

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

March 14, 2017

The minutes of the proceedings of a City Council and Urban Renewal work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the meeting room at Fire Station 1, 450 Elrod Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, Stephanie Kramer, and Phil Marler. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Public Works & Community Development Director Jim Hossley, Resident Project Representative Jan Kerbo, Wastewater Project Engineer Jennifer Wirsing, and Police Chief Gary McCullough.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming March 21, 2017 agendas, no decisions would be made.

Progress Report on Wastewater Treatment Plant No. 2 Construction

Resident Project Representative Jan Kerbo provided an update and PowerPoint on the progress of the construction for Wastewater Plant No. 2. The project was on schedule, concrete work would commence next week, piping work would be ongoing, \$1,535,946.81 in pay requests had been submitted to date, and all work would be completed by September 2018.

Addendum to the 6th Avenue Culvert Project Design Contract for Archeological Study

Wastewater Project Engineer Jennifer Wirsing stated on December 15, 2015 Council approved design of the permanent solution to the 6th Avenue storm drainage failure through a contract with the Dyer Partnership. At the February 7, 2017 Council meeting an amendment to the 6th Avenue storm drainage project was approved for the additional environmental cross cutter funding requirements of the Department of Environmental Quality (DEQ). During this process, DEQ and the City received comments from Federal Emergency Management Agency (FEMA) and State Historic Preservation Office (SHPO) which resulted in having to provide hydraulic and archeological analysis. Staff recommended an increase in contingency of \$3,000 for a total contract of \$134,244.

Consequences of Waiving Insurance for Memorial Day Parade and Tall Ship Event

Public Works & Community Development Director Jim Hossley stated the AMVETS organization sponsor the annual downtown Memorial Day Parade and because they utilized City services, a Special Event Permit along with Certificate of Insurance naming the City as an additional insured was required. The Council had waived the insurance requirement in the past. The AMVETS did not carry any insurance, did not require participants in the parade to carry insurance, and it would cost \$775 for the AMVETS to purchase a policy.

The City's insurance provider, Citycounty Insurance Services (CIS), provided guidance based upon risk management best practices and experience that the City should not waive the insurance requirement for special events on City property. CIS would not extend coverage to a

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third party not acting as an “agent” of the City nor would they respond for the sole negligence of a third party.

Additionally, the Grays Harbor Historical Seaport Authority, organizers of the Tall Ship event at City docks, had provided a certificate of insurance naming the City as additionally insured in the past. Last year, the City Council waived the requirement, which would have cost approximately \$150 for a policy.

City Manager Rodger Craddock stated the City provided the Boat Building Center funds to assist with the Tall Ships event which could be a resource for Grays Harbor Historical Seaport Authority to obtain a policy. The City could supplement the AMVETS from Fund 5, Hotel/Motel, to assist their obtaining the required insurance and reduce the risk to the City. Consensus was the City Manager would work with the AMVETS to obtain the necessary insurance.

Oregon State Marine Board Grant

Public Works & Community Development Director Jim Hossley stated the City was awarded an Oregon State Marine Board (OSMB) grant of \$29,600 to rehabilitate the Empire and Eastside Boat Ramp parking lots. The scope of work would involve crack sealing, seal coating, and restriping both parking lots with a City match of \$7,400.

Consider Approving Design Contract for Hollering Place Seawall

City Manager Rodger Craddock proposed to table the discussion due to the recent communication received from the Confederated Tribes of Coos, Lower Umpqua, and Siuslaw (Tribe) and their request to make a presentation to the Agency next month. The repair of the failed Hollering Place seawall could possibly be negotiated as part of the development by the Tribe.

Possible Funding for Street Maintenance

Public Works & Community Development Director Jim Hossley presented the City’s Street Maintenance Task Force (Task Force) potential funding methods and requested Council consideration on which they preferred: general obligation bonds, change the city charter, transportation utility fee, franchise fee, local improvement districts, system development charges, local gas tax, downtown parking district, and shared services.

General Obligation (GO) Bond: Task Force suggested this for deferred maintenance. Based on the assessed value of \$955,934,561 with a \$0.50/\$1,000 charge would generate \$477,965 annually. Research evidenced the success rate of statewide voter-approved bonds were greater for those less than \$1/\$1,000. Identify specific projects prior to a public vote.

Change the City Charter: Section 9.12 of the Coos Bay City Charter did not allow revenue bonds to be undertaken without a public vote. The Task Force recommended changing the language to allow the sale of revenue bonds through the City Council public hearing process.

