

**MINUTES OF THE PROCEEDINGS OF A JOINT  
CITY COUNCIL AND URBAN RENEWAL AGENCY WORK SESSION**

**January 31, 2017**

The minutes of the proceedings of a City Council work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the Council Chambers at 500 Central Avenue, Coos Bay, Oregon.

**Those Attending**

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, Stephanie Kramer, and Phil Marler. City staff present were City Manager Rodger Craddock (via phone), City Attorney Nate McClintock, Finance Director Susanne Baker, Public Works Director Jim Hossley, and Police Chief Gary McCullough.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming January 31, 2017 council agenda.

**Urban Renewal Agency Special Levy Option**

Finance Director Susanne Baker presented information to the Agency on an urban renewal special option levy. The levy would be an additional new tax on all property taxpayers in the City of Coos Bay, in addition to the division of taxes the urban renewal area already received, and was subject to the limitations of Article XI, Section 11b of the Oregon Constitution (\$10 per \$1,000 value limitation for general government). Outcomes could result in increased tax compression; less tax increment urban renewal funds, city tax revenues, and revenue for other overlapping districts. Analysis suggested implementation of the full levy would increase property tax rates 7% for property owners (downtown: \$1.09/\$1,000 or \$109; Empire: \$.92 cents /\$1,000 or \$92 on a \$100,000 house). The levy would be available up to each district's maximum indebtedness established prior to July 1, 1998. (ORS 457.010 (4)(b). Pending the FYE 17 du jour financing, the Downtown Plan had \$34,298,373 and Empire had \$6,844,432 remaining for maximum indebtedness.

There was not a lot of compression currently, the assessed value and real market values overall had moved closer over the last several years. Any property with real market value at least 18% higher than assessed value would experience no compression. With compression, the overlapping districts and City would lose tax revenue.

Elaine Howard, urban renewal consultant, presented information on the pending school district bond levy, compression, and discussed timing of a levy. Ms. Howard noted urban renewal funds were not eligible for maintenance of streets but rather new construction and major rehabilitation projects.

Consensus was to consider implementation of a special option levy along with other funding options to achieve sufficient funding for continued street rehabilitation and maintenance.

**Marshfield Key Club 10th Street Park Proposal**

Marshfield Key Club representatives Katie Maine, Jonas Langarica, and Ryan Johnson presented a proposal for their club to adopt, rehabilitate, fundraise, and hold public events at the

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10th Street Neighborhood Park (formerly known as Optimist Park). City staff would work with Marshfield Key Club on project cost estimates, ensure the improvements were compliant with code, and in accordance to the Parks Master Plan. The proposal was presented and received support of the Parks Commission in November of 2016.

### **Supplemental Budget City Resolution 17-01 and Urban Renewal Agency Resolution 17-02**

Finance Director Susanne Baker stated a supplemental budget was proposed to adjust the FYE 17 budget to appropriating funding pursuant to ORS 294.473. The State Gas Tax fund supplemental budget would appropriate a capital outlay category for capital equipment purchases due to the receipt of insurance proceeds; General fund appropriation would adjust the Urban Renewal Agency du jour financing amount to reconcile to the Agency's budget; Wastewater fund would appropriate funds in the operations fund for day-to-day large repairs, which were not of a capital nature, to meet GAAP requirements at a higher level than in previous years; County-Wide CAD Core Fund required appropriation of carryover for the purchase of hardware/software items in FYE 17 and required a public hearing because the appropriation would be more than 10% of the adopted budget. Resolution 17-02 was an Urban Renewal Agency supplemental budget which would move appropriation authority from the capital outlay category into the material and services category to allow for contractual expenses for the downtown urban renewal assessment of the streets by Mr. Skinner.

### **Approval of an Intergovernmental Agreement (IGA) for the URA Du Jour Financing 2017 – Adoption of City Resolution 17-02 and Adoption of URA Resolution 17-01**

Finance Director Susanne Baker stated per ORS 457, the Oregon Constitution and as confirmed by the City's Urban Renewal Agency Consultant, Elaine Howard and the Association of Oregon Revitalization Agencies (AORA), tax increment Urban Renewal revenue could only be spent on debt service. To convert the tax increment revenue received by the URA into debt service, the URA would initiate a loan from the City and immediately repay the debt in a du jour financing. The loan proceeds received by the URA would then be available to be expended on capital projects as budgeted. To complete the process, an intergovernmental agreement (IGA) between the City and URA and resolutions would be presented for the Council and Agency's approval.

