

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

May 9, 2006

The minutes of the proceedings of a work session meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the Manager's Conference Room at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Jon Eck, Roger Gould, Jeff McKeown, John Muenchrath, and Kevin Stufflebean. Councilor Miller was absent. City staff present were City Manager Scott McClure, Deputy Recorder Joyce Jansen, and Community Services Director Jim Hossley.

Wastewater / Stormwater Collection Systems SDC

Garret Pallo, HBH Engineering, presented the draft SDC for wastewater and stormwater collection and reported the methodology is based on equivalent dwelling unit (EDU). Councilor Gould inquired if most cities use the same methodology for all SDCs. Mr. Pallo commented there are several different ways to develop the methodology. Councilor McKeown expressed concern that the methodology was overly conservative in the growth of Coos Bay. Mr. Pallo explained DEQ governs the planning process and anyone doing a plan must tie the growth rate to the comprehensive plan. It is likely the City will be updating the growth amount in the near future. Councilor Muenchrath commented this is a fluid process and can be changed later as growth increases. Mr. Pallo reported there are two types of SDCs: the improvement SDC and the reimbursement SDC, and commented the improvement SDC is easier to develop and defend.

Mr. Pallo explained the first component of the SDC is the capital improvement plan which came from the Wastewater Master Plan. The plan was reviewed to determine what percent is SDC eligible. The calculation of the SDC uses the percent eligible cost in dollars divided by growth EDUs. Mr. Pallo reviewed the methodology for determining the wastewater collection SDC of \$5,441. The second component of the SDC methodology is the credits which can be provided as in-kind credit if the developer builds part of the infrastructure, or included as a credit for financing costs. Mr. Pallo recommended setting a maximum credit amount of \$795. The statute has a provision for the city to cover administering an SDC and the percentage projected is five percent of the SDC, or \$232.30. The maximum SDC is \$5,441, plus the administration fee, and minus the credit for a total of \$4,878.30.

Mr. Pallo reported stormwater is based on a different methodology and explained as property is developed, adding pavement and sidewalks, the runoff increases and puts more strain on the storm drainage system. A typical home has 4,500 sq ft of impermeable surface. The City has two planning efforts that created this methodology; using both studies, HBH determined 3,296 EDU are projected in the City's system. Mr. Pallo explained the methodology for establishing the stormwater SDC at \$811.56, minus the \$245 credit and adding a five percent administration fee to equal \$594.89. Mr. Pallo reviewed an example for calculating wastewater collection and stormwater SDC for a restaurant. Mayor Benetti asked what accommodations would be made if a facility can show they use less water. Mr. Pallo recommended charging half the SDC and give the owner time to collect water use records to compare against the SDC then compare the difference. Mr. Pallo commented Coos Bay is unique in that it has two large treatment plants

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and many pump stations, so our system is large compared to other communities. Mr. Pallo reported there are two large areas in Coos Bay that have not been developed which are included in the calculation; West Lindy Lane and Elrod Hills, both at approximately \$1 million. The Council discussed flexibility of the SDC, using same criteria for everyone, and the credit system. Mayor Benetti commented the City has doubled the sewer rates in the last five years. Councilor Gould commented what is relevant is the system needs to be fixed. Mr. Pallo stated the rates must reflect the cost of providing the service. Councilor McKeown commented DEQ mandates must be considered as well.

Gary Hargens, Coos Bay, asked what the SDC fee would be for a 2400 sq ft home with one bath. Mr. Pallo responded any residential unit is one, it does not matter how many bathrooms. There was further discussion on the total costs of SDCs and Mr. Pallo explained without SDCs the developer would be required to build the pump station. He noted there is no charge to existing structures or additions to current structures. Mike Vaughan, Coos Bay, commented the city has a lot of soils in marshlands. In the sand dunes the water runs right through it and does not create work for the treatment system. Would there be a way to reduce the building costs. Mr. Pallo stated it is possible, in principle new development cannot increase flow to adjacent property, could create a catch basin and let water run out normally.

