
AGENDA

ASTORIA CITY COUNCIL MEETING

May 5, 2014

7:00p.m.

2nd Floor Council Chambers
1095 Duane Street
Astoria OR 97103

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **REPORTS OF COUNCILORS**
4. **CHANGES TO AGENDA**
5. **PROCLAMATIONS/PRESENTATIONS**
 - (a) Emergency Medical Services Week
6. **CONSENT CALENDAR**

The items on the Consent Calendar are considered routine and will be adopted by one motion unless a member of the City Council requests to have any item considered separately. Members of the Community may have an item removed if they contact the City Manager by 5:00 p.m. the day of the meeting.

 - (a) City Council Special Meeting Minutes of 4/4/14
 - (b) City Council Minutes of 4/7/14
 - (c) City Council Minutes of 4/21/14
 - (d) Intergovernmental Agreement with State of Oregon for Building Division (Community Development)
7. **REGULAR AGENDA ITEMS**
 - (a) Continuation of Public Hearing Regarding Vacation of a Portion of West Niagara Avenue Adjacent to United States Coast Guard Housing (Public Works)
 - (b) Public Hearing Regarding Sale of City Property Located in the 4800 Block of Birch – Olvey (Public Works)
 - (c) Mainline Improvement Harvest 2014 (Public Works)
 - (d) Resolution Establishing Rules, Regulations, Rate Changes and Conditions for Solid Waste Collection Services / Recology Rate Review (Finance)
 - (e) Authorization to Relocate the Astoria Recreation Center (Parks)
 - (f) Authorization for Grant Application to Support Wayfinding Signage Installation Along the Riverwalk (Parks)
 - (g) Authorization for Grant Application to Support Parks and Recreation Master Plan (Parks)
 - (h) Approval of Contract for 15th and Duane Street Manhole Installation (Public Works)
 - (i) Authorization to Bid for Franklin Avenue Sewer Replacement Project (Public Works)
 - (j) Consideration of Draft City Council Goals for Fiscal Year 2014-2015
8. **NEW BUSINESS& MISCELLANEOUS, PUBLIC COMMENTS (NON-AGENDA)**

<p>THIS MEETING IS ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630 BY CONTACTING JULIE YUILL, CITY MANAGER'S OFFICE, 503-325-5824.</p>




CITY OF ASTORIA

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May 1, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL
FROM:  BRETT ESTES, CITY MANAGER PRO TEM
SUBJECT: ASTORIA CITY COUNCIL MEETING OF MAY 5, 2014

PROCLAMATIONS/PRESENTATIONS

Item 5(a): Emergency Medical Services Week

The Mayor will proclaim May 18-24, 2014 as Emergency Medical Services Week.

CONSENT CALENDAR

Item 6(a): City Council Special Meeting Minutes of 4/4/14

The minutes of the Special City Council meeting of April 4, 2014 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 6(b): City Council Minutes of 4/7/14

The minutes of the City Council meeting of April 7, 2014 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 6(c): City Council Minutes of 4/21/14

The minutes of the City Council meeting of April 21, 2014 are enclosed for review. Unless there are any corrections, it is recommended that Council approve these minutes.

Item 6(d): Intergovernmental Agreement with State of Oregon for Building Division (Community Development)

The City of Astoria currently administers a building inspection program which issues permits for construction within the city limits. Oregon Revised Statutes

and other State laws include provisions as to how municipal programs are to be structured. The Oregon Building Codes Division conducts routine reviews of municipal programs and recently the City of Astoria successfully went through that process. Now that the review is complete, a Memorandum of Agreement between the State and City is required to continue the program for the next four years. The attached Memorandum of Agreement (MOA) sets forth the roles and responsibilities of the City of Astoria operating a municipal building inspection program as referenced in ORS Chapter 455 for the State of Oregon. This agreement would become effective July 1, 2014 and will remain in effect for four years unless the City abandons or ceases to administer the Building Inspection Program. The agreement has been reviewed as to form by City Attorney Henningsgaard. It is recommended that the City Council approve the agreement and authorize the Mayor and Building Official to sign and submit the agreement to the State of Oregon.

REGULAR AGENDA ITEMS

Item 7(a): Continuation of Public Hearing Regarding Vacation of a Portion of West Niagara Avenue Adjacent to United States Coast Guard Housing (Public Works)

The City has received a request from the United States Coast Guard (USCG) for the vacation of the north 30 feet of the West Niagara Avenue right-of-way adjacent to Lots 1 to 10, Block 12, West Slope and the south 30' of the West Niagara Avenue right-of-way adjacent to Lots 1 to 11, Block 13, West Slope. The USCG plans to expand their housing development with a road and new housing extending north from Klaskanine Avenue. At their April 21, 2014 meeting Council adopted a resolution to set a public hearing for said vacation on May 5, 2014. Public hearing notices were inadvertently not mailed within the required notice period; therefore, staff is requesting that the public hearing be continued to the May 19, 2014 meeting. It is recommended that the Astoria City Council continue the public hearing concerning the vacation of a portion of the West Niagara Avenue right-of-way originally scheduled for May 5, 2014 to the May 19, 2014 meeting.

Item 7(b): Public Hearing Regarding Sale of City Property Located in the 4800 Block of Birch – Olvey (Public Works)

Area Properties listed the vacant City lot in the 4800 block of Birch, Map 8-9-10AB Tax Lot 2600, Lot 6, Block 17, Alderbrook, for \$19,000. The lot is undeveloped and the northwest portion of the lot is in a flood hazard area. It is zoned R-2 Medium Density Residential. Leroy Olvey, the adjacent property owner to the west, originally made an offer of \$8,000 in October, 2013. Staff countered with the price of \$12,000, which has been accepted by Mr. Olvey. This price is consistent with the price of the 50' by 100' lot across 49th Street that was purchased by Mr. and Mrs. Cahill. The Public Works Director signed the counter offer on February 19, 2014. It should be noted that the Astoria Police Department has contacted Mr. Olvey between 2005 and 2009 concerning

possible violations of the City's nuisance ordinance. At their April 7, 2014 meeting, the City Council acted to schedule a public hearing on the proposed sale for the May 5, 2014 Council meeting. It is recommended that Council conduct the public hearing, after which, the City Council approve or deny the sale of said property.

Item 7(c): Mainline Improvement Harvest 2014 (Public Works)

On October 7, 2013 the City Council awarded a contract to have an inventory of forest resources conducted in order to update the watershed forest management plan. A copy of the inventory is attached to this memorandum. Consistent with the management plan, a harvest is proposed to remove select mature timber within the watershed. The removal of the selected trees will allow for the planting of seedlings to create a diversity of tree species and age classes as identified in the management plan, and to sustainably generate revenue for the Capital Improvement Fund. The improvement project includes the placing of crushed rock and culverts on the Watershed Mainline. The net revenue after road improvement and reforestation costs is estimated to be \$200,000.00. The budget for the improvement projects is not to exceed \$36,000.00. Revenues generated from this project would be deposited in the Capital Improvement Fund. It is recommended that Council approve the solicitation of bids for the Mainline Improvement Harvest.

Item 7(d): Resolution Establishing Rules, Regulations, Rate Changes and Conditions for Solid Waste Collection Services / Recology Rate Review (Finance)

The City's Franchise Agreement with Recology requires them to render financial statements and a rate review of the Solid Waste Collection Franchise and Clatsop Transfer & Disposal Station no later than April 30th each year. The purpose of the annual rate review is to determine whether Recology's rate of return on their collection operations and solid waste disposal falls within the limits set by the Franchise Agreement with the City. Based on the data included with this agenda item as provided by Fred Stemmler, Recology Western Oregon General Manager, it is proposed to keep collection rates the same for the coming year; however, there are certain items within the rate schedule that are being adjusted to reflect increased cost with vendors for handling of medical waste and certain industrial items. A resolution implementing these adjustments is attached for Council's consideration. In addition, there are no rate increases proposed for Transfer Station charges. Representatives of Recology will be available at the meeting to respond to Council's questions. It is recommended that Council approve the proposed resolution with the rate changes as indicated.

Item 7(e): Authorization to Relocate the Astoria Recreation Center (Parks)

The Parks and Recreation Department offers a variety of programs at the Astoria Recreation Center (ARC). This includes a teen center, after school

program, school aged summer day camp, adult lounge, adult fitness classes, special events, gymnastics classes, Tae Kwon Do, and many others. In August 2011, the Parks and Recreation Department began leasing space in the Star of the Sea Building from St. Mary's Catholic Parish to house the Astoria Recreation Center. This lease will expire on August 1, 2014 providing an opportunity for the ARC to relocate to the Astoria Yacht Club in an effort to enhance services and reduce expenditures. The Star of the Sea Facility has been a wonderful home for the ARC; however, due to the Facility's limitations and costs, staff and Parks Advisory Board is recommending relocating to the Astoria Yacht Club. The Astoria Yacht Club is a City owned facility, thus the Parks and Recreation Department will no longer be required to make lease payments and additional savings will be gained in utility and janitorial costs. In addition, the improvements made to the facility will benefit the City of Astoria residents long into the future. Based on the financial savings, program improvements, enhanced services, and recommendation from the Parks Advisory Board, it is recommended that the City Council authorize relocating the Astoria Recreation Center from the Star of the Sea Facility to the Astoria Yacht Club.

Item 7(f): Authorization for Grant Application to Support Wayfinding Signage Installation Along the Riverwalk (Parks)

The Parks and Recreation Department has been exploring ways to implement wayfinding signage along the Riverwalk. Staff has consulted with GreenWorks, a Portland based Landscape Architecture and Environmental Design Company, to lead the City through a public process of schematic design and deliver a Wayfinding Concept Plan focused on the downtown area. Public involvement for the downtown wayfinding project will be coordinated with the help of the Astoria Downtown Historic District Association, the Astoria Warrenton Chamber of Commerce, the Riverfront Trolley Operators, and the Cruise Ship Hosts. To assist in funding the implementation of the Wayfinding Concept Plan, the Parks and Recreation Department is requesting authorization to apply for a Travel Oregon Matching Grant. These grants make awards available to eligible applicants for projects that contribute to the development and improvement of local communities throughout the State. It is suggested the Promote Astoria Fund provide an additional 100% match, in the amount of \$20,000. It is recommended that Council approve the application for the Travel Oregon Matching grant in the amount of \$20,000 to support funding Wayfinding Signage along the Riverwalk.

Item 7(g): Authorization for Grant Application to Support Parks and Recreation Master Plan (Parks)

The Parks and Recreation Department is looking to complete a system-wide Parks and Recreation Master Plan to provide guidance and policy direction for Astoria's Parks, Aquatic Center, Recreation Center, and Recreational Programs. The Oregon Parks and Recreation Department Local Government Grant Program hosts a system-wide Park and Recreation Planning Grant to assist

cities in identifying system needs, available resources, and required capital project investments to accomplish short and long-term park, recreation, and open space objectives of the community. If successful, the Parks and Recreation Department would receive \$40,000 to assist in funding a system-wide Park and Recreation Master Plan. It is suggested that the Parks and Recreation fund provide an additional 40% match, in the amount of \$16,000. It is recommended that Council authorize submittal of a grant application for the Oregon Parks and Recreation Department Local Government Grant Program in the amount of \$40,000 to support funding a system-wide Parks and Recreation Master Plan.

Item 7(h): Approval of Contract for 15th and Duane Street Manhole Installation (Public Works)

The upcoming 16th Street Combined Sewer Overflow (CSO) Separation project consists of installing approximately 8,100 feet of new stormwater pipe within the existing roadway infrastructure in established City right-of-way. Public Works staff have been preparing for this project by identifying potential issues that the contractor may encounter which would require extra work outside of the immediate construction area. There is a sewer lateral located near the Owens Adair Apartments at 1508 Exchange Street that needs to be relocated to a new manhole on Duane Street. Staff submitted informal quotes to local contractors and two responded:

TFT Construction	\$21,962.00
Big River Construction	\$17,766.00

Funds for this project are available in the Public Works Improvement Fund. It is recommended Council award a contract to Big River Construction to install a new manhole on Duane Street for the relocation of a sewer lateral for Owens Adair.

Item 7(i): Authorization to Bid for Franklin Avenue Sewer Replacement Project (Public Works)

Public Works Operations staff has identified a severely deteriorated combined sewer pipe while performing video inspection work on Franklin Avenue between 26th Street and 27th Street. The 15" diameter clay pipe has collapsed in several locations, with significant cracking noted in many other areas. Additionally, a manhole on the alignment has settled substantially causing a reverse grade with resultant poor drainage. Staff believes that relocation of the sewer pipe would be the most cost effective and would minimize risk to the adjacent resident's property. The project will include installation of 550 feet of 15" diameter PVC sewer pipe, five manholes, three sewer laterals, and associated restoration work. The construction estimate for this project is \$120,000 which includes a 10% contingency. It is recommended that Council authorize staff to solicit bids for the Franklin Avenue Sewer Replacement Project. Funds for this

project would be available in the Public Works Improvement Fund for Fiscal Year 2014-2015.

Item 7(j): Consideration of Draft City Council Goals for Fiscal Year 2014-2015

The draft Fiscal Year 2014-2015 City Council Goals were presented for discussion at the April 7 and 21, 2014 Council meetings. Attached is the revised version which incorporates changes made at the two prior meetings. The draft goals have been posted on the City of Astoria website and are being presented for further discussion. This item will be placed on a future City Council meeting for consideration and adoption.



PROCLAMATION

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators and others; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week; now

NOW THEREFORE, I Willis L. Van Dusen, Mayor of Astoria, do hereby proclaim the week of May 18-24, 2014, as

EMERGENCY MEDICAL SERVICES WEEK

with the theme, EMS: Dedicated. For Life, I encourage the community to observe this week with appropriate programs, ceremonies and activities.

IN WITNESS WHEREOF, I have herewith set my hand and caused the Seal of the City of Astoria to be affixed this 5th day of May, 2014.



Mayor

A special meeting of the Astoria Common Council was held at the above place at the hour of 11:30 a.m.

Councilors Present: LaMear, Herzig, Warr, Mellin, Mayor Van Dusen

Councilors Excused: None

Staff Present: City Manager Pro Tem Estes, City Attorney Henningsgaard, and Public Works Director Cook, Library Director Jane Tucker, Fire Chief Ted Ames, Police Chief Peter Curzon, Parks Director Angela Cosby. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

REPORTS OF COUNCILORS:

There were no reports from the Councilors.

CHANGES TO AGENDA:

CONSENT CALENDAR:

No Consent Calendar was presented to City Council.

REGULAR AGENDA ITEMS

Item 6(a): Policy Clarification for City Manager Pro Tem / City Council Relations

This special meeting has been requested by Astoria City Manager Pro Tem Brett Estes for clarification of his responsibilities regarding City Council relations.

City Manager Pro Tem Estes explained he requested this meeting discuss policies regarding City Council and Staff communications and to make sure his style is consistent with City Council's expectations for their interim city manager. *The City Handbook* by the League of Oregon Cities, which is given to City Councilors upon being elected as part of their new orientation materials, states that communication between City Council and Staff must be made with the recognition of the following facts:

- A city employee is responsible to his or her immediate supervisor and cannot take direction or orders from a City Councilor.
- Each Councilor has authority in administrative matters only to the extent, which is delegated to the City Council as a whole.
- The best way for Councilors to get information about the City's daily work is to make a request during a regular City Council meeting or to request information from a specific department head or city manager.
- The procedures have been put in place to ensure that communication between a Councilor and Staff is not seen as a directive. A member of Staff could feel compelled to stop working on deadlines or tasks directed by their supervisor to comply with a request made by a Councilor, which could cause workflow issues.
- In 1988, a Council/Staff Interaction Policy was adopted by the Astoria City Council. He distributed copies of the policy at the dais, noting the policy was enacted to foster the open exchange between Staff and City Council, which allows for the accomplishment of assigned tasks and the timely provision of information. Guidelines were included for Requests for Information and Requests for Action. Requests for Information include updates on the status of specific projects and requests for existing reports, studies, or surveys. Any member of City Council or the City Manager may initiate a Request for Information and a department head may respond to these requests directly to City Council or the city manager. Requests for Action include the preparation of new reports, studies, or contracts, interpretation of an ordinance, directives to explain or investigate specific situations, and assistance in the use of municipal resources to resolve a problem. The City Council, acting collectively or as an individual Councilor, may initiate a Request for Action. A Request for Action initiated by the Council as a whole must be made to the City Manager, who would complete the request or delegate completion of the request to a department head. An individual Councilor who initiates a Request for Action directly to a department head would be referred to the City Manager.

- He believed this policy continues to be valid and relevant. He asked that detailed Requests for Information be made of the appropriate department head or himself. General Requests for Information that are not detailed may be made of any Staff member. He asked that Requests for Action be sent directly to him as City Manager Pro Tem. Councilors who make Requests for Action of a department head will be referred to City Manager Pro Tem Estes.
- In order to gather the information necessary to respond to constituents' questions and concerns, he suggested Councilors contact him directly and he would work with the appropriate Staff to obtain the necessary information. The name and contact information of the constituent is important because Staff may need to contact the constituent for more details. Staff could respond directly to the citizen with the question or concern and he would make sure that the Councilor was provided with Staff's response.
 - If a citizen has a question about a specific issue with a specific department, Councilors should encourage the citizen to contact the appropriate department head directly. Questions that are more complex should be directed to City Manager Pro Tem Estes. Staff wants to provide information to City Council and its constituents in the most effective and efficient manner possible. He believed the policies would effectively provide both Council and the citizens with the information they are looking for.
- He understood that former City Manager Benoit may have had some different approaches to this issue, but he did not believe the procedures outlined were a significant departure from what was done under former City Manager Benoit. He has served as assistant city manager for 1½ years and has his own style and wanted to make sure that City Council concurred with his approach regarding this issue.

Mayor Van Dusen asked City Manager Pro Tem Estes to explain why he believed a Special City Council meeting was necessary to discuss this issue.

City Manager Pro Tem Estes noted he had emailed and called Councilor Herzig about this issue yesterday to give him advance notice of this discussion. He explained that earlier in the week, Councilor Herzig contacted City Engineer Jeff Harrington to discuss the issue of one-way versus two-way traffic at Hamburg and Highway 101, which was brought up at the City Council meeting on March 24, 2014. Councilor Herzig was concerned that Engineer Harrington may not have had all of the details of the traffic issue because the issue had also been discussed at Traffic Safety Committee meetings. Upon returning to work from vacation on Monday, March 31, Engineer Harrington received an email from Councilor Herzig requesting a meeting that same day. Engineer Harrington notified his supervisor, Public Works Director Cook, and City Manager Pro Tem Estes about the email and stated he did not wish to meet one-on-one with City Councilors.

- This communication issue has been ongoing and has become a sensitive issue. City Manager Pro Tem Estes told Engineer Harrington that he would reply to Councilor Herzig and would sit in on the meeting with Councilor Herzig. In his reply, he asked Councilor Herzig to copy him on any correspondence with Staff and said that he and Engineer Harrington would be happy to meet with Councilor Herzig that afternoon. When Councilor Herzig responded that he intended to meet with Engineer Harrington and did not see the need for City Manager Pro Tem Estes to attend the meeting, he responded that his attendance was requested by Engineer Harrington and he would be at the meeting with Councilor Herzig.
- When he and Engineer Harrington arrived at the meeting, Councilor Herzig told him he was not needed at the meeting. City Manager Pro Tem Estes responded that Engineer Harrington had asked him to attend to which Councilor Herzig responded that, in that case, there would be no meeting. City Manager Pro Tem Estes asked Engineer Harrington to excuse himself so he could speak with Councilor Herzig one on one, and Councilor Herzig stated he would not speak to City Manager Pro Tem Estes and left the meeting space. He followed Councilor Herzig into the hallway and explained that he needed to be informed about contact between Councilors and Staff. Councilor Herzig replied that former City Manager Benoit allowed him to contact Engineer Harrington about traffic related issues as long as he was copied on the correspondence. City Manager Pro Tem Estes reminded Councilor Herzig that as the interim city manager he was not copied on the email and reiterated that Engineer Harrington had requested his presence at the meeting because this issue had become sensitive; therefore he supported Staff when they had concern meeting one on one with a Councilor.
- He still would have wanted to participate even if Engineer Harrington had not requested he attend the meeting because this issue has been ongoing for some time and involved City policy related issues. Subsequently, Engineer Harrington said he would be willing to meet one on one with Councilor Herzig in order to move the issue forward. However, Engineer Harrington told Councilor Herzig that following their one on one discussion, he would like City Manager Pro Tem Estes to join to discuss some policy issues. Councilor Herzig responded that he would leave if City Manager Pro Tem Estes joined the meeting and Engineer Harrington and Councilor Herzig then met. City Manager Pro Tem Estes noted it was a mistake to

agree to allow Engineer Harrington and Councilor Herzig to meet one on one and he should have cancelled the meeting altogether.

Councilor Herzig stated that unfortunately, there were a number of misunderstandings. He has been discussing traffic issues and information with Engineer Harrington and did not realize it was becoming problematic. He recalled speaking to former City Manager Benoit about how he and Engineer Harrington shared a fascination with crosswalks and signage. He has been learning a lot from Engineer Harrington and they often talked about theory, practices, Councilor Herzig's observations, etc. He did not see these discussions as problematic or sensitive and he apologized if those conversations were upsetting to Engineer Harrington.

- He initiated the meeting solely to apologize to Engineer Harrington, as he heard from others that Engineer Harrington felt blind-sighted by the Taylor Street issue after the last City Council meeting. His email indicated he wanted to meet with Engineer Harrington for five or ten minutes so he could tell Engineer Harrington that it was not his intention to keep information from him. He did not intend to give Engineer Harrington a directive or to move the issue forward. The email from City Manager Pro Tem Estes only stated that he planned to attend the meeting and did not indicate that his attendance was requested by Engineer Harrington, so he had replied that he did not see the need for City Manager Pro Tem Estes to attend, but did not explain that he intended to apologize to Engineer Harrington.

After sending this reply, he left his house and did not receive the follow up email from City Manager Pro Tem Estes indicating his presence was requested by Engineer Harrington. He arrived at the meeting expecting to meet with Engineer Harrington. At the meeting, he stated that a meeting with both City Manager Pro Tem Estes and Engineer Harrington should be scheduled for another time, as he only wanted to speak Engineer Harrington at that time. He also stated he was not interested in a meeting with both City Manager Pro Tem Estes and Engineer Harrington at that time. He confirmed that he attempted to leave and City Manager Pro Tem Estes followed him, explaining the situation. He told City Manager Pro Tem Estes that he did not have that information and explained that he just wanted to apologize to Engineer Harrington for any misunderstanding, adding that he would have contacted Engineer Harrington outside of work hours if he had his contact information and that there were no other issues going on. He and Engineer Harrington then had a nice conversation. The issue did not appear to be that explosive. He recalled offering to schedule a meeting with City Manager Pro Tem Estes and Engineer Harrington at another time, but was not interested in meeting with both of them at that time. Councilor Herzig stated he did not recall saying he would meet with Engineer Harrington and also discuss this with City Manager Pro Tem Estes.

He stated was certainly not trying to subvert any power structure. He simply wanted to apologize because he believed he unintentionally hurt Engineer Harrington's feelings. The apology was his sole purpose and he did not understand why the issue warranted an emergency City Council meeting.

Mayor Van Dusen asked if there were any other Council communication and contact issues with department heads. City Manager Pro Tem Estes stated he was not aware of any other Councilors contacting Staff. However, since this issue with Engineer Harrington, he has been made aware that John Snyder in the Finance Department and the Parks Department Staff have had issues with contact from Councilor Herzig.

Councilor Herzig said he spoke with Parks Director Angela Cosby several times, who sent him emails about the Column. He was unaware that those emails were suspicious or violated some policy. He believed this communication issue was bizarre. He explained that he met with Mr. Snyder to introduce himself. He happened to be picking up the Arts and Cultural Promotion Fund and stopped into Mr. Snyder's office to ask for some clarifications/verifications. He did not realize that this was a violation of a procedure, but assumed that like any citizen, he could drop in and ask for information about certain things or follow up on a project that he has been involved with. It is bizarre that these contacts have been brought up as incidents.

Councilor LaMear believed the League of Oregon Cities makes it clear that anything Councilors do should go through the city manager. Otherwise, Councilors are taking time from department heads and Staff. City Council should be trusting Staff for the expertise and professionalism that they were hired for. Contacting Staff for 15 minutes here and there, several times a week or several times a month, adds up. She believed Councilors needed to be careful that they are not making Staff's jobs more difficult, as this is not City Council's purpose.

Councilor Warr stated he did not want to get into an argument or create problems for Councilor Herzig. However, he has heard repeatedly over the last several months that Councilor Herzig has pressured Staff to act in a

variety of ways. He believed City Council's job is to serve as policy makers, not as functionaries of the City. Astoria's City Charter says that no Council member may directly or indirectly, by suggestion or otherwise, attempt to influence the manager or candidate for the office of manager, the appointment, supervision, discipline, or removal of personnel in decisions regarding city property or contracts. He believed the charter is very specific about what latitude the City Council has, which is to act as policy makers for the city. He believed it should be clear that meeting with Staff without the blessings of the city manager is absolutely forbidden.

Councilor Mellin stated she regularly reviews the handbook for city councils, which is very clear that the City employee is responsible to his or her immediate supervisor and cannot take orders from a Councilor. Each Councilor has authority in administrative matters only to the extent delegated by the Council as a whole. The delegation is often formally contained in an ordinance or charter provision. She was concerned for City employees and the Director of Clatsop Community Action, George Sabol. She understood Councilor Herzig visited Mr. Sabol. Astoria City Council is not Mr. Sabol's supervisor, as he does not operate under City Council. Mr. Sabol's main office is in Saint Helens. The Community Action Board of Directors has expressed concerns about Councilor Herzig's visit to Mr. Sabol's office several months ago. She asked Councilor Herzig to explain why he visited Mr. Sabol.

Councilor Herzig asked Councilor Mellin to talk about her discussion with Mr. Sabol because he did not recall going to Clatsop Community Action. He believed this issue was hearsay. Mr. Sabol should approach Councilor Herzig with any complaints about him. He did not believe Councilor Mellin should recite a discussion with a person if that person is not present, particularly if the discussion was damaging. Councilor Herzig stated he did not go to the Clatsop Community Action office and visit Mr. Sabol.

Councilor Mellin recalled that Mr. Sabol approached her after an event at the library with Congresswoman Suzanne Bonamici. Mr. Sabol had indicated that Councilor Herzig came to his office and made demands to change his policy while shouting and banging on a desk. Mr. Sabol said he was humiliated. She noted that she has known Mr. Sabol for a long time and did not believe that he would make this up, as he is a real gentleman.

Councilor Herzig interjected, stating Councilor Mellin was stating misinformation.

Mayor Van Dusen called for the discussion to be limited to the issues as they relate to the City Manager.

Councilor Mellin believed City Council needed to follow the processes in the handbook, which guides the Councilors. If all of the Councilors were going to Staff, it would be chaos. She believed it was imperative that the Councilors follow the City's protocol.

Mayor Van Dusen said City Manager Pro Tem Estes recited his preferred relationship between City Council and the city manager well. He asked for City Manager Pro Tem Estes' thoughts about Staff contacting City Council members. City Manager Pro Tem Estes stated the City has a great Staff, which he supports. Contacting Councilors is part of conducting the day-to-day business of the City of Astoria. He had no concerns with Staff contacting or communicating with Councilors and confirmed that Staff did not have any constraints about contacting Councilors. Mayor Van Dusen explained that he wanted to make it clear that City Manager Pro Tem Estes had no desire to change how Staff communicates with the City Council.

Councilor Herzig said he wanted to be sure he understood the policy. He asked if he needed City Manager Pro Tem Estes' permission to enter City Hall because he would encounter Staff and might speak to Staff. He understood the consensus to be that he was not allowed to contact any City Staff in any way without City Manager Pro Tem Estes' expressed permission. City Manager Pro Tem Estes replied that was not accurate. Councilor Herzig could contact Staff to ask a question about a project or request information about the status of a project. When Councilor Herzig wants to provide direction with regards to a policy, the directive should go through the City Manager. The City Manager would then speak with Staff. When a Councilor contacts the City Manager about a policy issue, the City Manager may direct a department head to contact the Councilor directly or may decide to remain involved in the communication.

Councilor Herzig said he was comfortable with that policy. He recalled running into Mr. Snyder and asking for an update on the Arts and Culture Promotion Fund. He did not consider this a directive as he was just asking for information and he hoped others understood that. He resented hearing that he has been pressuring Staff because he believed Staff should approach him directly about such issues as a reciprocal courtesy. Staff should

communicate issues to Councilor Herzig and help him resolve the problem, rather than having this trial court. City Manager Pro Tem Estes believed the conversation with Engineer Harrington revealed that Councilor Herzig receives traffic related questions from constituents and the question is how to obtain answers to those questions. He suggested Councilor Herzig make him aware of the questions, so Staff can address the constituent's concerns. He did not want a Councilor or a constituent to meet directly with Staff to request information because this could give Staff the impression that policy direction is being given.

Councilor Herzig did not believe he had ever given Staff the impression that he was giving a directive. City Manager Pro Tem Estes understood that Councilor Herzig had requested Engineer Harrington to take direction. Councilor Herzig replied that City Manager Pro Tem Estes did not ask him to clarify that, which is part of the problem. If City Manager Pro Tem Estes had asked if he was attempting to set up a meeting with Engineer Harrington and some of his constituents, he would have said absolutely not, and asked what gave him that idea. He asked why City Manager Pro Tem Estes chose to schedule this special meeting instead of communicating his concerns directing with him. He did not understand why City Manager Pro Tem Estes could not be more direct with him about Engineer Harrington feeling pressured or with his concerns about Councilor Herzig setting up a special meeting. City Manager Pro Tem Estes believed he did directly communicate the issue to Councilor Herzig on Monday and Councilor Herzig did not respond.

Councilor Herzig explained that was partly because each email in the series of emails sent by City Manager Pro Tem Estes included only snippets of information, and he left his house before receiving the third email that said Engineer Harrington had requested City Manager Pro Tem Estes' attendance. The email should have indicated that City Manager Pro Tem Estes understood Councilor Herzig had set up a meeting with Engineer Harrington and that he would like to be present, but was unaware of what was going on, that asked Councilor Herzig to fill him in on the issue, and if there was something he could help Councilor Herzig with. Instead, City Manager Pro Tem Estes' email stated he would be present at the meeting, and the next email, which he missed, stated Engineer Harrington has asked him to be present. City Manager Pro Tem Estes recalled that Councilor Herzig would not agree to a one on one meeting with him, and then walked out of his office.

Councilor Herzig did not recall turning down a one on one meeting with City Manager Pro Tem Estes. He did recall agreeing to meet at a later time, and he recalled being frustrated at that point, so it would not have been a good time to meet one on one. He did not recall turning down a one on one meeting with City Manager Pro Tem Estes and he apologized.

Mayor Van Dusen said he heard about the disagreement that occurred in the hallway from non-City employees. He asked if there was a loud argument and wanted more details about what occurred. He believed the exchange in the hallway prompted this special meeting.

City Manager Pro Tem Estes explained that the discussion in the hallway occurred after he asked Councilor Herzig to meet with him one on one and after he had asked Engineer Harrington to excuse himself so that he and Councilor Herzig could talk in the office. Councilor Herzig walked out into the hallway.

Councilor Herzig stated he was trying to leave because he was trying to diffuse the situation and he apologized for that. As he was walking out, he heard City Manager Pro Tem Estes ask Engineer Harrington to give them some space. He was already trying to leave and was not intentionally walking away. He believed the best thing to do was to leave before the situation escalated. He apologized. It was not his intention to turn it into a meeting in the hallway. He did not believe staying would have been productive.

Mayor Van Dusen asked why Councilor Herzig did not feel comfortable talking to City Manager Pro Tem Estes.

Councilor Herzig said he felt City Manager Pro Tem Estes had not treated him courteously in laying out in one email that he wanted to meet with Engineer Harrington, he was concerned that Councilor Herzig was giving Engineer Harrington direction, and that Engineer Harrington had asked him to meet with them. He missed the third email. He was puzzled and did not understand why he was being given these directives about City Manager Pro Tem Estes' agenda. He contacted Engineer Harrington to apologize and was not ready to have a meeting. He did not know what the meeting would be about, as there was nothing in the emails to indicate that the meeting was to discuss Engineer Harrington's state of mind or anything else. He did not want to be in that situation, as he was not prepared to deal with it; therefore, he said he did not want to meet with City Manager

Pro Tem Estes at that time. Scheduling another meeting later would be fine, but he would not be part of the meeting with City Manager Pro Tem Estes and Engineer Harrington.

Mayor Van Dusen asked City Manager Pro Tem Estes why he failed to include more information in the emails sent to Councilor Herzig. City Manager Pro Tem Estes stated his first email stated that as city manager, he needed to be informed of Councilor communications with Staff and that he and Engineer Harrington were willing to meet with Councilor Herzig at 1:00 pm.

Mayor Van Dusen confirmed that Councilor Herzig's recollection of this first email was the same as City Manager Pro Tem Estes'. City Manager Pro Tem Estes explained that Councilor Herzig replied, saying he did not see the need for City Manager Pro Tem Estes to attend. City Manager Pro Tem Estes replied back, saying that Engineer Harrington had requested his presence.

Councilor Herzig reiterated that he did not receive the final email because he had already left his house.

Mayor Van Dusen believed it made no difference whether or not Engineer Harrington wanted City Manager Pro Tem Estes at the meeting. City Manager Pro Tem Estes stated he would have wanted to meet because he knew the situation was sensitive and had been ongoing for some time.

Councilor Herzig stated this puzzled him and asked why City Manager Pro Tem Estes did not tell him there was an issue, Engineer Harrington had requested his presence, and that he would like to diffuse the issue. He told City Manager Pro Tem Estes to reach out to him with his concerns rather than just saying he intended to be at a meeting. This was why he did not feel he was being kept informed. He asked why City Manager Pro Tem Estes did not inform him prior to leaving for the meeting with Engineer Harrington if this was an ongoing situation. City Manager Pro Tem Estes replied the issue, as stated in his first email, was that as city manager, he wanted to be involved in a matter concerning a Councilor directly contacting Staff.

Councilor Herzig responded yes, but now City Manager Pro Tem Estes was saying because of this and that, etc., and if he would have been told, it would have been good information to help him understand. Part of the situation is that under the previous city manager, he had been meeting with Engineer Harrington and did not sense there was tension. Councilor Herzig said he and Engineer Harrington were talking about crosswalk markings, signage, and he was learning a lot. There never seemed to be a problem situation. If City Manager Pro Tem Estes had said in his email that Engineer Harrington indicated there was a problem situation, he would have had the information he needed to help the situation.

Mayor Van Dusen understood Councilor Herzig wanted to know why City Manager Pro Tem Estes did not indicate that Engineer Harrington was feeling pressured, and that City Manager Pro Tem Estes wanted to talk to Councilor Herzig, but Councilor Herzig did not want to him. He believed City Manager Pro Tem Estes intended to tell Councilor Herzig about that perception.

Councilor Herzig responded no, it was a matter of chronology. When he arrived on the 3rd floor and said he had an appointment with Engineer Harrington, he was told to go to the City Manager's office where City Manager Pro Tem Estes and Engineer Harrington were preparing to sit down, but he said he was not looking for a meeting, he just wanted to speak with Engineer Harrington. He was running and had to be someplace else; he had no time. He was willing to schedule something else, but he was trying to leave. When City Manager Pro Tem Estes was running after him was not the right time to have a relaxed talk about the matter. Things had gone too far at that point and it would have been better if he had just left, and he probably should have, but he did not want to be rude to City Manager Pro Tem Estes and just walk out on him.

Mayor Van Dusen asked City Manager Pro Tem Estes if he planned to tell Councilor Herzig that he believed there was a misconception or a problem.

City Manager Pro Tem Estes replied that had he and Engineer Harrington been able to meet with Councilor Herzig and ask questions, he probably would have had discussed the traffic related issues. He most likely would have followed up later in a separate meeting only with Councilor Herzig to explain that he wanted to be included in contacts with Staff. The intent was to meet with Engineer Harrington and Councilor Herzig to discuss the traffic related issues, and then he would have followed up separately later on. After Councilor Herzig stated he

did not want to meet, City Manager Pro Tem Estes asked Engineer Harrington to step out so he could address the communication issue between Councilors and Staff.