### **City Fee Resolution Adjustment – Resolution 17-03**

Finance Director Susanne Baker stated the City fee resolution provided transparency to the public on the business fees to provide city services. The resolution was updated on an ongoing basis to reflect changes in costs and requirements. The fee resolution corrected clerical errors, included fees that were missed being placed in the resolution, included increases as previously discussed with the Council, allowed an alternative payment method for online payments, and a new technology fee.

Authority was suggested to allow staff to work with online payment vendors to allow customers to pay various fees online. A new technology fee was proposed to provide a consistent source of funding to support through maintenance and upgrading of technology due to the demands of the City and the citizenry. Technology has been subject to the availability of timber sale revenue every other year and due to a decrease in timber revenue over the years, maintenance

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for technology has decreased. This fee would allow the timber revenue to be directed towards building capital upgrades; purchase of police, public works, and fire vehicles/equipment. Examples of government entities with technology fees were Oregon State Building Codes at 4%; the Oregon State University system online distance courses and e-campus which had an undergraduate credit fee of \$200 per credit and \$80; City of Newberg at 5%.

### **Acceptance of 3 Flags Safety Belt Traffic Grant**

Police Chief Gary McCullough stated the Coos Bay Police Department was awarded a grant for \$6,600 to be used in overtime grant for the 3 Flags Safety Belt Enforcement Campaign. This campaign would emphasize safety belt use, child safety seat use, speed, and impaired drivers to create a safer environment for pedestrians and the motoring public through education and enforcement of the motor vehicle codes.

### **After-the-Fact Change Order Mingus Pool House Project**

Public Works Director Jim Hossley stated Tom E. Gayewski Construction was awarded the contract to rehab the interior of the Mingus Pool which included re-tile, replace restrooms fixtures, replace plumbing, and replace restroom partitions. The original bid amount was \$93,600. After value engineering (reuse shower valves, and remove performance bond), the bid was reduced to \$87,400. There were two change orders related to replacing the fiber glass product with drywall. The fiber glass product was specified in the bid and removed through the change order process due to a 15-week delivery time. Waiting for delivery and installation would have prevented the pool from opening on schedule. Staff preliminarily approved the change order to not delay the project.

### **Discussion on Privatizing City Wastewater Facilities**

Public Works Director Jim Hossley stated some City Council members wished to consider whether or not to privatize ownership of wastewater facilities. Such an analysis was recently performed in a report dated August 9, 2016 by Farella Braun, and Martel titled, *Report on the Viability of Privatizing the City of Coos Bay's New Wastewater Treatment Plant No. 2*. Mr. Hossley stated Farella, Braun & Martel prepared the report based on if it was "viable" for the City to privatize a new Wastewater Treatment Plant No. 2 ("WWTP #2"). The report was well over \$100,000 in cost and emphasized the only analysis was whether privatization was viable and not whether the City should pursue it. The City owned all facilities and most of the rolling stock used to operate the wastewater system.

Consensus was to not expend the funds to pursue this option at this time; if there was interest it would best be financed by the group interested.

### **Hollering Place Erosion Protection of West Property Boundary**

Public Works Director Jim Hossley stated to clear the title for the City owned Hollering Place property, staff negotiated with Oregon Department of State Lands (DSL) the location of the termination of the west boundary of the property as the mean high tide line (MHTL). Quit claim documents were executed and a surveyor hired to map the MHTL and prepare documentation for a property line adjustment. It was discovered the MHTL meanders on either side of the

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existing/remnant retaining wall on the westerly side of the property. Discussion with DSL resulted in an agreement to describe the west property line to be on the upland side of the wall, with the wall itself remaining in DSL ownership and the existing culvert outfall and associated rip/rap at the northwest corner of the property within an easement on DSL land.

The City would be responsible for maintenance of the wall. The wooden seawall on the western edge of the Hollering Place has started to fail and there was significant erosion. Discussion with the federal agencies regulating reestablishment of the bank involved building a significant footing to maximize the life span of the wall. Doing this would reclaim approximately 3,300 square feet of property out of a total of 82,000 square feet. The permitting process would take 12 to 18 months and required mitigation by removing some of the offshore piles/dock. An alternative could be to install bank protection along the existing edge of the western bank of the property. Rebuilding on the existing alignment with sheet pile was estimated to cost \$600,000 while rip/rap along the eroded edge was estimated at \$320,000. The cost of remediation for building the sheet pile seawall on the existing alignment was unknown. The value of the eroded property above the MHTL was estimated at \$11,550.

