

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

November 20, 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 Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were outgoing Councilor Jon Hanson; Mayor Elect Crystal Shoji and Councilors Elect Mark Daily and Gene Melton; Councilors Jennifer Groth, Stephanie Kramer, and John Muenchrath. Councilor Elect Mike Vaughan was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Recorder Debbie Frankenberger, Economic Revitalization Administrator Joyce Jansen, Engineering Service Coordinator Jennifer Wirsing, Public Works and Development Director Jim Hossley, Library Director Sami Pierson, Fire Chief Stan Gibson and Police Chief Gary McCullough.

Flag Salute

Mayor Shoji opened the meeting and asked Stephanie Kramer to lead the Council and assembly in the salute to the flag.

Administration of the Oath of Office to Mayor Shoji and Councilors Mark Daily and Gene Melton

The oath of office was administered to Mayor Crystal Shoji and Councilors Mark Daily and Gene Melton by City Recorder/Finance Director Susanne Baker. Councilor Elect Mike Vaughan was absent.

Presentation of Appreciation Award to Councilor Jon Hanson

Mayor Shoji presented an appreciation plaque to Councilor Jon Hanson for his service to the citizens of Coos Bay.

Election of Council President

By action of Council ballot Stephanie Kramer was appointed Council President for a term ending with the next general biennium election.

Public Comments

No comments were given.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 6a: approval of the minutes of November 6, 2012; and 6b: acceptance of October 2012 accounts payable and payroll check registers; 6c: acceptance of the October 2012 combined cash report; and 6d: adoption of Resolution 12-26 approving a supplemental budget making appropriations in the Library Fund.

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Councilor Melton moved to approve the consent calendar approving the minutes of November 6, 2012, accepting the October 2012 accounts payable and payroll check registers, accepting the October 2012 combined cash report, and adopting Resolution 12-26 approving a supplemental budget making appropriations in the Library Fund. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, and Muenchrath voting aye. Councilor Elect Vaughan was absent.

Consideration of Approval on the Watershed Management Plan

Public Works and Development Director Jim Hossley stated the City, in cooperation with the Coos Bay – North Bend Water Board (CBNBWB), contracted with Stuntzner Engineering & Forestry, LLC to prepare a joint Watershed Management Plan (WMP) for respective timber land located in the Pony Creek and Joe Ney watersheds. The plan focused on water quality, sustainable timber production, and joint watershed administration between the City and the CBNBWB and would serve as a living document to help both entities jointly manage their forest lands. Mr. Hossley advised the WMP included a five-year work plan to assist with planning and implementation of ancillary timber management activities including: timber inventory, road maintenance, reforestation, salvage logging, fire protection, land surveys, disease control, invasive species control, herbicide use, animal damage, seed collection, thinning, and pruning. Greg Stone, Stuntzner Engineering, presented the WMP to the City Council and answered questions. Councilor Muenchrath moved to adopt and implement the City of Coos Bay and CBNBWB Watershed Management Plan. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, and Muenchrath voting aye. Councilor Elect Vaughan was absent.

Public Hearing to Consider Approval of a Supplemental Budget Appropriating State Gas Tax and Wastewater Funds Carryover and Appropriating Major Capital Funds – Approval Would Require Adoption of Resolution 12-24

Finance Director Susanne Baker stated Resolution 12-24 was for the following proposed supplemental budgets: the FYE 2013 budgeted carryover for State Gas Tax Fund was \$59,000, wherein the actual carryover was \$228,604 (an additional of \$169,604). Staff proposed appropriating \$30,000 of the additional carryover to Materials and Service to ensure positive cash flow for the purchase of Federal Trade Commission (FTC) required upgrades to Public Works radio infrastructure with the remainder of \$139,604 budgeted as Contingency.

Ms. Baker stated the Insurance Reserve Fund was established in 1999 for the purpose of wastewater environmental self-insurance to hedge against potential liability due to a wastewater spill. In FYE 2012, the Insurance Reserve Fund was closed to comply with governmental accounting standards and the funds were subsequently transferred to the Wastewater Fund. A supplemental budget was proposed to re-establish the self-insurance wastewater environmental insurance reserve within the 03-350 Wastewater Fund Administration line item, totaling \$298,808; with the remaining balance of the wastewater carryover totaling \$506,184 allocated to the contingency line item.

