

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

July 2, 2002

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 Jon Eck, Roger Gould, Anna Marie Larson, Jeff McKeown, and Cindi Miller. Councilor Kevin Stufflebean was out of town due to his employment. City staff present were City Manager Bill Grile, Deputy Recorder Joyce Jansen, City Attorney Nathan McClintock, Community Services Director Shanda Shribbs, Finance Director Janell Howard, Fire Chief Stan Gibson, and Police Chief Chuck Knight.

Flag Salute

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

Oath of Office Administered to the Newly Appointed City Councilors

Deputy Recorder Joyce Jansen issued the oaths of office to Jon Eck and Roger Gould.

Consent Calendar

Mayor Benetti reviewed the consent calendar which consisted of approval of the minutes of the May 7, 2002 council meeting, recommendation to approve OLCC license renewals, appointments to the Building Codes Board of Appeals, approval of the agreement with PEG Broadcast Services, adoption of Resolution 02-22 regarding the use of timber sale revenue funds, and authorization to execute an easement and covenant with Verizon Northwest, Inc. Mayor removed the PEG agreement from the consent calendar due to further changes in language. Councilor Miller moved to approve the consent calendar as amended. Councilor McKeown seconded the motion which passed with the Mayor and all Councilors present voting aye.

Department Head Report by Police Chief Knight

Chief Chuck Knight reported Officer Gary McCullough has been promoted to sergeant, Capt. Washburn gave a presentation to the State Rental Owners convention last week, and Officer Ryan Wolgamott has graduated from the Eugene Police Academy and received the Academic Achievement award. Sgt. Robert Lounsbury gave a presentation to the Council on the department's annual critical training session. Police agencies throughout the County were invited to participate in this year's session.

Public Hearing on the 2002/2003 Supplemental Budget and Adoption of Resolution 02-20 Adopting the Fiscal Year 2002/2003 Supplemental Budget

Mayor Benetti explained the supplemental budget was required because of the Parks and Recreation grant for the Mingus Park ballfield. He opened the public hearing for comments. There were no public comments made and Mayor Benetti closed the hearing. Councilor McKeown moved to adopt Resolution 02-20 adopting fiscal year 02/03 supplemental budget. Councilor Miller seconded the motion which passed with the Mayor and all Councilors present voting aye.

Public Hearing Regarding a Rezone of Property Located at 1650 Thompson Road and Enactment of an Ordinance Making the Zone Change

Mayor Benetti opened the public hearing regarding a rezone on 1650 Thompson Road from Residential R2 to Medical Park. Councilor Gould declared a conflict of interest because he testified at Planning Commission meetings on this matter and also lives in the area. Planning Administrator Laura Barron read the public hearing disclosure and explained Mr. and Mrs. John Breuer are the applicants for the rezone for the purpose of expanding his business. The Planning Commission unanimously recommend approval of the rezone, conditional on a SPAR being submitted and reviewed the Planning Commission. Ms. Barron reported the zone change needs to be done before addressing access and buffer issues, which the Planning Commission will address at the time they review the SPAR.

Mayor Benetti opened the hearing for public comments. Roger Gould stated he is in favor of the application, provided there is access from 17th Street. There were no further comments and Mayor Benetti closed the public hearing. Councilor Eck moved to enact the ordinance based on the findings and Councilor Miller seconded the motion. Deputy Recorder Joyce Jansen read the ordinance by title only and the polled the Council. Ordinance No. 323 was enacted by the following vote:

Aye:	Mayor Benetti and Councilors Eck, Larson, McKeown, and Miller
Absent:	Councilor Stufflebean
No:	None
Abstaining:	Councilor Gould

Public Hearing Regarding a Rezone of Property Located at Newmark Avenue and LaClair Street and a Legislative Plan Amendment B Enactment of Ordinances Making the Zoning Changes

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Planning Administrator Laura Barron explained the City of Coos Bay is the applicant for the proposed rezone of 14 acres located at Newmark Avenue and LaClair Street. Two actions are required of the Council: enactment of an ordinance for plan designation and an ordinance for zone designation. Ms. Barron explained the process for making the designations and noted the majority of the subject property is currently zoned residential. The property borders commercial zoned property and has a mix of small commercial uses as well as some residential. The Planning Commission recommends approval of the rezone and plan amendment with two conditions: a SPAR will be approved prior to development and the City will pursue vacation of a portion of Brule Street. Ms. Barron reported a petition from the property owners in the area had been submitted in support of the rezone and vacation of Brule Street. Also submitted was a letter from Attorney Jerry Lesan, representing the Jensen Trust, stating no opposition to the rezone. Ms. Barron read into the record an addition to the ordinance regarding requiring additional notice, Section 1 (f) which would provide a new subsection (f) and renumbering the remaining three subsections.

