

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

**March 15, 2022**

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7:00 pm in the Council Chambers, 500 Central Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Mayor Joe Benetti and Councilors Drew Farmer, Stephanie Kilmer, Rob Miles, and Sara Stephens. Councilor Carmen Matthews attended remotely by teleconference. Councilor Lucinda DiNovo was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Assistant City Manager Nichole Rutherford, Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, Water Quality Engineer Stephan Stys, Fire Chief Mark Anderson, and Police Chief Chris Chapanar. City staff attending remotely by teleconference was Library Director Sami Pierson and Community Development Administrator Carolyn Johnson.

### **Flag Salute**

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

### **Public Comments**

No public comment were made.

### **Public Comment Form**

No public comment forms were received.

### **Consent Calendar**

Mayor Benetti reviewed the consent calendar which consisted of:

- 3a: Approval of February 22, 2022 Minutes
- 3b: Approval of March 1, 2022 Minutes
- 3c: Acceptance of February 2022 Financial Reports and Check Registers
- 3d: Acceptance of Coos County Cultural Coalition Grant

The Coos Bay Public Library was awarded \$3,000 from the Coos County Cultural Coalition to hold a series of three hands-on art programs featuring Oregon-based children's book artists and illustrators. The objective of the series was to provide the community with the opportunity to create art, engage with each other, and learn different techniques and approaches used by illustrators. Artists and illustrators included in the series include a comic book artist, a paper artist, and someone who works with colored pencils and watercolors. Programs will be for all ages, with an emphasis on reaching young people and families. Each program would feature a

hands-on activity for participants to work and create together. The first in the series would feature Eisner award winning comic book artist Aron Steinke (*Mr. Wolf's Class*) on May 7, 2022. Funds from the grant would be used primarily to pay artists for their time and program-related expenses.

Councilor Farmer moved to approve the consent calendar as presented. Councilor Stephens seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens. Absent: DiNovo.

### **Presentation of City-wide Clean Up Project**

Kevin Owens, a member of the Bay Area American Legion Post and a past District and National Commander as well as an American Legion National Executive Committeeman stated members of the American Legion, Forty and Eight, Elks Lodge, Sea Cadets, and the Boy Scouts were collaborating to spruce up areas of Coos Bay and North Bend. This even was designated Coos Bay/North Bend Earth Day and the goal was to make our community both clean and welcoming. Bill Richardson, Les' Sanitary Service/North Bend Sanitation, offered to support the clean-up effort by donating garbage service for items collected. Coos Bay Earth Day was scheduled for April 15, 2022 and clean up events would commence at 9:00 a.m.

### **Public Hearing to Consider Amendment of Coos Bay Municipal Code Title 17 Development Code Regarding Short-Term Vacation Rentals**

Community Development Administrator Carolyn Johnson stated on January 18, 2022, Council enacted Ordinance 549 implementing criteria and regulations for Vacation Rentals and Homestays. Homestays were a new land use not included in the land use tables identifying permitted uses in the Coos Bay Development Code. Council directed staff to prepare an ordinance to amend the land use tables to add, as an allowed use, Homestays in residential districts and the commercial/mixed use district subject to the criteria authorized by Council at their January 18, 2022 public hearing. The tables in question were 17.220.020 (small lot and low density residential); 17.225.020 (medium density residential); and 17.230.020 (commercial/mixed).

During the codification of Ordinance 549, a scrivener's error was identified warranting correction as noted in 17.370.040(2) with underlined text and deletion of text by strike out as noted:

"Cessation of use of a vacation rental or homestay for more than one year or failure to be rented less than 10 nights in a calendar year (as determined by the city's transient lodging receipts) will result in revocation of the land use permit, subject to the requirements of CBDC 17.130.090(5) ~~will be revoked~~.

Mayor Benetti opened the public hearing. No public comments were given. The public hearing was closed.

Councilor Kilmer moved to enact an ordinance amending Coos Bay Municipal Code related to short-term vacation rentals. Councilor Miles seconded the motion. Finance Director Melissa Olson read the ordinance by title only, "An Ordinance amending Ordinance No. 473

Development Code (Coos Bay Municipal Code Chapter 17) as previously amended by Ordinances 541, 540, 518, 503, and 549 with modifications to tables 17.220.020, 17.225.030, 17.333.060 and correcting scrivener's errors to 17.370.030(13) and Coos Bay Municipal Code 17.370.040(2)." and Ordinance 551 was enacted by the following vote:

Aye: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens.

Nay: None.

Absent: DiNovo.

