

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

**June 27, 2017**

The minutes of the proceedings of a City Council and Urban Renewal Agency work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the meeting room at Fire Station 1, 450 Elrod Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. Councilor Stephanie Kramer was absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Public Works and Community Development Director Jim Hossley, Planning Administrator Tom Dixon, and Police Chief Gary McCullough.

Others: Elaine Howard and Scott Vanden Bos urban renewal consultants.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming July 5, 2017 agenda and discussion of the downtown urban renewal plan. No decisions were made.

### **Façade Improvement Grant for Old City Hall Located at 375 Central Avenue**

The applicant requested a façade improvement grant to restore the main exterior staircase of 375 Central Avenue. The City Council awarded the applicant a Certified Local Government's (CLG) Restoration grant for \$7,500. Subject to approval by the Urban Renewal Agency, the façade improvement program provided a 50/50 grant with a maximum grant award of \$25,000 per fiscal year. The applicant proposed to use the façade improvement grant as the match for the CLG grant. The Design Assistance Team (DAT) met on June 21, 2017 to review the façade improvement grant request and recommended the project be approved as submitted.

The CLG deadline to complete the project was August 31, 2017. Staff proposed the Urban Renewal Agency pre-approve the grant while the required bids were obtained to assist the applicant to meet the CLG deadline.

### **Review of the Downtown Urban Renewal Agency Plan by Elaine Howard Consulting**

City Manager Rodger Craddock introduced Elaine Howard and Scott Vanden Bos, urban renewal consultants to work with the Agency to update the 1988 Downtown Urban Renewal Plan. Total remaining maximum indebtedness was \$34,261,981. Ms. Howard presented the Coos Bay Urban Renewal Agenda report which included suggested additions and changes.

Discussion ensued on the property assessment process and Mayor Benetti suggested the Agency provide funding for the Assessor's office to reprioritize reassessments within the City of Coos Bay. Councilor Marler suggested contacting the Department of Revenue to temporarily reassign certified personnel to Coos County to update the assessments or hire a private appraisal firm. The cost and time to complete was estimated to be costly and lengthy.

## City Council and URA Work Session Minutes – June 27, 2017

The original downtown plan goals were:

Waterfront - Develop to enhance its potential while preserving its role as a working waterfront.

Downtown Core Pedestrian Mall - Revitalize the downtown core area by repairing and changing to promote utilization of area.

Infrastructure - Improve where infrastructure had deteriorated or was non-existent.

Over the years many projects were completed and the Plan amended 20 times to meet the needs of urban renewal. The plan was reviewed in 2015 to ensure it remained relevant. Draft goals, objectives, and projects were presented:

- Pubic Art Installations \$45,000 to FYE 2020 (approx. \$15,000 per year)
- Capital Improvement Program \$1.5M to FYE 2020 (approx. \$500,000 per year)
- Administration \$757,189 to FYE 2020 (approx. \$250,000 per year)
- Plus debt payments on existing borrowings
- Bond sale in FY 2019-20 of \$7,750,000, Finance Fees of \$155,000. About \$6.7M for projects

Financial Assumptions:

- Assumed very slow growth in assessed value, 0.5% per year.
- Incurred new debt in FYE 2020. This allowed for the Visitor Center bond to be fully repaid before incurring new debt, which increased borrowing capacity.
- Debt was assumed to be a bank loan of 20-year term, and 5.0% interest, maintain at least a 1.25x coverage ratio in all years, and a debt service reserve fund equal to one year's debt service payments.
- Under these assumptions, there was borrowing capacity for \$7.75M in 2020.
- However, given the slow rate of growth in TIF, and the large debt service obligations, and increased administrative expenses due to inflation, this essentially maxed out the ability to fund any additional projects for the next 20 years.
- Of the \$25M in planned projects in the URA, approximately \$8M would be funded with the remainder unfunded.
- By 2027, the URA would no longer be able to afford the current level of annual administrative costs (adjusted for inflation).
- In 2040, the proposed bank loan would be paid off, and the URA could in theory pursue another loan. Inflation between now and then would make all project costs astronomical, and any long-term loan would require debt service payments extended out many decades.

Through the budget process for fiscal year end (FYE) 2017-18, there was a decision to issue an Urban Renewal Special Levy in the Downtown Urban Renewal District of \$.32 per thousand. These funds were designated for street improvements and must be done in the urban renewal area. This allowed for gas tax to be used outside of the urban renewal area.

The project list added up to \$25.785M, which used up the full maximum indebtedness. However, the Area had actual capacity of \$8.245M for projects to FYE 2040.

