

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

August 5, 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 Mayor Jeff McKeown and Councilors Michele Burnette, Mark Daily, Jon Eck, Stephanie Kramer, and John Muenchrath.

Councilor Gene Melton was absent.

City staff present was City Manager Chuck Freeman, City Attorney Nate McClintock, City Clerk Vicki English, Police Chief Rodger Craddock, Fire Chief Stan Gibson, Finance Director Janell Howard, Public Works and Development Director Jim Hossley, Library Director Carol Ventgen, and Urban Renewal/Revitalization and Economic Development Manager Joyce Jansen.

Flag Salute

Mayor McKeown opened the meeting and led the assembly in the flag salute.

Consent Calendar

Mayor McKeown reviewed the consent calendar which consisted of approval of the Minutes of July 15, 2008, appointments to the Tree Board and approval to submit the Coquille Tribal Community Fund Grant Application.

Councilor Burnette moved to approve the consent calendar as presented, with exception to item c. Councilor Daily seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer and Muenchrath voting aye.

Councilor Daily moved to approve item "2c" of the consent calendar as presented. Councilor Kramer seconded the motion which carried with Councilors Daily, Eck, Kramer and Muenchrath voting aye. Mayor McKeown and Councilor Burnette excused themselves from voting on item "2c" due to a potential conflict of interest, being on the Coquille Tribal Community Fund Board of Trustees.

Presentation by the Lab Band

Dustin Culver, member of the Lab Band, announced an upcoming event at the Egyptian Theater, August 23rd at 7pm during the Blackberry Arts Festival. The Lab Band performed three songs.

Bay Area Chamber of Commerce Update by President Ken Croes

Ken Croes, President of the Bay Area Chamber of Commerce, presented an informational overview of the Chamber's goals, plans, activities and accomplishments. Among them were the completion and distribution of the 2008 Business Directory, Leadership Coos graduation, hosting the Lumberjack Completion, the tracking of the railroad abandonment, the Marine Reserve issues and the air service to the north. Mr. Croes said that currently there are 650 members of the Bay Area Chamber of Commerce.

Consideration on Setting a Public Hearing Date for Reconsideration of New Evidence for Coos Bay Toyota Site Plan

Chuck Freeman, City Manager, reported that on February 19, 2008 the City Council heard an appeal regarding Coos Bay Toyota Site Plan and Architectural Review. Prior to this hearing, the Planning Commission unanimously approved with conditions, the Site Plan and Architectural Review to allow the enlargement and replacement of the Toyota dealership at 2001 N. Bayshore Drive. On January 25, 2008, the Planning Department received notice of Intent to Appeal the Planning Commission decision from Rev. Bill Parham, South Coast Gospel Mission. This appeal resulted in the February 19th public hearing. Mr. Freeman stated that he received a letter from Guy Hawthorne, President of Coos Bay Toyota, indicating that Coos Bay Toyota has purchased a piece of property which will result in a decrease in traffic flow in the area. Mr. Freeman stated that as the traffic flow was the key issue on the Council's appeal from the Planning Commission's decision, this new information is sufficient for the City council to consider bringing this matter back to the Council for another public hearing to discuss the new evidence. Councilor Muenchrath moved to set a date for a public hearing on an appeal of site plan and architectural review for the Toyota Expansion. Councilor Burnette seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer, and Muenchrath voting aye.

Report on Revenue Impacts from Current Economic Trends by Finance Director Janell Howard

Janell Howard, Finance Director, reported on the current economic trends and potential revenue impact. Ms. Howard stated there is not an immediate impact on the City's property tax revenue. However, we might see the uncollectible portion of property taxes increase in the future. Ms. Howard said gas tax revenue is reportedly decreasing State-wide from 1.5% to 2.5% per month from February to May. Ms. Howard added, when looking more specifically at the City's gas tax revenue comparing fiscal year ending 6/30/08 and 6/30/07, revenues were down 5.5%, approximately \$40,000. Ms. Howard said each percentage is approximately \$7,000, therefore a 10% decrease would be \$70,000, approximately the cost of a full-time position with benefits. Ms. Howard stated that staff is monitoring both tax revenues and considering alternatives to adjust budgets according to actual revenues.

Presentation of the Finance Department's Statement on Auditing Standards No. 112 (SAS 112) by Finance Director Janell Howard

Janell Howard, Finance Director, gave a PowerPoint presentation on the Statement on Auditing Standards No. 112 (SAS 112), internal control documentation. The presentation covered the

documentation of internal controls such as, computer security, expenditures, cash, general journal entry process, cash receipting, procedures to review and ensure financial statement accuracy, Internal Audit Functions and Antifraud Programs. Ms. Howard stated completing SAS 112 internal control policy puts the City in compliance with current auditing standards. Councilor Muenchrath asked whether these were new procedures. Ms. Howard stated that the internal control procedures already existed, but are now documented in a single document as required by SAS 112.