Councilor Herzig stated he had no information that City Manager Pro Tem Estes wanted to schedule a meeting with him and Engineer Harrington to discuss traffic related issues. He set up a five to ten minute meeting with Engineer Harrington to apologize for a possible misunderstanding. The meeting was not about any issue. City Manager Pro Tem Estes should have said he planned to attend because he thought traffic issues needed to be discussed to let Councilor Herzig know about his agenda. He believed the meeting was a personal, one to one discussion and he did not need a third party. He emphasized that he did not set up a traffic issue meeting with Engineer Harrington. City Manager Pro Tem Estes needed to notify Councilor Herzig that he had changed the agenda to discuss traffic issues. He apologized that City Council and Staff were spending so much time on this issue; it was unfortunate.

Mayor Van Dusen believed the issue needed to be discussed because it was very important and well worth the time. He asked if Councilor Herzig was okay with the policy discussed by City Manager Pro Tem Estes.

Councilor Herzig said he was and stated that to the best of his knowledge, he has been following the policy. Other people may have different opinions based on what they have heard, and if those people would like to talk to Councilor Herzig, they should talk to him.

Mayor Van Dusen asked where Engineer Harrington was. City Manager Pro Tem Estes responded that Engineer Harrington was not in the office that day. Director Cook explained that he met with Engineer Harrington in his office and City Manager Pro Tem Estes joined them. He then explained that Engineer Harrington had, over the course of several different situations, he was going to be uncomfortable meeting one on one with Councilor Herzig and he asked that City Manager Pro Tem Estes be present.

Mayor Van Dusen asked how each Councilor wanted to proceed.

Councilor Herzig suggested the public be allowed to weigh in on the issue. Mayor Van Dusen replied that this was not a public issue, it was a Council issue.

Councilor Herzig stated the meeting was a public City Council session and members of the public are present. His reputation seemed to be on the line, which was very troubling to him. He added that when he sent the email to Engineer Harrington to say he would like to meet for five or ten minutes, Engineer Harrington was out of the office, but he did reply, instructing Councilor Herzig to set up a meeting with Jenny Cordiner, who had his calendar for the upcoming week. At no point did Engineer Harrington tell Councilor Herzig that he was uncomfortable meeting or that he wanted City Manager Pro Tem Estes to be included. He still had that email. He did not understand how he was supposed to know, based on the email, that Engineer Harrington was uncomfortable meeting with him. If people are not going to communicate their concerns directly to him, he did not know what he was supposed to do.

Mayor Van Dusen explained that concerns were being communicated directly to Councilor Herzig at this public meeting because City Council does everything in public.

Councilor Herzig stated the guidelines were acceptable to him and to the best of his knowledge, he was following them. If he was doing something more, he did certainly not intend to make anyone uncomfortable.

Councilor LaMear reiterated that if each Councilor visited Staff and department heads as often as Councilor Herzig seem to. Councilor Herzig asked how often he visited Staff. Councilor LaMear said she had heard that Mr. Benoit would receive five or six requests each week from Councilor Herzig via email.

Councilor Herzig stated it was too bad no one with complaints about him were present. He asked if Mr. Benoit ever indicated that he told Councilor Herzig he was feeling beleaguered by the emails. Councilor LaMear did not believe that was the issue, but that this meeting was to discuss respect for Staff and City Council allowing Staff to do their job.

Councilor Herzig responded, "I see."

Mayor Van Dusen stated, with respect to Councilor LaMear, that it does not matter what Mr. Benoit or anyone else thinks, except for the City Manager and the five Councilors. Obviously, the City Manager felt that the policy was not being followed. Otherwise, he would not have requested this meeting. He appreciated Councilor Herzig's comment about certain people not being present, but it does not matter. The City Manager is here and believes there is a problem. City Manager Pro Tem Estes agreed that is correct. He clarified that he wanted to make sure City Council agreed with his interpretation of the policy. He likely would have wanted this meeting at some point. However, he decided to call the meeting after Councilor Herzig refused to meet with him one on one. He had already recognized that this issue needed to be addressed, but the incident on Monday was the tipping point. When he was unable to approach a Councilor to explain a situation and the rationale for why the policy was necessary, he believed it was appropriate to call this meeting.

Councilor Mellin did not believe this meeting would have been necessary if Councilor Herzig had followed the directions in the handbook from the League of Oregon Cities, which describes the job description and responsibilities involved with being a City Councilor and it is up to each Councilor to follow the directions in the handbook.

Councilor Warr said that perhaps City Council has not done a very good job of defining the role of a City Councilor. He believed City Council, as a group, was elected to be faithful to the City's policies, to hire a City Manager, municipal judge, and city attorney, and make sure that the rules of the City are enforced. City Council is a governing body that should act as a body, not as individuals. He did not believe the Council has defined the Councilors' roles very well.

Mayor Van Dusen did not believe this issue is unusual. He believed many city councils have had this same issue in many small towns around the country. He agreed that City Council's role needed to be defined and suggested City Council review the Council/Staff Interaction Policy. He understood that Councilor Herzig agreed with the existing policy and suggested making a motion to reaffirm the policy.

City Attorney Henningsgaard believed this was a valuable discussion and agreed that this discussion was not unusual. The County Commission and other cities have struggled with this issue, and it is an important issue on a number of different levels.

City Council Action: Motion by Councilor Herzig, seconded by Councilor Warr, to reaffirm the Council and Staff Interaction Policy of May 2, 1988. Motion passed unanimously. Ayes: Councilors Herzig, Warr, LaMear, Mellin, and Mayor Van Dusen Mayor Van Dusen. Nays: None

NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:18 p.m.

APPROVED:

City Manager Pro Tem

A regular meeting of the Astoria Common Council was held at the above place at the hour of 7:00 p.m.

Councilors Present: LaMear, Herzig, Warr, Mellin, Mayor Van Dusen

Councilors Excused: None

Staff Present: City Manager Pro Tem Estes, Police Chief Curzon, Parks and Recreation Director Cosby, Planner Johnson, City Attorney Henningsgaard, and Public Works Director Cook. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc. [Julie, I thought Ted was there...]

REPORTS OF COUNCILORS:

Item 3(a): Councilor Warr had no report.

Item 3(b): Councilor Mellin reported that she attended the Astoria Downtown Historic District (ADHDA) open house at Sean Fitzpatrick's office building on 12th Street, which has an incredible and elegant interior. She encouraged everyone to see the front room.

Sean Fitzpatrick noted the building could be seen from Council Chambers at City Hall. Hospice installed a film on the front window to prevent people from seeing into the building from outside; this was to comply with HIPAA laws. Visitors can stop by during the day to see the interior.

Councilor Mellin continued, saying she had attended the Parks Board meeting and Director Cosby will give a report at the next City Council meeting because so much has happened within the Parks Department. She noted that Recreation Coordinator Pam Pearce received a letter last week from Ellis and Associates notifying her that the Center won the 2013 Silver International Aquatic Safety Award for consistently exceeding certain criteria during audits. She recalled seeing letters to the editor about the qualifications of the Aquatic Center. On April 27, 2014, the Parks Department will host the next Citizens Helping Improve Parks (CHIP-IN) project at Tapiola Park. She invited everyone to participate. On April 4th, she was interviewed by Jim Wilkins on KMUN's Friday morning show at 9:30 am, and on April 6th, she saw the North Coast Big Band perform at the Performing Arts Center (PAC). The band played all types of music and had volunteered to play as the concert was a benefit for the PAC. The star performer was Peter Hinsbeeck, a saxophone player from Walldorf, Germany. Mr. Hinsbeeck composed three different versions of *Oregon, My Oregon*, the State song of Oregon. The concert had 190 attendees.

Item 3(c): Councilor Herzig reported that he represented Astoria at the Welcome Home Veterans Appreciation Day at Lum's Auto Center on Saturday, March 29th. Veteran John Toyooka, Mr. Lum's son-in-law, was one of the honorees. He noted people often do not think of veterans being as young as Mr. Toyooka. It is impressive to see how much veterans contribute to the community and he was happy to represent the City. He also represented the City and the Lower Columbia Diversity Project at the Column lighting on April 2nd. He thanked Director Cosby and Parks Maintenance Supervisor Elkins for their efforts, noting the Column will be lit teal for the entire month. On April 6th, a sexual assault awareness panel, which included a couple Coast Guard representatives, discussed their personal experiences and the Coast Guard's responses to sexual assault. The event resulted in a good discussion of a very important topic. As Astoria is a Coast Guard City, he believed it was great that the Coast Guard was involved in the discussion. Our awareness makes us part of the solution and not part of the problem.

Item 3(d): Councilor LaMear reported that she toured the Fire Department with Chief Ames and it was nice to see what has happened since he has become Fire Chief. On March 30th, she attended the Lower Columbia Diversity Project (LCDP) event titled *Exploring the State of Marriage*, which was very timely considering that so much has happened regarding the state of marriage. The presentation was excellent and she commended the LCDP for bringing the discussion to the community.

Item 3(e): Mayor Van Dusen had no report.

CHANGES TO AGENDA: No changes were proposed.

CONSENT CALENDAR:

The following items were presented on the Consent Calendar:

- 5(a) City Council Minutes of 3/24/14
- 5(b) Boards and Commission Minutes
 - (1) Planning Commission Meeting of 2/27/14
- 5(c) Acceptance of Certified Local Government Grant for Pass-Through Façade Grant (Community Development)
- 5(d) Continuation of Libraries ROCC! LSTA Grant, Extending Service to the Unserved (Library)
- 5(e) Dr. Edward Harvey Historic Preservation Award Nominations (Community Development)
- 5(f) Irving Avenue: 19th Street Bridge Replacement – Consideration of Resolution and Authorization to Purchase Private Easement (Public Works)
- 5(g) Irving Avenue: 19th Street Bridge Replacement – County Easement (Public Works)
- 5(h) Pipeline Road Water Line Project Easement (Public Works)

City Council Action: Motion made by Councilor Warr, seconded by Councilor Mellin, to approve the Consent Calendar. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

REGULAR AGENDA ITEMS

Item 6(a): Public Hearing regarding Amendment Request A14-01 on Astoria Transportation System Plan and Implementation Ordinances (1st Readings) (Community Development)

- (1) Amending the Astoria Comprehensive Plan Section Pertaining to Background Reports and Transportation Policies**
- (2) Amending the Astoria Development Code Pertaining to Background Reports and Transportation Issues**
- (3) Amending the Astoria City Code Section 2.350 Pertaining to Local Improvements and Section 6.100 Pertaining to Vision Clearance Area**

The City of Astoria Community Development Department is initiating a legislative amendment to adopt the 2013 Transportation System Plan and amend the Development Code, Comprehensive Plan, and City Code to implement the TSP. The Astoria Transportation System Plan (TSP) has been developed to provide direction for transportation systems in the Astoria urban area over the next 20 years, as well as meet Federal, State and local transportation planning requirements. The TSP includes items such as reviewing current traffic conditions, conducting new traffic forecasting models, development of an updated project list, and integration of previously adopted neighborhood transportation plans. The TSP is formatted in two volumes. Further information regarding the Plan is included in the attached memorandum.

At its February 25, 2014 meeting, the Astoria Planning Commission held a public hearing and unanimously recommended that the City Council adopt the proposed amendments. A public hearing on the Amendment has been advertised and is scheduled for the April 7, 2014 City Council meeting. It is recommended that the Council hold a public hearing and adopt the ordinances as recommended by the Astoria Planning Commission. If the Council were in agreement with the recommendation of the Planning Commission, it would be in order for Council to hold a first reading of the three separate Ordinances.

City Manager Pro Tem Estes noted that consultants Chris Maciejewski of DKS Associates and Matt Hastie of Angelo Planning Group were present to give an update.

Chris Maciejewski, DKS Associates, gave a brief overview of the Transportation System Plan (TSP) via PowerPoint, focusing on the transportation projects and policies. The TSP document was included in the agenda packet. Matt Hastie, Angelo Planning Group, presented an overview of the proposed Development Code amendments necessary to implement the TSP. Mr. Maciejewski concluded that once the TSP is adopted, next

steps include the funding piece and determining how the projects would be implemented, which would involve partnering with Oregon Department of Transportation (ODOT) and other agencies.

Mayor Van Dusen asked who owned the property between Irving Avenue and Nimitz Drive, where Irving Avenue would be extended and what type of topography the property had. Mr. Maciejewski said the consultants visited the sites of several projects during the planning process. A roadway civil engineering firm walked the corridor between Irving Avenue and Nimitz Drive with City and ODOT staff and a topography map was used to determine a reasonable route. However, alternative routes will be considered in the future. He understood that a large portion of the property was owned by the City and County. City Manager Pro Tem Estes added there are some topographical issues, but after traversing one ravine, a sloping plane exists on the east side that would enable access to Nimitz Drive.

Mayor Van Dusen explained that Bond Street was a two-way street until the land moved. He asked if more land movement had occurred in a way that made now a good time to return Bond Street to two-way traffic.

Mr. Maciejewski replied no land movement had occurred. The consultants considered whether to leave Bond Street a one-way street or restore it to two-way traffic. The analysis did not consider land movement, but determined that two-way traffic would be best.

Councilor Herzig said pedestrian access to the sports complex was only recently brought up. He asked if the consultants had considered this issue during the course of their study.

Mr. Maciejewski confirmed that the issue did come up late in their process; however, the consultants have considered complete pedestrian facilities on all of the higher traffic roadways, arterials, and collectives all along. The TSP includes project recommendations that would build complete gaps in connections to the sports complex and nearby neighborhood, along Williamsport Road, and Highway 202.

Mayor Van Dusen asked if anyone objected to the jurisdiction of the City Council to hear this matter at this time. Hearing none, he asked if any member of the City Council had a conflict of interest to declare. There were none. He explained the procedures governing the conduct of public hearings to the audience and advised that the applicable criteria were included in the Staff report, which could be obtained from Planner Johnson. He opened the public hearing at 7:27 pm and called for anyone wanting to speak in favor of, impartial, or opposed to the amendment request to come forward. Hearing none, he closed the public hearing at 7:28 pm.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Mellin to conduct the 1st readings of the Astoria Transportation System Plan and Implementation Ordinances. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Planner Johnson conducted the first reading of all three ordinances.

Item 6(b): Riverfront Vision Plan Implementation Update (Community Development)

In 2009, the City of Astoria adopted the Astoria Riverfront Vision Plan. The Riverfront Vision Plan describes a future vision and specific recommended implementation measures related to open space, land use, and transportation plans along the Columbia River waterfront. For purposes of the Riverfront Vision Plan, the City's riverfront was divided into four plan areas: Bridge Vista, Urban Core, Civic Greenway, and Neighborhood Greenway. In 2011-2012 and 2012-2013, the City Council adopted a goal to implement the Riverfront Vision Plan on a Zone-by-Zone basis. In 2012-2013, the City of Astoria requested and received a Transportation and Growth Management (TGM) Code Assistance grant to develop and write updated Comprehensive Plan language, Development Code text, and map amendments to implement policies and recommendations in the City's adopted Riverfront Vision Plan for the Civic Greenway Plan Area (Phase 1) and Bridge Vista Plan Area (Phase 2). The intent of the implementation process is not to revisit or revise recommendations from the Riverfront Vision Plan which has been adopted by the Astoria City Council.

The project consultant, Matt Hastie, Angelo Planning Group, will be present at the April 7, 2014 City Council meeting to give an overview of the Phase 1 draft amendments as developed with the Astoria Planning Commission. Staff recommends that following the presentation on the proposed amendments to implement the Civic Greenway Area of the Riverfront Vision Plan, Council provide any feedback they may have on the draft amendments.

Matt Hastie, Angelo Planning Group, updated Council on some key recommendations and issues that he, Staff, the Planning Commission, and members of the public have been working on regarding the Riverfront Vision Plan via PowerPoint as follows:

- The goal is not to change the Riverfront Vision Plan, but implement recommendations in the Plan that can be implemented via Code amendments. Some parts of the Plan will require other actions to be implemented.
- The objectives for the Civic Greenway Area included protecting river vistas, enhancing open spaces, encouraging maritime related uses, creating a modest scale residential and mixed-use neighborhood, essentially between Mill Pond and Safeway along the riverfront, applying architectural design standards for the entire area, and limiting overwater development.
- He described the five categories of code amendments being discussed with these key additional comments:
 - Creating a new Civic Greenway Overlay Zone which would apply to development both on land and over the water.
 - Recommendations for overwater development are designed to limit development over the water. Allowed uses are either water-dependent or associated with water-dependent uses, such as an eating or drinking establishment that would have to be associated with another outright permitted use, such as a marina or bait shop. [in response to a request for more info] Building sizes would be limited, including the width of structures. Physical and visual access is required of any overwater development. View corridors at least 70 feet wide must be maintained along streets running north and south approaching the river.
 - Landscaping requirements focus on enhancing and improving open spaces and include limits on the vegetation allowed between the Rivertrail and the river to maintain the view of the river. On the land side of the Rivertrail, requirements focus on buffering the impact of the buildings from people walking along the trail. Trail amenities will count toward landscaping requirements.
 - Creating and applying a Compact Residential Zone between 30th and 32nd Streets and the area between Marine Drive and the river that is closer to the river.
 - Types of residential uses are limited to single-family homes, duplexes, and cottage clusters. Provisions focus on small lots and small buildings to keep the developments affordable for working families and Astoria residents. Open space requirements are increased relative to other residential zones.
 - Establishing provisions to allow for cottage cluster housing.
 - Cottage cluster developments are small single-family homes clustered around a common open space that have limits on building sizes. Parking could be in attached garages or in on-site shared parking areas, which makes development more efficient and less costly per dwelling. Provisions include minimum requirements for common open space.
 - Extending the Gateway Overlay Architectural Design Guidelines to the entire Civic Greenway Area.
 - The intent is to promote architecture in the area typical to Astoria and the Gateway Overlay Architectural Design Guidelines are a good starting point.
 - Establishing new residential design standards in the area.
 - State law requires cities to apply clear and objective standards to needed housing, but the Design Guidelines do not represent clear and objective standards, so some specific residential design standards are recommended for housing within the area.
- Next steps will be to conduct hearings with the Planning Commission and City Council, tentative scheduled for May and June. There will be opportunities to revise the proposed standards until the City Council hearing. The State Department of Land Conservation and Development must approve the Code amendments, and then, work would begin on the Code amendments for the Bridge Vista Area, which is Phase 2 of the project.

Councilor Mellin noted that Mill Pond has cluster housing, but it is not low-income housing. Mr. Hastie clarified that houses in Mill Pond are all built on individual lots. This cottage cluster housing is built on one lot, which can be subdivided so the areas can be owned privately or in common. The way the land is used in a cottage cluster development can result in less expensive housing. There is no guarantee that cottage clusters will be affordable to low-income people, but the housing is more affordable than the type of housing in Mill Pond.

Councilor Herzig understood that the Planning Commission spent many hours going through the plan with public hearings and discussions. He was glad the public has provided feedback. He recalled discussions about the appropriate height of overwater structures, adding the recommendation seemed extreme and may be contentious. Mr. Hastie confirmed there had been a lot of discussion about the issue. He recalled Staff believed that unless at least one story was allowed, development would be limited to docks and piers. Measuring the

height from the water level became problematic and many people testified about this method of measurement. Therefore, the recommendation is to measure from the top of the bank. The flood plain elevation was also a consideration. Councilor Herzig confirmed the recommendation was one of the most contentious aspects of the plan. He thanked Staff and the Planning Commission for spending so many hours on the recommendations.

Councilor Warr confirmed that the public hearing with the Planning Commission was scheduled for May 27, 2014 and a public hearing would be scheduled with City Council in late June.

Item 6(c): Ordinance Imposing a Moratorium on Marijuana Dispensaries (Emergency Adoption)
(City Attorney/Police)

In March 2014, the Oregon Legislature passed Senate Bill 1531, which purports to restrict local government regulation of medical marijuana facilities to only time, place, and manner of operation restrictions unless a city or county enacts an ordinance declaring a moratorium and notifies the Oregon Health Authority of such moratorium by May 1, 2014. SB1531 limits the moratorium to May 1, 2015, after which it is replaced by the time, place, and manner of operation restrictions proposed by the city or county. City Attorney Blair Henningsgaard has authored the attached proposed ordinance that satisfies the requirements of Senate Bill 1531. In short, this ordinance will impose a moratorium on marijuana dispensaries conducting business within the City of Astoria. This includes all marijuana dispensary businesses whether currently in operation or pending approval. The proposed moratorium is not intended to provide a position on the issue of marijuana dispensaries, but rather to allow the City additional time to address this issue. It is recommended that the City Council hold a public hearing and conduct the first reading to adopt the ordinance. If the Council were in agreement with the recommendation, it would be in order for Council to conduct the first reading of the ordinance, including declaring an emergency for this ordinance to become effective immediately upon passage for the immediate preservation of the public peace, health, and safety of the public.

City Manager Pro Tem Estes explained that should City Council request a first reading tonight, a second reading could be held on April 21st and then, the ordinance would go into effect immediately. The draft ordinance in the agenda packet incorrectly stated the ordinance would go into effect on April 7, 2014. He explained that SB1531 allows local governments to regulate marijuana facilities with regard to their hours of operation, location, and how they operate unless a moratorium is declared. A moratorium would prohibit marijuana facilities for one year. At the end of one year, the time, place, and operation restrictions would take effect. During the moratorium, the City could adopt restrictions that would become effective when the moratorium expires.

Councilor LaMear confirmed the ordinance would pertain to the marijuana facility on Marine Drive and asked what effect the moratorium would have on the business. City Attorney Henningsgaard explained that the continued sale of marijuana would be prohibited at that location. The business would be closed down for one year.

Councilor Mellin asked why the moratorium was necessary. City Attorney Henningsgaard explained marijuana is still classified as a Schedule 1 narcotic drug by the federal government. The sale and possession of marijuana is illegal under federal law. Therefore, the businesses are not able to open bank accounts or process checks and credit cards, making them cash operations. This raises concerns with law enforcement because the businesses become targets for criminal activity. Regulating the sale of marijuana has never been examined closely by the legislature or the City. Astoria currently does not have any regulations as to where the businesses can take place within commercial zones or how to tell which customers exiting the stores have made purchases legally. Many questions that rise from the marijuana laws today have gone unanswered. The moratorium would give the legislature, City Council, and law enforcement time to incorporate appropriate restrictions on the businesses.

Councilor Warr asked what the consequences would be if City Council did not pass the moratorium. City Attorney Henningsgaard said that Astoria's ability to restrict the sale of marijuana in dispensaries would be restricted to time, place, and manner. The City would not be able to require existing businesses to move. Astoria does not currently have any regulations regarding the dispensaries.

Councilor LaMear confirmed that Astoria currently has only one dispensary. Planner Johnson added that the City has approved two other facilities, located at 14th and Commercial and 2911 Marine Drive. Both facilities have received City approval as new businesses in the community. She was unsure if either one had opened. Chief Curzon confirmed there had been no problems with the dispensary currently in operation. He noted that police are not able to go inside the business to do an inspection, as there is no regulation in place allowing the police to

conduct any inspections. The moratorium would allow the City to put some regulations in place similar to the Oregon Liquor Control Commission (OLCC) regulations of liquor stores.

Councilor Warr asked Chief Curzon if he knew how many people in the community had medical marijuana cards. Chief Curzon stated that about 33,000 medical marijuana cards have been issued in the State of Oregon, but he did not know how many people within the county had cards. Cardholders can conduct business anywhere in the State.

Angela Fairless said 60,000 people in Oregon, including 568 people in Clatsop County, had medical marijuana cards.

Councilor Mellin said she was concerned that while the sale of medical marijuana was legal in Oregon, it was illegal under the federal law. This puts the City at a crossroads because a federal agent could intervene at any time. She understood this was an argument between state's rights and federal rights. City Attorney Henningsgaard disagreed, explaining that the federal government outlaws many activities but is a different jurisdiction. Laws between jurisdictions are not always the same. The federal government considers marijuana to be among the most dangerous drugs.

Mayor Van Dusen asked for examples of other substances or activities that are considered illegal by the federal government but legal in the State of Oregon. City Attorney Henningsgaard could not recall any other examples.

Councilor Herzig noted that his marriage was considered legal by the federal government, but illegal by the State of Oregon. The United States Attorney General has indicated that he would not pursue criminalizing marijuana, so he did not believe federal agents would be intervening. He understood the moratorium would become effective after the second reading and adoption on April 21, 2014, not at this meeting. City Attorney Henningsgaard explained that two procedures could be followed. City Council could conduct both readings and unanimously adopt the moratorium at this meeting, which would make the moratorium effective immediately. Alternatively, City Council could have the first reading at this meeting and the second reading on April 21st, after which, City Council could adopt the moratorium by emergency to go into effect on April 21, 2014. Councilor Herzig confirmed a unanimous vote would be necessary to put the moratorium into effect immediately and a simple majority would be necessary to put it into effect on April 21, 2014.

Councilor LaMear asked if there was a way to pass the moratorium with an exemption for the existing marijuana dispensary. She believed it was unfair to put the dispensary out of business for a year. City Attorney Henningsgaard believed an exemption would cause significant due process and legal protection problems. While an exemption is not impossible, the City could not allow one individual to have an activity that is criminalized for everyone else.

Mayor Van Dusen understood the existing business and two new businesses spent money to receive a document from the City allowing them to operate a pharmacy, but now the City will be taking this document away. Planner Johnson confirmed that is correct. When the first application was received, she did a lot of research with the Attorney General's Office, the League of Oregon Cities, and the Department of Land Conservation and Development on how to deal with medical marijuana facilities. She learned that in Astoria, the facilities are classified as professional offices, just like doctors' offices and pharmacies. The dispensaries have memberships, which makes them similar to clubs like the Elks Lodge. The City classified marijuana dispensaries as clubs and professional offices, which are allowed as outright uses and conditional uses in certain zones. The three applicants provided the City with business licenses and occupational tax applications. She signed off on the applications as being appropriately zoned and meeting the minimum qualifications of the State with regard to distance from schools and distance between facilities. She confirmed that the applicants stated were open about the type of business being opened.

Councilor Herzig said the State has a 38-page document that includes the restrictions on medical marijuana. Similar to the regulations on liquor, marijuana facilities cannot be within a certain distance of a playground. The facilities also have regulations on the amount of security cameras, safes, quality of marijuana, the facility, and location of the facility. He asked if Planner Johnson had considered all of these regulations when she approved the three applications. Planner Johnson replied that she considered zoning and the location aspects, but not any of the other State requirements.

Councilor Mellin said she was concerned because unlike liquor, marijuana is part of medical care. The City does not interfere with businesses that fill prescriptions written by doctors and she questioned the legality of doing so.

Councilor LaMear asked how other communities in Clatsop County have handled this issue. Chief Curzon, who has been speaking with police chiefs in other communities, said that Cannon Beach and Warrenton are discussing adoption of a similar ordinance, while Seaside has already banished dispensaries under federal law. City Manager Pro Tem Estes added Seaside has a separate provision within their current code that prohibits issuing a business license to medical marijuana dispensaries.

Councilor Herzig noted that marijuana dispensaries have generated considerable revenue for the State of Washington. The City of Astoria could generate revenue from the dispensaries, so allowing the dispensaries to operate would provide financial benefits to the City and its citizens.

Mayor Van Dusen asked what type of revenue would come from the dispensaries. Councilor Herzig believed they would provide tax revenue. City Manager Pro Tem Estes clarified that this was not the case in Oregon and a different system would need to be put in place to collect taxes from the sale of marijuana. Property taxes are collected on the properties where the dispensaries are located.

Councilor Warr understood the police had no authority to enter a dispensary. With 500 people in the county with medical marijuana cards and probably between five and seven dispensaries in the county, he did not believe a dispensary could be profitable. If the activities of the facilities cannot be policed, how does the City ensure that these facilities are conducting business legally? The market would be spread so thin that it would be impossible for an average facility to act within the law and remain profitable. Chief Curzon responded that the Oregon Health Authority (OHA) is currently the only agency that oversees medical marijuana facilities. The OHA enforces the State laws that regulate their location, security systems, etc. There are no local laws that authorize the police department to inspect the premises or check customers for medical marijuana cards. The intent of the moratorium is to allow time to develop regulations that give local authorities the ability to regulate the facilities. This issue is not about the pros and cons of medical marijuana, but about controlling and enforcing marijuana laws. He believed the intent of the State was to give Oregon and individual cities a year to figure out how to regulate the sale of marijuana. He believed everyone agreed that the issue was a mess. He clarified that he had the right to enter the facilities; he just did not have the authority to do an inspection.

Councilor Mellin believed the lack of authority to do an inspection was because marijuana facilities were health related and overseen by the OHA. She asked if the OHA conducted inspections. Chief Curzon said the OHA did not have enough staff to do inspections. Councilor Mellin asked if the OHA planned to fill their staff during the moratorium. Chief Curzon said that part of the moratorium is to figure out how to regulate the facilities, either through the OLCC or through a whole new system like the State of Colorado.

Mayor Van Dusen opened the public hearing at 8:16 p.m. and invited anyone wanting to address the issue to come forward.

Chris Farrar, 3023 Harrison Avenue, Astoria, said he hoped City Council did not make a terrible mistake. He asked if any Councilors had a medical background or knew anything about medicine. He questioned why City Council wanted to get involved in something that should be between medical professionals and the patients receiving prescriptions for marijuana. He believed Councilors would say they did not care if people were using marijuana to alleviate pain, and noted that cancer patients use marijuana so they can eat and function. And yet, City Council is going to make a decision with limited knowledge of medicine. Marijuana is legal in Oregon and the Attorney General of the United States of America has said he would leave the decision to the states and would refrain from bothering the states. He advised City Council to stay out of issue and say that this is not something the City should get involved in. Whether it is marijuana or a heart medication, the City should not take on the issue because City Council does not have the qualifications and State authorities are already in place to resolve the issue properly. Allow the State to go through their process even though it is a bit of a mess right now. The reason the issue is such a mess is because there is an attitude that marijuana should be restricted. He suggested the issue be considered in a legitimate way: consider the benefits and treat marijuana as a medicine. Allow people to get relief from their maladies and obtain marijuana locally. Otherwise, people would drive across the bridge to purchase marijuana, bring back as much as they want and distribute it to anyone just as if they purchased it from a local dispensary. He told City Council not to listen to City Attorney Henningsgaard.

Mark Newell, 859 Glasgow Avenue, Astoria, did not come to the meeting to speak on this topic, but said he could not believe this was up for discussion. He quit smoking marijuana many years ago because it did not serve him. He did not believe a moratorium would make the issue go away, but only change it. Why not spend the time figuring out how to tax marijuana and deal with the issue. He said he had been coming to the meetings because he wants to help save open spaces in town. However, he decided to comment on this topic because he believed it was ridiculous. Marijuana has been hugely pervasive in his life since he grew up in north Portland and it will not go away. It is silly that marijuana is being legislated in this manner.

Nancy Ross, 4940 Cedar Street, Astoria, said she did not use marijuana, did not have a medical marijuana card, or knew anyone who was affiliated with the dispensary. She is a board member of the Oregon American Civil Liberties Union (ACLU), which helped write the ballot measure. She has legislated and lobbied for the legalization of marijuana. On April 3, 2014, a Pew research poll was published that said three quarters of all Americans believe legal marijuana is inevitable. Polling in Oregon suggests the legislation will pass in November 2014. Closing local dispensaries places a burden on too many sick and disabled patients who will be forced to travel long distances, turn to the black market, or go without safe medicine that has been recommended by their physicians. Assuming marijuana is legalized, putting a moratorium in place now would remove the only ongoing opportunity to train staff and find appropriate manners for testing marijuana for mold as required by the State. This is important knowledge that would be lost if the dispensary in Astoria is closed. City Attorney Henningsgaard's notice stated, in part, that the bill "which purports to restrict local government regulation of medical marijuana facilities to only time, place, and manner of operation." What else does is needed? Suggesting that a moratorium is necessary to decide when these facilities can operate, where they can be located and the manner in which they can do business seems unreasonable, as this would likely be a flowing policy that would change and develop as the issue moves forward. Legalizing marijuana in November might become pervasive, part of who we are in Oregon, and probably around the United States. She believed the moratorium was a knee-jerk reaction demonstrated by calling this an emergency adoption. The deadline is May 1, 2014. This issue may be considered of essence or of a timely manner, but to say this is an emergency leads constituents to believe that there is some eminent danger to the citizens of Astoria. The sky is not falling because there is one, possibly three, dispensaries in Astoria. Her brother-in-law, the U.S. Ambassador to Malaysia, once said that it is much easier to say no because nothing bad could ever come back on you. This is a bureaucratic state of mind, which she believed was occurring now. Accepting the moratorium would give the City a year, but there is nothing to be gained from that. There must be an end game to the issue and the Councilors must be responsible by looking at the evidence and understand they get to determine time, place, and manner. If doing so is so frightening that Council thinks a moratorium is necessary, she will lose confidence in each of the Councilors. The Senaté website indicates that the governing body of the city or county may adopt its ordinances that impose reasonable regulations on the operation of medical marijuana facilities. What more could any business want? This is something between a doctor and a patient. Out of all the choices City Council has, regulation is the best. Making a knee-jerk reaction and shutting down a business that the city can learn from would prevent using the business as a model for how this issue will move forward. She asked City Council to think about the issue, be reasonable, and do the right thing. She asked City Council not to vote for the moratorium because she did not believe there was anything to be gained.

Tom Duncan, 511 Jerome, Astoria, believed he was the only person at the meeting who signs marijuana cards. It is important to understand that physicians do not prescribe marijuana. Physicians only determine whether or not a patient has a condition that qualifies the patient for a marijuana card from the Oregon Medical Marijuana Plan. The legislature is completely in charge of what conditions are allowable for medical marijuana cards. The sad thing is that medical marijuana is a misnomer. There is only marijuana, which is an illegal drug. Physicians can lose their licenses. He explained that if the federal government really wanted to pursue the issue, it could pull his DEA number just for suggesting that marijuana might be appropriate for some people. While the federal government has never done this, they have classified marijuana as a Schedule 1 Narcotic, making it impossible to conduct any research. There is no way to know whether a patient really benefits from marijuana through double-blind medically approved studies. Only anecdotal evidence exists and he has no way of objectively evaluating the evidence. No research has been published. It is important to keep in mind that the situation is completely insane. Physicians are trying to make people feel better. These people are not responding to narcotics, alcohol, or other drugs that are available, but say they feel much better when they take marijuana. What is he supposed to say to someone who has chronic pain and starts doing better with marijuana, decrease their opiate use? This is not research, but purely a subjective decision for him to say a patient qualifies for a medical marijuana card. It is not a prescription for marijuana. Physicians need the ability to research marijuana, which is no different from any other natural product like opiates, cocaine, coltrazine/colchicine, or digitalis. These natural products have been available to the medical profession for thousands of years. Marijuana has been used

by people since the Neolithic era and should be researched. This issue tonight is to decide if Astoria should put a one-year moratorium on a dispensary that is following the rules and has not caused any problems. He agreed with Ms. Ross that the moratorium should not be approved. He asked City Council to consider the issue from his perspective. He is not prescribing marijuana, but is just trying to follow the rules and do the best he can for his patients.

Mayor Van Dusen asked Mr. Duncan for more information on the conditions that allowed a person to get a medical marijuana card.

Mr. Duncan explained that marijuana makes you hungry, so it was identified as a possible solution for cancer patients who have a difficult time eating. Marijuana was effective in people with acquired immunodeficiency syndrome (AIDS) at reversing chronic nausea and inanition. Appetites improved and patients did better after taking marijuana. Some patients noticed that marijuana has pain-modifying effects that make them feel less affected by the pain, allowing them to tolerate the pain better. The most recent legislature passed a law making Post Traumatic Stress Disorder (PTSD) an allowable condition for medical marijuana cards. Now, marijuana is being taken for intractable seizures, nausea, intractable vomiting, intractable pain, and a variety of conditions. None of these conditions make sense because no double-blind acceptable studies have ever been conducted. There will never be any such studies until marijuana is legal to study. He knows that some of the people who come to him for medical marijuana cards are just putting him on and just want to smoke marijuana. While he does try to weed these people out, he is not always successful. Some of his patients are doing much better, as he has many ways of knowing what people are actually doing. He cannot tell City Council what to do with the existing medical marijuana dispensary, but he believed this situation was entirely fluid and out of control. The federal government has indicated that it would not pursue state initiatives, but they can change this at any time.

