

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

January 15, 2008

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 Councilors Michele Burnette, Mark Daily, Jon Eck, Roger Gould, Stephanie Kramer, and John Muenchrath. Mayor Jeff McKeown was absent.

City staff present were City Manager Chuck Freeman, City Clerk Vicki English, City Attorney Nate McClintock, Assistant City Manager Joyce Jansen, Finance Director Janell Howard, Fire Chief Stan Gibson, Library Director Carol Ventgen, Police Chief Eura Washburn, and Public Works and Development Director Jim Hossley.

Flag Salute

Council President Gould opened the meeting and led the assembly in the salute to the flag.

Consent Calendar

Council President Gould reviewed the consent calendar which consisted of the approval of the minutes of November 6 and 15, 2007, ratification of appointment of Crystal Shoji to the Coos Library Board and the approval of the amendment to the joint tourism agreement to change the committee name to the Coos Bay-North Bend Visitor and Convention Bureau.

Councilor Muenchrath moved to approve the consent calendar as presented. Councilor Burnette seconded the motion which passed with Councilors Burnette, Daily, Eck, Gould, Kramer and Muenchrath voting aye.

Legislative Report by Senator Joanne Verger

Joanne Verger, State Senator, discussed the Supplemental Session that is scheduled in February 2008. This supplemental session is to give oversight on both the growing budget and also on State agencies. Senator Verger suggests that an opinion regarding an annual session be reserved until the supplement session has been completed to ensure that it is efficient. Senator Verger briefly discussed issues that will be addressed such as mortgage lending reform, marine reserve wave energy, property tax for low income seniors, tobacco tax, and the rail embargo.

Presentation of the Second Quarter Finance Report by Finance Director Janell Howard

Finance Director Janell Howard reported this quarterly report was for the month ending December 31, 2007. This report included amounts for the month of December and year-to-date amounts for the first two quarters of FY 2007-08. She briefly reviewed revenues and

expenditures for the operating funds. Revenues are stable. Property taxes are at 89% due to a majority of taxes being received in November. Other revenues are usually received with a one month or quarter lag. Transient tax revenue appears low due to only the first quarter being received to date and the fact that the transient tax increase was not implemented as budgeted. Building codes revenues are down slightly, but the fund is healthy due to carryover from prior years with above average revenues.

Approval to Purchase a One Ton Dump Truck for the Public Works Department

Public Works and Development Director Jim Hossley reported that the Fiscal Year 2007-08 Budget Committee approved \$37,000 for the purchase of one heavy duty flatbed vehicle. This flat bed will replace an older 1989 truck that is in need of significant repairs. Mr. Hossley reported that staff researched the State of Oregon contracts for an appropriated vehicle and found a chassis that will meet the Department's needs. The State of Oregon awarded the chassis bid to Northside Ford of Portland for the purchase cost of \$22,716.00. The cost of the body component is \$10,889 and will be purchased with a separate purchase order through the State of Oregon's contracted vendor, Northside Ford. The total cost for the F-450 is \$33,605.30. Mr. Hossley noted that staff requested quotes from local vendors such as Tower Ford, Verger's and Ken Ware of which none were able to provide a quote for a heavy duty F-450 fleet vehicle. Councilor Muenchrath moved to approve the purchase of the Ford F-450 from Northside Ford for a total amount of \$33,605.30. Councilor Burnette seconded the motion which carried with Councilors Burnette, Daily, Eck, Gould, Kramer, and Muenchrath voting aye.

Approval to Proceed with the Request for Qualifications for Sewer Utility Cost of Service and Rate Study

Public Works and Development Director Jim Hossley reported wastewater treatment and collection system facility plan to identify upgrades and repairs necessary for our wastewater system over the next 20 years has been completed. The upgrades and repairs are expected to cost several tens of millions of dollars. Mr. Hossley said that in order to ensure adequate funding for these capital improvements and provide for rising operation and maintenance costs, it is prudent that the City prepare a wastewater rate and cost of service study. Mr. Hossley further stated that the City's existing wastewater rate structure has been in place for several years, is likely outdated, and may not be adequate to provide for our future needs. To ensure the City's wastewater rates are fair, equitable and adequate among all classes of users, the successful submitter will have to do a thorough examination of the City's operations and facilities plans. The resulting study will be a tool to guide Council in setting appropriate wastewater user rates and sewer connection fees to fund capital improvements as well as operations and maintenance of the system. Funding for the rate study will be paid from the contractual line items in the wastewater fund. Council asked what the cost of the study would be and Mr. Hossley estimated \$30,000 to \$50,000. Councilor Muenchrath asked how much we had in the contractual wastewater fund and Mr. Hossley answered that we have hundreds of thousands due to the several projects that the City has in progress and adequate funds are included. Councilor Gould added that a fair and appropriate system of rates for different categories of users is a significant issue that the council has faced and will be facing in the future. Councilor Gould also mentioned that in the past, we contacted Salem to see if there were any grants available to assist in the costs and we were advised that we did not qualify because our rates were not high enough and that these are all issues that factor into the

