

## MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

July 19, 2011

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 Crystal Shoji and Councilors Jennifer Groth, Joanie Johnson, Stephanie Kramer, Gene Melton, John Muenchrath, and Mike Vaughan. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Acting Finance Director Susanne Baker, Public Works and Development Director Jim Hossley, Economic Revitalization Administrator Joyce Jansen, Library Director Carol Ventgen, Fire Chief Stan Gibson, and Police Captain Cal Mitts.

### **Flag Salute**

Mayor Crystal Shoji opened the meeting and asked Mike Helfrich to lead the Council and assembly in the salute to the flag

### **Public Comments**

Tom Greaves, Coos Bay: Stated the June 25<sup>th</sup> Clamboree attendance was between 2,500 – 3,000; thanked the City of Coos Bay, Stan Gibson and the Coos Bay Fire Department, Coos Bay North Bend Visitor and Convention Bureau, Bi-Coastal Media, 3-B's Nursery, Benetti's, Confederated Tribes of Coos Lower Umpqua and Siuslaw, Empire Café, Department of Fish and Wildlife, Englund Marine, Farr's, Gallery on the Bay, KCBY, Katrina Kathleens, Grocery Outlet, K-Dock, Northwest Natural Gas, OrCoast Music, North Bend Body Shop, Oregon Coast Culinary Institute, Pony Village, School District 9, Friends of South Slough, Scott Communications, Star of Hope, US Home Builders, Lab Band, and Daughters of the American Revolution; thanked the Council and town for attending; thanked the efforts of the City Staff and especially Tom Jackson for the wonderful improvements at Ed Lund Park; and anticipated an even more successful Clamboree next year. Councilor Kramer commended Mr. Greaves for his leadership in organizing the Clamboree.

Earl Landon, Coos Bay: Stated he would like to purchase a parcel of City property adjacent to his property at Barham Terrace and West Park Roadway. City Manager Rodger Craddock stated at the Council's direction the topic could be placed on a future agenda where the surplusing of city property process could also be discussed.

### **Consent Calendar**

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of June 28, and July 5, 2011; 3b: acceptance of the June 2011 accounts payable and payroll check registers; 3c: acceptance of the June 2011 combined cash report; and 3d: approval of the annual OLCC license renewals for Rodeo Steakhouse and Grill, and 7-Eleven. Councilor Melton moved to approve the consent calendar approving the minutes of June 28, and July 5, 2011, accepting the June 2011 accounts payable and payroll check registers, accepting the June 2011 combined cash report, and approving the annual OLCC license renewals for Rodeo

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Steakhouse and Grill, and 7-Eleven. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, Muenchrath, and Vaughan voting aye.

### **Appointments to the Library Board**

Library Director Carol Ventgen stated the City Council interviewed applicants for appointment to the Library Board prior to the Council meeting held on June 21, 2011. There were two openings on the Board to fill Tracy Herring and Rondi Potter's terms ending June 30, 2011. Applications were received from Dennis Dater, Mark McKelvey, and Gina Sutherland. On June 21, 2011 the Council appointed Gina Sutherland to the Library Board by Council ballot to a four-year term ending June 30, 2015. Due to three separate ballot ties between applicants, Dennis Dater and Mark McKelvey, the Council postponed the second appointment until a full Council was present to vote. By Council ballot, Dennis Dater was appointed to the Library Board for a four-year term ending June 30, 2015.

### **Approval of a Loan From the Urban Renewal Agency to the City of Coos Bay to Finance the City Hall Seismic Project and Approval of an Intergovernmental Agreement Evidencing the Loan – Approval Would Require Holding a Public Hearing to Consider a Supplemental Budget and Adoption of Resolutions 11-19 and 11-20**

Acting Finance Director Susanne Baker stated over the last several months the City Council and Urban Renewal Agency (URA) have discussed the grant match for the City Hall Seismic Project. Both entities agreed the grant match of \$1,000,000 required for the project would be shared between the City and the URA. The consensus at the June 21, 2011 City Council meeting was for the City to fund \$600,000 of the project with a loan from the URA. The proposed terms were one percent interest, an even or graduated repayment schedule over ten years, and commencing in fiscal year 2012-2013. Ms. Baker stated an Intergovernmental Agreement between the City and the URA would be required to implement the loan in addition to a resolution authorizing the loan, and a public hearing for a supplemental budget resolution. Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Muenchrath moved to authorize the City Manager to execute the loan from the Urban Renewal Agency to the City for \$600,000, 1% interest, with even repayments. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, Muenchrath, and Vaughan voting aye. Councilor Johnson moved to adopt Resolution 11-19 and Resolution 11-20. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, Muenchrath, and Vaughan voting aye.

