

## MINUTES OF THE PROCEEDING OF THE CITY COUNCIL

August 2, 1994

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, beginning with a work session at 7:00 P.M. in the Council Chambers of City Hall and proceeding to regular session in the Council Chambers at 7:30 P.M.

### Those Present

Those present were Mayor Joanne Verger, Councilors Joe Benetti, Gary Combs, Gene Melton, Cindi Miller and David Williams. City staff present included City Manager Jim Watson, City Recorder Gail George, City Attorney Paula Bechtold, Fire Chief Cliff Vaniman, Police Captain Chuck Knight, and Public Works Director Ralph Dunham. Members of the media were also present.

### Work Session

Mayor Verger reviewed the agenda for the meeting. Item two d) was removed from the consent calendar and placed on the agenda as item four a). Councilor Miller asked if there would be an opportunity for the public to comment on what they would like to see in a city manager. Jim Watson replied that the City is advertising and soliciting comments from the public to assist the council in their decision. Watson then asked permission to discuss two additional property offers and one was added to the agenda as item seven, with the other to be discussed in executive session. He noted the letter from the School District Nine asking the Council to waive the excavation and fill permit fees. The request for the fee waiver was added as item eight.

Verger asked Watson to explain the duties and compensation for the City's Agent of Record. He explained that the agent receives their compensation from the commissions on the insurance policies and advises the City on their insurance needs and solicits bids for insurance. Verger also asked Watson to give the Council some information on the requested salary adjustments. He explained the basis for the adjustments noting that in the police and fire departments recommended adjustments are due to compression between the supervisors and their subordinate personnel and other recommended adjustments are for assuming extra duties and bringing a position which was started too low up to where it should be. A discussion ensued about the amount of the differential and why it is necessary. Mayor Verger asked how future councils could stop the upward spiral of wages. Watson warned that it is not a good idea to give raises to the unions and then not give increases to the management team. Councilor Combs related that many times in the county managers are not given any increase while union workers were. Councilor Benetti pointed out that the Planning Coordinator had been given a large increase during the budget process and felt that further increases were not appropriate at this time. He also wanted to know where it would stop. Benetti felt he needed further data before he could justify these increases. Watson explained how the overtime earned by non-management personnel presently brings their salaries above those of their supervisors. Verger commented that she feels 15% on the differential is not a magic number, but that compression should be considered.

## **COUNCIL MEETING**

### **Flag Salute**

Mayor Verger called the meeting to order and led the assembly in the salute to the flag.

### **Appointment to Fill Council Vacancy**

Mayor Verger explained that this appointment would be for a short time and the Council wanted someone with city experience and would prefer someone who was not running for Council in November to avoid giving any candidate an advantage. Verger recommended that the Council appoint Gene McCabe to the vacant seat. Councilor Melton moved that Gene McCabe be appointed to the vacant position. The motion was seconded by Councilor Miller and carried with the Mayor and all Councilors voting aye. Gene McCabe was sworn in as councilor by City Recorder, Gail George.

### **Consent Calendar**

Mayor Verger read the consent calendar which included the following items:

- a) Approval of the minutes of the regular meeting of July 19, 1994.
- b) Approval of the minutes of the special meeting of July 22, 1994.
- c) Approval of Resolution 94-11 establishing membership in the City/County Insurance Services Trust liability risk sharing pool.

Councilor Miller moved for approval of the consent calendar. The motion was seconded by Councilor Melton and carried with the Mayor and all Councilors voting aye.

### **Public Comments**

Bob Starke, Coos Bay, appeared to comment on the gaming issue. He voiced his concern over the possibility of the gaming project becoming a reality and hoped the Council would take a stand. He noted that the City of North Bend has passed a resolution requesting a meeting with the Governor about this issue. His concerns focused on the morality of the gambling issue and how the community can slow or stop the process. He wondered where the cities would get the money to provide the social services necessary to help those in the community who are adversely effected. He feels it is an unwise stance for the City to promote this type of activity and he would like the City to become an active participant in the discussions about the gaming project. He reported that a friend who has a business in Canyonville has been adversely effected by the gaming there. Starke stated that for every winner there are many losers, noted that the "something for nothing" attitude destroys society as does the addictive nature of gambling and that gambling can be considered a very regressive tax. It is his opinion that this project will cost the city money in the long run.

