

**CITY OF COQUILLE
CITY COUNCIL MEETING MINUTES
March 5, 2007**

COUNCIL PRESENT: Mayor Steve Britton, Councilors: E.N. "Corky" Daniels, Kathy Hagen, Bruce Parker, Linda Short, Fran Capehart and Loran Wiese

STAFF PRESENT: City Manager Terence O'Connor, Police Chief Mike Reaves, Public Works Director John Higgins, Finance Director Chuck Dufner, Library Director Anne Conner, City Attorney John Trew and Deputy Recorder Rene Collins

PRESS: Robert Jump Coquille Valley Sentinel, Alexander Rich The World, Azenith Smith KCBY.

AUDIENCE: A roster of those present is on file in the City Recorder's Office

1A. EXECUTIVE SESSION PURSUANT TO ORS 192.660 (2)(E) FOR THE PURPOSE OF CONFERRING WITH THE PERSON DESIGNATED BY THE GOVERNING BODY TO NEGOTIATE REAL PROPERTY TRANSACTIONS.

Mayor Britton announced that the City Council would meet in executive session pursuant to ORS 192.660 (2)(e) for the purpose of conferring with the person designated by the governing body to negotiate real property transactions. It was explained that representatives of the news media and designated staff shall be allowed to attend, but all members of the audience are asked to leave the room. The news media cannot report on the deliberations from the executive session and no decision will be made in executive session. The executive session was open at 6:30 for discussion on the GP Site; the executive session was closed at 6:48 p.m.

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1. CALL TO ORDER /PLEDGE OF ALLEGIANCE

Mayor Britton called the City Council Meeting to order at 7:17 p.m.

2. MAYOR'S COMMENTS

The Mayor made appointments to the City of Coquille's boards as follows:

Parks and Recreation Committee, 2-year term
Councilor Linda Short

Administrative Committee, 2-year term
Councilor Linda Short

Forest Land Management Board, 2-year term
Mayor Steve Britton

Councilor Wiese made a motion to accept the appointments. Councilor Daniels seconded the motion; all voted in favor.

3. COUNCIL COMMENTS

Councilor Short asked council if they are thinking about in the future discussing adding a 2 cents gas tax to help with the improvement of our streets and sidewalks. Councilor Parker agreed that it should be discussed. Mayor Britton asked if the people could vote on this. City Manager O'Connor said a committee could be put together to review the condition of the roads and what type of income the tax would create. Councilor Capehart asked about a local improvement district area; the City Manager said the charter calls for a district if 51% of the property owners are in agreement. In the past the City has not been successful with this type of arrangement. Councilor Capehart said on March 17th Rotary is holding their annual St. Patrick's Day dinner and on April 14th there will be a bridal show to benefit the pool.

4. STAFF REPORTS

Public Works Director John Higgins said his report is in the packet and handed out a copy item pertaining to the County proposing to abandon the maintenance of Rink Creek Road and Levi Bunch Road. The County is not going to vacate the roadways even though they will not maintain them. The County Commissioners will make the final decision. Public Works Director Higgins would like the backing of council to ask the County to continue to maintain Rink Creek Road and Levi Bunch Road; they agreed. Library Director Conner said her report is in the packet, and the next Trivia night is on April 14th in the small auditorium. Police Chief Reaves did not have anything to add his report. Finance Director Dufner reviewed his report and said the new website is up and running and he will be adding more information.

5. CITY MANAGER'S REPORT

City Manager O'Connor reported the Fire department will receive \$71,250 from a USFA Firefighter Assistance grant and our investment will be \$3,750. The Police Department has been applying for grants and has not been successful.

The City Council goal-setting meeting is set for March 31, 2007 from 9-2.

Coquille Rotary has asked City Council to waive the fees for the community building for the St. Patrick's Day Dinner. Councilor Wiese made a motion to waive the fees for the use of the community building and kitchen for March 17, 2007 Rotary Dinner. Councilor Parker seconded the motion; all voted in favor.

