

**CITY OF COQUILLE
CITY COUNCIL MEETING MINUTES
February 09, 2010**

COUNCIL PRESENT: Mayor Steve Britton, Councilors E.N. “Corky” Daniels, Loran Wiese, Linda Short, Fran Capehart, Bruce Parker and Matt Muenchrath.

STAFF PRESENT: City Manager Terence O’Connor, Public Works and Planner Director John Higgins, Fire Chief Waddington, City Attorney John Trew and Deputy Recorder Rene Collins.

PRESS: The World Newspaper

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

1. CALL TO ORDER/ PLEDGE OF ALLEGIANCE

Mayor Britton called the meeting to order at 12:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. DISCUSSION AND POSSIBLE AUTHORIZATION TO SUBMIT A PROPOSAL TO THE OREGON DEPARTMENT OF VETERANS’ AFFAIRS FOR AN OREGON VETERANS HOME IN COQUILLE. INCLUDING OFFERING 10 ACRES OF THE GP PROPERTY AND OTHER INDUCEMENTS

Mayor Britton said discussion will be about offering 10 acres of the GP site to be used as building site for a Veterans Home. The question is does it make sense; it could create 300 federal jobs with benefits for those employees.

City Manager O’Connor said on Jan 8th the Oregon Department of Veterans Affairs (ODVA) issued an RFP for a site to build a new 250 bed Oregon Veterans Home. A copy of the RFP was in your packet, with an application deadline of February 16, 2010. It could provide up to 300 private jobs, the state would own the property would be held in title by the ODVA, the RFP states that the facility would have a minimum life of 20 years. The State would then hire a private company to operate the home. If the ODVA chose the property some of the zoning has to be changed.

The successful applicant will provide the land and 15 million dollars which represents 35% the state is required to provide and the federal government will provide the additional 65% for the project. The annual estimated payroll would be 10 million dollars for the three hundred jobs. The home would be a skilled nursing facility with 200 beds and 50 beds in the Alzheimer’s section. If the council agrees to donate the land the City would lose approximately \$1,800,000 in land sales and any future tax dollars from that property. The facility would require an expansion of the Sewer plant with an additional cost of three million dollars to handle the estimated sixteen million gallons of waste during each month, which equals 2,100 gallons a day per bed.

The discussion needs to include the costs of the application, staff time, a geo tech report of the soil, and appraisal of the site and our most recent is six to seven years old. Councilor Parker said a commercial appraisal is normally costly, O’Connor said we may be able to get a letter from the county assessor as to the value of the land and if we make the first cut then we could incur additional costs like the appraisal. Councilor Parker said he is concerned because the Coquille Hospital was denied that site, O’Connor said it was partially due to the distance between that site and the Coos Bay Hospital and how that could affect their rural acute care status and the soil and how you deal with a construction fill area and geological seismic active area. City Manager said O’Connor said he believes they can ask us questions and we time lines which to respond. They will pick first, second and third choices, send out request of for additional information and they will have see who can come with the dollars by December 2010. Councilor Parke is concerned the wages would be higher at the ODVA hospital and it could affect the staffing at Coquille Valley Hospital. O’Connor said that we may not have enough qualified people in the area to support this type of facility; one of the requirements is that training is available in the area.

City Manager said the question today is will Council authorize the submission of an application, Muenchrath asked if that obligates us to any type of financial commitment, O’Connor said not that he is aware of. He believes Douglas County is looking into the project as is White City. Part of the scoring requirements is you receive 300 points if your are close to a VA hospital or clinic, 250 points if you are close to special care facility. It has been said that they are looking for a southern Oregon site. Councilor Parker does not think the county would vote in another tax, O’Connor said it would be .22 a thousand increase in taxes county wide. O’Connor and Capehart meant with Nicky Whitty to discuss the tax increase and the vote would be in November.

Councilor Wiese said he thinks the county might support it due to the need in the county and it would provide jobs. Councilor Muenchrath thinks we should authorize the application and see what happens if we qualify. Councilor Parker says he thinks the value of the 10 acres will increase when the McKay's and Coos Curry Electric build. Councilor Capehart said it also creates other jobs in the area. Councilor Wiese said the roll over dollar of wages is huge and people would need to live in the area, but he is concerned about the demand of nurses. O'Connor said the City would loose tax dollars and the facility would not impose a burden even with the elevated cost of the wwtp facility because of the funds it would generate on the current billing rate; the funds would actually see a surplus in the water and sewer funds. Councilor Muenchrath asked why would build a plant that could not handle an operation of that size, if we don't we are limiting our selves and the use of the property. The State has told the City they are not allowed to build a plant larger than what you will grow in the next 20 years which is bases on previous growth ours is approximately 300 units. Councilor Short asked how it could effect the ambulance service, Chief Waddington contacted Mid Columbia they have 18 career people and 4 ambulances. They average 182 calls month, which includes 9 times a month to the VA hospital and ours could double due to the proposed size and the cost is \$100,000 per year per employee. At this time there are 3 full time employees and Chief drives through the week and volunteers work when he does not drive, Coquille's employee cost is approximately \$50,000 a year. There would have to be a contract with the VA, at this time a company out of Roseburg handles the VA contract at this time. Councilor Parker asked if prevailing wage comes into play, Chief Waddington was not sure and there would have to be possibly two more ambulance employees. A wheel chair van would need to purchase if they do not have one. Mid Columbia does not do the billing and VA pays 80% of the ambulance bill of what they feel is necessary, if they feel is not necessary the cost is the responsibility of the patient.

Councilor Short asked about the seismic issues, O'Connor said that is why a geo-tech report would be required and he is not sure. O'Connor said if the hospital went forward it may be eliminated from the URA area and some other area incorporated to make up for the difference.

Councilor made a motion to authorize the City Manager and staff to submit a proposal to the Oregon Department of Veterans Affairs for an Oregon Veterans Home in Coquille, Councilor Capehart seconded the motion. Councilor Capehart said it also benefits veterans spouses, Councilor Parker said he does not think it will benefit the City, Councilor Wiese said that it could be a successful venture. Councilor Parker voted no, all other vote yes

4. ADJOURNMENT

Mayor Britton adjourned the Council Meeting at 12:45 p.m.

Mayor, Steve Britton

ATTEST: _____
Deputy Recorder, Rene Collins