Sydney Nickel, Gearhart, said she has 27 different drugs she could take at any time for a variety of reasons. The side effects reduce her quality of life to nothing. She is either so tired that she cannot get out of bed or is nauseated. Smoking marijuana does not put her in a trance. She cannot drive from Astoria to Gearhart without getting carsick. Taking away the dispensary in Astoria would require her to drive to Portland or another state or to find someone on the street willing to sell her a bag of marijuana. Her medical marijuana card came from an oncologist in Portland at Providence Hospital. The oncologist had no problems signing her card. She did not understand why this issue was up for discussion since the City has already issued business licenses and the dispensary has not caused any problems. She needs medical marijuana and needs it available when she is able to go get it without having to wait for someone to call around, looking for someone that may have it. Marijuana is legal, so she did not understand why City Council was wasting time with this issue.

Ernie Nickel, Gearhart, said he did not see why his wife should be sentenced to pain. In the past, he has smoked marijuana that he bought on the street. The dispensary takes care of his wife and others with illnesses. He believed it would be wrong to approve the moratorium.

Jeff Watkins, 92295 Youngs River Road, Astoria, said he was new to marijuana as he has multiple sclerosis, which is an incurable degenerative disease. His neurologist at the Veteran's Administration (VA) suggested he take marijuana. She is unable to give him marijuana because she is a government agent. When she asked if he had ever considered marijuana, he responded that he was always taught as a kid that marijuana was a drug, so rather than smoking it, he ingests marijuana. He questioned if the government would be willing to take aspirin off the market. He has yet to see proof of any negative effects of marijuana, but drinking too much alcohol can cause alcoholism. City Council makes the decisions for the community and the community is all that City Council has to listen to. He has to spend \$500 each year to keep his medical marijuana card that allows him to take something that helps him. How many people pay \$500 to buy a bottle of aspirin? The moratorium would be a burden to the patients, as they would have to drive more than 100 miles. He was asking a lot, just for some common sense. Restricting medical marijuana is difficult on the patients because they do not make the rules; they just try to abide by them. He asked City Council to appreciate and acknowledge that patients are part of the taxpaying public so they do not have to feel ashamed or feel they have to hide their use of marijuana. He hopes society's attitude would change to realize that marijuana is not bad, so why would the City restrict something that is not bad?

Angela Fairless, 846 10th Avenue, Seaside, said she is a mother and an active citizen, she has been columnist and reporter for the *Seaside Signal*, and her articles have been published in the *Daily Astorian* and *Hipfish*, and she has been on KMUN, and every local radio station. She advocates for youth, low income families, homeless people, and veterans. In 2010, she became an activist for medical marijuana because it dramatically helped her

health. She visited the emergency room for the first time when she was 10 years old. Her pain was so unbearable that she was praying for God to kill her. Between the ages of 10 and 23 she was in the emergency room 5 to 12 times each year where she had CAT scans and MRIs and met with specialists. As with most western medicine, a cause was never found so her symptoms were treated, but this caused more symptoms. At age 23, she learned how to use cannabis as medicine. Cannabis is the scientific name for marijuana. She learned to use it as a medicine in a liquid form and she had not returned to the emergency room or used medicine, pharmaceutical drugs or IVs since she was 23. She is lucky to have such good health now. Because she feels so blessed, she has done some activism work. As part of this work, she has been encountered people like those testifying tonight; she has been at the death bed of a nine year old and watched her brother pull shrapnel from his head. Multiple sclerosis, gout, fibromyalgia, and the wasting syndrome that occurs with AIDS and chemotherapy are some of the most horrific things she hopes to never experience. However, if she ever does, she will use cannabis in a concentrated form to alleviate the suffering. There are 60,000 medical marijuana card holders in the State of Oregon, 568 of those are in Clatsop County. In 1973, the State of Oregon became the first state in country to decriminalize small amounts of marijuana, not medically, but just in terms of adult possession. Since 1973, the state has made it clear that it does not agree with the federal government's classification of marijuana as a Schedule 1 Narcotic. Double-blind studies on humans are not possible, but rats, monkeys, Petri dishes and test tubes can be used by the government to conduct a study. In 1974, under President Nixon, the University of Mississippi discovered that cannabinoids helped with chemotherapy, wasting syndrome, and safely killed cancer cells. While the federal government classifies marijuana as a Schedule 1 Narcotic, they also have a patent on marijuana as a neuroprotectant and antioxidant. This information can be found on .gov websites. She does not envy the City Council, as they are citizens volunteering to do a job. Between the Federal, State, and local powers, City Council is being pulled in all directions, as well as the citizens asking them to do one thing or another. Seaside has declared that they will pass the law even if they do not use the moratorium. Seaside's existing ordinance uses the federal classification to deny medical marijuana. She believed Warrenton would pass the law as well. Even though the majority of citizens in Cannon Beach and Arch Cape voted in favor of the law, those cities have made it clear that they will vote it down. The county commission has left their public hearing open. The County is considering passing the law, but because their jurisdiction is unincorporated areas, the moratorium will probably be approved. She believed dispensaries should be in the county because they would not be detrimental. It would be detrimental if Astoria City Council approved the moratorium because they are the last hope that medical marijuana patients have. She asked that Council please not take away the dispensaries. While she does not envy the Councilors, she does admire and appreciate them. She thanked them for taking time to consider the issue.

Dave Elms, 1444 Commercial, Astoria, said he was the owner of the upcoming medical marijuana dispensary Sweet Leaf Natural Medicine. House Bill 3460, authorizing medical marijuana dispensaries, was approved by the legislature on June 28, 2013 and signed by the governor on August 14, 2013. On September 11, 2013, he told Planner Johnson that he intended to open a dispensary. After researching where the business could and could not be located, the City issued him a business license. He then obtained a permit and hired an engineer to ensure that the building was sufficient, which cost a lot of money. He continued to move forward thinking everything was fine until he received notice stating the City has an opportunity to ban dispensaries through a moratorium. He has put \$26,000 into his building, which was his life's savings, and now he did not know what would happen. He stated he is trying to be a business owner and urged City Council to consider that.

Mayor Van Dusen asked why Mr. Elms needed to hire an engineer. Mr. Elms explained that his building is a commercial building in downtown. He believed he could just draw a picture for Planner Johnson showing where he would build walls and put his glass cases, but many things needed to be done to his building that were not related to selling marijuana. He has not yet sold any marijuana out of the building because he was waiting on approval from the State. He has just received his provisional state permit, but it does not allow him to open his business yet. He and the other dispensaries are trying to do something for the community and he has been taking care of patients for a while. He cannot make the pills or edibles, but he can give his patients medicine so they can try to eat. Everything must be tested before it can be sold. Right now, this is a grey area but to play this game, there are rules. He did not understand why the Police Chief, district attorney of the County, or a sheriff is trying to keep marijuana from the medical community. He asked City Council to get on board and work with the dispensaries. He invited City Council to visit his shop and see what he has done. The patients and their families are having difficulties. Running a dispensary and growing marijuana are not easy or affordable tasks. The plants need care every day and he described some of the efforts involved. He distributed a handout showing the work he had done so far to get his business going.

Nick Clark, Nature's Choice Alternative Medicine, 59 W. Marine Drive, Astoria, said he has invited City Council and others to visit his dispensary several times. Kenny Hanson and another police officer have visited his shop. He is trying to make his business as legal and legitimate as possible and make it profitable. Instead of considering a moratorium, the City should consider other ways of putting legalized marijuana in Clatsop County. He noted that many tourists and visitors from the cruise ships would like to visit his store, but they are unable, adding there are ways to legalize recreational use of marijuana in Clatsop County. He invited the Councilors to visit his store, stating that everyone has done a good job of presenting the issue. If the moratorium passes, his dispensary will have to move, but his business will not be hurt. However, the patients that do not have safe access to marijuana will be hurt. Council must think about the patients. He noted that he has been operating in Astoria for three years and the police have not had any problems with his dispensary.

Dawn Greenfield, 413 S. Franklin, Seaside, said her son, Ian Gonzales, owns the pharmacy at 2911 Marine Drive. She volunteers at the dispensary and is a patient. When she was 38 years old, she became really sick and was finally diagnosed with Crohn's disease. She was a giant blimp on steroids, taking handfuls of pills every day. Today, she looks and feels great and is doing much better. She loves what the medicine has done for her and other patients. While helping her son with his business, she was surprised to learn that the customers were not what she expected. The store is not a party with customers using bong, which is possibly what some people expect. The business is very professional, located in an old doctor's office. Customers are greeted by a receptionist. Their medical marijuana cards and identifications are checked. There are cameras and everything is entered into a computer before the customer can go in the back to look at the medicine. An employee is with the customer to explain the different types of medicine and how to use it. Customers are encouraged not to smoke the marijuana because smoking is unhealthy. All of this is recorded into a computer. The State of Oregon has the ability to log on to the computer and cameras at any time to see the data. The business must provide 10 days of video logs upon request. Contrary to what most people have heard, a lot of control already exists. There are tax advantages to the City because Senate Bill 3460, 38 pages of laws, states that medical marijuana dispensaries are like any other retail store in the City of Astoria that file state business tax returns. Dispensaries pay taxes on every product they sell. The clubs are phasing out with the new law. The bill should be clearer about enforcement. Her son's dispensary is across the street from the police department and there have not been any issues. She was surprised to find that almost every patient is over 50 years old and that the faces of marijuana are the faces seen at this meeting. Patients are normal people from all walks of life, not crazy hippies. Prohibiting dispensaries will lead people to commit crimes, for which City Council will be responsible. There are no prescriptions for marijuana, but recommendations by doctors. This issue is City Council coming between a patient and their doctor. As Councilor Mellin said, this is not a good idea. She confirmed for Mayor Van Dusen that her son's dispensary has been open for one month. Hearing about the new law was like a dream come true for her and her son. Her son had always wanted to start a business like the dispensary. The old law was very grey and failed to provide direction. The new law provides everything in black and white, making it easy to follow. She and her son spent much of their life's savings to open the dispensary. Planner Johnson was fabulous, but Seaside was uninformed and unprofessional. Seaside kept saying their business license had been mailed, but this was not true. Astoria has a chance to be pioneers and make this right for the City of Astoria by providing a professional platform to do this right.

Mayor Van Dusen closed the public hearing at 8:59 p.m. and called for questions and comments from Council.

Councilor Herzig said he did not want to preempt Council discussion, but did not see any reason to move forward with the ordinance. He thanked everyone who gave up their evening to attend and testify.

Councilor Mellin said this discussion has been going on for decades and she believed some things take time. She could not approve the moratorium because it is a medical issue. She did not know that anything would happen in one year, so the moratorium did not make sense to her.

Councilor Warr said he arrived at the meeting with the intention of voting in favor of the moratorium, but now, he is conflicted. He believed marijuana would be legal in Oregon soon. He hoped Astoria would be smart enough to regulate marijuana properly. He apologized that he was unsure how he would vote.

Councilor LaMear said she would definitely vote against the moratorium because it did not make any sense to her.

Mayor Van Dusen complimented Planner Johnson for her design and review work. Safeway voluntarily used design standards on their new store after speaking with Planner Johnson. She did a great job. He said he was

most concerned that these businesses have invested money because the City said the dispensaries were allowed. In his personal business, he has relied on a document only to be told later that it was invalid, which was very difficult.

City Council agreed not to conduct a reading of the ordinance.

Mayor Van Dusen called for a recess at 9:03 pm and reconvened the City Council meeting at 9:07 pm.

Item 6(d): Irving Avenue: 19th Street Bridge Replacement – Surface Transportation Fund Exchange for Construction (Public Works)

The Irving Avenue Bridge near 19th Street was built in 1946 and serves as part of an alternate route for State Highway 30. Federal funding has been secured from the Bridge Replacement and Rehabilitation program to replace the bridge. This project is scheduled to begin bid advertisement on May 1, 2014. The construction cost estimate for the project at the final design stage is \$5,158,000. The expected total cost of this project is \$6,187,000 with the City's 10.27% match expected to total \$635,404.90. ODOT requires a deposit of 110% of the City's match for construction costs so that a construction contract can be awarded if the lowest bid is above the engineers estimate. The City's current estimated contribution is \$582,700. If any deposited City funds remain at the end of the project, it will be returned to the City's STP account.

In May 2011, Council authorized transfer of Surface Transportation Program (STP) funds in the amount of \$123,506 for the City's contribution of the engineering phase of the project. Since then the City has accumulated \$33,787 in additional STP funds. ODOT exchanges these Federal funds for State funds at a rate of 94 cents on the dollar; therefore, a total of \$310,939.78 in STP funds is available for this project. An agreement to allocate \$310,939.78 in STP funds for a portion of the City's match has been prepared. The remaining City contribution of \$271,760.22 is proposed be paid for out of the Local Fuel Tax. It is recommended that Council authorize entering into a 2014 Fund Exchange Agreement with ODOT to allocate \$310,939.78 in STP Funds to be used toward the construction of the Irving Bridge Replacement project.

City Council Action: Motion made by Councilor LaMear, seconded by Councilor Warr to authorize entering into a 2014 Fund Exchange Agreement with ODOT to allocate \$310,939.78 in STP Funds to be used toward the construction of the Irving Bridge Replacement project. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 6(e): Consider Setting Public Hearing for Estate of Frankye Thompson Property Sale Offer – 100 Block W. Franklin (Public Works)

The City has received an offer from Lisa M. Stevenson and Greta Thompson Sangder, devisees of the estate Frankye Thompson, for a City-owned lot in the 100 block of West Franklin Street. The lot is west of the house owned by the estate. The original price set by Area Properties was \$25,000. The offer, which was accepted by City staff, is \$15,000. The estate's attorney has stated that the purchase offer includes a condition that the property be dedicated and maintained in perpetuity as open space. Thus, no construction or building will occur on the property once it is purchased from the City. The deed would recite that the open space would be titled "Denny and Frankye Thompson Open Space". It is recommended that the City Council hold a public hearing at its April 21, 2014 meeting to consider the purchase.

Councilor Herzig requested that at the public hearing, Staff or Area Properties explain why the asking price was reduced from \$25,000 to \$15,000.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor LaMear to schedule a public hearing on April 21, 2014 to consider property sale offer by the Estate of Frankye Thompson. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 6(f): Consider Setting Public Hearing for Sale of City Property – 4800 Block of Birch (Public Works)

Area Properties listed the vacant City lot in the 4800 block of Birch, Block 17, Alderbrook, for \$19,000. The property was identified on "City Owned Properties for Potential Sale" list updated February 6, 2014, as "In Price

Negotiations". Following the February 18, 2014 City Council meeting a list of properties currently under negotiation was prepared. That identified 10 properties that were eligible to continue under the property sale program after City Council suspended the property sale program. The 4800 Block of Birch property was included on this list. This list was subsequently updated and the 4800 Block of Birch property was identified erroneously on the March 5, 2014 "Current Status of Properties Under Negotiations" list as "withdrawn". The property had never been withdrawn by the potential purchaser, but was unfortunately confused by the City's real estate team with the 4900 Block of Birch (west). Leroy Olvey, the adjacent property owner originally made an offer of \$8,000 in October, 2013. Staff countered with the price of \$12,000, which has been accepted by Mr. Olvey. It is recommended that the Council schedule a public hearing on this purchase at their May 5, 2014 Council meeting.

City Manager Pro Tem Estes noted that Director Cook signed the counteroffer on February 19, 2014. Staff recommends scheduling this public hearing in May instead of April to allow Staff additional time to develop a detailed synopsis for the City Council that explains how the mistake occurred.

Councilor Herzig requested that at the public hearing, Staff explain why the asking price was reduced from \$19,000 to \$12,000.

City Council Action: Motion made by Councilor LaMear, seconded by Councilor Mellin to schedule a public hearing on May 5, 2014 on the sale of City Property located at the 4800 block of Birch. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 6(g): Consideration of Draft City Council Fiscal Year 2014-2015 Goals

The City Council held a work session to set goals for Fiscal Year 2014-2015 on February 17, 2014. From that work session a list of Council goals was drafted. The draft goals were discussed at the Council meeting of February 18, 2014 and an article reviewing the goals was published in the February 18, 2014 edition of *The Daily Astorian*. The final draft of the goals has been posted on the City website. The goals are presented for further consideration and possible adoption.

Councilor LaMear requested the next to the last goal be edited to read, "**Ensure that** post-construction maintenance plans are prepared and in place for all City projects" to match the format of the other listed goals.

Councilor Mellin noted that Lower Columbia Diversity Project (LCDP) had been added to the third to the last goal, which was not her intent. The intent of her goal was to focus on nurturing and respecting Astoria's relationship and common interests with other countries, including China, India, Japan, and Germany. She wanted to change the wording of the goal to reflect that intent. City Manager Pro Tem Estes said he wanted to discuss changes with all of the Councilors because this language was originally discussed at the goal setting session. Councilor Mellin recalled there was a rush to end the goal setting session, so she decided to bring up the issue at a later time.

Mayor Van Dusen suggested Councilor Mellin work with City Manager Pro Tem Estes to develop wording that she prefers or to create a new goal and present it to Council for discussion and consideration. He reminded that the goals will become effective July 1, 2014, so there is no hurry.

Councilor Mellin added that Astoria has a relationship with China after receiving items for the Garden of Surging Waves. Japan has a historical organization housed in the Historical Society, which is the Friends of Randal MacDonald that the community will be hearing more about. And, since the Ghadar celebration, Astoria now has a relationship with India. She agreed to work on the wording of her goal, noting she did not want the word diversity included because she was referring to international relationships. She clarified that she wanted to remove the goal to support diversity. The Lower Columbia Diversity Project is only one project and there are so many volunteer organizations. She knew of five or ten organizations that City Council should be supporting. She suggested saying that City Council supports volunteer projects in general, instead of naming all of the projects. Rather than a goal to continue supporting diversity, she preferred to continue supporting volunteer organizations, which deal with diversity, but she did not want to use the word diversity.

Councilor Herzig asked that the third goal from the top be edited to read, "Support community efforts to provide emergency **and** warming shelters." The City should be supporting emergencies other than warming, such as when there are floods, fires, or power outages. Mayor Van Dusen agreed.

City Manager Pro Tem Estes said he would work with Councilor Mellin and bring the goals back to the next meeting.

NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS

Mayor Van Dusen asked for an update on the ribbon cutting at the Garden of Surging Waves. City Manager Pro Tem Estes said the Garden of Surging Waves Grand Opening was scheduled for Saturday, May 17, 2014. The activities currently being planned by Staff and the Astoria Downtown Historic District Association (ADHDA) will begin at 10:30 am. He reminded that the ADHDA assisted the City with the groundbreaking ceremony. The annual Ranald MacDonald luncheon will be held at noon following the grand opening ceremony.

Councilor Mellin noted there is a charge for the luncheon and suggested the Councilors pay for their lunch since the City paid their membership dues.

Councilor LaMear asked for an update on the Flavel properties. City Attorney Henningsgaard said that fines have been levied against the Flavels. The paperwork to conduct a sheriff's sale is currently being reviewed by Sheriff's Office, but he learned that there would be a delay because the City has requested 29 sheriff's sales, which is a high number of foreclosures. He did not know when the sale would be scheduled.

Jim Krettler, 1660 SE 1st Street Astoria, handed Mayor Van Dusen a copy of his comments and questions, which he presented as follows:

- He recalled that at the first City Council meeting in April 2013, he asked City Council to post its goals and objectives on the City's website so the citizens could follow the progress. Mayor Van Dusen was not present at that meeting. One Councilor was against and two Councilors were in favor of posting the goals on the website. He has not seen anything posted on the website about the progress of City Council's goals from last year. He asked if there was a written document available to the public with this information.
- In September 2012, he attended a City Council meeting to ask how maintenance at the Garden of Surging Waves would be funded. Mayor Van Dusen had stated funding would come from private donations. He asked how much money had been raised for the maintenance of the garden and how the City was documenting the use of that money. After Measure 5 passed in the 1990s, Parks Director Lindstrom started a Parks and Recreation Fund. Parks Department Staff solicited money on the condition that only the interest, not the principle, would be used for park projects. When he retired, the fund was still included in the budget. However, the fund is not in the current budget. In November 2013, he asked Director Carlson about the fund and Director Carlson said he would look into it. Mr. Krettler has not yet received an answer. He asked what the City has done with the money in the Parks and Recreation Fund.
- The City of Astoria has contracted with the State of Oregon to take care of the Smith Point roundabout. The City receives over \$9,000 a year for this work. Using temporary employees should result in at least 75 hours of work completed each month at the site. He has not seen 75 hours of work done, nor has he seen the flower beds weeded in the last five years. If he is wrong, he would like to see documented proof of the amount of work that has been completed. If he is correct, he questioned if the City had been breaking the law by using the funds for other projects.
- During the 30 years that he worked for the City of Astoria, training and hiring costs had to be included in the budget process. When City Council went to Germany, their travel expenses went through the budget process. While reviewing details of the budget, he came across some items that he had asked be clarified, such as the \$800 spent on airfare to bring in a person to be interviewed for a Parks Maintenance position. Parks Staff went to the East Coast for training, which cost about \$4,000. The Staff stayed at a hotel that cost \$200 per night and used a limousine service. He did not understand why a taxi service could not be used. Parks Staff was also sent to a five-star resort in Arizona and to Pittsburg for training. When he worked for the Parks Department, Staff members were part of the Oregon Parks Association and the City was a member of the League of Oregon Cities. Both of those organizations help train Staff. Since the training was not included in the budget, where did Parks Staff get the money to attend the training? He supported training, but only \$1,000 was in the budget and the Parks Department spent \$4,000. He wanted to know where the money came from. He understood that the City had not completed an amended budget resolution to include the funds.

Mayor Van Dusen asked if there was any way for people to track the progress of the goals for FY2013-14. City Manager Pro Tem Estes explained that when departments do project status updates they many times tie them back to Council Goals. However, at the next City Council meeting, he has requested that the Parks Department,

Community Development Department, and Public Works to provide updates to Council. Staff can prepare a report at the next meeting specifically showing the progress of all the City Council goals.

Mayor Van Dusen believed if Council asks people to help create the Council's goals, information about the progress made should be made readily available to everyone.

Mr. Krettler suggested the information be posted on the City website.

Councilor Herzig said he attended a League of Oregon Cities Conference in 2013, where he learned that in North Bend, each Councilor was responsible for reporting quarterly on certain goals, though Staff did most of the work. He mentioned this at the goal setting session and Council agreed it was good idea. Astoria did not make progress reports a goal because the intention is to report on goals quarterly. He suggested goal shepherds be assigned so quarterly reports are provided on the progress of goals.

Mr. Krettler agreed, adding a written document is needed for everyone to see.

Mayor Van Dusen said the City has developed a maintenance plan for the Garden of Surging Waves, but all of the money has not yet been received. He hoped the City would receive more money at the ribbon cutting ceremony. He noted the question was how much money had been raised and how much money had been donated specifically for maintenance of the Garden. City Manager Pro Tem Estes said that Parks Department volunteer coordinator, Janice Galizio, has been contacting groups in the community to coordinate volunteer activities. The City is looking for citizens to assist with weeding the garden and provide some care. A budget has not yet been created, but the Garden would be maintained as part of the Parks Department budget.

Mayor Van Dusen added the City raised more money than he expected; however, it was still not enough. The City had tried to raise the funds and will continue to do so. Mr. Krettler said the City's flyer is posted on the door of his store downtown, as the City has six projects that need volunteers. City Manager Pro Tem Estes said he needed to look into the Parks and Recreation Fund. Mayor Van Dusen added that Director Carlson and Director Snyder were not present. Mr. Krettler said he spoke with the Finance Department in November 2013 about the fund when he came to City Hall to request budget details.

Mayor Van Dusen did not understand how Mr. Krettler calculated that \$9,000 meant 75 hours of work each month should have been completed on the roundabout. Mr. Krettler replied that 75 hours was a little low, but explained that he divided about \$9,300, actually, by 12 to get about \$750 per month and figured \$10 per hour for temporary employees' pay. Mayor Van Dusen noted that labor cost more than \$10 per hour after insurance and worker's compensation. Mr. Krettler said he would add 37 percent. City Manager Pro Tem confirmed Staff would provide a report back to him on where the \$9,300 was being used.

Mayor Van Dusen noted Mr. Krettler had a number of questions about training and hiring. City Manager Pro Tem Estes said he would coordinate with Director Cosby about where the training costs were budgeted.

Mr. Krettler said \$1,000 was budgeted but \$4,000 was spent. After writing parks department budgets for 30 years, he understood that the expenses came out of various funds, like conferences, travel, and training. Director Cosby explained the department has saved a large amount on personnel over the last fiscal year because one full time position was vacant for 10 months. Budget cuts and increased revenues have also resulted in more savings. Her main goal is to make sure her department stays within its budget. She has used discretion on how to spend funds from the Park Department budget and it was her choice to invest in Staff since the department was exceeding its budgeted goals.

Mr. Krettler responded that making more money does not mean the department gets to spend more. That is not the way the City is set up. Even though he raised more money, he was never able to spend more at the discretion of the Parks Director. Each line item in the budget indicates how much can be spent.

Mayor Van Dusen understood that Director Cosby could spend the money allocated for a full-time employee if the spending was approved by the City Manager, and that the money could be spent on anything as long as the amount did not exceed what was budgeted. City Manager Pro Tem Estes confirmed this was correct.

Mr. Krettler said he worked under numerous city managers. Some city managers required that spending stay within the line item; others required spending to stay within the bottom line. City Manager Pro Tem Estes confirmed that the training expenditures were approved by City Manager Benoit.

Mr. Krettler asked why the money saved on a full time employee was not used to hire more temporary maintenance people to work on the parks. Mayor Van Dusen responded that the decision was at Director Cosby's discretion.

Ken Hougham, 3761 Franklin, Astoria, said that he has yet to see an organized softball game played at the girls' softball field at Tapiola Park since the gates to the field have been unlocked. He has a granddaughter who plays varsity softball. People only use the field to run their dogs and let their dogs do their business, which he has observed while eating lunch at the park. If he were 20 years younger, he would confront the dog owners. He spoke to Director Cosby about how to handle the situation. He also spoke to his doctor and a veterinarian about the diseases children can get from the animal waste. His landscaper said that animal waste kills grass. Staff told him signs would be posted within two weeks. However, five weeks have passed and the girls are playing on that field. When the temporary closed signs were posted as the field was being reseeded, the pet owners used the baseball field to run their dogs and did not pick up their animal's waste. However, he believed picking up the waste does not matter because it cannot be completely removed. He did not believe the kids should be subject to playing where there is animal waste on the ground; something needs to be done. He suggested signs be posted at the gates and around the park that the law states dogs cannot run around the park off-leash.

He had heard about the proposed dog park, but that has nothing to do with the issue at the softball field, which is about the responsibility of adults who live in the neighborhood and walk dogs to that park, specifically to put them in the fenced softball field that prevents them from running into the street. The softball field is not a dog park, it is a human park. Children can get many diseases from the bacteria left behind from dog waste. All he is requesting are signs to be posted, so that dog owners realize what they are doing.

Shel Cantor, 1189 Jerome, Astoria, stated the Riverfront Vision Plan is online, available in five parts of two or three megabytes each, making the document is relatively easy to download or view. The Table of Contents indicates that there is also supposed to be an appendix with various sections. Some of the sections would be very helpful and he asked how people could access that appendix.

City Manager Pro Tem Estes said Staff can make sure the appendix is posted online. Mr. Cantor asked if there was any way to access the appendices in the interim. Planner Johnson confirmed that she could provide a copy, but she was unsure what format the document was in.

Dulcye Taylor, 1287 Commercial Street, Astoria, reported that the Jane Barnes Revue held Saturday, March 29th almost doubled the ADHDA's income through donations and the live auction. The event was sold out and the community was very supportive. She acknowledged Alana Garner and the many volunteers that assisted with the event. The downtown cleanup was held yesterday and about 40 people volunteered to pressure wash, clean moss out of cracks, and clean underneath trash cans. The downtown area looks substantially better. She thanked all the volunteers, the Lions Club, who fed the volunteers hot dogs and Ms. Garner for organizing the event.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:45 p.m.

APPROVED:

City Manager Pro Tem

A regular meeting of the Astoria Common Council was held at the above place at the hour of 7:00 p.m.

Councilors Present: LaMear, Herzig, Warr, Mellin, Mayor Van Dusen

Councilors Excused: None

Staff Present: City Manager Pro Tem Estes, Police Chief Curzon, Parks and Recreation Director Cosby, Fire Chief Ames, Planner Johnson, Public Works Superintendent Nelson, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

REPORTS OF COUNCILORS:

Item 3(a): Councilor Herzig reported that at 2:00 pm on Sunday, April 27, 2014 at the Judge Boynton Building, the Lower Columbia Diversity Project is hosting a community discussion and presentation on "Church and State, Examining the Role of Religion in Democracy". The event is free and open to the public.

Item 3(b): Councilor LaMear had no reports.

Item 3(c): Councilor Mellin reported that she attended the Lady Liberty Luncheon, where Michael Foster, Chris and Jennifer Holen, and June Spence were honored for their contributions to the community. This was the third year of the luncheon. On Friday, April 18th, the Library's After Hours Program hosted Oregon writer Molly Gloss. She attended the Clatsop Community College Arts and Ideas fundraiser to give scholarships to students. People donated art that was sold at the fundraiser, which rose over \$90,000 within three hours. She also attended an event hosted by Court Appointed Special Advocates (CASA) to recognize their volunteers.

Councilor LaMear explained that CASA volunteers represent neglected and abused children in court and visit with the Department of Human Services (DHS) to make sure the children are receiving all of the services they should. CASA also works with foster parents and biological parents, and speaks with doctors to make sure the children's medical needs are covered. The program is very rewarding. It is amazing how much respect the judges in Clatsop County give to CASA's recommendations. CASA volunteers only have one or two cases while caseworkers at DHS have as many as 40 cases; therefore, CASA volunteers get to know the children and their caregivers well.

Councilor Mellin added that before CASA existed, the children were not served and did not have someone to be their friend when they had to go to court. She noted that Arline and Cliff LaMear have volunteered at CASA for 15 years and have changed the lives of numerous children.

Item 3(d): Councilor Warr reported that on Friday, April 25th, the Northwest Area Commission on Transportation, of which he is a member, would host a meeting in Tillamook. The Commission will hear presentations from the 12 applicants for Connect Oregon V Funding for which the City of Astoria has applied. After hearing the presentations, the Commission will make a recommendation for funding. Total funding requests are about \$37 million, but area's portion from Oregon Department of Transportation (ODOT) is \$9 million, so this round of funding will be competitive. He understood that Astoria rated well and will hopefully have a chance to receive funds.

Item 3(e): Mayor Van Dusen turned his report over to City Manager Pro Tem Estes.

City Manager Pro Tem Estes reported that Ken Nelson, Public Works Superintendent, was filling in for Public Works Director Cook. Mr. Nelson has worked for the City for 31 years.

Mayor Van Dusen reported that the entire City Council received invitations to the ribbon cutting and grand opening ceremony for the Garden of Surging Waves scheduled for Saturday, May 17, 2014 at 10:30 am. The entire community is invited. He announced that a new monitor has been installed in City Council Chambers.

City Manager Pro Tem Estes explained the new monitor will enable the audience to see the displays from two different directions. iFocus and Clatsop Electric helped the City install the new monitor.

CHANGES TO AGENDA: No Changes

PROCLAMATIONS/PRESENTATIONS:

Item 5(a): Public Safety Telecommunicator Week

Mayor Van Dusen read the proclamation declaring April 13-19, 2014 as Public Safety Telecommunicator Week. He gave the proclamation to Chief Curzon.

Item 5(b): CHIP-In for Astoria Week

Mayor Van Dusen read the proclamation declaring April 21-27, 2014 as CHIP-in for Astoria Week.

Item 5(c): Resolution Recognizing Captain Duffy Gaylord Duncan for Outstanding Generosity to the City of Astoria

This proposed resolution recognizes Captain Duffy Gaylord Duncan who has granted, for no compensation, a slope easement on his property to the City of Astoria, for the purpose of improving vehicular sight distance at the entrance to the new sports complex on Williamsport Road.

Mayor Van Dusen introduced Captain Duncan and read the resolution recognizing him for Outstanding Generosity to the City of Astoria.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Mellin, to adopt the resolution recognizing Captain Duffy Gaylord Duncan for Outstanding Generosity to the City of Astoria. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Mayor Van Dusen explained that while working on the new sports complex, sight distance issues on Williamsport Road were identified. Staff contacted Captain Duncan to ask what type of arrangements could be made. Captain Duncan indicated to staff that Astoria was his town; he appreciated traffic safety and wanted to grant the easement free of charge as a member of the community.

Captain Duffy Gaylord Duncan said he moved to Astoria 25 years ago. He recalled a project where an engineer proposed building a new street, but it would have had to cross the creek and run through Glenn Nelson's house, which was 5,000 square feet. Mayor Van Dusen overruled the proposal and vacated the street. Mr. Duncan told Mayor Van Dusen that what comes around goes around, which is why he granted the easement. Additionally, he did not want to take any funds from the football field. He owns 14 acres and is not worried about cutting off the corner of his property.

Mayor Van Dusen noted that four Council members helped vacate the street. Mr. Duncan reiterated that he remembered the decision Mayor Van Dusen made 25 years earlier. He believed Mayor Van Dusen was the best mayor; he was humble and approachable.

Mayor Van Dusen called for a round of applause for Captain Duncan and handed him a copy of the resolution.

Item 5(d): Presentation by Fire Chief Ames Regarding Fire Department Equipment

Fire Chief Ted Ames noted that the Mayor and Councilors recently took a tour of the Fire Department, where they learned about some things the Department had been working on over the last year. Photos of some

equipment were displayed while he presented information about the equipment and responded to related questions as follows:

- The City currently owns three fire engines with pumpers and one ladder truck. The oldest truck is a 1986 model, which has been permanently removed from emergency response service. Despite good maintenance, the truck has problems and is not dependable. There is water and fuel in the oil and spending money on repairs would not make good business sense.
- The ladder truck is a 1988 model that has been well maintained, but its age is making it less dependable. The truck was once used frequently, but last year, the Department decided using the truck all the time was unaffordable. The truck is now used for special occasions, like rescues, a major fire, or situations where height is needed. Many repairs have been made to the truck in the last year to keep it running.
 - He described how a remote controlled turntable at the rear of the truck enables the ladder to spin 360 degrees when raised from the front of the truck. The turntable also controls the water nozzle and direction of the water shooting from the truck. During rescues, the water nozzle retracts, allowing the ladder to extend further up to 75 feet. The Public Works Department is currently adding three new hydraulic valves to keep the turntable going.
 - He explained that the higher the building, the closer the truck must be to the building in order to keep the ladder at an angle that firemen can climb and still reach the necessary height. The 75-foot ladder is a bit of a limitation for some exposures in Astoria.
 - With adequate water supply from a hydrant, the truck can currently pump 1,500 gallons per minute 75 feet high. To accommodate the exposures in town, the Department needs an extra 25 feet of ladder and a bigger pump to push the water. If cost were no issue, the Fire Department could pump up to 2000 gallons per minute with the City's current water supply. The Department's current pumping capacity is average and manageable.
- The primary fire engine, which is used daily for most situations, is a lighter 1999 model. Traveling up and down the hills and turning sharp corners have put a lot of wear and tear on this truck. Regardless of the time spent trying to keep the truck maintained, it is getting tired. The Department will do everything it can to keep the truck going because it is their primary truck.
- The 2009 truck was purchased from Federal Emergency Management Agency (FEMA) with grant funds. The water tank is a bit bigger and the pump is smaller. This truck is unique and has limitations as a city fire truck. However, if the primary fire truck is in the shop or out working, this truck takes over as the primary response vehicle. There is only room for four people to ride safely, which is inadequate. The truck is a four-wheel drive, but snow chains are still used.
- The equipment has been well maintained by the Public Works Department and outside vendors because lives depend on them.

Councilor Warr confirmed that the primary response truck was built by attaching a truck chassis to a motor home frame. He understood the body is falling off because the frame is not strong enough to hold the body together. Chief Ames said that was correct and explained how the trucks are constructed. He learned last summer that the outer compartments were falling away from the body of the truck because of the lighter duty chassis. He received two quotes to repair this issue, one for about \$37,000 and one for about \$16,000. The Department chose the \$16,000 repair, which entailed removing all of the equipment on the truck and sending it to Tacoma, WA, where brackets were installed to try to hold the body together. So far, the brackets are working.

