

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

January 3, 2012

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 Library Meeting Room, 525 Anderson Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Crystal Shoji and Councilors 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 Samantha Pierson, Fire Chief Stan Gibson, and Police Chief Gary McCullough.

Flag Salute

Mayor Shoji opened the meeting and asked Joyce Jansen to lead the Council and assembly in the salute to the flag.

Public Comments

Brian Bowers, Coos Bay: reported officials from Oregon Main Street announced the Cities of Coos Bay, Port Orford, and Sherwood were selected for the Transforming Downtown level of Oregon Main Street. Tom Leahy, Coos Bay: Announced the Coos Bay Boat Building Center was officially open for business; registration was scheduled to begin on Saturday, January 7th with classes starting on January 14th. Mr. Leahy stated the Boat Building Center would again be hosting the Lady Washington and Hawaiian Chieftain for "Tall Ship Days" which was scheduled for May 3 – 13, 2012. In anticipation of the occasion, the Boat Building Center set a goal to raise enough funds for 800 children to go sailing on the ships. Mr. Leahy thanked the Council and Community for their support of the Coos Bay Boat Building Center.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of December 20, 2011; and 3b: approval of a change of ownership for an existing OLCC license for the El Sombrero Mexican Restaurant. Councilor Melton moved to approve the consent calendar approving the minutes of December 20, 2011, and approving an OLCC application for a change of ownership for the El Sombrero Mexican Restaurant. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Presentation of Appreciation for Joanie Johnson for Her Service on the Coos Bay City Council

In consideration of Joanie Johnson's resignation from her position as City Councilor on December 27, 2011, Mayor Shoji presented Ms. Johnson with an appreciation of service plaque and presented Ms. Johnson's husband, Jim Johnson with a picture of Ms. Johnson. Mr.

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Johnson expressed his thanks and gratitude for those who have served and continue to serve on the Council. Mayor Shoji thanked Ms. Johnson for her dedication and volunteer effort.

Filling of a Council Vacancy

City Manager Rodger Craddock stated Joanie Johnson's vacated position on the Council was open and needed to be filled. Mr. Craddock advised in order for a person to be elected or appointed they must meet the following three qualifications: be a qualified voter within the meaning of the state constitution, have resided within the City for one year immediately preceding the election or appointment, and cannot be employed by the City in a position that was not substantially volunteer in nature. Based on City Charter and as relevant history had shown, the Council could use any of the following options to fill the position: Use a process such as accepting letters of interest, interviewing applicants, and appointing one of the applicants to the open position; appoint the candidate who received the 5th highest vote in the last election; or appoint a new councilor through a majority vote without holding an application process or using the results from the last election. Mr. Craddock noted whatever process the Council chose, the appointed Councilor would serve until the next biennial general election in November of 2012. The person then appointed would stand for election if he or she so desired.

Councilor Muenchrath stated he felt more comfortable deferring to the public to fill the Council vacancy by selecting the person with the next highest votes from the November 2010 election. Councilor Kramer agreed with Councilor Muenchrath. Councilor Melton suggested there were other people within the community interested in serving on the Council but was not opposed to selecting the person with the next highest votes; and suggested an application process. Councilor Vaughan also suggested an application process. Councilor Groth expressed concern about the amount of time that had passed since the November 2010 election; and was in favor of an application process. Mayor Shoji stated it was her preference the position be filled through an application process. Councilor Kramer suggested appointing a person with previous Council experience would be beneficial since there was less than a year remaining on the appointment. Councilor Groth moved to fill the Council vacancy through an application process. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Melton, Muenchrath, and Vaughan voting aye and Councilor Kramer voting nay. Mr. Craddock recommended the following timeline for the application process: advertise the position opening on January 5, 2012 with a deadline for accepting letters of interest on January 27, 2012; interview applications prior to the regular scheduled Council meeting on February 7, 2012 and through a majority vote appoint one of the applications to the vacant position during the scheduled Council meeting. It was the consensus of the Council to direct staff to administer the application process and schedule interviews as quick as administratively possible.

