

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

October 4, 2016

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 Fred Brick, Mark Daily, Stephanie Kramer, and Mike Vaughan were present. Councilor Jennifer Groth attended via telephone. 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, Fire Chief Mark Anderson, and Police Captain Chris Chapanar.

Flag Salute

Mayor Shoji opened the meeting and asked City Council Candidate Philip Marler to lead the Council and assembly in the salute to the flag.

Consideration of Filling Council Vacancy

City Manager Rodger Craddock stated Councilor Thomas Leahy resigned his Council position after the September 20, 2016 Council meeting. The now vacated position needed to be filled on a permanent basis. City Manager Craddock reviewed the relevant sections of the City Charter which addressed filling the vacancy along with a history on how past vacated positions were filled. The Council could accept letters of interest, interview applicants, and appoint one of the applicants to the open position; appoint the candidate who received the fourth highest vote in the last election. However, upon review of the previous elections voter canvas, all candidates who ran were elected to office; there were three candidates and three open positions; or appoint a new councilor through a majority vote without holding an application process or using the results from the last election. The Council could also leave the position vacant until the November 15, 2016 meeting and allow the upcoming Council to decide how best to fill the vacancy.

Mayor Shoji suggested it was logical to leave decision to the upcoming Council. Councilor Kramer agreed with Mayor Shoji's suggestion. Councilor Vaughan stated he was appointed and felt it was a good process. Councilor Daily agreed with Councilor Vaughan. Councilor Brick recommended appointing the fourth runner up from the upcoming election. City Attorney Nate McClintock stated the decision on how to fill the open position would be up to the next Council, noting they could decide to appoint the candidate with fourth highest vote. Councilor Groth stated she was in favor of leaving the Council position open to allow the next Council to decide on the process. Consensus of the Council was to leave the position vacant until the November 15, 2016 meeting and allow the upcoming Council to decide how best to fill the vacancy.

Mayor Shoji inquired as to the legislative process of the Council in the event of a tie vote on an issue. City Attorney McClintock stated the motion would be defeated if there was a tie vote.

Public Comments

Mayor Shoji stated the last Council meeting had elements of a circus. Mayor Shoji stated she did not like it; the Council Chambers was a place of business where important decisions were made.

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It was okay to disagree but respect was important; there would be no yelling from the floor or the Council. People should state their concerns and should not make personal attacks on Council members. The purpose of public comments was not to incite or ridicule, it was for the public to share their thoughts and opinions. Mayor Shoji encouraged everyone to stick to the topic and stated anyone who would not follow those rules could be escorted out of the meeting or the Council would take a break to have a cool-off period. Mayor Shoji stated she did not approve of the circus type atmosphere.

Helen Coughlin stated she was the Chair of Council of Filipino American Associations of Oregon and Southwest Washington (CFAA); Tess Hansen was President of the local Oregon Coast Filipino American Association (OCFAA). Ms. Coughlin introduced various members and supporters of the OCFAA. The local OCFAA was established in 1999 and were an affiliate member of CFAA. According to the 2015 census bureau the population of Coos County was 63,163 and of that population 1.3% was Asian and .03% was Pacific Islander. OCFAA activities included annual Christmas party fundraiser which provided scholarships for local high school students with Filipino heritage. OCFAA also supported local non-profits including the Women's Safety Resource Center, THE House, local food bank, and SMART program. Their cultural folk dance group participated in several different local events. OCFAA also raised funds for typhoon and hurricane victims both in New Orleans and Haiyan in the Philippines. Ms. Coughlin stated the Filipino American National Historical Society (FANHSA) symposium would be held in Roseburg on October 21st; theme of the event was 1946, a turning point. It was the 70th anniversary to commemorate notable events and pieces of legislation that transformed the lives of Filipinos in the U.S. and Philippines. Independence was granted July 4, 1946. Ms. Hansen read the Filipino-American History Month proclamation out loud.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of September 20, 2016; 3b: approval of an Oregon Liquor Control Commission (OLCC) new outlet license application for Barrels Bar, LLC, and; 3c: approval of a Filipino-American History Month proclamation. Councilor Daily moved to approve the consent calendar approving the minutes of September 20, 2016, approving an OLCC new license application for Barrels Bar, LLC, and approving the Filipino-American History proclamations. Councilor Brick seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Kramer, and Vaughan voting aye.