Councilor Warr believed if the community is going to help the Department get new equipment, they needed to know the whole story. He confirmed the Fire Department was the first responder to certain medical emergencies, noting it would make sense to have a vehicle tailored for medical emergencies. Sending a fire engine to a medical emergency seemed more expensive. He asked Chief Ames to explain why this was not practical. Chief Ames stated the Department currently has a minimum staffing requirement of two people, but three people are usually always on duty each day. If one person is on vacation or calls in sick, the Department still meets the two person requirement. Student interns are also present each day when they are not in class. Fire departments in most communities like Astoria respond to medical calls because of limited staffing. If his crew were using a different vehicle on a medical call when a fire call came in, the crew would have to clear the medical call, go back to the station to get a fire truck, and then respond to the fire call. Common practice in most communities with limited staff is to take all fire gear when responding to a medical call.

Chris Farrar, 3023 Harrison Avenue, Astoria asked if it would be cheaper to hire more staff and buy a smaller vehicle than to use fire trucks on a medical call. He believed this would make the Department more effective, noting that people make a big difference. Astoria needs the right vehicles and the right staff but he was unsure about the right mix of vehicles and staff. Chief Ames replied that increasing volunteers works well, but most volunteers are unable to respond to daytime calls because they work or take care of a family. Volunteers are usually available at night. He would defer comments about increasing staff to City Council.

Mayor Van Dusen summarized that the firefighters were not at fault for causing the issues with the trucks. The trucks simply were not built as they should have been. The maintenance schedules were excellent and firefighters have not been abusing the equipment. The Fire Department worked hard to obtain the 2009 truck for free with grant funds. He was concerned about the perception that the Department was using brand new equipment and noted that the small four-wheel drive truck does not replace the big pumper truck. He did not want the community to penalize the Department for obtaining the free truck because it is not adequate or ideal.

Councilor Warr understood the 2009 truck was manufactured for flat land ridge fires. Chief Ames explained that the truck is called an urban interface engine. The four-wheel drive truck with a larger water tank and smaller pump make it ideal for Colorado, Arizona, or southern California. The truck is not a city fire truck, but it was free.

It was asked how much fire engines cost. Chief Ames said a used fire truck could be purchased for \$150,000, but would put the Department back in the same situation in a year and a half. An engine with a heavier chassis that would last almost trouble-free for 20 years would cost between \$480,000 and \$520,000. The purchase, if done right, would be a long-term investment. Trucks can be purchased once or twice every 20 years. But if done right, a truck would be purchased once in 20 years while slowly replacing the fleet over time.

CONSENT CALENDAR:

The following items were presented on the Consent Calendar:

- 6(a) Boards and Commission Minutes
 - (1) Historic Landmarks Commission Meeting of 3/18/14
 - (2) Library Board Meeting of 3/25/14
 - (3) Parks Board Meeting of 2/26/14
 - (4) Planning Commission Meeting of 2/25/14
- 6(b) Public Works Department Project Status Report
- 6(c) Community Development Department Project Status Report
- 6(d) Parks and Recreation Department Project Status Report**

Councilor LaMear commended the Public Works, Community Development, and Parks Departments for preparing the reports because they are very helpful when answering questions from the community. There are so many projects going on in the city that without the information in the reports, it is difficult to recall the details. She appreciated the time put in to preparing the reports.

City Manager Pro Tem Estes added the reports are posted on the applicable department's websites for the public to view.

Councilor Warr requested Item 6(d) be removed for further discussion.

City Council Action: Motion made by Councilor LaMear, seconded by Councilor Mellin, to approve Items (a), (b), and (c) on the Consent Calendar. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Item 6(d): Parks and Recreation Department Project Status Report

Councilor Warr asked for an update on the Maritime Memorial.

Director Cosby said that in preparation for the event on Memorial Day, Astoria Granite Works has installed granite paneling for this year. Damaged panels that came off in the September 2013 storm have also been reinstalled. The engraving and caulking will be completed around the first week of May, when the weather is better.

Mayor Van Dusen stated no motion was needed as Item 6(d) was for information purposes only.

REGULAR AGENDA ITEMS

- Item 7(a): Ordinances Regarding Amendment Request A14-01 on Astoria Transportation System Plan (2nd readings and adoption) (Community Development)**
- (1) Amending the Astoria Comprehensive Plan Section Pertaining to Background Reports and Transportation Policies**
 - (2) Amending the Astoria Development Code Pertaining to Background Reports and Transportation Issues**
 - (3) Amending the Astoria City Code Section 2.350 Pertaining to Local Improvements and Section 6.100 Pertaining to Vision Clearance Area**

The City of Astoria Community Development Department is initiating a legislative amendment to adopt the 2013 Transportation System Plan and amend the Development Code, Comprehensive Plan, and City Code to implement the TSP. The Astoria Transportation System Plan (TSP) has been developed to provide direction for transportation systems in the Astoria urban area over the next 20 years, as well as meet Federal, State and local transportation planning requirements. The TSP includes items such as reviewing current traffic conditions, conducting new traffic forecasting models, development of an updated project list, and integration of previously adopted neighborhood transportation plans. At its February 25, 2014 meeting, the Astoria Planning Commission held a public hearing and unanimously recommended that the City Council adopt the proposed amendments. A public hearing and first reading of the three ordinances was held at the April 7, 2014 City Council meeting. It is recommended that the Council conduct the second reading and adopt the three separate Ordinances.

Mayor Van Dusen confirmed that there were no objections to conducting the second reading on all three ordinances.

Planner Johnson conducted the second reading of the ordinance amending the Astoria Comprehensive Plan Section pertaining to Background Reports and Transportation Policies.

City Council Action: Motion made by Councilor Warr, seconded by Councilor LaMear to adopt the ordinance amending the Astoria Comprehensive Plan Section pertaining to Background Reports and Transportation Policies. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Planner Johnson conducted the second reading of the ordinance amending the Astoria Development Code pertaining to Background Reports and Transportation Issues.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor Warr to adopt the ordinance amending the Astoria Development Code pertaining to Background Reports and Transportation Issues. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Planner Johnson conducted the second reading of the ordinance amending the Astoria City Code Section 2.350, pertaining to Local Improvements, and Section 6.100, pertaining to Vision Clearance Area.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Mellin to adopt the ordinance amending the Astoria City Code Sections 2.350, pertaining to Local Improvements, and 6.100, pertaining to Vision Clearance Area. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Mayor Van Dusen asked how many meetings between City Council and the Planning Commission were held that lead to the approval of the three ordinances. Planner Johnson said the City worked on the TSP for three years and there were at least 20 Planning Commission and City Council meetings and work sessions.

Mayor Van Dusen read the rules of appeal into the record.

Item 7(b): Public Hearing for the Estate of Frankye Thompson Property Sales Offer – 100 Block W. Franklin (Public Works)

The City has received an offer from Lisa M. Stevenson and Greta Thompson Sangder, devisees of the estate Frankye Thompson for a City-owned lot in the 100 block of West Franklin Street. The lot is west of the house owned by the estate. The original price set by Area Properties was \$25,000. The offer that was accepted by City staff is \$15,000. The estate's attorney has stated that the purchase offer includes a condition that the property be dedicated and maintained in perpetuity as open space. Thus, no construction or building will occur on the property once it is purchased from the City. The deed would recite that the Open Space would be titled "Denny and Frankye Thompson Open Space". At their April 7, 2014 meeting the City Council acted to schedule a public hearing on the proposed sale for the next Council meeting on April 21, 2014. It is recommended that Council conduct the public hearing, after which, the City Council approve or deny the sale of said property.

City Manager Pro Tem Estes stated that while the property could potentially be developed according to Astoria's Development Code, the site's steep topography, ground water, and geotechnical issues were taken into consideration when the price reduction was approved by Staff. The public hearing and a notice for the potential sale were posted in the *Daily Astorian* and sent to adjacent property owners that live within 200 feet of the property.

Mayor Van Dusen clarified that Staff did not approve the sale price, but approved the sale to be brought before City Council.

Councilor Warr declared that he purchased his business from Dick and Denny Thompson, and may have had ex parte contact with family members of the estate. Therefore, he would refrain from participating in the discussion or vote of this item. City Attorney Henningsgaard explained that this was a legislative matter so ex parte contacts do not apply. Councilor Warr confirmed that he could vote impartially.

Mayor Van Dusen called for questions of Staff. Hearing none, he opened the public hearing at 7:46 p.m. and called for anyone wanting to speak on the sale of property near the 100 block of W. Franklin to come forward.

Joe Leahy, 188 W. B Street, Springfield, stated he was an attorney with Leahy, Van Vactor, Cox, and Melendy. He is the nephew of Frankye and Denny Thompson and cousin of Lisa Thompson Stevenson and Greta Thompson Sangder. He first came before the Astoria City Council about 62 years ago when he served as Fire Chief for a day. He thanked City Manager Pro Tem Estes, Staff, and City Attorney Henningsgaard for their cooperation and responsiveness to the family's inquiries and dialogue about the lot. He believed this proposal was good for the neighborhood. The Staff report indicates a history of difficulties with the lot, as it has the potential to slide. Selling the property puts it on the tax roll and the City would no longer have to maintain it. This sale also preserves the open space. The family believed this sale makes a lot of sense and understood that the neighborhood was supportive. The sale is consistent with the intent that Frankye and Denny Thompson brought to City Council in 1997. The property was not to be sold until further due diligence was completed with respect to the geotechnical aspects of the lot. He was unsure if this due diligence ever occurred, as no evidence of this was found upon searching City archives. Therefore, the family endorses this sale as a solution. He asked that City Council consider selling the property, as it would be wonderful for the neighborhood and preserve the memory of Frankye and Denny Thompson.

Councilor LaMear noted that she walks in the area often. She asked Mr. Leahy to give details about the hedge carving in front of Denny and Frankye Thompson's home. It was explained by the daughters that their dad originally carved the hedge after their mom told him to make a boat out of it. Their dad would bring his crane up from the granite works on the back of a truck and they would wheel her dad around with his saw while he shaped the hedge. Their nephew also helped with the hedge. Now, someone else is currently taking care of the yard and

has maintained the hedge. Her family would decorate the hedge with lights at Christmas. Part of the hedge sits on the property being proposed for sale.

George McCartin, 490 Franklin Avenue, Astoria, stated it was important to note that the potential buyers did what some members of the community have been repeatedly asking City Council to do on all of the city-owned properties that have been sold, which is to include provisions in the deed preventing any development. He gave Mayor Van Dusen a copy of the real property tax statement dated July 2013 to August 2014 and noted that the backup documentation included a number of photographs demonstrating the view of the river from this site. The property has problems with development, but the problems would not prohibit development. He believed the biggest problem was the low bid. As with all of the properties, the bidding price has been reduced by one-third, one-fourth, or one-half. Each time these properties have come before City Council, the Council has accepted the reduction in price. He believed City Council would accept \$15,000 on this property, but wanted Council to be aware that according to the tax assessor, land on the adjoining property owned by family members was assessed at \$123,418. He did not understand why the City would sell the lot for \$15,000. He believed many people in the community did not understand this either.

Kenneth Rislow, 339 3rd Street, Astoria, said he owns property located at 165 W. Exchange Street, which sits just east and north of the property for sale. He offered his condolences to the Thompson family. It was his pleasure to know Mr. and Mrs. Thompson for many years. He had no issues with the proposal to purchase the property and keep it as open space in perpetuity. However, he was concerned with the geotechnical issues on the property, which have been in question for more than 50 years, since the landslide in 1954. He believed there may have been a slide prior to this on the same street. The lot for sale and the lot to its immediate north is a critical drainage area and are potentially unstable. He has been before City Council at least three times to speak about this issue. Denny Thompson has spoken before City Council on this issue. He and the Hoyers own adjacent properties and are familiar with the property, but all of the people who knew the property are now deceased. The landslide issues in this area are critical. If any development were to occur, the lot to the north would be at risk. His property on Exchange Street is 20 feet above the property for sale. He spoke to City Council about this issue in 2005 and 2007. He had issues with the proposal to release the property for potential development because of its history. The houses immediately to the west and across the street were destroyed in the 1954 landslide.

Mayor Van Dusen confirmed that Mr. Rislow was not opposed to the Thompson's purchasing the property. Mr. Rislow said he was concerned with the statement officially indicating the property could potentially be developed. City Manager Pro Tem Estes clarified that the property could be developed according to the Development Code; however, the buyers' offer includes a deed restriction that prevents development.

Mr. Rislow reiterated that he was concerned with the statement that indicated the property could potentially be developed, which would place the lot immediately to the north at risk that is held in place by shrubbery. He had no problems with the sale, but did have a problem with the City questioning the geotechnical issues of the property. He has spoken to City Council a number of times about these issues.

Sue Skinner, 511 Jerome, Astoria, asked if the open space would really be in perpetuity as a condition of the sale. She asked what would happen if someone other than Ms. Stevenson and Ms. Sangder purchased the property. City Manager Pro Tem Estes stated the deed restriction would be recorded at the Clatsop County Courthouse and the deed restriction would remain on the property no matter the owner.

Chris Farrar, 3023 Harrison Avenue, Astoria, said it was interesting to listen to the other comments that had been made regarding the property. He went by the property a few days earlier and noticed the neighborhood had beautiful views of the bridge. Having faith that the family really wants to preserve the green space in perpetuity means a lot to him. He has been hoping that City Council would see this as a reasonable option when selling some of the smaller properties. Most neighborhoods benefit from the small pockets of green space. He believed all of the neighbors loved having this property kept as open space. The area is a very critical geological area. He added that he has Masters of Science from Northern Arizona University in geology and has taken courses in engineering geology. This property should be left alone. Green space is great to have and he encouraged the future property owners to refrain from cutting many trees. He recalled the landslide in Washington that occurred a few weeks ago, noting that cutting trees caused the landslide, the loss of a lot of lives, and hundreds of millions

of dollars in damage. This is a way for the City to unload some of the smaller properties to adjacent property owners, while keeping the properties stable and beautiful, enhancing the neighborhood. He encouraged City Council to support and approve this sale. He was not happy with the price, but he gave up on that issue as he was not a businessman.

Mayor Van Dusen closed the public hearing at 8:03 p.m. and called for Council deliberation.

Councilor Mellin believed this was a wonderful solution for the property. The property looks beautiful in the photographs. She added that this was a wonderful tribute to Frankye and Denny Thompson, who meant a lot to the community.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor LaMear to approve the sale of a lot in the 100 block of West Franklin to Lisa M. Stevenson and Greta Thompson Sangder for \$15,000. Motion carried 4 to 1. Ayes: Councilors LaMear, Warr, Mellin, and Mayor Van Dusen; Nays: Councilor Herzig.

Item 7(c): Liquor License Application from James Defeo and Anthony Danton, dba Astoria Coffeehouse at 243 11th Street, for an Additional Privilege for an Off-Premises Sales License (Finance)

A liquor license application has been filed by James Defeo and Anthony Danton, doing business as Astoria Coffee House, located at 243 11th Street, Astoria. The application is for an Additional Privilege for an Off-Premises Sales License. The appropriate departments have reviewed the application and it is recommended that Council consider approval.

Councilor Herzig asked for the definition of off-premises.

Jim Defeo, 243 11th Street, Astoria, explained that off-premises allowed customers to purchase beer and wine to-go. Hotel customers want to order food, beer, and wine to-go.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor LaMear to approve the Liquor License Application from James Defeo and Anthony Danton, dba Astoria Coffeehouse at 243 11th Street, for an Additional Privilege for an Off-Premises Sales License. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Item 7(d): Resolution Setting Public Hearing to Consider Vacation of a Portion of West Niagara Avenue Adjacent to United States Coast Guard Housing (Public Works)

The City has received a request from the United States Coast Guard (USCG) for the vacation of the north 30 feet of the West Niagara Avenue right-of-way adjacent to Lots 1 to 10, Block 12, West Slope and the south 30' of the West Niagara Avenue right-of-way adjacent to Lots 1 to 11, Block 13, West Slope. The USCG plans to expand their housing development with a road and new housing extending north from Klaskanine Avenue. In consideration of the exchange of land in lieu of monetary compensation for the West Niagara Avenue right-of-way vacation, the USCG has agreed to dedicate a 40' wide right-of-way north of Klaskanine Avenue through USCG property at the time of the construction proposed for 2014-2015. It is recommended that the Astoria City Council adopt the attached resolution of intent to hold a public hearing concerning the vacation of a portion of the West Niagara Avenue right-of-way.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor Mellin to adopt the resolution of intent to hold a public hearing concerning the vacation of a portion of the West Niagara Avenue right-of-way. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Item 7(e): Approve Contract Partnership with City of Portland for Surplus Vendor (Public Works)

In the past, the Public Works Department has used the State of Oregon Department of Administrative Services (DAS) to market surplus items on eBay. The City of Portland has a contract with Bar None Auctions to dispose of

their surplus vehicles and equipment and the contract allows other entities to "piggy back" on their contract with the company. Bar None Auctions has been marketing used equipment since 1993. They have auction sites in California, Arizona, and Portland, Oregon. They aggressively market surplus items to the proper clientele electronically, by radio ads, catalogs, and direct mail. The Company appears to use a more aggressive and focused method of marketing larger value surplus items than our current vendor DAS. It is recommended Council approve staff enter into an agreement with Bar None Auction to market surplus items.

Councilor Mellin believed this was a great idea, as the partnership saves money. Disposing of surplus sounds like a thriving business.

Mayor Van Dusen recalled that one of the City's goals was to work with other government agencies and municipalities, so teaming up with Portland is a good move.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor Warr to approve staff to enter into an agreement with Bar None Auction to market surplus items. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Item 7(f): Consideration of Draft City Council Goals for Fiscal Year 2014-2015 and Report on 2013-2014 City Council Goals

At the April 7, 2014 City Council meeting, the draft Fiscal Year 2014-2015 City Council goals were reviewed. After discussion, Council requested that language changes be made to some of the goals as outlined in the memo pertaining to this item. The revised draft goals are presented for further consideration and adoption. In addition, Council requested a status report on the current 2013-2014 Council goals and that report is attached to this memo.

City Manager Pro Tem Estes recalled that at the last City Council meeting, Councilors LaMear and Herzig requested changes to the goals regarding emergency and warming shelters as well as maintenance plans. Additionally, as directed by Council, Councilor Mellin worked with him to prepare revised wording regarding Astoria's international relationships. These revisions as well as a new goal requested by Councilor Herzig to address diversity were included in the memo.

City Council agreed on the wording presented for the goals regarding emergency and warming shelters as well as maintenance plans as noted in the revised goal list.

Councilor Mellin explained that at one time, 30 percent of Astoria's population was Chinese. Astoria has historical relationships with China, India, and Japan, which she believed should be maintained and nurtured.

City Council agreed with the wording presented for the goal regarding Astoria's international relationships, but consented to add Germany to the list of countries as suggested by Councilor Warr.

Mayor Van Dusen understood Councilor Herzig and Councilor Mellin disagreed on the wording of the goal about diversity.

Councilor Herzig clarified that no disagreement existed, but that Councilor Mellin wanted to rewrite her goal, which eliminated mentioning diversity, which was fine. Therefore, he proposed splitting the one goal into two and he wrote a new goal supporting diversity efforts.

Councilor Mellin noted that the goal to support diversity only mentions one organization that works with diversity. She made a list of other organizations that work for diverse populations and focus on a variety of issues. She suggested that the diversity goal state, "To support and recognize the diverse contributions volunteer organizations make annually to our community." Her original intent was to acknowledge the numbers of volunteers that do a lot for the community. Volunteer hours are worth a lot of money and some of the organizations have been part of the community for more than 20 years. She listed several of the organizations on her list and explained how they supported diversity issues.

Councilor Herzig believed there was an objection to mentioning the Lower Columbia Diversity Project (LCDP) in the goals and added that including the word diverse were two different issues. He stated he was not invested in this issue anymore. If Councilor Mellin did not want the LCDP mentioned in the goals for some reason, he was fine with it.

Councilor Mellin clarified that she wanted the goals to be inclusive rather than exclusive. Including only one organization would result in excluding other organizations. She believed it would be more democratic to use a blanket statement. The LCDP does a great job, but other organizations also do a great job, so all of the organizations need to be included. She was not opposed to naming all of the organizations in the goal.

Councilor LaMear understood the LCDP was started as a response to some serious incidents that occurred in Astoria and confirmed Mayor Van Dusen was involved in the creation of the LCDP. She suggested the wording state, "...the pro-active efforts of the Lower Columbia Diversity Project *or another alternative*" and "Continue support of diversity through the many organizations that assist with this effort," seemed to be inclusive. She reiterated that the LCDP was started for a reason.

Councilor Mellin noted the Women's Crisis Center was also started for a reason. Too many women were being assaulted and had no shelter or counseling and were left on their own. Just like the LCDP, the Women's Crisis Center is a grass roots organization. In the early 1980s, an active group of women got together, one of which was Judge Brownhill, and made a big difference. She believed the LCDP was created for the same reason, but both organizations are equal, except that one organization has been around for a long time while the other is new.

Mayor Van Dusen recalled that bi-racial couples in the community were being discriminated against and harassed. These couples were members of the United States Coast Guard (USCG). Two families moved away from the area as a result of this discrimination. The Department of Justice got involved. The USCG asked the County what resources they had to deal with this problem, but at that time, there was a void. The municipalities and elected officials formed the Clatsop County Diversity Committee, which has evolved and matured into the Lower Columbia Diversity Project. In an effort to make people feel comfortable, more than one diversity committee was recommended. The Job Corps has their own diversity committee to accommodate the teenagers who do not feel comfortable talking about racism and diversity with old guys like him. The USCG and the high school also have their own diversity committees. Everyone is different and everyone should all be accepting and comfortable. He was pretty ignorant when he started on the committee, but his education has led him to believe that City Council should not single out one diversity committee. He supported using the word diversity in the goal, but believed City Council should support all diversity projects, to avoid the perception that any one group is special.

Councilor Mellin read the definition of diversity, "The quality of being diverse, meaning different; a point or respect in which things differ; a variety or a multiformity versus uniformity;" So diversity is many and anything can be a diversity. Her suggested wording included the word diverse, not diversity. However, diversity could be used.

Mayor Van Dusen preferred to use the word diversity.

Councilor Mellin suggested the goal state, "Support and recognize the diversity and contributions that volunteer organizations make annually to our community."

Councilor Herzig noted that some organizations are not volunteer. He believed it would be adequate to state, "Continue support of diversity through the many organizations that assist with this effort."

Councilor LaMear suggested, "Continue support of diversity through the proactive efforts of the many organizations that contribute to diversity in our community."

City Council agreed to use Councilor LaMear's wording on the goal regarding diversity.

Councilor Mellin explained that she pictured the organizations as a spoked wheel. All of the organizations are equal in their value and at the center is the heart, which leads people to contribute to the community. The City does not know about all of the different organizations working for the community.

Councilor Herzig confirmed that the LCDP Steering Committee meets monthly, and the LCDP hosts one or two presentations each month.

Mayor Van Dusen noted the group he was part of met several times in the beginning to resolve issues, then met twice a year. The LCDP is much better now and has really matured.

Councilor Herzig added that the LCDP includes representatives from the USCG, the college, high school, Women's Resource Center, as well as the ADHDA, and Tongue Point. The group tries to include a variety of resources to ensure that as many different diversity issues are being addressed as possible.

Councilor Warr asked about the leadership and structure of the LCDP. Councilor Herzig explained that initially Scott Lee was chairman of the steering committee; however, Councilor Herzig was appointed LCDP Chair about two years ago when Mr. Lee decided to serve as a committee member. The group is loosely organized. Other committee members included Carol Newman of KMUN; Margaret Frimoth of Clatsop Community College; Nicole Bateman of The Harbor; Denise Feldbush of the United States Coast Guard; Tita Montero of Tongue Point; Scott Lee, Clatsop County Commissioner, and others.

NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS

Councilor Mellin clarified that the Ranald McDonald luncheon is scheduled for members on May 17th at the Bridgewater Bistro at 12:00 pm. Meal tickets are \$15, and reservations can be made by contacting Mac Burns at the Historical Society. She confirmed the event would be held after the Garden of Surging Waves Grand Opening.

Councilor Herzig invited the public to attend the budget meeting this Wednesday at 7:00 pm in Council Chambers at City Hall. He asked if reminders about the summer irrigation program would be sent out with the water bill. City Manager Pro Tem Estes said Staff would add the reminder to the note section of the water bill.

Councilor Herzig said he read in the newspaper that the City was offered a memorial statue for fishermen and mariners who have died at sea. The article said this would be presented to City Council, but he was unaware of this and requested an update at the next City Council meeting.

Mayor Van Dusen explained the Seafarer Memorial was offered to the community of Astoria, not the City of Astoria or City Council. Stan Wanlass is a well-known sculptor with whom he has spoken with by phone and who has met with Councilor LaMear. The memorial would be located on the Port of Astoria, so this is not a City Council issue. The newspaper article had stated that the memorial was offered to the City of Astoria and that Mayor Van Dusen and Councilor LaMear had been contacted; however, this was not a City gift. He agreed the article was confusing.

Councilor LaMear explained that she received a call from Bob Ellsberg, a previous City Council member and a friend of Mr. Wanlass, who had asked for Mayor Van Dusen's cell phone number. She offered to call Mayor Van Dusen to ask him to go see the replica of the statue. The Mayor was unable to go, so she went to see the statue, which is how she became involved.

Councilor Mellin added Mr. Wanlass was an art professor at Clatsop Community College for many years. One of his statues is at the library. He also created the statue at the Seaside turnaround.

Mayor Van Dusen said that Mr. Wanlass made the sculpture *Arrival* at Fort Clatsop. The towns of Hammond and Warrenton wanted the seafarer memorial; however, the two communities were unable to raise enough money for the statue, which was about \$3 million. Mr. Wanlass found members of the community to contribute towards placing the memorial on Port property. It is a beautiful memorial to those who have lost their lives at sea.

Shel Cantor, 1189 Jerome, Astoria, recalled he had requested that the appendix for the Riverfront Vision Plan be published on the City website at the last City Council meeting. Planner Johnson and City Manager Pro Tem Estes responded positively and immediately. Sherri Williams posted the appendix on the website promptly and both Ms. Williams and Planner Johnson notified him as soon as the appendix had been posted and Planner Johnson helped him find it. He thanked Staff. This was another example of the recent trend he noted on March 4, 2014 about public information being made available to the public upon request.

George McCartin, 490 Franklin, Astoria, said that many decades ago in Buffalo, New York, people referred to council members as ward healers. If a property owner had a problem with a tree falling down across the street or a sewer overflow, the property owner would contact the ward healer and the problem was resolved. Up until about three weeks ago, he believed Astoria had at least one ward healer on the City Council, but now it is questionable whether that exists any longer. Issues with the street sweeper occur within Councilor Herzig's ward. Twice a week, between 4:00 am and 4:30 am, near the post office and county buildings, the street sweeper is violating State noise ordinances, which prevent such noise from occurring before 7:00 am. The noise disturbs the sleep of at least 150 families. He noted that City Manager Pro Tem Estes lives in the area and is subjected to this noise. He hoped Staff could look into the issue to find out why this is occurring. It does not make any sense to be awakened at 4:00 am when many people do not have to wake up for work until 6:00 am or 7:00 am. He hoped this would be taken care of.

Councilor Herzig clarified that the area Mr. McCartin referred to was not in his ward. He was happy to assist with issues in Ward 2, but he did not have jurisdiction in other wards.

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:37 p.m.

APPROVED:

City Manager Pro Tem

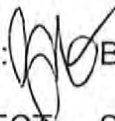


**CITY OF ASTORIA
COMMUNITY DEVELOPMENT
DEPARTMENT**

MEMORANDUM

May 1, 2014

TO: ASTORIA CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: STATE OF OREGON BUILDING CODES PROGRAM RENEWAL
AGREEMENT

DISCUSSION/ ANALYSIS

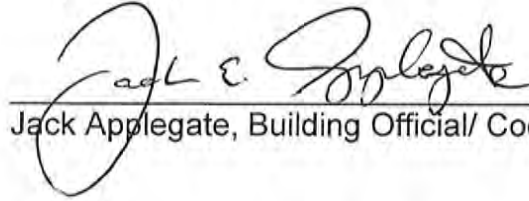
The City of Astoria currently administers a building inspection program which issues permits for construction within the city limits. Oregon Revised Statute (ORS) and other State laws include provisions as to how municipal programs are to be structured. The Oregon Building Codes Division conducts routine reviews of municipal programs and recently the City of Astoria successfully went through that process. Now that the review is complete, a Memorandum of Agreement between the State and City is required to continue the program for the next four years.

The attached Memorandum of Agreement (MOA) sets forth the roles and responsibilities of the City of Astoria operating a municipal building inspection program as referenced in ORS chapter 455 for the State of Oregon. This agreement would become effective July 1, 2014 and will remain in effect for four years unless the City abandons or ceases to administer the building inspection program. The MOA, once signed, confirms the delegation of authority to administer the Building Codes program to the City of Astoria. This is a standard agreement now required by the Oregon Building Codes Division based on recommendations by the Oregon Attorney General's Office. The agreement is required in each Oregon Jurisdiction that administers a State Building Codes program and has been reviewed as to form by City Attorney Henningsgaard.

RECOMMENDATION

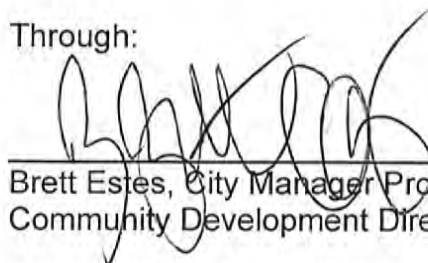
Staff recommends that City Council approve the agreement and authorize the Mayor and Building Official to sign and submit the agreement to the State of Oregon.

Prepared by:



Jack Applegate, Building Official/ Code Enforcement Officer

Through:



Brett Estes, City Manager Pro Tem/
Community Development Director

**Memorandum of Agreement
Relating to Renewal of Assumed
Building Inspection Program**

I. Parties:

This agreement is made and entered into by the Building Codes Division (hereinafter the "Division"), through the Department of Consumer and Business Services, and **City of Astoria** building inspection program.

II. Purpose:

In accordance with the authority granted by Oregon Revised Statute (ORS) 455.020 and Oregon Laws 2013, chapter 528, this Memorandum of Agreement (MOA) sets forth the roles and responsibilities of the **City of Astoria** operating a municipal building inspection program as referenced in ORS chapter 455.

III. Background:

The Department is authorized to:

1. Promulgate a state building code to govern the construction, reconstruction, alteration and repair of buildings. The state building code establishes uniform performance standards providing reasonable safeguards for health, safety, welfare, comfort and security for the residents of this state; and
2. Delegate authority to a municipality to operate all or any portion of a building inspection program for a reporting period. A reporting period means a four-year period during which a municipality administers and enforces a building inspection program pursuant to an approved operating plan.

IV. Agreement:

City of Astoria building inspection program agrees to the following minimum standards, policies and procedures while operating a building inspection program during the next reporting period:

1. **Administrative Standards.** Program must provide adequate funds, equipment and other resources needed to administer and enforce the program consistent with the inspection and permit requirements of the state building code.
2. **Electrical Program.** A building inspection program with an electrical program must comply with all applicable electrical rules for the inspection and enforcement of electrical programs.
3. **Fees.** Program must follow the uniform fee methodology for building permit and inspection fees. Program must only use fees collected for the administration and enforcement of the building inspection program. Electrical permit fees must only be used for the administration and enforcement of the electrical program. To avoid division enforcement action, program must collect and remit surcharges (with permit log) to the division no later than the 15th day following the month or quarter for which the surcharges are required to be collected according ORS 455.220.
4. **Appeals.** Program must have policy to allow an applicant for building permit to appeal decision made by building official. Program must also allow an applicant for a building

permit to file a written appeal of a decision of the building official directly to the division on any matter relating to the administration and enforcement of ORS Chapter 455.

5. **Operating Plan.** Program must amend operating plan within 30 days when changes occur and provide amended operating plan to the division. Changes include a change of building official.
6. **Staff.** Program must have appropriately certified staff for inspections.
7. **Enforcement.** Program must not enforce any standard in conflict with the state building code.

V. Indemnity:

To the extent permitted by Article XI, sections 9 and 10 of the Oregon Constitution, and within the limits of liability established in the Oregon Tort Claims Act, **City of Astoria** shall defend, indemnify and save the division, its officers, agents, and employees harmless from any and all claims, actions, costs or damages caused by the **City of Astoria**.

VI. Term of the Agreement:

This agreement will become effective July 1, 2014 and will remain in effect for four years unless the municipality abandons or ceases to administer the building inspection program or the division assumes administration of the program under activities related to ORS 455.770. Failure to comply with any provision of this agreement may be considered a breach of this contract thereby impacting the municipality's continued administration of the building inspection program.

VII. Signatures:

Both parties, by the signatures below, hereby acknowledge that they have read this agreement, understand it and agree to be bound by its terms and conditions.

Building Codes Division

City of Astoria

Date

Date

**Mark S. Long, Administrator
Building Codes Division**

Please print building official name



Building Official Signature

Date

Please print name and title

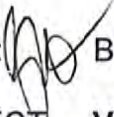
City of Astoria Representative Signature



CITY OF ASTORIA
Founded 1811 • Incorporated 1856

April 30, 2014

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: **VACATION OF A PORTION OF WEST NIAGARA AVENUE ADJACENT TO UNITED STATES COAST GUARD HOUSING**

DISCUSSION/ANALYSIS

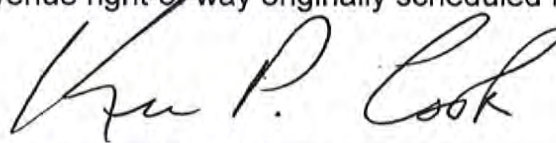
The City received a request from the United States Coast Guard (USCG) for the vacation of a portion of the West Niagara Avenue right-of-way of approximately 0.94 acres (41,000 square feet). The area proposed for vacation is the north 30' of the West Niagara Avenue right-of-way adjacent to Lots 1 to 10, Block 12, West Slope and the south 30' of the West Niagara Avenue right-of-way adjacent to Lots 1 to 11, Block 13, West Slope) as detailed on the attached exhibit. The USCG plans to expand their housing development with a road and new housing extending north from Klaskanine Avenue and the existing housing which would be partially constructed within the existing platted West Niagara right-of-way. At the time the City sold the property to the USCG in 1991 for future housing, the West Niagara right-of-way was retained as a platted street. It transects the USCG property east to west at the northern portion of their parcels.

At their April 21, 2014 meeting Council adopted a resolution to set a public hearing for said vacation on May 5, 2014. Public hearing notices were inadvertently not mailed within the required notice period; therefore, staff is requesting that the public hearing be continued to the May 19, 2014 meeting.

RECOMMENDATION

It is recommended that the Astoria City Council continue the public hearing concerning the vacation of a portion of the West Niagara Avenue right-of-way originally scheduled for May 5, 2014 to the May 19, 2014 meeting.

Submitted By _____




Ken Cook, Public Works Director



April 25, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: **PUBLIC HEARING – SALE OF CITY PROPERTY LOCATED IN THE 4800 BLOCK OF BIRCH**

DISCUSSION/ANALYSIS

Area Properties listed the vacant City lot in the 4800 block of Birch, Map 8-9-10AB Tax Lot 2600, Lot 6, Block 17, Alderbrook, for \$19,000. The lot is undeveloped and the northwest portion of the lot is in a flood hazard area. It is zoned R-2 Medium Density Residential.

The property was identified on "City Owned Properties for Potential Sale" list updated February 6, 2014, as "In Price Negotiations". Following the February 18, 2014 City Council meeting a list of properties currently under negotiation was prepared. The list identified ten properties which were eligible to continue under the property sale program after City Council suspended the property sale program. The 4800 Block of Birch property was included on this list. This list was subsequently updated and the 4800 Block of Birch property was identified erroneously on the March 5 "Current Status of Properties Under Negotiations" list as "withdrawn".

The property had never been withdrawn by the potential purchaser, but was unfortunately confused by the City's real estate team with the 4900 Block of Birch (west), which was withdrawn when the potential buyers of that lot cancelled their offer. Therefore this property was inadvertently omitted from the March 5 "Current Status of Properties Under Negotiations" list. This error was later discovered and the potential sale of property is being brought forward for Council consideration.

