

## **MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL**

**June 22, 2021**

The minutes of the proceedings of a City Council and Urban Renewal work session of the City of Coos Bay, Coos County, Oregon, held at 5:32 pm in the City Hall Council Chambers, 500 Central Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Mayor Joe Benetti and Councilors Drew Farmer, Stephanie Kilmer, and Rob Miles. Councilors Lucinda DiNovo, Phil Marler, and Carmen Matthews were absent. 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, and Police Chief Chris Chapanar. City staff attending remotely by teleconference was Library Director Sami Pierson.

### **Flag Salute**

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

### **Public Comments**

No public comments were made.

### **Public Comment Form**

No public comment forms were received.

### **Review of the Upcoming City Council & URA Board Agenda Action Items:**

#### **Introduction of New & Promoted Public Works and Community Development Department Employees**

Public Works and Community Development Director Jim Hossley introduced two new employees and one promoted employee. Stephan Stys was hired as the Water Quality Engineer, Michael Carrano was hired as the Water Quality Superintendent, and Greg Hamblet was promoted from Engineering Services Coordinator to Operations Administrator.

#### **Consideration of Urban Renewal Improvement Program Grant Request for 171 & 191 S Broadway**

Public Works and Community Development Director Jim Hossley stated the property owner of 171 & 191 South Broadway, David Herold, submitted an Improvement Program Grant application for a project that included repairing the surface cracks in the stucco siding, repainting the structure, and removal/cleaning/replacement of the existing awning. The Improvement Program currently provides a 50/50 grant (based on the lowest bid) with a maximum grant award of \$25,000 per fiscal year. The program required three written bids be obtained for the project. The applicant was able to acquire one bid for the façade repair for \$11,500.00 and one bid for the awning cleaning for \$5,000.00; a total project of \$16,500.00. The Design Assistance Team (DAT) reviewed the request on June 8, 2021 and recommended the use of elastomeric paint, as it had

more flexibility than regular latex paint, so it could bridge hairline cracks that form in the stucco over time. Staff would present the grant request at the July 6, 2021 Urban Renewal Agency meeting for approval of proposed Improvement Project Grant for up to \$8,250.00 of eligible expenses from the Urban Renewal Agency Downtown District, subject to submittal of any required permits (structural electrical/floodplain).

Funding for the Urban Renewal Agency Downtown Improvement Program, 57-940-520-2415, for fiscal year 2021-2022 was \$750,000.00. This request for \$8,250.00 was the first for the new fiscal year, but there were a number of previously approved projects that have not been completed, which total approximately \$556,743.00. There may be one or two projects that would be complete prior to the end of this fiscal year, which would reduce the total carryover by approximately \$100,000 to \$150,000.

### **Consideration of Acceptance of Updated Financial Internal Control Policy**

Finance Director Nichole Rutherford stated the City of Coos Bay was required by COSO (Committee of Sponsoring Organizations of the Treadway Commission) and SAS (Statements of Auditing Standards) to have current documentation of the financial internal controls. 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 to meet governmental accounting best practices and auditing standards. The COSO developed a framework and guidance on internal control and fraud deterrence which provides the basis for private and governmental auditing standards for assertions on internal controls. The first seven pages of the city's internal control document adds value to the accounting system and provides written expectations for governance oversight, increased operational and regulatory complexity, reliance on evolving technologies, and higher expectations relating to the prevention and detection of fraud. The expanded internal controls identify five essential components of a comprehensive framework of internal controls which are reviewed to ensure functionality in a manner consistent with the 17 principles developed by COSO to assess effectiveness.

The five essential components and condensed version of the corresponding principles are: Control Environment-demonstration of a commitment to integrity and ethical values; Risk Assessment-consideration for potential fraud and assessing risks; Control Activities-development of control activities over technology; Information and Communication-communication of relevant, high-quality information; and Monitoring-evaluations of internal control are performed for effectiveness.

The financial internal controls are continually monitored and updated to meet changing requirements and improved efficiencies. Staff updated the city's Internal Control policy document to address the following changes: Updated for transaction flows to provide for appropriate segregation of duties, as approved by the auditors, in an effort to remove all exit conference comments and update of Finance Director to Assistant City Manager/Finance Director.

### **Discussion Regarding Flag Policy**

Recently a citizen approached the city requesting to have his Pride flag placed on a city flag pole during the month of June which was recognized as Pride Month. The request was not granted as the city lacks a policy on determining if the city will entertain such requests and what criteria would be used in determining what flags would be appropriate to allow and which would not.

Councilor Farmer asked to have the matter scheduled for discussion at a Council work session.

City Attorney Nate McClintock stated the First Amendment provides that Congress shall make no law abridging the freedom of speech and the city had a right to free speech as well. In the government speech doctrine, the government had the right to express its sentiments in various ways and it recognized a government entity was entitled to say what it wished and to select the view that it wanted to express and in doing so did not impose on others' right of free speech. As it related to using ceremonial flags there was a basis for doing that through an ordinance requiring the request come from a council member and some required it come from two different council members, then voted for and approved by the council as a whole. Mr. McClintock stated the issue was it took time and effort from staff for continual installation/removal of display flags so it was more an economic decision and not a political or legal decision. Council discussed a policy to address changes and the flagpoles on the boardwalk. City Manager Rodger Craddock stated staff would get a count of the flagpoles for council, all the flagpoles except one required a bucket truck and two employees to change out a flag, and stated when it was reviewed in the past, a council subcommittee was put together to make a recommendation to the council of the whole. Consensus to review again at a later date.


### **Other Business**

Mayor Benetti asked for additional trash cans which were harder to get into and could be picked up less often to get out of daily cleanup. City Manager Rodger Craddock stated compactor type trash cans cost at least \$1,000 and would have staff perform an inventory and map of current trash cans.

Mayor Benetti stated Councilor Farmer did a great job composing letter to the state regarding mental health and how it affects us locally; asked it be sent to every one on the council to read.

### **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 6, 2021 in the council chambers at city hall. These minutes were approved as presented by City Council on July 6, 2021.



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Joe Benetti, Mayor



Attest:

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Nichole Rutherford, City Recorder