

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

June 15, 2004

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 Kevin Stufflebean. Councilor Cindi Miller was absent. City staff present were City Manager Chuck Knight, Deputy Recorder Joyce Jansen, City Attorney Nathan McClintock, Finance Director Janell Howard, Library Director Carol Ventgen, Administrative Assistance Susanne Baker, Planning Administrator Laura Barron, Fire Chief Stan Gibson, and Police Chief Eura Washburn.

Flag Salute

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

Consent Calendar

Mayor Benetti added a proclamation for Nursing Assistants' Week to the consent calendar and reviewed the calendar which consisted of adoption of Resolution 04-04 accepting the May 18, 2004 election results, adoption of Resolution 04-08 transferring appropriations within the gas tax fund and the major capital reserve fund, adoption of Resolution 04-09 accepting and appropriating insurance funds, and recommendation to approve annual OLCC license renewals for Tracewill Investments, Inc., Blue Heron Bistro Inc., El Sombrero, Oregon Wine Cellars, Wal-Mart Supercenter, and Abby's Legendary Pizza. Councilor Eck moved to approve the consent calendar as amended. Councilor Gould seconded the motion which passed with the Mayor and all Councilors present voting aye.

Report and recommendation from the Fire Station Siting Committee Presented by Chair John Whitty

John Whitty reported the Fire Station Siting Committee was appointed recently to review the study of 12 years ago and to make a recommendation to the Council on replacement of the city's current fire stations. He noted the previous study recommended the existing downtown fire station be replaced. Chief Gibson reviewed the nature of calls, which are mostly medical calls, and where the calls are located. 60 percent of the calls are in the Coos Bay district, 35 percent are in the Empire district, and the remaining calls are from the Eastside district. Chief Gibson reported the committee also considered staffing of the stations and positioning the stations to better assist each other on calls. The committee considered whether one station could service the city but found that one station would be too far from remote areas and too far away from the majority of calls. He noted the statistics show the demand for service has increased significantly in the past few years.

Mr. Whitty commented it is eight miles from one end of the city to the other end and the committee's recommendation is to keep a station in the Empire area and one in the downtown

area. The committee also looked for sites within the urban renewal district and found that most of the property in the district is in the 100-year flood plain, and under FEMA regulations and city ordinance an emergency facility cannot be located in a flood plain unless it is raised up approximately three feet; and not only would the facility be required to be raised up, but the street would also need to be raised.

After considering several sites, the committee's recommendation is to locate the downtown station close to the area of 4th Street and Elrod Avenue. This area has good traffic patterns in all directions, is outside the floodplain, and seems to be on solid ground. The committee selected two sites for consideration; the old McAuley hospital at 7th and Commercial and the old state office building at 6th and Elrod. The McAuley property is within the urban renewal district, is out of the floodplain, and is for sale. The 6th and Elrod property is out of the floodplain and is for sale. Chief Gibson reported the estimated cost to build the new station is between \$2.25 to \$2.5 million. Mr. Whitty reported a study of the calls in the Empire district indicates the appropriate location for the Empire station would be close to the Y Intersection. There is a parcel located at Radar and Ocean Blvd currently for sale which meets the criteria. Chief Gibson commented the challenge is to locate the stations so the response time is within four minutes. The committee ran tests on various locations for time and these properties fit the criteria.

The City Council discussed the challenges and attributes of the downtown properties, reviewed floodplain and earthquake considerations, and the amount of property required for the station. Councilor Larson suggested remodeling the current Empire station and building the new station on South Broadway at the city shop location. Councilor Eck explained the distance is too far away for the majority of the calls and too far away from the hospital and medical facilities. Mayor Benetti commented the task of the committee was to determine the best locations for the stations and the Council would make the final decision. He thanked Mr. Whitty for chairing the committee and thanked the committee members for their time and effort with the task.

Report on the Progress and Replacement of Choshi Bridge In Mingus Park by Gary Rifkin

Gary Rifkin reported fund raising to replace Choshi bridge is underway and he will be contacting local service clubs for support. He recently contacted Morse Bros. in Portland about using concrete arches for the bridge for a cost of approximately \$14,000 delivered, but not set in place. Mr. Rifkin reported Dura Art Stone in California produces structures made with concrete and fiberglass and they could do the bridge for around \$57,000. He commented before the project can move ahead, an architect needs to design the project. Mr. Rifkin commented local architect Mike Crow has volunteered his time on the project and will be gathering more information on possible designs. Mr. Rifkin also reported meeting with Bev Meyers and June Pundt regarding the 20th anniversary of Choshi Gardens next year. Mayor Benetti expressed the Council's appreciation for Mr. Rifkin's work on the bridge project.