## City Council and URA Work Session Minutes – June 27, 2017

2017 Projects to consider/ensure were covered in the urban renewal plan:

South Gateway  
North Gateway  
Projects from Front Street Action Plan

Near Term Catalytic Projects (*italics were new*)

Public waterfront access improvements  
*Food truck attraction strategy*  
Façade improvement program  
*Track opportunity sites*  
*Funding toolkit and partnerships*

Development Supportive Projects

- Historical Wayfinding
- *Restaurant Recruitment Strategy*
- *Environmental Assessment and Cleanup*
- *Create Supportive Environment for Public Events*
- *Public Parking Management Strategy*

Infrastructure Projects

Connectivity and Amenity

- Pedestrian North-South Connection (connect the Boardwalk)
- Improved Bicycle/Pedestrian Crossings across Highway 101
- *Circulation and Connectivity Improvements*
- *Access/Intersection Improvements*

Utility Infrastructure Enhancements

- Sewer Collection System Enhancements
- Storm Drain Improvements
- Water Distribution System Enhancements

Pedway Streetscape Tier 1	Reinforced concrete and curb cut improvements for food truck access. Art projects located on walls or stand-alone installations	\$125,000
Central Tier 1	Central back to two lanes and repair brickwork. Assumption: 36 ft. width, two 10 ft. travel lanes, 8 ft. parallel parking, 8 ft. sidewalk	\$330,000
Improve Downtown Aesthetics Tier 1	Uniform lighting, seating (benches), trash cans and landscaping.	\$100,000

## City Council and URA Work Session Minutes – June 27, 2017

Public Art installations Tier 2	Locate public art projects throughout the downtown URA and acceptance policy. Partners	\$150,000
Hwy 101 Tier 1	Fencing, landscaping, bike lanes, gateways, and sidewalk improvements. Partners	\$2,200,000
Recreation/Open Space	Improve Lockhart to include pavers for food truck and seating. Done	\$40,000
Capital Improvement Program Tier 1	Grant program for improvements to downtown buildings	\$3,000,000
Library Tier 2	Land acquisition and site improvements	\$1,000,000
Waterfront/Front St. Tier 1	Recreational site for kayak and paddleboard launch Street improvements including landscaping, lighting, and fencing Acquire additional parking space	\$50,000 \$2,000,000
Tier 1	Improve current boardwalk	\$1,000,000
Tier 2	New boardwalk extensions and amenities	\$1,000,000
Infrastructure Front Street Tier 1	Infrastructure improvements	\$1,000,000

Further designating projects in two tiers would assist in allocation of funds and priorities. Consideration for the project list should be given, especially towards the gateway projects already commenced.

Discussion ensued to not open Central to two-way traffic and 2<sup>nd</sup> Court alley improvements. Support to upgrade Central Avenue for improved pedestrian traffic; possibly open areas of Central to pedestrian only traffic. Importance to involve the Coos Bay Downtown Association in Central discussions. Questions on removal of pilings.

## City Council and URA Work Session Minutes – June 27, 2017

### Goals and Objectives –

Goal 1: Enhance the city's waterfront on both sides of the bay to develop its potential for diverse uses including recreation, tourism, living and commercial mixed use activities while preserving its alternate role as a working waterfront which supports the area's marine related economy.

#### Potential Goal 1 Objectives:

1. Install Highway 101 streetscape *and improve bike and pedestrian crossing across 101.*
  - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art, wayfinding signage, *gateways*, bike racks, and other street furniture
2. Improve the facilities for waterfront recreation on both sides of the bay
  - a) Work with partners to encourage development of waterfront recreation and commercial uses
  - b) Develop additional docks for boat moorage – not financially feasible
  - c) Removal of abandoned pilings – leave pilings
  - d) Develop bathrooms on boardwalk – not financially feasible
  - e) Develop showers and bathrooms for moorage customers/recreation use
  - f) Develop access for kayaks, paddle boards and other water related craft
  - g) Develop additional space for recreational fishing
  - h) Provide incentives for the development of commercial uses such as restaurants and uses supporting waterfront activities
  - i) Provide incentives for the development of a marina
3. Revitalization of Front Street
  - a) *Provide open space and pedestrian connectivity which creates access to the waterfront.*
    - *Complete a north south pathway on the east side of Front Street and provide outlooks on city owned parcels or rights of way.*
    - *Create supportive environment for public events.*
  - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art and other street furniture
  - b) Include cyclists - bike racks
  - c) *Support employment uses that required access to the waterfront for success.*
  - d) *Install improvements to the transportation network that improved multimodal safety.*
    - *Develop a public parking management strategy.*

Goal 2: Revitalize businesses and the built environment in the downtown core, including its historic heritage, reinforcing a cultural and commercial center for economic health, attractive and unique place for people to live, work, shop, socialize and recreate.