The City Manager will be making a presentation to the State Parks Recreation Trails Program in the request of \$99,000.00 to assist in the Coquille River Walk Project.

The signs being developed by the Friends of the Coquille Museum will be installed in the next month. A fourth sign is needed and the cost of the sign is \$900. The City will be purchasing the sign.

The Coquille Chamber of Commerce has requested to hold the Gay 90's celebration on Saturday June 2, 2007. The City Manager said the Chamber is requesting waiver of the rental fees for the small auditorium, and you may want to waive the fees for the Eagles who have the craft fair in the large auditorium. The Chamber is also requesting the City upgrade the electric system at the Community Center to better accommodate the food vendors; the current service is 50 years old. Public Works Director Higgins suggested another temporary pole to use for the celebration. Mayor Britton asked if we have thought about purchasing a diesel generator from the state surplus that could be used to support the vendors' electrical needs. The Chamber is asking Council opinion about having a tightly controlled and marked area of the parade route in front of the Fire Department so the senior class can have a water fight with the audience. The parade route will be changed this year due to 1st Street being closed for the car show. Police Chief Reaves does not recommend the water fight due to the liability, and the possibility of someone being injured. Councilor Daniels feels that too many people who are there to watch the parade get wet. A parent said that she does not oppose the water fight. Mayor Britton said he would talk with Ms Bloomquist about the senior class having this event at a designated area other than during the parade.

City Manager O'Connor and Public Works Director Higgins will meet with DEQ March 7, 2007 to see what funds they may have available.

On March 8, 2007 the Port of Bandon sub-committee will be visiting Coquille with a grant writer about the Coquille River Walk. At the last meeting with the Port they said the City should to try to find grant funds.

Councilor Wiese made a motion to allow the Chamber and the Eagles to use the Community Building at no charge for the Gay 90's Celebration. Councilor Short seconded the motion; all voted in favor.

6. PUBLIC PARTICIPATION

John Spencer, 768 N Birch, moved here in July but has family that has lived here since the 1800's. He attended a vision seminar given by the Ford Institute, which has given him lots of ideas on how to help the community. Mr. Spencer has formed a company called The Coquille River Valley Company and purchased the Sturdivant Building. He has created a project called Oregon 17 mile drive (42 S.) It will be a scenic drive and there is also a website called Oregon 17 mile drive and will be requesting a grant for signage. He has been working with several individuals as far as bringing investors in to help develop the GP site. He would like to create a committee to create a master plan for the exterior architecture design for the future growth of the City and remodels. The committee would review current guidelines and possibly set some new guidelines for construction in certain areas. Mayor Britton asked Mr. Spencer to find out what other cities have done, what they have in place and how they enforce these requirements. Councilor Capehart asked Mr. Spencer and Councilor Short to form a committee to address the exterior architecture.

Ms. Settle attended a training called CADCO. She said they found that areas where weeds and blackberries grow out of control and cars are abandoned, the crime and drug use go up. She wanted to know if we have a procedure in place to help with these problems and how do we enforce property owners to clean up their yards. Public Works Director Higgins said we have a procedure in place when someone complains about areas with these problems. Ms. Settle requested publication of the standards required to be in the newspaper. Mayor Britton said that he feels that most of the issues are with rental properties and the Police Department does watch for problem areas.

7. CONSENT CALENDAR

A: City Council Minutes of February 5, 2007

B: Resolution 03-2007 pertaining to traffic and parking in the City of Coquille, Coos County Oregon

C: Liquor License application – Laurie Prescott (Bill's Place)

Councilor Hagen made a motion to approve the Consent Calendar. Councilor Wiese seconded the motion; all voted in favor.

8. PUBLIC HEARING – ON THE PROPOSED SALE OF 2.71 ACRES OF CITY OWNED GP PROPERTY TO MCKAY'S MARKET

Mayor Britton opened the Public Hearing at 8:29 p.m.

