

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

June 2, 2009

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7:00 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Jeff McKeown and Councilors Mark Daily, Jon Eck, Joanie Johnson, Stephanie Kramer, Gene Melton, and John Pundt. City staff present were City Manager Chuck Freeman, Deputy Finance Director Susanne Baker, Public Works and Development Director Jim Hossley, City Engineer Carl Nolte, Finance Director Rae Lea Cousens, Fire Chief Stan Gibson, Library Director Carol Ventgen, Economic and Community Development Manager Joyce Jansen, and Police Chief Rodger Craddock.

Flag Salute

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

Consent Calendar

Mayor McKeown reviewed the consent calendar which consisted of approval of the minutes of May 19, 2009; approval of OLCC license renewals for Coos Bay Grocery Outlet, Englewood Market, Fireside Restaurant/Woodshed Bar, Fred Meyer, Gooney's Sports Bar, Red Lion Inn, Safeway, Sumin's Restaurant, TNT Market, and Wal-Mart; and acknowledgement of receipt of the May 2009 accounts payable and payroll check registers. Councilor Kramer moved to approve the consent calendar as presented. Councilor Eck seconded the motion which carried with Mayor McKeown and Councilors Eck, Johnson, Kramer, Melton, and Pundt voting aye. Councilor Daily was absent for the vote.

Public Hearing on the Use of State Revenue Sharing Funds – Approval to Accept the Funds will require Adoption of Resolution 09-13

City Manager Chuck Freeman stated State Revenue Sharing funds are received from the State of Oregon through liquor tax revenues and anticipates the revenue to be approximately \$130,000 in FY 09-10. Mayor McKeown opened the public hearing. No public comments were given and the hearing was closed. Councilor Eck moved to adopt Resolution 09-13 approving participation in the State Revenue Sharing program. Councilor Melton seconded the motion which carried with Mayor McKeown and Councilors Eck, Johnson, Kramer, Melton, and Pundt voting aye. Councilor Daily was absent for the vote.

Public Hearing on the Approved Budget for Fiscal Year 2009/10 – Adoption of Resolution 09-14 Will Adopt the Budget and Make Appropriations and Levy Ad Valorem Taxes

Finance Director Rae Lea Cousens stated the \$39,168,951 listed in Resolution 09-14 is corrected to \$52,283,270. The proposed budget for fiscal year 2009-10 has been reviewed by

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the Budget Committee, approved, and forwarded to the City Council for adoption on April 30, 2009. Adoption of the budget imposes taxes at the rate of \$6.3643/\$1,000 and adopts outside of the limitation \$449,945 for debt service. City Manager Chuck Freeman stated the changes to the budget since the Budget Committee met include: \$13,500 for Urban Renewal insurance offset by an increase in the Urban Renewal Agency management fee, \$2,500 for the Senior Center community contribution, \$10,195 for Tourist Information Center rental; \$2,295 for salary reclassification costs, \$1,800 for excess crime coverage insurance, and a \$3,000 transfer to the Hotel/Motel Fund for additional Art Museum management fees all totaling \$19,790 which will be funded from the carry forward balance and Urban Renewal Agency for the insurance. Mayor McKeown opened the public hearing. No public comments were given and the hearing was closed. Councilor Melton moved to adopt Resolution 09-14 adopting the budget of the City of Coos Bay for Fiscal Year 2009-10. Councilor Johnson seconded the motion which carried with Mayor McKeown and Councilors Eck, Johnson, Kramer, Melton, and Pundt voting aye. Councilor Daily was absent for the vote.

Public Hearing on a Proposed Local Improvement District (LID) on Minnesota Avenue – Approval of the LID will Require Enactment of the Proposed Ordinance

Public Works and Development Director Jim Hossley stated this item was continued in order for staff to address a question on the distribution by frontage. All of the affected property owners have been notified of the final distribution of costs wherein all expenditures related to the Minnesota LID district will be borne by all of the benefitted property owners as set forth in the approved cost distribution. Mayor McKeown opened the public hearing. No public comments were given and the hearing was closed. Councilor Melton moved to enact the ordinance to levy the assessment and direct the Recorder to enter a statement in the docket of city liens pursuant to CBMC 3.5.170. Councilor Daily seconded the motion. City Attorney Nate McClintock read the ordinance by title only and Ordinance 414 was enacted by the following vote:

Aye:	Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt
No:	None
Absent:	None

Approval of Lease Agreement Between the City and The Hub Partnership for Temporary Offices for the Visitor Information Center and Virtual Business Incubator

City Manager Chuck Freeman stated a review of office space locations has been completed for temporary facilities while the new Visitor Information Center is being constructed. Staff recommends entering into a contract with The Hub Partnership for office space at Central and S. Broadway for \$1,640 per month, commencing 7/1/09 for 10 months, rent includes water and garbage, allows the lease to be cancelled if the new building is completed earlier, and allows subleasing a portion of the building to the VCB. The VCB currently budgets \$200 a month for office space. Councilor Johnson and Eck stated they were concerned that the rent with The Hub Partnership was too high though they did like the visibility for the public. Councilor Johnson

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moved to approve the lease with The Hub Partnership for temporary offices for the Visitor Information Center and Virtual Business Incubator. Councilor Melton seconded the motion which carried with Mayor McKeown, Councilors Daily, Johnson, Kramer, Melton, and Pundt voting aye. Councilor Eck voting nay.

