

## **MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL**

**June 13, 2017**

The minutes of the proceedings of a City Council and Urban Renewal Agency work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the meeting room at Fire Station 1, 450 Elrod Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. Mayor Joe Benetti and Councilor Stephanie Kramer were absent. City staff present were City Manager Rodger Craddock, Intermediate Accountant Nicki Rutherford, Public Works and Community Development Director Jim Hossley, Wastewater Project Engineering Jennifer Wirsing, Library Director Sami Pierson, and Police Chief Gary McCullough.

Council Chair Jennifer Groth opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming June 20, 2017 agenda, no decisions would be made.

### **AirBnB Transient Occupancy Tax Agreement**

City Attorney Nate McClintock stated online remittance of transient occupancy tax for vacation rentals of less than 30 calendar days was new over the last couple of years. Staff had been working with online vendors to receive transient occupancy tax over this time. AirBnB would not provide information to determine who their hosts were in which to make contact with the property for transient occupancy tax collection. AirBnB agreed to act as an intermediary and obtain the transient occupancy tax directly and remit it for their hosts.

The advantage of AirBnB collecting the transient occupancy tax would be the City would work with one vendor instead of many different individual property owners. The City's transient occupancy tax ordinance did not specifically address anonymity of hosts and agreements with online property management companies. The proposed agreement would allow for the nuances of AirBnB to be vetted as a viable solution before changing the ordinance.

Major components of the agreement with AirBnB included continued anonymity of their hosts, provided for a limited audit of individual records to a consecutive twelve-month period within the forty-eight month period, and released Airbnb for any transient occupancy tax remittance for taxable booking transactions prior to the effective date of the agreement.

### **Approval of Wastewater's Five-Year Plan for Capital Improvement Projects**

Wastewater Project Engineering Jennifer Wirsing stated staff prepared a five-year plan for wastewater and storm water capital improvement projects (CIPs). The 33 projects were storm and sanitary sewer replacements, pump station upgrades, and treatment plant upgrades. The projects were identified in the City's Master Plans and Smoke Testing Reports and through video investigations by the collection crew. Funding would be through the Infrastructure Finance Authority Loans (IFA), Department of Environmental Quality (DEQ) State Revolving Fund (SRF) program, and sewer user fees from the Wastewater Improvement Fund.

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### **Award of 10-Year Contract for Operation, Maintenance, and Management Services of the City's Sewer System**

Public Works and Community Development Director Jim Hossley stated in 2015 the City advertised a request for qualifications for operations, maintenance, and management of the wastewater system (two wastewater treatment plants, 26 pump stations, 93 miles of sanitary sewer, and 50 miles of storm sewer). Two proposals were received (CH2M and Veolia) and on March 1, 2016, City Council directed staff to negotiate a ten-year contract with CH2M. The original contract was set to expire June 30, 2016. Prior to the contract expiring, the Council explored privatization of the wastewater system and the negotiations were put on hold. In 2017 the Council decided to not pursue privatization and negotiations resumed. The negotiations resulted in a more robust contract and offered the City more value.

### **Ordinance to Remove the Reservation of Utility Easement Rights on Property in the Vicinity of 581 North Broadway**

Public Works and Community Development Director Jim Hossley stated the proposed elimination of a utility reservation was initiated by staff to correct deficiencies that occurred under Ordinance No. 484. The ordinance failed to include a portion of a Coos County plat map that retained a reservation which encumbered the property and prevented 581 N. Broadway from redevelopment. The utility reservation was initially placed on the property under both Ordinances No. 2180 and No. 2762. The utility reservation placed under Ordinance No. 2762 was eliminated by Ordinance No. 484 and should have included an adjoining reservation area that remained and provided for the location of a transformer that might be needed for undergrounding of utilities. The transformer had never been placed and the reservation would not be utilized for this purpose. None of the utility providers objected to the reservation being permanently dissolved.

### **Amendment to the Contract for the Management of the Visitor Information Center**

City Manager Rodger Craddock stated the current contract between the City and Bay Area Chamber of Commerce (Chamber) for management of the City's Visitor Information Center (VIC) had not been adjusted, other than a reduction in costs for non-labor related expenses, since 2009. The cost for the Chamber to provide the services had risen over the past years; and as such, the Chamber had requested an amendment to cover the costs to provide the services. The proposed amendment also included language for annual rate adjustments linked to changes in the Consumer Price Index (CPI). In addition, the proposed amendment included an addition to the scope of work which required the VIC would be open for extended hours during special events such as July 4<sup>th</sup> Fireworks Celebration, Blackberry Arts Festival, Fun Festival, Tall Ship events, annual Christmas Tree Lighting event, etc.


### **Other Business**

No other business was presented.

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**Adjourn**

There being no further items for discussion, Chair Groth adjourned the work session. The next regular Council meeting was scheduled for June 20, 2017 in the Council Chambers at City Hall.



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Jennifer Groth, Chair

Attest:  \_\_\_\_\_

Susanne Baker, City Recorder