

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

March 19, 2013

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 Mark Daily, Jennifer Groth, Stephanie Kramer, Gene Melton, John Muenchrath, and Mike Vaughan. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Economic Revitalization Administrator Joyce Jansen, Public Works and Development Director Jim Hossley, Library Director Sami Pierson, Fire Chief Stan Gibson, and Police Chief Gary McCullough.

Flag Salute

Mayor Shoji opened the meeting and asked Michael Coburn and Mikayla Reed to lead the Council and assembly in the salute to the flag.

Public Comments

No comments were given.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of March 5, 2013 3b: acceptance of February 2013 accounts payable and payroll check registers; and 3c: acceptance of the February 2013 combined cash report. Councilor Melton moved to approve the consent calendar approving the minutes of March 5, 2013, accepting the February 2013 accounts payable and payroll check registers, and accepting the February 2013 combined cash report. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Presentation of the Welcome Home Vietnam Proclamation by Michael Coburn of the Marshfield High School Memorial Day Planning Committee

Michael Coburn and Mikayla Reed presented a Welcome Home Vietnam proclamation on behalf of the Marshfield High School Memorial Day Planning Committee. Mr. Coburn and Mayor Shoji read the proclamation aloud, declaring March 30th as Welcome Home Vietnam Veterans Day. Councilor Melton moved to approve the Welcome Home Vietnam Veterans proclamation. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Semi-Annual Report on the Coos Bay/North Bend Visitor Convention Bureau by Director Katherine Hoppe

Katherine Hoppe, Director of Promotions and Conventions for the Coos Bay-North Bend Visitor and Convention Bureau (VCB) provided a report on the VCB's activities. Highlights included the

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an update on the yearlong research project tracking visits to the VIC's website and visitor information center guests, in addition to the new Adventure Coast Coupon Card Program, tradeshow programs and partnerships, and the success of the recent 3A Tournament. Ms. Hoppe also highlighted the VIC's website performance, features, and usage.

Approval of the Fiscal Year Ending (FYE) 2013 Technology Purchases

Finance Director Susanne Baker stated the approved FYE 13 budget included technology purchases for the Finance Department, City Manager's Office, Urban Renewal Administration division, and server upgrades. The equipment would be purchased through Dell utilizing government/special State pricing tables. This year's order included six desktop computers; four notebooks, monitors, wireless keyboard/mice bundles; and one management (documents) server, one SQL (databases) server, one messaging (emailing) server, and one virtual server for an approximate total of \$48,900. Councilor Kramer moved to approve the \$48,900 in technology purchases. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Approval of the Tax-Exempt Bonds Post-Issuance Compliance Policy

Finance Director Susanne Baker stated during the processing of the recently completed refunding of the Urban Renewal Agency (Agency) bonds, bond counsel advised that the Agency and City of Coos Bay (City) should adopt a post-issuance compliance policy for tax-exempt bonds. The policy sets forth procedures for the City and Agency to ensure compliance with applicable requirements of the federal tax law necessary to preserve the tax status of tax-exempt obligations. The policy would cover all issuance(s) of new and outstanding tax-exempt bonds in accordance with applicable federal tax requirements. Adoption of the policy would provide financial sophistication for the Agency and City along with assurances to the Internal Revenue Service and to other financial institutions of the intent and commitment to comply with federal tax requirements. Ms. Baker noted tax-exempt bond issuances of governmental agencies were also subject to Internal Revenue Service audits and were on the rise due to the economic conditions of the past several years and the failures in the financial markets. Councilor Groth moved to approve the tax-exempt bonds post-issuance compliance policy. Councilor Melton seconded the motion. Councilor Daily inquired if there were reasons to use a non-tax exempt bonds whereby Ms. Baker explained any investment in private property or public property that was privately managed had to be less than 10% aggregate of the total tax exempt proceeds. A call for the question was made which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Consideration of Approval to Acquire Timber Land from Coos Bay/North Bend Water Board

Public Works and Development Director Jim Hossley stated based on a recommendation from the City's Timber Management Consultant, Stuntzner Engineering & Forestry, LLC, the City and the Coos Bay/North Bend Water Board (CBNBWB) entered into a Memorandum of Understanding (MOU) to conduct a joint timber sale which included .88 acres of timber cruise owned by the CBNBWB and surrounded by City owned land. The MOU also included an option for the City to purchase the .88 acres "at a price to be mutually determined and agreed to by the City and CBNBWB". Greg Stone of Stuntzner Engineering prepared an appraisal of the land