Public Hearing on the Appeal of the 83-Unit Assisted Care Facility Proposed to be Located on Ocean Boulevard

Planning Administrator Laura Barron read the public hearing disclosure to the assembly and reported the Planning Commission conditionally approved the application to allow the

development of the care facility on Ocean Blvd at their April 13th meeting. The development would be built on 18 acres accessed by way of 19th Street and the use is considered to be a group care facility. Ms. Barron commented much of the discussion has been about the impact to traffic in the area and the transportation engineer has suggested 19th Street be designed as three lanes with a wider single lane to accommodate emergency vehicles. Stop signs would also be added and no parking allowed on 19th Street and the first block on Timberline. Ms. Barron reported a notice of intent to appeal the Planning Commission's approval was received May 3rd. The site was originally proposed for apartments, but several years ago was approved for care facility use. Ms. Barron explained the apartments would have generated 672 average daily traffic and assisted living 221 traffic. Also at issue was a sidewalk on 19th Street, the subdivision does not have sidewalks and the Planning Commission concluded the condition must have a relationship to the development and this development would not cause pedestrians on 19th to use the sidewalk. The application is for an 83-unit facility and the appeal stated it was inaccurate to consider that residents would not have cars. Ms. Barron commented other care facilities of this type show that very few residents have cars.

Ms. Barron reported the Council must confirm, reverse or remand back the Planning Commission on this matter, determine if the notice was filed in a timely manner, and determine if the appellants have standing. Councilor Gould stated for the record he has represented the appellant Mike Mrkonic and Bonnie Barron in the past, and he is also close friends with the Barrons; therefore, he would not be participating in the decision. Councilor Stufflebean stated for the record he works for the Department of Human Services who licensed the facility and has had ex parte contact with Mary Peters who lives in the subdivision; however, this will not impact his decision making ability. The City Council determined the appellants have standing for the appeal and the appeal was filed in the appropriate amount of time.

Mayor Benetti opened the public hearing. Jerry Lesan, representing the applicant, reported Jeff Kraus, Darin Fletcher, Engineer Bruce Schafer, and architect Pat Bickler testified before the Planning Commission. Mr. Lesan briefly reviewed the points listed in the intent to appeal and noted the real issue raised in the appeal is traffic related issues at the intersection. The traffic study was reviewed by the city engineering department and the intersection was revised. Mr. Lesan commented the other issue is the ability for emergency vehicles to enter the intersection which is the reason for the wider lane onto 19th Street. The traffic study shows 620 cars a day for the Westgate Subdivision and the care facility would generate 221 trips. The study shows school buses would not have trouble coming in and out of 19th Street and the intersection would function adequately with the addition of the care facility. Mr. Lesan reported the appeal includes the need for sidewalks and he noted there are no sidewalks in the Westgate subdivision. The development would not generate pedestrians as the average age of residents in the facility is 80 years. He suggested residents in Westgate could form a local improvement district for constructing the sidewalks the appellants want, and the developer would not oppose the LID. Mr. Lesan commented the appellant is concerned about the number of units approved and the use. He stated ORS provides a local government shall approve construction if consistent with the plan, and the conditions the Planning Commission has proposed would make the project consistent with the plan.

Mayor Benetti inquired if the developer would do all the necessary improvements to the street, including the stop signs. Mr. Lesan responded the improvements are part of the conditions and the street arrangement is not new and was included in application.