equation as we go forward and look at our sewer rates. Councilor Gould said that it is important to have the study done. Councilor Muenchrath moved to direct staff to move forward with the Request for Qualifications for a Wastewater Sewer Rate and Cost of Service Study. Councilor Kramer seconded the motion which carried with Councilors Burnette, Daily, Eck, Gould, Kramer and Muenchrath voting aye.

Discussion of Agenda Topics for the Joint Coos Bay-North Bend Council Meeting

City Manager Chuck Freeman stated that Mayor Wetherell sent a letter to the City on November 17th of the agenda items up for discussion from their City. Mr. Freeman said that it would be prudent for the City Councilors to set our own agenda for the January 24th meeting and for any future meetings. Mr. Freeman said that he included in the staff report a list of some possible agenda items. Councilor Gould listed the City of North Bends agenda items. Councilor Gould asked Senator Verger if there was going to be any discussion at the State level concerning the DSL issue. Senator Verger stated that she was very encouraged that every effort will be made to find a solution to this issue without it going to court or to bring it to the Legislature. Clarification was made that the upcoming meeting was a joint council meeting and not a committee meeting. Councilor Gould expressed that he was looking forward to having an informative and positive experience and that we needed to do what we can to foster good positive public relations. The Councilors discussed different topics of interest and came to a consensus the items that they would like to include on the Joint Council Meeting Agenda are, DSL Issues, Transient Tax, Gas Tax and Wastewater.

Public Comments

Tim Slatter, Executive Director of the Bay Area Chamber of Commerce spoke and gave an informational overview and a brief description of the different committees, community festivals and activities in which the Chamber is involved. Mr. Slatter also stated that they had a productive and active year under the leadership of President Jennie Bream. Mr. Slatter talked about the Visitor Information Center and the various functions that it provides for Coos Bay. He talked about the various ways in which Cheryl Crockett, the Coordinator, distributes the information about Coos Bay, not only locally, but through out the United States. He also briefly gave an overview of the numerous other jobs Ms. Crockett and many volunteers do at the Visitor Information Center. In 2007 the Visitor Information Center had 15,000 people physically walk through the doors requesting information.

City Attorney's Report

City Attorney, Nate McClintock had nothing to report at this time.

City Manager's Report

Mr. Freeman reported there would be a meeting February 6th with the City of North Bend and CEDCO to discuss connecting all the boardwalks together. Mr. Freeman said that this is a great opportunity. However, part of the area is in question concerning the submerged lands whereby DSL is inserting ownership. He feels that this will be a great project. Mr. Freeman gave an update on the recruitment for Police of Chief. Mr. Freeman reported that the PSAP Committee reviewed three proposals for the PSAP merger and he is currently vetting out the top two. He

City Council Minutes – January 15, 2008

also stated that he and Police Chief Washburn will be attending the January 16th Board of County Commissioners meeting to discuss the next step on the PSAP merger, including how to pay for it. Mr. Freeman stated that he is working on set up a meeting with DSL for late January or early February. He also stated that the City is looking to complete a re-write of the Comprehensive Plan and a buildable lands inventory.

Council Comments

Councilor Kramer stated that it was exciting to see Ed Lund Park coming to life and becoming a very nice place now that the playground equipment has been installed. Councilor Burnette reported that she had an opportunity to go up to the West Fork to the STEP program. Councilor Burnette stated that she was so impressed with the projects that are taking place and that the classrooms give young students an opportunity to learn about how the Salmon affect our ecology.

Executive Session

An executive session was held pursuant to ORS 192.660 (2) (d) for the purpose of discussing labor negotiations.

The Council reconvened into regular session.

Adjourn

There being no further business to come before the Council, Council President Gould adjourned the meeting to February 5, 2008 in the Council Chambers at City Hall.

Jeff McKeown, Mayor

Attest:

Janell K. Howard, City Recorder