Leroy Olvey, the adjacent property owner to the west, originally made an offer of \$8,000 in October, 2013. Staff countered with the price of \$12,000, which has been accepted by Mr. Olvey. This price is consistent with the price of the 50' by 100' lot across 49th Street that was purchased by Mr. and Mrs. Cahill. The Public Works Director signed the counter offer on February 19, 2014. As shown on the attached maps, the lot is located at the southwest corner of 49th and Birch, with access off of Birch Street.


It should be noted that the Astoria Police Department has contacted Mr. Olvey between 2005 and 2009 concerning possible violations of City Code sections 5.550 to 5.650 (nuisance ordinance). These contacts are attached, along with current photos of Mr. Olvey's property. Apparently, Mr. Olvey does not reside on this property. The City has not received complaints from adjacent neighbors since adoption of the derelict building ordinance; however, upon recent inspection by the City's Code Enforcement Officer, Jack Applegate, there are potential issues that need to be addressed. Mr. Applegate will be contacting Mr. Olvey to resolve these issues.

At their April 7, 2014 meeting, the City Council acted to schedule a public hearing on the proposed sale for the May 5, 2014 Council meeting. A public hearing notice for the potential sale of this property was printed in the Daily Astorian and the notice was also sent to all property owners who reside within 200 feet of the property.

RECOMMENDATION

It is recommended that Council conduct the public hearing, after which, the City Council approve or deny the sale of said property.

Submitted By: Ken P. Cook
Ken P. Cook, Public Works Director

Prepared By: MIKE MORGAN 
Mike Morgan, Special Projects Consultant

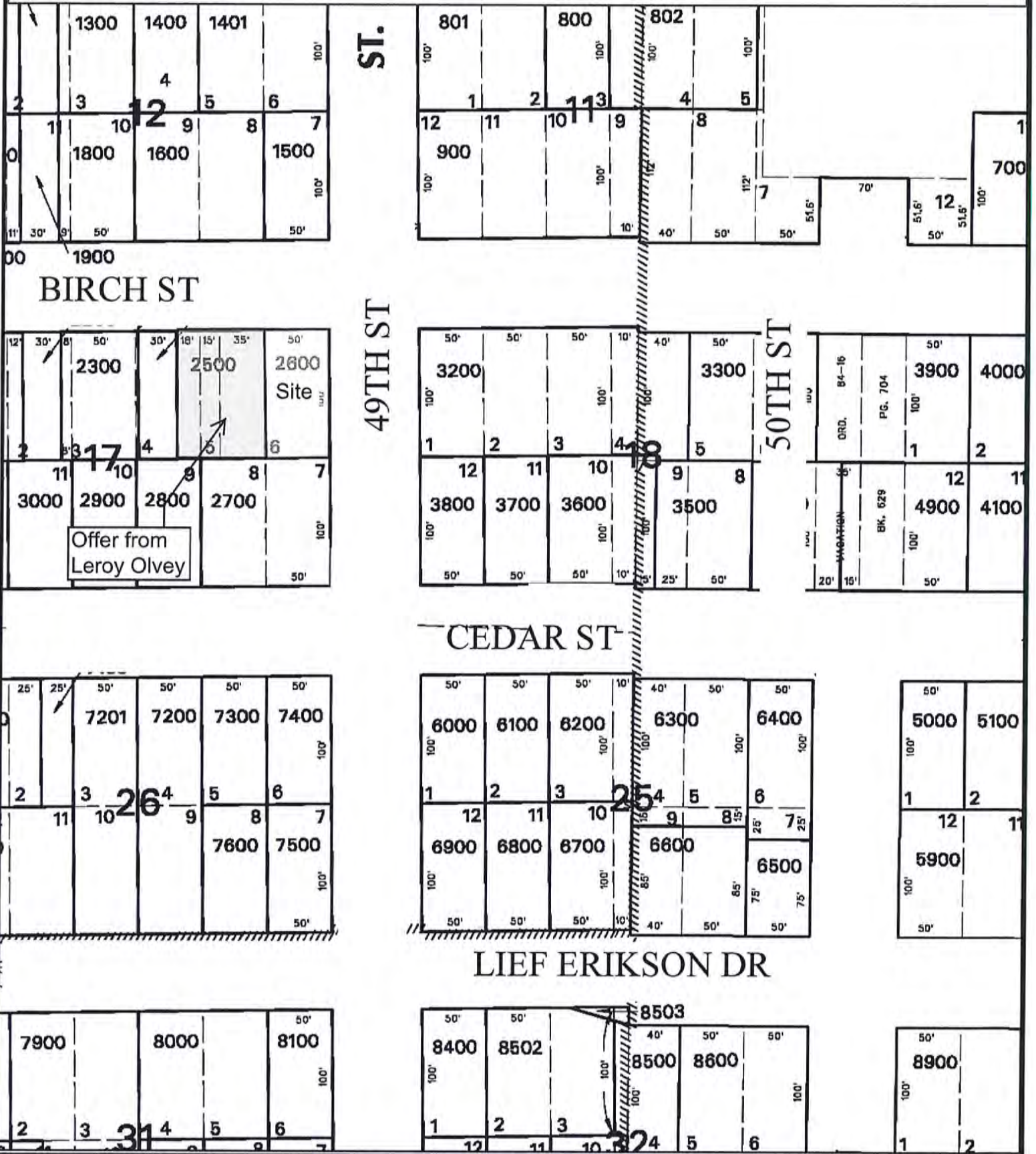


CITY OF ASTORIA
Founded 1811 • Incorporated 1856

**CITY OF ASTORIA
PROPERTY SALES PROGRAM
PROPOSED PROPERTY SALE**

Address:	4800 Block of Birch, Alderbrook
Map:	T8N R9W Section 10 AB, Tax Lot 2600, Lot 6, Block 17
Size & Description:	50' by 100', 5,000 Square Feet, 0.11 acres
Zone:	R-2, Medium Density Residential
Access:	Birch Street
Buyer:	Leroy Olvey, 4867 Birch Street
Asking Price:	19,000
Offer:	\$12,000

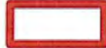

City of Astoria Property For Sale
 Lot 6, Blk 17,
 Alderbrook, Astoria

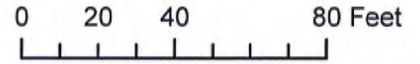


City of Astoria Property
Lot 6, Block 17
Alderbrook, Astoria



Legend

-  Properties with Written Offer
-  Offer From



TIME LINE
4867 Birch Street
April 24, 2014

- 5-24-05 Officer Randall went to site, weeds, junk vehicles; sign on house directed to Betty Olvey house. Randall talked with Betty who said Leroy not living in house
- 10-1-05 Complaint from neighbor about condition of property
- 10-3-05 Officer Randall left phone message for Leroy Olvey to call him concerning condition of property
- 10-7-05 Letter to LO from APD identifying issues to correct. Regular mail not returned.
- 11-20-05 Letter sent to Birch address w/ copy of 10-7-05 letter to clean up site.
- 11-21-05 Letter sent to Warrenton address w/ copy of 10-7-05 letter to clean up site. Certified letter sent from APD, signed by M LeRoy Olvey
- 3-16-06 Officer Randall photographed site
- 3-22-06 Letter sent with violations of travel trailer, vehicles, rubbish, overgrown vegetation to be corrected by 4-26-06. Certified letter sent from APD, unclaimed
- 4-27-06 Officer Randall photographed site. No corrections made. Citation 60240 for weeds, rubbish, junk with court date of 6-7-06. Certified letter sent from APD, unclaimed
- 6-7-06 Memo from Ofc Randall to Municipal Court withdrawing citation 60240 as it was never received by Olvey. New citation 60345 issued to be served in person.
- 6-8-06 Sergeant Aydt attempted to serve citation 60345 to Warrenton address and called him leaving a message. No response.
- 6-25-06 Officer Randall checked site, no corrections.
- 6-26-06 Officer Randall submits affidavit to Municipal Court requesting arrest of Leroy Olvey for violations.
- 7-7-06 Judge questions if violation or crime; Judge advises the citation needs to be served
- 7-27-06 Letter from City Attorney Dan Van Thiel to Ofc Randall that he determined it is a violation and cannot obtain arrest warrant.
- 3-16-09 Officer Kulesa photographed site violations

- 3-18-09 Officer Kulesa met with Betty Olvey who said stepson Leroy was owner and resident. Betty to give codes and Kulesa's contact to Leroy

- 4-1-09 Letter on accumulation of trash & debris, disabled vehicles, overgrown weeds and shrubs (City Codes 5.550, 5.625)

- 5-7-09 Officer Kulesa photographed site violations

- 5-28-09 Letter from Officer Kulesa noting a couple problems corrected. Garbage, debris, overgrown vegetation, junk vehicles still need to be corrected with 10 days (sent certified mail)

- 7-1-09 Officer Kulesa photographed site violations

- 7-7-09 Letter from Officer Kulsea on progress but junk vehicles remain to be removed within 30 days (sent certified mail)

- 8-20-09 Officer Kulesa photographed site violations

City Code Sections

5.550 *"No person may cause or permit a nuisance affecting public health on property owned or controlled by him. The following are nuisances and may be abated as provided in this code". Section (2) of this code relates "Accumulations of debris, rubbish, manure and other refuse that are not removed within a reasonable time and that affect the health of the City".*

5.620 *"No owner or person in charge of property may permit weeds or other noxious vegetation to grow on his property".*

5.625 *"No person may throw, dump or deposit on public or private property an injurious or offensive substance or rubbish, trash, debris, refuse, or any substance that would mar the appearance, create a stench or detract from the cleanliness or safety of the property, or would be likely to injure and animal, vehicle or person traveling on a public way".*

5.650 *"Junk.*

(1) *For purposes of this section, the following mean:*

Junk. All old motor vehicles, motor vehicle parts, abandoned automobiles, old machinery or machinery parts, old appliances or appliance parts, old iron or other metal, glass, paper, lumber, wood, or other waste or discarded material.

Owner. The registered owner of a vehicle or junk as described in this subsection; a person having equity or a beneficial right, title or interest in or to such vehicle or junk; a person having the right of temporary or permanent control of such vehicle or junk; a person who is the owner of real property on which such vehicle or junk is situated; or a

person who is the lessee or in possession of property on which such vehicle or junk is situated.

- (2) *No person may keep junk outdoors on a street, lot, or other premises or in a building that is not wholly or entirely enclosed except for doors used for ingress and egress."*

4867 Birch



4-10-14



4867 Birch



3-16-09



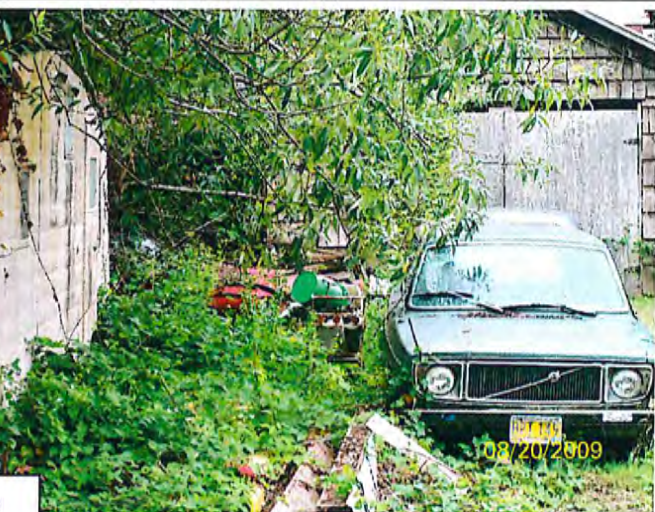
5-7-09



05/07/2009



8-20-09




08/20/2009



April 30, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL
FROM:  BRETT ESTES, CITY MANAGER PRO TEM
SUBJECT: **MAINLINE IMPROVEMENT HARVEST 2014**

DISCUSSION/ANALYSIS

On October 7, 2013 the City Council awarded a contract to have an inventory of forest resources conducted in order to update the watershed forest management plan. A copy of the inventory is attached to this memorandum. Consistent with the management plan, a harvest is proposed to remove select mature timber within the watershed. The removal of the selected trees will allow for the planting of seedlings to create a diversity of tree species and age classes as identified in the management plan, and to sustainably generate revenue for the Capital Improvement Fund.

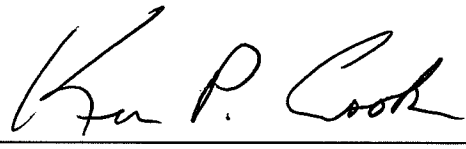
The patch-cut/thinning units identified are located in areas that will have no impact on water quality. The areas have a considerable presence of Douglas-fir that is infected with Swiss Needle Cast, and consequently have lost vigor and growth potential. The units will be replanted with disease resistant species to include hemlock and cedar.



The improvement project includes the placing of crushed rock and culverts on the Watershed Mainline. The mainline is the major road that traverses from the Headworks area to the radio transmission towers on Wickiup Ridge. The majority of the rocking will occur from the Headworks area to Wickiup reservoir. All additional watershed roads are accessed from the mainline.

The net revenue after road improvement and reforestation costs is estimated to be \$200,000.00. The budget for the improvement projects is not to exceed \$36,000.00. Revenues generated from this project would be deposited in the Capital Improvement Fund.

RECOMMENDATION

It is recommended that Astoria City Council approve the solicitation of bids for the Mainline Improvement Harvest.

Submitted By: 
Ken P. Cook, Public Works Director

Prepared By:  
Mike Barnes, City Forrester



Headworks

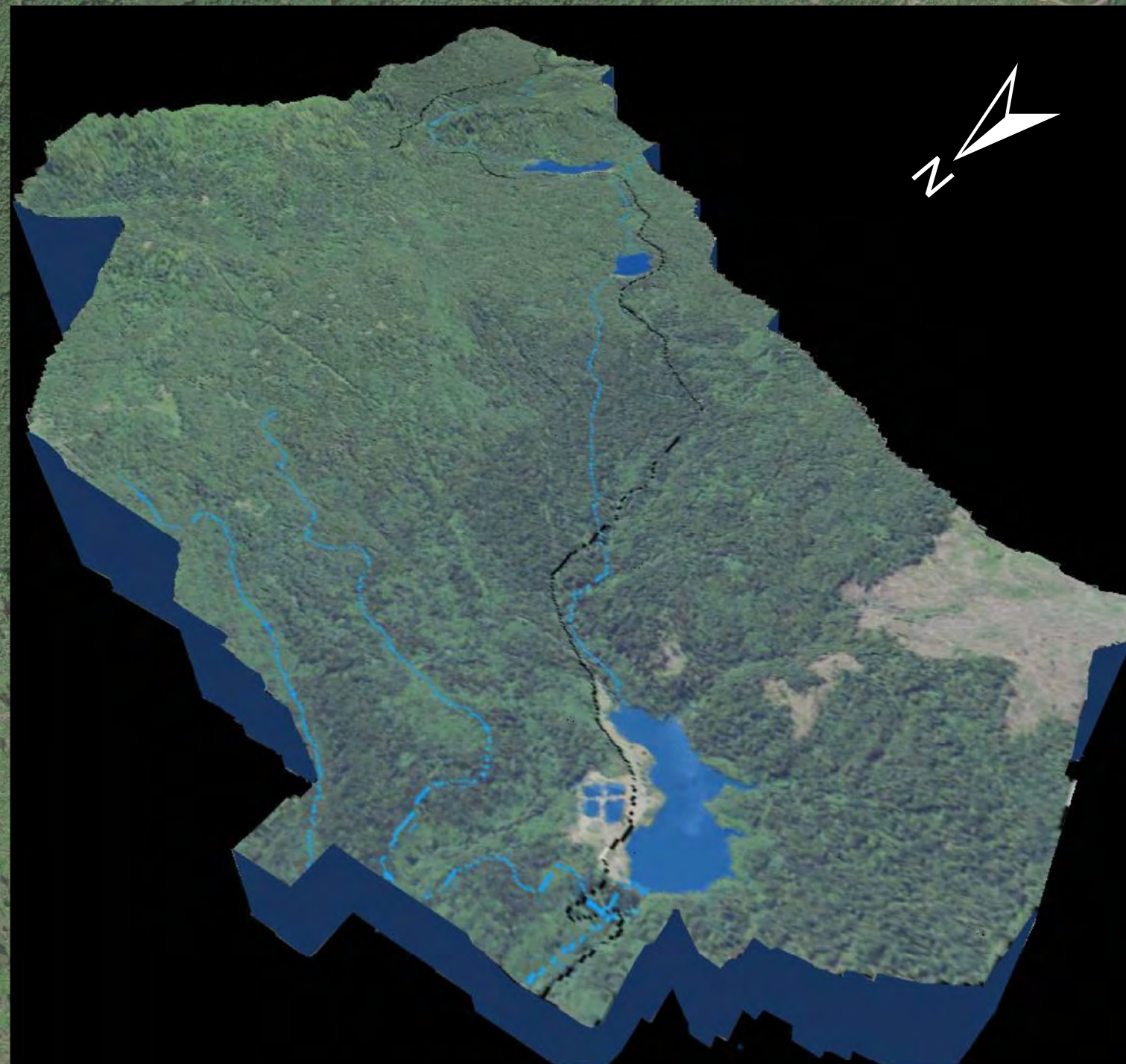
Harvest Areas

**City of Astoria
Bear Creek Watershed**

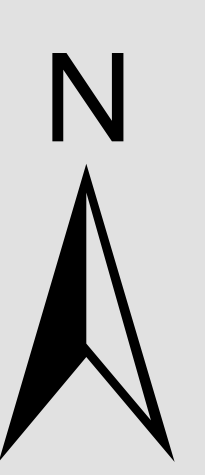
FOREST RESOURCE MANAGEMENT PLAN



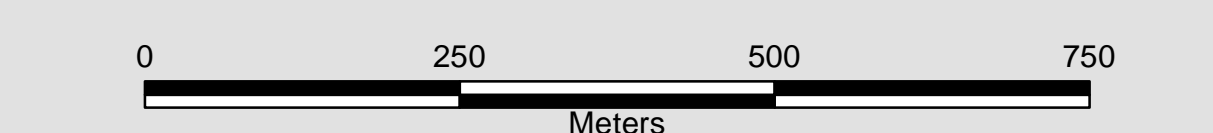
January 2014

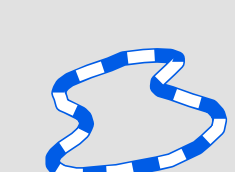
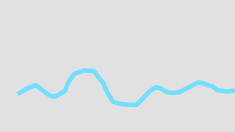
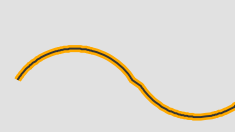


Bear Creek Watershed



1 inch = 500 feet



-  Watershed Boundary
-  Streams
-  Roads

FOREST RESOURCE MANAGEMENT PLAN

This Plan provides a description of The Astoria (Bear Creek) Watershed and Statement of objectives and policies for the forest. The plan is intended to be flexible and adaptive.

Property Description

The Bear Creek Watershed is located about 10 miles southeast of Astoria and contains approximately 3700 Acres. Primary access is via Bear Creek county road from Highway 30 near Svensen. All access routes into the watershed are gated.

The terrain is dominated by Wickiup Mountain (elevation 2700 feet) and Wickiup Ridge which form the southern boundary of the watershed. The terrain slopes west and north from the ridge toward the Columbia River. Bear Creek and Cedar Creek (sometimes referred to as Waterworks Creek) are the dominant drainages that provide water resources.

The watershed is bordered by private lands; Hampton Tree Farms, Campbell Group and a number of non-industrial ownerships surround the watershed.

Historically the areas use as a watershed dates to 1880's. Through the years the city has increased its ownership and control to its present state. Crown Zellerbach Corporation owned most of the forest within the watershed prior to city ownership. Under their management and harvest program the majority of the land was logged from the 1930's to the 1950's. The reforestation efforts that followed harvest were mixed between planting, seeding and natural regeneration. The current forest is the result of the early management and logging process and has resulted in a forest with a mixture of species, density and age classes.

1. MANAGEMENT OBJECTIVES

1.1 The watershed will be managed to provide the very best quality and quantity of potable water for the customers it serves.

1.2 The watershed (forest) will contain a diversity of native tree and plant species, age classes and stand composition.

1.3 Unique areas will be identified, managed and protected to enhance the diversity of the forest.

1.4 The watershed (forest) will contribute to the economic and social vitality of the communities and industries it serves through its primary resource; water, and secondary resource; timber.

1.5 The production of forest products will contribute to forest health, fire safety and diversity and will in no way adversely affect water quality or quantity.

1.6 The watershed will support and enhance habitat for native wildlife, consistent with water quality objectives.

1.7 The watershed will maintain an ecosystem that has the capacity across the watershed for renewal, recovery from disturbances and retention of ecological diversity.

1.8 Proceeds from the sale of products from the forest will be utilized by the City to purchase or improve vital materials or infrastructure.

2. MANAGEMENT POLICES

To achieve the objectives the following policies have been established. These policies are intended to create the framework for specific practices to be implemented. The policies established herein demonstrate commitment to the principles and criteria established within the Forest Stewardship Council (FSC) standards.

2.1 Regulatory Requirements

All activities will comply with national, state and local laws. Specifically the following laws will be followed.

The Safe Drinking Water Act (SWDA) establishes the mandate for maintaining safe supplies of water. The Oregon Drinking Water Quality Act of 1981 directs the state's efforts to implement and comply with water quality mandate set by SWDA.

The Oregon Forest Practices Act regulates management practices on forest lands to protect resources such as water, timber, fish and wildlife.

All practices implemented within the watershed will comply with these and any other applicable laws.

2.2 Silvicultural (Management) Practices

Forest Conditions- Present and Future

Diverse forest structure is essential to maintaining and/or improving a healthy forest ecosystem. To attain this diversity, specific forest conditions have been identified and target levels for a mix of those conditions is recommended. This system seeks to emulate nature, acknowledging that forest landscapes are constantly changing over time - from old to new to old again. Historically, these varying stand types were the result of natural disturbances such as fire, wind, insect or disease infestation, floods and landslides.

Leaving key structure components such as snags, and decaying logs after harvest helps the next generation of forest to begin or attain structural complexity. Harvesting is based on long range goals for naturally diverse forest types across the landscape. These range from open areas to dense stands to thinned stands in which residual trees are allowed to grow larger. Native wildlife depend these forest conditions. Residual forest components of a stand are identified for retention and will allow a continued and maturing forest component to remain after each forest entry. Old growth like stands which contain multiple canopies of large and small trees can be developed over time. The following stand structure types describe the forest conditions which exist or will be developed over time.

Regeneration- 5% of the managed forest area.

These sites are occupied by primarily by tree seedlings or saplings, herbs or shrubs. The trees can be conifers or hardwoods. Herbs, shrubs, and/or grasses are widespread and vigorous, covering 20 to 80 percent of the ground. This type includes first-year regenerated stands, and continues to the stage when trees approach crown closure. These stands develop through a stand initiation process, which begins when a disturbance such as timber harvest, fire or wind has killed or removed most, or all of the larger trees, or

when vegetation has been cleared for planting. Herbs, shrubs, and some live trees will remain from the previous stand, as well as snags and down wood. New plants(trees, shrubs, and herbs) begin growing from seed, artificial regeneration. In later years of these condition , increasing crown closure shades the ground and herbs, shrubs , and grasses begin to die out or lose vigor.

Closed Canopy- Approximately 70% of the watershed.

Trees fully occupy the site and form a single , main canopy layer. There is little or no understory development. Where understory vegetation exists, there is low shrub and herb diversity. The shrub or herb layers may be completely absent or may be short and dominated by one or two shade - tolerant species, such as sword fern, Oregon grape, Salal, or other species. These stands may include sapling stands, un-thinned stands, or thinned stands where the overstory still occupies most of the stand.

The stem exclusion process begins when new trees, shrubs, herbs no longer appear and existing ones begin to die, due to competition. Later in the stage shrubs and herbs may essentially die out of the stand altogether. The trees begin show decreasing limb sizes, diameter growth rate, and crown length. Later, less competitive trees die. As some trees die, snags and down wood begin to appear in the stand. Near the end of stage, enough trees have died and living trees have enough variation that small gaps form the understory trees, shrubs, and herbs begin to appear.

Older Forest Structure- Approximately 10% of the watershed.

These stands occur when stands develop a variety of structural characteristics which are linked to older forests or old growth. These forest have at least 8 or more live trees per acre that are at least 32 inches in diameter at breast height. Two or more canopy layer are present often with one layer of shade tolerant species. Snags are present at 3- 6 per acre, 2 of which are at least 24 inches in diameter. A substantial amount of down wood (600 to 900 cubic feet) per acre. At least one large remnant tree per 5 acres is present over 32 inches in diameter. These trees exhibit deeply fissured bark, large limbs or platforms, broken tops, evidence of decay, or other evidence of decadence. Multiple tree species (at least 2) are present at least one of which is shade tolerant species. A diverse understory layer is present to include shrubs, herbs and regeneration of tree species.

Riparian Zones- 15% of Watershed.

Riparian zones will be managed to maintain healthy conditions for water quality and associated aquatic species. These areas will be managed or maintained so that over time average conditions become similar to those of mature streamside stands. Conifer stands dominate mature streamside stands over time. Mature stands will provide ample shade over the stream, an abundance of large woody debris in the channel, snags and regular inputs of nutrients through litter fall. These conditions will support the presence of fish. Streams that are not fish bearing will be managed to support functions and processes that are essential to downstream uses. Such processes include; maintenance of cool water temperatures influences on sediment production and bank stability. All streams shall be identified and managed to meet these conditions. The three main reservoirs will be protected to maintain water quality and quantity.

To attain the target conditions

Forest conditions will be identified and be documented and updated over time. The target levels will be reviewed on an annual basis and management activities will be addressed consistent with these condition targets.

A variety of stand conditions and species mix now exists within the watershed. The watershed has been divided into units (stands) which exhibit certain characteristics of species, age and density. These individual stands are described in Attachment D.

The Stands will be managed and harvested on a stand by stand basis to preserve or enhance natural stand conditions.

Forest management and harvest activities will be directed to enhance conditions that maintain high quality water flowing from the forest, minimize conditions which can lead to catastrophic events (i.e. fire or disease) and provide timber resources for economic activity.

Stands that exhibit a diversity of age classes or species will be managed to encourage a forest with a variety of structure. For purposes of this plan, the following forest characteristics enhance structures:

- A variety in the number of trees per acre or stand densities by species and by stand.
- A mixture of understory plants and shrubs.
- A diversity of tree diameters and age classes per stand.
- A variety of seedling species and numbers per acre.

To achieve this variety in stand structure the stands will be harvested using a combination of individual tree selection and patch cuts. Within a stand individual, trees will be selected for removal that are mature dominant or co-dominant trees and will benefit residual trees and encourage reproduction. Minor species within a stand such as cedar should be considered for retention. To encourage the establishment of reproduction understory vegetation may be removed in certain areas by mechanical methods.

Small patch cuts of 2 to 15 acres in size will be used to facilitate the establishment of young stands through natural regeneration or planting where necessary. These small cuts will be scattered throughout a stand to create a mosaic of stand structure. The number of the cuts will be depend upon the total acreage of the stand and will be created at 3 to 7 year intervals.

Areas of steep slopes will be managed to minimize water quality impacts. Areas with slopes greater than 35% for a distance greater 200 feet will be evaluated on a case by case basis to determine the potential for adverse effects. These areas will be managed and thinned using cable systems to minimize impact on the ground. Frequency of harvests will be minimized.

Young forest stands with a high density (number of trees) of a single species will be managed to move the stands toward a stand of mixed species and age classes. The initial entries into these stands will remove defective trees (crooks, double tops, etc.) and provide adequate crown spacing for remaining trees. Subsequent harvests will create opportunities for natural or planted regeneration or a combination of both. This may be done by creating openings large enough to promote natural seeding and planting which will seek to replicate the diversity of the natural forest. Certain species such as cedar will be established as soon as possible to create a diversity of species.

2.3 Stream Protection

All perennial and intermittent streams within the watershed will be protected to maximize water quality and quantity.

Riparian zones equal to or greater than required under The Oregon Forest Practices Act will be established along each stream. Activities within the riparian zones will be limited to stream crossings required for access and to improve water quality. Attached guidelines are identified in Section 2.11

No equipment will be placed within the riparian zones during periods of wet weather.

2.4 Large Woody Debris.

Large woody debris is considered to be large wood, limbs and tops, left on the forest floor for the purpose of providing centers for biological activity and habitat for small birds and mammals, to support decay mechanisms and bacteria activity which will contribute to the health and diversity of future forests, and to provide protection from erosion. To provide this resource the following practices shall be followed in management areas:

Whenever possible, limbs and tops should be left evenly distributed throughout the area, while leaving sufficient areas exposed to provide for planting seedlings where they are called for or to encourage natural regeneration.

Non-merchantable logs will be identified for retention prior to yarding operations, should not be taken to the landing, and wherever possible will be distributed throughout the area when harvests is complete.

In harvesting younger stands, down material and stumps from prior operations will be left undisturbed. In the case of pre-commercial thinning the thinned material will be left in place.

2.5 Transition Trees

Transition trees are intended to transition one age or stand composition to the next. These trees provide large tree representation in a young plantation or natural stand. They possess desirable characteristics of species, size and location. Transitions trees will be selected using the following criteria:

Trees with a diameter equal to or greater than the average for the stand.

In the case of a natural stand, trees representative of current stand composition.

Trees that appear vigorous, with healthy crown ratios of 40% to 50%.

At least four trees per acre should be selected prior to harvest. At least one of these trees should be in the top quartile of the stand's diameter distribution. The selected trees may be clumped whenever possible.

Transition trees should be marked for retention prior to harvest and they may be described in the management record for the unit in which they are located.

Transition trees may be removed in ongoing management operations if replacement trees meeting the above criteria can be identified.

2.6 Snags.

Snags are defined as dead trees greater than 11 inches in diameter or more than 30 feet tall, and should be retained to provide habitat for wildlife. In scheduling an area for harvest, the following guidelines should be followed:

Existing snags will be identified and marked for retention.

Snags selected for retention should reflect the species composition of the stand being thinned and should be as large as possible.

If there are no snags within the stand, they may be provided for by increasing the number of transition trees per acre, giving preference to those with defects (such as disease and snowbreaks) which may cause them to enter the snag category in the future.

A minimum of 3 snags or potential snags per acre will be identified and marked for retention.

Snags must comply with current health and safety regulations. No tree or snag will be left in an unsafe or threatening position.

2.7 Forest Health.

The health of the forest will be maintained or enhanced by the following general principles:

By encouraging a diversity of species within the plant and tree communities.

By encouraging vigorous trees through pre-commercial and commercial thinnings to assure good crown spacing.

By promoting natural regeneration of conifer species.

In the case of plantings, by using appropriate seed sources.

By avoiding tree removal and travel patterns which cause soil compaction.

By promoting the viable animal, bird and insect population which will contribute to a healthy forest.

By the following treatment of existing threats:

Swiss Needle Cast has affected a large percentage of the Douglas-fir throughout the watershed. This disease has increased throughout the coastal forest zone. The disease infects the needles and causes severe needle loss in many cases. This affects the vigor of the tree resulting in significant decrease in diameter growth. The Douglas-fir in the watershed are in the zone of moderate infection. Visual observations indicate the disease may have peaked with improved growth. The Douglas-fir generally occurs with a mixture of hemlock and other conifers enabling the area to remain productive. Effective management options for this health concern are currently being developed. Selective harvest of the most severely affected trees may result in more vigorous growth of remaining Douglas-fir.

Sitka Spruce Tip Weevil is present in young Sitka Spruce. The larvae of this weevil kills the terminal leader of the spruce resulting in reduced height growth and deformed stems. Planting of spruce should be conducted only in areas not adjacent to spruce affected by the weevil.

2.8 Watershed Forest Road Management

Roads are recognized as a valuable and primary component for managing the watershed. There are approximately 28 miles of roads within the watershed, which represents an average road density of about 4.8 miles per square mile. The majority of these roads were constructed many years ago to provide access for timber removal. The roads were constructed to sustain low volume use. The road surface was rocked with "pit run" material. The roads were constructed for use by log trucks and other rugged vehicles. Although basic in design and construction, these roads represent a significant economic asset.

The roads have features of low volume road systems to include a solid running surface, cleared right of way, ditching and culverts as needed. Road segments used infrequently are now covered with grass and local vegetation.

Main road systems have been upgraded to provide access to improvements such as the water resources and transmission towers. Crushed rock has been placed on most of these road segments.

3 locked gates maintained by the City control access to the watershed. These gates are located at entrances to neighboring forest ownerships.

The City will upgrade and improve the main road systems through integrating in forest harvest projects. All roads are travelled periodically. Mowing of road and roadside vegetation occurs annually.

A comprehensive survey of the road systems and associated culverts is attached to this policy (see Attachment A).

The City will monitor all forest roads within the watershed on a continual basis (daily or weekly patrols) by watershed staff. Any significant concerns will be noted and addressed as required.

2.9 Soils.

According to the 2012 soil survey, all areas containing merchantable timber are suitable for harvest. The soils are all well drained.

The upper ridge soils (largely rock) has a shallow depth to bedrock and is not suited for commercial forest activities. This area does contain a source of rock which has been used in the past. A complete soil survey is attached (see Attachment B).

2.10 Invasive Species.

The presence of invasive species is currently minimal within the watershed. The most prevalent species found in the Astoria area are Himalayan Blackberry and Scotch Broom. Both of these species have been expanding in certain forest areas within several miles of the watershed.

To minimize the opportunity for spread of these species into the watershed, all equipment moved in to the watershed for harvest activities must be cleaned and inspected prior to moving in to the watershed. This requirement is a provision within the contract.

It is recognized that certain species can be introduced or found on the watershed over time. The control of any significant invasive species will be handled with mechanical methods. These methods will generally be hand control by contract. No chemicals are used on the watershed for control of any vegetation so the control will require hand control methods.

Watershed staff will note the presence of any invasive species and control methods will be implemented as required.

2.11 Water Resources

The Bear Creek Watershed provides water for consumption by the citizens and businesses of the City of Astoria and surrounding users. The primary asset of the watershed is quantity and quality of water. The watershed has an extensive stream network and three large artificial impoundments. There are about 32 miles of major streams and tributaries on the city ownership, which represent a drainage density of about 5.5 miles per square mile. This stream density contributes to a relatively rapid runoff response. Stream flows rise and fall quickly with individual storms and dry periods. The three main impoundments total about 53 acres or 1.7 percent of the watershed area. The estimated capacity of these reservoirs is about 300 million gallons. These three reservoirs as well as water diverted from Cedar Creek have the capacity to meet the needs of the users of the water.

The Bear Creek dam and the diversion dam on cedar creek prevent the upstream movement of fish species. A resident population of cutthroat trout can be seen in all three reservoirs and are present in available stream reaches above the reservoirs.

Due to the entire watershed being classified as a community water source all streams are considered to be category A under the Pacific Coast Region Standards.

Therefore the following guidelines will be applied during all forest resource activities.

An inner buffer of 50 feet wide (slope distance) from the high water mark shall be applied to both sides of the stream. Specific stream characteristics such as slope stability and steepness may require additional widths.

Management activities within the inner buffer will maintain the native vegetation. Only single tree selection removal will be used. All activities will retain or recruit large live trees and large woody debris for stream structure. No vegetation will be removed within 25 feet of the stream.

Heavy equipment will not be used within the inner zone unless prior approval is granted for specific crossing sites.

New road construction will be minimized with any riparian area. All alternatives will be examined to minimize stream disturbance.

The outer buffer zone will extend from the outer edge of the inner zone for 150 feet. Single tree or group selection methods will be used in this zone. Each harvest activity will be determined on a case-by-case basis to adhere to this policy and be within a reasonable management objective. The objective of the management in this outer zone is to ensure the post harvest shading relevant to the stream being protected and to maintain an acceptable habitat for aquatic and terrestrial species.

New road construction in this outer zone will be minimized. Any road improvements will minimize sediment delivery.

Alder species contributes to the degradation of water quality. Certain portions of the main streams may be managed to replace alder with conifer species. This may require deviation from stream-side buffer zones.

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2.12 Wildlife and Fish Resources.

Habitat for wildlife and fish shall be protected and enhanced through management objectives and activities.

