

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

September 6, 2016

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 Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Crystal Shoji and Councilors Fred Brick, Mark Daily, Jennifer Groth, Thomas Leahy, and Mike Vaughan were present. Councilor Stephanie Kramer was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Public Works Director Jim Hossley, Library Director Sami Pierson, Community Development Director Eric Day, Fire Battalion Chief Dan Crutchfield, and Police Chief Gary McCullough.

Flag Salute

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

Public Comments

Ken Folker, Coos Bay: Thanked the Council for their service to the community, wished everyone luck in the November election; thanked veterans and public service employees for their service.

Councilor Vaughan entered the meeting at 7:02 p.m.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of August 16, 2016; 3b: approval of an annual license for the Spotlight Country Bar & Nightclub, and; 3c: approval to pay attorney and related fees for the assessment of the City's wastewater treatment operations. Councilor Brick moved to approve the consent calendar approving the minutes of August 16, 2016, an annual license renewal for the Spotlight Country Bar & Nightclub, and to pay attorney and related fees for the assessment of the City's wastewater treatment operations. Mayor Shoji seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

New Council Business

No new council business was presented.

Presentation on a Visit to Coos Bay Sister City in Choshi, Japan

South Coast Development Council Executive Director (SCDC) Connie Stopher stated she recently travelled to Japan on a Trade Mission and while there, visited Choshi, Japan. Ms. Stopher provided a PowerPoint on the highlights of the Trade Mission as well as her visit to Coos Bay's Sister City Choshi, Japan. Ms. Stopher was the only non-metro Portland representative of the 22 trade mission delegates and was able to improve relationships with other agencies beneficial to the interests of the south coast. Ms. Stopher's visit was intended to promote growth

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and increased trade with the south coast and also referred to interest by the Japanese in renewing educational relationships for the local schools and students.

Public Hearing to Consider Approval of the Proposed Charter Communications Franchise Ordinance – Approval Would Require Enactment of the Draft Ordinance

Finance Director Susanne Baker stated in 2011, the City of Coquille along with eighteen other cities around Oregon jointly agreed to hire an attorney to assist in negotiating a new franchise agreement with Charter Communications. The group agreed to share the billing expenses of the Portland attorney, Beery, Elsner, and Hammond, equally and for the attorney to address the needs of the various cities jointly. The process was slow, largely due to the complexity of Charter Communications and the attempted merger/sale of Charter Communications which occurred during this time period.

Recently, the negotiations between Charter Communications and the cities were concluded which resulted in a new, ten-year franchise agreement. The new franchise agreement did not change the franchise fee which remained at 5%, the maximum allowed by Federal law. The majority of the changes involved the public access channel and now required Charter to provide two channels for non-commercial, video programming for public, education, and government access instead of one; updating of the text; and the requirement of the utility to pay for moving their lines in the event of a public improvement project.

Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed.

Councilor Groth moved to enact the ordinance repealing Ordinance No. 136, as amended by Ordinance No. 180, granting Falcon Cable Systems a franchise for the use of streets, alleys and public easements within the City of Coos Bay for the operation of a cable television communication system. Councilor Brick seconded the motion. Finance Director Susanne Baker read the ordinance by title only and Ordinance 478 was enacted by the following vote:

Aye:	Mayor Shoji and Councilors Brick, Daily, Groth, Leahy, and Vaughan
Nay:	None
Absent:	Councilor Kramer

Public Hearing to Consider Approval of the Proposed Engineering Design Standards Ordinance – Approval Would Require Enactment of the Draft Ordinance

Public Works Director Jim Hossley stated adoption of engineering design standards was one the Council goals for this year. The City had been operating with draft design standards for the last few years, which were not necessarily enforceable. Additionally, some engineering standards were in Chapter 17 (Development Code) of the Coos Bay Municipal Code but were removed with the recently approved re-write. In January 2015, John Hitt suggested the Council adopt engineering design standards to improve the City's permitting process.