### **Presentation of the Coos Bay - North Bend Water Board's Annual Report and Update on the Water Treatment Plant Expansion Project by General Manager Rob Schab**

Rob Schab, General Manager of the Coos Bay-North Bend Water Board, provided the annual report on the operations of the Water Board, the services it provided to the community, and the current water treatment plant expansion. Mr. Schab stated after the Council had reviewed the documents if there were questions, he or his staff would answer those questions anytime. Councilor Melton asked about the Water Board's recent timber sale wherein Ron Hoffine, Water Board Engineer, stated the logging should be complete by the end of summer, the contractor

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was Swanson, and they anticipated over \$800,000 in revenue. Mr. Schab stated the \$8.4 million water treatment project has commenced, the contractor recently arrived on site, construction was anticipated to be complete by the end of 2012, and includes expanding the treatment process and capabilities.

### **Approval of the Coos Bay/North Bend Water Board Recharge Amendment No. 3**

Rob Schab, General Manager of the Coos Bay-North Bend Water Board requested the Council to consider an amendment to an existing easement between the Water Board, the Cities of Coos Bay and North Bend, and the Sand Hills Gun Club. The proposed changes to the easement agreement would clarify the conditions. Specifically, the Water Board could utilize their municipal groundwater right to recharge the Sand Hills Gun Club's lake and provided new provisions permitting the Water Board to reduce pumping into the Sand Hills Gun Club's lake upon notice by any State or Federal agency that pumping may be in violation of regulations or rules or if the Water Board declared a moderate to critical severity level water shortage. Councilor Muenchrath moved to approve the Water Recharge Amendment No. 3, and authorized Mayor Shoji to execute the amendment on behalf of the City of Coos Bay. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, Muenchrath, and Vaughan voting aye. Mike Helfrich, Water Board Board Member, stated the watershed was located both within and outside of the city limits of Coos Bay, commended the management staff on their proactive approach to upgrade the water system, and stated there should be an ample water supply through 2030. Mayor Shoji asked how our watershed was rated against others throughout the state and Mr. Schab stated our watershed was number 16.

### **Review of Administrative Directive No. 6 – Insurance and Approval of Suggested Change**

Acting Finance Director Susanne Baker City stated Administrative Directive No. 6 provided direction to staff on the required insurance policy limits for anyone performing work for the City or using city property for a special event. In February of 2011 the directive was updated to coincide with the State of Oregon's adjustment to their insurance requirements pursuant to Oregon Revised Statutes, to diligently manage risk and offset potential claims, and to alleviate the difficulties for some small projects and special event applications. Ms. Baker stated after the directive was updated an additional area of concern relating to insurance requirements was identified. As such, staff proposed meetings held on city property by non-profits, community groups, and governmental entities would be exempt from Administrative Directive No. 6 for the use of meeting rooms. Councilor Kramer moved to approve adding the following language to Administrative Directive No. 6, "Non-profits, community groups, and governmental entities that conduct meetings on city-owned property are exempt from the requirements of this administrative directive unless otherwise directed by the City Manager." Councilor Muenchrath seconded the motion which carried with Mayor Shoji and Councilors Groth, Johnson, Kramer, Melton, Muenchrath, and Vaughan voting aye.

### **Review of the Mingus Park CCTV Camera Grant**

Police Captain Cal Mitts stated in August 2009, the Police Department was awarded a \$35,418.00 grant to purchase and install a video surveillance system at Mingus Park with cameras being placed around the skateboard park and playground pavilion/restroom area at the

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south end of the pond. Mr. Mitts stated staff was in the process of obtaining specifications for an upcoming bid process. However, due to changes on the Council since the project began, staff was requested to bring the project back for further discussion. The installation of the camera system originated in an effort to deter crime, provide electronic evidence of crimes when they occur, and allow the Police Department personnel the ability to monitor high crime areas from remote locations. Councilor Melton asked the number of cameras to be installed and Mr. Mitts stated two, one to be installed at the skateboard park and the other closer to the southern portion of the pond. Councilor Vaughan asked the optic resolution of the cameras and if the resolution would be court quality. Mr. Mitts stated the resolution would be of such quality to read license plates and identify features. Councilor Vaughan stated if more funds were needed to provide a higher resolution camera to assist in convictions, he would be in support. Councilor Muenchrath asked if the cameras would be concealed and Mr. Mitts stated the specific camera had not been selected and could include the typical camera enclosed in a dome or not enclosed in a dome. Councilor Kramer had concerns regarding vandalism to the cameras and Mr. Craddock stated vandal proof housings for cameras were available.