Structural Report on the Lockhart Building

City Engineer Carl Nolte provided a structural survey summary of the Lockhart building located at 3rd and Central. The building is 100' x 100', is two buildings constructed at two separate times, and has been modified many times over the years. Structural members of the building have been and continue to be exposed to water leaks and saturation; the floor(s) are wet, the supporting beams have been cut and do not adequately support the structure, walls have and continue to crack, walls that were not meant to be load bearing are load bearing and are collapsing, and there are many other structural failures throughout. Mr. Nolte stated the cost to repair the structure ranges from \$2.0 - \$2.3 M. To bring the structure into code and ADA compliance, an additional 75% - 100% would be needed which could easily total \$4.0 M. Mr. Nolte has spoken with Koos Environmental who evaluated the building for the original owner and citing many asbestos issues related to tile, mastic, and insulation for the hot water system. Of the three options Mr. Nolte provided (rehabilitate, demolish, and totally secure the structure with plywood leaving a periodic observation access) staff recommends demolition by an experienced contractor. Mr. Nolte stated a PAR title report revealed a LLC owned by a group in California owns the building with a lien held by Mr. Dale Kinyon for \$210,000. City Attorney Nate McClintock stated if the City abates, the cost becomes an assessment against the property and ORS 223.505 – 223.650 provides for selling the building to remedy the cost of demolition. Assessment would take priority over the existing trust deed/mortgage. Mayor McKeown expressed concern regarding potential damage to the common wall with the building to the south. Mr. Nolte stated the demolition contract would be written requiring the contractor to obtain sufficient insurance and assume liability to ensure the wall remains in place. Councilor Eck asked where the funds are budgeted to demolish the building. City Manager Chuck Freeman stated the building is blight and urban renewal funds would be reasonable. A consensus of the Council was to obtain more information regarding the environmental issues and preservation of the common wall and return to Council.

Public Comments

Steve Pickering, 2170 N 28th, Coos Bay: Presented comments he has received regarding the Lockhart Building; Sarah Crawford, 825 8th Terrace, Coos Bay: Stated the detour on 8th Terrace by the Water Board is hazardous and the traffic should be directed elsewhere; and Matt Crawford, 825 8th Terrace, Coos Bay: Presented suggestions to solve the traffic congestion on 8th Terrace.

City Attorney's Report

No report was given.

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City Manager's Report

City Manager Chuck Freeman stated staff is working on federal stimulus grants for elk mitigation, painting Fire Station No. 2, and GPS of infrastructure; and with the Oregon Energy Trust for downtown period lights and retrofitting high wattage bulbs. There is interest in the boat building school and the Farmers Market started well this week.

Council Comments


Councilor Johnson stated the Coos Art Museum has scheduled a fundraiser; Councilor Pundt stated the Clamboree is June 27th; Councilor Kramer stated family jobs are a priority; Councilor Eck stated creating jobs is a high priority and the annual Lion's Pizza Day is tomorrow; Councilor Daily stated the Lab Band performed well in Sacramento despite unforeseen setbacks; Mayor McKeown spoke at two Veteran ceremonies over Memorial Day, at the request of Councilor Kramer another Councilor is requested to replace her on the Boys and Girls Club Board, and he is pleased with the City Manager and would like to solicit comments from selected groups/individuals for the City Manager's evaluation. Councilor Daily stated the idea is worth discussing however the City Manager takes direction from the Council and the timing of the suggestion is too late this year. Councilor Johnson stated it is the opinion of the Council that is foremost and concurred with Councilor Daily. Councilor Kramer, Eck, and Melton stated they concurred with the majority.

Executive Session

An executive session was held pursuant to ORS 192.660 (2)(i) for the Purpose of Evaluating the Job Performance of the City Manager. The Council reconvened into regular session and directed the City Attorney to provide the salary range for the City Manager.

Adjourn

There being no further business to come before the Council, Mayor McKeown adjourned the meeting. The next regular Council meeting is scheduled for June 16, 2009 in the Council Chambers at City Hall.



Jeff McKeown, Mayor

Attest:



Rae Lea Cousens, City Recorder