

**CITY OF COQUILLE  
CITY COUNCIL MEETING MINUTES  
October 3, 2011**

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

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

**PRESS:** Coquille Today, The World

**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 7:02 p.m.

**2. MAYOR COMMENTS**

Mayor Muenchrath thanked everyone for coming to the October Council meeting. He reported that some of the Council attended the League of Oregon Cities conference (LOC) in Bend over the weekend. At the conference they reminded everyone about being prepared for an emergency. He reported the ground breaking ceremony for the Waste Water Treatment Plant took place today and the project will be approximately 16 months; he thanked everyone who has worked on getting this project going as it has taken several years.

**3. COUNCIL COMMENTS**

Councilor Spanberger said he enjoyed the LOC conference and picked up some new tools that he could use as a council member regarding budget and other education that is available to him.

Councilor Short said she spoke with the train owner and it has been reserved it for the Gay 90’s Celebration in June and the Chamber will be sponsoring the train. The downtown stores are talking about Coquille Collectable and Antiques for a tag line and they are looking for other business to come to the area. She thanked those who donated free swim days for the pool season and presented a check in the amount of \$5,400.00, which sponsored 13 free swim days. Over the years the community has donated \$42,500 for free swim day since the program started.

Councilor Capehart said she attended the LOC conference and said it was a lot of fun and toured Redmond as part of the conference. Tickets to Saturday’s Oktoberfest are available; dinner will be served. On October 18<sup>th</sup> during Rotary Steve Grife will talk about the new historical museum that is being built in Coos Bay.

Councilor Daniels said the Free Swim Day Program is fabulous for the children and the community.

Councilor Wiese said he attended the Coquille Sports Hall of Fame dinner and it was a great event and he thanked the Booster Club and the Waddington family for all they did to organize the event.

Mayor Muenchrath thanked Robert Jump and everyone who worked on the “Smoke on the Water” BBQ event.

Mayor Muenchrath said Judy Moody and Karen Gooding are here from the Women’s Safety and Resource Center to remind us that October is Domestic Violence Month and the center provides a great service to our county. Mayor Muenchrath read a proclamation declaring October as Domestic Violence Awareness Month. Mayor Muenchrath promulgated the proclamation.

Mayor Muenchrath said that we have some lingering issues in the City and we need to have the committee chairs and members attend council meetings and get involved helping with issues. Sometimes we do not have an ordinance to address the situation, so the committee can review the ordinances and make recommendations of changes or a way to handle the issue.

#### **4. STAFF REPORTS**

Police Chief Blue had nothing to add to her report. Mayor Muenchrath asked what hours will Officer Webley the School Resource Officer is at the schools; Chief Blue said from 12-2 daily.

Public Works Director Urban said he received a call about a sink hole on 900 block of Collier and it measures about 2 foot in diameter. We were notified by email today that the City was successful in receiving the Coastal Management grant which will give us money to get information about overlay district. The docks have been completed and they need to put in the water next week.

Fire Chief Waddington said that next Wednesday from 6-8 p.m. is the annual Fire Prevention Open House; October is Fire Prevention month. The update for ambulance calls is 65 for the month of September.

Library Director Conner said the library is very busy and the cold season is upon us as two people called in sick today. The new arrangement in the library is great, and they are full. The book sale has been postponed until the first of the year due to shortage of volunteers and the Community Building is booked for the rest of the year.

Finance Director Dufner the investment account is earning about 4.4%. The auditors will arrive on October 24<sup>th</sup> and the schedules are being worked on. He spoke with the URA bond attorney and underwriter and discussed some options. They said if the City is willing to lend its full faith credit to the URA the rate could get better by 2%. If the bond is nontaxable the investors are willing to take a little lesser return because of it not being taxable. Taxable bonds you receive all the money at once and you pay interest from the day you receive it and you have to declare if the bond is taxable or non-taxable bond. If the bond is non-taxable the money could not spend on facades or other improvements that are for private properties. The money has to be used within three years and the City may not have enough projects that could proceed in that time span.