Mayor Britton announced now is the time specified for the City of Coquille Council to conduct a public hearing for the purpose of considering the sale of 2.71 acres of the City owned property known as the GP site that was purchased by the City in 1990. He then turned the meeting over to City Manager O'Connor. He explained that both the State of Oregon statutorily and the City of Coquille require a public hearing on the proposed sale of publicly owned land. Mr. McKay of has proposed buying 2.71 acres of the GP site to build a 25,000 square foot grocery store. The purchase price of the land would be 112,145.22.

Mr. Settle asked if there are any design elements in place for this project; the City Manager said there are none in place at this time. Someone asked what would happen to the current site where McKay's is located. O'Connor said it is owned by the Les Schwab retirement company.

The public hearing was closed at 8:38 p.m.

9. RESOLUTION 01-2007 A RESOLUTION WITH FINDINGS OF FACT AUTHORIZING THE SALE OF 2.71 ACRES OF CITY OWNED PROPERTY KNOWN AS THE GEORGIA PACIFIC PROPERTY TO MCKAY'S MARKET

Councilor Wiese made a motion to adopt resolution 01-2007 a resolution with findings of fact authorizing the sale of 2.71 acres of City owned property known as the Georgia Pacific Property to McKay's Market. Councilor Daniels seconded the motion; all voted in favor.

The revenue from the sale of the property will go to the property management fund and it will be used to satisfy half the loan from the water and sewer fund.

10. PUBLIC HEARING – ON THE PROPOSED SALE OF CITY OWNED PROPERTY AT 99 E. 2ND STREET TO JOSEPH PALMOUTSOS

Mayor Britton opened the Public Hearing at 8:44 p.m.

Mayor Britton announced now is the time specified for the City of Coquille Council to conduct a public hearing for the purpose of considering the sale of City owned property at 99 E. 2nd Street known as City Hall to Joseph Palmoutsos. He then turned the meeting over to City Manager O'Connor. He explained that both the State of Oregon statutorily and the City of Coquille require a public hearing on the proposed sale of publicly owned land.

Councilor Parker is not participating in this discussion due to a conflict of interest; his company represents one of the parties.

City Manager O'Connor reviewed the terms and said the proceeds would go to the property management fund and Council would determine what the funds would be used for. Mr. Palmoutsos has agreed to let the City stay until September rent-free.

Don Kinnaird asked if the City could sell the contract; Attorney Trew said no. If the purchaser sells the property before the contract is at the end of the term, the City would be made whole.

Mr. Settle asked if there is anything to protect the look of the building; the City Manager said no.

Don Kinnaird asked what the bare land would be worth; the City Manager did not know.

The public hearing was closed at 8:47

11. RESOLUTION 02-2007 A RESOLUTION WITH FINDINGS OF FACT AND AUTHORIZING THE SALE OF CITY OWNED PROPERTY TO JOSEPH PALMOUTSOS

Councilor Wiese made a motion to adopt resolution 02-2007 a resolution with findings of fact authorizing the sale of 99 E. 2nd street City owned property to Joseph Palmoutsos, subject to final agreement of interest rate and length of contract. Councilor Capehart seconded the motion; all voted in favor.

12. BID RESULTS – CITY HALL REMODEL

Joe Slack of HGE reviewed the bid Tabulation

Four contractors participated in the walk through of the building prior to bidding the project; only two submitted bids. One bid was received from DLB Construction at the cost of 518,000. The other bid was from Harmon Construction at the cost of \$339,500 with a time line of 180 days.

The bid does not include the cost of the audiovisual equipment, the contingency, or HGE fees.

A few cost savings suggestions were: the metal roof on the new section could be comp, it would not match the rest; Floor preparation may not be necessary in Council Chambers; The projector screens and stone sign and flagpole can be done at a later time. Part of the cost increase is because prevailing wage is required and Council Chambers is required to have a 2-hour firewall.