### **Public Hearing to Consider Amendment to Coos Bay Municipal Code Title 17 Development Code Regarding Annexations**

Community Development Administrator Carolyn Johnson stated at the December 28, 2021 work session Council directed for the Planning Commission to review amendments to zoning code section 17.345-Annexations. The suggested changes to the section would enable the City to identify impacts and benefits of proposed annexation applications. The Planning Commission held a public hearing on the draft revision on January 11, 2022 and recommended Council enact the proposed ordinance.

Consideration of the proposed amendments dovetails into the City's efforts to determine future residential development expansion areas. Work has begun on the 2020 Housing Needs Analysis (HNA) update and exploration of expansion of the City's urban growth boundary. Lane Council of Government (LCOG) was been hired for the work on this project, funded by Department of Land Conservation and Development (DLCDD) grant, with City staff and a Housing Advisory committee. Around July 2022 Council would be presented with an ordinance for consideration to adopt the 2022 HNA. Following the 2022 HNA adoption, an Urban Growth Boundary (UGB) Expansion Memorandum would be prepared and presented to Council with:

- 1) A summary of regulatory framework guiding UGB expansion in Oregon, including efficiency measures for areas within the UGB and expansion priority and as per ORS 197.296, locational factors, and coordination with Coos County and the State;
- 2) A characterization of residential supply and demand in Coos Bay;
- 3) An identification and basic characterization of expansion alternatives, including identifying areas that need not be considered (if they exist);
- 4) Development Code amendments identifying application requirements for UGB and annexation expansion.

Council discussion ensued and requested additional information on various types of requests what the vote needed would be.

Mayor Benetti opened the public hearing. No public comments were given. The public hearing was closed.

Councilor Kilmer moved to enact the ordinance amending Coos Bay Municipal Code relating to Annexations. Councilor Farmer seconded the motion. Finance Director Melissa Olson read the ordinance by title only, "An Ordinance amending Ordinance No. 473 Development Code (Coos Bay Municipal Code Chapter 17) regarding Coos Bay Municipal Code Chapter 17.345 Annexations, as previously amended by Ordinances 541, 540, 518, AND 503." and Ordinance 552 was enacted by the following vote:

Aye: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens.

Nay: None.

Absent: DiNovo.

### **Award of Final Design Services Contract for the Wastewater Treatment Plant 1 Upgrade**

Water Quality Engineer Stephan Stys stated In July of 2021, Jacobs Engineering presented to Council the final proposed scope for the first phase of the wastewater treatment Plant 1 upgrades. This upgrade included a new secondary clarifier, new chlorine contact basin, upgraded chlorine distribution system, upgrades to the electrical and control systems and an upgraded 3 water system. The total estimated cost for these upgrades was presented by Jacobs Engineering to be \$17.2 million (2023 dollars). Council gave approval to proceed and city staff submitted the final draft of the Plant 1 pre-design report to the Department of Environmental Quality (DEQ) for review, comment and approval. In December 2021, DEQ granted approval to proceed with the design. City staff requested Jacobs Engineering prepare a design scope and the level of effort required to complete the design. The final design scope included the design of a new secondary clarifier, new chlorine contact basin, upgraded chlorine distribution system, upgrades to the electrical and control systems and an upgraded 3 water system. Jacobs Engineering estimated the level of effort required to complete the design was \$1,120,000.

On February 22, 2022, city staff presented to City Council the proposed design scope and estimated level of effort. City Council approved proceeding with the award of the final design contract, but requested city staff craft and implement a marketing campaign to educate the public about the necessity for the city to allocate resources to the proposed upgrades to the wastewater treatment plant. City staff was drafting a program outlining a marketing campaign which would primarily consist of Fridays Updates, townhall meetings, and weekly morning news segments the city participated in. City staff requested approval to award a contract to Jacobs Engineering for final design services for the Wastewater Treatment Plant 1 Upgrades.

The estimated cost for final design services was \$1,120,000. For a budgetary cost, 15% was added as contingency for a total of just under \$1,290,000. The funds for this project would come from a DEQ State Revolving Fund (SRF) loan previously procured.

Councilor Stephens moved to award the contract for final design services for the Wastewater Treatment Plant 1 Upgrades to Jacobs Engineering for \$1,288,654.00. This includes a 15% contingency on top of Jacobs estimated cost. Councilor Miles seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens. Absent: DiNovo.

### **Approval of Loan Amendment for the Wastewater Treatment Plant 1 Upgrade**

Water Quality Engineer Stephan Stys stated the city was in the process of upgrading Wastewater Treatment Plant 1 which was funded by an SRF loan. This loan could be amended to increase the loan amount as additional funding was needed throughout the design and construction process. At this point, city staff, with assistance from Jacobs Engineering, finished the pre-design report for the Wastewater Treatment Plant 1 Upgrades and was ready to award the final design contract to Jacobs Engineering. To fund this next

phase, City Staff requested approval to amend DEQ State Revolving (SRF) Loan R24004 for the Wastewater Treatment Plant 1 Upgrades. A loan amendment must be approved by the City Council before the Department of Environmental Quality would prepare the loan amendment documents to be signed by the Mayor. If approved to proceed, SFR loan R24004 would be increased from \$1,350,000 to \$2,093,102.

