

CITY OF COQUILLE
CITY COUNCIL MEETING MINUTES
December 19, 2011

COUNCIL PRESENT: Mayor Matt Muenchrath, Council President Loran Wiese, Councilors E.N. “Corky” Daniels, Bryan Baird, Loran Wiese, Fran Capehart, Tim Spanberger, and Linda Short.

STAFF PRESENT: City Manager Terence O’Connor, Finance Director Chuck Dufner, Police Chief Janice Blue, Public Works & Planning Director Kevin Urban, Library Director Anne Conner, City Attorney John Trew and Deputy Recorder Rene Collins.

PRESS: None

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

1. CALL TO ORDER / PLEDGE OF ALLEGIANCE

Mayor Muenchrath called the meeting to order at 7:00 p.m.

2. MAYOR COMMENTS

Mayor Muenchrath said welcomed everyone to the December council meeting. He said it has been a while since the last meeting but it is nice to have it before the holidays.

Mayor thanked City Manager O’Connor for all his work with the City and presented him with a plaque of appreciation for his years of service

Mayor Muenchrath wished everyone a Merry Christmas and Happy New Year. He said the City looks great with all the holiday decorations. He encouraged anyone who can help the Fairview Church to stay open please do so as they do lot in the community and for the troops. Mayor also reminded everyone that it is getting darker earlier and to watch for children on the streets.

3. COUNCIL COMMENTS

Councilor Wiese said City Manager O’Connor has done a great job and that he has enjoyed the time they have worked together and the extra time he has put in through the years.

Councilor Daniels agreed with Councilor Wiese and thanked him for all the times he has helped him out and wished all the best.

Councilor Baird thanked City Manager O’Connor for his guidance over the past year. Baird attended the book sale and enjoyed it. He likes the new signs in the historic area in the downtown area, and noted some of the crosswalks have been repainted and they look great.

Councilor Spanberger wished everyone a Merry Christmas and thanked City Manager O’Connor for the guidance he provided to him over the past year and good luck in his new adventure.

Councilor Short said the River Walk is selling blocks for the path and they make great gifts for the holidays and Birthdays.

Councilor Capehart said that City Manager O’Connor has been a good friend and he has a great sense of humor and it has been a lot of fun working with you. She wished everyone a Merry Christmas and said the Christmas in Coquille with the parade was wonderful.

4. STAFF REPORTS

Police Chief Blue said Merry Christmas to everyone. She said it was an honor to work with City Manager O’Connor and he is a great friend. Chief added to the report that she is still looking for a family for the city

employees to adopt. The Police Department does have a few in depth cases they are working on and hope to make some arrests soon.

Library Director Conner said that the oversized ginger bread man decorating is tomorrow morning and there will be a drawing for the Kindles the library is giving away. She said City Manager O'Connor will be missed.

Public Works Director Urban said he did not have anything to add to his report; he wished everyone a Happy Holiday and thanked City Manager O'Connor for bringing him here and he has taught him a lot about the City. Mayor Muenchrath asked about the progress on the WWTP; Urban said the form work and concrete pouring has started and they meet weekly to discuss the progress. Councilor Capehart said the excavation has started at the pool area and it looks very different.

Finance Director Dufner said the investment is doing well at 4.32 %. Tonight there is the possibility that the City will make a loan to the URA, but he would like to continue the relationship with Wedbush bank because at some time the URA may need other financing. The cost to upgrade the pool electricity is very expensive and is necessary due to the new design so he also talked with PPL about upgrading the lighting in the auditorium. He thanked City Manager O'Connor for having the opportunity to work with him over the years.

5. CITY MANAGER'S REPORT

City Manager O'Connor said that the staff and Teamster Local 206 have reached a tentative agreement on a new 2 year labor contract with the employees of Public Works. The contract states the employees will receive a 2.5% cost of living increase this year and 3% next year. There is also a onetime 3% increase for the Public Works Foreman wages. In addition the contract requires them to replace their current health insurance plan with one which comports to state law with respect to retiree access to health care plans; their employees will also pay 3% of the premium this year and 5% in the second year. Staff recommends approval of the agreement. Mayor Muenchrath asked if the contract is in line with other cities; O'Connor said yes and in some aspects it is a little higher.