City Manager O'Connor said that the City does have the money even without the sale of City Hall. The cost for our City Hall would be \$93.29 per square foot, in comparison to \$255.56 to \$412.00 per square foot for a new city hall.

Mayor Britton said if the sale of City Hall goes through that we would need to be out by September or we would have to pay rent.

Councilor Capehart made a motion to accept the bid of for \$518,000.00 from DLB Construction and from Harmon construction for \$339,500 for consideration. Councilor Short seconded the motion; all voted in favor.

Councilor Capehart withdrew her motion.

Councilor Wiese said the more we delay the price will only increase. Mayor Britton said if we move into the building without the remodel, it will never get done and the building needs to be functional. Councilor Daniels and the other council members said that the audiovisual equipment would need to be done at a later date.

Councilor Capehart made a motion that the City move ahead to consider the construction bids and Council understands that the additional expenses of \$29,800 for architecture/engineer, 15,000 for contingency and \$4,000 for permits. Councilor Short seconded the motion. Councilors Daniels, Parker, Short and Capehart voted in favor and Councilor Wiese and Hagen opposed the motion.

Councilor Capehart made a motion to accept the bid of \$518,000.00 from DLB Construction and a bid of \$339,500 from Harmon construction for consideration. Councilor Short seconded the motion. Councilor Hagen opposed the motion; all others voted in favor.

Councilor Capehart made a motion to accept Harmon Construction base bid of \$339,500 and with instruction to HGE to do any value engineering possible. Councilor Short seconded the motion. Councilor Hagen voted against the motion; all others voted in favor.

13. EXECUTIVE SESSION – PURSUANT TO ORS 192.660(1)(i) FOR THE PUPOSE OF CONDUCTING A PERFORMANCE EVALUATION OF THE CITY MANAGER

The executive session was rescheduled for the next council meeting due to the length of the Council Meeting.

14. ADJOURNMENT

Hearing no further business, Mayor Britton adjourned the meeting at 9:51 p.m.

Mayor Steve Britton

ATTEST: _____
Deputy City Recorder

**COQUILLE URBAN RENEWAL AGENCY
BOARD MEETING MINUTES
March 5, 2007**

1. CALL TO ORDER

Urban Renewal Chairman Wiese called the meeting to order at 9:55 p.m.

2. APPROVAL OF MINUTES

Member Hagen made a motion to accept the minutes from the January 2, 2007 meeting. Member Capehart seconded the motion; all voted in favor.

4. URA FINANCIAL UPDATE

The financial update shows that the Urban Renewal Agency owes some funds to the Capital Projects funds for the improvements to the sidewalks, utilities and lights. Included in this report is the debt that they owe. The Urban Renewal will be able to payoff 2006 debt in 2007. The URA can continue to fund projects. \$115,000 is what the URA will receive in tax dollars.

Discussion on Commercial Façade Program

Chairman Wiese, Member Short, Judy Costello and Carol Movias met and talked about sprucing up the downtown area. Chairman Wiese said they want to send a letter to the building owners in the URA area explaining the program and they want the URA to help upgrade the benches, brochures and flower containers that will have a longer life and are permanent. They have come up with an unofficial color palate that can be used to paint the façade of the buildings. URA could match the cost of painting the façade of the building up to \$2,500 and the cost of the awnings up to 50%. Don Erickson gave an estimate to paint the Nosler building, which includes power washing and filling cracks, which would be \$4,700.00. The business owners will receive a letter, color pallets and façade drawings. In the letter it needs to state that the URA application needs to be approved before the work is done.

Attorney Trew said that more than one bid might be required. City Manager O'Connor said that he does not agree because we are not contracting the work.

Mayor Britton made a motion to authorize \$20,000 to streetscapes enhancement. The motion was seconded by member Hagen; all voted in favor.

The URA members will bring back the plan back to URA before the money is spent.

6. ADJOURNMENT

Hearing no further business, Chairman Wiese adjourned the meeting at 10:35

Chairman Wiese

ATTEST: _____
Secretary