Staff used the City of Astoria's engineering design standards as a base model and modified them to not unreasonably limit any innovative or creative effort which could result in better quality. The

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engineering design standards would facilitate the planning, design, and implementation of public projects, private projects, and related facilities.

In early June, the draft engineering design standards were sent to over 30 professionals representing over 20 different private companies and public organizations for their review and comment. Two open houses were held on July 18th to answer questions and take comments and incorporate those suggestions into the proposed draft.

Mayor Shoji stated she appreciated the terminology generally aligning with the Land Development Ordinance for consistency. Mr. Hossley stated the terminology would need to be addressed in Title 12 and 7 which was not necessarily consistent.

Mayor Shoji opened the public hearing. Ralph Dunham, Coos Bay: Representing Stuntzner Engineering, stated staff provided a considerable amount of time for the review of the engineering design standards, was unable to attend the open houses, and submitted a detailed letter on the overreaching requirements of the proposed standards. Mr. Dunham referred to ODOT's APWA engineering design standards as a widely used source and believed the standards could be simpler and recommended six months to one year of vetting. Mr. Dunham provided an example in which fill over 12-inches would require a geotechnical report at a cost of \$3,000 - \$5,000. Mr. Hossley provided information on fill, erosion control, and how other cities have varying requirements. No further comments were given, Mayor Shoji closed the public hearing.

Councilor Groth asked the timeline provided for review of the document wherein Mr. Hossley stated the document was sent out June 3rd with the deadline extended several times. Councilor Groth asked the process to change sections due to issues if they arose wherein Mr. Hossley stated the vetting of the standards was needed to improve upon them based upon actual issues to test the standards. The document allowed flexibility for an applicant to complete a petition process to address standards which may need to be changed. Mayor Shoji and Mr. Hossley referred to page 13 regarding exemptions and read through a list of processes which would allow flexibility when specific instances occur.

Councilor Vaughan stated he would like to learn more about Mr. Dunham's comments before making a decision and preferred to delay the decision. After discussion, consensus was to allow a couple of weeks for staff to review and consider the suggested modifications. Councilor Brick suggested language be added to include a review at a six month interval.

Next Steps for the Plant 2 in Regards to the Treatment Evaluations and the Zero Cost Contract with Mortenson Construction

Public Works Director Jim Hossley stated while the Council was still considering options regarding building Wastewater Treatment Plant No. 2 (WWTP2), the Council had approved several tasks. Mr. Hossley stated the WWTP2 related piping project along South Empire Boulevard needed to be completed regardless of which type of treatment process was selected. The project had bids opened on July 21st; commencement of construction on September 12th; and completion of the project on November 23rd, the same as the Mutual Agreement and Order (MAO) deadline.

Mr. Hossley stated the DEQ approved plan site work was bid on August 16th. This approved step by Council was done in an effort to reduce/eliminate MAO fines associated with interim

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construction deadlines should the Council elect to move forward with a sequential batch reactor (SBR) treatment process. Bids would be opened on September 22nd; tentative awarded on October 18th; and tentative completed on December 7th, which would exceed the MAO deadline.

Mr. Hossley stated staff prepared a Request for Proposal (RFP) to hire an engineering consultant to conduct a cost-benefit analysis of the SBR and membrane batch reactor (MBR) treatment processes as well as Class A and B biosolids analysis. Additionally, staff solicited widely known engineering firms which did not have any affiliation with DB Western Texas or this project. Staff advertised the RFP on August 24th and 26th; RFP's due September 8th (staff/committee would meet on September 9th to evaluate); selection of consultant September 12th with a special Council meeting; the treatment evaluation report due on October 13th; and the treatment evaluation Council presentation on October 18th.

Councilor Daily stated he did not see there was any clear path of who was going to solicit the RFP, determine the specifics of the RFP, and was unsure how this occurred without discussion. Councilor Daily stated there were a number of different MBR's and discussion was needed to determine which would be chosen; believed it would be important to compare the cost.

