

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

March 18, 2014

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, Councilors Mark Daily, Stephanie Kramer, Thomas Leahy, John Muenchrath, and Mike Vaughan. Councilor Jennifer Groth was absent. 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 Katherine Hayes with the Downtown Association to lead the Council and assembly in the salute to the flag.

Public Comments

Barbara and Robert Beley, Coos Bay: expressed concern about height requirements of their neighbor's fence, hedge(s), and chickens; suggested there should be a limit as to how many chickens are allowed.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the regular and work session minutes of March 4, 2014; 3b: acceptance of the February 2014 accounts payable and payroll check registers; and 3c: acceptance of the February combined cash report. Councilor Kramer moved to approve the consent calendar approving the regular and work session minutes of March 4, 2014, accepting the February 2014 accounts payable and payroll check registers, and accepting the February 2014 combined cash report. Councilor Daily seconded the motion which carried with Mayor Shoji, Councilors Daily, Kramer, Muenchrath, Vaughan, and Temporary Councilor Leahy voting aye. Councilor Groth was absent.

Consideration of New Regular Council Agenda Item by Mayor Crystal Shoji

Mayor Shoji provided the Council with a handout; recommended adding a regular agenda item for discussion of ongoing issues raised by Council members to enhance communications and promote consensus amongst the Council. Mayor Shoji suggested Council members could initiate topics from their own observations or concerns and/or bring up topics presented by citizens in public comment, etc. A six month trial period and time limitation for discussions was suggested. It was the consensus of the Council to add the proposed topic as a regular agenda item.

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Vacant Council Position

On March 4, 2014 the Council appointed Thomas Leahy as a Temporary Councilor to serve in Councilor Melton's absence due to health issues; on March 13, 2014 Councilor Melton submitted a written letter officially resigning his Council position. City Manager Rodger Craddock stated the now vacated position needed to be filled on a permanent basis and reviewed the relevant sections of the City Charter which addressed filling the vacancy. Mr. Craddock advised the Council could choose to make Thomas Leahy's appointment permanent. The person then appointed would stand for election if he or she so desired. Councilor Daily moved to appoint Thomas Leahy to permanently fill the Council position vacated by former Councilor Gene Melton. Councilor Kramer seconded the motion. Mayor Shoji asked Mr. Leahy if he would accept the permanent appointment whereby Mr. Leahy accepted. A call for the question was made which carried with Mayor Shoji and Councilors Daily, Kramer, Leahy, Muenchrath, and Vaughan voting aye. Councilor Groth was absent. Mr. Craddock advised Councilor Leahy would serve until the next biennial general election in November of 2014. The oath of office was administered to Councilor Thomas Leahy by Finance Director/Recorder Susanne Baker.

Mayor Shoji suggested gifting Councilor Melton with a flag from the Council Chambers.

Public Hearing to Consider Approving the Proposed Ordinance Establishing Land Development Standards for Flood Damage Prevention – Approval Would Require the Enactment of the Proposed Draft Ordinance

Community Development Director Eric Day stated the City was proposing amendments to the Coos Bay Municipal Code (CBMC) Chapter 17.195, Flood Damage Prevention including adopting the updated flood insurance rate report and maps dated March 17, 2014 referenced as "Exhibit A" and the proposed text amendments as "Exhibit B". Mr. Day noted the maps were developed using new technology to increase accuracy and the proposed text amendments were considered necessary in order to remain in compliance with the National Flood Insurance Act of 1968 and for the City to continue to be eligible for the National Flood Insurance Program (NFIP). In April 2011 the Federal Emergency Management Agency (FEMA) provided the City with preliminary copies of the Flood Insurance Study (FIS) report and maps identifying existing flood hazards in our community. Since that time numerous open houses were held, letters were sent to affected property owners, and notices published regarding the process.

Mr. Day noted the purpose of the NFIP was not to prohibit floodplain development, but to guide development in floodplain areas in such a way as to lessen the economic loss and social disruption caused by impending flood events. Federal flood insurance is only available in communities that participate in the NFIP and flood insurance was required for federally-backed loans to purchase or build structures located in special flood hazard zone areas. Mr. Day stated the City must adopt or show evidence of pending adoption of the updated maps prior to March 17, 2014 as a requirement of continued eligibility in the NFIP. On February 11, 2014 the Planning Commission (PC) voted to recommend approval of the proposed updated flood insurance rate maps dated March 17, 2014 and the proposed text amendments to CBMC Chapter 17.195; which were also posted on the City's website for public review on March 5, 2014. Mr. Day stated FEMA advised the proposed ordinance be determined an "emergency" and made to become effective immediately as the maps effective date was March 17, 2014.

