

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

June 19, 2012

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 Library Meeting Room, 525 Anderson Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Crystal Shoji and Councilors Jennifer Groth, Jon Hanson, Stephanie Kramer, Gene Melton, and Mike Vaughan. Councilor John Muenchrath was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Deputy Finance Director Amy Kinnaman, Intermediate Accountant Debbie Frankenberger, Economic Revitalization Administrator Joyce Jansen, Public Works and Development Director Jim Hossley, Planning Administrator Laura Barron, Library Director Sami Pierson, Battalion Chief Mark Anderson, and Police Chief Gary McCullough.

City Council Interviews

At 6:10 p.m. prior to the start of the regularly scheduled Council meeting, the Council interviewed applicants for the Building and Fire Code Board of Appeals and Tree Board at the Visitor Information Center Conference Room at 50 Central Avenue, Coos Bay, Oregon. No decisions were made.

Flag Salute

Mayor Shoji opened the meeting and asked Jon Hanson to lead the Council and assembly in the salute to the flag.

Public Comments

No comments were given.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of June 5, 2012; 3b: acceptance of May 2012 accounts payable and payroll check registers; 3c: acceptance of the May 2012 combined cash report; 3d: approval of the Police Department's technology purchases; 3e: approval of appointment of Coos Bay representative to the County Library Board; 3f :approval of a change of ownership for existing OLCC licenses for Empire Café and O'Bradi; and 3g: approval of OLCC annual renewals for Bayshore Chevron, Blue Heron Bistro, Captain's Cabin, Coach House, Eagles Lodge #538, EZ THAI Restaurant, Lighthouse Grocery and Deli, Little Italy Italian Restaurant, Red Lion Inn, Rodeo Steakhouse and Grill, Safeway Store #1556, Smith's Bayway Market, and Walt's PourHouse. Councilor Melton moved to approve the consent calendar approving the minutes of June 5, 2012, accepting the May 2012 accounts payable and payroll check registers, accepting the May 2012 combined cash report, approving the Police Department's technology purchases, approving the appointment of Coos Bay representative to the County Library Board, approving a change of ownership for existing OLCC licenses for Empire Café and O'Bradi, and approving OLCC

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annual renewals for Bayshore Chevron, Blue Heron Bistro, Captain's Cabin, Coach House, Eagles Lodge #538, EZ THAI Restaurant, Lighthouse Grocery and Deli, Little Italy Italian Restaurant, Red Lion Inn, Rodeo Steakhouse and Grill, Safeway Store #1556, Smith's Bayway Market, and Walt's PourHouse. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Public Hearing to Consider a Proposed Supplemental Budget for a Library Contingency Transfer – Approval Would Require Adoption of Resolution 12-20

Deputy Finance Director Amy Kinnaman stated to remain compliant with Oregon budget law, the proposed contingency transfer and additional budget appropriation authority was required to be performed through the public hearing and supplemental budget process pursuant to ORS 294.471 and ORS 294.473.

The Library transfer was proposed in an effort to not exceed budget authority and would only be used if needed. Due to the additional expenditures in FYE 2012 the budget was likely to be 100% expended and the contingency transfer provided a margin and kept the City compliant with Oregon budget law. Efforts were made and would continue through June 30, 2012 that would adjust the budget to preserve the contingency balance and not require the use of additional appropriation.

Budget appropriation was needed to comply with Oregon budget law for the cost of the Library fire-related expenses. Repairs were funded by the City's insurance provider, CIS, and the City was subject to a \$1,000 deductible. Because the Library was a City asset, Oregon budget law required Council to provide appropriation authority for the expenditures related to the restoration even though the funds were paid directly to the contractor by the insurance provider on behalf of the City. The total amount of the claim had not been finalized and the amount proposed was a conservative approach to ensure compliance with Oregon budget law. To comply with state statutes the City Council would need to declare the fire at the Coos Bay Library an emergency to ratify the efforts made to expeditiously restore public operations.

Budget appropriation within the General Fund was needed for the Water Board joint venture capital project. The Water Board anticipated the requirement for additional budget authority to record the balance of the OFIA disbursement requests for FYE 12. This expenditure was a pass-through required for the purpose of recording the loan and increasing the asset within the financial statement for audit purposes. The resolution provided compliance with Oregon budget law. A detail of the balances of the funds before and after the proposed adjustments was provided.

Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Kramer moved to declare the repair to the Library due to a fire an emergency and to adopt Resolution 12-20. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

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Public Hearing to Consider a Proposed Solid Waste Rate Adjustment – Approval Would Require Adoption of Resolution 12-21

City Manager Rodger Craddock stated staff received a request for a 2.2% Consumer Price Index (CPI) rate increase from Coos Bay Sanitary and Les' Sanitary Services. The increase would result in a \$0.41 cent rate adjustment for a basic 35 gallon cart and would be effective August 1, 2012. Mayor Shoji opened the public hearing. Crystal Morris, Coos Bay inquired how much more she would be required to pay, whereby City Manager Craddock replied the rate for a 35 gallon cart would increase from \$18.65 to \$19.06. There were no additional comments and public hearing was closed. Councilor Groth moved to adopt Resolution 12-21 approving an Adjustment in Collection Rates for Solid Waste Collection Holders. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Appointments to the Building and Fire Code Board of Appeals, Parks Commission, and Tree Board

City Manager Rodger Craddock stated the Tree Board consisted of seven members appointed by the City Council and three positions were due to expire on June 30, 2012. The Parks Commission recommended Ariann Lyons as their representative, the Downtown Association recommended Beth Clarkson as their representative, and Cora Vandervelden requested consideration for re-appointment as the citizen at-large position on the Tree Board. No other applications were received. Councilor Kramer moved to approve the Parks Commission's recommendation to appoint Ariann Lyons as their representative on the Tree Board, term ending December 31, 2014; approve the Downtown Association's recommendation to appoint Beth Clarkson as their representative on the Tree Board, term ending June 30, 2016; and to approve the re-appointment of Cora Vandervelden to the Tree Board as the citizen at-large representative, term ending June 30, 2016. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Mr. Craddock stated the Parks Commission consisted of eight members appointed by the City Council and two positions were vacant – a landscape professional or business and a Planning Commission representative. The Planning Commission recommended Christine Coles as their representative and no applications were received for the landscape professional or business vacancy. Councilor Melton moved to approve the Planning Commission's recommendation to appoint Christine Coles as their representative on the Parks Commission, term ending December 31, 2015. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, and Melton voting aye and Councilor Vaughan voting nay. Councilor Muenchrath was absent.

Mr. Craddock stated the Building & Fire Code Board of Appeals consisted of five members and three positions were due to expire on June 30, 2012. The City received requests for consideration for re-appointment from Robert Vandervelden and Bruce Harlan; no other applications were received. Councilor Melton moved to approve the re-appointment of Robert Vandervelden and Bruce Harlan to the Building & Fire Code Board of Appeals, terms ending June 30, 2015. Councilor Groth seconded the motion which carried with Mayor Shoji and

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Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Consideration on Allowing Vender Carts in the Downtown Area

Planning Administrator Laura Barron stated after the initial consideration for vendor carts at the March 20, 2012 Council meeting; input was gathered from the Planning Commission on May 8, 2012 and the Bay Area Chamber of Commerce, and Coos Bay Downtown Association on May 21, 2012. The groups considered the concept of vendors and possible sites not just at the Boardwalk but also the Pedway, former fire station site, Mingus Park, the Wednesday Farmer's Market, and the sidewalks downtown. A summary was provided of ideas and issues discussed at the meetings and also provided was a memo regarding food carts dated October 11, 2011 from the Oregon Restaurant & Lodging Association.

Ms. Barron listed the following general requirements for vending in the downtown for consideration: County Environmental Health Department License, Vending Cart Permit, and a Business License would be required before a cart could be set up on City property with the exception of vending on private property would not require a Vending Cart permit; liability insurance naming the City of Coos Bay as an additional insured; City pre-approved items for vending and a decision to prohibit a use could be appealed to the City Council; vending operator responsibilities including providing a trash container, picking up litter in the vicinity of the cart, and not allowing a cart to remain on City property between midnight and 6:00 A.M.; cart locations to facilitate pedestrian circulation and disabled access; Oregon Department of Health Services requirements for the vending unit and requirements for availability of restrooms; and Vending Cart Permits could be revoked or suspended for violations of insurance requirements and/or provisions and regulations for vending.

Councilor Groth inquired whether the Farmer's Market vendors had the same insurance requirements as the proposed vendor cart insurance requirements, whereby City Manager Craddock replied the Farmer's Market vendors do not individually have the same insurance requirements; sponsors of special events provided the required insurance. Mayor Shoji asked for public comments. David Willhite, Coos Bay stated he was the owner of Chocolates of Oregon and had a petition with 68 signatures advocating the City to permit Street Vendors. Mr. Willhite was not prepared to turn in the petition, but would once he had more signatures. Steve Murdock, Coos Bay suggested a discount for local vendors. Brian Bowers, Coos Bay stated the Downtown Association would provide an opinion on vendor carts in two weeks once their due diligence was completed. Carmen Matthews, Coos Bay expressed his support for street cart vending. Angie Appel, Coos Bay co-owner of Time Bomb also expressed her support for street cart vending. It was the consensus of the Council to direct staff to contact other cities and come back with refined examples of vendor policies next spring.

