

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

May 7, 2019

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7:00 pm in the City Hall Council Chambers 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Stephanie Kilmer, Phil Marler, Carmen Matthews, and Rob Miles. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Nichole Rutherford, Deputy Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

Flag Salute

Mayor Benetti opened the meeting and led the Council and assembly in the salute to the flag.

Public Comments

Leonard Nelson, Coos Bay stated he lived across from Pirate Park, where there was limited parking on 10th Street, and offered a portion of his property as extra parking in exchange for a gated fence. City staff would look into the request, discuss with the Parks Commission, and follow up with Mr. Nelson. Michael Yost, Coos Bay stated he received a vacant property registration letter, but didn't believe his property fell under Coos Bay Ordinance 509, and believed based on the wording it would allow the Coos Bay Police Department to have access to the property at anytime, which he thought was a violation of privacy. Mr. Yost stated he also received the sewer insurance program notification and didn't feel the City needed to endorse it for him to purchase the insurance. He also stated City staff needed to be better trained to answer questions. City Manager Rodger Craddock stated the ordinance was not intended as Mr. Yost described, but City staff would review the ordinance wording and make any changes if necessary. Also stated the Utility Service Partners would not provide services to citizens in cities that did not endorse the program. Stacy Gulseth, Coos Bay thanked Mr. Nelson for offering part of his lot to the park, and noted she had been approached in 2017 by Mr. Nelson regarding his offer, and it had gone to the Parks Commission Board but was rejected previously. She stated she had also spoken with an engineer who offered to donate his time for a parking project, and she requested it be reviewed again. Mayor Benetti stated City staff would review the request and contact her to attend a Parks Commission meeting.

Consent Calendar

Mayor Benetti reviewed the consent calendar which consisted of:

3a: Approval of minutes of March 12, 2019

3b: Approval of minutes of March 22, 2019

3c: Approval of Minutes of March 26, 2019

3d: Approval of minutes of April 2, 2019

3e: Approval of minutes of April 9, 2019

Councilor Miles stated there was an error in the March 12, 2019 minutes under Council Comments, as he was noted as stating he had done many permit applications with the City and comment should have been credited to Councilor Matthews.

Councilor Kilmer moved to approve the consent calendar with amendments. Councilor DiNovo seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Miles. Absent: Matthews.

Report by Marshfield High School Key Club Members

Marshfield High School (MHS) Key Club representatives Sofia Munoz and Zachariah Sahli summarized upcoming Key Club activities, shared various ongoing fundraising activities and achievements by various MHS clubs, committees, and athletic teams. Ms. Munoz stated the Key Club had raised money to purchase two outdoor checkerboard picnic tables for Pirate Park and Marshfield Pioneer Cemetery would be having a two day clean-up on Friday, May 10th from 1:30 p.m. to 3:30 p.m. and Saturday, May 11th from 9:00 a.m. to 2:00 p.m. Mr. Sahli stated on Friday, May 17th a one-year anniversary of Pirate Park celebration would be held from 11:30 a.m. to 1:30 p.m. in the park and also noted the limited parking.

Approval of an Emergency Medical Services (EMS) Proclamation

Emergency Medical Services (EMS) week would be May 19, 2019 through May 25, 2019. The EMS proclamation identified the City of Coos Bay as a community that recognizes the important contribution EMS provides to our citizens. The EMS system consisted of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators, and others. The members of EMS teams, whether career or volunteer, engaged in thousands of hours of specialized training and continuing education to enhance their lifesaving skills. Peggy Robison from Bay Cities Ambulance read the Emergency Medical Services Proclamation and presented the Council with a plaque in recognition of their support. Mayor Benetti proclaimed May 19 through May 25, 2019 as Emergency Medical Services Week and thanked everyone that serviced this area and community.

Councilor DiNovo moved to approve the Emergency Medical Services (EMS) Proclamation. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Miles. Absent: Matthews.

Consideration of Approval to Amend the Name and Purpose of the Fire Station Reserve Fund – Approval Would Require Adoption of Resolution 19-06

Finance Director Nichole Rutherford stated the City of Coos Bay established the Fire Station Reserve Fund in early 2009 for receipt of the voter approved General Obligation bond proceeds for the construction of a new fire station located at 450 Elrod Avenue, with

construction completed in 2010. Additionally, the Fire Department provided contracted fire services for three small rural fire districts: Bunker Hill Rural Fire, Libby Rural Fire, and Timber Park Rural Fire of which the revenues are receipted into the General Fund. During the 2016-2017 fiscal year, the contract fire service rate increased to include an amount equal to 10% of the total to be reserved for equipment purchases.