Introduction of New Library Director Samantha Pierson

City Manager Rodger Craddock introduced the new Library Director Samantha Pierson. Ms. Pierson recently relocated from Libby, Montana where she had served as the Library Director for the Lincoln County Public Library since 2003.

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Public Hearing on the Adoption of the Supplemental Budget for Fiscal Year 2012-13 – Approval Would Require Adoption of Resolution 12-01

Finance Director Susanne Baker stated the proposed resolution was a general housekeeping measure to comply with Oregon budget law and follow through with recommendations made by the auditor in accordance with Governmental Accounting Standards Board 54 (GASB 54). On June 7, 2011 Resolution 11-16 closed the Building Codes Reserve fund because the fund did not meet the requirements of a special revenue fund as defined by GASB 54. The majority of the balance of the Building Codes Reserve fund, \$58,998, was to be transferred to the Building Codes operations fund and the remaining \$5,300 transferred to the Technology fund for the Building Codes portion of the technology program. Ms. Baker stated second appropriation was a \$170,000 pass-through of funds received from the Coos Bay – North Bend Water Board which would be used to pay the City's portion of the interest payment due to the State of Oregon Infrastructure Finance loan. The interest payment would be due in June 2012 and would be based on the final amount of funds drawn against the loan. The appropriation being made would be sufficient to cover the maximum amount which could be invoiced. The third appropriation was for a \$20,000 DUI Enforcement grant accepted at the November 15, 2011 Council meeting but was awarded for more than was budgeted during the FYE 12 budget process. Councilor Groth inquired why the payment for the State of Oregon Infrastructure Finance loan was not budgeted for FYE 2012. Ms. Baker stated the total amount due on the loan was not known at the time when the FYE 2012 budget was approved. Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Melton moved to adopt Resolution 12-01. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Public Hearing to Consider Approval of Revised City Fees – Approval Would Require Adoption of Resolution 12-02

Public Works and Development Director Jim Hossley stated on October 18, 2011 the Council adopted Resolution 11-26 which revised various City fees. Mr. Hossley stated changes to the Building Code fees within Resolution 11-26 were to take effect on January 1, 2012 but stated there was a misunderstanding with the Oregon State Building Codes Division which required Resolution 11-26 to be re-adopted through Resolution 12-02. When a community makes changes to building code related fees, the State advertises the proposed changes for 45 days in advance of the hearing date for consideration of the fee changes. Mr. Hossley advised the State had completed the 45-day notice and the entire fee resolution, if adopted would become effective upon the signature of the Mayor. The fee changes proposed for adoption in Resolution 12-02 were the same as previously adopted in Resolution 11-26. Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Groth moved to adopt Resolution 12-02. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Approval of a Guaranteed Maximum Price and Construction Contract with Chambers Construction

Public Works and Development Director Jim Hossley stated on October 4, 2011 the Council approved Chambers Construction Company as the Construction Manager/General Contractor

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(CM/GC) for the City Hall Police Station Seismic Renovation project and directed staff to negotiate a Guaranteed Maximum Price for the rehabilitation and remodel work. The amount negotiated for Guaranteed Maximum Price was \$2,178,125 which included a 5.5% contingency. Chambers Construction requested the contingency in the event they encounter unexpected conditions. As a provision for allowing the 5.5% contingency Chambers Construction would be required to report to the City at different milestones regarding the use of contingency. For example at 20% project completion the contractor would report to City staff the amount of contingency consumed. If no contingency was used, the 5.5% contingency would be reduced by 20%. Mr. Hossley stated if no contingency was used then the 5.5% would not go to the CM/GC and would remain with the City.