Councilor Vaughan moved to begin thinking about vendors on public property if the City had a request. Councilor Melton seconded the motion which failed with Councilor Vaughan voting aye and Mayor Shoji and Councilors Groth, Hanson, Kramer, and Melton voting nay. Councilor Muenchrath was absent.

Approval of a Change Order to Repair the City Hall Roof Soffit

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City Manager Rodger Craddock stated the City Hall Seismic project was approximately seventy five percent completed and was on schedule. During the initial tear-off of the roof a large portion of the exterior crown of the roof and several soffit areas were found to contain rot and the extent of the repair was outside of the scope of the original contract. Chambers Construction estimated the repair would be \$75,000 and in an effort to defray additional costs and not halt construction, City Manager Craddock authorized the project to move forward. Mr. Craddock recommended paying for the additional repairs from the Major Capital Fund. Councilor Kramer moved to approve the change order for Chambers Construction to repair the roof for up to \$75,000. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Consideration of Additional Engineering Investigation on the Coos Bay Public Library

Public Works and Development Director Jim Hossley stated SHN Consulting Engineers and Geologist completed a geotechnical evaluation of the Coos Bay Public Library to determine the cause of the distress to the interior walls and the floor slab within the northern part of the library building. The evaluation indicated the building's exterior walls were supported by 2-pile foundations with the exception of the east 32 feet of the north wall which was built on three single pile foundations. The original 1965 design called for construction of an entry canopy at the location of the single pile foundations which would account for the single piles. When the canopy was enclosed there was no evidence additional piles were driven to support the exterior wall and concrete was most likely poured to raise the floor of the enclosed area which caused additional weight on the underlying soft soils and resulted in settlement.

The most likely remediation measure would be to provide additional support for the east portion of the north exterior wall of the library. Before remediation was undertaken SHN recommended a structural engineer be consulted to verify the findings of the report and analyze the column loads that would be provided for any additional piling. SHN also recommended the sidewalk on the north side of the library surrounding the easterly three columns be removed to expose the piles and pile cap to confirm the single pile locations per the original 1965 plans.

Mr. Hossley advised the distressed floor slab in the northeast portion of the library would require further investigation as well and could be disruptive to library operations. SHN recommended a core sample of the concrete in the area of the former canopy to determine concrete thickness of the floor slab and evaluate the soil or fill beneath the slab. Mr. Hossley stated the cost of the investigation would be approximately \$75,000 and recommended the funds come from the Major Capital Fund.

Councilor Vaughan moved to approve SHN's recommendations for further investigation by a structural engineer and preparation of design plans to remedy the settlement problem along the north wall of the library building. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Approval of Easements for 245 South 2nd Street

Public Works and Development Director Jim Hossley stated Mr. David Ford purchased the

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building at 245 South 2nd Street in downtown Coos Bay most recently occupied by Bay Area Enterprises. The building was bordered by 2nd Street on the east, 3rd Street on the west, the Coos Art Museum parking lot to the north and the City owned parking lot to the south. Mr. Ford intended to renovate the property so multiple tenants could occupy it. The existing building occupied the entire area of the underlying property and in this particular zone; zero lot line setback was permitted.

Mr. Hossley stated Mr. Ford wanted to install new windows and doors on the south and north sides of the building which abutted City owned property. There was no physical barrier to the installation of doors and windows but should the City or future land owners want to make full use of the adjacent property to construct a building right up to the property line, the physical use of the doors would be impeded and building code regulations for fire safety prohibited the installation of windows and doors without appropriate measures. Mr. Ford requested physical separation of 30 feet. Mr. Hossley stated staff recommended an easement for obtaining the requested 30 feet on the north and south sides of the building and staff would negotiate the terms of the easements including exact widths and conditions of granting the easement. Stipulations staff would consider included the option for the City to revoke the easement in the future should the building at 245 South 2nd fall into a substandard or dangerous condition; accommodation of pedestrian and vehicular access on the north side of the building – Mr. Ford would construct a sidewalk on this side of the building; seal coat the entire Art Museum parking lot surface; and restripe the Museum parking lot stalls.

David Ford, Coos Bay stated he wanted to make seismic improvements to the building located at 245 South 2nd Street and was working with Crow Clay & Associates to design an attractive building but needed the easement before he could proceed with the architectural design. Hilary Baker, Coos Bay, Design Associate at Crow Clay, documented existing building conditions and proposed façade improvements to building located at 245 South 2nd Street and stated Mr. Ford was very aware of City ordinances and building codes and had faced challenges with financing and the flood plain. Ms. Baker stated the restored building would be attractive and requested the easement be granted.