Bonnie Barron, Coos Bay, commented Mike MrKonic submitted a letter because he was not able to attend the meeting. Ms. Barron reported she has lived in Westgate for 13 years and expressed concern regrading pedestrian access from Westgate. She commented the residents would be greatly impacted by the project and without sidewalks on 19th Street there would be nowhere for pedestrians to walk. Ms. Barron commented a number of years ago the city allowed a dentist office to go in without adequate parking and they park on 19th Street, and she asked the city work with the residents on the traffic issue. There was a brief discussion by the Council regarding building sidewalks in the area, ability to mark a walkway strip on the street for pedestrians, and whether the city would have greater liability for this type of walkway

John Menten, Coos Bay, also expressed concern for pedestrian safety and the increase in traffic. Mr. Menten reviewed the proposed design for 19th Street and stated the left turn is too small. He reviewed material from the national standards on road design and proposed changing the design to allow a greater turning radius. He commented the street was not properly compacted when it was built and is in need of maintenance. Mr. Menten requested the Council modify the street design and require the developer to construct a sidewalk along 19th Street to Ocean Blvd. Laura Barron noted Mr. Menten's documents would be recorded as Exhibit 1 and Mr. MrKonic's as Exhibit 2. Roy Metzger, Coos Bay, reported several residents walk frequently in the area and he supported construction of a sidewalk on 19th Street. He also expressed concern for the school buses entering and exiting the subdivision.

Jerry Lesan commented the city's engineering department and licensed engineers believe their proposal will work, if in fact the road needs to be widened and a sidewalk constructed, the citizens are not opposed to the use, but would like the bill for all the improvements in the developer's pocket. He suggested the residents form an LID for the improvements and the developer would participate like all the rest. Mr. Lesan requested the Council approve the use, put in the condition to form the LID and the developer would share as members of the community. There being no further public comments, Mayor Benetti closed the hearing

Councilor McKeown commented the city will be overlaying Ocean Blvd in the near future and perhaps they could participate in the curb radius change. There was a brief discussion regarding how much the city would participate in the street project and consensus of the Council was to support an LID to build sidewalks in Westgate and the city would change the radius on the turn. Planning Administrator Laura Barron reported an amendment to the findings for the final order would be necessary to add the site for the proposed use and include findings on the curb radius, the need for sidewalks, and add the condition under criteria 3. Mr. McClintock commented the Council could vote on the issue and staff could bring back the final order for Council approval.

Councilor McKeown moved to accept the Planning Commission's findings and conclusions as the Council's findings, add the condition that the applicant will not oppose the creation of an LID for the construction of a sidewalk on 19th Street between Timberline and Ocean Blvd. Councilor Eck seconded the motion which passed with the Mayor and all Councilors present voting aye.

Public Hearing on the Use or State Revenue Sharing Funds and on the Approved Fiscal Year 2004/2005 Budget, and Adoption of Resolution 04-06 Electing to Receive Shared Revenues from the State of Oregon

and Adoption of Resolution 04-07 Adopting Fiscal Year 2004/2005 Budget and Making Appropriations and Levying Ad Valorem Taxes

Mayor Benetti opened the public hearing for comments on the use of State Revenue Sharing funds and the approved budget. There were no comments and the hearing was closed. Councilor Stufflebean moved to approve Resolution 04-06 electing to receive State Revenue Sharing funds. Councilor McKeown seconded the motion which passed with the Mayor and all Councilors present voting aye. Councilor Stufflebean expressed concern that the Wastewater Funds have been depleted and he requested the Council consider increasing the fees. Mayor Benetti reported the Budget Committee had considered increasing the fees and had voted not to implement an increase. Councilor Stufflebean moved to adopt Resolution 04-07 adopting fiscal year 2004/05 budget and making appropriations, and levying ad valorem taxes. Councilor Eck seconded the motion which passed with the Mayor and all Councilors present voting aye.

Award of Bid for the Construction of Dechlorination Facilities at Wastewater Treatment Plants I and II

Administrative Assistant Susanne Baker briefly explained the project and reported the bids had come in below the estimates. Bids were received from Tek for \$814,008.20, Triad Mechanical for \$682,920.00, Laskey-Clifton for \$578,160.10, and Mountain State Construction for \$499,890.50. Councilor Stufflebean moved to award the bid to Mountain State Construction for \$499,890.50 and authorize a contingency of 15 percent. Councilor Gould seconded the motion which passed with Mayor Benetti and all Councilors present voting aye.

Authorization to Proceed with the Land Trade Between the City and the Coos Bay-North Bend Water Board and adoption of Resolution 04-05

Administrative Assistant Susanne Baker reported the land trade between the City and the Water Board has been in the works for some time and explained the construction of the dam project flooded 247 acres of city property. She briefly reviewed the property involved in the swap. Councilor Stufflebean moved to authorize staff to proceed with implementing the land trade. Councilor McKeown seconded the motion which passed with the Mayor and all Councilors present voting aye. Councilor Stufflebean moved to adopt Resolution 04-05 approving the land trade, property line adjustment, partition, and payment of \$7,800 to the Coos Bay-North Bend Water Board. Councilor Eck seconded the motion which passed with the Mayor and all Councilors present voting aye.

