

**CITY OF COQUILLE
CITY COUNCIL MEETING MINUTES
January 5, 2009**

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

STAFF PRESENT: Public Works Director John Higgins, Chief Mark Dannels, Library Director Anne Conner, Finance Director Chuck Dufner, City Attorney John Trew and Deputy Recorder Rene Collins

PRESS: The World, Coquille Community News, KCBY, and Coquille Valley Sentinel

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

1. CALL TO ORDER AND FLAG SALUTE

Mayor Britton called the meeting to order at 7:01 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPOINTMENT OF COUNCILOR TO FILL VACANT POSITION

Mayor Britton announced council would be voting on the Council vacancy. The vote was taken by ballot; City Recorder Dufner said there were 4 votes for Mr. Muenchrath and 2 votes for Ms Courtright. Mayor Britton, Councilor Daniels, Councilor Parker and Councilor Capehart voted for Matt Muenchrath. Councilor Wiese and Councilor Short voted for Dian Courtright.

4. INSTALLATION OF MAYOR AND COUNCIL MEMBERS

City Recorder Dufner administered the oath of office to Mayor Britton and Council Members E.N. Daniels, Fran Capehart, and appointed councilor Matt Muenchrath

5. SELECTION OF COUNCIL PRESIDENT

Councilor Parker made a motion to nominate Councilor Wiese as Council President. Councilor Short seconded the motion. Councilor Daniels made a motion to close nominations; Councilor Capehart seconded the motion. The council vote was unanimous for Councilor Wiese for Council President.

6. MAYOR'S COMMENTS

Mayor Britton announced that the auditor's reports would be moved up on the agenda to the next item.

Mayor Britton said Ann Ryan passed on New Years Eve and there will be a memorial service for her on Friday January 16, 2009

7. COUNCIL COMMENTS

Councilor Capehart said that it is Oregon's 150th anniversary. The Chocolate Fantasy will be held on January 17, 2009. Councilor Short said on February 14, 2009 the Copa Cabana Valentines Ball will be held at the Community Building and the proceeds will go to the new pool fund. Councilor Short said the selection was very difficult for the vacant council position. She also thanked the Police and Fire department and the volunteers that make Coquille what it is. Councilor Parker said it would be helpful not to schedule large events at the same time such at the Chocolate Fantasy and the Relay for Life program; he suggested that the Chamber of Commerce be the contact for scheduling events. Councilor Wiese thanked all the applicants for applying and would like to see all those who participated in the next election. Councilor Daniels agreed. Councilor Muenchrath thanked the councilors for their support and is looking forward to working with Council.

Mayor Britton read a letter from the Coquille Valley Historical Society to thank the City for the support over the past years and he thanked all the volunteers that help keep the program running. The new sidewalks have been installed and the Historical Society said it is beautiful. Patty Strain, Coquille Valley Historical Society, said the gas is more expensive in Myrtle Point than Coquille and they do not have the 3-cent business license tax. Councilor Short encouraged citizens to join the group because the membership fees help them continue.

8. STAFF REPORTS

Fire Chief Waddington thanked everyone who helped with the Shop with the Heroes Program and it was a huge success and that the 120 children had fun.

Public Works Director Higgins said water treatment plant has not had much progress due to the activities and the correct valves had to be reordered. The specs are out for bid for the new Public Works building and should be opened in mid January. The building is 36x140, which will replace the three shops that are being removed. Mayor Britton said the extra dirt behind ODOT is from the excavation site of the new shop building.

Library Director Conner said that the year to date circulation is 43,787 and 6,368 items were checked out in December, which is a 16% increase from December 2007. The library received a new donated Quiet Pro Team backpack vacuum. Thank you to Charles Slaughter for your request to the company for a vacuum.

Chief Dannels said the Shop with the Heroes program served 120 children in the community. The Police Department has received 14 applications for the officer position. After the first phase of testing the applicants have been narrowed to 8 applicants. Testing for the applicants will be on Thursday and then there will be a quality appraisal board and the officer will hopefully be in place by the end of January. Jerry Steele has volunteered as the new department Chaplain and will set up a ministry tree in the community.

Finance Director Dufner said the investment account is still earning about 5.2%. Some of the bonds are coming due and the earnings will start to drop as they are renewed.

Finance Director Dufner said the City received a request for The Chamber of Commerce to use the small auditorium in the Community Building at no charge for the 4th Annual Chocolate Fantasy event on January 17, 2009. Council consensus was to honor the request.

Mayor Britton asked if any progress has been made on the media designation subject. Attorney Trew said he recommends that we follow what larger jurisdictions do and some things may be challenged in court. The question is what media would be able to attend executive sessions. Attorney Trew said we do not have to resolve that issue at this time as we rarely have executive session.