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which determined the value of the newly planted land was \$788. Mr. Hossley noted staff would need to prepare a lot line adjustment if the property was purchased. Councilor Muenchrath moved to approve the preparation of a lot line adjustment and the purchase of the .88 acres from the Coos Bay North Bend Water Board for the cost of \$788. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Authorization of a Special Procurement Process to Purchase Tanker Trailer(s)

Public Works and Development Director Jim Hossley stated the City fleet included a tractor with a pressurized tanker trailer to haul sludge (bio solids) from wastewater treatment plant #2 to the sludge lagoon in Eastside. Mr. Hossley noted the tanker trailer was in poor condition and in need of replacement. Pursuant to Section 2 of the City's contracting rules, Mr. Hossley requested the Council to authorize a special procurement process to purchase pressurized sanitary sewer tanker trailers and/or a truck mounted tank system. Estimated replacement cost was \$150,000 due to the specialty nature of the pressurized tanks which was an estimated cost savings over the standard purchasing method of \$20,000 - \$30,000. Councilor Muenchrath moved to authorize the special procurement process to purchase two sanitary sewer tanker equipment pieces not to exceed a total cost of \$150,000. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Award of Bid for the 10th Street and Lockhart Avenue Sewer Improvement Project

Public Works and Development Director requested approval of bid to Benny Hempstead Construction in the amount of \$218,632 for removal and replacement of 175 feet of failed sanitary sewer along S. 10th Street from West Lockhart Avenue and continuing north approximately 650 feet aligned in an easterly direction. The construction would include replacement of connections which served numerous private properties. Mr. Hossley noted the project was associated with the 20-year take down schedule for storm and sewer projects which were being funded by an Oregon Infrastructure Finance Authority (IFA) grant and loan. Councilor Muenchrath disclosed that Benny Hempstead was a personal friend whereby the Council declared no conflict with Councilor Muenchrath. Councilor Kramer moved to award the bid to Benny Hempstead Excavating Inc. for the 10th and Lockhart sewer improvement project for the amount of \$218,632 plus a contingency of \$31,368 for an amount not to exceed of \$250,000 without prior approval from the Council. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

City Attorney's Report

City Attorney Nate McClintock was absent.

City Manager's Report

City Manager Rodger Craddock stated the City earned Tsunami Ready/Storm Ready recognition from NOAA's National Weather Service, a ceremony was scheduled for Friday, March 22nd at 2:00 p.m. at the Downtown Fire Station; reported continued progress on the

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creation of the Urban Renewal Advisory Committee and the Street Task Force; announced both the City and Coos Bay-North Bend Water Board received an American Tree Farm Certification. Mr. Craddock also announced the Coos Bay Police Department recently implemented video conferencing system to allow officers to make grand jury testimony here at City Hall and would eliminate the need to travel back and forth from Coquille; reminded the Council the next City Council meeting was scheduled for April 2, 2013 and would be held at the Coos Bay Public Library; reminded the Council that Budget Committee meetings were scheduled for April 18, 23, 25, and 30th in the Council Chambers.

Council Comments

Councilor Groth stated nine art projects were selected to be added to the 2nd Court mural project; noted the League of Oregon Cities would be holding meeting in Coquille on April 3rd at 5:00 p.m. Mayor Shoji encouraged students of all ages to participate in on the “If I Were Mayor Contest”.

Executive Session

An executive session was scheduled to be held pursuant to ORS 192.660 (2) (e) for the purpose of discussing real property transactions. Due to a decision of the Urban Renewal Agency to not purchase the Sunset Pub property, the executive session was not held.

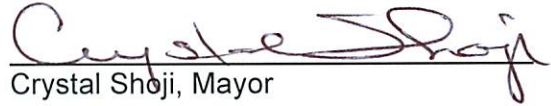
Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for April 2, 2013 in the large meeting room at the Coos Bay Public Library.

Attest:



Susanne Baker, City Recorder


Crystal Shoji, Mayor