

## MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

August 29, 2001

The minutes of the proceedings of a special meeting of the City Council of the City of Coos Bay Coos County, Oregon, held at 5:30 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

### **Those Attending**

Those present were Mayor Joe Benetti and Councilors Jeff McKeown, Cindi Miller, Don Spangler, Kevin Stufflebean, and Judy Weeks. Councilor Anna Marie Larson was absent. City staff present were City Manager Bill Grile, Deputy Recorder Joyce Jansen, City Attorney Randall Tosh, Community Services Director Shanda Shribbs, Finance Director Janell Howard, and Fire Chief Stan Gibson.

### **Discussion of the Newmark Improvement Project and Award of Contract**

Mr. Grile reported Community Services Director Shanda Shribbs has developed several options for the Council review which includes expanding the project to the Y and using other funding sources such as urban renewal funds. Ms. Shribbs reported the project figures are estimates using special public works fund is at 5.25 percent and the ODOT bond bank is at 4.5 percent. Ms. Shribbs explained there are pros and cons to each and both are conservative estimates. The finance director has determined there is \$85,000 in undedicated funds in the Empire urban renewal budget. Mayor Benetti noted that would be an \$85,000 per year commitment. Ms. Shribbs noted 82 percent of Phase II is within the urban renewal district.

Ms. Shribbs reviewed the exhibit of the potential funding scenarios, as attached hereto and made a part of the record. Councilor Weeks suggested contacting businesses along the Phase II section about contributing to the project. Mr. Grile commented the project is not like a local improvement district; with Wal-Mart and the College the City can negotiate because of the impact. Councilor McKeown noted the businesses are within the urban renewal district and in essence are paying taxes. Ms. Shribbs commented with a 20 year loan, the payments would be spread out. Councilor McKeown expressed concern about unexpected maintenance, such as with Coos River Highway. Ms. Shribbs reported she had spoken to ODOT regarding this section of highway and was told the slide has been there forever, is slow moving and when dealt with it has been on a small scale. It is recommended the asphalt berm be maintained to keep water from going over the slide area and to fill potholes quickly. Mr. Grile commented if there is a catastrophic situation, there is always the ability to turn to the principle of the exchange fund. Councilor Stufflebean noted ODOT will not be turning this section over to the City until 2005.

Councilor Spangler commented the estimate for Phase I is \$1 million to do less than 100 feet of street, and he is hard pressed to believe it would cost that much. Ms. Shribbs commented the \$1 million is a float figure and she sees the project coming in around \$900,000; and noted the traffic signal is estimated at \$150,000, the sidewalk from Wal-Mart to Fir at \$17,500; plus engineering fees for design, bidding and construction at \$159,692; and the sidewalk on the north side of Newmark from Fir to LaClair at \$56,250. Also, leaving some for contingency. Ms. Shribbs commented Phase II has more issues, more lanes, easements, and retaining walls that bring up the cost of the project and if the City financed \$5.25 million they could do three lanes and sidewalks with the help of urban renewal funds. Councilor Spangler asked how much of the exchange funds

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would be locked up with a loan. Ms. Shribbs reported the loan payment would be \$165,300 per year. Mr. Grile noted the City could not do the street maintenance and pay the loan both. Councilor Spangler asked what the developer needs to have done in order to move forward. Ms. Shribbs reported the Planning Commission's decision is the developer cannot begin until the Newmark improvements have been made. Mayor Benetti commented staff has met with Andy Nasbburg and the developer about helping pay for the improvements. The developer is willing to do so, once the City has a plan and implementation date. Ms. Shribbs reported another option is to borrow money to fund the Ocean Blvd. overlay project and do five lanes with sidewalks for Phase II. Mr. Grile cautioned this information is theoretical and the City could be surprised when we go out to bid. Mayor Benetti inquired if the \$85,000 commitment from urban renewal is for 20 years. Councilor Spangler asked if the commitment would stop all other projects and Ms. Shribbs reported there are funds in urban renewal not committed to projects. City Attorney Rosh commented the Empire Urban Renewal Plan does have an ending date and a substantial plan amendment would be required to extend the date. Mayor Benetti asked if the Council was ready to proceed with a plan amendment and commit to \$85,000 annually from urban renewal. Councilor Spangler commented staff has not looked at grant opportunities for the project. Ms. Shribbs reported staff has explored grant funding and there are not substantial opportunities unless the City could show the project would retain or create manufacturing jobs, and retail jobs do not qualify. The Coquille Tribe's industrial land was considered, however, the Tribe is not close to developing the site and it is a small parcel. Ms. Shribbs reported also speaking with ODOT and federal highway administration, and since the street is no longer a state highway, it is not available for funding. The Newmark project does not qualify for hazard elimination program because specific safety issues must be identified. Councilor Weeks asked if the City partnered with the College would the College have a potential for grant funds. Mike Gaudette commented it would be very unusual and most grants are not available for this type of project.