Report on Filing for Candidacy by Finance Director Janell Howard

Janell Howard, Finance Director, gave an overview of the filing for candidacy. Ms. Howard stated the City of Coos Bay will have an election for the positions of Mayor and four City Councilors at the General Election, November 4, 2008. Ms. Howard defined the positions that were open and the length of each term. Ms. Howard also stated, the councilor candidate receiving the fourth highest vote count in the election will be given the two-year term.

Approval of Award of Bid for the Newmark Overlay Paving Project for Phase 3

Jim Hossley, Public Works and Development Director, reported that last year we started the rehabilitation of Newmark Avenue. Mr. Hossley stated the City put out a bid to proceed with the next section of overlay. Mr. Hossley said the bid was broke down into a base bid and three alternates. The base bid is from Cammann to Wall, alternate #1 is Wall to Marple, alternate #2 is Marple to Empire Boulevard, and alternate #3 is to redo the traffic signals loops at the Newmark/Wasson intersection. Mr. Hossley stated the work will be completed in one night, August 10, 2008. Councilor Burnette moved to award the total bid to LTM, Inc. in the amount of \$188,537 and 20% contingency in the amount of \$37,707 for a total amount of \$226,244. Councilor Kramer seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer and Muenchrath voting aye.

Approval of Award of Bid the Mingus Park Pond Dredging Project

Jim Hossley, Public Works and Development Director reported that the City has been working the past year to obtain permits and performing delineation reports in order to dredge the pond above the Choshi Bridge. Mr. Hossley said that all permits and reports are in place and the project was put out to bid. Mr. Hossley stated the project was bid in two different schedules to give contractors the option of either using a vacuum truck or conventional methods of using an excavator to remove the materials. Mr. Hossley also stated the bid amount includes any landscape work needed to be done due to any damage that may occur during the dredging. Councilor Eck moved to award the schedule #1 bid to Roto Rooter in the amount of \$49,588.50 plus a \$10,000 contingency for a total amount of \$59,588.50. Councilor Daily seconded the motion which carried with Mayor Mckewon and Councilors Burnette, Daily, Eck, Kramer and Muenchrath voting aye.

Approval of the 5th Street Emergency Sewer Line Replacement

Jim Hossley, Public Works and Development Director reported that the section of sewer pipe on North 5th has failed and contains both grade problems and numerous breaks. Mr. Hossley stated the project was bid with a basic bid which would cover paving only the pipeline trench and an

alternate bid which would cover an overall paving of the affected block. Councilor Muenchrath asked if the additional cost to do an overall paving could come from the wastewater fund, stating the street was damaged because of the pipe. City Attorney, Nate McClintock said we could not use wastewater funds to repair the street. Mayor McKeown said we need to research and see if we can use Urban Renewal funds to do the additional paving. Finance Director, Janell Howard, stated we could use the Urban Renewal funds for the additional paving since it was a capital asset and infrastructure improvements are listed in the Urban Renewal Plan. It was consensus of the Council to table this agenda item till after the Urban Renewal meeting.

Public Comments

No public comments were given.

City Attorney's Report

Nate McClintock, City Attorney, gave an update on the fire negotiations stating that a meeting is being scheduled to address any concerns and clarification on implementation of the City's last offer. Mr. McClintock said that hopefully there would be a meeting scheduled no later than September and that no one has declared an impasse and remained working toward a resolution.

City Manager's Report

Chuck Freeman, City Manager stated September 27th is the planning retreat and the location is yet to be determined. Mr. Freeman reported that the Hollering Place project is moving forward and that Vicki Dugger and her project team will be here August 27th through the 29th. Mr. Freeman stated that he was working closely with Finance Director, Janell Howard, on the declining gas tax and is planning and preparing for a 10% decrease, which he feels is a reasonable target. Mr. Freeman said the reorganization in Public Works is ongoing and improved customer service is the goal.

Council Comments

Councilor Daily said he attended the National Night Out at Ferry Road Park and there was a big turn out. Councilor Daily also mentioned the up coming fund raiser at the Egyptian Theater on August 23rd at 7 pm to benefit the Lab Band. Councilor Kramer thanked Councilor Daily for inviting the Lab Band to perform at the Council Meeting. Councilor Burnette said she attended the National Night Out and it was a wonderful event with a good turn out. Councilor Eck thanked the Lab Band and commented on what a great program it was. Councilor Eck also thanked our public officials for their efforts and participation in the National Night Out. Mayor McKeown thanked the Lab Band for their performance and congratulated the Friends of the Library on the opening of their used book store.

Approval of the 5th Street Emergency Sewer Line Replacement

The City Council reconvened the Council meeting after the Urban Renewal Meeting. It was determined the additional money to cover the paving of the affected block would come out of Urban Renewal funds. Councilor Muenchrath moved to award the construction contract to

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Johnson Rock Products in the amount of \$77,057 with a 10% contingency. Councilor Burnette seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer and Muenchrath voting aye.

Adjourn

There being no further business to come before the Council, Mayor McKeown adjourned the meeting at 9:42 p.m. until August 19, 2008 in the Council Chambers at City Hall.

Jeff McKeown, Mayor

Attest:

Janell K. Howard, City Recorder