It was suggested that a local bank or the Wedbush Bank setup a line of credit and that way use only what you need and can deem each draw down as taxable and non-taxable. The overall cost of getting the loan has fewer fees than the bond. The City can also loan the URA money as it has done in the past which has no cost but could limit the amount of projects the URA could do this current year. Councilor Wiese said the commitment to the pool and the small projects to help the local business owners are important. Finance Director Dufner recommends the line of credit. The question is whether the City is willing to put full faith in credit which guarantees repayment of the loan payment. Mayor Muenchrath said it is good to save money by receiving a lower interest rate.

Attorney Trew said that he has met with City Manager O'Connor and Planner Urban about the buildings and they are working on putting together a draft ordinance in regard to dangerous buildings and next they will work on the building.

#### **5. CITY MANAGER'S REPORT**

City Manager O'Connor said last week said he received a letter from the Coquille Chamber is requesting the City waive the fees for the use of the Community Building for the evening of December 3, 2011 for the annual "Christmas in Coquille" event. Councilor Wiese made a motion to approve the request to waive the rental fees of the Community Building for the "Christmas in Coquille" event being held on December 3, 2011. Councilor Short seconded the motion; all voted in favor.

City Manager O'Connor said he received a request from the Chamber of Commerce for the \$2,000 that was requested during the budgeting process in the 2011-2012. They included a budget showing what the money would be spent on advertising. Councilor Spanberger made a motion to disburse the \$2,000 budgeted in the 2011-2012 to the Chamber of Commerce; Councilor Short seconded the motion. Mayor Muenchrath asked if the Chamber will try to recover money from advertising on the train and will there be charge for the train. Councilor Short said yes they will provide advertising opportunities and there has not been a decision to charge for the train, but they may ask for donations. All Council members voted in favor.

The City of Powers thanked the City for the sale of the old ambulance; the money from the sale is returned the equipment reserve for ambulance.

The contractors may possibly start moving dirt on October 17<sup>th</sup> for the Waste Water Treatment plant.

**6. PUBLIC PARTICIPATION**

Nancy Keller, Rink Creek, this Saturday is the Tomato Taste Off at the community gardens and at 1:00 p.m. there will be a living chess board game at the Figaro’s parking lot on Saturday at 1 p.m.; there will be fun for all. The Children’s Theatre will be Oct 29<sup>th</sup> the show will be Snow White. November 5<sup>th</sup> there will be a chess tournament held the Coquille; Aaron Grabinsky is rated 13<sup>th</sup> in the State of Oregon. October 14<sup>th</sup> is the all Stars Tournament in Salem, nineteen children have been invited because they were in the top ten in their grade. December 17<sup>th</sup> the Downtown Studio will be putting on a dance showcase. Ms. Keller would like the car club, Chamber and the downtown merchants to meet and talk about the Gay 90’s. Councilor Capehart said she will make sure she is invited to the meetings.

Don Taylorblowden, Troop 314 are working on communication and citizenship in the citizenship in the community badges and they thanked Council for letting them attend the Council meeting. They will be selling Christmas trees in December in the HGMR parking lot.

**7. CONSENT CALENDAR**

- City Council minutes of September 6, 2011

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

**8. ACCEPTANCE OF RIVER WALK BIDS**

City Manager O’Connor said the following 3 bids were received on the 1<sup>st</sup> phase; HGE project estimated cost 130,000-140,000.

Tome E Gayewski Construction Inc.	- \$192,900
Scott Partney Construction	- \$231,900
Brown Contracting	- \$252,500

Councilor Wiese made a motion to accept the 3 bids submitted for the River Walk. Councilor Daniels seconded the motion; all voted in favor.

