor Vaughan recommended the Tree Board address Wim de Vriens concerns regarding tree selections and planting in downtown; stated he would like to see the Snug Harbor Railroad operate along the waterfront. Councilor Daily noted the Outdoor-In would be working with Department of Human Services (DHS) to collect donated coats for kids. Councilor Kramer advised a large pothole had developed on Wall Street; inquired about the status of the Welcome to City of Coos Bay signs. Councilor Brick thanked local citizens for their support to elect him to the Council.

Adjourn

City Council Minutes – December 2, 2014

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for December 16, 2014 in the Council Chambers at City Hall.

Crystal Shoji, Mayor

Attest: _____
Amy Kinnaman, Deputy Recorder