### **Contract Amendment with Dyer Partnership Contract for Additional Environmental Permitting for the 6th Avenue Emergency Culvert Replacement Project**

Public Works Director Jim Hossley stated there was an existing wood box culvert under 6th Avenue, approximately 300 feet south of F Street in Eastside which conveys drainage water from a drainage ditch to the slough. During November 2015 a sinkhole was observed on the east embankment along with failure of a portion of the culvert's soffit. An emergency temporary repair was performed to alleviate a complete failure which would have limited access to and from Eastside and damage utilities. Failure of the culvert would cause a significant impact to traffic and could cause flood damage to the upstream properties and utilities.

On December 15, 2016 Council approved design of the permanent solution contract to Dyer Partnership. Design was almost complete and environmental approvals were in process with construction to be performed between the permitted in-water work months of October and February. The only potential funding for this \$800,000 project would be the non-point source agreement with DEQ's State Revolving Fund program. The City qualified for up to \$2 million of funding because of the DEQ loan for Wastewater Treatment Plant 2. With the City's acceptance of the \$2 million in storm water funding, the interest rate was decreased for the larger \$19 – 22 million Plant 2 financing. The funding that would have been paid in interest for the larger loan would now be available for capital improvements to the City's storm water system. To move forward, environmental cross cutters would need to be performed which meant additional state and federal agencies would need to coordinate on the project. As a result, an amendment to the Dyer contract was required. This project was included in the City's Storm Water Master Plan as under sized, in poor condition, and should be replaced.

### **After the Fact Emergency Project to Address Sewer Cross Connection**

Public Works Director Jim Hossley stated on January 10, 2017, the City received notice there was a sewer blockage at the intersection of Anderson Avenue and S. 3rd Street. This event was a Sanitary Sewer Overflow (SSO) and reported to the Department of Agriculture, Oregon Emergency Response System, and the Department of Environmental Quality. Earlier that day,

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there was ponding in the parking lot by the Art Museum and 7 Devils Brewery which was no longer there once the sewer blockage was removed. Investigation revealed the storm water catch basin serving the parking lot was connected to the sanitary sewer. This illegal cross connection was deemed an emergency repair and resolved by contracting with Benny Hempstead Excavation the next day. Pursuant to Section 11 (titled Emergency Contracts) of the City's Purchasing Rules Ordinance No. 365, the director may declare an emergency with the price under \$50,000 and provide findings, to make a prompt execution of the contract. The director's findings were the standard procurement methods would have delayed the emergency repair, potentially caused a permit violation, and potentially affected public health.

### **Potential Impacts Associated with the Wastewater Treatment Plant 2 Project**

Public Works Director Jim Hossley stated construction had begun to replace Wastewater Treatment Plant 2 (WWTP2) at the site on the east side of S. Empire Blvd. The construction would create temporary conditions impacting traffic and access adjacent to the plant site on Fulton Avenue and Empire Blvd. The contractor proposed a road closure during construction. There was no room on the new site to store construction materials and rock while the plant was built. The City owned lots between S. Empire Blvd and the bay south of Fulton Avenue which would be needed as staging areas. During construction, equipment would be going between this site and the new plant site carrying loads of rock and other materials. Construction vehicles would be parked along and off the west section of Fulton Avenue. This section of Fulton Avenue, west of S. Empire Blvd, had an unimproved parking area and trail used by the public to access the beach south of the wastewater plant. Allowing access to this portion of Fulton Avenue, west of S. Empire Blvd, to access the beach during construction hours would be a safety hazard to the public.

The west end of Fulton would be congested by the construction parking and the job trailer, reducing visibility of pedestrians and automobile traffic to the equipment operators. Staff requested to close Fulton Avenue between S. Empire Blvd and the bay to public pedestrian and vehicle access during construction hours for the duration of the construction. Signs would be posted when the road would be open, the evenings and weekends.

Install a temporary crosswalk on S. Empire Blvd aligned on the north side of Fulton Avenue for the contractor and site representative to access the job offices on the west side of Empire Blvd to not impact neighborhood use of streets east of Empire Blvd. The crosswalk would have signs and flashing lights activated by push buttons on either side of the road; a crosswalk painted on the road; and flags placed in stands on both sides of Empire Blvd for all workers to carry across the road.