Councilor Spangler commented the overriding issue is safety for pedestrians and perhaps they could get by with a sidewalk on only on side of the street. Councilor Stufflebean commented there is a need for sidewalks on both sides of the street. Mayor Benetti commented the Council needs to decide whether they are willing to make a plan amendment and spend \$85,000 of the Urban Renewal Agency. He recommended going out to bid and decide on the options then. Ms. Shribbs commented an option to do three lanes from LaClair wouldn't tie up the urban renewal funds and would also provide sidewalks on both sides of Newmark. Councilor Stufflebean commented in 20 years three lanes would not meet the traffic needs.

Councilor Weeks asked if removing the island from Fir to Staples would provide enough room for a turn lane. Mr. Grile reported there are ingress issues to be considered. Ms. Shribbs noted the engineer would design the best option for this area, however, it does not dramatically reduce the cost of the project. Councilor McKeown commented the question is whether to commit the urban renewal funds and the figures are only estimates until we go out for bids. Councilor Spangler commented three lanes are affordable and answers the safety issue, and would not shut down urban renewal projects. Councilor Stufflebean commented a plan and study have been completed and three lanes would not suffice in 20 years, and he suggested doing the whole project. Ms. Shribbs commented the Council could include with the bid for five lanes an option for three-lanes with a single sidewalk from LaClair to the Y. Mayor Benetti added that it be understood that two additional lanes would be added in the future.

Councilor Miller moved to commit \$135,000 from jurisdictional exchange funds and request the Urban Renewal Agency to commit funds for the Newmark improvement project. Councilor Weeks seconded the motion which passed with the Mayor and all Councilors present voting aye. City Attorney Randall Tosh reported the contract cannot be awarded at this time because the request to include a three-lane option

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substantially modifies the bid request already sent out. Councilor McKeown suggested the city attorney and staff come back to the Council with the correct procedure to handle the award of bid.

### **Public Comments**

Julia Spangler, Coos Bay, commented everyone she has spoken to is interested in getting the safety issue from the Y to Staples addressed. Mayor Benetti stated the Council is committed to making the improvements. Ms. Spangler commented the safety issues have been discussed for some time, and she does not want to see urban renewal projects closed down. Councilor Miller asked if she was suggesting going to the voters to use urban renewal funds for the project and Ms. Spangler stated support for taking the matter to the voters. Doyle Williams, Coos Bay, supported the City moving forward with the project. Mayor Benetti commented the decision tonight was to go out for design. Rose Michelson, Coos Bay, expressed concern for safety of school children and buses along Newmark.

Adolf Minke, Coos Bay, expressed concern for pedestrians and college students walking along Newmark and suggested the College help fund the improvements. James Hillard, Coos Bay, supported doing the whole job because it will cost more to come back and redo. Larry Wood, Coos Bay, commented the College adds traffic to Newmark and suggested they have other accesses to their facility. Mike Gaudette, Southwestern Oregon Community College, stated the college is willing to work with the City on the improvements and many students do walk in this area. They would like to help fund the project, however, the college has other projects in the works but they would be willing to help develop grants to help fund the project. Mayor Benetti stated the input has been welcome and more information will come to the Council on the 18<sup>th</sup>. Councilor Miller commended Ms. Shribbs on putting the funding report together.

### **Executive Session**

Councilor Miller moved to go into executive session pursuant to ORS 192.660 (1) (d) for the purpose of discussing labor negotiations. Councilor Stufflebean seconded the motion which passed with the Mayor and all Councilors present voting aye.

The Council reconvened in regular session.

### **Ratification of the Firefighters Association Contract**

Councilor Miller moved to ratify the mediated agreement with the Firefighters Association. Councilor Weeks seconded the motion which passed with the Mayor and all Councilors present voting aye. Councilor Spangler stated the settlement will cost the taxpayers \$670,000 over three years.

### **Adjourn**

There being no further business to come before the Council, Mayor Benetti adjourned the meeting to September 4, 2001 in the Council Chambers at City Hall.

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Joe Benetti, Mayor

ATTEST:

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Joyce Jansen, Deputy Recorder