#### Potential Goal 2 Objectives:

1. Pursue building restoration including facades and second floors.
  - a) Target storefront program to specific building clusters within the downtown
  - b) Encourage residential development on second floors and mixed use development
  - c) Develop site specific pro formas for mixed/use development
  - d) Evaluate potential areas where city could assist developers
  - e) Evaluate, and if feasible, provide elevator loans/grants
  - f) Evaluate, and is feasible, provide sprinkler loans/grants

## City Council and URA Work Session Minutes – June 27, 2017

### 2. Install streetscape

- a) Provide safe and aesthetically pleasing sidewalks, including lighting, benches, public art and other street furniture
- b) *Develop wayfinding master plan, wayfinding signage, and install bike racks*

### 3. Encourage the development of new and existing businesses

- a) *Develop a funding toolkit*
- b) Provide storefront loans/grants
- c) Provide interior loans/grants
  - Priorities for loans/grants:
    - i. provide incentives within a concentrated area for maximum impact
    - ii. filling vacant storefronts
    - iii. developing additional meeting space
- d) Work with the Farmers' Market to ensure a safe and functional environment

Goal 3: Construction or re-construction of streets, utilities, and other essential infrastructure in areas of the city within the district where they had deteriorated, were un-safe or non-existent, or where modifications were necessary to support and/or encourage the expansion of new development.

1. *Replace the sewer collection system. Install new gravity liens, manholes and sewer laterals.*
2. *Replace the storm drain system. Install new storm drain culverts, catch basis, tide gates, and storm drain outfalls.*
3. *Replace the water distribution system. Install new main line water piping hydrants, and water services.*

Ms. Howard would prepare an updated document based upon the work session and provide an updated report for the Agency's review and discussion.

### **Downtown Association**

City Manager Rodger Craddock noted the work completed by the Coos Bay Downtown Association and their recruitment process for a new executive director. The interview committee disclosed the salary of the Executive Director position should be increased to be competitive which resulted in their request to extend the existing Agency contract and provide an additional \$5,000 per year. Consensus of the Agency was to support the efforts of the Coos Bay Downtown Association financially. Councilor DiNovo suggested the Fun Festival should progress to a financially break-even event with vendor fees offsetting the City's expenses.

### **Adjourn**

There being no further items for discussion, Mayor Benetti adjourned the work session. The next regular Council meeting was scheduled for July 5, 2017 in the Council Chambers at City Hall.

**City Council and URA Work Session Minutes – June 27, 2017**

\_\_\_\_\_  
Joe Benetti, Mayor

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

## MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

July 5, 2017

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 Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. Councilor Stephanie Kramer was absent. City staff present were City Manager Rodger Craddock, Deputy Finance Director Amy Kinnaman, Public Works and Community Development Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

### **Flag Salute**

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

### **Public Comments**

No public comments were given.

### **Consent Calendar**

Mayor Benetti reviewed the consent calendar which consisted of 3a: approval of the minutes of June 13 and 20, 2017; 3b: acceptance of the May combined cash report; 3c: acceptance of the 2017-18 Oregon State Marine Board Maintenance Assistance Program (MAP) grant, and; 3d: approval of Oregon Liquor Control Commission (OLCC) annual license renewals for Captain's Cabin, Coos Head Food Co-Op, Cranberry Sweets & More, Eagles Lodge, Empire Bakery, Fred Meyer, Hair Co. Etc. Salon & Day Spa, Oregon Coast Culinary Institute, Outdoor-In, Pueblo Nuevo 2 Mexican Restaurant, Smith's Bay Way Market, and Walt's Pourhouse. Councilor DiNovo moved to approve the consent calendar as presented. Councilor Groth seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, and Marler voting aye. Councilors Kilmer and Kramer were absent.

### **Public Hearing to Consider Approval of an Amendment to Ordinance 321 for a Telecommunications Franchise Agreement – Approval Would Require Enactment of the Proposed Ordinance**

The City had a telecommunications franchise agreement (Ordinance 321) with Tribal One Broadband Technologies, dba ORCA Communications, since 2002. The City was recently notified ORCA sold its fiber and DSL broadband operations along with its customer base to Douglas Services, Inc. dba Douglas Fast Net. As such, Ordinance 321 needed to be amended. The amendment included the change in ownership (Ord. 321, Section 1), updated the insurance requirements (Ord. 321, Section 9), deleted language referencing sovereign immunity (Ord. 321, Section 16) and amended Section 20 which dealt with proper noticing and where notices were to be sent.