Mortenson planed on adhering to Coos Bay Municipal Code 9.20.01 0(7), working within the day time and in addition had requested to work not more than 10 weekends throughout the construction duration. This would be needed to allow work requiring a high level of effort to shut down and reopen to be performed on a continuous basis.

Install a loading zone on the south side of Fulton Avenue east of Empire Boulevard at the request of Lighthouse Market to allow delivery vehicles. The local neighbors were contacted and coordination in the form of posting the project on the City's website, public service announcements, letters to the local residents, and canvassing the immediate neighbors. The

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loading zone would reduce congestion during construction by providing more open space for exiting the site and traffic to navigate onto Fulton from S. Empire Blvd.

Access was proposed to be limited to evenings, weekends, and holidays during construction of the new plant to the bay beach through the area near Fulton Avenue. Consensus was to create an option with the least amount of impact to the public going to the bay beach for recreation during the construction.

### **Request for Qualification and Selection Process for Facility Planning for Wastewater Treatment Plant 1**

Public Works Director Jim Hossley stated prior Council had requested to be involved in the RFQ review process and he was seeking their direction for the Plant 1 process. Staff was preparing a Request for Qualifications (RFQ) process for the facility planning for Plant 1. Consensus was for the Council to be involved at a work session to review the proposals submitted.

### **Purchase of the American Building**

City Manager Rodger Craddock stated the American Building had been identified as a potential Agency project given its blighted appearance, underutilized upper floors, and the cost to privately rehabilitate. On August 16, 2015 SCDC Executive Director Connie Stopher provided an economic development proposal based upon a public-private partnership to meet the intended purpose of the Urban Renewal Agency to obtain, remodel, and reoccupy the American Building. The building would be a one-stop business development center (REEF) which would encompass the upper two floors, retail space at the street level, and business incubator space.

The project would require the Agency to purchase the building and use state and federal grants to rehabilitate the building and then transfer ownership to SCDC. With the consensus of the Agency staff made an offer to purchase the building for \$700,000 with a \$20,000 nonrefundable earnest deposit. The sale would be contingent upon SCDC's ability to secure 50% (\$3,000,000) of the projected cost (\$6,000,000) within nine months of the acceptance of the offer.

The owner of the American building approved the terms and sales agreement which would require the Agency to obtain a loan to acquire the building and to convert the vacant lot at Central Avenue and South 3rd Street into parking.

### **Other Discussion**

Mayor Benetti stated Mr. Skinner prepared a report on the condition of the streets and it would be presented in the future. Mayor Benetti would like to see the street by the post office repaired during the April batch plant opening; there was a need for bike racks in the downtown area; and encouraged pursuing Henry Delaney's suggestion for Coos Bay to be a healthy city by encouraging exercise.

City Manager Rodger Craddock stated there was discussion regarding contracting dispatch services with the Coos County Sheriff's Office. The City of North Bend was also involved and the next step would be to draft contract language. The first year would likely not include a cost savings however the years thereafter would provide a significant cost savings. Consensus was

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to move forward with drafting contract language. Quality of the service would be noted in the contract language and a method addressed to ensure quality service.

Councilor DiNovo requested a cost of city support for festivals and suggested those costs could be passed along to the vendors.

**Adjourn**

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for February 7, 2017 in the Council Chambers at City Hall.

\_\_\_\_\_  
Joe Benetti, Mayor

Attest: \_\_\_\_\_  
Susanne Baker, City Recorder

## MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

February 7, 2017

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 Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, Stephanie Kramer, and Phil Marler. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Finance Assistant Nicki Rutherford, Library Director Sami Pierson, Public Works Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

### **Flag Salute**

Mayor Benetti opened the meeting and asked EC Knox to lead the Council and assembly in the salute to the flag.

### **Public Comments**

Ken Folker, Coos Bay: Mr. Folker asked if School Board had a policy to ban flags, other than the American Flag. He would like to have this addressed state wide. Councilor Kramer suggested he contact the School District for information on attending a School Board meeting. Greg Mello, Coos Bay: Mr. Mello addressed the council with concerns regarding the homeless population inhabited the Empire area, specifically on the north side of Schoneman near his home. There were some programs started to combat litter problems, including assistance from Nancy Devereux Center's incentive to bring in collected trash for money and Les' Sanitary assistance with additional dumpsters. The neighborhood had attempted to make a positive impact on solutions to the homeless challenges faced by the Empire area and our community.