The Council approved the purchase of a new fire engine at the July 17, 2018 Council meeting, and the remaining bond proceeds and accumulated reserved contracted fire service fees were used towards the down payment on this new engine which left a small balance of earned but unaccrued interest in Fire Station Reserve Fund. It is the desire of the Fire Chief and Finance Department to transfer the contracted fire service 10% reserved fees from the General Fund into this fund for greater transparency and accountability. This fund rename/re-purpose was discussed with and approved by the Budget Committee during the 2019-2020 budget meeting held on April 11, 2019.

Councilor Matthews entered the meeting at 7:21 p.m.

Councilor Miles moved to adopt Resolution 19-06 amending the name and purpose of the Fire Station Reserve Fund. Councilor Marler seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Matthews, Miles.

Acceptance of the Updated Financial Internal Controls Policy

Finance Director Nichole Rutherford stated the City of Coos Bay was required to have current documentation, as required by COSO Committee of Sponsoring Organizations of the Treadway Commission) and SAS (Statements of Auditing Standards), on the financial internal controls and flows of transactions. The COSO/SAS financial internal controls set a reasonable basis to measure how the City is meeting operational effectiveness, efficiency, safeguarding of assets, reporting, and compliance objectives related to governmental accounting best practices and auditing standards. The financial internal controls are continually monitored and updated to meet changing requirements and improved efficiencies. Staff updated the City's Internal Control document to address the following changes: RV dump activity was now transmitted via cellular technology, so staff no longer has to collect the sales data on a weekly basis; City dock payment collection box was removed due to minimal use, so staff no longer checks box on a monthly basis; in early fall the City selected a bank from the proposal process and full transition from Umpqua Bank to US Bank finalized in January 2019; and as part of the transition process from recent retirements and resignations, staff positions were changed which allowed for a better allocation of workload to increase efficiencies.

Councilor Kilmer moved to accept the updated Internal Controls Policy document for implementation effective April 15, 2019. Councilor Farmer seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Matthews, Miles.

Consideration of Approving Two Intergovernmental Agreements with the Charleston Sanitary District

Public Works and Community Development Director Jim Hossley stated the City of Coos Bay had provided wastewater treatment services to the Charleston Sanitary District (CSD) since 1964. CSD pays the City for its proportional share of treatment service at Wastewater Treatment Plant #2 (WWTP2), located in the Empire District. This included costs for

maintenance, repair, operation, administration, and capital improvements of the treatment plant and associated appurtenances.

The staff for CSD and the City spent the last couple years creating two different Intergovernmental Agreements (IGAs). The Cost Sharing for Construction IGA provides for cost sharing the construction of the replacement WWTP2 and the other Operations and Maintenance (O&M) IGA lays out the services provided by the City for operations and maintenance of facilities that treat the CSD wastewater, as well as, how the proportional share of operations and maintenance costs are determined. The IGAs have been reviewed by the CSD board and staff, as well as, their funding agency. The CSD Board approved and signed the two IGAs on April 18, 2019.

The Cost Sharing IGA set CSD's proportionate share of WWTP2 replacement cost at 24.3% and included actual project costs as currently known, provision for future amendment for final actual costs, a CSD payment schedule, and provisions for dispute resolution, term and termination, and additional provisions. The O&M IGA key portions of the terms of agreement section included: the City reserved the right to refuse to accept sewage from new connections to the CSD system if said flows would cause flows and loads to exceed those calculated for the year 2037; established procedures for calculating charges and rates for the City's cost of treating CSDs sewage discharged into WWTP2 and billing CSD of those charges; established a Coordinating Committee consisting of four members, two each representing the City and CSD, to review the City's annual Wastewater Treatment budget, inter-agency sewer rate proposals, consider amendments to the agreement, and make recommendations to the governing bodies of the parties; established the process for capital improvements that benefit treatment of sewage at WWTP2, as well as, costs related to sludge and biosolids; established the means for the City billing CSD for capital improvements that are debt financed and those that are not debt financed; established system management and coordination procedures and requirements including provisions for cooperation in the reduction of inflow and infiltration; provisions covering defaults, dispute resolutions, and other legal items; and per CSD's funding agency the agreement was set to expire December 31, 2024.

Councilor DiNovo moved to authorize the Mayor to sign the two Intergovernmental Agreements with the Charleston Sanitary District; one for cost sharing for replacement of Wastewater Treatment Plant #2 and one for Wastewater Treatment Services - Operations and Maintenance. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Matthews, Miles.