## **City Council Minutes – July 5, 2017**

Mayor Benetti opened the public hearing. No comments were made and the hearing was closed.

Councilor Groth moved to enact the attached ordinance to amend Ordinance 321 to reflect the change in ownership of the telecommunications company now owned by Douglas Fast Net. Councilor Farmer seconded the motion. Deputy Finance Director Amy Kinnaman read the ordinance and announced Ordinance 488 was enacted by the following vote:

Aye: Mayor Benetti and Councilors DiNovo, Farmer, Groth, and Marler  
Nay: None  
Absent: Councilors Kilmer and Kramer

### **Award of Contract for North 2<sup>nd</sup> Street Sewer Main Replacement Project**

Public Works and Community Development Director Jim Hossley stated the 2011 Inflow and Infiltration report identified the sanitary sewer along N. 2<sup>nd</sup> Street between Commercial Avenue and Market Street was in need of repair. The project included replacement of approximately 250 feet of 8-inch pipe and 6 lateral connections. Civil West Engineering completed design for the project and bids were opened June 15, 2017. Four bids were received and accepted: Benny Hempstead Excavating, Inc. bid \$77,256; Johnson Rock Products, Inc. bid \$85,392; Knife River Materials bid \$97,899.50, and; Billeter Marine, LLC. Bid \$150,337.92. Mr. Hossley noted the project was identified on the 20-year takedown list and the 5-year capital improvement project plan. The project would be funded through the Infrastructure Finance Authority (IFA) loan 1 and due to the nature of the underground work and the potential for unknowns staff recommended approving a 15% contingency.

Councilor DiNovo moved to award the construction contract to Benny Hempstead Excavating, Inc. for the N. 2<sup>nd</sup> Street sanitary sewer replacement project for a total project cost not to exceed of \$88,844 (\$77,256 bid plus 15% contingency of \$11,588). Councilor Marler seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, and Marler voting aye. Councilors Kilmer and Kramer were absent.

### **Award of Construction Contract for the Sanitary Sewer Replacement West of Wastewater Treatment Plant No. 1 and North 4<sup>th</sup> Street/Highland Avenue**

Public Works and Community Development Director Jim Hossley stated the City bundled two smaller projects in effort to obtain more competitive bids. HGE was the design engineer for both projects and estimated construction costs at \$315,829. The sanitary sewer replacement for wastewater treatment plant no. 1 (WWTP#1) was located along the west side of the treatment plant (located at 680 Ivy Avenue) and consisted of replacing approximately 430 feet of sanitary and 200 feet of storm sewer lines. The N. 4<sup>th</sup> Street/Highland Avenue project consisted of replacing approximately 260 feet of sanitary sewer replacement along N. 4<sup>th</sup> Street between Highland and Park Avenue and approximately 200 feet of sanitary sewer along Highland Avenue between N. 4<sup>th</sup> and 3<sup>rd</sup> Street. Bids were opened on June 20, 2016; two bids were received and accepted: Johnson Rock Products, Inc. bid \$456,653.50 and Billeter Marine, LLC bid \$335,793.72. Mr. Hossley noted the WWTP#1 project was identified on the 20-year takedown list and the 5-year capital improvement project (CIP) plan. The N. 4<sup>th</sup> Street/Highland Avenue project was identified on the 5-year CIP plan and was an emergency project identified

## **City Council Minutes – July 5, 2017**

through a video investigation. The projects would be funded through the Infrastructure Finance Authority (IFA) loan 1 and due to the nature of the underground work and the potential for unknowns staff recommended approving a 15% contingency.

Councilor Groth moved to award the construction contract to Billeter Marine, LLC for the sanitary sewer replacement west of WWTP#1 and the N. 4<sup>th</sup> Street/Highland Avenue sewer replacement projects for a total project cost not to exceed of \$386,162 (\$335,793.72 bid plus 15% contingency of \$50,368.28). Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, and Marler voting aye. Councilors Kilmer and Kramer were absent.