Councilor Groth moved to approve granting easements on City property adjacent to the north and south sides of the building at 245 South 2nd Street for the purposes and conditions recommended within the report and to direct staff to proceed with preparation of the easement documents. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

Consideration for Approval of an Oregon Infrastructure Finance Authority (IFA) Wastewater Loan and Grant – Approval would Require Adoption of Resolution 12-18

Public Works and Development Director Jim Hossley stated City staff submitted an Infrastructure Finance Authority (IFA) Loan application for 16 projects totaling \$4,803,213. The projects were associated with the City's sanitary sewer and storm drain collection systems and were from our Take Down schedule prepared a year ago and presented to the Department of Environmental Quality (DEQ). The City had Mutual Agreement Orders for both Treatment Plants with DEQ and was mandated by DEQ to complete the 16 projects associated with the IFA loan. In May of 2012 the City was notified the IFA approved the loan application and

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awarded a \$500,000 grant; the interest rate on the loan was 1.94% with a repayment schedule of 20 years. Councilor Melton moved to adopt Resolution 12-18 to accept a \$4,303,213 loan at 1.94% interest and a \$500,000 grant from the Oregon Infrastructure Finance Authority. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Groth, Hanson, Kramer, Melton, and Vaughan voting aye. Councilor Muenchrath was absent.

City Attorney's Report

No report was given.

City Manager's Report

City Manager Rodger Craddock stated the Eastside boat ramp project was started and would be completed next month; Dolphin Theatre should be completed by the end of the month; painting of the Coos Art Museum was put out to bid, one bid was received and when due diligence was completed the project would begin; paving started on Wall Street between Front Street and Broadway; website design project had begun and would be brought to the Council in the future; there were numerous Fourth of July events planned; and the four year project to clear clouded DSL titles was nearly completed with the exception of the Chevron property.

City Manager Craddock asked Economic Revitalization Administrator Joyce Jansen to report on projects she was involved with. Ms. Jansen reported the Downtown Association was awarded funding from the Resource Assistance for Rural Environments (RARE) program to fund a full-time Main Street manager. Brian Bowers, Coos Bay thanked the Council on behalf of the Downtown Association for their support. Ms. Jansen stated the Grand Opening of First Call Resolution, a call center located at 161 Anderson Avenue, would be Wednesday, June 20, 2012 from 4:00 to 6:00 p.m. and a mural painted by students on the east side of the building would be unveiled. The Northwest Area Rally of the Family Motor Coach Association would be arriving at The Mill Casino June 21-24, 2012 and an expected 1,000 visitors would be in the area. Ms. Jansen reported the Egyptian Theatre market study was completed by Historic Theatre Consultants; Herb Stratford reported a lot of community support in his presentation at the Egyptian Theatre Presentation Association (EPTA) meeting. Ms. Jansen stated she would bring an engineering contract proposal for the first phase of the restoration to the July 3, 2012 Council meeting and noted various other projects and improvements underway or planned for the Egyptian Theatre.

Council Comments

Councilor Melton requested an after-action critique of Memorial Day parade with Police Chief Gary McCullough and City Manager Craddock and stated he was appointed for another two year term as State Commander of the American Vets (AMVETS) at the recent State convention. Councilor Vaughan investigated concepts and visions for the Pedway and fundraising for the Egyptian Theatre and designed an obelisk for fundraising. Councilor Groth thanked City Manager Craddock and Economic and Revitalization Administrator Jansen for an excellent report; and requested a review of Council goals. Councilor Kramer thanked the fire department for their quick response to the fire at Sweeney's Auto Body Shop and reminded everyone to support the Empire Clamboree on June 30, 2012.

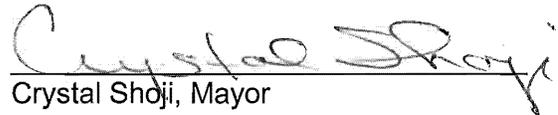
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Councilor Hanson expressed his gratitude for Economic and Revitalization Administrator Jansen and her efforts.

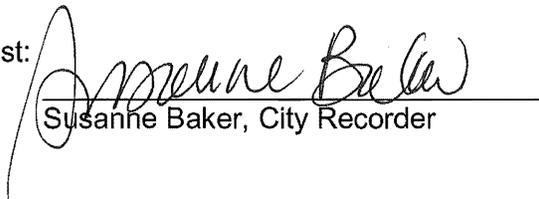
Mayor Shoji welcomed the State convention of the Veterans of Foreign Wars (VFW); requested the Council set up a committee to implement a flag policy; reported she and City Manager Craddock met with the Department of Environmental Quality (DEQ) Deputy and Regional Directors; and stated the Walk with the Mayor on the Fourth of July would meet at the bridge, in Mingus Park between 9:00 and 9:45 a.m.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for July 3, 2012 in the meeting room at the Coos Bay Public Library.


Crystal Shoji, Mayor

Attest:


Susanne Baker, City Recorder