Approval of an Intergovernmental Agreement for Management, Cleanup, and Disposition of Englewood School Site

City Manager Rodger Craddock stated on December 30, 2014, the Coos Bay Fire Department responded to the report of a structure fire at 1400 Pennsylvania Avenue, located in the Englewood area of Coos Bay. The entire structure suffered heavy fire, smoke, water, and heat damage. Based on the post fire conditions, the property was posted as "Dangerous" and "Unsafe to Occupy". The owner was ordered to abate the dangerous and nuisance conditions on the property, but failed to comply. In 2018, the county foreclosed on the property for unpaid taxes. Both the City and Coos County have a shared desire to abate the dangerous and nuisance conditions by cleaning up the site. The City secured permission to use some of our water quality non-point source funds to clean up the property. Staff worked with the County and Oregon Coast Community Action (ORCCA) on an agreement

wherein the City would undertake the necessary clean-up activities at the site; and in return, the County would provide the property to ORCCA to be used for a development of a needed supportive housing development within five (5) years or be turned back to the City. The City would need a written approval from the Department of Environmental Quality (DEQ) to start the clean-up and was estimated to cost \$700,000.

Councilor Farmer moved to authorize the City Manager to sign the IGA with Coos County for the management, clean-up, and ultimate transfer of the old Englewood School site to ORCCA. Councilor Marler seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Marler, Matthews, Miles.

City Manager's Report

City Manager Rodger Craddock stated in October of 2018, the City received a request from the Community Coalition of Empire for the Council to approve asking the Oregon Department of Transportation (ODOT) for a traffic study on Newmark Avenue from Ocean Boulevard to South Empire Boulevard and South Empire Boulevard from Newmark Avenue to Wisconsin Avenue. It was their hope that a speed study would support their desire to reduce the current speed limits of 30 miles per hour (MPH) on Newmark Avenue and 35 MPH on South Empire Boulevard to 20 MPH. The City received a recommendation back from ODOT for speed limits: from Ackerman Avenue to Cammann Street to stay at 30 MPH, Cammann Street to Marple Street to 20 MPH, up to 30 MPH from corner of Newmark Avenue and South Empire Boulevard to Noble Avenue, then 35 MPH on South Empire Boulevard. Council consensus for the City staff go back to ODOT with request to keep speed limit at 20 MPH around corner of Newmark Avenue and South Empire Boulevard.

The 4th street improvement project went from \$900,000 to \$2,600,000, with the majority of the cost being new traffic signal light requirements. Requested Council to do a walk-through on 4th Street during the work session meeting on May 14, 2019, as the project would need to be readjusted as there were not enough funds to do the full project as planned.

The Domino's Pizza Paving for Pizza Grant to fill potholes on LaClair Street and Ocean Boulevard would begin May 13 and continue through May 14, 2019, with road closures.

Mr. Craddock provided a status of the American Building; finished first two windows, flashing, and threshold above, and design to address failing facade. Phase II was to replace windows on the western half of the north side of building. Phase III was for the eastern half of the north side. Phase IV was for the 2nd Street side of the building. Mr. Craddock noted we do not currently have, but would be receiving, a timeframe for completion.

Council Comments

Councilor Farmer stated he regularly receives positive comments from the public regarding City staff. Councilor Matthews stated Dancing with the Bay Area Stars was scheduled for Friday, May 10, 2019 and hoped everyone would go to support Star of Hope. Councilor Kilmer stated it was a great start for the Farmer's Market and stated the Dancing with the Bay Area Stars fundraiser for Star of Hope was at 7:30 p.m. at the Egyptian Theatre. Mayor Benetti stated he has heard good comments from contractors regarding City Staff and praise for Randy Dixon, there were sixty-five (65) vendor's at the Farmer's Market, and requested City Attorney Nate McClintock review the wording in the ordinance Mr. Yost referenced.

Councilor DiNovo stated she had a citizen ask her if the Transportation Utility Fee (TUF) could be designated in a single fund for transparency in how dollars were being spent. City Manager Rodger Craddock stated the funds were identified and dedicated to street maintenance and to provide more transparency of how those funds were being used in an annual report. Councilor Matthews asked if a sign could be posted where street projects were being completed stating it was TUF funds.

Executive Session

Deputy Finance Director Melissa Olson read the executive session meeting disclosure statement. An executive session was held pursuant to Oregon Revised Statute (ORS) 192.660 (2) (d) for the purpose of discussing labor negotiations and (e) for the purpose of discussing real property negotiations. No decisions were made.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for May 21, 2019 in the Council Chambers at City Hall.



Joe Benetti, Mayor

Attest: Nichole Rutherford
Nichole Rutherford, City Recorder