New Council Business

No new council business was presented.

Public Hearing to Consider Approval of the Coos Bay-North Bend Water Board Current Refunding of 2006 Debt. Approval Would Require Adoption of Resolution 16-20 and Resolution 16-22

Finance Director Susanne Baker stated the City of Coos Bay and the City of North Bend jointly owned the Coos Bay-North Bend Water Board (Water Board) as a joint venture. As such, both cities individually shared debt 50/50 that was incurred to finance capital projects. The Water Board had one debt instrument with a call date of December 1, 2016, which made it eligible for

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refunding (refinancing) for a lower interest rate and lower payments. The debt had a balance of \$3,395,000 and would fully mature December 31, 2024, and was used to construct the Pony Creek dam at a cost of \$6.1 million. The Water Board requested the City commence the process to refinance the debt.

Ms. Baker stated the debt payments were made by the City of Coos Bay from water revenues passed thru from the Water Board to the City of Coos Bay. The Water Board, by resolution of the original debt, pledged to establish, maintain and collect rates and charges for water service to produce sufficient revenue, after deducting the expenses for operation and maintenance, to meet principal and interest payments when due. The City's Financial Advisor Wedbush prepared a Request for Financing (RFF) specifically for the Water Board's refinancing. The costs incurred for the refinancing would be paid by the Water Board as part of the refinancing process, no city funds would be expended other than staff time.

Staff requested the City Council to adopt the resolution for the refinancing, authorize staff to enter into a financing agreement, and to execute the required documents pursuant to Oregon Revised Statutes (ORS) Section 271.390 and other relevant provisions of ORS Chapter 287A. Ms. Baker stated a separate resolution was also required to be adopted a supplemental budget through the public hearing process to adjust the fiscal year end 2017 (FYE 17) budget to appropriate the loan proceeds to comply with Oregon Budget law.

Councilor Kramer moved to Adopt Resolution 16-20 to authorize staff to enter into a financing agreement and other required documents pursuant to ORS Section 271.390 and other relevant provisions of ORS Chapter 287A for the Water Board's 2006 current refunding of the Pony Creek dam infrastructure. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Kramer, and Vaughan voting aye.

Mayor Shoji opened the public hearing to accept public comments regarding appropriation of the Water Board loan proceeds into the FYE 17 budget. No comments were given and the hearing was closed.

Councilor Kramer moved to adopt Resolution 16-22 approving a supplemental budget to appropriate loan proceeds from the Coos Bay North Bend Water Board's current refunding of 2006 Debt in the General Fund. Councilor Brick seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Kramer, and Vaughan voting aye.

Approval of Construction Contract for Fillmore Street Sanitary Sewer Improvement Project

Public Works Director Jim Hossley stated the sewer line along Fillmore Street from Pacific Avenue to Blanco Avenue was a 650 feet of 8-inch gravity sewer line that was originally constructed in 1956 and was now past its useful life. The City contracted with the Dyer Partnership to prepare plans and specifications and to perform bidding and construction management services for this project. The request for bid was advertised on August 25, 2016 and the bids were opened on September 22, 2016. A total of three bids were received: Johnson Rock Products Inc. for \$87,243, Billeter Marine for \$108,768, and Benny Hempstead Excavating Inc. for \$123,230. The engineers estimate for the project was \$103,095. The Engineer received and examined the bids and found no bid irregularities. Mr. Hossley stated the project was associated with loan and grant obtained

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from the Oregon Infrastructure Finance Authority and included on the City's 20-year take down list for sanitary sewer and storm drain improvements.