Councilor Kramer stated she thought the reason the City used the CM/GC process was to avoid the need for contingency. Mr. Hossley stated the CM/GC process was to avoid change orders. Councilor Kramer inquired what would happen if the total unknown exceeded the contingency. Mr. Hossley stated the contingency was capped and could not exceed the 5.5%. Councilor Groth stated she thought changes orders were still possible with the CM/CG process; and inquired if the contingency arrangement was a standard part of the CM/CG contract. Mr. Hossley advised change orders were possible but would be at the request of the City not the contractor and stated to his knowledge a contingency arrangement was not typical of a CM/CG contract. Councilor Groth inquired what the decision making process would be should there be any unspent contingency. City Manager Rodger Craddock advised there were other items on a list the City would like to see addressed but the decision on how or if any remaining contingency was spent would be up to the Council to decide. Councilor Groth moved to approve the award of the Construction Manager/General Contractor contract for the City Hall Seismic Rehabilitation project to Chambers Construction Company for the Guaranteed Maximum Price of \$2,178,125 and authorized the City Manager to execute the contract documents. Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye. Mr. Hossley announced the Police Department had temporarily relocated to the Public Works Department within City Hall and the Public Works Department had moved modular trailers which were located in west parking lot of City Hall; as requested, the City's website was updated to include information on the Seismic Rehabilitation project.

Approval of the Coos Bay Police Officer Association's Fiscal Year 2012-2015 Collective Bargaining Agreement

City Manager Rodger Craddock stated the labor contract between the City and the Coos Bay Police Officer's Association (CBPOA) was slated to expire on June 30, 2012. In October 2011 the City received notification from CBPOA's President Eric Schwenninger of their desire to enter into contract negotiations. Mr. Craddock, Police Chief Gary McCullough and Finance Director Susanne Baker met with the CBPOA's Bargaining Team Members on December 6 and 19, 2011. At the request of the CBPOA, no attorneys were present in the meetings. Based on the meetings several tentative agreements were made subject to the approval of the Council. Under the proposed contract, bargaining unit members would receive salary increases effective July 1 for the years of 2012, 2013, and 2014 with a minimum of 2% and a maximum of 5% each year which would be equal to the US CPI-W-Size B/C, January of the previous year to January the current year. Continuing Education proposed changes would increase the yearly continuing education reimbursement from \$500 to \$1,500 for bargaining unit members completing

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approved college level course work relevant to the employee's role in the organization. The yearly Boot Allowance would increase from the current \$125.00 limit per year to \$175.00 per year. Mr. Craddock provided the Council with a brief overview of potential budget implications for the fiscal years of the proposed contract. Mayor Shoji inquired about the potential budget implications of salary increases in comparison to the future outlook of the City's tax base. Mr. Craddock advised future growth on the tax base was set at 3% but had the potential to increase in the event of new construction or decrease due to falling valuations or compaction. Councilor Kramer moved to approve the tentatively negotiated contract changes and to allow the City Manager to sign a new three year FYE 2013-2015 labor contract with the Coos Bay Police Officer's Association. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent for the vote.

City Attorney's Report

City Attorney Nate McClintock stated he was pleased the City had successfully negotiated both the Fire and Police union contracts; advised negotiations with the American Federation of State, County, and Municipal Employees (AFSCME) union were scheduled to commence in the near future.

City Manager's Report

City Manager Rodger Craddock reported a public notice for the open positions on the Planning Commission was published; applications were available in the City Manager's office or online through the City's website; the deadline to turn in applications was January 27, 2012. Announced beginning in January 2012 the City would be publishing a monthly news letter which would be emailed and published on the City's website.

Council Comments

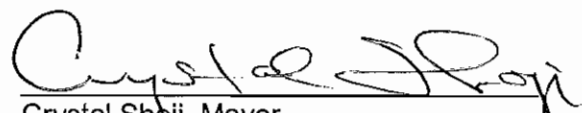
Councilor Groth suggested being more proactive with regards to the open positions on the Planning Commission and the City Council and to encourage people who might be interested in the positions to apply. Councilor Kramer stated she was happy to be back. Councilor Muenchrath stated he was glad Councilor Kramer was back and was sorry Joanie Johnson had to resign. Mayor Shoji wished everyone a Happy New Year.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for January 17, 2012 in the Meeting Room at the Coos Bay Public Library.

Attest:


Susanne Baker, City Recorder


Crystal Shoji, Mayor