

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

October 4, 2011

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 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 Jennifer Groth, Joanie Johnson, Stephanie Kramer, Gene Melton, and Mike Vaughan. Councilor Muenchrath was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Acting Finance Director Susanne Baker, Acting Deputy Finance Director Amy Kinnaman, Public Works and Development Director Jim Hossley, Economic Revitalization Administrator Joyce Jansen, Library Director Carol Ventgen, Fire Chief Stan Gibson, and Police Captain Chris Chapanar.

Public Comments

Ken Harlan, Coos Bay: Expressed concern about increased criminal activity in his neighborhood and inquired about implementing a citywide neighborhood watch; asked if Urban Renewal Agency funds could be used for this function; and requested to meet with the City Manager and Mayor regarding this matter. Ms. Bear, Coos Bay: Stated she would like to see neighborhood watch groups citywide.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 2a: approval of the minutes of September 20, 2011 and 2b: approval of City Hall Seismic Upgrade Construction Manager General Contractor (CMGC) contract. Councilor Kramer moved to approve the consent calendar approving the minutes of September 20, 2011 and the City Hall Seismic Upgrade Construction Manager General Contractor (CMGC) contract. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Mayor Shoji requested a proclamation on domestic violence awareness be added to the agenda as item 3.1.

Consideration of Approval for a Loan to Purchase Property for Wastewater Treatment Plant No. 2 – Approval Would Require Adoption of Resolution 11-25

Acting Finance Director Susanne Baker reported on July 5, 2011 the Council approved the purchase of land located on the east side of Empire Boulevard to accommodate upgrades to Wastewater Treatment Plant No. 2 (WWTP#2). The land purchase was approved for an amount not to exceed \$603,000, plus reasonable closing costs based upon the results of environmental testing, geotechnical evaluations, and the successful closure of all three parcels. All of the contingencies appear to have been successfully met and the land purchase scheduled to close on October 14, 2011, pending any extensions due to the final geotechnical and environmental reports. Ms. Baker stated the City's financial advisor, Kieu-Oanh Nguyen of Western Financial advised the City to obtain long-term fixed rate loans to purchase the land.

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Ms. Nguyen identified three potential lenders: DEQ loan program, Oregon Infrastructure Finance Authority ("OIFA") Waster/Wastewater Financing Program, and commercial banks. Upon further review of the financing options staff determined the best option for financing the land purchase was to obtain a loan through a commercial bank. Staff requested commercial loan proposals for terms of up to \$650,000 from three local commercial banks: Umpqua, US Bank, and Sterling Savings. US Bank's proposal for a qualified tax exempt loan with a fixed interest rate of 3.12%, for 10 years was selected as the best financing option.

Ms. Baker stated the City's Bond Counsel, K&L Gates was contacted to perform the necessary due diligence to determine if the land purchase transaction qualified under IRS regulation as tax exempt, to issue the resulting opinion letter, and prepare a financing agreement. The alternative if the City did not qualify would be to accept the non-tax exempt loan through US Bank, with a fixed interest rate of 4.66%. Councilor Johnson moved to adopt Resolution 11-25 and authorize the City Manager to execute the necessary loan documents with the most favorable terms, pursuant to the Bond Counsel's direction to finance the wastewater treatment plant land purchase. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Presentation of Proclamation on Domestic Violence Awareness Month

On behalf of the Women's Safety and Resource Center Mayor Shoji read a proclamation declaring the month of October as Domestic Violence Awareness Month. Councilor Groth moved to approve the proclamation. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Discussion on Filling an Unexpired Term on the Coos Bay-North Bend Water Board

City Manager Rodger Craddock stated Coos Bay-North Bend Water Board (CBNBWB) Member Mike Helfrich recently passed away which left a vacancy on the Board of the CBNBWB. Mr. Helfrich's remaining term for the Board position was through December 31, 2014. Mr. Craddock noted the Council had two options for filling the vacant position: appoint a person having knowledge of water treatment facilities or the Council could choose to advertise the opening, take applications through October 21st, hold interviews, and make an appointment at the November 1st Council meeting. Mr. Craddock advised that staff contacted Charlie Sharps whom previously served on the CBNBWB from April 2004 through January 2009 and noted Mr. Sharps was willing to be appointed to the position.

Councilor Melton moved to appoint Charlie Sharps to the Coos Bay-North Bend Water Board for a term ending December 31, 2014. Councilor Johnson seconded the motion. Councilor Kramer inquired if Mr. Sharps could be temporarily appointed whereby City Attorney Nate McClintock advised the Council needed to make an appointment for the balance of the remaining term. Councilor Groth expressed concern about interviews delaying the business of the Water Board. Councilor Kramer inquired if interviews could be scheduled for the next Council meeting whereby Mr. Craddock advised interviews could be scheduled for the next Council meeting but suggested applications for the position might be limited. A call for the motion was made which

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failed with Councilors Johnson and Melton voting aye and Mayor Shoji and Councilors Groth, Kramer, and Vaughan voting nay. Councilor Muenchrath was absent.

Councilor Groth moved to advertise the Board opening of the CBNBWB and make an appointment at the November 1st Council meeting. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, and Vaughan voting aye and Councilor Melton voting nay. Councilor Muenchrath was absent. City Manager Rodger Craddock inquired if the Council would be interested in calling a special meeting if schedules could be arranged and the consensus was affirmative.