**9. DECLINATION OF RIVER WALK BIDS BASED ON INSUFFICIENT FUNDS**

City Manager O’Connor said the estimate was \$130 – \$140 thousand. The lowest bid was \$192,000 in addition to the construction cost there will be \$22,400 in A/E costs and \$20,000 in contingency which would bring the project cost to \$235,400. The cost would then be 53% higher than the estimated, leaving the project short \$82,400. Staff recommends declining the bids due to insufficient funds.

Councilor Wiese made a motion to reject all bids because they are in amounts in excess of the funds available for the project and it is in the public’s best interest to do so. Councilor Daniels seconded the motion; all voted in favor.

**10. ACCEPTANCE OF COQUILLE MULTI-USE POOL BIDS**

After being advised by Operation Coquille in August that they had raised 1.6 million for the pool project City Manager O’Connor said the following 5 bids were received. The project’s estimated cost was between 1.4 and 1.7 million.

Tome E Gayewski Construction Inc.	- \$1,775,900
Victory Builders.....	- \$1,789,000
Brown Contracting.....	- \$1,725,000
Scott Partney Construction.....	- \$1,775,470
Wildish Construction .....	- \$1,861,000

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

**11. AWARD OF COQUILLE MULIT-USE POOL BID**

The lowest bid was received from Brown construction and in the amount \$1,725,000. The actual total of the project when the remaining A/E fees of 68,000 and contingency of \$150,000 are added to the contractor cost the

project cost becomes \$1,943,000; the project then became short \$ 333,000. An anonymous donor pledged another \$200, 000 on Monday; the money has now been received. City Manager O'Connor suggested the City could utilize the operational costs set aside for the next pool season of \$93,000 plus use the capital outlay set aside for the kitchen remodel \$40,000 which would cover the remaining \$133, 000 after the \$200,000 donation. There are still several grants pending in the amount of \$40,000. Because of the time constraints related to the grants staff recommends awarding the project. There is the possibility that there may not be a swim season due to the start date of the project or due to the use of the contingency funds. HGE feels the contractor is willing to take the project and possibly start in November. Mayor Muenchrath said the City has already pledged \$500,000 already and is concerned about not having enough money to pay the contract and spending an additional 133,000 of the City's money and the donations will stop. City Manager O'Connor said there is still fund raising efforts going on and they will continue. City Manager O'Connor said that if the pool bid is not approved some of the grant dollars could be lost.

Mayor called for public comment:

Julie Watte, 874 N Henry St, asked how many months is the pool open and does the new plan include a cover at this time and is the pool heated. O'Connor said the pool is open 3 months, no cover is planned at this time and yes it is heated. Is it financial feasible to put money towards this project at this financial hard time when there are other things in the city that need attention? She feels like it is a lot of money to spend. Mayor Muenchrath said that a lot of money has been spent on pool repairs and the pool has had health code violations, but there has been a lot of money raised by the members of the community. This project has been a priority of council and the City would spend \$500,000 and receive a pool worth about 2 million dollars. Councilor Short said that Bandon and Myrtle Point also use the pool and it gives all the children something to do and there will also be a physical therapy area in the pool. O'Connor said for every public \$1 the fundraising group has raised a matching \$3. Councilor Wiese said it is not the time to get scared because we are \$100,000 short. We owe it to the community to make the project happen and he supports the project. City Manager O'Connor said continued valued engineering discussions are taking place which may be able to reduce costs.

Lowell Thomas, 854 N. Elliot, said we had a financial feasibility study and the report indicated that the new pool would cost less per year to operate pool, and the money will come back in savings in the future years.

Mayor Muenchrath asked what if we need to award the bid and do we have to ear mark the pool operating fund. City Manager O'Connor said everyone to understand if we spend more than \$60,000 in contingency funds then there is the possibility that for every \$30,000 we use that it takes away a month of the pool season. Mayor Muenchrath thinks we should wait until we have the money in hand. City Manager O'Connor said the bids are good for 60 days and Council could choose to delay the vote until November Council meeting, which would allow additional reporting on funds that may be received.

