

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

August 4, 2015

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, Thomas Leahy, and Mike Vaughan. Councilors Fred Brick, Jennifer Groth, and Stephanie Kramer were absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, 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 led the Council and assembly in the salute to the flag.

Public Comments

Ken Fulkner, Coos Bay: advised the traffic light at 4th & Commercial was out of sync with southbound Highway 101 traffic lights; spoke in favor of the proposed gas tax increase.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of July 21, 2015, and; 3b: acceptance of semi-annual report on the Visitor Information Center. Councilor Vaughan moved to approve the consent calendar approving the minutes of July 21, 2015 and accepting the semi-annual report on the Visitor Information Center. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Leahy, and Vaughan voting aye. Councilors Brick, Groth, and Kramer were absent.

New Council Business

Councilor Daily requested a meeting or presentation to review contracting and bid requirements.

Presentation of Appreciation Award for Larry Mauer

Police Captain Chris Chapanar introduced Larry Mauer and thanked him for his long service with law enforcement and the Coos Bay Police Department. Captain Chapanar stated Mr. Mauer retired from the Police Department in 2003 after 31 years of service. Mr. Mauer returned to the Coos Bay Police Department in June 2006 as the department's evidence/property custodian and remained in the position until he retired on June 2, 2015. Mayor Shoji and Captain Chapanar presented Mr. Mauer with an appreciation of service plaque.

Semi-Annual Report on the Coos Bay-North Bend Visitor Convention Bureau

Cindy Rawlings, Director of the Coos Bay-North Bend Visitor Convention Bureau (VCB) stated she was hired as the VCB Director in May 2015. Ms. Rawlings provided the Council with a

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PowerPoint presentation covering the status of promotions and statewide partnerships, the “Bring it Home” campaign, downtown Coos Bay walking maps, marketing opportunities with the Coos History Museum, newsletter and events, advertising plans, and lodging trends.

Public Hearing to Consider Approval of a Supplemental Budget to Increase the Street Improvement Fund – Approval Would Require Adoption of Resolution 15-13

Finance Director Susanne Baker stated on July 7, 2015 the City Council enacted Ordinance 468 which increased the electric franchise fee by 2% for the specific purpose of providing additional resources for street maintenance. During the fiscal year end 2016 budget process, the increase was unknown and the estimated increase in the electric franchise fee of \$316,000 was not budgeted. Resolution 15-13 proposed a supplemental budget to appropriate the additional \$316,000 to resources and transfers in the General Fund; \$316,000 to resources and transfers in the Gas Tax Fund, and; \$316,000 to resources and capital outlay in the Street Improvement Fund. Councilor Vaughan asked if the franchise fee was connected with the cost to pay for city streetlights whereby City Manager Rodger Craddock affirmed. Councilors Leahy and Vaughan recommended a streetlight investigation to determine need and appropriate use of streetlights.

Mayor Shoji opened the public hearing pursuant to Oregon Revised Statute (ORS) 294.473. No public comments were given and the hearing was closed. Mayor Shoji moved to adopt Resolution 15-13 a supplemental budget appropriating the increase in PacifiCorp franchise fees. Councilor Leahy seconded the motion. Councilor Vaughan inquired when the streetlight investigation would be completed. City Manager Craddock suggested the Council could vote to amend Council goals to include the streetlight investigation. A call for the question was made which carried with Mayor Shoji and Councilors Leahy, and Vaughan voting aye and Councilor Daily voting nay. Councilors Brick, Groth, and Kramer were absent.

Consideration to Award Contract for the Empire and Kingwood Bundle Sewer Line Replacement Project

Public Works Director Jim Hossley stated in 2009 a number of sewer lines required replacement and were titled the “Bundle Projects”. Design was performed on all and construction was completed on all but four. Replacement of the remaining four lines was delayed due to the complexity of the areas where the sewer lines were located and the resources needed to obtain necessary easements and permit approvals. The proposed contract would cover three of the four locations, two in Empire and one on Kingwood Avenue. Mr. Hossley stated the fourth location would be addressed at a later date. The scope of work for the three locations included replacement of approximately 812 feet of sanitary sewer mainline, rehabilitation of two manholes, new connections for all laterals currently serviced, and the replacement of landscaping and fencing in the construction areas. All necessary easements were obtained for the three locations.

Mr. Hossley stated the City contracted with Kerbo Engineering to perform minor updates to the plans and specifications, obtain easements, and perform bidding and construction management services for these projects. The request for bid was advertised on June 22 and June 29, 2015. Bids were opened on July 22, 2015 at 2:00 p.m.; two bids were received: \$147,399.53 from Billeter Marine LLC and \$236,000 from Johnson Rock Products, Inc. Billeter Marine LLC was the qualified low bidder; staff recommended adding a 15% contingency of \$22,109.47 for a total

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amount of \$169,509. Councilor Daily inquired if lateral inspections were performed for adjacent property owner. Mr. Hossley stated private laterals would be reconnected to the new sewer lines; contractor did provide pricing for lateral inspection/replacement to homeowners at their cost; no homeowners requested inspection. Councilor Daily inquired if the City examined the laterals while making the mainline sewer repair. Mr. Hossley advised status of the private sewer laterals was unknown. Mayor Shoji inquired why the City would inspect private laterals, unless the city was going to change their policy to maintain private sewer laterals. Councilor Daily suggested City should consider developing a policy to replace private sewer laterals when performing large scale sewer line replacement projects; inquired about the disparity in costs between the two bids. Mr. Hossley noted minimum bid qualifications, contracting license requirements, the project contract and bond requirements. Councilor Leahy moved to award the bid to Billeter Marine LLC for the Empire and Kingwood Sewer Line Replacement Project for an amount not to exceed \$169,509 without prior approval from Council. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Leahy, and Vaughan voting aye. Councilors Brick, Groth, and Kramer were absent.