- 1) Environmentally unique areas have been identified for retention. Other will be added to this status as they are identified.
- 2) Minimum access within the watershed offers a level of protection from hunting and other man caused pressures.
- 3) Management activities will increase forage opportunities, snags, down woody debris and other elements critical to a diverse wildlife population.
- 4) Riparian zones will be managed in accordance with FSC criteria. Native populations of fish will be protected through these practices.

The Bear Creek Watershed provides habitat for many of the species of wildlife that are commonly found in or near the forests of northwest Oregon, including Roosevelt elk, black tailed deer, cougar, black bear, beaver and mink. No formal surveys of these relatively common species have been conducted on the watershed. Their specific activity and abundance have not been specifically identified. Due to the closure of the watershed to all outside traffic, the level of these species is probably higher than the surrounding forested areas within the constraints of acceptable habitat types for specific species.

The presence of threatened, endangered, or sensitive species as defined by federal law is important because this can significantly affect management plans and decisions. Several different species have been observed in neighboring watersheds and may occur within the Bear Creek Watershed in the future. Bald Eagles have been observed near the Columbia River with specific nest sites having been identified. Marbled Murrelets were found on State Forestry lands southeast of the watershed. A murrelet study conducted in the spring/summer of 1999 found no flights into the canopy of the watershed. Northern Spotted Owls were traced into the Columbia slope are to the west of the watershed but to this date (2007), no resident populations have been observed in the watershed.

ODFW is in the process of surveying the Bear Creek Watershed for Anadromous fish populations from the watershed to the Columbia River. The initial focus of this study was on the presence and life cycle of sea run cutthroat trout. During the summer of 2007, a number of fish presence observations were taken along Bear Creek and Cedar Creek inside the watershed. None were found within the watershed.

The barriers to fish passage on Bear Creek and Cedar Creek have been in place for decades. The 100 foot high dam on Bear Creek was built in 1913. It presents a significant barrier that would require funding beyond the capacity of the city to allow for upstream passage. The barrier on Cedar Creek is less formidable. The City will continue to explore funding opportunities to develop fish passage into the upper reaches of Cedar Creek.

A comprehensive evaluation was conducted in 2012 by the Nature Conservancy. The evaluation is watershed based. The potential wildlife and plant communities for the Bear Creek Watershed is found in Attachment C.

2.13 Environmentally Unique Areas.

Stand 23. This 34 acre unit contains characteristics of a late successional forest and will be managed as an FSC Type 2 old growth stand. The trees vary in age from less than 30 to greater than 200 years. Numerous snags of varying height and diameter are found within the stand. Species composition is dominated by hemlock and Sitka Spruce with cedar and certain hardwoods also present. This area will be protected to the extent possible to enhance its value as a unique area. No harvest activities or road construction will be conducted in this area.

Wickiup Ridge Stand 73. The higher slopes of the Wickiup Ridge contain a unique combination of non-forested rock outcroppings and low height tree and shrub vegetation. This site is host to a variety of flora and fauna. The area will not be scheduled for any harvesting or rehabilitation activities. The current rock pit may be used to produce rock for use in the watershed.

3 MANAGEMENT ACTIVITIES

3.1 Monitoring

Watershed Units. The forested areas of the watershed have been divided into stands (units of common species, age etc.) which are identified in the Watershed Inventory. The units will be marked to indicate environmentally unique areas, roads and other important features. The units will be reviewed annually to ensure its continued accuracy (see Attachment D).

Permanent Plots. Permanent plots may be established within selected stands to be used in providing stand growth and composition information. Plots will vary in size according to the age and composition of the stand. Plots will be marked on the ground using GPS coordinates and on the map and be evaluated at least once every 5 years.

Stand Management Records.

A record shall be kept for each stand to include:

Description of stand

Management and harvest activities

Plantings by seedling type and source

Description of transition trees and snags

Forest Health issue

Other Observations

All management unit records should be reviewed periodically for accuracy and compliance with the management policies in this plan and to assess experience and progress toward achieving management objectives.

Resident water resource manager monitors the road, forest and water conditions on a daily basis. Any concerns are addressed as needed.

3.2 Timber and Carbon Inventory. A comprehensive inventory was completed in January 2014 (see Attachment D).

3.3 Allowable Annual Harvest.

The 2014 Inventory indicated a standing volume of one hundred million board feet. The conservative growth projections indicate an annual growth rate of 4%. The annual harvest level could be set at three million board feet per year which would retain the current standing volume.

The annual allowable harvest shall not exceed 50% of growth. Based on current information, the annual harvest shall not exceed 1.5 million board feet per year. This will increase the average age to 65 years and higher in future years.

The primary purpose of the Bear Creek Watershed is to supply quantity and quality of water to the city of Astoria and other users. Forest management activities as described under this plan are undertaken to improve the health and maintenance of the watershed and provide funding for approved projects.

All forest areas designated for tree removal shall use the following guidelines when selecting trees for removal and retention. Specific circumstances may require deviation from these guidelines and will be documented prior to implementation.

Guidelines for the selection of trees to be harvested from Bear Creek Watershed:

Closed Canopy- These stands consist of fully stocked stands of conifers that have a common age of 40- 60 years. These stands are the result of previous management and have components of natural and planted regeneration. The dominant species are Douglas-fir and Hemlock. In these stands, the removal and retention guidelines shall include:

- 1) Basal area targets shall be established appropriate for each removal area. They will vary from 110 to 170 square feet of basal area. Operators will be trained and have appropriate tools to assist with meeting the selected basal area target. Operators will be given the responsibility of selecting the appropriate trees for removal and retention after training. Monitoring shall ensure compliance with the guidelines.
- 2) Trees selected for removal shall include injured (bear) or diseased (swiss needle cast) trees.
- 3) Species that occur infrequently within the stand shall be retained if possible. These may include cedar, spruce or true firs.
- 4) Older stand components from previous stands shall be retained
- 5) Non-merchantable segments and debris shall be left within the area
- 6) Dead trees shall be left to meet snag retention goals.
- 7) Large non merchantable log segments that meet course woody debris criteria shall be left within the harvest areas.
- 8) Patch cuts may be designated for harvest. These will vary in size from a two to fifteen acres. These patch cuts will contribute to the regeneration component of the desired future forest condition. All trees within the patch cut shall be removed unless marked for retention.

Mature Forest Stands - These stands have developed or will develop characteristics described under forest conditions. Current stands have been thinned in the past. They are dominated by Hemlock with a mix of Douglas-fir, Spruce and True Firs. The larger and older segments of these forests have significant defect and low quality log characteristics. In these stands the removal and retention guidelines shall include:

- 1) Areas selected for removal shall be marked by City representative.
- 2) Areas selected for removal shall improve or maintain the condition of residual trees
- 3) Areas may be selected for removal to improve the growth of or encourage the emergence of

natural regeneration.

- 4) Segments of the current stand shall be identified for retention. This shall include species and age distribution. This will allow for the stand to move toward an older forest condition.
- 5) Areas of natural regeneration shall be protected to the extent possible.
- 6) Trees exhibiting old forest conditions shall be considered for retention. The characteristics may include large diameter, limb structures that form platforms and dead tops.
- 7) Debris from harvest shall be left distributed in the area.
- 8) Large non-merchantable segments shall be left to meet large wood goals.
- 9) Snags or dead trees shall be left to meet snag goals.
- 10) Patch cuts may be designated for harvest. These patch cuts will vary in size from two to fifteen acres. All trees within the patch cuts will be removed unless designated for retention. Patch cuts will contribute to the regeneration segment of the desired forest conditions.

3.4 Pre-Operation Review.

Before operating in any unit an assessment of the unit and its surroundings will be conducted to determine the most economical method of operation and requirements for resource protection. This should include retention of transition trees and snags, and the development of coarse woody debris. Wildlife and unique tree and plant communities should be identified, and their protection considered before tree removal is started.

3.5 Harvest Practices. These guidelines should be observed:

Slopes under 35%: Ground based systems should be used, with methods and type of equipment appropriate to the slope and soil conditions. Ground based yarding should be done during periods of dry weather. Skid trails will be laid out in advance, keeping in mind the life of the stand and the need for repeated entries. At the conclusion of operations skid trails susceptible to runoff will be water barred.

Slopes over 35%: If the yarding distance is more than 200 feet along the slope, a cable system should be considered to avoid soil disturbance and compaction.

3.6 Planting and Regeneration.

All reforestation activities will comply with Oregon Forest Practices Act.

Natural regeneration will be encouraged after harvest in a variety of ways, including the exposure of mineral soil during tree removal and site preparation.

Where planting is necessary to assure regeneration or to encourage diversity only seedlings of a species and size appropriate to the site grown from a seed source matching the site, will be used. Certain species such as western red cedar which were present in greater numbers in previous conditions will be planted to increase current stocking. Planting and protection techniques will be developed to increase success of seedlings.

3.7 Chemical Use.

Chemicals will not be used for forest management activities within the watershed. Alternative methods (mechanical or hand work) will be used to control undesirable vegetation or pre-commercial harvest activities.

3.8 Adaptive Management.

The objectives outlined in this plan can best be accomplished through an adaptive approach to management. Through information acquired by the owners and manager, and with assistance from specific professionals, the plan may be modified from time to time to reflect current data, science and processes.

3.9 Stakeholder and Public Involvement.

The City of Astoria as a public entity provides an open process related to all decisions impacting the management of the Bear Creek Watershed.

The management plan is maintained on the City of Astoria website and can be accessed by any person or entity for review. Any interested party can contact the City and obtain access to the management plan if they do not have web access.

All harvest projects are submitted to City Council for review at a regularly scheduled meeting of the council. The information relative to the project is published for review prior to the meeting on the City website and notice of the meeting agenda is posted in the local paper prior to the meeting. Council accepts public comment prior to any decision regarding the project. The project is distributed to qualifying parties for review and opportunity to bid on the project. The project notice is also posted in the local paper. All responses are brought before Council for review and decision to award a contract. Public involvement is considered in all phases of the decision process.

3.10 FSC Chain Of Custody.

The following policy will provide procedures for the operations pertaining to the sale of certified products.

- 1) Notice of timber sales shall include documentation that the timber is certified under FSC. All eligible purchasers have equal opportunity to bid on timber sales. Effort will be made to ensure that all potential FSC certified purchasers are aware of scheduled timber sales.
- 2) The city of Astoria Public Works Department is responsible for the control of all timber sales including those sold to FSC purchasers. Public Works Director or his appointed representative shall be responsible for all control procedures.
- 3) All logs sold to an FSC market shall be identified on the log load form as certified under the FSC Chain of Custody number. Such forms shall identify the date the logs left city forests, species, logger, trucker and destination. Copies of the forms shall be distributed to the logger, purchaser, and trucker. One copy of the form shall be retained by the city. Forms shall be retained for a minimum of 5 years.
- 4) The city shall not allow products not originating from city certified FSC forests to be sold or distributed under city FSC Chain of Custody Certificate.
- 5) FSC purchaser shall be required to provide sale information to the city. Information shall include but not be limited to:
 - A) report of each load of logs received
 - B) quantity (bd ft or other measure)
 - C) species of products
 - D) log grades or other quality documentation
 - E) summary of quantity delivered for each reporting period as established in the contract of sale
- 6) Records of the entire sale process shall be retained for a minimum of 5 years. Records shall include but not be limited to the following :

- A) presale information
- B) sale bid packet
- C) contract and other sale documents
- D) record of log load documents
- E) purchaser log load and summary documents
- F) record of all correspondence relevant to the sale

Bear Creek Watershed Road Status and Improvement Plan

The roads in this review are divided into 2 major categories, the main road systems and the spur roads from the main roads. All of the roads are travelled at least annually to remove the overtopping vegetation and to note any concerns that may need immediate attention. Annual Watershed road maintenance and improvement budget is estimated to be \$40,000 per year. Additional significant improvements are considered during harvest activities.

A-Line

This is the main road system that enters the watershed and accesses the 3 reservoirs and the transmission towers on Wickiup Ridge. The road is well travelled and has been rocked with a layer of crushed rock for most of the distance. The mainline is approximately 7.5 miles in length.

This road is scheduled to be rocked with additional crushed rock during the summer of 2014. All culverts will be analyzed and improved or replaced as needed. The intent is to rock the road to allow for periodic grading in future years.

Bridge Spur- This spur is approximately 0.5 miles in length. The road crosses Bear creek on a bridge constructed several years prior. The Bridge will be analyzed to ensure passage by heavy traffic (log trucks) remains to be safe. The road surface is pit run rock. The surface will be improved in future years as harvest activities are scheduled to use the road. The road will be mowed at least annually to control grass and other vegetation.

Clatskanie Cross Over- This spur connects with a road system accessing industrial lands to the west of the Watershed. It is gated at the entrance to the Watershed. The spur is approximately 0.7 miles to the boundary. It crosses a branch of Bear Creek. The road surface is pit run rock. The culverts are currently functioning. This spur is mowed annually to control vegetation.

M Spur- A short spur accessing a portion of the watershed. Road surface is pit run rock. This spur will be mowed annually to control vegetation.

Spur 17- A short spur accessing area between Middle and Wickiup Lakes. It is a pit run road surface and will be scheduled for additional rock in 2016 during a harvest operation. The road will be mowed annually to control vegetation.

Spur 18- This spur is approximately 0.7 miles in length. It crosses upper Bear Creek. The culvert is functioning and will be monitored to ensure proper flow. The road surface is pit run rock and the road will be mowed annually to control vegetation. Additional rock may be applied as harvest activities are scheduled.

Spur 20- A short spur at the upper end of Wickiup Lake. It is a pit run rock surface. No activities other than annual mowing are scheduled for this spur.

Spur 19 – A short spur that is covered with pit run rock for approximately .3 miles. This spur connected with industrial lands to the west but is no longer usable due to the recent harvest activities on both sides of the boundary. Additional grass seeding is scheduled for the spring of 2014

Spur A-1- This spur originates from the industrial ownership to the west. It is gated at the entrance. It accesses the ridgeline above Wikiup Lake. It is approximately 1.1 miles in length. The road is covered with a pit run rock surface. It has not been used for several years and will be scheduled for improvement as harvest activities are scheduled.

N Line- This is an extension of the A Line that accesses the Transmission towers on top of Wikiup Ridge. The road was recently used for harvest activities by the City and the industrial ownership (Campbell Group). The road surface is pit run rock with some crushed rock placed on specific portions. The road is solid due to the rock ridge it travels along.

11 Line

11- This road system is divided into the 11A and 11B road systems. The 11A is approximately 2.5 miles in length and the 11B is approximately 1.5 miles in length

11A – This road system was improved in 2008/9 to access areas that experienced severe damage from the windstorm of 2007. The road has been rocked with crushed rock and 2 main culverts have been replaced. It is scheduled for additional improvement in 2014 to repair or replace specific culverts. Additional rock will be placed on the road surface.

11A-1- A short spur accessing area above Main Lake. It will not be used unless needed for access during future harvest activities. It is currently not accessible.

11A-2- Spur accessing areas above Main Lake. It has a pit run surface. Wet areas along the road make this spur unusable during any wet periods. The road will be upgraded during future harvest activities.

11A-3- This spur was used during the 2008 harvest. It has a thin layer of pit run rock. It will be mowed to control competing vegetation. Due to the young age of the trees, this spur will not have commercial use for many years.

11B- This spur is approximately 1.5 miles in length. It has a solid pit run surface. It will be rocked with crushed rock during future harvest activities. It accesses considerable area above Bear Creek. It will be mowed annually to control vegetation.

11B-1- A short spur 0.3 miles in length. Pit run road surface. It will be mowed annually.

11B-2 – A short spur 0.3 miles in length. Pit run road surface. It will be mowed annually to control vegetation.

11B-3- A short spur 0.4 miles in length. Pit run road surface to be mowed annually to control vegetation.

Spur 1 – A main spur approximately 2 miles in length that crosses Cedar Creek and Fat Buck Creek. It accesses the diversion dam on Cedar Creek which is where water is diverted from the stream to the sand filters. A large fill crosses Cedar Creek. This spur is crushed rock to the diversion dam area and pit run surface on the remaining portions of the system. A rock pit, which has been used in the past, is located at the 1.5-mile mark on the road. This pit is no longer in use but may be developed in the future. A large blockage has been dug at the 2 mile mark prior to where the road crosses Fat Buck Creek. The City does not use water from Fat Buck Creek but the Wickiup Water district does take water from the creek.

Spur 1A- This spur is approximately 1 mile in length. It follows the Power transmission lines for a distance. It is a pit run rock surface. A portion of the road surface was improved during a blow down harvest in 2010. The road crosses a small branch of Cedar Creek. This road system may be improved during future harvest activities.

Spur 1B- A short 0.2 mile spur that is surfaced with pit run rock. It will be mowed annually to control vegetation.

Spur 1C and 1E- two short spurs that are pit run roads. They will be mowed annually to control vegetation.

Spur 1D- This spur is blocked prior to the crossing of Fat Buck Creek. The Culvert on Fat Buck Creek will be evaluated to ensure proper flow in the future. The road may be improved to allow for future harvest activities.

Spur 12 – Spur 12 and 12A access a significant portion of the Watershed. Spur 12 is approximately 2.7 miles in length and spur 12A is approximately 2 miles in length. Both of these spurs have been improved in the recent past.

Spur 12 was improved in 2013. The majority of the road was rocked with crushed rock and 6 additional cross drainage culverts were installed. All culverts were inspected and cleaned as needed. The road crosses the upper reach of Cedar Creek. This culvert was replaced approximately 10 years ago. A gate was installed at the end of spur 12 where the road enters industrial ownership. Additional rock may be placed on spur 12 as future harvest activities are scheduled.

Spur 12A was improved in 2010 and 2006. Crushed rock was place over the pit run surface. A thinning activity and several patch cuts were completed along this spur. Additional crushed rock will be needed at the end of spur 12A and placed along the entire length to upgrade the road surface.

Spur 12B- A short spur 0.7 miles in length. It crosses a tributary of Bear Creek. The road surface is pit run rock. This spur will be improved in the future as harvest activities are scheduled.

Spur 12C- A short spur 0.3 miles in length. It accesses a ridge above a branch of Cedar creek. It is a pit run surface and will be mowed to control vegetation.

Spur 12D – This spur connect with the spur 21 road system. The total length including spur 21 is approximately 3 miles. The road has a pit run surface but will need considerable improvement prior to any all weather use.

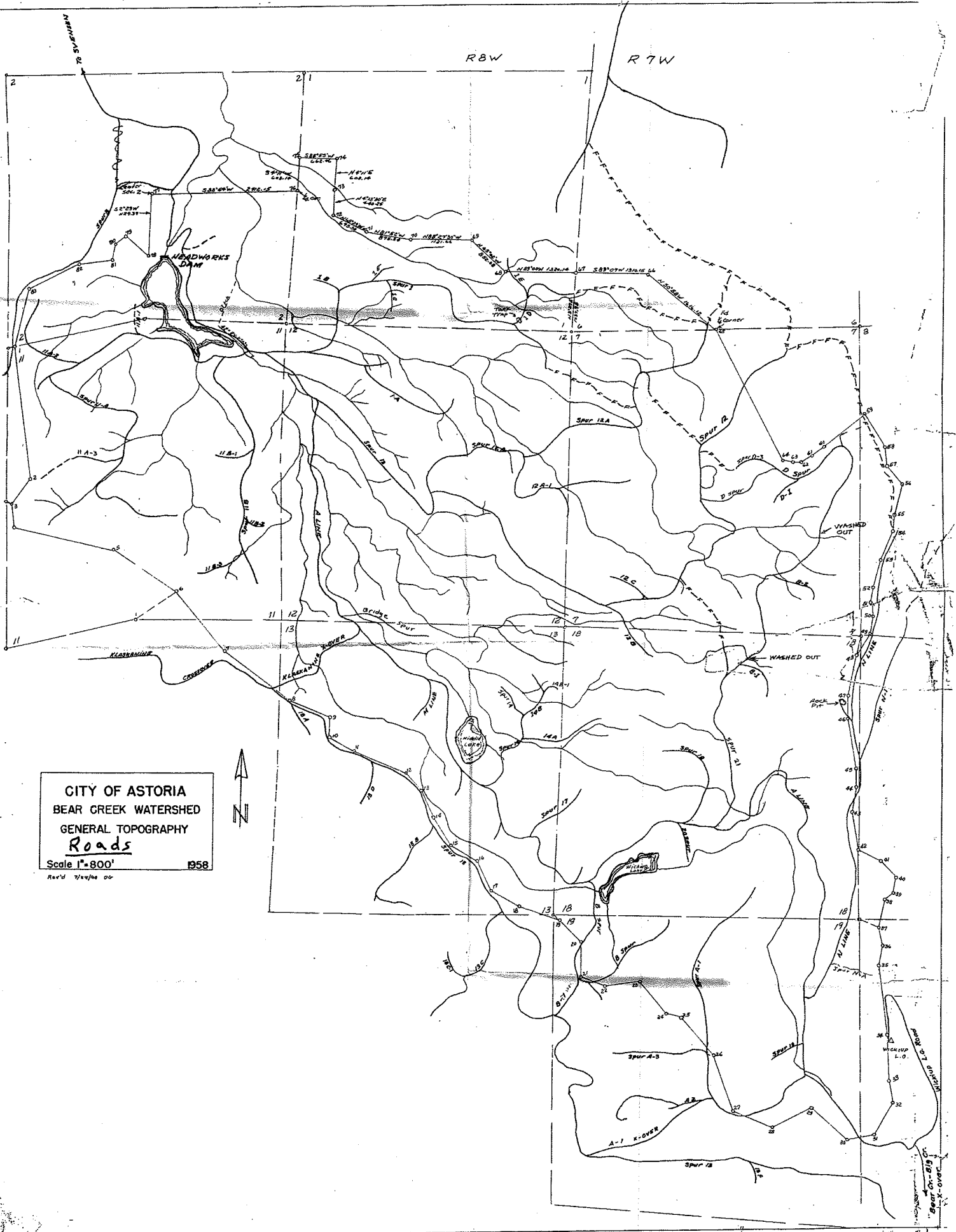
Spur 12A1- A short spur 0.7 miles in length. It is a pit run surface and has been used for harvest activities. It will be mowed annually to control vegetation.

Spur 21-This main spur is approximately 3 miles in length. It crosses the upper branches of Cedar Creek and Bear Creek. Both of these crossings are blocked with significant washouts. The road surface is Pit run rock. This spur was used extensively for earlier harvest so the roadbed is very solid. The road across the first culvert will be improved during the summer of 2014. The stream crossing will be evaluated to determine the cost comparison for a culvert or a bridge. The road surface will be covered with crushed rock. All culverts along the improved portion will be evaluated. Culverts will be improved or replaced. Additional cross culverts will be installed as needed.

Spur 21 to spur 12D- This portion of spur 21 will be improved with future activities. The washout on Cedar Creek will require the placement of a large culvert or a bridge. The road will require considerable rock to provide for all weather access. This road system is needed to provide access to the upper portions of Cedar Creek.

RBW

RTW



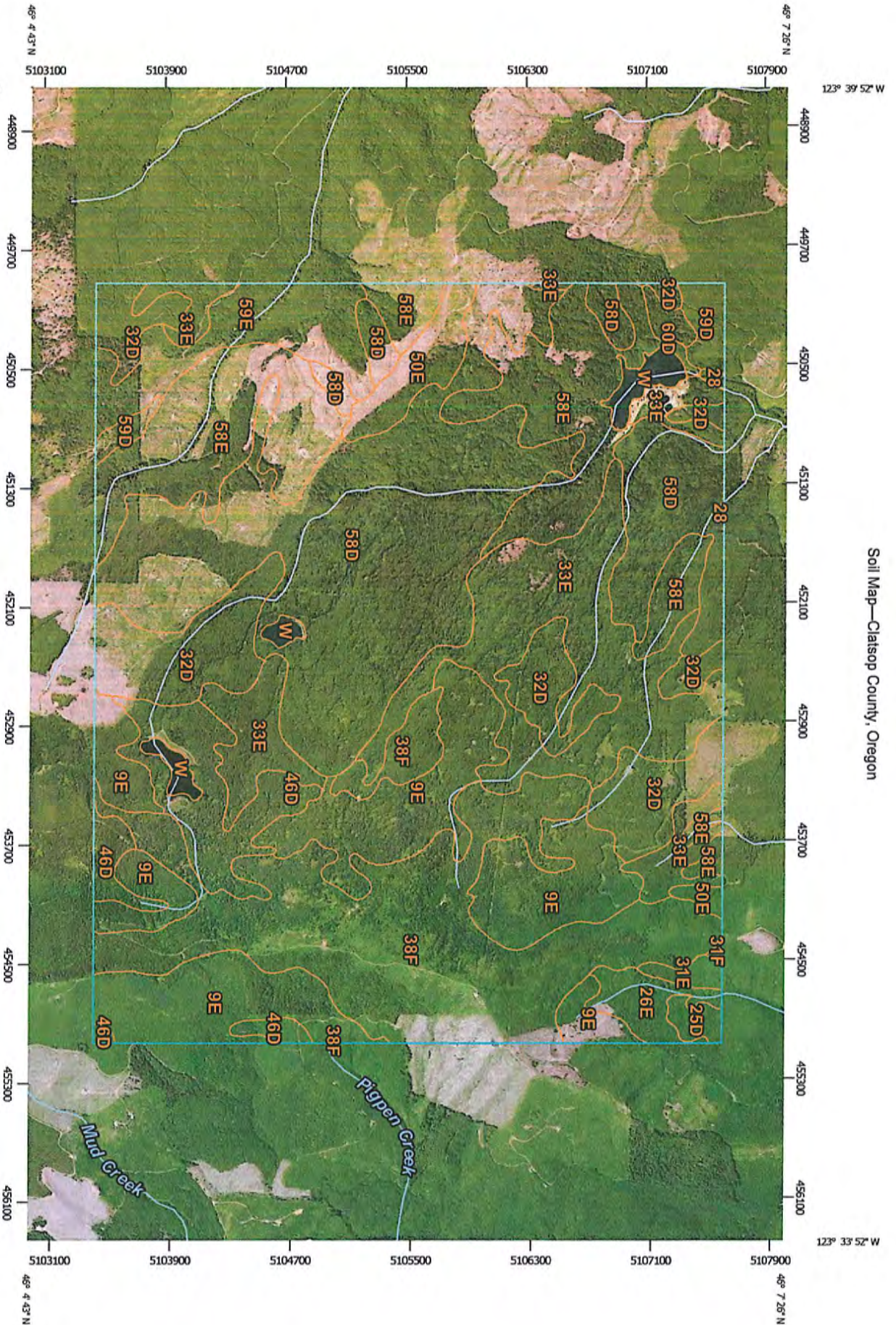
CITY OF ASTORIA
 BEAR CREEK WATERSHED
 GENERAL TOPOGRAPHY
Roads
 Scale 1"=800'
 1958
 Rev'd 7/24/58 06



Spur 1X-Over
 Bear Creek-019 of
 Bear Creek-Over

Attachment B




















Soil Map—Clatsop County, Oregon



Map Unit Legend

Clatsop County, Oregon (OR007)			
Map Unit Symbol	Map Unit Name	Acres in AOI	Percent of AOI
9E	Caterl-Laderly complex, 30 to 60 percent slopes	714.1	13.5%
25D	Hemcross silt loam, 3 to 30 percent slopes	21.4	0.4%
26E	Hemcross-Klistan complex, 30 to 60 percent slopes	59.7	1.1%
28	Humitropepts-Tropaquepts complex, 0 to 20 percent slopes	5.5	0.1%
31E	Klistan-Harslow complex, 30 to 60 percent slopes	19.4	0.4%
31F	Klistan-Harslow complex, 60 to 90 percent slopes	1.3	0.0%
32D	Kloutchie silt loam, 3 to 30 percent slopes	443.6	8.4%
33E	Kloutchie-Necanicum complex, 30 to 60 percent slopes	659.1	12.4%
38F	Laderly-Rock outcrop complex, 60 to 90 percent slopes	844.1	15.9%
46D	Murtip loam, 3 to 30 percent slopes	225.8	4.3%
50E	Necanicum-Ascar complex, 30 to 60 percent slopes	94.4	1.8%
58D	Skipanon gravelly silt loam, 3 to 30 percent slopes	1,228.5	23.2%
58E	Skipanon gravelly silt loam, 30 to 60 percent slopes	668.6	12.6%
59D	Svensen loam, 3 to 30 percent slopes	53.1	1.0%
59E	Svensen loam, 30 to 60 percent slopes	190.3	3.6%
60D	Templeton silt loam, 3 to 30 percent slopes	18.0	0.3%
W	Water	56.6	1.1%
Totals for Area of Interest		5,303.5	100.0%

MAP LEGEND

 Area of Interest (AOI)	 Area of Interest (AOI)	 Spoil Area	 Stony Spot
Soils	 Soil Map Unit Polygons	 Very Stony Spot	 Wet Spot
	 Soil Map Unit Lines	 Other	 Special Line Features
	 Soil Map Unit Points	Water Features	 Streams and Canals
Special Point Features	 Blowout	Transportation	 Rails
	 Borrow Pit	 Interstate Highways	 US Routes
	 Clay Spot	 Major Roads	 Local Roads
	 Closed Depression	Background	 Aerial Photography
	 Gravel Pit		
	 Gravelly Spot		
	 Landfill		
	 Lava Flow		
	 Marsh or swamp		
	 Mine or Quarry		
	 Miscellaneous Water		
	 Perennial Water		
	 Rock Outcrop		
	 Saline Spot		
	 Sandy Spot		
	 Severely Eroded Spot		
	 Sinkhole		
	 Slide or Slip		
	 Sodic Spot		

MAP INFORMATION

The soil surveys that comprise your AOI were mapped at 1:20,000. Please rely on the bar scale on each map sheet for map measurements.

Source of Map: Natural Resources Conservation Service
 Web Soil Survey URL: <http://websoilsurvey.nrcs.usda.gov>
 Coordinate System: Web Mercator (EPSG:3857)

Maps from the Web Soil Survey are based on the Web Mercator projection, which preserves direction and shape but distorts distance and area. A projection that preserves area, such as the Albers equal-area conic projection, should be used if more accurate calculations of distance or area are required.

This product is generated from the USDA-NRCS certified data as of the version date(s) listed below.

Soil Survey Area: Clatsop County, Oregon
 Survey Area Data: Version 9, Aug 17, 2012

Soil map units are labeled (as space allows) for map scales 1:50,000 or larger.

Date(s) aerial images were photographed: Jul 8, 2010—Oct 17, 2010

The orthophoto or other base map on which the soil lines were compiled and digitized probably differs from the background imagery displayed on these maps. As a result, some minor shifting of map unit boundaries may be evident.

Clatsop County, Oregon

58D—Skipanon gravelly silt loam, 3 to 30 percent slopes

Map Unit Setting

Elevation: 50 to 1,500 feet

Mean annual precipitation: 80 to 110 inches

Mean annual air temperature: 46 to 52 degrees F

Frost-free period: 120 to 210 days

Map Unit Composition

Skipanon and similar soils: 80 percent

Description of Skipanon

Setting

Landform: Mountain slopes, hillslopes

Landform position (two-dimensional): Summit, toeslope

Landform position (three-dimensional): Mountainbase, mountaintop, interfluvium, base slope

Down-slope shape: Linear, concave

Across-slope shape: Linear, concave

Parent material: Mass movement deposits derived from a mixture of igneous and sedimentary rock types overlying sedimentary rock

Properties and qualities

Slope: 3 to 30 percent

Depth to restrictive feature: More than 80 inches

Drainage class: Well drained

Capacity of the most limiting layer to transmit water

(Ksat): Moderately high to high (0.57 to 1.98 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Available water capacity: High (about 10.4 inches)

Interpretive groups

Farmland classification: Not prime farmland

Land capability (nonirrigated): 6e

Hydrologic Soil Group: B

Other vegetative classification: Sitka spruce/oxalis, swordfern-moist (902), Sitka spruce/salmonberry-wet (903), Western hemlock/oxalis-swordfern-moist (1907)

Typical profile

0 to 2 inches: Slightly decomposed plant material

2 to 7 inches: Gravelly medial silt loam

7 to 15 inches: Gravelly silt loam

15 to 29 inches: Gravelly clay loam

29 to 44 inches: Gravelly clay loam

44 to 62 inches: Paragravelly clay loam

Data Source Information

Soil Survey Area: Clatsop County, Oregon
Survey Area Data: Version 9, Aug 17, 2012

Clatsop County, Oregon

9E—Caterl-Laderly complex, 30 to 60 percent slopes

Map Unit Setting

Elevation: 1,800 to 3,000 feet
Mean annual precipitation: 100 to 130 inches
Mean annual air temperature: 42 to 46 degrees F
Frost-free period: 60 to 100 days

Map Unit Composition

Caterl and similar soils: 40 percent
Laderly and similar soils: 35 percent

Description of Caterl

Setting

Landform: Mountain slopes
Landform position (two-dimensional): Backslope, footslope
Landform position (three-dimensional): Lower third of mountainflank,
center third of mountainflank
Down-slope shape: Concave, linear
Across-slope shape: Concave
Parent material: Colluvium derived from igneous rock

Properties and qualities

Slope: 30 to 60 percent
Depth to restrictive feature: 40 to 60 inches to lithic bedrock
Drainage class: Well drained
Capacity of the most limiting layer to transmit water
(Ksat): Moderately high to high (0.57 to 1.98 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Available water capacity: Moderate (about 7.5 inches)

Interpretive groups

Farmland classification: Not prime farmland
Land capability (nonirrigated): 6e
Hydrologic Soil Group: B
Other vegetative classification: Western hemlock/Alaska
huckleberry/oxalis (1909), Western hemlock/Oregon grape-salal
(1906)

Typical profile

0 to 1 inches: Slightly decomposed plant material
1 to 6 inches: Gravelly medial loam
6 to 12 inches: Very gravelly medial loam
12 to 18 inches: Very gravelly medial loam
18 to 35 inches: Very gravelly medial loam
35 to 53 inches: Extremely cobbly medial loam
53 to 57 inches: Unweathered bedrock

Description of Laderly

Setting

Landform: Mountain slopes
Landform position (two-dimensional): Shoulder, backslope
Landform position (three-dimensional): Upper third of mountainflank
Down-slope shape: Convex, linear
Across-slope shape: Convex, linear
Parent material: Colluvium derived from igneous rock

Properties and qualities

Slope: 30 to 60 percent
Depth to restrictive feature: 20 to 40 inches to lithic bedrock
Drainage class: Well drained
Capacity of the most limiting layer to transmit water (Ksat): High (1.98 to 5.95 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Available water capacity: Low (about 4.0 inches)

Interpretive groups

Farmland classification: Not prime farmland
Land capability (nonirrigated): 6e
Hydrologic Soil Group: B
Other vegetative classification: Western hemlock/Alaska huckleberry/oxalis (1909), Western hemlock/Oregon grape-salal (1906)

Typical profile

0 to 1 inches: Slightly decomposed plant material
1 to 13 inches: Very gravelly medial loam
13 to 22 inches: Very gravelly medial loam
22 to 30 inches: Extremely cobbly medial loam
30 to 34 inches: Unweathered bedrock

Data Source Information

Soil Survey Area: Clatsop County, Oregon
Survey Area Data: Version 9, Aug 17, 2012

Clatsop County, Oregon

33E—Klootchie-Necanicum complex, 30 to 60 percent slopes

Map Unit Setting

Elevation: 50 to 1,800 feet

Mean annual precipitation: 80 to 110 inches

Mean annual air temperature: 46 to 52 degrees F

Frost-free period: 120 to 210 days

Map Unit Composition

Klootchie and similar soils: 55 percent

Necanicum and similar soils: 30 percent

Description of Klootchie

Setting

Landform: Mountain slopes

Landform position (two-dimensional): Backslope, footslope

Landform position (three-dimensional): Center third of mountainflank, lower third of mountainflank

Down-slope shape: Concave

Across-slope shape: Concave, linear

Parent material: Colluvium and residuum derived from igneous rock and tuff

Properties and qualities

Slope: 30 to 60 percent

Depth to restrictive feature: More than 80 inches

Drainage class: Well drained

Capacity of the most limiting layer to transmit water

(Ksat): Moderately high to high (0.57 to 1.98 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Available water capacity: Very high (about 19.1 inches)

Interpretive groups

Farmland classification: Not prime farmland

Land capability (nonirrigated): 6e

Hydrologic Soil Group: B

Other vegetative classification: Sitka spruce/oxalis, swordfern-moist (902), Western hemlock/oxalis-swordfern-moist (1907), Western hemlock/Oregon grape-salal (1906)

