

**MINUTES OF THE PROCEEDINGS OF THE  
CITY OF COOS BAY CITY COUNCIL**

**November 17, 2009**

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 the City Council Meeting**

Those present were Mayor Jeff McKeown and Councilors Mark Daily, Jon Eck, Joanie Johnson, Stephanie Kramer, Gene Melton, and John Pundt. City staff present were Interim City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Rae Lea Cousens, Deputy Finance Director Susanne Baker, Public Works and Development Director Jim Hossley, City Engineer Carl Nolte, Fire Chief Stan Gibson, Library Director Carol Ventgen, Economic and Community Development Manager Joyce Jansen, Acting Police Chief Gary McCullough, and Captain Cal Mitts.

**Flag Salute**

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

**Consent Calendar**

Mayor McKeown reviewed the consent calendar which consisted of 2a: approval of the minutes of November 3, 2009; 2b: approval of Fire Station Change Order Nos. 3 and 4; 2c: acceptance of October check registers; 2d: approval of issuance of work order for performing system-wide flow-mapping and project identification, scoping, budgeting, and I/I report; 2e: approval of an Oregon Liquor Control Commission (OLCC) license for Sincerely Yours! Next Door; 2f: approval of increased privileges for O'Bradi Tavern. Mayor McKeown moved item 2e, approval of an Oregon Liquor Control Commission (OLCC) license for Sincerely Yours! Next Door to the agenda. Councilor Kramer moved to approve the consent calendar for the approval of the minutes of November 3, 2009, approval of Fire Station Change Order Nos. 3 and 4, acceptance of October check registers, approval of issuance of work order for performing system-wide flow-mapping and project identification, scoping, budgeting, and I/I report, and increased privileges for O'Bradi Tavern. Councilor Eck seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt voting aye.

**Public Hearing to Consider Approval on a Supplemental Budget  
Approval will Require Adoption of Resolution 09-27**

Interim City Manager Rodger Craddock stated on October 20, 2009 the Urban Renewal Agency approved the Empire Boat Ramp Restroom project in the Empire Plan for \$102,000. On October 12, 2009 urban renewal consultant Jeff Tashman and Association of Oregon Revitalization Agencies (AORA) advised pursuant to ORS 457 and the Oregon Constitution, urban renewal revenues can only be spent on debt service. An Intergovernmental Agreement (IGA) was proposed to authorize du jour financing to convert urban renewal tax increment revenues into expendable debt proceeds. On November 3, 2009 the City of Coos Bay and Agency entered into an IGA to authorize and establish terms of du jour financing for the purpose of financing urban renewal projects. Mayor McKeown opened the public hearing. No public

comments were made. Mayor McKeown closed the public hearing. Councilor Kramer moved to adopt Resolution 09-27. Councilor Melton seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt voting aye.

**Approval of an Intergovernmental Agreement between the City of Coos Bay and the Urban Renewal Agency**

Interim City Manager Rodger Craddock stated pursuant to ORS 457 and the Oregon Constitution Article IX, Section 1(c) the Agency is required to incur debt for the purpose of financing projects of an urban renewal plan and to repay the debt and cost of borrowing with tax increment revenues. The Intergovernmental Agreement (IGA) presented authorizes du jour (overnight) financing between the City of Coos Bay and the Agency for the purpose of converting previously collected tax increment revenues (carryover) into spendable debt proceeds in the Empire Urban Renewal area. The du jour financing is commonly, low cost (1% interest), used by urban renewal agencies to convert tax increment collections into debt proceeds to expend on qualified urban renewal projects. The City's General Fund has the resources to provide a du jour loan to the Empire Urban Renewal Agency to a maximum of \$500,000. Councilor Daily moved to adopt the IGA related to lending funds from the City of Coos Bay to the Urban Renewal Agency (not to exceed \$500,000) for the purpose of du jour financing so that tax increment collections can be converted into debt proceeds to be expended on approved projects on a project by project basis within the Empire Urban Renewal area. Councilor Johnson seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt voting aye.

**Approval to Authorize Urban Renewal Indebtedness up to \$500,000 – Approval will require adoption of Resolution 09-28**

Interim City Manager Rodger Craddock stated Resolution 09-28 will authorize a short term subordinate urban renewal bond, series 2009 for the Empire Urban Renewal area in an amount not to exceed \$500,000 through du jour financing with the City of Coos Bay. The previously collected \$500,000 tax increment revenues will be converted into expendable debt proceeds. Councilor Daily moved to adopt Resolution 09-28 to authorize loans up to \$500,000 to the Empire Urban Renewal Agency to finance projects within the Empire Urban Renewal area and an Intergovernmental Agreement (IGA) evidenced by the loan (IGA Exhibit A). Councilor Johnson seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt voting aye.