### **Consent Calendar**

Mayor Benetti reviewed the consent calendar which consisted of 3a: approval of the minutes of January 10 and January 17, 2017; 3b: adoption of resolution 17-02 approving an intergovernmental agreement (IGA) for Urban Renewal (URA) du jour financing 2017; 3c: approval of the 3 flags safety belt enforcement grant; and 3d: approval of the pedestrian safety crosswalk enforcement grant. Councilor Groth moved to approve the consent calendar approving the minutes of January 10 and January 17, 2017, adopting resolution 17-02 approving an IGA for URA du jour financing 2017, approving the 3 Flags safety belt enforcement grant, and approving the pedestrian safety crosswalk enforcement grant. Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Report by Marshfield High School Key Club**

Marshfield Key Club representatives Marie Santana and Mixly Rodriguez provided background on the Key Club group including guidance and support they receive from Kiwanis. Ms. Santana reported on community events the club participated in: Halloween Night at Madison Elementary,

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Bell Ringing for Salvation Army, Adopt a Family through Oregon Coast Community Action and Warren Project to raise heart disease awareness. Ms. Rodriguez discussed various clubs and sports programs available for students at Marshfield, as well as the success these various clubs and programs had achieved this school year.

### **Semi-Annual Downtown Association Report**

Main Street Executive Director Elizabeth Claire (EC) Knox provided a brief history on the Downtown Association (DTA). Ms. Knox presentation included an overview of events and projects the Association had sponsored during 2016 and the Association's mission and projects for 2017. Highlights of 2016 included: promotion of the Farmers Market, Blackberry Arts Festival, Halloween Trick-or-Treat, Downtown Holiday Open Houses, "Shop Small" Saturday, Santa and Tree Lighting, and Music on the Corner, marketing and design elements such as flower baskets and updated downtown wayfinding signs & maps. Upcoming projects for 2017 included: increased memberships and sponsors, communication with businesses for ideas and input, coordination of events with business offerings, continued flower baskets, increased store fronts in open spaces, and research for parking options. Ms. Knox stated she was pleased to be part of the DTA, was thankful for all the support of the City and community, and welcomed people to stop by her office in the Hall Building.

### **Presentation of the Semi-Annual Bay Area Chamber Activities Report**

No representative was present; no report was given.

### **Public Hearing to Consider Approval on a Supplemental Budget Appropriating Funds in State Gas Tax, General, Wastewater, and County-Wide CAD Core - Approval Would Require Adoption of City Resolution 17-01**

Finance Director Susanne Baker stated a supplemental budget was proposed to adjust the FYE 17 budget to appropriate funding pursuant to ORS 294.473. The State Gas Tax fund supplemental budget would appropriate a capital outlay category for capital equipment purchases due to the receipt of insurance proceeds; General fund appropriation would adjust the Urban Renewal Agency du jour financing amount to reconcile to the Agency's budget; Wastewater fund would appropriate funds in the operations fund for day-to-day large repairs, to meet GAAP requirements at a higher level than in previous years; County-Wide CAD Core Fund required appropriation of carryover for the purchase of hardware/software items in FYE 17 and required a public hearing because the appropriation would be more than 10% of the adopted budget.

Mayor Benetti opened the public hearing pursuant to Oregon Revised Statute (ORS) 294.473. No public comments were given and the hearing was closed. Councilor Kramer moved to adopt Resolution 17-01 for appropriation and reallocation of funds in the State Gas Tax, General, Wastewater, and County-Wide CAD Core funds. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

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### **Approval of City Fee Adjustments – Approval Would Require Adoption of Resolution 17-03**

Finance Director Susanne Baker stated the City fee resolution provided transparency to the public on the business fees to provide city services. The resolution was updated on an ongoing basis to reflect changes in costs and requirements. The updated fee resolution corrected clerical errors, included fees that were missed being placed in the resolution, included increases as previously discussed with the Council, allowed an alternative payment method for online payments, and added new technology fee. Authority was suggested to allow staff to work with online payment vendors to allow customers to pay various fees online. Moorage rates were updated based upon current MCI changes, as well as simplifying terminology within this section. Card table permit fees were corrected to reconcile to fees as stated in City's municipal code. A new technology fee was proposed to provide a consistent source of funding to support through maintenance and upgrading of technology due to the demands of the City and the citizenry. Councilor DiNovo moved to adopt Resolution 17-03 approving city fee schedule revisions. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Contract Amendment with Dyer Partnership for Additional Environmental Permitting for 6<sup>th</sup> Avenue Emergency Culvert Replacement Project**

