

**MINUTES OF THE PROCEEDINGS OF THE
CITY OF COOS BAY URBAN RENEWAL AGENCY WORK SESSION**

September 21, 2009

A work session was held by the City of Coos Bay Urban Renewal Agency immediately following a Special City Council meeting held at 7:00 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Chair Gene Melton and Board Members Mark Daily, Jon Eck, Joanie Johnson, Stephanie Kramer, Jeff McKeown, and John Pundt. City staff present were City Manager Chuck Freeman, City Attorney Nate McClintock, Finance Director Rae Lea Cousens, Deputy Finance Director Susanne Baker, Public Works and Development Director Jim Hossley, Fire Chief Stan Gibson, and Police Chief Rodger Craddock.

Discussion on South Coast Development Council (SCDC) Contract

City Manager Chuck Freeman presented a history of funding SCDC, contracts, quarterly reports, staff reports, and meeting minutes. Discussion ensued regarding whether the contract was an evergreen contract, if the Agency received services from SCDC over the last year, what the services may have been, and if \$25,000 is due SCDC. Board Member Daily stated the time period in question was when Mr. Opitz was terminally ill and it was unlikely the work was able to be completed, therefore payment was not due. SCDC Director Sandi Messerle stated her focus has not been on recapturing the last year. It was her understanding from Mr. Freeman the invoice for the last year would not be paid and the contract was void, the contract had decidedly failed based upon a perceived lack of follow through on the services to be provided. Ms. Messerle then moved forward to rebuild the partnership. Chair Melton asked the status of the new agreement and the language. Ms. Messerle stated the clause requiring pre-approval before any billable time or expenses are incurred was hindering and nonproductive and the previous contract had a vague scope of services for the \$25,000 per year compensation. Board Member Daily stated it was his understanding initially the contract was worked out and proposed a base of \$500 a month with approval at another level for more detailed work. Ms. Messerle stated this would be a reasonable compromise. Board Member McKeown suggested an itemized statement such as that of an attorney on an hourly fee with a monthly not-to-exceed amount and an itemization of time expended, identity listed, and a detail of the work performed as it relates to the scope of services. Board Member Pundt stated the detail is needed to provide evidence of the scope of services provided and that it occurred within the urban renewal districts. Board Member Daily stated he would like to add a clause where the Agency can provide input and direct activities of SCDC. Board Member McKeown moved to approve the proposed SCDC contract, with the amendments proposed: adding 4.1 Payment for Services, the Agency shall pay SCDC an hourly fee of \$75, per hour not to exceed \$25,000 per fiscal year. On a monthly basis SCDC shall provide to the Agency a detailed itemization of the time expended by SCDC in performing the economic development services required by the scope of services which is specific to the Agency. Such itemization shall include the 1. The time expended, 2. The identity of the individual expending such time 3. A description of the work performed including information which evidences that such work relates to the scope of services and is consistent with the desires of the Agency; and delete the second sentence of 1.11, no work shall be compensated without prior written approval of the specific task, project, or

Urban Renewal Agency Minutes – September 21, 2009

program. Board member Eck seconded the motion which carried with Chair Melton and Board Members McKeown, Daily, Eck, Johnson, Kramer, and Pundt voting aye.

Roger Gould, legal counsel for SCDC, stated the contract provides for termination with 30 days written notice, which has not occurred. Therefore the contract for 8/1/08 through 8/1/09 is still in effect and the \$25,000 is due. Mr. Gould stated the issue will have to be brought before the board for consideration. Board Member Daily stated there was not an accountability report provided and the Agency was awaiting evidence of the work completed, which did not occur. Mr. Gould stated work has occurred over the last year and due to the uncertainty, it will require discussion between the parties. Mr. Martin stated SCDC has similar agreements with the Port and Airport whereby the contracts are evergreen rollover contracts. The concept of SCDC is that which helps the entire area helps the Port, North Bend, and Coos Bay. Board Member Kramer stated the Agency funding of SCDC cannot be thought of as community and must stay within the urban renewal districts and be held accountable.

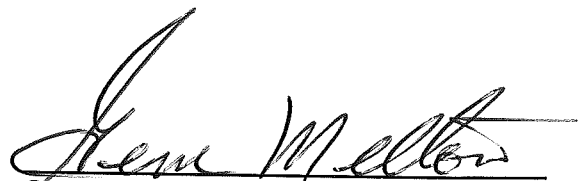
Steve Pickering, 2170 N 28th Street: Stated Mr. Opitz did not return after the September 16, 2008 meeting to provide the requested accounting; it was his opinion the Agency had serious concerns the accounting was not provided; Mr. Opitz was informed the accounting was unacceptable and no more money was forthcoming until such time as an accounting was changed to clearly define how the urban renewal money had been spent.

Board Member Johnson stated she was at the September 16, 2008 meeting and Mr. Opitz was told he needed to provide the accounting. Board Member Pundt stated accountability is foremost and it needs to also be workable for SCDC. Board Member McKeown stated accountability is important and this is a good process, SCDC is on-board, and rather than simply deciding not to pay this we needed to have a discussion and have that a formal decision by the Agency.

Mayor McKeown called for a special meeting of the City Council, executive session ORS 192.660 2(b) for the purpose of evaluating the job performance of the City Manager on 9/23 at 6:00 p.m. Mr. Freeman stated he would be out of town until the 28th and if it would involve talking about his job performance, it would not be in executive session, he advised reviewing the records. Mayor McKeown changed the date to 9/28 at 6:00 p.m.

Adjourn

There being no further business to come before the Agency, Chair Melton adjourned the meeting.


Gene Melton, Chair

Attest:


Mark Daily, Secretary