Mr. Hossley stated should the Council approve the project, a portion of Fillmore Street would be closed during the working hours of 7:00 a.m. to 6:00 p.m. for the duration of the project; noted that portion of Fillmore Street was a dead end and the impacts to the local traffic within the project vicinity should be minor. The contractor would work with local residents to ensure access to their property. Staff sent out a letter to the residents and property owners of the surrounding area to inform them about the project. Staff recommended awarding the contract to Johnson Rock Products, Inc. for \$87,243 and to include a 15% contingency of \$13,086 for a total amount not to exceed of \$100,329. Councilor Brick moved to award the bid to Johnson Rock Products, Inc. for the construction of Fillmore Street Sanitary Sewer Improvements for an amount not to exceed \$100,329. Councilor Vaughan seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Kramer, and Vaughan voting aye.

Approval of the 2016 Coos County Multi-Jurisdictional Hazard Mitigation Plan – Approval Would Require Adoption of Resolution 16-21

Public Works Director Jim Hossley stated the City of Coos Bay developed an addendum to the Coos County Natural Hazards Mitigation Plan in an effort to increase the community's resilience to natural hazards. The addendum focused on the natural hazards that could affect the City of Coos Bay which included: drought, earthquake, flood, landslide, tsunami, volcano, wildfire, and severe winter/windstorm. Mr. Hossley stated it was impossible to predict exactly when disasters might occur, or the extent to which they would affect the City. However, with careful planning and collaboration among public agencies, private sector organizations, and citizens within the community, it was possible to minimize the losses from natural hazards. The addendum provided a set of actions aimed to reduce the risks posed by natural hazards through education and outreach programs, the development of partnerships, and the implementation of preventative activities such as land use or watershed management programs. The actions described in the addendum were intended to be implemented through existing plans and programs within the city.

Mr. Hossley stated the addendum was comprised of the following sections: 1) Addendum Development Process 2) Community Profile; 3) Risk Assessment; 4) Mission, Goals, and Action Items; and 5) Plan Implementation and Maintenance. Mayor Shoji suggested this was plan for first responders; Fire Chief Anderson stated the process included input from the Police and Fire Department as well as the Planning Department. Councilor Brick moved to adopt Resolution 16-21 adopting the City of Coos Bay's representation in the Coos County Multi-Jurisdictional Hazard Mitigation Plan. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Kramer, and Vaughan voting aye.

City Attorney's Report

No comments were given.

City Manager's Report

City Manager Rodger Craddock stated HGE would be holding an open house at their new facility on 4th Street on Friday, October 7th from 4-6 p.m.; noted Randle Brothers Construction was

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building a new drive through car wash near the Fred Meyer gas station. The first drive-up collection election ballot box was installed in front of Coos Bay City Hall. City Manager Craddock handed out updated Downtown walking maps that were put together by the Coos Bay Downtown Association and paid for by the Coos Bay-North Bend Visitor Convention Bureau. City Manager Craddock also stated staff was working the necessary ordinances and agreements related to the upcoming gas and marijuana tax ballot measures.

Council Comments

Councilor Brick stated he appreciated learning about Filipino-American History Month and encouraged everyone to get out and vote and to get involved in the election process. Councilor Kramer also encouraged everyone to get out and vote. Councilor Vaughan stated he found it interesting at the beginning of the meeting that Mayor Shoji tried to disassociate herself from the so-called circus that he believed she was an accomplice to; in her office with Mr. Hudson, who tried to intimidate three Councilors to change their vote at a upcoming council meeting and intimidated a Councilor to resign because of the contentious atmosphere. Councilor Vaughan stated it came to his attention CH2M recently accepted \$300 million from Apollo Global Management for a minority stake in CH2M to help reduce their debt; noted the City contracted with CH2M and found it odd such a good company need \$300 million dollars; CH2M was also a company that was supposed to know about the latest technology in wastewater but they were unable to do some calculating with all of the design data in their files that they had for years to adjust their components to a membrane system. Councilor Vaughan suggested this showed a lack of response time to the City's needs; CH2M was part of the process for quite some time and for them not to be involved in the upcoming request for proposal was odd; noted CH2M had requested three months to prepare a proposal; and stated he thought the situation was odd and suggested there was something else going on.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for October 18, 2016 in the Council Chambers at City Hall.

Crystal Shoji, Mayor

Attest: _____
Susanne Baker, City Recorder