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Councilor Daily inquired if newly impacted property owners would be grandfathered whereby Mr. Day advised property owners would not grandfathered.

Mayor Shoji opened the public hearing. Joan Morrison, Coos Bay: stated since she used FEMA insurance to rebuild her house after a flood, she was required to permanently carry FEMA flood insurance; encouraged the Council to pass the proposed ordinance. Knute Nemeth, Coos Bay: asked what would happen to property owners who could not afford the newly required flood insurance. Mr. Day stated if a property was outside the floodplain and the new maps now show the property inside the floodplain, if the property was not owned outright the property owner would be required to purchase flood insurance; suggested contacting City Planner Debbie Erler to verify if his property was located within the floodplain and to discuss what options might be available. No further comments were given and the hearing was closed. Councilor Kramer moved to enact the proposed draft ordinance adopting the updated flood insurance rate report and maps dated March 17, 2014 and the proposed text amendments to CMBC Chapter 17.195, Flood Damage Prevention as an emergency situation [to be effective immediately] for the good and welfare for the citizens of Coos Bay. Councilor Muenchrath seconded the motion. Deputy Finance Director Amy Kinnaman read the ordinance by title only and Ordinance No. 455 was enacted by the following vote:

Aye: Mayor Shoji and Councilors Daily, Kramer, Leahy, Muenchrath, and Vaughan
No: None
Absent: Councilor Groth

Award of the 2014 Timber Harvest Sale

Public Works Director Jim Hossley stated the City proposed a timber sale of 76.3 acres located within the Pony Creek watershed. The sale was advertised on February 7, 2014 and bids were opened on March 7, 2014. The bid included three different options for the buyer: Option one required the buyer to provide the city with a \$30,000 down payment with logging completed by March 29, 2015; Option two also required a \$30,000 down payment with logging to be completed by March 29, 2016 with \$250,000 (including down payment) to be remitted to the city by July 15, 2014; Option three also required the \$30,000 with logging to be completed by March 29, 2016. Buyers were not required to bid on all options; bid was based on a timber cruise performed by Stuntzner Engineering and Forestry. The following bids were received and totals estimated based on the quantities of lumber identified in the cruise (final totals may differ): Southport Forest Products bid option one at \$1,160,971.18; Scott Timber Company bid option one at \$1,024,203.32 and option two at \$1,041,235.37; Swanson Group bid option three at \$1,124,200.10; and R8 Ranch Logging bid option one at \$610,755.

Mr. Hossley stated the Southport bid should generate the highest income for the city. Costs associated with the 2014 timber sale would be funded from timber sale proceeds. Councilor Vaughan inquired if Councilors could tour the City's timber holdings whereby Mr. Hossley confirmed a tour was possible. Councilor Muenchrath moved to award the 2014 timber sale to Southport Forest Products for the amounts specified on their bid form for option one for the March 7, 2014 bid opening. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Kramer, Leahy, Muenchrath, and Vaughan voting aye. Councilor Groth was absent.

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Councilor Daily exited the meeting at 7:47 p.m.

Approval to Submit a Grant Application to the Oregon Parks and Recreation Department for Rehabilitation of the Mingus Park Pool – Approval Would Require Adoption of Resolution 14-05

Public Works Director Jim Hossley stated over the years the capital maintenance to the Mingus Community Pool was deferred to the point that some components were near failure and nearing the point of becoming a life safety issue which could result in a major injury to either staff or visitors. Staff identified a grant through the Oregon Parks and Recreation Department which would provide 60% of the needed project funds with a requirement of a 40% grant match and acknowledgment from the City through the proposed resolution; cost estimate for repairs was \$423,020 of which the City match would be \$169,208. Mr. Hossley provided the Council with a list of the needed improvements. Councilor Vaughan inquired if the construction schedule would cut in to summer swimming. Mr. Hossley advised the pool could not be emptied during the winter so construction would have to take place during the summer. City Manager Rodger Craddock stated Mingus Park Pool Management was looking to fundraise to help fund the needed improvements. Councilor Kramer moved to approve Resolution 14-05 authorizing the City Manager to apply for and sign the grant application to the Oregon Park and Recreation Department for the rehabilitation of the Mingus Community Pool. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Kramer, Leahy, Muenchrath, and Vaughan voting aye. Councilors Daily and Groth were absent.