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Transportation Utility Fee: The Task Force recommended adding this fee to the Water Board water/wastewater billing. Concern was expressed of adding a fee onto the already increasing sewer billing needed to fund the wastewater construction for Plant 1 and Plant 2.

Franchise Fees: The Task Force recommended transferring the solid waste franchise fees from the General Fund to the Street Maintenance Fund for a steady revenue stream rather than just to cover deficits. This consideration should be part of the budget process to evaluate the General Fund impact.

Local Improvement Districts: The Task Force believed this method would help smaller streets to be paved and recommended a citizen education campaign. Property owners had not been willing to participate and a substantial percentage did not repay their share after the City expended funds. Creative funding options might make this alternative more effective.

System Development Charges: The Task Force agreed the current moratorium on SDC's needed to be lifted to prepare for future development; the methodology to calculate the fees would be improved. The Task Force recommended immediate pursuit to address the specific impact of new development before it occurs on a large scale.

Local Gas Tax: The current state gas tax did not provide sufficient revenue. Mayor Benetti suggested this tax could be used for maintenance. Discussion ensued on a local gas tax for five months per year at five cents to also obtain funds from tourists to support the infrastructure.

Special Levy: Mayor Benetti suggested the five year special levy model the City of Eugene brought before their voters had been successful and was a good resource for street maintenance.

Downtown Parking District: The current downtown parking district did not provide for maintenance of parking lots or on-street parking. Task Force suggested consideration of an assessment for maintenance of these downtown assets.

Shared Services: The City had an agreement and paid ODOT to provide maintenance of all City traffic signals; limited pavement work, striping, and traffic control for special events. Occasionally, the City shared equipment with the Water Board and the City of North Bend.

Discussion of the options to address the results of the five year Pavement Management Plan ensued. The resources needed for just maintenance was approximately \$750,000 per year to extend the life and prevent further degradation. Other revenue sources would be needed to address the streets in poor condition.

City Manager Rodger Craddock suggested further discussion before the Budget Committee. Consensus was to pursue the System Development Charges to get the process started, thoughtful consideration to the impact of the public with implementation of the options, complete projects/maintenance from those funds to encourage support from the community, and consider a fee to the parking districts.

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Current Janitorial Contract

City Attorney Nate McClintock stated at the last work session discussion ensued regarding the Bay Area Enterprises (BAE) janitorial contract with the City of Coos Bay. The contract was awarded pursuant to Department of Administrative Services rule and ORS 279C 335 (1) (a) which exempted from the competitive bid process qualified non-profit organizations which provided employment opportunities for individuals with disabilities, such as Bay Area Enterprises (BAE). The City had contracted with BAE since 2011 servicing City Hall, Visitor Center, City Shops, and recently the Library. In 2011 the janitorial services were bid with BAE presenting the low bid. The current two year contract would expire on May 22, 2017 unless extended. Mr. Craddock suggested as a first step to work with BAE to resolve identified service deficiencies. To award a bid to another contractor if the service deficiencies were not improved would require the City Attorney to further research. Discussion ensued by Bob Moore and Curt Benward on the BAE 20% markup and 6% margin and if those could be negotiated.

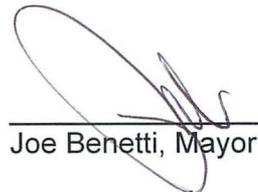
Public Comments:

Pam Connelly questioned how she could be involved to help mitigate the recent crime in Coos Bay. Chief McCullough reiterated a recent crime of a series of stolen cars near Blossom Gulch and the lack of jail space to hold the individuals for accountability once apprehended. Discussion ensued of the existing neighborhood watch groups, communication between the groups, ideas to help increase safety, and a teleconference at Southwestern Oregon Community College on Thursday between 5:00 p.m. and 6:00 p.m. to provide comment to the State of Oregon on their consideration to eliminate 18 drug enforcement state police officer positions.

Councilor DiNovo stated a meeting occurred on March 14th to begin discussions with those in the community on the homeless issue and the involvement with the City clean-up. Mayor Benetti stated he and City Manager Rodger Craddock met with the school district who requested support of a school bond measure, through a resolution, to address maintenance of school facilities; suggested a discussion of bike racks in the future; and the merits of not issuing a business license if business owners were not addressing needs such as not paying property taxes or not maintaining grease traps. Establish a set of minimum standards for businesses in order to renew a business license, which Mr. McClintock suggested further research would be required.

Adjourn

There being no further items for discussion, Mayor Benetti adjourned the work session. The next regular Council meeting was scheduled for March 21, 2017 in the Council Chambers at City Hall.



Joe Benetti, Mayor

Attest:



Susanne Baker, City Recorder