Typical profile

0 to 1 inches: Slightly decomposed plant material

1 to 9 inches: Medial silt loam

9 to 19 inches: Medial silt loam

19 to 44 inches: Medial silty clay loam

44 to 68 inches: Medial silty clay loam

Description of Necanicum

Setting

Landform: Mountain slopes
Landform position (two-dimensional): Backslope, footslope
Landform position (three-dimensional): Upper third of mountainflank, lower third of mountainflank
Down-slope shape: Linear, convex
Across-slope shape: Convex, linear
Parent material: Colluvium derived from igneous rock and tuff

Properties and qualities

Slope: 30 to 60 percent
Depth to restrictive feature: More than 80 inches
Drainage class: Well drained
Capacity of the most limiting layer to transmit water (Ksat): Moderately high to high (0.57 to 1.98 in/hr)
Depth to water table: More than 80 inches
Frequency of flooding: None
Frequency of ponding: None
Available water capacity: Moderate (about 7.8 inches)

Interpretive groups

Farmland classification: Not prime farmland
Land capability (nonirrigated): 6e
Hydrologic Soil Group: B
Other vegetative classification: Sitka spruce/oxalis, swordfern-moist (902), Western hemlock/oxalis-swordfern-moist (1907), Western hemlock/Oregon grape-salal (1906)

Typical profile

0 to 1 inches: Slightly decomposed plant material
1 to 10 inches: Very gravelly medial loam
10 to 18 inches: Very gravelly medial loam
18 to 27 inches: Very gravelly medial loam
27 to 49 inches: Extremely cobbly medial loam
49 to 71 inches: Extremely cobbly medial loam

Data Source Information

Soil Survey Area: Clatsop County, Oregon
Survey Area Data: Version 9, Aug 17, 2012

Clatsop County, Oregon

38F—Laderly-Rock outcrop complex, 60 to 90 percent slopes

Map Unit Setting

Elevation: 1,800 to 3,000 feet

Mean annual precipitation: 100 to 130 inches

Mean annual air temperature: 42 to 46 degrees F

Frost-free period: 60 to 100 days

Map Unit Composition

Laderly and similar soils: 40 percent

Rock outcrop: 35 percent

Description of Laderly

Setting

Landform: Mountain slopes

Landform position (two-dimensional): Foothlope, shoulder, backslope

Landform position (three-dimensional): Mountainflank

Down-slope shape: Linear, convex, concave

Across-slope shape: Concave, linear

Parent material: Colluvium derived from igneous rock

Properties and qualities

Slope: 60 to 90 percent

Depth to restrictive feature: 20 to 40 inches to lithic bedrock

Drainage class: Well drained

Capacity of the most limiting layer to transmit water (Ksat): High (1.98 to 5.95 in/hr)

Depth to water table: More than 80 inches

Frequency of flooding: None

Frequency of ponding: None

Available water capacity: Low (about 4.0 inches)

Interpretive groups

Farmland classification: Not prime farmland

Land capability (nonirrigated): 7e

Hydrologic Soil Group: B

Other vegetative classification: Western hemlock/Alaska huckleberry/oxalis (1909), Western hemlock/Oregon grape-salal (1906)

Typical profile

0 to 1 inches: Slightly decomposed plant material

1 to 13 inches: Very gravelly medial loam

13 to 22 inches: Very gravelly medial loam

22 to 30 inches: Extremely cobbly medial loam

30 to 34 inches: Unweathered bedrock

Description of Rock Outcrop

Setting

Landform: Mountain slopes

Landform position (two-dimensional): Shoulder

Landform position (three-dimensional): Free face

Down-slope shape: Convex

Across-slope shape: Linear, convex

Properties and qualities

Slope: 60 to 90 percent

Depth to restrictive feature: 0 inches to lithic bedrock

Interpretive groups

Farmland classification: Not prime farmland

Land capability (nonirrigated): 8

Typical profile

0 to 60 inches: Unweathered bedrock

Data Source Information

Soil Survey Area: Clatsop County, Oregon

Survey Area Data: Version 9, Aug 17, 2012

Analysis				Relative Abundanc				
Unit	Taxonomic	Species or Habitat Common Name	Species Scientific Name	e	Dist.	GRank	SRank	ESA
17	Amphibians	Columbia Torrent Salamander (modeled dist)	Rhyacotriton kezeri	2.9	L	G3		NA
17	Amphibians	Cope's Giant Salamander (modeled dist)	Dicamptodon copei	1.5	L	G3		NA
17	Amphibians	Western Toad (modeled dist)	Bufo boreas	1.1	W	G4		NA
17	Amphibians	Coastal Tailed Frog (modeled dist)	Ascaphus truei	0.8	W	G4		NA
17	Birds	Bald Eagle	Haliaeetus leucocephalus	2.3	W	G5	S4B,S4N	NA
17	Birds	Marbled Murrelet (modeled dist)	Brachyramphus marmoratus	1.8	W	G3		PS:LT
17	Birds	Osprey (modeled dist)	Pandion haliaetus	1.3	W	G5		NA
17	Birds	Marbled Murrelet	Brachyramphus marmoratus	1.2	W	G3	S2	PS:LT
17	Birds	Great Blue Heron (modeled dist)	Ardea herodias	1	W	G5		NA
17	Birds	Olive-sided Flycatcher (modeled dist)	Contopus cooperi	1	W	G4		NA
17	Birds	Ruffed Grouse (modeled dist)	Bonasa umbellus	1	U	G5		NA
17	Birds	Willow Flycatcher (modeled dist)	Empidonax traillii	1	W	G5		NA
17	Birds	Band-tailed Pigeon (modeled dist)	Patagioenas fasciata	1	W	G4		NA
17	Birds	Bald Eagle (modeled dist)	Haliaeetus leucocephalus	1	W	G5		NA
17	Birds	Northern Spotted Owl (modeled dist)	Strix occidentalis caurina	1	W	T3		LT
17	Birds	Mountain Quail (modeled dist)	Oreortyx pictus	1	W	G5		NA
17	Birds	Pileated Woodpecker (modeled dist)	Dryocopus pileatus	0.9	W	G5		NA
17	Fishes	Steelhead - Southwest Washington Winter Run	Oncorhynchus mykiss pop. 35	2.4	E	T3		LT
17	Fishes	Chinook Salmon - Lower Columbia River Fall Run	Oncorhynchus tshawytscha pop. 22	2.1	E	T2		LT
17	Fishes	Coho Salmon - Lower Columbia River	Oncorhynchus kisutch pop. 1	1.6	E	T2		LT
17	Mammals	Red Tree Vole (modeled dist)	Arborimus longicaudus	1.9	L	G3		NA
17	Mammals	Fringed Myotis (modeled dist)	Myotis thysanodes	1	W	G4		NA
17	Mammals	Mule Deer (modeled dist)	Odocoileus hemionus	1	U	G5		NA
17	Mammals	Long-legged Myotis (modeled dist)	Myotis volans	1	W	G5		NA
17	Mammals	Californian Myotis (modeled dist)	Myotis californicus	1	W	G5		NA
17	Mammals	Silver-haired Bat (modeled dist)	Lasionycteris noctivagans	1	W	G5		NA
17	Mammals	Hoary Bat (modeled dist)	Lasiurus cinereus	1	W	G5		NA
17	Mammals	Elk (modeled dist)	Cervus canadensis	1	U	G5		NA
17	Plant Assembly	Temperate Pacific Freshwater Mudflat	NA	3.5	L	T1		NA
17	Plant Assembly	Temperate Pacific Freshwater Emergent Marsh	NA	2.5	W	T3		NA
17	Plant Assembly	North Pacific Hardwood-Conifer Swamp	NA	1.7	W	T2		NA
17	Plant Assembly	North Pacific Broadleaf Landslide Forest and Shrubland	NA	1.7	W	T4		NA
17	Plant Assembly	Willamette Valley Wet Prairie	NA	1.7	W	T2		NA
17	Plant Assembly	North Pacific Maritime Dry-Mesic Douglas-fir-Western Hemlock Forest	NA	1.6	W	T5		NA
17	Plant Assembly	North Pacific Hypermaritime Sitka Spruce Forest	NA	1.6	L	T4		NA
17	Plant Assembly	North Pacific Oak Woodland	NA	1.3	W	T4		NA
17	Plant Assembly	North Pacific Montane Riparian Woodland and Shrubland	NA	1.1	W	T3		NA
17	Plant Assembly	North Pacific Lowland Riparian Forest and Shrubland	NA	1	W	T4		NA
17	Plant Assembly	North Pacific Maritime Mesic-Wet Douglas-fir-Western Hemlock Forest	NA	1	W	T5		NA
17	Plant Assembly	North Pacific Herbaceous Bald and Bluff	NA	0.9	W	T2		NA
17	Plant Assembly	North Pacific Lowland Mixed Hardwood Conifer Forest and Woodland	NA	0.8	L	T4		NA
17	Plant Assembly	Mediterranean California Red Fir Forest	NA	0.7	W	T4		NA
17	Plant Assembly	North Pacific Shrub Swamp	NA	0.4	W	T2		NA

Attachment D

2013 Forest Inventory of the Bear Creek Watershed for the City of Astoria



Prepared for:

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MB&G

Natural Resource Consultants Since 1921

2013 Forest Inventory of the Bear Creek Watershed for the City of Astoria

1.0 Introduction

The City of Astoria owns and manages the Bear Creek Watershed, approximately 3,680 acres of well-stocked timberland in northwest Oregon. In the fall of 2013 the City hired Mason, Bruce & Girard, Inc. (MB&G) to design and conduct a stand-based inventory of the ownership, including the estimation of sawtimber volumes, tons of carbon, and an estimated sustainable annual allowable cut. This report describes the methodology and results for the project.

2.0 Project Approach

The entire project progressed according to the following steps:

1. Delineate stands that appeared fairly uniform in terms of species mix, tree density, and tree size.
2. Cruise each stand.
3. Compile the cruise data, and generate estimates of sawtimber volume and tons of carbon.
4. Grow each stand using a growth model to develop yield projections.
5. Use the yield projections in a harvest scheduling model to determine an average annual allowable harvest.

2.1 Stand Delineation

We used NAIP imagery from July 7, 2012, to delineate stands that appeared to be fairly uniform in terms of species composition, tree size, and density. Figure 1 illustrates this step with “before and after”



Figure 1a. View from NAIP imagery before stand delineation. Figure 1b. View of same area after stand delineation.

imagery in one area of the watershed. After preliminary delineations were done in the office, field reconnaissance was done to make adjustments. The final stand delineations are in an ArcView shapefile.

In all, 129 stands were delineated, and each stand received a unique identification number. Table 1 shows the distribution of stands and acres in each of three categories. Recently clearcut stands were assumed to have no merchantable trees, and were excluded from the 2013 inventory effort. Nonforest stands, such as water, rock pits, etc., were also not included in the current inventory project.

Stand Category	Number	Gross Acres	Net Acres
Nonforest	12	207.7	205.4
Recent Clearcut	6	83.1	81.8
Commercial Forest	111	3,385.7	3,340.9
All Stands	129	3,676.5	3,628.2

Table 1. Distribution of stands and acres by stand category.

Net acres were defined as gross acres less area in roads and streams. Therefore, net acres represent area actually available to grow trees.

2.2 Cruising

Every one of the 111 commercial forest stands was cruised, as were two of the recent clearcuts. The clearcuts were cruised with fixed radius 1/100th acre plots, whereas variable radius plot sampling was used in the commercial forest stands. The small fixed radius plots were used in some stands when the average tree size was very small. Appendix A has a list of commercial forest stands showing the number of plots and plot types used in each stand. A total of 865 cruise plots were established during the cruise.



Figure 2. An MB&G cruiser on the Bear Creek Watershed.

The actual cruise specifications are included in Appendix B.

Most of the cruising was conducted by Rye Tree Services as a subcontractor to MB&G. MB&G conducted check cruising during the project to assure quality control and consistency between cruisers, and no substantive problems were found.

Figure 3 is an example cruise stand map, showing the location of, in this case, seven cruise plots in stand number 27.



Figure 3. Example cruise stand map showing plot locations.

2.3 Data Compilation

The cruise data were entered into an Access database¹ and compiled by the MBG Tools software (Version 1.7.27). MB&G routinely uses MBG Tools to compile, merchandize, grow, and store inventory data in projects across the U.S. and internationally. More information about MBG Tools is available at www.dendrometrics.com.

Board foot volumes were computed using the following specifications:

- 32 foot nominal log length
- 16 foot minimum log length
- 6 inch top diameter inside bark
- 1 foot stump
- 8 inch trim allowance
- 10 inch minimum dbh
- Scribner long-log scale
- 5% deduction for hidden defect and breakage, in addition to cruiser-called defect deductions.

MBG Tools allows the user to choose the taper system to be used to determine inside-bark stem profiles, which in turn determines the amount of cubic and board-foot volume in the tree. For this project we used the Stand Inventory System (SIS) taper system, and the Pacific Northwest library. We used tree height and breast height age data on suitable site trees to estimate site index for each of the 111 commercial forest stands. The site index species varies from stand to stand depending on the predominant species in the stand.

¹ The name of the database is AstoriaWatershed_Inventory_2013.mdb.

Tons of carbon above-ground in live trees were computed using the Forest and Fuels Extension (FFE) of the Pacific Northwest geographic variant of the Forest Vegetation Simulator (FVS), Version 1108. The model also reports tons of carbon below-ground, in down and dead wood, in the forest floor, and in shrubs and herbs, but those values were not used to estimate total tons of carbon for the watershed. The model allows the user to choose which estimation method to use for estimating biomass, and in turn, tons of carbon. We used the FFE option, as opposed to the Jenkins option.

We used FVS to generate tons of carbon for 48 stands representing a range of stocking, and then regressed tons of carbon per acre on total cubic feet per acre, in order to eventually generate an estimate of total tons of above-ground carbon in live trees using a regression estimator. Figure 4 illustrates the tight relationship between tons of carbon and total cubic feet, based on the sample of 48 stands.

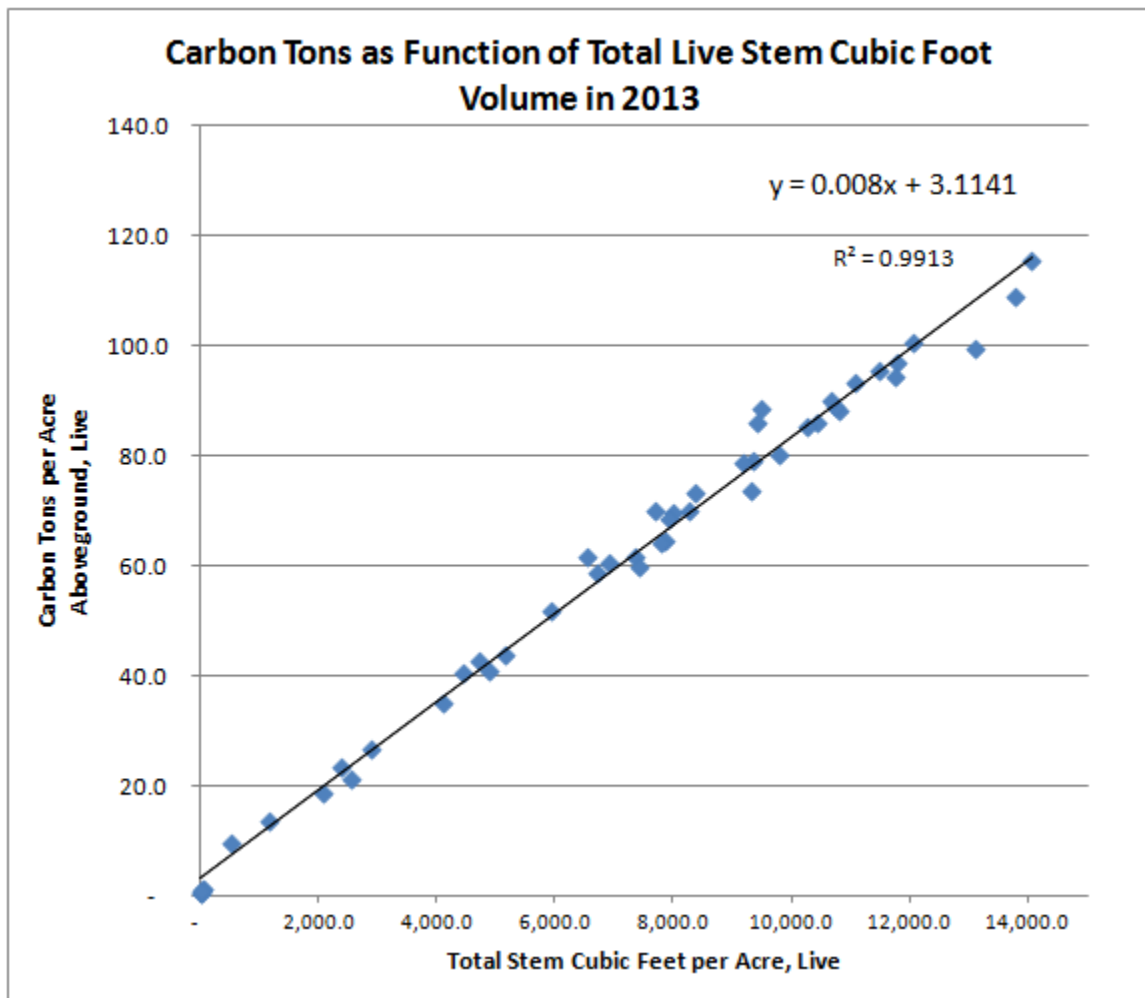


Figure 4. Tons of carbon per acre as a function of total cubic feet per acre in live trees.

2.4 Growth Projections

We used the growth projection capabilities of MBG Tools to generate 50-year yield curves for each of the 111 commercial forest stands. We chose the FVS growth model, Pacific Northwest variant, to grow the stands, and merchandized the grown stand at each 5 year interval of the projection. We produced separate yield curves for Douglas-fir, Whitewoods (western hemlock and true firs), and Other Species,

which included hardwoods, sitka spruce, and other conifers. Figure 5 shows the resulting projections for a single stand with a western hemlock site index of 105. Over the first two periods of the projection the growth rate for the ‘all species’ curve is 3.8%, and near the end of the projection the growth rate decreases to 1.4%.

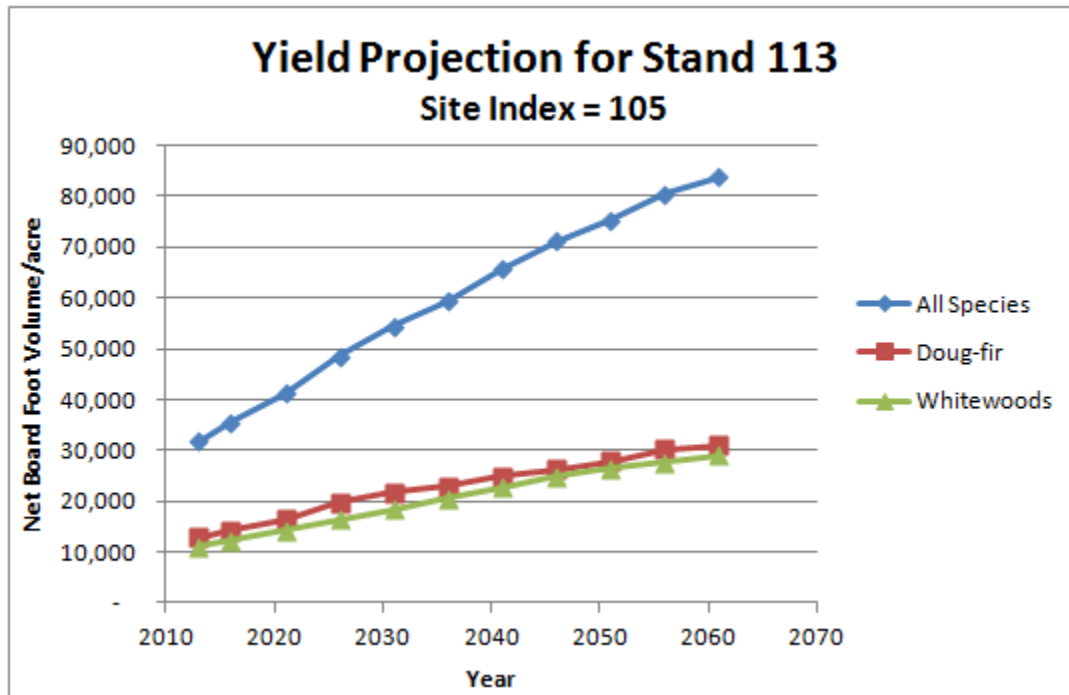


Figure 5. Example yield curves generated for one commercial forest stand using FVS.

2.5 Determine Average Annual Allowable Cut

We used a linear programming application in an Excel workbook to determine an average annual allowable cut that would sustain the current inventory over a planning horizon of 50 years. Because the application could not handle as many as 111 stands, we lumped similar stands into projection strata. There were 32 projection strata used to represent the commercial forest acreage. For each stratum, acres-weighted average yield curves were developed using the yield curves from the stands in the stratum (Figure 6).

In the Excel workbook application we made two or three harvesting options available for each projection stratum. Most of the options (“regimes”) were simply different points in time when the stand could be clearcut, but some regimes also included thinning approximately 20 years prior to the final clearcut. As the City generally has not done much thinning, this option was not made available very often. Once the regimes were specified, the linear programming algorithm² found the best combination of regimes to maximize the net present value of harvest revenues over time, while meeting constraints designed to sustain the current inventory level over the planning horizon.

² We used the “What’s Best?” linear programming add-on to Excel, available from Lindo Systems.

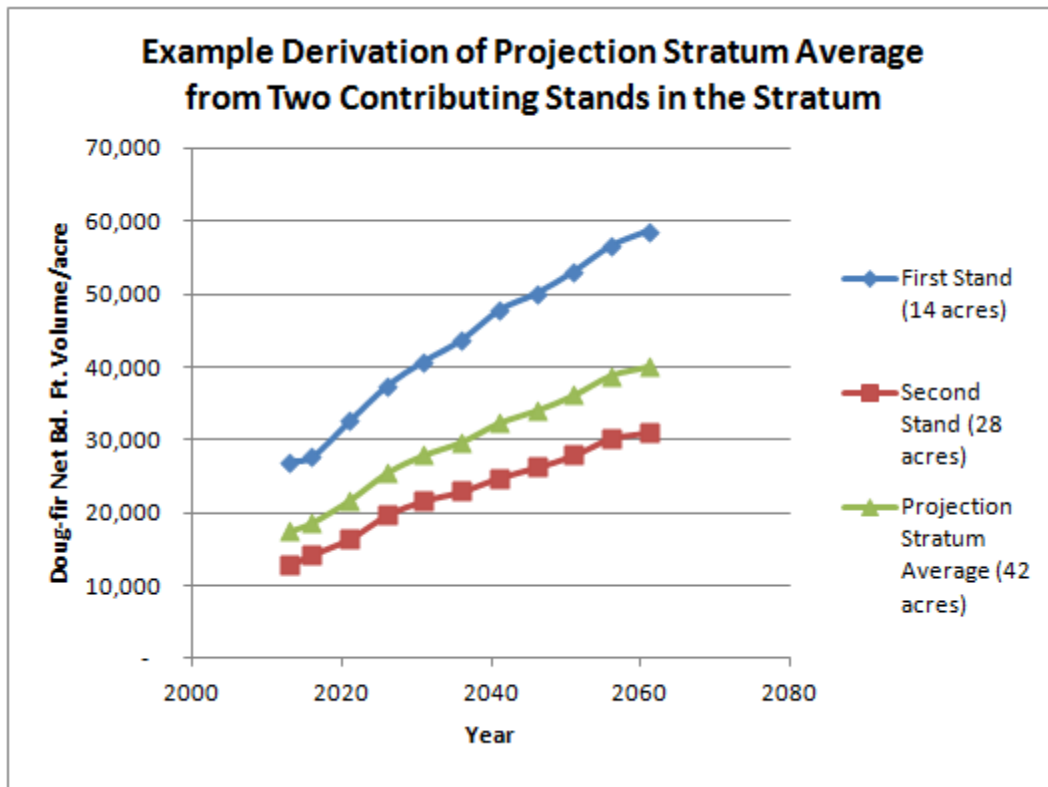


Figure 6. Example derivation of a projection stratum yield curve for Douglas-fir.

3.0 Results

3.1 Sawtimber Inventory Estimates

Figure 7 shows estimated numbers of trees, basal area, and volumes by species over the entire commercial forest area of 3,340.9 acres. Results in this table are basically the sum of similar results over each of the 111 stands. Individual stand results are listed in Appendix C. Species-level results for each stand can be derived from the data in the Access database, but an example report is shown in Figure 8. All reports were produced by the MBG Tools software system.

Our estimate of total net board foot volume in the 111 stands is 100,284 mbf (Figure 7). The confidence interval around the total volume estimates can be derived using standard stratified sampling formulas, which is appropriate in this case because the sampling intensity varied from stand to stand. Therefore, each stand can serve as a “stratum” for purposes of estimating the confidence intervals. The stratified sampling standard error for net board feet per acre is 1.92%, resulting in a 95% confidence interval of 28,887 to 31,145 net board feet per acre, or 96,512 to 104,055 mbf.

The 95% confidence interval on total stem cubic feet is 8,394 to 8,971 cubic feet per acre. The standard error as a percent of the mean cubic feet per acre is 1.69%. This is important to note, as it will be indicative of the relative confidence interval around the estimate of carbon tons per acre.³

Summary Statistics By Species												
City of Astoria Bear Creek Watershed y/e 2013												
Stand ID	Species	Per Acre Values									Stand Totals	
		Trees	Basal Area	QMD	SDI	Stem CuFt	Merch Cu Ft Gross	Net	Board Feet Gross	Net	MBF Gross	MBF Net
All Stands Combined												
DF	49	57	14.5	85	1,956	1,773	1,570	7,472	6,600	24,964.0	22,050.8	
WH	188	113	10.5	169	4,027	3,632	3,297	15,474	14,000	51,697.6	46,773.0	
SF	3	5	17.3	7	204	193	172	851	748	2,844.1	2,498.8	
BM	0	0	6.0	0	1	0	0	0	0	0.0	0.0	
NF	4	8	19.0	11	286	272	251	1,154	1,066	3,856.4	3,562.5	
GF	0	0	15.7	0	4	4	3	14	13	47.4	45.1	
RC	3	1	7.9	1	28	26	24	130	119	433.4	399.2	
WF	0	0	11.5	0	1	1	1	3	2	8.8	8.3	
RA	55	24	8.8	41	729	525	436	2,105	1,738	7,033.5	5,806.7	
HX	0	0	19.0	0	1	1	0	2	0	6.0	0.0	
CH	0	0	8.0	0	1	0	0	0	0	0.0	0.0	
WI	0	0	16.2	0	6	6	5	23	20	77.0	68.3	
SS	31	37	14.8	49	1,439	1,357	1,203	6,438	5,708	21,507.8	19,071.0	
	334	244	11.6	365	8,682	7,790	6,962	33,666	30,017	112,476	100,284	
Number of Stands	111											
Total Acres	3,340.9											
Based On Net Acres												

Figure 7. Year-End 2013 inventory estimates for the Bear Creek Watershed in commercial forest stands.

³ We understand the estimate and statistics around carbon will be provided by another firm, L&C Carbon, using the cruise data collected in this project.

Summary Statistics By Species												
Stand ID	Species	Per Acre Values									Stand Totals	
		Trees	Basal Area	QMD	SDI	Stem CuFt	Merch Cu Ft Gross	Net	Board Feet Gross	Net	MBF Gross	MBF Net
1	DF	7	18	22.0	24	823	801	761	3,712	3,526	52.6	50.0
	WH	112	181	17.2	262	6,104	5,588	4,837	21,775	19,445	308.8	275.8
	SS	65	181	22.7	230	7,378	7,182	5,884	35,132	30,325	498.3	430.1
		184	381	19.5	517	14,305	13,571	11,482	60,619	53,296	859.7	755.9
2	DF	23	10	9.0	19	351	0	0	0	0	0.0	0.0
	WH	43	80	18.4	111	2,606	2,351	1,434	9,195	5,326	195.9	113.5
	RA	32	80	21.3	108	2,878	2,753	2,370	11,406	9,827	243.0	209.3
	SS	43	120	22.6	156	3,668	3,534	3,227	14,294	13,020	304.5	277.3
		141	290	19.4	394	9,502	8,638	7,031	34,895	28,173	743.3	600.1
3	WH	9	20	19.7	28	788	748	667	3,252	2,873	54.7	48.3
	RA	95	140	16.4	204	4,682	4,410	3,022	18,513	11,941	311.5	200.9
	SS	63	80	15.3	116	2,929	2,502	2,321	11,748	10,861	197.7	182.8
		167	240	16.2	348	8,400	7,660	6,010	33,513	25,675	563.9	432.1

Figure 8. Species-level detail is available for each stand in the database.

3.2 Carbon Estimates

In Figure 7, the value of 8,682 cubic feet per acre includes 132 cubic feet per acre of dead trees. The regression estimator (Figure 4) relating volume to tons of carbon uses the volume of live trees only, which would be 8,550 cubic feet per acre. Knowing this, we can estimate the tons of carbon per acre using Equation 1 –

$$\text{Carbon Tons} = 3.1141 + 0.008 * 8,550 = 71.51 \text{ tons per acre.} \quad (\text{Eq. 1})$$

On 3,340.9 acres, our estimate of the total tons of carbon would be 238,920 tons. This result should be close to the estimate derived by L&C Carbon.

3.3 Average Annual Allowable Harvest

The City of Astoria desired an average annual allowable cut that would keep the inventory constant over a planning horizon of 50 years. Using the 32 projection strata and harvest scheduling model described earlier, we believe the watershed can generate an average annual harvest of about 3.0 million board feet.

The results of the allowable cut calculation exercise are shown in Figure 9. This scenario cuts an average of 2,924 mbf per year, and operates on an average of 60 acres per year. Most of the harvesting is by clearcutting, although some volume is generated in commercial thins later in the planning horizon.

The estimated annual cut of about 3 million board feet is quite reasonable, given a current inventory of about 100 million board feet. The harvest level is 3% of inventory, and keeps the inventory constant over time, indicating net growth in the inventory is also 3%, which is reasonable.

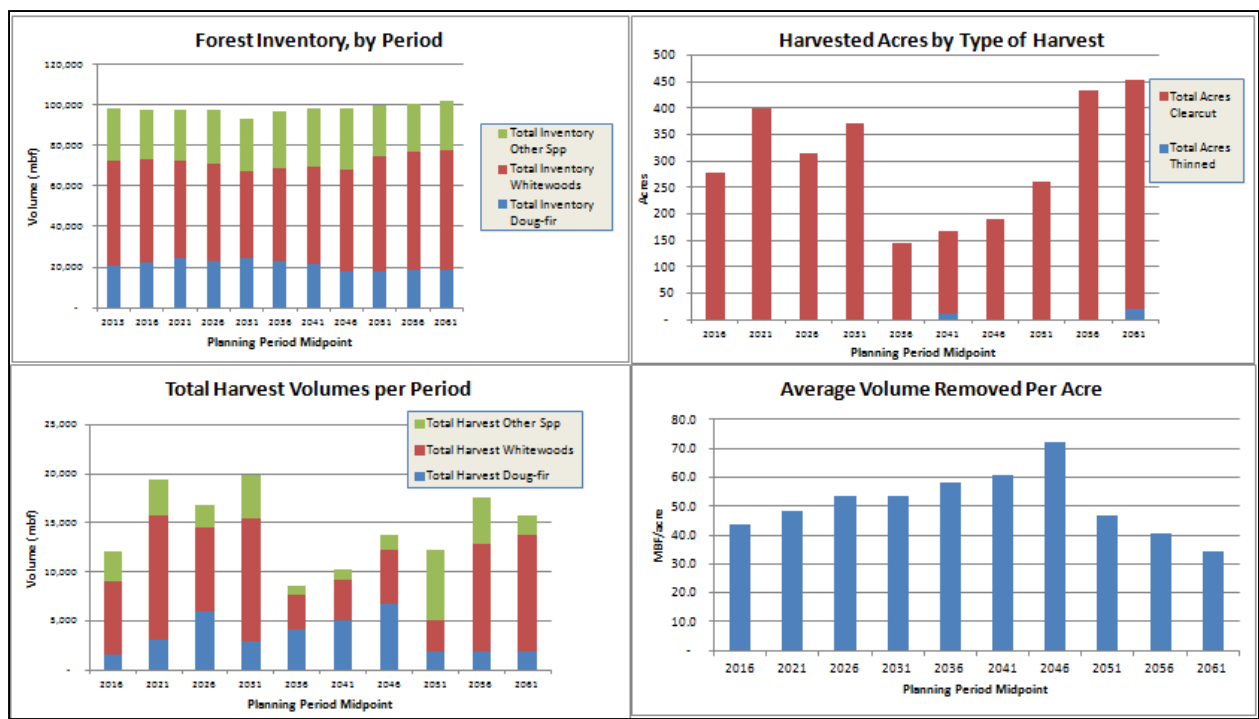
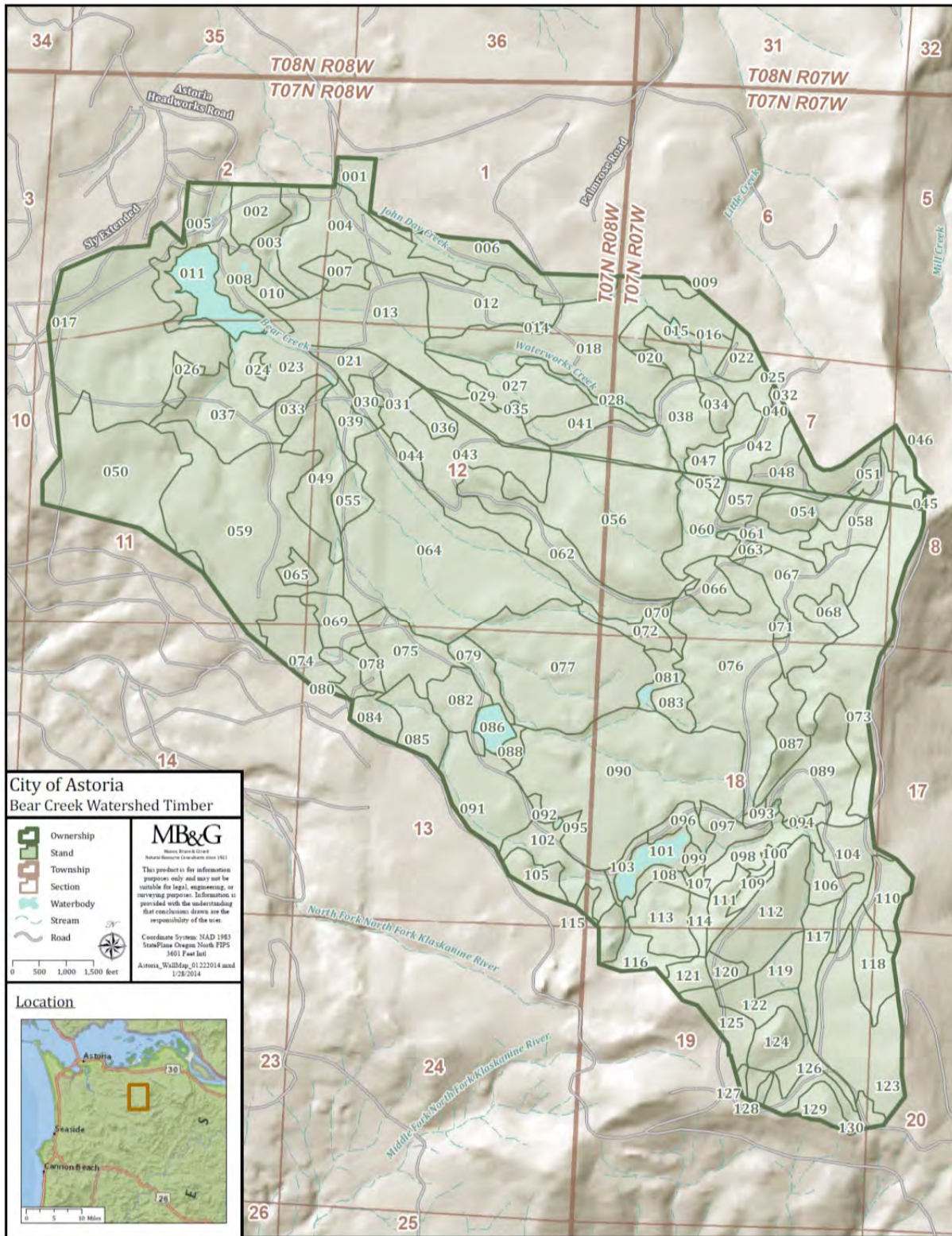


Figure 9. Results of harvest schedule modeling to determine an allowable annual harvest volume.