Empire Waterfront Plan – Next Steps

Mr. McClure reported a conceptual plan has been created for the Empire Waterfront and presented to the Council. The logical starting point is the upper level and the City could apply for grants or use urban renewal funds. Councilor McKeown commented on the need for a design in order to take the next step, and the project would be a good use of urban renewal funds. Councilor Muenchrath commented a lot of community members helped with the design. Mayor Benetti recommended moving forward with the project. Steve Skinner, North Bend, reviewed various funding sources and noted the original design did not address waterfront and water related uses, so the Concerned Citizens of Empire paid to have the plan expanded into the water. Councilor McKeown inquired if there is different from the adopted plan. Mr. Skinner reported it is slightly different and moved the pavilion and changed the parking area. Councilor McKeown commented the plan was changed significantly and expressed concern about pursuing funding with a different design than the Council approved. Councilor Gould commented they should finalize what is being constructed. Mr. McClure commented when marketing the area, they need to know if they will be next to a parking lot. Mike Vaughan commented the design firm will come up with more options. Stephanie Kramer, Coos Bay, commented people couldn't grasp that the plan was a concept, so Mr. Skinner came up with another plan. There was no intention of changing the plan. Councilor McKeown asked the status of the Coast Guard property. Mr. McClure responded he will visit the local office as he has not received response to phone calls. Mayor Benetti commented the project will come back to the Urban Renewal Agency for approval. Cynthia Hogan, Confederated Tribes, commented the Hollering Place is important to the Tribe and they hope to participate in the development process with the City.

Potential Property Sales

Morrison Street. Mr. McClure reported there is interest in purchasing a 4.46 acre parcel of city-owned property on Morrison Street. Councilor Stufflebean commented the property was donated by Dr. Kaiser and had been considered for baseball fields. Mr. McClure

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commented Ray Penny ran the numbers on recent subdivisions and estimated a base bid of \$250,000. Councilor McKeown commented the figure is very low. Mayor Benetti commented the City could develop and sell the lots, or move the city shop. Steve Stalcup, Coos Bay, commented if the property is next to Empire Lakes, ball parks and a shop are not the best use of the land. Mayor Benetti suggested keeping the property for future use. Councilor Eck supported selling the property as it lends to housing development. Councilor Stufflebean commented there are contractors who may be willing to swap the property. Councilor McKeown recommended keeping the property for possible trade. Consensus of the Council was not to sell the property.

Bayshore Drive. Mr. McClure reported the City owns property on Bayshore Drive that is currently leased by Redneck Motors. The parcel was originally purchased for access to the Front Street Development. Ray Penny has approached the city about purchasing the property and vacating Cedar Avenue. Mayor Benetti reported the access could be very expensive to develop. After a brief discussion, consensus of the Council was to sell the property. Mr. McClure commented the property would be brought to the Council to surplus and would be appraised before selling.

Barham Terrace. Councilor Stufflebean said the property is part of Mingus Park and shouldn't be sold. Mr. McClure reported the property is located near the Boy Scout Cabin and HBH Engineering made the request to purchase the property. Councilor Eck suggested looking at placing tennis courts on the property. Consensus of the Council not to sell the property.

Tourism Promotions Reader Board

Community Services Director Hossley reported the Tourism Promotions Committee has requested a reader board be placed on the south end of Coos Bay. Potential locations are Fred Meyer parking lot, Historical Railroad Museum, the Surplus Center, and Chamber of Commerce building. Mr. Hossley displayed pictures of what the sign would look like at these locations. Councilor Stufflebean commented the Committee has been working on this project since September and would like to have the sign installed at the Chamber of Commerce Visitor before the Memorial Day weekend. Ms. Lang commented the use of signage should enhance the community and supported placing the reader board at the Chamber location. Mayor Benetti explained one sign will be placed in North Bend to catch the south bound traffic and one in Coos Bay to catch the northbound traffic. Chamber staff will take care of placing information into the sign. Consensus of the Council to move forward with installation of the sign.

The Eagle

Mr. McClure reported the Port had contacted his office about continuing to store The Eagle for the City. The boat was donated for use on Front Street and it is estimated repairs would cost \$30,000. Councilor McKeown suggested contacting the Historical Society. Councilor Stufflebean reported originally The Eagle was to be placed on the Timber Inn Island. After a brief discussion, consensus of the Council to offer The Eagle to the Historical Society.

Street Paving Standards

Mr. Hossley reported there is an issue with the City's adopted street standards. The current ordinance requires 36' wide streets with sidewalks and curbs. The first two homes are allowed

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on a gravel road, but when the third home is built, they must construct the street. Mayor Benetti commented there are no more funds at this time for local improvement districts. Steve Stalcup stated there are currently lots for sale on gravel streets that when sold, the purchaser must pay for the whole street. Ms. Lang explained her client owns property on a gravel street and in order to sell he must incur all the costs of paving the street. She expressed concern that City staff told her the City only started enforcing the ordinance in January 2006 and the ordinance has been in effect since January 2004.

The Council discussed local improvement district process, enforcement of the current ordinance, strip paving in certain areas, maintenance costs of gravel streets, and development of a plan to pave the gravel streets. Mr. Hossley commented staff will work on a plan and Mr. McClure suggested bringing options to the Council.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting to May 16, 2006 in the Council Chambers at City Hall.

Joe Benetti, Mayor

Attest:

Joyce Jansen, Deputy Recorder