Consideration of Approval on a Revised Resolution Regulating Transient Business – Approval Would Require Adoption of Resolution 14-06

Community Development Director Eric Day stated per the direction of the City Council, staff made requested changes to the City's transient vendor rules which were adopted through Resolution 13-02 by the Council on February 19, 2013. The proposed changes were: adding City parking lots "A" and "E" to the list of eligible locations to conduct "transient business" (vendor carts/truck) activities; adding in the provision that a "transient business" could park near a competing business (within 50 feet of their location) if they received written permission from the competing business owner(s). Councilor Kramer expressed concern with the amount of parking spaces being used for things other than parking. Mayor Shoji suggested limiting the amount of spaces available for transient business use in the proposed parking lots. Robert Taylor, Coos Bay: expressed concern about the availability of parking in the lot at the Visitor Information Center; suggested enclosing one of the boardwalk gazebos and adding seating. Knute Nemeth, Coos Bay: stated he owned a mobile seafood stand and looked forward to operating his business in Coos Bay. Brian Menton, Coos Bay: suggested the City should not be in the business of leasing city parking spaces; suggested the \$75 one-time fee for transient businesses would not adequately cover the City's enforcement and administrative costs; expressed concern about lack of enforcement of transient businesses. Councilor Muenchrath was in favor of enacting the proposed resolution and for the Council to review again in six months. City Manager Rodger Craddock stated upon staff review it was discovered that the Visitor Information Center parking lot was not intended for use by vendor carts. Councilor Muenchrath moved to adopt Resolution 14-06 regulating transient business. Councilor Kramer seconded the motion which failed with Councilor Muenchrath voting aye and Mayor Shoji and Councilors Kramer, Leahy, and Vaughan voting nay. Councilors Daily and Groth were absent.

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Mayor Shoji and Councilor Kramer were in favor of increasing the cost of the vendor cart fee. It was the consensus of the Council to eliminate the use of lot "A" and to allow for transient business use in the north corner of lot "E" only and to bring the fee for transient vendor use back for Council discussion/consideration at a later meeting.

Request and Report on the Coos Bay Boat Building Center (BBC)

City Manager Rodger Craddock stated that he was recently contacted by Jim Berg, Chair of the BBC Board of Directors with a request to reinstate the management fee with a monthly stipend of \$1,000 for an additional period of two years. Jim Berg, Coos Bay: stated he was the Chair of the BBC Board; provided the Council with a brief history of the BBC; suggested the improvements made to the BBC helped to eliminate blight in Empire and requested the Council's consideration to continue to provide the BBC with monthly financial support. Robert Sansanoff, North Bend: shared the BBC website, highlighted BBC projects, various collaborations and affiliations; stated the Coos Bay BBC was the only center of its kind in Oregon; suggested local businesses benefited from BBC operations. AJ St. Martin, Coos Bay: noted the BBC held an open house every Saturday; highlighted various youth and public programs; stated she was in the process of writing four community grants for the BBC. Sarah Recken, North Bend: shared various non-boat projects completed by BBC students. Councilor Kramer found value in the BBC teaching workable skills. Councilor Vaughan suggested City should collaborate with the BBC to help restore the Tug Boat Irene located in downtown Coos Bay. Mayor Shoji suggested the City needed to eliminate funding of outside organizations; noted the City's unfunded infrastructure needs and other budget needs impacting the City's General fund. Councilor Kramer was in favor of funding the BBC for at least another year. Mr. Craddock stated all current management agreement(s) expenses were paid out of the Hotel/Motel and current expenses in that fund exceed revenues and required General Fund dollars to offset; noted there was not adequate funds in the General Fund to fill two vacant positions in the police department. Councilor Muenchrath suggested using downtown urban renewal funds to have the BBC restore the Tug Boat Irene. It was the consensus of the Council to postpone consideration of funding the BBC to a later date yet to be determined.