Public Works Director Jim Hossley stated an existing wood box culvert located under 6<sup>th</sup> Avenue, approximately 300 feet south of F Street in Eastside, failed and was in need of repair. A timely emergency repair in November 2015 minimized further damage from occurring to 6<sup>th</sup> Avenue and potentially prevented damage from occurring to the existing utilities, thus preventing the City from incurring additional repair costs. On December 15, 2015, Council approved the design contract (for the permanent solution) to Dyer Partnership. Design was almost complete and environmental approvals were in process. The project could only be performed between the months of October and February due to an in-water work permit condition. It was anticipated the project would be advertised to bid Spring/Summer 2017.

The engineer's estimate for the project was \$800,000. Staff investigated potential funding for the project and concluded the project could be funded through the current non-point source agreement with Department of Environmental Quality's (DEQ) State Revolving Fund (SRF) program. Because federal money helped fund the SRF loan program, environmental cross cutters must be performed for the project and additional state and federal agencies such as the Environmental Protection Agency (EPA), Federal Emergency Management Agency (FEMA), State Historic Preservation Office, etc. must also coordinate on project. Use of SRF funds was not originally anticipated when the project was started in 2015. Mr. Hossley stated the additional coordination would not be required if the funding source came from the City's wastewater revenue, private funds, or funds not originating from a federal source. The additional coordination resulted in the need to expand the scope of work required by The Dyer Partnership and amend the contract. Councilor Groth asked for confirmation this option was the most reasonable option. Mr. Hossley explained by electing this option, the City had the ability for additional funding for stormwater projects with interest savings on payback. Mayor Benetti questioned whether grease trap regulation would be addressed. Mr. Hossley confirmed grease trap regulation would be considered. Councilor Groth moved to approve a \$36,274 amendment to the Dyer Partnership contract for permitting and design services for the 6<sup>th</sup> Avenue

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emergency culvert replacement project bringing the total contract to an amount not to exceed \$124,244. Councilor Kramer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Approval of a Memorandum of Understanding Between the City of Coos Bay and Coos Bay School District for a Marshfield High School Tribute Hall Grant**

Public Works Director Jim Hossley stated the Tribute Hall Fundraising Committee/Coos Bay Schools Community Foundation met with City staff to present their plans to construct the Tribute Hall Building at Marshfield High School (MHS). The building would recognize past and present veterans of all branches, as well as serve as storage for the athletic department. The School District requested to partner with the City to have the City apply for a Veterans' and War Memorial Grant. A memorandum of understanding (MOU) with the School District was crafted for the project and presented for Council consideration. Mr. Hossley stated city staff would be responsible for grant administration, accounting, and grant reporting. The total project budget was \$420,000, the grant through Oregon Parks and Recreation Veterans' and War Memorial Grant program was \$80,000. Application Timeline: grant application opened in late December 2016 and would close mid-February 2017. Award would be announced in April, if awarded the project must be completed in two years. Councilor Kramer asked to confirm the City would not contribute funds, rather just grant administration and accounting. Mayor Benetti confirmed the City's participation would enable the School District to obtain the grant. The School District would find other grant funding and community donations for the balance of the project budget. Councilor Kramer moved to authorize the City Manager to sign the MOU on behalf of the City. Councilor DiNovo seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Approval of an After-the-Fact Change Order for the Mingus Park Swimming Pool Repair Project**

Public Works Director Jim Hossley stated Tom E. Gayewski Construction, Inc. was the successful bidder for the rehab of Mingus Community Pool interior. The original bid amount awarded by the City Council was \$87,400. The project experienced two change orders. Change Order #1 was a deduct for removing fiber glass reinforced plastic (FRP) wall and ceiling panels at walls and using drywall and paint instead (FRP was specified in bid documents but were unavailable when contractor tried to order during construction). Deduct for removing FRP was \$1,100. Change Order #2 added drywall, paint, electrical, stainless steel guards for comers, dump fee, and labor in the amount of \$7,163.04. In order to keep the project moving forward and get the pool showers and changing rooms back in operation staff authorized the change prior to receiving Council approval. Mr. Hossley noted the project was funded through an Oregon State Parks grant. The grant covered 60% of the project cost, the remainder was funded by City in-kind and cash match. Mayor Benetti asked if other projects were planned for the pool. City Manager Craddock explained the second half of the project to replace the pool shell will go out to bid at a later date. Councilor DiNovo moved to approve after-the-fact change order 2 for additional labor and material for \$7,163.04 increasing the contract with Tom E. Gayewski Construction, Inc. for an amount not to exceed \$93,463.04. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