9. PUBLIC PARTICIPATION

Jan Torbeck, N. Dean Coquille, said on December 5, 2008 she attended the Oregon Rural Congress meeting in Coos Bay. State and federal representatives were present. The meeting is about finding answers, not pointing the finger. Ms Torbeck said the representative from DeFazio's office said with the stimulus package available, if you are a municipality you should submit fund requests for projects that are ready to go. Her thoughts were the sewer plant, river walk, streets that have identified as needing to be upgraded. Councilor Parker said he is concerned about the prevailing wage and how that will drive the price of the project up. Councilor Wiese said his understanding is that the project needs to be shovel ready and that the prevailing wage will be adjusted to the area. Councilor Muenchrath suggested putting together a list of projects that could possibly be shovel ready. Councilor Parker asked if cities still receive money from

10. CONSENT CALENDAR

- A. City Council minutes from December 1, 2008
- B. City Council minutes from December 8, 2008
- C. City Council minutes from December 15, 2008

Councilor Capehart made a motion to approve the consent calendar. Councilor Daniels seconded the motion; all voted in favor.

11. PRESENTATION OF FY 2008 CITY AUDIT

Laura Fisher, Audit Manager, and Sally Jaeggli, auditor, were representing Hough, McAdams, and Wartnik CPA firm.

The audit was performed using the government standards as required. No exceptions were found with the City or the Urban Renewal Agency. Ms. Jaeggli reviewed the opinion letter and said the internal control over financial and other matters. The letter titled Independent auditors comments says that the City is in compliance with Oregon's minimum standards, except for a small budget violation reported in the ambulance fund. The Ambulance fund spent more than was budgeted and it was not found at the end of the year, so the adjusting resolution correcting the budget was not made. Included in the audit paperwork is a budget and actual comparison for the City, Urban Renewal Agency and the Enterprise Funds. The City uses statement of assets and statement of activity to report how they are doing financially. Streets are still being depreciated. Some of the other reports included are reconciliation of budget statements, enterprise fund and cash flow statement. A summary of significant accounting policies is included with the budgetary statements. Finance Director Dufner prepared a management's discussion and analysis. Ms. Fisher reviewed several graphs they have prepared on the enterprise and general fund. Ms. Daily said an audit finding letter is included for the City and the URA, and there were no difficulties found during the audit process. Ms. Fisher said that they appreciate how well prepared the City is for the audit. Ms Fisher said that the Urban Renewal Agency audit is also included in the City's audit and said Finance Director Dufner has also prepared a management's discussion and analysis. Finance Director Dufner said that staff prepares 50 schedules for the audit and they do an excellent job.

12. RESOLUTION 01-2009 A RESOLUTION PERTAINING TO TRAFFIC AND PARKING IN THE CITY OF COQUILLE, COOS COUNTY OREGON.

Public Works Director Higgins said Samm Britton owns and operates Samm's Haircare located at 193 E. 2nd Street. Ms. Britton has requested to change the 2 hour parking on N. Baxter on the West side for a distance of 90' South of E 2nd St to non timed parking, as she feels she no longer needs those spaces. Included in her request is a letter of support from Oregon First Community Credit union.

Councilor Parker said he would have expected to see letters from other business in that area and that it seems to work well at this time and there was a need for it. Higgins said it would give employees and jurors a place to park. The County did a study on the parking and it showed that parking around the courthouse is a premium and the County no longer has an agreement with the Church for the extra parking lot. Councilor Parker said the County has had many opportunities to work on there parking issues around the courthouse. Councilor Muenchrath said he is concerned that Ms. Britton may have many jurors parking in front of her store and then she will be asking to have it changed back. He believes the whole parking area needs to be looked at in the 10 block radius and there needs to be a cohesive procedure. Mayor Britton said he would not be voting on this issue because Ms. Britton is his sister. Councilor Parker said that the office space next to Ms. Britton is vacant and when that vacancy is filled they may need more parking. Higgins said it is only 2 hour parking at this time, so employees would not be able to park there without moving their cars and Baxter Street is to the side of her shop and she has parking in front of her shop. Councilor Wiese said the parking limits would not always be the same. Councilor Muenchrath asked if this request is in line with the parking in the adjoining areas; Planner Higgins said yes he believes it is. Mayor Britton asked where the 30 cars from the church parking lot would be parking. Planner Higgins said that the City has been discussing the parking issues with the County.

Councilor Wiese made a motion to adopt resolution 01-2009, pertaining to traffic and parking in the City of Coquille. Councilor Muenchrath seconded the motion.

Councilor Parker feels that the 2-hour parking should remain due to the traffic in that area and the all day parking will cause issues.

Mayor Britton abstained from the vote. Councilor Parker voted against the motion; all others voted in favor.