Ms. Baker stated \$25,586.24 of revenue from the FYE12 timber sales needed to be remitted to the Coos Bay – North Bend Water Board and was not included in the FYE 2013 budget as an expenditure. Additionally, during the course of the time sale the contractor, Swanson, remitted

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timber receipts as logs were delivered to the mill and did not draw down from their initial down payment; resulting in an overpayment to the City in the amount of \$52,154.48 which needed to be refunded to Swanson. The proposed supplemental budget would properly appropriate the expenditures within the current budget year.

Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Kramer moved to adopt Resolution 12-24 appropriating State Gas Tax and Wastewater Funds Carryover and appropriating Major Capital Funds. Councilor Melton seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, and Muenchrath voting aye. Councilor Elect Vaughan was absent.

Approval of a Health Reimbursement Arrangement / Voluntary Employees Beneficiary Association (HRA VEBA) Plan – Approval Would Require Adoption of Resolution 12-25

Finance Director Susanne Baker stated in effort to effectively manage the City's compensation benefit program, the City was considering participation in a voluntary employees' beneficiary association health reimbursement account (HRA VEBA) trust for employees ineligible for pre-tax Health Savings Account (HSA) contributions. In order for the City to participate in the HRA VEBA trust, each employee group would be required to vote to participate; a Council resolution would need to be adopted to allow participation by the City; and additional plan documents would need to be signed by the City Manager. Ms. Baker stated if the City chose to participate in the program, there would be a potential for further mutual savings for the employer and employee upon retirement. Councilor Muenchrath moved to adopt Resolution 12-25 approving an HRA VEBA Plan. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, and Muenchrath voting aye. Councilor Elect Vaughan was absent.

Consideration to Surplus City Property at the Corner of Illinois Avenue and SW Boulevard

Public Works and Development Director Jim Hossley stated Mark Johnson of 1363 Illinois Avenue in Coos Bay, requested to purchase a City-owned tax lot located adjacent to his property; legally described as: That portion of Lot 4 N.W. of the County Road, Block 27, First Addition to City of Marshfield. Mr. Hossley noted the property was transferred from Coos County ownership to the City of Coos Bay in 1968. Sale of the parcel would put the property back on the tax rolls and would provide a slight increase to the General Fund through tax revenue. Councilor Muenchrath moved to direct staff to surplus the property located at the corner of Illinois Avenue and SW Boulevard. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, and Muenchrath voting aye. Councilor Elect Vaughan was absent.

Discussion on January 2013 City Council Meeting Due to the New Year's Holiday

City Manager Rodger Craddock stated the first Tuesday in January 2013 was New Year's Day, a recognized City holiday. Mr. Craddock requested direction from the Council as to whether to hold the scheduled Council meeting on January 1st, meet on another date, or cancel the meeting. Councilor Melton moved to reschedule the January 1, 2013 City Council meeting to January 2, 2013. Mayor Shoji seconded the motion which carried with Mayor Shoji and

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

City Attorney's Report

City Attorney Nate McClintock stated the December 1st work session would include a review of Council responsibilities and their role. Mr. McClintock reminded the Council members to disclose ex parte contacts and not to discuss items where they could be in the position as a Councilor to act on a land use action.

City Manager's Report

City Manager Rodger Craddock stated the Council training would be held on December 1, 2012 in the Council Chambers; stated vacancies remained on the Budget Committee, Building Fire Codes Board of Appeals, and the Coos Bay – North Bend Water Board; stated Police Officer Mark Wheeling and Sergeant Mike Shaffer were recently recognized by the Oregon Police Officers Association for saving a life; and reported on the success of the foundations/programs created by the families of the three lost firefighters.

Council Comments

Councilor Daily suggested some of the trees should be cut down in front of the Coos Art Museum. Councilor Muenchrath stated the budget committee would be a good opportunity to learn of the City's finances. Councilor Kramer congratulated Gene Melton and welcomed back Board member Mark Daily. Mayor Shoji encouraged the public to volunteer on City committees.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for December 4, 2012 in the Council Chambers at City Hall.

Attest:



Susanne Baker, City Recorder



Crystal Shoji, Mayor