Councilor Short made a motion to award the contract to Brown contracting for the Coquille Multi-Use Pool in the amount of \$1,725,000. Councilor Capehart seconded the motion. Mayor Muenchrath voted against the motion; all others voted in favor.

## **12. DISCUSSION OF SDC'S**

The idea is that the new comers pay their fair share of project when they buy the new construction building permit as the other residents have been paying along the way which includes water & waste water systems, parks and roads. The funds are held in a dedicated fund that are generated, but can't be used for ongoing maintenance; they can only be used for capital projects and projects caused by the increase of EDU's. The current charge is \$500 the estimated highest SDC is \$7,076 per EDU with \$6,279 of that comprising the water and waste water SDC's. Mayor Muenchrath asked if it would benefit our City. City Manager O'Connor said the City would benefit from it, the WWTP has to be built for 20 years growth and all the current rate payers are paying for the facility and new homes need to pay their share in the cost.

Steve Major, Dyer Partnership, said in SDC's there is development and reimbursable fees, until the WWTP is completed part of the fee can be used for it and the reimbursable portion can be used to pay off the loan for the WWTP. The plan is for 10 years and then the assessed values need to be reviewed yearly and the fund is audited each year to verify where the dollars are spent. Councilor Capehart asked what the Attorney General's Office opinion is on these charges. O'Connor said that they are not comfortable on charging fees based on income and the fees need to be based on the accepted formula. The question was asked if the new construction will go somewhere else if the fee is implemented. Bandon (\$10,000) and Brookings (\$14,000) have not seen a decrease in building. Mayor Muenchrath said staff is looking for a direction to either move forward or not. Mr. Major said the fee structure shows the maximum that you can charge; you can charge less if you choose.

Attorney Trew said that sometimes it does add to the controversy and he recommends that there be a 90 day notice and have a public input period. Council directed staff to move forward.

### **13. ADJOURNMENT**

Mayor Muenchrath adjourned the meeting at 8:55

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Mayor, Matt Muenchrath

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Deputy Recorder, Rene Collins

**CITY OF COQUILLE**  
**URBAN RENEWAL AGENCY MEETING MINUTES**  
**October 3, 2011**

**1. CALL TO ORDER**

Chairman Wiese called the meeting to order at 9:00 p.m.

**2. APPROVAL OF MINUTES**

- URA minutes of September 6, 2011

Member Capehart made a motion to approve the URA minutes of September 6, 2011. Member Short seconded the motion; all voted in favor.

**3. REQUEST BY GERALD MARCA FOR URA PARTICPATION IN HIS IMPROVEMENT PROJECT AT 63 W. 1<sup>ST</sup> STREET.**

Executive Director O'Connor said we still need three bids even if Mr. Marca is planning to do the work himself per our program. Staff did not realize that they were not included in his packet. Member Short asked where would the parking lot be, O'Connor said where Bill's Place sits now and access would be via the alley.

Chairman Wiese said that O'Connor will talk with Mr. Marca about the additional information on both requests made to the URA.

**4. REQUEST BY GERALD MARCA FOR URA PARTICPATION IN HIS IMPROVEMENT PROJECT AT 83 W. 1<sup>ST</sup> STREET.**

The URA agency will await more information before making a decision.

**5. REQUEST BY OPERATION COQUILLE FOR URA TO PAY POOL ARCHITECT BILL OUT OF ITS COMMITMENT TO THE POOL FUND.**

Finance Director Dufner said the City has been paying the bills and receiving a reimbursement check from Operation Coquille. Executive Director O'Connor recommends denying the request and continuing the process we have been following due to the fact that they have money for the pool in the account. The members agreed that we should continue our current process.

Member Spanberger made a motion to direct staff to seek a line of credit for the URA. Member Capehart seconded the motion; all voted in favor.

**6. ADJOURN URBAN RENEWAL AGENCY MEETING**

Chairman Wiese adjourned the meeting at 9:22 p.m.

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Chairman Loran Wiese

ATTEST: \_\_\_\_\_  
Deputy Recorder, Rene Collins