

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

June 20, 2017

The minutes of the proceedings of the City Council of the City of Coos Bay, held immediately following the City of Coos Bay Urban Renewal Agency meeting held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. Councilor Stephanie Kramer was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Library Director Sami Pierson, Public Works and Community Development Director Jim Hossley, and Police Chief Gary McCullough.

Flag Salute

Mayor Benetti opened the meeting at 7:00 p.m. and led the Council and assembly in the salute to the flag.

Mayor Benetti announced the Council would first meet as the Urban Renewal Agency and City Council meeting would follow.

Public Comments

Beth Clarkson, Coos Bay: stated she was owner of Checkerberry's Flowers & Gifts; noted Coos Bay's efforts to create a more vibrant downtown; expressed concern about deteriorating status of the American Building in downtown; suggested the City did not have tools or resources to proactively enforce or manage vacant buildings; noted the City of San Antonio recently passed vacant and underutilized buildings ordinance and suggested the Council consider taking a similar approach. Bob More, Coos Bay: stated he was a member of the Coos Bay Boat Building Center and Festival of Sail volunteer; stated he spoke to several hundred people during the event and did not hear any complaints about the event; expressed thanks to the City and the Coos Bay Boat Building Center for coming together and sponsoring event; and noted he was disappointed with the negative press from The World Newspaper.

Consent Calendar

Mayor Benetti reviewed the consent calendar which consisted of 3a: approval of the minutes of June 6, 2017; 3b: acceptance of the May 2017 accounts payable and payroll check registers, and; 3c: approval of Oregon Liquor Control Commission (OLCC) annual license renewals for 7 Devils Brewing, Abby's Legendary Pizza, Best Western Holiday Motel, Coach House, Coney Station #1, Dave's Pizza, Fast Mart, Lighthouse Market, Little Italy, Oregon Wine Cellars, Red Lion Hotel, Rodeo Steakhouse Grill, Safeway Store #1556, Silver Dollar Tavern, Spotlight Country Bar & Nightclub, Sumin's Restaurant, T N T Market, and Tokyo Bistro. Councilor Kilmer moved to approve the consent calendar as presented. Councilor Marler seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler voting aye. Councilor Kramer was absent.

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Approval of an Ordinance to Remove the Reservation Utility Easement Rights – Approval Would Require Enactment of the Proposed Ordinance

Public Works and Development Director Jim Hossley stated the proposed ordinance was associated with recently enacted Ordinance No. 484 which amended Ordinance No. 2762 to eliminate a prior utility reservation and thus enable re-development of a commercial property. Ordinance No. 484 failed to include the reservation for a transformer left by Ordinance No. 2180. To eliminate the remaining reservation was originally placed on a portion of Park Avenue through Ordinance No. 2180. Councilor DiNovo moved to adopt the proposed ordinance to permanently dissolve the referenced reservation as described in the ordinance and as found in plat map Section 17CD, Township 25 South, Range 13 West of the Willamette Meridian, Coos County, Oregon. Councilor Groth seconded the motion. Deputy Finance Director Amy Kinnaman read the ordinance and announced Ordinance 487 was enacted by the following vote:

Aye: Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler
Nay: None
Absent: Councilor Kramer

Councilor Farmer exited the meeting at 7:25 p.m.

Approval of Appointments to the Library Board

Councilor Kilmer moved to re-appoint Kathy Erickson and to appoint Steve Metz to the Library Board for a four-year term (each) ending June 30, 2021. Councilor Marler seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Groth, Kilmer, and Marler voting aye. Councilors Farmer and Kramer were absent.

Consideration to Approve an AirBnB Transient Occupancy Tax Agreement

Finance Director Susanne Baker stated the City of Coos Bay and the Coos Bay North Bend Visitor's Convention Bureau (VCB) were not receiving transient occupancy tax for vacation rentals registered with AirBnB. Through negotiations with AirBnB, an agreement was developed which would require AirBnB to begin remittance of transient occupancy tax for their hosts at the beginning of the next month. The agreement required authorization by the City Council before it could be executed. Councilor Groth moved direct the City Manager to execute the AirBnB agreement as presented. Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Groth, Kilmer, and Marler voting aye. Councilors Farmer and Kramer were absent.

Approval of a Five Year Plan for Wastewater Capital Improvement Projects

Public Works and Community Development Director stated City Staff prepared a 5-year plan for wastewater and storm water capital improvement projects (CIPs). In total, there were 33 projects that ranged from storm and sanitary sewer replacements, pump station upgrades, to treatment plant upgrades. Many of the projects were identified in the City's master plans and smoke testing reports. There were also a number of projects identified through video investigations by the City's collection crew. For the next two years, the majority of the projects

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would be funded by the City's two Infrastructure Finance Authority Loans (IFA) and the Department of Environmental Quality (DEQ) State Revolving Fund (SRF) program, the remainder of the projects would be funded by the Wastewater Improvement Fund.

Councilor Groth moved to direct staff to proceed forward with the implantation of the 5-year CIP plan. Prior to awarding either a professional services contract or a construction agreement for an amount exceeding \$75,000, staff would present scope and fee and/or bids to the Council at a regularly scheduled meeting for approval. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Groth, Kilmer, and Marler voting aye. Councilors Farmer and Kramer were absent.