Gino Landrum, Coos Bay: Questioned if all of the legal issues of rights of privacy have been addressed wherein City Attorney Nate McClintock stated there was nothing illegal in placing cameras in a public place.

Councilor Muenchrath stated he had asked the item to be placed on the agenda and understood how the cameras would assist the Police Department personnel however it was a little too much "big brother"; stated it was likely the crimes would likely just change locations; and he personally liked to live in a society where we are not being watched. Mayor Shoji asked if public comments should be obtained wherein Mr. Craddock stated the previous Council held a public hearing, the funding was available until next year, and there was sufficient time to solicit additional public comments. Councilor Kramer suggested placing a survey on the City's website. Consensus of the Council was to allow additional public input. Councilor Melton stated he agreed with Councilor Muenchrath in some areas and was concerned with protecting public facilities from vandalism.

### **Presentation on Alternative Contracting Methods**

Public Works and Development Director Jim Hossley reported the City traditionally used the Design-Bid-Build (DBB) contracting method for construction projects but noted the Construction Manager/General Contractor (CM/GC) as an alternative method which could provide cost savings methods in the design and construction process. Mr. Hossley provided a PowerPoint presentation on the CM/GC method. The CM/GC process included a guaranteed maximum price, the engineer and contractor would work together to eliminate change orders with the contractor taking on the risk; a CM/GC qualified, experienced contractor would be imperative; there would likely be more upfront costs during the design phase; higher quality would be achieved; selection of contractor would be based on qualifications and experience rather than price; and the process worked well with an aggressive schedule and a project with high degree of complexity. Mr. Hossley stated the CM/GC method offered opportunities for success that were not available through the traditional DBB contracting method. Mayor Shoji asked if this process would include local contractors wherein Mr. Hossley stated he was not sure who locally was CM/GC qualified however the general contractor would be hiring subcontractors. Councilor Vaughan asked Mr. Hossley to explain value engineering wherein Mr. Hossley stated the

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designer collaborates with others to improve the project and potentially lessen the cost. Councilor Groth stated this process was looked into for the museum and though they did not utilize the method due to cash flow issues, the board was very interested in the cost savings features; stated the airport used the method; and wondered with a maximum price if the project would be bid high. Mr. Hossley stated there was risk, however negotiation of price was part of the process and using an experienced contractor should alleviate concern. Mr. Hossley stated Resolution 08-02, Section 10, Request for Proposal requires findings to be made and presented to deviate from the traditional contracting method and to authorize use of the CM/GC process. Due to the complexity, limited funds, public impact and strict timeline to complete the City Hall Seismic project, city staff and ZCS Engineering propose to use the CM/GC method for the project. Subsequently, staff scheduled a public hearing for the August 2<sup>nd</sup> Council meeting to receive input on the proposed process. Consensus was to hold the public hearing, develop the findings, and move forward with the process.

### City Attorney's Report

No comments were given.

### City Manager's Report

City Manager Rodger Craddock stated 30 applications were received for the Finance Director position, the majority met the qualifications, five candidates would be interviewed next week; and the interview board would consist of Councilor Groth, Rob Schab, Terrence O'Conner, and a CPA from Hough McAdam and Wartnik.

### Council Comments

Councilor Johnson reminded citizens the current exhibit at the Coos Art Museum was the Thunder exhibition and would be shown through July 23, 2011. Councilor Kramer stated a friend from Bandon who was constructing a house had her contractor tell her that he wished she was building in Coos Bay because they were great to work with. Mayor Shoji stated several of the Welcome to the Bay Area signs originally placed by the Coos Bay North Bend Visitor Convention Bureau were looking bad and she would like to see the signs cleaned or updated.

### Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for August 2, 2011 in the Council Chambers at City Hall.

  
Crystal Shoji, Mayor

Attest:

  
Susanne Baker, Acting City Recorder