City Resident Project Representative Jan Kerbo stated the work completed was based upon the wording of the motion made by the Council with staff's intention of fulfilling Council direction. The committee would have the opportunity to give clarification to the consultant to compare the impact of the MBR and SBR and the costs involved when they met during the RFP process. Councilor Daily questioned the value of a comparison with so many options wherein Ms. Kerbo stated the consultant was advised to provide a decision matrix table to focus the priorities as determined by Council.

Councilor Vaughan questioned if the values and costs, which he viewed as the same, considered the environmental impact as part of the criteria and who would write the determination. Ms. Kerbo stated an evaluation of the parameters for each type of plant would be provided to balance the environmental impact versus the cost for both options. Councilor Vaughan stated different levels of parameters such as the BOD would not provide information to determine the impact to the oyster economy. Ms. Kerbo stated an extension study would take several years and cost a half million dollars.

Councilor Daily stated the original motion specifically eliminated staff from the evaluation and asked if the words best available technology were included wherein Ms. Kerbo stated those were not. Councilor Brick stated since the RFP would be due in two days, clarification was mute, and the only way to salvage the process would be to discuss the issues with the proposers and ask if the City could have a SBR or MBR with the best available technology.

Councilor Daily stated most of those listed to evaluate the RFP's were staff, which he believed "fled at the face of the spirit of the issue". Mayor Shoji stated staff would be needed, the Council was not engineers, and Council should rely on staff to do the daily work.

City Manager Rodger Craddock stated the plan was not staff's plan, it was DEQ's plan as prepared by the consultant hired by the Council. Mr. Craddock stated it would be at Council's discretion to appoint more Councilors to the evaluation committee. Councilor Groth suggested

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there would be an opportunity to meet which could allow for clarification at that time. Mr. Craddock suggested the Council could make changes to the RFP and resolicit the document.

Councilor Brick exited the meeting at 8:04 p.m.

Mr. Hossley stated the Council also approved the zero cost contract with Mortenson Construction to bid the DEQ approved plans for WWTP2. The recent MAO amendment deadlines related to the interim construction milestones: commence site work, November 23rd; complete Empire piping work, November 23rd; commence construction of SBR, January 18, 2017; complete construction of SBR July 31, 2017; complete construction of ultraviolet (UV), March 20th, 2018; and WWTP2 online, June 16, 2018.

The deadlines after November 23, 2016 would be very difficult to meet should the Council elect to move forward with the current approved DEQ SBR plans. As a solution to minimize the impact of potential DEQ fines, Mortenson could be directed to move forward with the zero cost contract and bid the entire project.

Councilor Brick returned to the meeting at 8:07 p.m.

Upon receipt of the bids, the Council would be able to decide whether to move forward with the SBR. In order to move forward with the bidding process in accordance with the Council Rules, a motion would need to be made by one of the four Councilors (Daily, Brick, Leahy, or Vaughan) who voted in favor of stopping all work on the DEQ approved plan. Staff worked with Mortenson to develop a schedule to bid the DEQ interim construction deadlines: commence bid packages, September 7th; open bids in November/December; and present the guaranteed maximum price to Council in November/December. Consensus was to set a special Council meeting on 9/12 or soon thereafter.

Discussion was to appoint two or more members to the recommendation committee. Councilor Leahy asked the function of the committee wherein Mr. Hossley stated the committee would use a list of criteria with a point system to individually evaluate each RFP. Councilor Daily suggested a third party, such as an engineer, review the RFP's. Councilor Groth stated she was confused and thought Councilor Daily wanted a chance to speak with the consultant for clarification of what he would like.

Councilor Daily suggested replacing staff on the committee with an independent engineer, complete the process without staff. Mr. Craddock asked if this would be an engineer already retained or another unaffiliated engineer. Councilor Daily stated an independent engineer would be a firm who was not involved. Mr. Craddock restated the deadline wherein Councilor Vaughan asked if there was an engineer not involved. Mayor Shoji suggested at the end she believed everyone wanted the same thing. Councilor Daily stated staff proposed a plan that was probably less expensive but staff had made it expensive.