Appointment of the Insurance Agent of Record

Councilor Gould reported for the record he has represented Abel Insurance in the past and he is the attorney for the community college. Mayor Benetti reported Mr. Abel had submitted a letter to the City Council this evening protesting staff's recommendation to change the insurance agent of record. City Manager Chuck Knight reported during the budget process staff became aware that other cities use different methods of utilizing insurance agents of record and looked into the different options.

Finance Director Janell Howard reported staff had been thinking about other options for the past two years and discussed this matter during budget preparation. The city's policy has been to go through an RFP process every five years for professional services and the city has been with Abel Insurance for nine years. She noted the city does not always make a change due to the process. Ms. Howard further reported Oregon municipalities use agents in a number of ways; currently the city of Coos Bay pays a commission to the agent and as a cost saving measure, an option for fee for service was included in the RFP. Changing to a fee for service could be a significant cost savings to the city. Responses to the RFP were received from Abel Insurance and Nasburg Insurance, and Abel Insurance did not include a quote for an hourly rate. Ms. Howard commented the agreement would be on an annual basis with a provision the city could change back to a commission basis if needed. Ms. Howard commented the city has had no problem with Abel's service and they have done a good job. Currently the city does not need as much assistance from the agent and staff works directly with CIS staff on insurance matters.

Mayor Benetti expressed concern that the fee for service could exceed the amount of the 10 percent commission fee currently paid. After a brief discussion, consensus of the Council was to include language in the agreement not to exceed \$20,000. Mayor Benetti invited Mr. Abel to comment. Mr. Abel reported he had enjoyed being the agent for the city for the past nine years and was very disappointed with staff's recommendation. He commented the RFP was not clear in requiring an hourly rate be included in the proposal for services. Mr. Abel expressed concern staff's recommendation to change agents was not based on services provided and the level of service given, and interviews of the agents had not been held. Mr. Abel stated the bottom line was that Abel Insurance was fired for doing a good job and he requested the Council not accept staff's recommendation to appoint Nasburg Insurance as the city's agent.

Councilor McKeown asked the city attorney if the RFP was worded properly and Mr. McClintock commented there is an opportunity in the RFP to submit questions; however, once bids have been submitted, the proposer cannot go back and reassess their submission. Councilor McKeown commented it appears Abel Insurance has done a wonderful job for the city, but it is prudent to periodically go out for competitive bids. Councilor Gould commented personal service contracts are not public contracts and do not require a bid process; however, the city's charter and policy is to follow the RFP process. He further commented both agents qualify for appointment and Abel Insurance was not disqualified because they did not address fee for service and state a specific rate.

John Chaney, Nasburg Insurance Company, commented based on the RFP, his company fulfilled the requirements. He recognized it is a new venture to provide agent services on an hourly rate and is agreeable to placing a cap on the fees to not exceed the 10 percent commission. Councilor Eck commented both agents are well qualified, and the Council has asked staff to look at ways to save money and he applauded staff's efforts.

Councilor Gould moved to appoint Abel Insurance as agent of record. Mayor Benetti seconded the motion which failed for lack of a majority vote. Councilor McKeown moved to appoint Nasburg Insurance as agent of record. Councilor Eck seconded the motion which passed with Mayor Benetti and Councilors Eck, Gould, McKeown, and Stufflebean voting aye; Councilor Larson voting no.

**Set a Date for Council Work Session to Discuss
the Job Profile for the City Manager's Position**

The Council set June 22nd as the date for a work session to discuss the job profile for the city manager's position.

Public Comments

There were no public comments.

Council Comments

Councilor Eck reported the Parks Commission authorized placing a picnic shelter in Tenth Street Park. The commission also approved Music on the Bay's request to restructure the amphitheater in Mingus Park. Councilor Larson congratulated the graduating seniors.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting to July 6, 2004 in the Council Chambers at City Hall.

Joe Benetti, Mayor

ATTEST:

Joyce Jansen, Deputy Recorder