13. RESOLUTION 02-2009- A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF AN AGENCY FUND IN THE ACCOUNTING RECORDS OF THE CITY OF COQUILLE

Finance Director Dufner said that an agency fund is used when a City holds money on another person's behalf; the City is acting as a bank in recording and depositing. The money to be held is for the police reserves,

explorers and the river walk until they get their non-profit status. In the past the money has been put in the general fund and reestablished in the next budget year. An agency fund needs to be established for the accounting of the funds.

Councilor Short asked if the funds would be tax deductible, and Finance director said yes if it was a donation for a specific project like the river walk. The money will not be budgeted because the money does not belong to the City.

Councilor Short asked if groups would be recognized as 501(c) (3) since the funds would be stored with the City. Finance Director Dufner said no.

Mayor Britton asked if it would be non-interest bearing. Finance Director Dufner believes it can be an interest bearing account according to the auditors. Councilor Muenchrath asked what has happened to the money at the end of the year in the past. Finance Director Dufner said the money would go into the general fund and then into retained earnings.

Councilor Wiese made a motion to adopt resolution 02-2009 authorizing the establishment of an agency fund in the accounting records of the City of Coquille. Councilor seconded the motion; all voted in favor.

14. ADJOURNMENT

Mayor Britton adjourned the Council Meeting at 8:25 p.m.

Mayor, Steve Britton

ATTEST: _____
Deputy Recorder

**City of Coquille
Urban Renewal Agency
January 5, 2009**

1. CALL TO ORDER

Urban Renewal Chairman Wiese called the meeting to order at 8:32 p.m.

2. CONSENT CALENDAR

Member Capehart made a motion to approve the URA minutes of December 1, 2008. Member Short seconded the motion; all voted in favor.

Member Capehart made a motion to accept the Urban Renewal Agency audit report prepared by Hough, MacAdam & Wartnik. Member Short seconded the motion; all voted in favor.

3. Presentation of FY 2008 Urban Renewal Agency Audit

Member Capehart made a motion to accept the Urban Renewal Agency audit report prepared by Hough, MacAdam & Wartnik. Member Short seconded the motion; all voted in favor.

3. Request by Stephen and Nella Abbott for URA funds for 99 E. 2nd Street

Nella Abbott, 99 E Second Street Coquille, requested funding help on a gate that would be placed on the alleyway between the Probation Department and historical City Hall. The alley is being used for a bathroom and a congregation area; the proposed gate is designed to keep with the turn of the century design.

Member Britton declared a conflict, due the fact that he gave a bid on the gate, and he will not participate in the discussion or vote..

Member Short asked if health is the issue. Mrs. Abbott said health is the issue and it is the apartment entrance and is used often. Member Muenchrath asked what the benefit to the citizens of Coquille is. Mrs. Abbott said it would coincide with the enhancing of the building along with painting, banister replacement and concrete repair.

Chairman Wiese asked if Member Muenchrath if he was familiar with the URA process, and he stated he was. Member Muenchrath asked what the color of the gate would be. Mrs. Abbott responded that it would be black wrought iron. Member Parker asked if City funds should be used for security. Ms. Abbott said she feels that is not a security issue but a health issue, and people do go down the walkway. Member Parker does not feel that is a good use of URA dollars. He also feels the gate would not be used by the public. Mrs. Abbott said that it would enhance the look of the building and tie in with the banister replacement in the future and the painting of this historic building. Chairman Wiese said that health and safety is not the URA responsibility, but it will help with the look of the building. Member Short feels URA dollars could be used because it will help the look of the outside of the building.

Member Short said it fits the criteria because it is a historical building and will enhance the look of the building. Member Muenchrath asked if this type of thing has been approved before because fairness is important in this process and we should not be paying for items to make an area safe. Chairman Wiese said that this is the first request for this type of item. Councilor Short said that the improvement will increase the tax base of the building and URA funds have been used for benches, awnings, and planters.

Mrs. Abbott said they are creating an art gallery in the old Council Chambers, which will include a sound system at their expense, and welcomed everyone to come and look at the changes. The art will be from artists from the Southern Oregon Coast. Member Parker said the problem might move to the where the Police Department used to park and what will keep people from going in that area. Mrs. Abbott said that people do not gather in the garage.

Member Capehart made a motion to approve the request of \$1,072.50 for a gate at the old City Hall building. Member Short seconded the motion. Member Muenchrath and Parker voted no, Member Britton abstained, all others voted in favor.

Member Britton said that it is hard to see the bottom of the alley due to the angle of the walkway. Member Muenchrath said the Abbotts should be commended for the improvements they have made to the building.

Chairman Wiese adjourned the meeting at 9:30 p.m.

Deputy Recorder, Rene Collins