Mayor Verger explained that the City is working with the Coquille tribe on an industrial park in the City of Coos Bay. She also said that North Bend may want to deal with the gaming issue

themselves since the facility will be located in their city. Verger went on to say that the federal government gave the tribes special rights many years ago to take advantage of several things like property taxes and gaming. Jim Watson informed the Council that they have just been invited by the City of North Bend to meet with them on this issue. Watson also related what he sees as some of the problems that will be facing the City if the gaming facility goes in. He went on to say that the tribe will probably get their gaming license but that Coos Bay and North Bend can have some influence on the terms of the agreement. Starke also expressed his concern that gaming may not necessarily be advantageous and could be detrimental to the Tribe. Councilor Combs pointed out that the presentation by the Tribe included things other than gaming like facilities for recreation and a performing arts center and that he looked forward to seeing these type of facilities in the area. Councilor Melton said he had some of the same concerns as Starke and would not like the City to rely on income from gambling. He feels political subdivisions should not put taxes on special groups to balance their budget. Melton stated that he did not feel crime would come with the gambling and pointed out that Reno, Nevada has a low crime rate. He would like any decision to be based on facts and not someone's personal agenda.

David Loring Gamble, Coos County, commented on a story in Reader's Digest about Deadwood, South Dakota and the gambling there. He related portions of the article which point out the negative aspects of allowing gambling in Deadwood and that Full House Resorts is made up of some of the most powerful corporate officers in America. He also felt the Indians were being used and that the real beneficiary is the government of the United States. He expressed his displeasure at not being able to speak at the North Bend City Council meeting. Gamble said he feels the government has deregulated gambling and given it to the sovereign nations for their exclusive use. He went on to state his opinion that the facility will attract losers, not winners.

Arthela Starke, Coos Bay, related that she has been involved in counseling youth and they are her main concern. She knows of cases where children feel their parents are more interested in bingo than they are in them and she feels a gaming facility will make it worse.

Councilor McCabe stated that he agreed with many of the points made and feels the gaming facility will bring an undesirable element that we do not want. He feels the Council needs to study the issue and take an active role.

Mayor Verger asked if there were any people in the audience who would like to make comments about what they would like to see in a city manager and stated they were welcome to comment at this time. No one came forward to comment.

### **Selection of Insurance Agent of Record**

Jim Watson explained that Nasburg and Company has been the City's agent of record for about ten years. As required by law, the City solicited proposals for Agent of Record. Councilor Williams said the decision had been tough as all three firms submitting bids were well qualified and any one would have been excellent for the job. Williams went on to relate that the selection committee recommended retaining Nasburg since he is familiar with the City and has done a good

job in the past. Councilor McCabe asked the Council to consider that there are two other firms in the area that would do a good job and that perhaps the Agent of Record position could be rotated among the agencies in the city. Councilor Melton asked how rotating agents would affect the continuity of coverage. Williams said that each time the agency changed they would have to do a thorough review of the coverage and liabilities of the city before placing insurance. Jim Watson pointed out that it would be appropriate to retain Nasburg for at least this year as the insurance has already been placed and then look at going out again if they want to rotate agents. Mayor Verger shared McCabe's opinion that it would become discouraging to other agents if we kept appointing the same agent time after time. Watson suggested that Nasburg be appointed to finish out the current term of insurance and then ask for proposals putting a heavy emphasis on risk management. Andy Nasburg explained that the insurance he has obtained for the City is available to other agents and therefore changing agents would not necessarily cause a change in insurance companies. He also stated that a new Agent of Record should be brought on in March in order to place insurance for the coming year. Councilor Benetti moved that the City retain Nasburg and Company as Agent of Record through March and then go out for request for proposals again. The motion was seconded by Councilor Combs and carried with the Mayor and all Councilors voting aye.