Councilor Wiese made a motion to approve the two year collective bargaining agreement between the City of Coquille, Teamsters 206 and the Public Works Department. Councilor Daniels seconded the motion; all voted in favor.

City Manager O'Connor said the City received a Liquor License Application for the new owners of the Fast Mart at 611 N. Central Blvd. Councilor Capehart made a motion to approve the Fast Mart Liquor application. Councilor Spanberger seconded the motion; all voted in favor.

O'Connor said he also received a special event winery application from the Wild Goose Vinyards LLC for the annual Chamber Chocolate Fantasy to be held at the Community Building on Saturday January 21, 2012. The Chamber in the past has requested the City to waive the fees for the use of the Community Building for this event. Councilor Spanberger made a motion to waive the usage fee for the Community Building for the Annual Chocolate Fantasy Event to be held on January 21, 2012. Councilor Short seconded the motion; all voted in favor.

Councilor Spanberger made motion to waive the processing fees for the special event winery application for the Wild Goose Vineyards LLC. Councilor Wiese seconded the motion; all voted in favor.

The caretaker's apartment at the community building is under repairs and the estimated completion date is January 14, 2012. Applications are being accepted for the position at this time. Councilor Wiese asked what restrictions are being placed on the renters, O'Connor said no pets and only immediate family to reside in the apartment.

O'Connor suggested and Council agreed to direct the Administrative Committee to examine the condition of the flooring in the small auditorium and come back with some recommendations, possibly carpet or rubberized floor. Councilor Short said that something has changed that is causing the problem and we have not had that problem in the past. Councilor Capehart said that part of the problem is that people are dragging chairs and tables across the floor. Councilor Capehart said she will set the meeting for the first part of January.

O'Connor said there has been discussion about possibly placing a sidewalk up Shelly Road to the apartment complex; the road is maintained by the county. There is sufficient right-of-way on either side that could possibly be used for sidewalks, but there are ADA requirements having to do with the slope which may preclude the use of either side of the street. The City does own an easement on the back side of the apartment which is where the sewer line runs to First Street, which may be an area to explore to put in sidewalks or a

walking trail; night security issues would have to be addressed. The question is does the Council want staff to pursue the project as it has come to the point that money will have to be spent to further the project. The Public Works Committee could work on developing funding and plans for the project. Mayor Muenchrath said it is a heavy foot traffic area and the only place to walk is on the road which creates a hazard. Councilor Daniels said there has been a double fatality on that area of the road. Councilor Wiese said it needs to stay on the list, but doesn't think the City has the money at this time. Mayor Muenchrath asked if it would be difficult to look into funds that might be available. Public Works Director Urban said the County will have to sign off unless we offer to maintain the sidewalk. There is a possibility to receive grant dollars, but you would not be able to build it on the road. It would need to be off the road and would require lighting for safety. Council directed staff to let them know if an opportunity presents itself.

Tony Jones, Principal of Winter Lakes High School, has requested use of the large auditorium from 9-10 a.m. on Tuesdays and Thursdays to provide the students with some physical activity. Staff has no problem with the request, with the understanding they will have to provide supervision and meet the proper insurance requirements. Council approved the request from Winter Lakes High School to use the large auditorium.

Heather Arzie has requested using the large auditorium on Tuesdays and Thursdays from 3:30 – 5:30 p.m. for high school indoor soccer at no charge, with the understanding they will have to provide supervision and meet the proper insurance requirements. Council approved the request.

Council discussed and decided to hold the next Council meeting on January 9, 2012.

City Manager O'Connor read the following:

Mayor and Council this is my last council meeting as City Manager for the City of Coquille. My friends, for I believe over the course of the last decade or more we have become friends and neighbors in the very best senses of that word. At this point in time no one, not in my situation, can appreciate my feeling of sadness at this parting. To this place, and the kindness of my fellow Coquilleans, I owe everything. Here I have lived and worked for over a decade, I have passed from a young to a mature older man. My children have all gone to school here, graduated, attended college and are productive citizens of this great country because of their education, their friends and their neighbors here in Coquille.