Councilor Groth stated to avoid hiring yet another firm for an opinion; anyone who was on the Council could come to the meeting to review the RFP's. Mayor Shoji asked if the majority of the Council would like to use an independent engineer, which would not be determined before September 8th. Councilor Brick suggested the committee could meet, if not satisfied with process,

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then look at hiring an independent engineer. Mr. Craddock stated at the meeting on September 12th a final decision could be made to hire an independent engineer or to redo the process.

Councilor Vaughan asked the consequences of approving Mortenson to bid wherein Mr. Craddock stated the maximum price was set which could not be gone over. Once final bidding, the final price would be known using the SBR process. If the MBR process was chosen, there would be a portion to be rebid. Councilor Daily stated he was not in favor of this option. Councilor Vaughan asked the downside wherein Mr. Craddock stated the MAO deadline would not be able to be met and the City would be subject to fines. Councilor Vaughan stated the Council was pursuing clean water which was in the best interest of DEQ.

Councilor Leahy stated the Council needed to move ahead. Councilor Brick moved to minimize the impact of potential DEQ fines, direct Mortenson to move forward with the zero cost contract and bid the entire project understanding final bids must be brought back to the Council. Mayor Shoji seconded the motion which carried with Mayor Shoji and Councilors Brick, Groth, Leahy, and Vaughan voting aye. Councilor Daily voted no. Councilor Kramer was absent.

Consideration of Approval of Welcome Sign Logo

Public Works Director Jim Hossley stated it was the consensus of the Council in October 2015 to look at options to replace the City's current welcome sign logo as part of the Hwy 101 street scape project and to enlist the help of a graphic design artist. The City contracted with Macduff Designs for this project. In February of this year the Council directed an advisory committee be used to assist in the review of the logo design concepts. In June, the Council consensus was to utilize three members of the Bay Area Artists Association, three members from the City's Design Assistance Team, and interested Council members to comprise the City Logo Advisory Committee. Since this time the committee met four times, giving direction to Macduff Designs, and design concepts were presented for Council consideration. The three design concepts were included in the August 26th Friday Update with six comments received. The budget implications of changing the City's logo were estimated to be approximately \$20,000. Mr. Hossley provided a PowerPoint of the logo options.

Joe Monahan, Coos Bay: Stated a full cost to change all the logos has not been discussed; referred to the Council Chambers sign costing \$5,000; what would be the cost for all of the city street signs, letterhead, decals. Stated the Best Western change of logo would be \$50,000. Stated the City did not have the funding for parks and infrastructure and questioned priorities without knowing the full cost. Councilor Vaughan stated the beginning discussions were regarding city entry signs and not necessarily logo changes. City Manager Rodger Craddock stated the Council could make changes in phases, beginning with the entry signs. Anna Marie Larson, Coos Bay: Stated she loved the beautiful logo and questioned why it would be changed; suggested to spend the funds on potholes and sidewalks; and did not believe the tall ships were appealing. Ken Folker, Coos Bay: Asked who would be making the final decision, suggested placing the options in The World for the public to vote, and suggested adding the circa date to the current logo. Stephanie Kilmer, Coos Bay: Stated she agreed with Anna Marie Larson, did not believe the tall ships were applicable, and thought the newer design by Macduff would blend in and not stand out. Justin Macduff, Coos Bay: Stated he was the artist of the first three designs and welcomed questions. Mayor Shoji stated she did not think a new logo was needed and agreed how much she liked the current logo and thought the discussion occurred because the majority

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of the Council desired a change. Councilor Vaughan stated a more simple design would reflect the local culture and history; and suggested a cursive lettering. Councilor Leahy stated he agreed with Councilor Vaughan, any of the logos looked good, and he would like the City be ready for the change for the tall ships. Councilor Daily asked if a similar cost would occur for the entry signs regardless, wherein Mr. Craddock concurred; the additional cost could be incurred in phases and did not believe the cost would be much when done over time. Stated he did not think the merchant ship represented the romance, history, and fun which the tall ships would represent to tourists. Councilor Groth stated the urban renewal agency obtained public input on priorities, which did include the entrances and welcome signs, thought the current sign was dated, preferred one of the first two logos, and preferred the word historic over historical. Councilor Brick preferred option 1d and suggested to just update the entrance signs and leave the Council Chamber sign.