Mayor Benetti opened the hearing for public comments. June Falk, 1888 Lindberg, Coos Bay, expressed concern about increased traffic and noise if Brule Street is not vacated. There were no further public comments and Mayor Benetti closed the hearing. The Council discussed ODOT's request for a traffic study, procedure for the street vacation, and the future development of the property. City Manager Bill Grile noted if the Council initiates the vacation, the notice is not given because it was an action of the Council. There was discussion of delaying development if the ordinance was not enacted until completion of the street vacation. Ms. Barron explained the delay would be approximately six weeks and would require going back to the Planning Commission and also giving notice of the street vacation. The item would come back to the Council October 15th. Mr. Grile commented Andy Nasburg has been supportive of proceeding with the rezone and Mr. Nasburg reported the area he is concerned about is already zoned commercial. Councilor Gould moved to continue the hearing to October 15, 2002. Councilor Miller seconded the motion which passed with the Mayor and all Councilors present voting aye.

Enactment of an Ordinance Establishing Guidelines for the Preparation, Interpretation, and Codification of City Ordinances

Deputy Recorder Joyce Jansen explained the ordinance would allow staff to make clerical corrections to ordinances without bringing the ordinance back to the Council, and establishes a guideline for codification of the City ordinances. Councilor Miller moved to enact the ordinance and Councilor McKeown seconded the motion. Ms. Jansen read the ordinance by title only and polled the Council. Ordinance No. 322 was enacted by the following vote:

Aye:	Mayor Benetti and Councilors Eck, Gould, Larson, McKeown, and Miller
No:	None
Absent:	Councilor Stufflebean

Adoption of Resolution 02-21 Accepting an Oregon Parks and Recreation Department Local Government Grant for the Mingus Park Ballfield Lightpole Replacement and Bleacher Project

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Community Services Director Shanda Shribbs reviewed the grant and funding for the project and reported the bids came back significantly higher than anticipated. Staff's recommendation was to not accept the grant due to budget restraints. At their last meeting the Council decided not to return the grant and took funds from the repair and replacement fund for the project. There was discussion on the amount the project would cost, whether the project could be scaled down, the use of wooden poles versus metal poles, the possible use of hotel/motel funds, and concern about budget restraints. Mayor Benetti commented this is the only field in the area for softball players and they bring an estimated \$.25 million into the area. Councilor McKeown noted the Council was all in agreement on the need to do the lights. Mayor Benetti suggested staff bring the Council other alternatives. Councilor Gould moved to table the resolution and instruct staff to present alternative suggestions to replacing the lights. Councilor McKeown seconded the motion which passed with the Mayor and all Councilors present voting aye.

Discussion on Whether to Proceed with the Proposed Telecommunications Business License Ordinance

Mayor Benetti explained the public hearing on the proposed business license ordinance was continued to July 16th and he had asked for time to discuss the ordinance with the Council. He reported receiving many phone calls regarding the business license requirement and a number of comments that the license would be business unfriendly. Mayor Benetti recommended the Council not go forward with the ordinance. Councilor McKeown commented the Council had requested staff explore all possible revenue sources, and this was one proposal.

City Manager Bill Grile commented anytime the Council talks about revenue enhancement, it will bring criticism upon him and the Council. He supports dropping the ordinance at this time and noted other cities are working on another ordinance. Mr. Grile reported franchise fees are the city's second major source of revenue and the telecommunication industry is fighting franchise fees. The League of Oregon Cities has requested further funding for their fight against Quest in the amount of one percent of the city's franchise revenue. Verizon has also notified the City regarding not paying franchise fees for the use of city rights of ways. Staff's recommendation is to support the LOC in the amount of \$1,000 from the special legal counsel line item. Consensus of the Council was to approve the expenditure. Mayor Benetti commented the area is working on economic development and this ordinance may keep businesses away. Councilor McKeown commented it is premature to move forward with the ordinance and Mayor Benetti and Councilors Eck, Gould, Larson and Miller agreed.

Status Report on the Newmark Improvement Project

City Manager Bill Grile reported staff is looking for clarification from the Council on funding the Newmark Improvement Project. It is anticipated the final design will be completed next winter and would be for five lanes from WalMart to LaClair, narrowing to three lanes west of LaClair. He commented the finance director has found certificates of deposit that pay better than the municipal investment pool, and staff is recommending not placing a measure on the ballot for using the principle of the Jurisdictional Exchange Funds. There was a brief discussion on the project and on funding options and consensus of the Council was to follow staff's recommendation.

Andy Nasburg, Coos Bay, commented the center median is a problem for Staples and expressed concern about losing business prospects due to lack of access. Community Services Director Shanda Shribbs explained the Council would review the plans before the project begins. Traffic engineers are concerned about safety and recommend the use of concrete barriers. Mayor Benetti stated the Council never indicated they would support the concrete barriers and they recognize the need for access to the businesses. None of the Councilors present supported use of the barriers. Mr. Grile commented staff will continue to look at funding options and will report back to the Council.