### **Approval to Use Federal Emergency Management Agency Grant Funds to Purchase Self-Contained Breathing Apparatus**

Fire Chief Mark Anderson stated the Fire Department had 36 self-contained breathing apparatus (SCBA) for firefighting. The SCBAs provided clean compressed air to personnel operating in smoke and toxic environments and were purchased with grant funds in 2004. The bottles, by National Fire Protection Association (NFPA) standards, had a 15-year life cycle and would be non-compliant within the next two years. The cost of new SCBA units was estimated at \$5,500-6,000 each. In May of 2017, the City was awarded a grant from Federal Emergency Management Agency (FEMA) to replace the SCBAs; and on May 16th, the City Council approved to accept the grant funds. Fire Department staff conducted an evaluation of the five (5) SCBA brands currently on the market using a variety of criteria. The evaluation found the comfort and visibility of the MSA SCBA to be far superior to the other models. Chief Anderson noted all SCBA manufacturers used alkaline AA disposable batteries to power the electronics. Department staff currently replaced 576 batteries in SCBA's each year at a cost of roughly \$250 annually. MSA was the only manufacturer that offered a lithium ion rechargeable battery pack as a cost saving alternative. Seawestern Firefighting Equipment was the sole authorized distributor of MSA products in the State of Oregon. The Fire Department solicited four (4) competitive written quotes from vendors: Deltair distributed by Life Safety Corp at a cost of \$178,200; Drager – PSS 700 distributed by Curtis at a cost of \$179,600; MSA – G1 distributed by Seawestern at a cost of \$214,740, and; Scott – X3 distributed by Shur-sales, no bid response.

Fire Chief Anderson noted the MSA SCBA was not the lowest price. However, based on the results of the equipment evaluation and comments from staff, the Fire Department believed it was in the best interest of the City to purchase the MSA – G1 SCBA's. The recommendation was consistent and in accordance with the purchasing contract rules outlined in section 7, item (b). The cost of the 36 MSA "G1" SCBA systems was \$217,740. The FEMA grant award was for \$212,572 and a condition of the grant required the City to contribute a 5% cost match (\$10,628) for a total amount of \$223,200. With the remaining balance of \$8,460 staff planned to request permission from FEMA to purchase additional items that would assist with the respirator fitness program which included extra masks, fittings to ease connection to the filling station, a rechargeable battery bank with spare batteries, and brackets to allow mounting the large SCBA bottles on the trucks. City Manager Rodger Craddock stated the required 5% grant match was budgeted and approved for fiscal year 2018 and noted he was contacted by Oregon vendor (distributor of Scott – X3 equipment) who was upset because his company was not awarded the bid. City Manager Craddock noted City did do business with the vendor but City was not

## City Council Minutes – July 5, 2017

required to award bid based on vendor location. Fire Chief Anderson stated award was based on equipment evaluation and specifications not on vendors.

Councilor Farmer moved to approve the purchase of 36 MSA “G1” SCBA’s from Seawestern Firefighting Equipment Company at a cost of \$214,740 (95% FEMA grant and 5% general fund). Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, and Marler voting aye. Councilors Kilmer and Kramer were absent.

Councilor Kilmer entered the meeting at 7:34 p.m.

### **City Manager Report**

City Manager Rodger Craddock shared highlights from the 2017 4<sup>th</sup> of July Mingus Park event and expressed his thanks to Fire Department and community volunteers for another successful event. Other updates included status of the Boardwalk walking path and coordination of repair with the Oregon International Port of Coos Bay (Port). Engineering firm of KPFF provided an estimate of \$75,000 to engineer and design (only; did not include construction) repair of dike; staff planned to meet with the Port later in the week on the matter. Since November 2016, staff had been working with the two other dispatch centers in the area to form an agreement to consolidate public safety dispatch services in effort to save funding due to rising PERS retirement costs and provide higher level of customer service. Coos Bay dispatch normal staff level was nine employees but was currently at five due to retirements, fear of job loss due to consolidation, and other life events; noted Coos Bay made proposal to City of North Bend last week to consolidate with North Bend dispatchers.

Replacement of wastewater pump station #1 estimated completion was September 2017. South Empire Boulevard was 80% complete; anticipated completion was end of July but date was conditional upon availability of Knife River’ asphalt plant. Wastewater treatment plant No. 2 (WWTP#2) project was 26% and noted over 80% of all required concrete had been poured. Installation of John Toppits exercise equipment was scheduled for end of July, 2017. Mingus Park pool project would commence in August 2017. Golden Avenue pavement project design was completed and staff was in process of soliciting for construction bids. North and south Highway 101 entrance streetscape designs were complete and City was in process of negotiating with Oregon Department of Transportation (ODOT) on the matter.

### **Council Comments**

Mayor Benetti Thanked Councilor DiNovo for serving on the Coos Bay – North Bend Water Board; noted 2<sup>nd</sup> Street diagonal parking project was underway.

### **Adjourn**

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for July 18, 2017 in the Council Chambers at City Hall.

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Joe Benetti, Mayor

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