Consensus was for Justin Macduff to present to the committee the changes for option 1d (cursive writing and the change of the word to historic).

Approval to Accept and Expend Federal Emergency Management Agency Funds Towards Purchase of Property Located at 1485 Old Wireless Lane

City Manager Rodger Craddock stated this was a housekeeping issue to amend the Council's previous approved City's portion of the 1485 Old Wireless Lane property. This approval would accept the grant/funds and authorize the additional \$82,500 in Federal Emergency Management Agency (FEMA) pass through funds to meet FEMA and City purchasing rules.

Councilor Groth moved to approve the expenditure of an additional \$82,500 FEMA pass through funds to purchase tax lots 900 and 1000 located on Old Wireless Lane in addition to the Council's previously approved \$42,500 and acceptance of the FEMA \$82,500 funding. Councilor Brick seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

Approval of Participation in a Tsunami Resilience Preparedness with Department of Land Conservation Using a National Oceanic and Atmospheric Administration Grant

Community Development Director Eric Day stated in August of this year Mayor Shoji and staff met with Oregon Department of Land Conservation (DLCD) representatives regarding increasing the tsunami resilience/preparedness in the community. A grant was made available from the National Oceanic and Atmospheric (NOAA) to DLCD and interested coastal jurisdictions to assist in facilitating increased resilience to a Cascadia Subduction Zone tsunami along the Oregon coast.

If approved by the Council, in the future, implementation of these measures would be through local comprehensive plans and development codes. Another project would create a comprehensive tsunami evacuation planning map for our community with the help of DLCD and the Department of Geology and Mineral Industries (DOGAMI). To take advantage of the grant, the Council would need to approve a memorandum of understanding with DLCD.

Councilor Daily questioned how the public would be educated on tsunami evacuation wherein Mayor Shoji stated the State of Oregon did not have a goal for disaster preparedness and this

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was important to develop that process. Councilor Daily stated he would like to see the information disseminated to the public.

Mayor Shoji moved to approve memorandum of understanding with DLCD to start the tsunami mapping process and start looking into land use modifications to implement tsunami data into the plans for the Council's consideration. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Brick, Daily, Groth, Leahy, and Vaughan voting aye. Councilor Kramer was absent.

City Attorney's Report

City Attorney Nate McClintock commented on his family's Blackberry Arts Festival attendance and the positive community event.

City Manager's Report

City Manager Rodger Craddock reported on the many façade grants which had occurred in downtown and in Empire; the dolphin theatre project; and the Prefontaine committees interest in using the Pedway to celebrate Steve Prefontaine's life in a series of murals. Battalion Chief Dan Crutchfield stated the 4th Get Ready Coos Bay event, would be held this week at 10:00 a.m. – 1:00 p.m. with a free lunch and the first 100 receiving a free emergency kit; many agencies would be there as resources, and tsunami maps would be available.

Council Comments

Councilor Brick commented on how much his family loved the Coos Bay Speedway and referred to Iowa's plan to revitalize a small downtown by the State getting involved to encourage development of second and third floors of retail stores. Councilor Groth stated the Sunday of the Fun Festival Fun Run would be sponsored by Tower Ford and solicited the community to volunteer to guard the intersections along the path of the children's Fun Run. Councilor Vaughan commented on the North Bend Liberty theatre's progress. Mayor Shoji commented on all of the local theatre's progress; complimented Ms. Stopher, Mr. Day, Mr. Craddock, and the Council in their efforts to revitalize buildings and the positive energy created; and the upcoming Fun Festival.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for September 20, 2016 in the Council Chambers at City Hall.

Attest:


Susanne Baker, City Recorder


Crystal Shoji, Mayor