City Attorney's Report

City Attorney Nate McClintock reported attending the recent League of Oregon Cities conference and found it to be very informative and worthwhile; and advised Ken Harlan's request to use Urban Renewal funds to support a neighborhood watch program was an ineligible use of those funds.

City Manager's Report

City Manager Rodger Craddock advised of an upcoming meeting at 6:00 p.m. at the Library on October 17th for public input on wind energy for consideration of drafting an ordinance; and advised the Council would be taking public input at the October 18th meeting in consideration of the use of the two vacant lots in downtown.

Council Comments

Councilor Vaughan recommended the building codes ordinance be amended to tighten the requirements allowed for what constitutes substantial and ongoing progress for an extension of time for building permits; expressed concern about the maintenance of the planks on the Coos Bay Boardwalk; would like to require property/business owners to maintain their property free of weeds and debris when buildings are demolished; suggested placing portable boat docks at the city dock; suggested adding retail business on the boardwalk; and suggested the transit transfer station be located on Central, rather than on the Pedway, to bring pedestrians downtown. Councilor Kramer stated the Boat Building Center grand re-opening was a success. Councilor Johnson inquired if any additional complaints were received with regards to the changes made at the Central and Ocean Boulevard intersection whereby City Manager Rodger Craddock stated staff has monitored the decibel level and found traffic was louder than the rumble strips; and reminded everyone to shop local. Councilor Groth stated she recently attended the League of Oregon Cities conference and took great interest in the social media workshop and expressed an interest in starting a City of Coos Bay Facebook page. Mayor Shoji stated she recently had an opportunity to attend the Western Planner's Association conference and was able to attend sessions on the redevelopment of historic theatres and transformation of alleys; planned to share the information with the Egyptian Theatre Steering Committee, city staff, and the Council; requested staff to provide a presentation on the review of the nuisance ordinance; and requested staff to setup public comments for consideration of future development of the waterfront.

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Public Comments

Gary Rifkin, Coos Bay: Welcomed several new businesses to the downtown area and was sorry to have missed the “Old Marshfield” bowling event.

Executive Session

An executive session was held pursuant to ORS 192.660 (2) (h) for Consultation with Legal Counsel Concerning Legal Rights and Duties Regarding Current Litigation or Litigation Likely to be Filed; and Pursuant to ORS 192.660 (2) (i) for the Purpose of Evaluation the Job Performance of the City Manager.

Councilor Kramer moved to reconvene into regular session. Councilor Johnson seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, and Vaughan voting aye and Councilor Melton voting nay. Councilor Muenchrath was absent. The Council reconvened into regular session. Mayor Shoji stated she was pleased with the job performance of City Manager Rodger Craddock. Mayor Shoji stated she was philosophically opposed to raises; was concerned with unemployment both locally and nationally; believed as a country there was a wide disparity between wages; and would be in favor of a bonus to recognize Mr. Craddock’s job performance. Councilor Kramer asked if it was possible to award a half step increase wherein City Attorney Nate McClintock stated the Council could do as they desired. Mr. McClintock stated in 2007 the Council commissioned LGPI to perform a salary survey for the non-represented employees. The salary survey was used as the basis to adopt the current salary schedules and was intended to maintain Coos Bay salaries at a median position as compared to like cities.

Councilor Melton stated salary increases and wage disparity have been an issue everywhere for as long as he could remember. Councilor Kramer stated she wanted to give Mr. Craddock a fair raise. Councilor Johnson stated Mr. Craddock’s cost of living increased the same as everyone else. Mr. McClintock stated the cost of living last month was 4.1% and rising. Councilor Vaughan stated the job performance of Mr. Craddock has been exceedingly better than what Coos Bay has experienced over the last ten years. Councilor Groth stated she would like to honor the relative value of the City Manager position, believed it was important to continue to demonstrate that Coos Bay’s City Manager position has the same value as other positions throughout the state, and was in favor of a step increase.

Councilor Groth moved to give Mr. Craddock a step increase. Councilor Kramer seconded the motion. Mayor Shoji stated she was not in favor of the whole step increase. Councilor Melton inquired as to the cost of a half step increase wherein City Attorney McClintock stated it was \$309.50 per month. A call for the motion was made and the motion which failed with Councilor Groth and Vaughan voting aye and Mayor Shoji and Councilors Johnson, Kramer, and Melton voting nay. Councilor Muenchrath was absent.

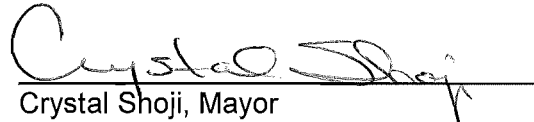
Councilor Kramer moved to give Mr. Craddock a half-step increase. Councilor Johnson seconded the motion which failed with Mayor Shoji and Councilor Melton voting aye and Councilors Groth, Kramer, Johnson, and Vaughan voting nay. Councilor Muenchrath was absent.


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Councilor Kramer moved to award Mr. Craddock a \$3,600 bonus. Councilor Johnson seconded the motion which passed with Mayor Shoji and Councilors Kramer, Melton, and Vaughan voting aye and Councilor Groth voting nay. Councilor Muenchrath was absent.

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, 2011 in the Council Chambers at City Hall.


Crystal Shoji, Mayor

Attest: 
Susanne Baker, Acting City Recorder