### **Approval of Salary Adjustments**

Jim Watson explained that the increases recommended could be funded within the existing personnel line items in the current budget. He went on to explain his reasons for recommending the increases. Mayor Verger commented she does not like the feeling that if the Council does certain things like trying to hold down salaries, that they are perceived as being not sympathetic or appreciative of staff. Watson told the Council that in his opinion the Council needs to start with the unions in holding down salaries. He said he does not like all management salaries to be driven by union negotiations and feels it is better to have one or two management employees out of sync with the rest. Verger asked if action needed to be taken on the salaries tonight, to which Watson replied no, but that it would be best to take care of this soon. Councilor Benetti said he realizes there need to be adjustments but he is not sure how much. He would like to see all adjustments be addressed at budget time and would like to see more data before approving the adjustments presented tonight. Councilor Combs said he understands the compression problems but would have difficulty approving other raises. Councilor McCabe asked if Watson was saying that management personnel here were paid lower than those in comparator cities. Watson replied that it was true we were lower than comparators, but he had been asked not to compare to other cities outside the area. Councilor Miller asked how these increases fit with the salary study done earlier this year. Watson answered that all salaries including the increases are within the range in the study. Benetti asked for the survey which came up with the 15% differential and the recent LGPI study. Verger asked if there was consensus on the council to carry this over to the next meeting and there was.

### **Recommendation from Parking Advisory Task Force**

Mayor Verger asked that Item 4 on the staff recommendation be changed to read "That staff include the Downtown Association..." instead of "That staff work with the Downtown Association..." She complimented the task force on the work they have done and said she wants the

work on parking to move forward. Councilor Benetti asked if some of the parking on Highway 101 was going to be removed and Watson said that it probably would be for safety reasons. Councilor Williams said he had talked to Judy Lovell of the Downtown Association who has contacted the Oregon Downtown Development Association (ODDA) and found out that the ODDA will provide parking consulting services. Ralph Dunham stated that he has seen the proposal from ODDA and that their services cover many things that have already been done. Councilor Miller said that her understanding of what the ODDA will do has a much broader scope and we may be able to get more for our dollar with ODDA. Verger asked if a consultant would come back with more than one site as that is what she would like to see. Art Pescod stated that it was cheaper for ODOT to help us get a parking structure than to widen the road. Councilor Miller moved that the Council authorize staff to develop an RFP for a parking structure consultant, authorize staff to develop a report on how to fund the purchase and cost of developing current vacant lots in the downtown area, to put up as many information signs directing motorists to the available parking as the State Highway Department will allow, and that staff include the Downtown Association in the developing of new parking lots and a parking structure. The motion was seconded by Councilor Benetti. Councilor Combs said he feels the committee has left out an important part of the parking issue and that is to look at the parking time limits currently in the lots. Williams reported that the committee looked at timed parking and wanted to see how the free parking worked before making any further changes. The question was called and the motion carried with the Mayor and all Councilors voting aye.

**Exemption from Competitive Bidding for Class A Pumper/Engine by the Council Acting as the Contract Review Board**

Jim Watson reminded the Council that they serve as the Contract Review Board and needed to act in that capacity if they chose to exempt the current purchase from the bid laws. Councilor Combs moved that as a Contract Review Board, they found that awarding the bid without competitive bidding would result in substantial savings to the City and not result in any favoritism in the bid process as allowed under Section 4 of the Local Contract Review Board Rules. Councilor Miller seconded the motion which carried with the Mayor and all Councilors voting aye.

Councilor Melton moved that the bid be awarded to Central States Fire Apparatus to purchase a new pumper for \$196,345. The motion was seconded by Councilor Miller and carried with the Mayor and all Councilors voting aye.

**Offer to Lease/Purchase Property in Block Two of the Mall**

Robert and Gail Conwell offered to lease/purchase property on block two of the mall to put in a small bakery-restaurant. Consensus was that the City was not interested in this offer.