I have been thinking about what we have accomplished together and what still needs to be accomplished

The accomplishments which together we have achieved include the following:

- Resolving G.P. site access issue with ODOT
Acquiring railroad right of way on GP site to complete assemblage of the property
Acquiring a \$999,000 grant from ODOT for signalization and partial paving of entry into GP site.
- Sale of portions of GP to McKay's Market and Coos Curry Electric cooperative.
- Partnership with Oregon First Community Credit Union for redevelopment of the old Southwest Motors site in downtown Coquille into Oregon First's corporate headquarters.
Partnering with Oregon First Community Credit Union which resulted in acquiring their old Coquille office location for a handicapped accessible city hall with a convenient utility payment drive through window and state of the art city council chambers.
- Water treatment plant upgrade to meet new and future EPA and DHS mandates and provide for reduced chlorination of water with the results of better water quality.

Replacing worn and outdated water distribution lines in various parts of the city.
- Waste Water Treatment Plant replacement project to provide state of the art treatment of waste water resulting in better water quality for the Coquille River.
Acquiring \$1.6 million in grants for financing the waste water treatment plant.

Replacing miles of sewer collection system pipes and eliminating storm drains emptying into the sewer system.

- Starting an ongoing street paving program absent for over 50 years.
- Sale of old City Hall
- Fiscal stability for 11 years.
- National budget awards for 5 straight years.
- Bringing in an individual to be Police Chief to reorganize and revivify the Coquille Police Department.
- Establish a URA awing and streetscape program.
- Establish a URA façade improvement program.
- URA design/engineering work on Coquille River Walk
- Sturdivant Building renovation partnership between URA, CDBG and building owner.
- Partnering with Port of Bandon and Coquille River Walk Committee to acquire \$100,000 grant for Coquille River Walk.
- Attracting, assembling and retaining a professional, forward thinking staff of exceptional department directors in Police, Fire, Public Works, Library and Finance
- Working in Conjunction with Operation Coquille and Councilor Linda Short to facilitate the placement of hanging flower baskets.
- Working with Dog Park Committee to achieve the Coquille Dog Park.
- Working with Linda Short, Coquille Fire Department, Pacific Power in placing banners along Hwy 42, and throughout the commercial area of Coquille.
- Working with the Pool Committee for the past 10 years to replace the old pool and achieving the replacement of the old Bath House with a new heated bath house.
- Working with the Pool ladies to achieve \$1.9 million to replace the 60 year old swim pool with a new aquatic center.
- Partnering with DLCD and the Coquille Planning Commission and utilizing TGM grants from the State of Oregon to revise the City of Coquille's development code to incorporate smart development standards and conservation elements in an updated land use plan for Coquille.
- Founding member of SOC-HOP and Umpqua Coastal Housing to bring housing rehabilitation programs and home buying opportunities and education to low income residents of Coquille and Coos and Curry County.
- Serving on the Chamber of Commerce Board of Directors for several terms.
- Partnering with the Coquille Hospital District to transfer lands to allow the new hospital to be built.

- Codifying the various city codes and having the same online through the City website.

Good projects yet to be undertaken include:

Re-doing of First Street between N. Adams and N. Birch with underground utilities, uniform sidewalks, and streetscaping.

Re-paving and narrowing N. Central from 5 lanes to 3 with bike lanes, new sidewalks, landscaping and undergrounding of overhead utilities.

Building a new state of the art Library to meet the needs of the community for the next 20 years.

Building/retrofitting a new main Fire Hall to meet seismic and equipment needs.

So, in this, my last good night to you at a council meeting as your City Manager, I thank you for the many opportunities you have given me for public service. I trust in that in my service you will have found some things worthy. As for the rest of it, I know you will find ways to improve performance in the future.

6. PUBLIC PARTICIPATION

Tim Sweeny, Superintendent Coquille Public Schools, said the school is working on a project at the corner of Fairview Road and Central for the girls baseball team. He would like the City to partner with the district to waive part or all of sewer and water fees for the restroom facilities. The field should be finished in 2013. Planner Urban said the costs are set for the installation, if council approves the waiving of fees if possible he would like to see water saving appliances; Sweeney is looking for the information by December 30, 2011. The district is looking for any kind of donations. Mayor Muenchrath asked Mr. Sweeny to meet with Planner Urban and provide a set of plans. Councilor Wiese would like to know what the cost to the City is and present the information at the next meeting. Mayor Muenchrath said Council can hold a special meeting if necessary to accommodate the needs of the school district and the grant deadlines.