Councilor Farmer re-entered the meeting at 7:34 p.m.

Award of a 10-Year Contract for Operations, Maintenance, and Management Services for the City Sewer System

Public Works and Community Development Director Jim Hossley stated in early 2016, the City received two proposals (Veolia and CH2M) to provide sewer, operation, maintenance, and management services. A committee reviewed the packages, interviewed the consultants and made a recommendation to Council to select CH2M. At the March 1, 2016 Council meeting, staff was directed to move forward with negotiations with CH2M to enter into a 10-year contract for these services. Councilor Groth requested information regarding the cost to have City staff perform the same work. Mr. Hossley estimated it would cost the City \$2,176,964 (based on FYE18 salary and benefits) to have City staff perform sewer operation, maintenance, and management services; FYE17 cost for CH2M to operate was \$2,063,740. Councilor DiNovo moved to award the 10-year contract for operation, maintenance, and management services for the City's sewer system to CH2M. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler voting aye. Councilor Kramer was absent.

Approval of Professional Service Contract for an Emergency 6th Avenue Culvert Replacement Project

Public Works and Community Development Director Jim Hossley stated an existing wood box culvert located under 6th Avenue, approximately 300 feet south of F Street in Eastside, failed in November 2015. A temporary and emergency repair was performed that minimized further damage from occurring to 6th Avenue and potentially prevented damage to existing utilities. On December 15, 2015, Council approved the design contract for the permanent solution to Dyer Partnership. Design was complete and the project was now soliciting bids. The engineer's estimate for this project was approximately \$800,000. The project was identified in the City's Sponsorship Option application. The City qualified for up to \$2M of Sponsorship Option projects (non-point source storm water projects) from the DEQ loan for the Wastewater Treatment Plant 2 project. Staff recommended the bidding and construction management services be directly appointed to Dyer Partnership per Administrative Directive 15, Section 20 (c) rather than conducting a competitive proposal process. Direct appointment was recommended because Dyer engineered the design, they were most familiar with the project, and past projects had been successfully designed and constructed under their management. If Council directs staff to obtain proposals for a construction manager and Dyer was not selected, the City would still

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have to contract with Dyer to address engineering questions and provide clarifications for their design. If Dyer was not hired to perform the construction management services or provide engineering assistance during construction, Dyer would not have to be responsible for the approved design in the event there was a design change nor would Dyer be lawfully responsible for errors and omissions. Councilor Groth moved to award the contract to Dyer Partnership for bidding and construction management services for the 6th Avenue emergency culvert replacement project for a total project cost not to exceed \$97,290 (\$84,600 plus 15% contingency). Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler voting aye. Councilor Kramer was absent.

Approval Contract Amendment for the Management of the Visitor Information Center

City Manager Rodger Craddock stated a proposed amendment to the Bay Area Chamber of Commerce agreement to provide management services for the visitor information center (VIC) was provided to the Council at the June 13, 2017 work session. Since that time, additional language regarding a computer workstation used by the VIC manager to complete duties as contracted through the Chamber. In the past, the computer was supplied by the City. Since the computer was not hooked up to the City's network and was not being used by a City employee, it was proposed that the Chamber purchase and own the computer and the City would reimburse the Chamber for the replacement of the computer on an as-needed basis.

Councilor DiNovo moved to approve the proposed amendment to the contract for management of the VIC and authorize the City Manager to sign the agreement. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler voting aye. Councilor Kramer was absent.

Approval of Payment to Oregon Department of Transportation for the Empire Boulevard Sidewalk Project

Public Works and Community Development Director Jim Hossley noted consideration of the matter was a continuation of the earlier discussion from the Urban Renewal Agency meeting. Council consideration was for the remaining \$156,670 to be paid from the Wastewater Improvement Fund of which \$83,805 was previously approved by the Council. Councilor Groth moved to approve an additional payment to ODOT for amount of \$156,670 to be paid from the Wastewater Improvement Fund to complete the Empire Boulevard project. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, and Marler voting aye. Councilor Kramer was absent.

City Attorney's Report

No comments were given.

City Manager's Report

City Manager Rodger Craddock stated he would be conducting interviews the remainder of the week on behalf of the South Coast Development Council (SCDC) and the Downtown Association (DTA) to fill their executive director positions.

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Council Comments

Councilor Kilmer expressed deep regret for the passing of Gordon Young, former director of public access channel and noted the Relay for Life of Coos County annual Block Party on the Bay would be held Saturday June 24, 2017 from 11 a.m. to 11 p.m. on Central Avenue in downtown Coos Bay. Councilor DiNovo Commended City staff for their work on the Front Street Master Plan. Councilor Farmer noted he participated in a ride-along with the Coos Bay Police Department. Mayor Benetti stated he attended Rose Festival Parade in Portland as representative for Coos Bay.

Executive Session

A joint City Council and Urban Renewal Agency executive session was held pursuant to ORS 192.660 (2) (e) for the purpose of discussing real property transactions. 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 July 5, 2017 in the Council Chambers at City Hall.



Joe Benetti, Mayor

Attest:



Susanne Baker, City Recorder