**Request to Waive Excavation and Fill Permit Fees at Englewood School**

The Coos Bay School District asked for a waiver of the excavation and fill permit fees for the leveling of the playing field being done by the National Guard and other volunteers.

Councilor Miller moved with a second by Councilor Combs to waive the excavation and fill permit fees. The motion carried with the Mayor and all Councilors voting aye

**City Attorney Report**

No Report

**City Manager Report**

Jim Watson noted the report on interpretive signs which was given to each Councilor in their agenda packet. He reported that the Maritime Festival did not get the participation they had hoped for but was a good first effort. He mentioned that students will be coming from Choshi to visit and that two people have picked up packets for the council election.

**Council Comments**

Councilor McCabe said he appreciated the confidence the Council had in him and will try and do his best.

Councilor Williams mentioned that he does not understand the costs shown on the information about the interpretative exhibits. Jim Watson explained that the \$92,000 figure is the total amount to be spent including donations and grants. Ralph Dunham said there may be some savings in costs by having city staff gather some of the information and feels that the cost will not go over \$87,000. He also talked about the signs which may be placed on the hand rails at a later date and explained what was causing some of the delays in the exhibits. Jim Watson said that staff was doing everything they could to minimize the cost and this process took longer than paying someone else to do it. Mayor Verger asked what happened to the work done by Steve Clay and Mike Vaughn and was told that it was minuscule compared to what Dunham and Jane Olbekson have done and are doing. Dunham explained that Clay has done the general overview and staff is doing the detail work. Councilor Melton thought the City had let a contract for \$50,000 for all the interpretive signs. Verger said she thought there were now more signs than originally anticipated. Councilor Benetti said he remembered that staff was directed to get donations if more signs were needed than those approved in the original contract. Verger said she hopes the signs will be of educational value and will be first class signs. Dunham responded that the signs were of excellent quality. Verger commented that she would like to hold open house during the Fun Festival to let everyone see the interpretive exhibits.

Councilor Combs reported that the last parks commission meeting was held at Choshi Garden in Mingus Park. He told that Council that a park host from California will be here in September and October at the Empire Boat Ramp. Combs relayed a request from the parks commission for a written report from the Police Department on having gates at Empire Lakes Park. On the renaming of the Neighborhood Facility Building Combs said the consensus of the Parks Commission was to rename the building the Empire Lakes Community Building. He mentioned that the Tree Board felt the council did not listen to them in a recent appeal, but that he felt the council found a balance between the requests of the two parties.

Councilor Miller welcomed back Gene McCabe and congratulated the Mayor on receiving

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an award of merit from the Oregon Mayor's Association. Councilor Benetti shared Councilor Miller's comments.

Mayor Verger thanked staff for putting together the nomination for the award and expressed her joy in receiving it. She explained that it was a joint award for North Bend and City of Coos Bay, and that part of the award recognizes intergovernmental relations that are working well. She asked the Council to consider a name for the area that has been renovated and is no longer a mall. She would like Central to remain in the name and it could be a "place". Verger would like this to be on the agenda and felt the name would continue through all the blocks that are renovated.

### **Executive Session**

On motion by Councilor Melton seconded by Councilor Benetti the Council voted to go into executive session pursuant to ORS 192.660 (1)(e) to consider property acquisition.

### **Sale of Lots 1 through 18, Block 87, First Addition to Empire**

Councilor Benetti moved to accept an offer from the Coos-Curry Housing Authority to purchase lots 1 through 18, Block 87, First Addition to Empire for \$180,000 or the appraised price, whichever is less, contingent on the Housing Authority receiving a grant from the State of Oregon Opportunity Purchase Program. The motion was seconded by Councilor Miller and carried with the Mayor and all Councilors voting aye.

### **Adjournment**

There being no further business to come before the Council, Mayor Verger adjourned the meeting to 5:10 o'clock P.M. in the Manager's Conference Room of City Hall on August 16, 1994.

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Joanne Verger  
Mayor of the City of Coos Bay  
Coos County, Oregon

**ATTEST:**

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Gail George  
Recorder of the City of Coos Bay  
Coos County, Oregon