**Approval of short term subordinate Urban Renewal Bond Series Loan #1**

Interim City Manager Rodger Craddock stated Exhibit A, short term subordinate urban renewal bond series 2009, Loan No. 1, \$216,672 will convert tax increment revenues into debt to fund projects in the Empire Urban Renewal area. Councilor Daily moved to authorize a du jour loan to the Empire Urban Renewal Agency totaling \$216,672 for projects and necessary financing as evidenced by loan document (IGA Exhibit A). Councilor Eck seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Johnson, Kramer, Melton, and Pundt voting aye.

**Presentation on Reserve Police Officer Retirement**

Acting Police Chief Gary McCullough stated Reserve Police Officer Larry Carpenter began serving the citizens of Coos Bay on December 7, 1990 as a volunteer and has served in the capacity of Officer, Sergeant, and retiring as Captain. Acting Chief McCullough thanked Mr. Carpenter for his many years of service to the citizens of Coos Bay and the Coos Bay Police Department and presented him with a plaque and badge.

**Approval of an Oregon Liquor Control Commission (OLCC) license for Sincerely Yours! Next Door**

Councilor Johnson recused herself declaring a conflict of interest. Councilor Eck moved to approve the Oregon Liquor Control Commission (OLCC) license for Sincerely Yours! Next Door. Councilor Melton seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Kramer, Melton, and Pundt voting aye. Councilor Johnson abstained from the vote, is deemed, pursuant to the provisions of 4.7.4 of the Rules of the City Council, to have voted with the majority, which approved the motion.

**Public Works and Development Department Quarterly Report by Public Works and Development Director Jim Hossley**

Public Works and Development Director Jim Hossley presented a power point presentation reviewing department activity during this last quarter. Building code activity comparing 2009 to 2008: 6 versus 4 new residential permits; 3 versus 1 non-residential permits; 99 versus 87 all types of permits; \$55,531 versus \$23,881 fees collected; \$8,972,000 versus \$2,751,000 valuation. Planning and zoning activity: Hollering Place zoning, Empire design standards, and pending joint Planning Commission and City Council work session. Street maintenance: leaf sweeping, winter grading preparation for gravel roads, preparing equipment for winter sanding, sign cleaning, sidewalk repair, and festival support. Park maintenance: vegetation management, float removal, pool maintenance, and garbage collection. Wastewater and collection projects included pending, current, and anticipated construction projects. Mr. Hossley provided Councilor Melton an update on the status of the retrofit of the new sludge truck for operation stating the fifth-wheel still needed to be installed and clarified for Councilor Daily the design standards listed are engineering standards.

**Public Comments**

None.

**City Attorney's Report**

No report was given.

**City Manager's Report**

Acting City Manager Rodger Craddock stated a seismic retrofit grant for City Hall has been submitted to the State of Oregon for funding up to \$2,340,000 and stated various committee openings will close December 4<sup>th</sup> and brought to Council December 15<sup>th</sup>.


**Council Comments**

Councilor Kramer thanked everyone who attended the Boat Building Center groundbreaking and was not pleased to report two recent guests had unpleasant service at local restaurants. Councilor Daily stated Santa will be arriving downtown at the Boardwalk on November 28th via tug boat, Lab Band will perform 5:00 p.m. – 6:00 p.m. at the Egyptian Theatre, and a free movie will be shown at the Egyptian. Councilor Melton stated last Thursday night's open house at the American Legion was a positive approach in an effort to help Veterans and he anticipates a future Council work session. Councilor Eck walked through the new fire station construction site with Chief Gibson and was pleased with the progress. Mayor McKeown asked staff to research the ability to utilize Jurisdictional Exchange funds for secured borrowing on city projects rather than obtaining traditional financing, attended a joint meeting with the Library Foundation and Library Board regarding the library expansion project and suggested they ask to be placed on the agenda, and stated he will be visiting local businesses and reporting on his encounter during Council Comments with the first two being very pleasant and providing great service (Kum Yons and Sumins).

**Adjourn**

There being no further business to come before the Council, Mayor McKeown adjourned the meeting. The next regular Council meeting is scheduled for December 1, 2009 in the Council Chambers at City Hall.

  
\_\_\_\_\_  
Jon Eck, Council President

Attest:   
\_\_\_\_\_  
Rae Lea Cousens, City Recorder