Ethel Pettry, Coquille, asked what will stop the balls from going into the road. Sweeney said there will be a full backstop and fence.

7. CONSENT CALENDAR

- City Council minutes of November 7, 2011

Councilor Wiese made a motion to approve the consent calendar as presented. Councilor Spanberger seconded the motion; all voted in favor.

8. PUBLIC COMMENT – SYSTEM DEVELOPMENT CHARGES

Mayor Muenchrath stated this public comment is to discuss proposed system development charges. Finance Director Dufner said he received a comment from Mr. Jeffers stating that the costs of the monthly usage are very high and the quality is low. Mr. Jeffers went on record to say he is opposed to any further increases in water and sewer rates.

Mayor Muenchrath opened the public comment period at 8:21 p.m.

Nichole Benegas, Home Builders Association of Southwestern Oregon (HBASWO), represents the local builders in Coos and Curry county. The industry knows that homes bring jobs, children and education to the community and that out weighs the fees you can collect. HBA does not support the increase SDC charges at this time due to economy, as construction is one of the hardest hit. City Manager O'Connor said that the cost would be passed on to the consumer and in other communities have not suffered due to the SDC's that have been put in place. Mr. Benegas said the coast is always behind the national trends.

Robert Jump, Coquille Today, said the SDC are the buy-in for the new house builder as the current citizens have already paid their fees.

Mayor Muenchrath closed the public comment period at 8:37 p.m.

9. REQUEST FROM NELLA ABBOTT TO MODIFY INTEREST RATE ON OLD CITY HALL NOTE

Mrs. Abbott the purchaser of Old City Hall is requesting a loan rate be decreased by 1.5% of the interest rate, which would reduce the amount of interest earned over the course of the loan by approximately \$26,004. City Manager O'Connor said the current commercial loans vary depending upon the loan to value terms range from 5.5% to 7.5%.

Mrs. Abbott said that City Manager O'Connor is responsible for them owning old City Hall because he showed them the building.

Mayor Muenchrath asked if the term of the loan allows for this interest change and does the City need cash. City Manager O'Connor did not know if the loan allows for the change and Finance Director Dufner said that the City does not need the cash at this time.

City Manager O'Connor asked if they had checked with other banks; Ms. Abbott said no they had not. Council did not see that it would be a benefit to the City to change the contract if it was possible. Ms. Abbott said they would withdraw their request.

10. RESOLUTION 22-2011 A RESOLUTION TO LEND THE COQUILLE URBAN RENEWAL AGENCY ONE MILLION DOLLARS

Finance Director Dufner said the URA could borrow the money at 4% so he felt 2% would benefit both the City and the URA, all the money would be loaned immediately.

Councilor Wiese made a motion to approve resolution 20-2011 A Resolution to lend the Coquille Urban Renewal Agency one million dollars. Councilor Baird seconded the motion; all voted in favor.

11. COUNCIL DISCUSSION OF OPTONS FOR FILLING INTERIM AND LONG TERM POSITION OF CITY MANAGER FOR THE CITY OF COQUILLE.

Mayor Muenchrath said the Council has not met since November to discuss the options for the City. City Manager O'Connor said council should appoint an interim City Manager which would give council time to process the other options for a long term solution. He recommended Finance Director Dufner for the interim City Manager as he has been with the City for 7 years and has a good understanding of the finances and the day to day operation of the City. Council could utilize the League of Oregon Cities (LOC) to run a search on behalf of the council to permanently fill the position. LOC will work with council on deciding what type of person and skills they are looking for; they help with the interview process or the City could do the process on their own or use a head hunting company.

Mayor Muenchrath asked what other options are available for the interim City Manager position, O'Connor said you could go outside but that you need someone with government experience.

Diane Courtright asked how long he would he be appointed to the interim position; Mayor Muenchrath said he expects the search to begin in January or February and he would be the interim until the position was filled.