Consideration of Approval to Purchase Two Police Patrol Vehicles

Police Captain Chris Chapanar stated this budget year, the Police Department was scheduled to replace two police service vehicles (PSV's). The two new vehicles would be used to replace two patrol vehicles. Staff researched State Bid vendors for availability of 2016 PSV models. Vendors advised PSV's would not likely be available until late spring of 2016 in addition to a significant price increase of \$5,000 per vehicle over the 2015 purchase price. As such, staff was able to locate two – 2015 PSV models which closely match the specifications required at Hubbard Chevrolet (State of Oregon qualified procurement vendor). The quoted price for the PSV's was \$31,494.75 each for a total of \$62,989.50. Councilor Daily inquired about the criteria for replacing police vehicles. Captain Chapanar stated age, mileage, and repair costs were replacement considerations. Councilor Daily moved to approve the purchase of two police service vehicles with the required factory options through Hubbard Chevrolet at a cost not to exceed \$62,989.50 and for staff to report on useful life criteria for future vehicle replacement requests. Mayor Shoji seconded the motion. Discussion continued about vehicle outfitting costs. A call for the question was made which carried with Mayor Shoji and Councilors Daily, Leahy, and Vaughan voting aye. Councilors Brick, Groth, and Kramer were absent.

Approval of an Amendment to Sewer Rate Fees – Approval Would Require Adoption of Resolution 15-15

Finance Director Susanne Baker stated on July 21, 2015 the City Council directed staff to remove the fraction thereof method of rounding up for the calculation of sewer fees from the current sewer fee resolution and to instead base the sewer fee calculations based upon action water consumed. The Coos Bay – North Bend Water Board indicated they would be able to make the required software change effective with their October 2015 billing cycle. Ms. Baker stated adoption of resolution 15-15 would likely reduce sewer fee revenues and noted the sewer fee revenue would be monitored monthly to ensure adequate resources. Mayor Shoji inquired about the flat fee charged to sewer users who were not customers of the Coos Bay – North Bend Water Board. Ms. Baker estimated there were three to four houses in the Empire area of which had their own water source and were not connected to the city water; rate based on average household use. Mayor Shoji inquired about the non-refundable waste discharge permit

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application fee of \$1,750 listed in the resolution. Ms. Baker stated the application fee applied to an era when the City had more industrial use; the City does no longer has the industrial use section in the City's National Pollutant Discharge Elimination System (NPDES) permit; the established fee was preserved in the event a business had a need for waste discharge which met the City's ordinance requirements but did not fit the other fee classifications. Councilor Daily moved to adopt Resolution 15-15 Adjusting Sewer User Rates, Charges, and Fees and Other Matters Relating Properly Thereto. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Leahy, and Vaughan voting aye. Councilors Brick, Groth, and Kramer were absent.

Approval of After-the-Fact Emergency Sanitary Sewer Repair

Public Works Director Jim Hossley stated during routine maintenance cleaning, the City's contract sewer collection crew identified a collapsed segment of 8-ince clay sanitary sewer pipe located under southbound Highway 101. The segment was located approximately 256 feet to the north of Alder Avenue. The length of the collapsed segment was approximately 6 feet and was originally construction in 1919. Staff was able to coordinate with Benny Hempstead Excavating, Inc. on the same day the collapsed line was discovered. Per Oregon Department of Transportation's (ODOT's) request the work was completed at night for safety reasons and to minimize impact to traffic.

An emergency was declared pursuant to Section 11 of the City's contracting rules. Mr. Hossley noted due to historic problems with the line (low flow, grease buildup, etc.), the collection crew performed scheduled maintenance once every three months. The collapsed segment of pipe prevented the collection crew from maintaining the line which could potentially cause further damage to the pipe, adjacent pipes, manholes, and Highway 101. The existing depression gave evidence the material underneath the surface was moving and immediate repair of the sanitary sewer segment was critical to prevent further damage. Furthermore, the sewer was not being safely conveyed to the downstream system. There was potential for the raw sewage to contaminate the soil around the pipe due to the collapsed section and cause a sinkhole and damage to the street and adjacent utilities. Mr. Hossley cited public health concerns noting broken sewer pipes could release dangerous amounts of potentially harmful bacteria and release dangerous gases.

Due to the emergency nature of the project, the contract with Benny Hempstead Excavating, Inc. was issued based on time and materials. Staff was onsite to observe and direct the work. Total repair costs were \$23,135.96. Councilor Daily moved to approve the award of the emergency contract (after-the-fact) for the sanitary sewer repair project north of Alder Avenue on Highway 101 southbound to Benny Hempstead Excavating, Inc. for an amount not to exceed \$23,135.96 pursuant to Section 11 of the City of Coos Bay Public Contracting Rules. Mayor Shoji seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Leahy, and Vaughan voting aye. Councilors Groth and Kramer were absent.

City Attorney's Report

City Attorney Nate McClintock was absent.

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City Manager's Report

City Manager Rodger Craddock provided the Council with an update on the potential gas tax measure.

Council Comments

Councilor Leahy noted upcoming meetings to coordinate the 2017 Festival of Sails event in Tacoma Washington. Councilor Vaughan stated he attended open house meeting on gas tax in North Bend and inquired about gas tax increases for cardlock fuel purchases. Mayor Shoji suggested the City existed to organize and solve problems; expressed concern the City did not have a policy requiring property owners to be connected to city sewer and water services.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for August 18, 2015 in the Council Chambers at City Hall.

Attest:



Susanne Baker, City Recorder



Crystal Shoji, Mayor