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Consideration of Appointments from the City Council to the Parks Commission and Coos County Urban Renewal Agency Board

Mayor Benetti commented there are council positions open on the Parks Commission and the Coos County Urban Renewal Agency Board, and recommended Councilor Eck serve on the Parks Commission and Councilor Gould serve on the County Urban Renewal Board. Councilor Miller moved to make the appointments are recommended by Mayor Benetti. Councilor McKeown seconded the motion which passed with the Mayor and all Councilors present voting aye.

General Discussion Regarding Fiscal Year 2002/2003 Revenue Issues

City Manager Bill Grile reported the City is still looking at a general fund shortfall of \$.5 million even though 11.5 positions have been cut, and without revenue enhancements, the figure will be \$1 million next year. Finance Director Janell Howard commented next July the City will be \$700,000 short from where we started this year. Staff has looked for more ways to cut expenditures, but its not enough. Mayor Benetti noted a levy and utility fees were discussed with the Budget Committee. Councilor Gould commented citizens are not in favor of more taxes and he suggested looking at ways to save money until the consolidation issue is resolved. Councilor McKeown commented the additional revenue from potential revenue enhancements will not solve the City=s problems and suggested looking to the State legislature to create a different taxing system. He did not favor pursuing revenue enhancement at this time. Councilor Gould reported the preliminary numbers on cost savings, consolidation would save the community considerable dollars. Mayor Benetti agreed and commented it is important to allow the consolidation issue to develop. The Council agreed to not pursue revenue enhancements at this time.

Public Comments

Jerry Briggs, 535 Puerta Vista, Coos Bay, reported consolidation petitions are being circulated and their goal is to be done by the end of the week. He requested permission to solicit signatures at Mingus Park during the 4th of July event. Mr. Briggs commented consolidation is an emotional issue for the majority of the community and signatures are solicited in a professional manner. Consensus of the Council to approve his request.

City Attorney's Report

City Attorney Nathan McClintock reported an issue was presented from PALS regarding whether PEG Broadcast Services has tax exempt status. He will be looking into and report to the Council.

City Manager's Report

City Manager Bill Grile welcomed the new Councilors and city attorney, and reported on an article in the National League of Cities publication recognizing the City for partnering on housing. The revenue situation for next year is of concern for employees and he will be talking to the employee groups to let them know the facts. Mr. Grile reported he would be attending the summer conference of the City Manager's Association next week and he would be available by cell phone.

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Council Comments

Councilor Miller welcomed Councilors Eck and Gould, and invited the public to attend the 4th of July celebration in Mingus Park. Councilor Eck also encouraged everyone to attend the celebration over the 4th. Councilor Gould stated he is happy to be back as a Councilor and thanked the City Council for the appointment. He explained the PALS issue with PEG Broadcast Services is totally inaccurate, PEG is a non-profit and has several months before they need to apply for tax exempt status. Councilor Larson also welcomed the new councilors, expressed appreciation to Shutter Creek for cleaning up around town, and asked for signage at the pedway directing people to parking areas. Councilor McKeown commented organizations such as the Chamber and SCDC represent the whole area and do not think of individual areas, and he would like to see that kind of spirit from North Bend. SCDC is meeting with property owners to get commercial properties on an availability list, and later this month will be meeting with timber owners.

Councilor McKeown suggested staff look at making improvements to the city dock to make it more welcoming, and to also attract commercial fishermen to the dock. Ms. Shribbs reported the city dock is a transient dock rather than a marina and the bay has a shipping channel so the dock cannot be extended in that direction. She further reported improvements were recently made to water and electric utilities at the dock and staff is developing a brochure of the downtown area to be distributed to dock users. Staff is also working with Fish and Wildlife on the aquarium and interpretive signs. The dock utilities and signs will be funded from urban renewal funds.

Mayor Benetti welcomed Councilors Eck and Gould and also encouraged everyone to enjoy the entertainment and activities over July 4th. The Sunset Classic Chevy Club will be arriving in the Bay Area on the 14th, a meeting to discuss road user fees will be held in North Bend on the 11th, and he introduced his cousin Elizabeth Sizemore from Atlanta.

Executive Session

Councilor Miller moved to go into executive session pursuant to ORS 192.660 (1)(d) for the purpose of discussing labor negotiations. Councilor Eck seconded the motion which passed with the Mayor and all Councilors present voting aye. The Council reconvened into regular session.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting to July 16, 2002 in the Council Chambers at City Hall.

Joe Benetti, Mayor

ATTEST:

Joyce Jansen, Deputy Recorder