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### **Approval of After-the-Fact Emergency Project to Address Sewer Cross Connection**

Public Works Director Jim Hossley stated in mid-January 2017, the City discovered the stormwater catch basin serving the Coos Art Museum parking lot was connected to the sanitary sewer. This was often referred to as an illegal cross connection and it contributed to capacity issues that plagued the sewer system. Mr. Hossley reviewed the conditions which resulted in the City declaring a need for emergency repair pursuant to Section 11 of the City's contracting rules. Staff contacted Benny Hempstead Excavation directly as opposed to obtaining quotes. The contractor mobilized the next day and the illegal cross connection was abated. Because an illegal cross connection was identified and because DEQ's National Pollutant Discharge Elimination System permit required the city to reduce inflow and infiltration, the project was deemed an emergency. The City's regular/standard procurement method would have delayed the emergency repair and potentially caused a permit violation. Furthermore, the cross connection had the potential to affect public health. Mr. Hossley stated the project was completed today. Councilor Groth moved to approve the award of an emergency repair (after-the-fact) for the illegal cross connection at the Art Museum parking lot to Benny Hempstead Excavating Inc. for an amount not to exceed \$12,000 pursuant to the emergency contracting rules found in Section 11 of City of Coos Bay Purchasing Rules, Ordinance No. 365. Councilor Kramer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Potential Impacts Associated with the Wastewater Treatment Plant No. 2 Project**

Public Works Director Jim Hossley stated construction had started on the project to replace Wastewater Treatment Plant 2 (WWTP2) at the site on the northeast corner of S. Empire Boulevard (Blvd) and Fulton Avenue. The construction would create temporary conditions which impacted local traffic and access to the areas adjacent to the treatment plant site on Fulton Avenue and Empire Blvd. In an effort protect the safety of pedestrians, construction workers, and vehicular traffic, the contractor proposed four changes that required City approval.

Road Closure: Temporarily close Fulton Avenue between S. Empire Blvd and the bay to public pedestrian and vehicle access during construction hours only for the duration of the construction on WWTP2. The restriction would be lifted at the completion of the project. The reason for the closure was to protect the safety of the public. Council requested staff look for ways to accommodate pedestrian access to the beach area when Fulton was closed. Staff strongly recommended pedestrians not be permitted in the Fulton Avenue right-of-way during contractor work hours due to the safety hazard posed by heavy equipment and construction materials. If Council inclined, staff could implement pedestrian corridor, including signage and fencing, but this would increase City's risk and the City would not be indemnified since City went against contractor recommendation. City Manager Craddock acknowledged the increased risk, but suggested this provided the best solution to accommodate pedestrian traffic as safely as possible. City Attorney McClintock stated the purpose of the pedestrian corridor would be to minimize risk and would confirm the City Manager's assessment as the best solution.

Proposed Crosswalk: For the duration of the project, install temporary striping to create a crosswalk on S. Empire Blvd aligned on the north side of Fulton Avenue. The crosswalk would have signs and flashing lights activated by push buttons on either side of the road. The crosswalk would be painted on the road. When the Empire Road project construction restarts,

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the temporary crosswalk would be moved further north on Empire Blvd until the Empire project was completed.

Construction Schedule: Typically, the City allows construction during the hours of 7am and 6pm (Coos Bay Municipal Code 9.20.01 0(7)). Mortenson planned on adhering to working within the timeframe and requested to work not more than 10 weekends throughout the construction duration.

Loading Zone: City staff coordinated with the owners of Lighthouse Market on the southeast corner of Empire Boulevard and Fulton Avenue; they requested the City install a loading zone on the south side of Fulton Avenue east of Empire Boulevard. The loading zone was meant to ensure delivery vehicles had access to the market. The zone would also reduce congestion on Fulton during construction by providing more open space for construction trucks to exit the site and for detoured traffic to navigate onto Fulton from S. Empire Blvd.