Report on Oregon Department of Environmental Quality (DEQ) Loan for Construction of the Proposed Wastewater Treatment Plant #2 (WWTP 2)

The report on Oregon Department of Environmental Quality (DEQ) loan for Construction of the proposed Wastewater Treatment Plant #2 (WWTP 2) was postponed for consideration at a later date yet to be determined.

Approval of Amendment to the Roger Engineering Contract

Community Development Director Eric Day stated the City currently contracted with Roger's Engineering to perform commercial building reviews to assist the City as needed. The current contract was for up to \$24,999 in services through 2015 and applicants pay for the services on a per hour basis. Mr. Day advised the City was looking at moving the contracted services to the State of Oregon but the current need for commercial building review services had been exceeded. Based on city purchasing/contract rules staff solicited and received the following three quotes for services: Rodger's Engineering, The Building Department, LLC, and Oregon Building Codes Division; Rodger's Engineering presented the lowest bid for plan reviews on a

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per hour time and materials basis at \$85, clerical at \$25, and inspection services at \$50. Mr. Day requested the Roger's Engineering contract be modified for a not to exceed total of \$49,999. Mayor Shoji moved to modify the Roger's Engineering contract for up to \$49,999. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Kramer, Leahy, Muenchrath, and Vaughan voting aye. Councilors Daily and Groth were absent.

Consideration on the Council Appointments to Committees, Boards, and Commissions

City Manager Rodger Craddock provided the Council with a list of Council Committee, Boards, and Commission appointments; noted the following appointments held by former Councilor Melton were vacant: Coos County Urban Renewal Agency (appointed by Coos County Commissioners), Egyptian Theatre Restoration Steering Committee, Egyptian Theatre Preservation Association, and the Enterprise Zone Committee. By consensus of the Council, Councilor Daily was appointed to the Enterprise Zone Committee and Downtown Association; Councilor Leahy was a member on the Coos Bay Downtown Association prior to his appointment to the Council, Councilors Leahy and Vaughan would remain on the Coos Bay Downtown Association; Councilor Leahy was appointed to replace Councilor Groth on the Empire Coalition and also appointed to the Coos County Urban Renewal Agency; Councilor Groth was appointed to the Library Board; No appointments were made to the Egyptian Restoration Steering Committee or the Egyptian Theatre Preservation Association

City Attorney's Report

No comments were given.

City Manager's Report

City Manager Rodger Craddock reported the downtown way-finding signs were completed and anticipated installation next month. Laptops for Councilors Kramer, Daily, and Leahy were in the process of being configured for use; anticipated distribution next week. Mr. Craddock stated staff negotiated a monthly fee for the Education Service District's (ESO's) use of space at the Coos Bay Library; Coos County Commissions approved the plan to make Coos Bay the fiscal agent for the ESO and for the ESO to move from Southwestern Oregon Community College (SOCC) to the Coos Bay Library. Upcoming staff reports to Council included: a review of doing business in Coos Bay; an update from the City's wastewater rate consultant; noted two Town Hall meetings on wastewater were scheduled in May 2014; and a status update on the Library foundation.

Council Comments

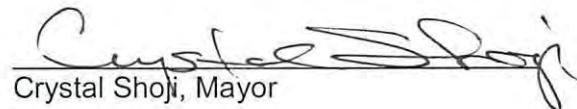
Councilor Leahy provided the Council with a proposed draft proclamation for Coos Bay – The Tall Ship Port of Oregon. Councilor Vaughan stated he was contacted by a citizen wanting to purchase flags for the Boardwalk; suggested the Council pursue replacing the flags as a tribute to former Councilor Gene Melton's patriotism and military career and to commemorate his work as a Council member; recommended a hull analysis of the Tug Irene prior to moving forward with restoration; inquired if the Water Board would take issue with using rain water for flushing toilets and about the financial impact of said use. Mayor Shoji congratulated the Oregon International Port of Coos Bay for Coos Bay Rail Link being named the nation's 2014 Short Line

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Railroad of the year; and congratulated SHN Engineering for their former staff member, Felicia being named as one of World News and Reports top young engineers.

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 1, 2014 in the Council Chambers at City Hall.



Crystal Shoji, Mayor

Attest:



Susanne Baker, City Recorder