Councilor Wiese asked Finance Director Dufner if he would be interested in interim position and could he do both jobs at the same time. Dufner said he would ask the staff to do part of his job and have a temporary staff member to help out. He thinks the job may be more difficult due to the discussions behind closed doors. Councilor Short said that we should have talked more about this a month ago. Finance Director Dufner represents stability and the City needs that.

Councilor Short made a motion to approve resolution 21-2011 A resolution appointing William C. Dufner interim City Manager for the City of Coquille and a salary of \$6,227.00 a month. Councilor Wiese seconded the motion; all voted in favor.

City Manager O'Connor said it took the City of North Bend 4 months from the time they decided to use the League of Oregon Cities to the interview process, so it could take up to 6 months.

Mayor Muenchrath asked if Finance Director Dufner could put together the internal and external costs to the City for the search process using LOC, Head Hunter, or the City doing it. Councilor Capehart feels the LOC would be the best way to go and the cost to the City of North Bend was around \$6,000. Councilor Baird said he also feels the LOC would be the best. Councilor Capehart made a motion to allow the City to contact the League of Oregon Cities for the search process for a new City Manager. Councilor Baird seconded the motion; all voted in favor.

12. RECOMMENDATION FROM COQUILLE PLANNING COMMISSION TO APPROVE REQUEST FOR PROPOSALS FOR AN RFQ/RFP FOR AN ECONOMIC ANALYSIS WITH PLANNING CODE MODIFICATIONS

Planning Director Urban is requesting approval to publish a request for proposals and qualifications to hire a firm to complete an Economic Opportunity Analysis. City Manager O'Connor said the Port of Bandon and Urban Renewal Agency will contribute matching dollars for the grant received from DLCD. The analysis will identify what type of targets the City should look for to further economic development.

Councilor Spanberger made a motion to approve the request for publication for an RFQ/RFP for an economic analysis with planning code modifications. Councilor Capehart seconded the motion; all voted in favor.

13. ADJOURNMENT

Mayor Muenchrath adjourned the meeting at 9:17

Mayor, Matt Muenchrath

Deputy Recorder, Rene Collins

**CITY OF COQUILLE
URBAN RENEWAL AGENCY MEETING MINUTES
December 19, 2011**

1. CALL TO ORDER

Chairman Wiese called the URA meeting to order at 9:25 p.m.

2. APPROVAL OF MINUTES

- URA minutes of November 7, 2011

Member Muenchrath made a motion to approve the URA minutes of November 7, 2011. Member Capehart seconded the motion; all voted in favor.

3. RESOLUTION 2-2011 A RESOLUTION TO ENTER INTO A LOAN AGREEMENT WITH THE CITY OF COQUILLE IN THE AMOUNT OF ONE MILLION DOLLARS.

Chairman Wiese said this would allow the URA to enter into a loan agreement with the City of Coquille.

Member Muenchrath made a motion to adopt resolution 2-2011 to enter into a loan agreement with the City of Coquille in the amount of one million dollars. Member Spanberger seconded the motion; all voted in favor.

4. RESOLUTIN 3-2011 A RESOLUTION APPOINTING WILLIAM C DUFNER AS INTERIM EXECUTIVE DIRECTOR OF THE COQUILLE URBAN RENEWAL AGENCY.

Chairman Wiese said this would an interim Executive Director in place until a new City Manager is in place.

Member Muenchrath made a motion to approve resolution 3-2011 appointing William C Dufner as interim Executive Director of the Coquille Urban Renewal Agency. Member Daniels seconded the motion; all voted in favor.

5. ANNUAL REPORT – COQUILLE URBAN RENEWAL AGENCY FINANCIAL REPORT

Finance Director Dufner presented the required annual URA financial report and it shows the expenses for the projects the URA participated in during 2011 year and the 2012 is the budgeted expenditures in 2012.

Member Muenchrath approve the Urban Renewal Agency annual financial report. Member Spanberger seconded the motion; all voted in favor.

6. ADJOURN URBAN RENEWAL AGENCY MEETING

Chairman Wiese adjourned the meeting at 9:32 p.m.

Chairman Loran Wiese

ATTEST: _____
Deputy Recorder, Rene Collins