Councilor Groth moved to approve the temporary road closure on Fulton Avenue during construction hours only with provision for installation of pedestrian corridor to allow beach access, installation of a temporary crosswalk on Empire Blvd, allow Mortenson Construction to work up to 10 weekends, and the temporary installation of a loading zone along Fulton Avenue. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

### **Approval of the Purchase of a Portable Pump**

Public Works Director Jim Hossley stated approximately three weeks ago, one of the pumps at Pump Station 3 (PS 3) failed. A new pump was ordered with a minimum nine week lead time. When pumps fail or undergo maintenance, the City's wastewater service provider rents a portable pump utilizing the repair budget. For the last three weeks at PS 3, the City rented a portable pump for \$1,340 per week. To date we have spent \$6,705 in rental fees. Provided the pump manufacturer met the nine week lead time deadline and there was no difficulty during the installation, the City would spend a minimum of \$12,060 in additional rental fees. The City had the ability to purchase the Godwin pump that was currently servicing PS 3. The pump had approximately 200 hours of run time. The City was in need of a portable pump for some time as the City's existing pump was too small for many applications and was several decades old. Councilor Kramer moved to approve the purchase of the Godwin portable pump for the cost of \$29,100. Councilor Kilmer seconded the motion which carried with Mayor Benetti and Councilors DiNovo, Farmer, Groth, Kilmer, Kramer, and Marler voting aye.

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

City Manager Rodger Craddock addressed the council regarding a request received by the Downtown Association to shut down a street for a private event. Mr. Craddock noted that the City lacked policy on the matter and suggested research of other governments' policy, to deny the current request, and to prepare a policy for council review and adoption. The Downtown Association expressed concerns due to proximity to residential areas and late hour of event. Staff requested Council direction. Consensus of Council was to direct staff to look into policy for Council consideration. Councilor DiNovo requested the policy address alcohol and minors. Additionally, City Manager Craddock recommended three council members be appointed to the

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review committee for the Request for Qualification (RFQ) Facility Plan for Wastewater Treatment Plant 1 (WWTP1) and report recommendation to Council. Councilors Farmer & Marler noted interest. City Manager Craddock discussed interest from Libby Bridgham (from Time Bomb) to find funds for completion of skate board park. Additionally, City Manager Craddock shared desire to move forward on Golden Avenue project but noted project could not be completed by April due to coordination with utilities, estimated completion in June.

### Council Comments

Councilor DiNovo announced Star of Hope's 7<sup>th</sup> Annual Valentine's with the Stars of Hope would be held Saturday, February 11, 2017 from 5:00-9:00 p.m. at the Mill Casino. Councilor Farmer asked we remember we are all neighbors during this time of national conflict over political differences. Please take a breath and be respectful. Councilor Groth shared an editorial included in the Register Guard's February 4, 2017 edition which highlighted the Coos Bay Public Library's Volunteer Fair. The first volunteer fair to help match volunteers to organizations seeking volunteers. Councilor Kilmer invited everyone to celebrate and have cake at the Coos Bay Soroptimist's 75<sup>th</sup> Anniversary Open House on Saturday, February 11, 2017 at Coos History Museum from 2:00-4:00 p.m. Councilor Kramer inquired about City code for tiny homes. Councilor Kramer had a guest who had interest in placing a tiny home on property in Coos Bay but was informed the home size may not meet City building code. She noted she would refer tiny home interest to the City's Planning Department for details on building code. Councilor Kramer informed everyone the Charleston Merchant Association's 33<sup>rd</sup> Annual Crab Feed would be held Saturday, February 11, 2017 at the North Bend Community Center. Councilor Marler stated he enjoyed meeting with the goal setting consultant and noted he looked forward to hearing recommendations and forward movement with street preservation policy. Mayor Benetti extended thanks to Coos Bay Safeway for repairing potholes on Johnson Street. Mayor Benetti showed interest in the City's existing list of potholes awaiting repair and was hopeful for the possible change to diagonal parking on 2<sup>nd</sup> Street.

### Executive Session

An executive session was held pursuant to ORS 192.660 (2) (e) for the purpose of discussing real property transactions.

### Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for February 21, 2017 in the Council Chambers at City Hall.

\_\_\_\_\_  
Joe Benetti, Mayor

Attest: \_\_\_\_\_  
Susanne Baker, City Recorder