Councilor Miles moved to amend SRF Loan R24004 from \$1,350,000 to \$2,093,102 for the purpose of funding the final design services for the Wastewater Treatment Plant 1 Upgrades. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens. Absent: DiNovo.

### **Public Hearing for Consideration to Adopt of Supplemental Budget - Approval Would Require Adoption of Resolution #22-07**

Assistant City Manager Nichole Rutherford stated it was anticipated during the fiscal year that several supplemental budgets would be brought forward to the Agency for consideration to adjust the budget based upon operational needs. Reasons for a supplemental budget include appropriating grant funding not included in the budget, appropriating additional carryover balance from the prior fiscal year that was more than budgeted and are needed to meet operational needs, reallocating funds within categories, and appropriating new funds. The City of Coos Bay has complied with the provisions of ORS 294.338(2) which allows for appropriation of funds by resolution only for unforeseen specific purpose grant funds received; the governing body, at a regularly scheduled meeting, shall adopt a resolution stating the need, purpose, and amount of the appropriation. Additionally, the City of Coos Bay has complied with the provisions of ORS 294.473 which allows for appropriation of funds and adjustment of a fund's expenditures by more than ten (10) percent of total fund expenditures; the governing body, at a regularly scheduled meeting, shall hold a public hearing to accept public comment on the proposed supplemental budget, which was noticed at least five days before the meeting, and adopt a resolution stating the need, purpose, and amount of the appropriation. The proposed supplemental budget was to adjust Du Jour Financing appropriation to match the amount previously approved at the February 15, 2022 council meeting. Additionally, this supplemental budget included re-appropriation of American Rescue Plan Act funds received due to release of final regulations issued by the federal government allowing for broader use of the funds.

Mayor Benetti opened the public hearing. No public comments were provided. The public hearing was closed.

Councilor Farmer moved to adopt Resolution 22-07 authorizing a supplemental budget appropriating additional funds for fiscal year 2021-22. Councilor Stephens seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Matthews, Miles, Stephens. Absent: DiNovo.

### **City Manager's Report**

City Manager Rodger Craddock stated the Library Steering Committee met with Hacker to work on the new library design, provided potential outside renderings, samples of the internal layout, and would be sending out to get a cost estimate. Oregon Department of Transportation, Port of Coos Bay, and adjacent property owner gave approval for mural on Hwy 101 by the chip pile. The mural on Ocean Blvd would go out for Request for Proposals (RFP), sent a request to peers in Oregon to share any similar RFPs, found five other

examples, and will put together to bring back before council for the selection process. Englewood School site clean-up was almost completed with Northwest Housing Alternatives set to develop supportive housing development on the site to be completed in 2024. Empire crabbing/fishing dock project expected to be completed end of summer or early fall 2022 with design estimated to cost \$22,000 and construction to cost \$80,000.

Mr. Craddock would be transitioning off the Mingus Park Pool Board and Police Captain Michael Shaffer volunteered to sit on the board. Council consensus to appoint Police Captain Michael Shaffer to the Mingus Park Pool Board.

Mayor Benetti asked about the Mingus Pond clean-up. Public Works and Community Development Director Jim Hossley stated the removal of the parrot's feather plants did not go as planned and would be reviewing alternatives.

### **Council Comments**

Councilor Matthews stated was excited for all the projects city staff were working on, all the clean-up, and Captain Shaffer representing the city on the Mingus Pool board. Councilor Stephens congratulated City Manager Rodger Craddock for 31 years of service and stated the Annual South Coast Diversity Conference was scheduled for April 13, 2022. Councilor Kilmer congratulated city staff on all the work being done on projects, Farmer's Market was taking applications for opening on May 4, 2022, and Rotary announced the wine walk was scheduled to begin on April 1, 2022. Councilor Farmer stated the 3K Color Run was scheduled for March 26, 2022. Mayor Benetti stated the Englewood cleanup was wonderful, was hoping for more low income/moderate housing with Northwest Housing, thanked everyone for stepping with the clean-up, met with new owners of South Coast Office Supplies, and gave condolences to the family of Devin Brice.

### **Adjourn**

There being no further business to come before the council, Mayor Benetti adjourned the meeting. The next regular council meeting was scheduled for April 5, 2022. These minutes were approved as presented by City Council on April 5, 2022.



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Joe Benetti, Mayor

Attest: Nichole Rutherford  
Nichole Rutherford, City Recorder