4.0 Recommendations

The City of Astoria now has a statistically sound and up-to-date stand-based forest inventory for the Bear Creek Watershed. Because the forest is changing all the time due to both natural factors and man-caused events, the inventory will go out-of-date if it is not maintained. We recommend that, within a few years, the City adopts a regular annual cruising program where some portion of the ownership gets updated with new cruise data. Also, harvest activity needs to be reflected by depleting volumes in the inventory database. And, finally, growth modeling can be used to grow the stands in the inventory on an annual basis to reflect the changes due to tree growth and mortality.



The following table shows the net acres, number of cruise plots, and type of cruise plot used in each stand. A plot type preceded with a P indicates a prism plot (variable radius), and the associated basal area factor (BAF) that was used. A plot type preceded with an F indicates a fixed radius (circular) plot, and the plot size; i.e., 100 indicates a 1/100th acre plot.

Stand ID	Net Acres	Number of Plots	Plot Type
1	14.2	3	P54.44
2	21.3	4	P40
3	16.8	4	P40
4	67.7	13	P46.94
5	36.2	7	P40
6	44.9	9	P46.94
7	12.5	3	P40
9	3.7	5	F100
10	8.2	7	P40
12	47.1	10	P46.94
13	88.1	17	P40
16	13.1	3	P46.94
17	164.8	30	P40
18	125.5	25	P46.94
19	9.6	9	P46.94
20	2.6	5	F100
21	13.8	3	P46.94
23	35.6	7	P54.44
24	2.6	3	F100
25	19.8	4	P40
26	6.6	7	F100
27	36.3	7	P40
28	8.6	8	P46.94
29	3.3	5	F100
30	7.8	7	P46.94
31	0.8	3	F100
33	11.5	3	P54.44
34	9.5	9	P46.94
35	1.2	3	F100
36	10.7	11	F100
37	49.3	10	P40
38	28.2	6	P46.94
39	14.7	4	P20
40	9.2	9	P40
41	19.9	4	P40
42	18.3	3	P10
43	99.5	20	P46.94
44	6.2	6	F100

Stand ID	Net Acres	Number of Plots	Plot Type
46	10.7	3	P40
47	8.6	8	P46.94
48	19.1	4	P40
49	43.2	8	P54.44
50	99.0	45	F100
51	5.7	6	P40
52	3.7	4	P40
54	37.0	8	P46.94
55	12.2	3	P46.94
56	148.6	29	P46.94
58	26.0	5	P40
59	165.1	30	P54.44
60	32.0	6	P40
61	14.3	4	P20
62	49.7	10	P40
64	191.0	30	P54.44
65	6.5	6	P46.94
67	57.7	11	P46.94
68	13.0	3	P20
69	17.7	4	P46.94
70	5.7	6	P40
71	2.5	2	P46.94
72	12.6	3	P40
74	33.5	7	P46.94
75	35.8	7	P46.94
76	114.5	24	P40
77	126.4	25	P40
78	7.5	7	P40
79	14.1	3	P46.94
80	10.1	3	P40
81	10.8	3	P40
82	22.7	5	P40
83	11.0	3	P40
84	13.3	3	P40
85	24.2	5	P40
87	24.4	5	P40
88	5.0	5	P46.94
89	51.1	10	P40
90	179.6	30	P40
91	49.5	10	P40
92	2.9	3	P20
93	4.3	4	P46.94
94	4.7	5	P20

Stand ID	Net Acres	Number of Plots	Plot Type
96	10.6	3	P40
97	15.1	4	P40
98	21.0	4	P40
102	30.3	6	P40
104	29.5	6	P40
105	14.1	3	P40
106	13.3	4	P40
107	4.1	4	P33.61
108	8.6	8	P40
109	5.6	5	P46.94
110	21.1	4	P20
111	12.0	3	P40
112	51.0	10	P40
113	28.9	6	P40
114	7.5	7	P46.94
115	13.3	3	P40
116	13.3	3	P40
117	21.9	4	P40
118	25.6	5	P46.94
119	15.4	4	P40
120	7.1	7	P46.94
121	9.4	3	P40
122	18.8	4	P40
123	74.8	15	P46.94
124	19.3	4	P40
126	11.9	11	P40
127	2.1	4	F100
128	2.2	3	F100
129	12.5	12	F100
130	4.7	5	P40

All Stands 3,340.9 865

StandID	Timber	PGTPA	PGBA	PGDBH	PriSp	Size	Stock	PhotoType
1	WHSS	183.89	381.08	19.49	WH	4	4	3 WH43
2	SSWH	141.48	290.00	19.39	SS	4	4	3 SS43
3	RASS	167.23	240.00	16.22	RA	3	3	2 RA32
4	WHSS	213.10	245.53	14.53	WH	3	3	2 WH32
5	RASS	314.98	228.57	11.53	RA	2	2	2 RA22
6	RAWH	502.69	312.93	10.68	RA	2	2	2 RA22
7	SSRA	664.87	240.00	8.14	SS	2	2	3 SS23
8	...	0.00	0.00	0.00	..	0	0	1 .01
9	RAWH	720.00	9.93	1.59	RA	0	0	1 RA01
10	WHSS	158.41	222.86	16.06	WH	3	3	2 WH32
11	...	0.00	0.00	0.00	..	0	0	1 .01
12	WHDF	156.47	225.31	16.25	WH	3	3	2 WH32
13	RAWH	291.80	218.82	11.73	RA	2	2	1 RA21
14	...	0.00	0.00	0.00	..	0	0	1 .01
15	...	0.00	0.00	0.00	..	0	0	1 .01
16	RADF	407.37	281.64	11.26	RA	2	2	2 RA22
17	WHSS	165.33	242.67	16.40	WH	3	3	2 WH32
18	WHDF	317.10	304.17	13.26	WH	3	3	3 WH33
19	WHRA	211.77	208.62	13.44	WH	3	3	2 WH32
20	SSWH	240.00	6.76	2.27	SS	1	1	1 SS11
21	WHSS	879.15	328.58	8.28	WH	2	2	3 WH23
22	...	0.00	0.00	0.00	..	0	0	1 .01
23	WHSS	264.89	295.53	14.30	WH	3	3	3 WH33
24	WHRA	4900.00	16.01	0.77	WH	0	0	3 WH03
25	DFWH	154.83	220.00	16.14	DF	3	3	2 DF32
26	WHRA	4585.71	17.39	0.83	WH	0	0	3 WH03
27	WHSS	131.95	234.29	18.04	WH	4	4	2 WH42
28	RAWH	228.05	217.10	13.21	RA	3	3	2 RA32
29	WHSS	1300.00	3.92	0.74	WH	0	0	1 WH01
30	WHSS	125.49	261.52	19.55	WH	4	4	3 WH43

StandID	Timber	PGTPA	PGBA	PGDBH	PriSp	Size	Stock	PhotoType
31	WHSS	833.33	4.39	0.98	WH	WH	0	1 WH01
32	...	0.00	0.00	0.00	..	..	0	1 .01
33	WHSS	124.03	326.64	21.97	WH	WH	4	3 WH43
34	WHDF	336.89	276.42	12.27	WH	WH	3	3 WH33
35	WH..	1666.67	11.33	1.12	WH	WH	0	2 WH02
36	WHSS	1054.55	2.18	0.62	WH	WH	0	1 WH01
37	WHRA	317.19	224.00	11.38	WH	WH	2	2 WH22
38	DFWH	258.15	258.17	13.54	DF	DF	3	3 DF33
39	WHSS	211.73	240.00	14.42	WH	WH	3	2 WH32
40	DFRA	181.18	200.00	14.23	DF	DF	3	2 DF32
41	WHDF	128.18	220.00	17.74	WH	WH	3	2 WH32
42	WHDF	79.66	103.33	15.42	WH	WH	3	2 WH32
43	WHSS	177.22	279.29	17.00	WH	WH	3	3 WH33
44	WHSS	2216.67	1.48	0.35	WH	WH	0	2 WH02
45	...	0.00	0.00	0.00	..	..	0	1 .01
46	WHNF	381.05	280.00	11.61	WH	WH	2	2 WH22
47	DFWH	190.91	281.64	16.45	DF	DF	3	3 DF33
48	WHNF	406.36	220.00	9.96	WH	WH	2	2 WH22
49	WHRA	696.18	333.45	9.37	WH	WH	2	3 WH23
50	WHRA	2295.56	21.88	1.32	WH	WH	0	2 WH02
51	RAWH	393.27	233.33	10.43	RA	RA	2	2 RA22
52	RADF	310.06	190.00	10.60	RA	RA	2	2 RA22
54	NFWH	250.00	322.71	15.38	NF	NF	3	3 NF33
55	RAWH	144.65	219.05	16.66	RA	RA	3	2 RA32
56	DFWH	307.71	247.65	12.15	DF	DF	3	2 DF32
57	...	0.00	0.00	0.00	..	..	0	1 .01
58	NFSS	138.88	216.00	16.89	NF	NF	3	2 NF32
59	WHDF	288.84	292.16	13.62	WH	WH	3	3 WH33
60	DFWH	255.46	253.33	13.48	DF	DF	3	3 DF33
61	RANF	179.37	90.00	9.59	RA	RA	2	1 RA21

StandID	Timber	PGTPA	PGBA	PGDBH	PriSp	Size	Stock	PhotoType
62	RADF	489.22	244.00	9.56	RA	2	2	RA22
63	....	0.00	0.00	0.00	..	0	0	1.01
64	WHSS	179.48	292.16	17.28	WH	3	3	WH33
65	WHSS	358.90	219.05	10.58	WH	2	2	WH22
66	....	0.00	0.00	0.00	..	0	0	1.01
67	NFWH	279.85	230.43	12.29	NF	3	3	NF32
68	WHRA	50.80	86.67	17.69	WH	3	3	1 WH31
69	RAWH	433.45	269.90	10.68	RA	2	2	2 RA22
70	RASF	240.58	133.33	10.08	RA	2	2	1 RA21
71	WHRA	388.53	398.99	13.72	WH	3	3	3 WH33
72	DFWH	138.61	226.67	17.32	DF	3	3	2 DF32
73	....	0.00	0.00	0.00	..	0	0	1.01
74	DFSS	271.69	248.11	12.94	DF	3	3	2 DF32
75	WHSS	228.15	261.52	14.50	WH	3	3	3 WH33
76	DFNF	125.94	203.33	17.21	DF	3	3	2 DF32
77	DFWH	194.68	225.60	14.58	DF	3	3	2 DF32
78	SSWH	148.66	297.14	19.14	SS	4	4	3 SS43
79	DFWH	543.04	391.17	11.49	DF	2	2	2 DF22
80	RADF	296.91	200.00	11.11	RA	2	2	1 RA21
81	DFWH	221.44	266.67	14.86	DF	3	3	3 DF33
82	SSWH	308.64	336.00	14.13	SS	3	3	3 SS33
83	WHDF	273.31	293.33	14.03	WH	3	3	3 WH33
84	WHDF	169.37	240.00	16.12	WH	3	3	2 WH32
85	WHDF	226.21	296.00	15.49	WH	3	3	3 WH33
86	....	0.00	0.00	0.00	..	0	0	1.01
87	SFDF	266.48	272.00	13.68	SF	3	3	3 SF33
88	DFRA	230.61	291.03	15.21	DF	3	3	3 DF33
89	WHDF	232.50	260.00	14.32	WH	3	3	3 WH33
90	DFWH	185.22	236.00	15.28	DF	3	3	2 DF32
91	DFWH	252.50	268.00	13.95	DF	3	3	3 DF33

StandID	Timber	PGTPA	PGBA	PGDBH	PrISp	Size	Stock	PhotoType
92	RAWH	331.46	106.67	7.68	RA	2	2	2 RA22
93	RADF	367.53	293.38	12.10	RA	3	3	3 RA33
94	RAWH	220.82	156.00	11.38	RA	2	1	1 RA21
95	...	0.00	0.00	0.00	..	0	0	1..01
96	RASS	248.40	226.67	12.93	RA	3	2	2 RA32
97	SFSS	124.16	230.00	18.43	SF	4	2	2 SF42
98	DFSF	82.53	180.00	20.00	DF	4	2	2 DF42
99	...	0.00	0.00	0.00	..	0	0	1..01
100	...	0.00	0.00	0.00	..	0	0	1..01
101	...	0.00	0.00	0.00	..	0	0	1..01
102	DFWH	134.94	146.67	14.12	DF	3	2	2 DF32
103	...	0.00	0.00	0.00	..	0	0	1..01
104	WHSF	176.04	253.33	16.24	WH	3	3	3 WH33
105	WHDF	319.98	320.00	13.54	WH	3	3	3 WH33
106	SSWH	77.83	240.00	23.78	SS	4	2	2 SS42
107	RADF	163.77	210.06	15.34	RA	3	2	2 RA32
108	SSWH	171.20	265.00	16.85	SS	3	3	3 SS33
109	RAWH	716.94	215.92	7.43	RA	2	3	3 RA23
110	WHSF	3.79	15.00	26.94	WH	4	1	1 WH41
111	DFSF	228.35	226.67	13.49	DF	3	2	2 DF32
112	SSWH	241.82	268.00	14.25	SS	3	3	3 SS33
113	DFWH	492.23	300.00	10.57	DF	2	2	2 DF22
114	WHDF	343.47	315.17	12.97	WH	3	3	3 WH33
115	DFWH	322.14	253.33	12.01	DF	3	3	3 DF33
116	SFDF	85.30	186.67	20.03	SF	4	2	2 SF42
117	SSWH	122.53	250.00	19.34	SS	4	2	2 SS42
118	WHSF	194.89	319.19	17.33	WH	3	3	3 WH33
119	SSRA	522.35	230.00	8.99	SS	2	2	2 SS22
120	WHNF	538.38	388.93	11.51	WH	2	2	2 WH22
121	WHSS	300.40	253.33	12.43	WH	3	3	3 WH33


StandID	Timber	PGTPA	PGBA	PGDBH	PrISp	Size	Stock	PhotoType
122	WHSS	123.47	210.00	17.66	WH	3	2	WH32
123	WHDF	238.20	312.93	15.52	WH	3	3	WH33
124	WHSF	339.04	280.00	12.31	WH	3	3	WH33
125	...	0.00	0.00	0.00	..	0	1	.01
126	WHSF	189.13	272.73	16.26	WH	3	3	WH33
127	WHRA	1175.00	37.26	2.41	WH	1	3	WH13
128	WHNF	1066.67	11.48	1.40	WH	0	1	WH01
129	WHDF	1375.00	86.31	3.39	WH	1	3	WH13
130	WHRA	91.63	120.00	15.50	WH	3	2	WH32



April 24, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: RESOLUTION ESTABLISHING RULES, REGULATIONS, RATE CHANGES AND CONDITIONS FOR SOLID WASTE COLLECTION SERVICES / RECOLOGY RATE REVIEW

DISCUSSION/ANALYSIS

The City's franchise agreement with Recology requires them to render financial statements and a rate review of the Solid Waste Collection Franchise no later than April 30 each year. The City received the required documents from Recology on March 31, 2014. The purpose of the annual rate review is to determine whether Recology's rate of return on their solid waste collection operations falls within the limits set by the Franchise Agreement with the City.

Per the Franchise Agreement, the limits of the rate of return on Recology's franchise operations are referred to as the "Operating Ratio Range". This calculation is arrived at by dividing total expenses by total income. If the number is above 92%, Recology is allowed to adjust the following year's rates to recoup the lower than expected return. If the number is below 88%, Recology will adjust the following year's rates to return to the rate payers the better than expected return.

The financial statements and rate review for the Solid Waste Collection operations of Recology as submitted by Fred Stemmler, Recology Western Oregon General Manager, are attached. Mr. Stemmler notes in his cover letter of March 31, 2014 that "Based on this data, the Operating Ratio for the current calendar year is projected to be within the limits of the Operating Ratio Range of 88% to 92%. As a result, we are proposing to keep collection rates the same for the coming year." However, there are certain items within the rate schedule that are being adjusted to reflect increased cost with vendors for handling of medical waste and certain industrial items. There are no rate increases proposed for transfer station charges. Staff has reviewed the calculations upon which this conclusion was drawn and is in agreement with Mr. Stemmler's assessment.

Representatives of Recology will be available to respond to Council questions.

RECOMMENDATION

It is recommended that Council consider passing the attached resolution with rate changes as indicated.

By: _____


John Snyder, Financial Analyst

RESOLUTION NO. 14-____

A RESOLUTION ESTABLISHING RULES, REGULATIONS, RATE CHARGES AND
CONDITIONS FOR SOLID WASTE SERVICE

WHEREAS, under Sections 4.020 and 4.060 of the Astoria Code, the City Council is authorized to contract for Solid Waste service and approve and enforce rules and regulations prepared by the City Manage and govern such service by resolution;

WHEREAS, pursuant to Ordinance No. 91-17, Section 1, the charges for service set by this resolution are intended to be neither a tax on property or on a property owner as a direct consequence of ownership of property within the meaning of Section 11b, Article XI of the Oregon Constitution or the legislation implementing that section, nor an unincurred charge within the meaning of that section; now therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASTORIA:

SECTION 1. Rules, Regulations and Rates. That the following Rules and Regulations governing solid waste service, including rates and conditions, are hereby adopted.

ARTICLE I
GENERAL

Section 1.01 Public Works Director. Solid Waste service shall be under the control and supervision of the City's Public Works Director or the Director's designee. However, this rule shall not alter the responsibility of the Franchisee in providing Solid Waste service as provided by the Astoria Code and by these Rules and Regulations.

Section 1.02 Solid Waste Collection Charges. It is the policy of the City that each Customer will be charged in accordance with the existing schedule of fees. Charges for all Solid Waste service performed within the Astoria city limits by the Franchisee or its representative will be billed through the records of the City's Franchisee. Such billing shall include charges for all container rentals within the city limits.

ARTICLE II
CUSTOMER'S RESPONSIBILITIES

Section 2.01 Containers not to be Overloaded. A customer shall not overload any container with earth, rocks or other heavy Solid Waste beyond the point where one (1) man can reasonably lift the container to the pickup vehicle. The maximum gross weight of a thirty-two (32) gallon container and material shall not exceed sixty-five (65) pounds. A customer shall not overload any container beyond the point where a cover can be securely replaced.

Section 2.02 Responsibility to Place Garbage in Containers. It shall be the responsibility of the customer to place Solid Waste in a container and to keep the area around the container in a neat and sanitary condition. Customers are required to place containers at curbside, unless other arrangements are made with the Franchisee.

Section 2.03 Explosive, Hazardous and Toxic Materials Prohibited. A customer shall not place explosive, hazardous, toxic or inflammable materials in any container used for Solid Waste service.

Section 2.04 Location of Special Pickup Material. Special pickup materials shall be placed, by the customer, at a container or as near thereto as possible.

Section 2.05 Customers to Restrain Vicious Animals. Each customer must restrain vicious animals beyond the reach of each Solid Waste container and must take all steps to prevent any interference with the Franchisee in the performance of Solid Waste service. The Franchisee may refuse to remove Solid Waste if vicious animals present a dangerous situation.

Section 2.06 Certain Solid Waste Prohibited. No customer shall fill containers with dishwater or other liquid or semi-liquid wastes which are properly disposable down the sanitary drains.

Section 2.07 Containers to be Kept Clean. From time to time, a customer shall thoroughly clean each Solid Waste container which is thirty-two (32) gallons or smaller, or is a ninety (90) gallon curbside tote, to prevent any odor nuisance and to keep each container free from accumulative grease and decomposing material.

Section 2.08 Common Containers Prohibited. Customers shall not use a common Solid Waste container except at an apartment house, industrial and commercial building, and at other buildings where Solid Waste service is provided and included in the rent or lease price as a building service.

ARTICLE III RATE SCHEDULES

Section 3.01 Rates Authorized. In accordance with the provisions of the Astoria Code, rates, attached as Exhibit A, are hereby adopted as the schedule for all Solid Waste services in the City of Astoria, effective July 1, 2013.

Section 3.02 Schedule of Rates. The schedule of rates attached as Exhibit "A" applies to all collections and will be the basis of billings to all customers by the Franchisee.

Section 3.03 20 Gallon Residential Container.

In order to qualify for the 20 gallon rate, a customer needs to meet the following conditions:

1. Only one 20-gallon container is allowed per residence.
2. The 20-gallon container discount is available only to households that actively recycle at least once a month.
3. The 20-gallon container is available only to households that recycle by use of the Astoria recycling boxes.

SECTION 2. Repeal of Resolution. Resolution No. 13-11 adopted May 20, 2013, is hereby repealed.

SECTION 3. Effective Date. This resolution shall go into effect on July 1, 2014.

ADOPTED BY THE CITY COUNCIL THIS _____ DAY OF _____, 2014.

APPROVED BY THE MAYOR THIS _____ DAY OF _____, 2014.

Mayor

ATTEST:

City Manager

ROLL CALL ON ADOPTION	YEA	NAY	ABSENT
Councilor LaMear			
Herzig			
Mellin			
Warr			
Mayor Van Dusen			

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014	Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
-------------------------------------	-------------------	-----------------------------	-------------------

Can & Cart Services - Curbside
 Curbside: within 4' of the curb or road & 4' away
 from all cars, mail boxes, or misc items

1a	20 Gal Mini Can Weekly	\$ 20.05	\$ -	\$ 20.05
1	1 Can Weekly	\$ 23.58	\$ -	\$ 23.58
2	Each Additional Can Weekly	\$ 23.58	\$ -	\$ 23.58
3	32 Gallon Cart Weekly	\$ 22.35	\$ -	\$ 22.35
4	90 Gallon Cart Weekly	\$ 37.24	\$ -	\$ 37.24
5	1 Can Every Other Week	\$ 15.34	\$ -	\$ 15.34
6	Each Additional Can Every Other Week	\$ 15.34	\$ -	\$ 15.34
7	32 Gallon Cart Every Other Week - Curbside	\$ 14.52	\$ -	\$ 14.52
8	90 Gallon Cart Every Other Week - Curbside	\$ 24.20	\$ -	\$ 24.20
9	1 Can Once a Month	\$ 8.24	\$ -	\$ 8.24
10	Each Additional Can Once a Month	\$ 8.24	\$ -	\$ 8.24
11	32 Gallon Cart Once a Month - Curbside	\$ 7.82	\$ -	\$ 7.82
12	90 Gallon Cart Once a Month - Curbside	\$ 13.05	\$ -	\$ 13.05
13	Will Call Billed - 32 gal can (per can)	\$ 8.10	\$ -	\$ 8.10
14	Will Call Billed - 32 gal cart (per cart)	\$ 7.66	\$ -	\$ 7.66
15	Will Call Billed - 90 gal cart(per cart)	\$ 12.79	\$ -	\$ 12.79
16	90 Gallon Cart Rent (for will-call service)	\$ 2.70		\$ 2.70

Note: Recycling Service not available for will-call customers.

17	Regular Customer - Additional Can, Bag, Misc.	\$ 5.89	\$ -	\$ 5.89
18	Extra 90 Gallon Cart Pick Up	\$ 9.32	\$ -	\$ 9.32

Can & Cart Services - Non Curbside
 Non curbside: visible from the street, outside of
 garages and fenced areas

19a	20 Gal Mini Can Weekly	\$ 21.09	\$ -	\$ 21.09
19	1 Can Weekly	\$ 24.83	\$ -	\$ 24.83
20	Each Additional Can Weekly	\$ 24.83	\$ -	\$ 24.83
21	32 Gallon Cart Weekly	\$ 34.76	\$ -	\$ 34.76
22	90 Gallon Cart Weekly	\$ 57.12	\$ -	\$ 57.12
23	1 Can Every Other Week	\$ 16.13	\$ -	\$ 16.13
24	Each Additional Can Every Other Week	\$ 16.13	\$ -	\$ 16.13
25	32 Gallon Cart Every Other Week	\$ 22.58	\$ -	\$ 22.58
26	90 Gallon Cart Every Other Week	\$ 37.12	\$ -	\$ 37.12
27	1 Can Once a Month	\$ 8.69	\$ -	\$ 8.69
28	Each Additional Can Once a Month	\$ 8.69	\$ -	\$ 8.69
29	32 Gallon Cart Once a Month	\$ 12.15	\$ -	\$ 12.15
30	90 Gallon Cart Once a Month	\$ 19.99	\$ -	\$ 19.99
31	Will Call Billed - 32 gal can (per can)	\$ 8.53	\$ -	\$ 8.53
32	Will Call Billed - 32 gal cart (per cart)	\$ 11.93	\$ -	\$ 11.93
33	Will Call Billed - 90 gal cart(per cart)	\$ 19.61	\$ -	\$ 19.61
34	90 Gallon Cart Rent (for will-call service)	\$ 2.70		\$ 2.70

Note: Recycling Service not available for will-call customers.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014		Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
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Additional Can & Cart Charges

35	Regular Customer - Additional Can, Bag, Misc.	\$ 6.21	\$ -	\$ 6.21
36	Extra 90 Gallon Cart Pick Up	\$ 14.27	\$ -	\$ 14.27

Miscellaneous Rates

Charges for items on line 41- 47 do NOT include the additional service charge which is charged separately

rates based on current ATS prices.

37	Refrigerators - Freezers	\$ 51.66	\$ -	\$ 51.66
38	Appliances	\$ 11.48	\$ -	\$ 11.48
39	Furniture - all types (per unit, unit = 1 yd or 1 item)	\$ 17.22	\$ -	\$ 17.22
40	Tires off rims	\$ 4.59	\$ -	\$ 4.59
41	Tires with rims	\$ 9.18	\$ -	\$ 9.18
42	Truck tires off rims	\$ 11.48	\$ -	\$ 11.48
43	Truck tires with rims	\$ 22.96	\$ -	\$ 22.96

44	Service Charge - In Route	\$ 20.02	\$ -	\$ 20.02
45	Service Charge - Out of Route	\$ 78.88	\$ -	\$ 78.88
46	One truck - One employee (Per Hour)	\$ 117.72	\$ -	\$ 117.72
47	One truck - Two employees (Per Hour)	\$ 176.58	\$ -	\$ 176.58

Note: "It's Not Junk" services are based on these rates, including estimated time in minutes + disposal

Miscellaneous Charges

48	Container Re-Delivery Charge (after suspend)	\$ 40.03	\$ -	\$ 40.03
49	Off No Pay Reinstatement Charge	\$ 15.00		\$ 15.00
50	NSF Check Charge	\$ 25.00		\$ 25.00
51	Cart Replacement (loss/damage beyond normal wear & tear)	\$ 65.00		\$ 65.00
52	Cart Re-Delivery (after suspend) - In Route	\$ 10.00		\$ 10.00
53	Cart Re-Delivery (after suspend) - Out of Route	\$ 20.00		\$ 20.00

MEDICAL WASTE RATES

Large Volume Generators

Steri-Tub Rental and Disposal

increase based on vendor pricing

54	21 Gallons -- Per Tub	\$ 30.26	\$ 0.61	\$ 30.87
55	48 Gallons -- Per Tub	\$ 35.74	\$ 0.71	\$ 36.45
56	Overweight Charge -- Per Tub	\$ 121.50	\$ 2.43	\$ 123.93

Small Volume Generators

Sharps Container and Disposal

increase based on vendor pricing

57	4.7 Qt -- Per Container	\$ 19.35	\$ 0.39	\$ 19.74
58	10 Qt -- Per Container	\$ 22.50	\$ 0.45	\$ 22.95
59	23 Qt -- Per Container	\$ 43.77	\$ 0.88	\$ 44.65

Steri-Tub Rental and Disposal

increase based on vendor pricing

60	21 Gallons -- Per Tub	\$ 34.76	\$ 0.70	\$ 35.46
61	48 Gallons -- Per Tub	\$ 40.65	\$ 0.81	\$ 41.46
62	Overweight Charge -- Per Tub	\$ 121.50	\$ 2.43	\$ 123.93

Confidential Document Destruction

increase based on vendor pricing

63	9 Gallon Box	\$ 34.10	\$ 0.68	\$ 34.78
64	Storage Cabinet per Month	\$ 32.83		\$ 32.83

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014		Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
--	--	-----------------------	---------------------------------	-----------------------

Miscellaneous Rates - All Customers

Sharps Container Purchase

65	4.7 Qt - Per Container	\$ 5.91		\$ 5.91
66	10 Qt - Per Container	\$ 7.17		\$ 7.17
67	23 Qt - Per Container	\$ 18.41		\$ 18.41
68	Special Service Fee & Re-packaging Fee (per hour) (Supplies billed separately)	\$ 117.72	\$ -	\$ 117.72
69	Emergency Spill Remediation - per person (per hour) (Supplies billed separately)	\$ 218.85	\$ -	\$ 218.85
70	Spill Kit	\$ 24.50	\$ -	\$ 24.50

Temporary Rental Containers

**Defined as: not longer than 30 days and
45 days between container rentals or for the
term of project for contractors**

71	3 Yd Container (Delivery Chg, Final Pickup & 7 days)	\$ 112.26	\$ -	\$ 112.26
72	Additional Dumping Charge - 3 Yd Container	\$ 86.23	\$ -	\$ 86.23
73	3 Yd Rental - Recycling Only	\$ 101.05	\$ -	\$ 101.05
74	Additional Dumping Charge - 3 Yd Recycling	\$ 77.61	\$ -	\$ 77.61
75	Daily Rental Charge - 3 Yd Container	\$ 2.00		\$ 2.00

Drop Boxes

76	Delivery charge (Based on hourly truck time)	\$ 40.03	\$ -	\$ 40.03
77	Daily Rent - after 48 hrs/excluding weekends	\$ 12.48	\$ -	\$ 12.48
78	Rent (per month) - 1 year or longer	\$ 131.11	\$ -	\$ 131.11
79	Truck Time (per hour)	\$ 117.72	\$ -	\$ 117.72
80	Haul Fee	\$ 87.57	\$ -	\$ 87.57
81	Recycling Hauls / Market Hauls (per hour)	\$ 117.72	\$ -	\$ 117.72

COD (Temporary) Customers - same rates as below, deposit due at order

All Industrial/Drop Box Customers
(drop box and compactors)

82	Disposal Charge (per ton)	\$ 102.61	\$ -	\$ 102.61
83	Disposal Charge to Recycling Facility (per ton) **	\$ 94.00	\$ -	\$ 94.00

** tied to vendor pricing (may be less based on materials or current market prices)

Permanent Container Rates

Weekly Service - Containers

84	1 Yard Container	\$ 142.14	\$ -	\$ 142.14
85	1 1/2 Yard Container	\$ 173.41	\$ -	\$ 173.41
86	2 Yard Container	\$ 204.68	\$ -	\$ 204.68
87	3 Yard Container	\$ 267.24	\$ -	\$ 267.24
88	4 Yard Container	\$ 329.80	\$ -	\$ 329.80
89	5 Yard Container	\$ 392.35	\$ -	\$ 392.35
90	6 Yard Container	\$ 454.89	\$ -	\$ 454.89
91	8 Yard Container	\$ 557.10	\$ -	\$ 557.10

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014	Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
-------------------------------------	-------------------	-----------------------------	-------------------

Each Additional Stop per Week - Containers

formula = weekly - rent

92	1 Yard Container	\$ 122.14		\$ 122.14
93	1 1/2 Yard Container	\$ 153.41		\$ 153.41
94	2 Yard Container	\$ 184.68		\$ 184.68
95	3 Yard Container	\$ 247.24		\$ 247.24
96	4 Yard Container	\$ 309.80		\$ 309.80
97	5 Yard Container	\$ 372.35		\$ 372.35
98	6 Yard Container	\$ 434.89		\$ 434.89
99	8 Yard Container	\$ 537.10		\$ 537.10

Every Other Week Service - Containers

100	1 Yard Container	\$ 83.47	\$ -	\$ 83.47
101	1 1/2 Yard Container	\$ 99.11	\$ -	\$ 99.11
102	2 Yard Container	\$ 114.72	\$ -	\$ 114.72
103	3 Yard Container	\$ 146.02	\$ -	\$ 146.02
104	4 Yard Container	\$ 177.28	\$ -	\$ 177.28
105	5 Yard Container	\$ 208.57	\$ -	\$ 208.57
106	6 Yard Container	\$ 239.84	\$ -	\$ 239.84
107	8 Yard Container	\$ 290.93	\$ -	\$ 290.93

Once a Month Service - Containers

108	1 Yard Container	\$ 51.87	\$ -	\$ 51.87
109	1 1/2 Yard Container	\$ 59.11	\$ -	\$ 59.11
110	2 Yard Container	\$ 66.33	\$ -	\$ 66.33
111	3 Yard Container	\$ 80.79	\$ -	\$ 80.79
112	4 Yard Container	\$ 95.24	\$ -	\$ 95.24
113	5 Yard Container	\$ 109.67	\$ -	\$ 109.67
114	6 Yard Container	\$ 124.11	\$ -	\$ 124.11
115	8 Yard Container	\$ 147.73	\$ -	\$ 147.73

Will Call Service - Containers

116	1 Yard Container	\$ 29.82	\$ -	\$ 29.82
117	1 1/2 Yard Container	\$ 37.77	\$ -	\$ 37.77
118	2 Yard Container	\$ 45.70	\$ -	\$ 45.70
119	3 Yard Container	\$ 61.60	\$ -	\$ 61.60
120	4 Yard Container	\$ 77.49	\$ -	\$ 77.49
121	5 Yard Container	\$ 93.37	\$ -	\$ 93.37
122	6 Yard Container	\$ 109.27	\$ -	\$ 109.27
123	8 Yard Container	\$ 135.23	\$ -	\$ 135.23

Rent - Containers

124	1 - 8 yd Containers (same rate per month)	\$ 20.00		\$ 20.00
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Permanent Frontload Compactor Rates

This includes all compacted material including pre compacted waste

125	Compaction Ratio - 4:1	1.50		1.50
126	Compaction Ratio - 3:1	1.30		1.30
127	Compaction Ratio - 2:1	1.12		1.12

NOTES: Finance Charges (0.75% monthly, 9% annually) will be assessed on any past due amount (excluding amounts in dispute over billing or service issues). Billing Terms: Commercial Accounts are billed on a monthly basis. Residential accounts are billed once every two months; one in arrears and one in advance.



RECEIVED

MAR 31 2014

CITY MANAGER

Mr. Brett Estes
City Manager Pro Tem
City of Astoria
1095 Duane St.
Astoria, OR 97103

March 31st, 2014

Dear Brett:

Enclosed are the schedules that make up the Rate Review Report and Annual Financial Report as outlined in our Solid Waste Collection Franchise Agreement. They are as follows:

1. The Rate Review Report, which includes the following:
 - a. All the actual expenses incurred by Franchisee in the preceding calendar year, and all allowable expenses that we reasonably anticipate will be incurred in the current year;
 - b. The allocation factors and percentages used to allocate shared expenses;
 - c. The actual and expected Operating Ratios for the preceding and current calendar year;
2. The 2013 Reviewed Financial Statement for RWO – North Coast Collection;
3. Rate sheets showing current and proposed rates to be effective July 1st, 2014;

Our projections indicate our operating margin will be within the operating ratio range specified in our Franchise Agreement. As a result, we are proposing to keep collection rates the same for the coming year. We have updated our rates for medical waste collection, based on an increase in the disposal rates charged to us by our vendor.

We have made significant progress in our re-branding efforts during the past year. In addition to the name change, we have revamped our customer guides as well as our website. We are also in the midst of a large system-conversion project, which covers everything from the customer account interface used by our call center staff, to the on-board electronics in our collection trucks. We feel that once these systems are in place and running smoothly, we will be able to offer better service to our customers on the truck, over the phone, and via the Internet.

In the interests of service and safety, we continue to upgrade our facilities and fleet. We also repair or replace containers as the need arises. During 2013, we completed several improvement projects at our Astoria site, and we look forward to the new opportunities and challenges that will come along with the completion of the sports complex. We conduct regular trainings to ensure our drivers are operating safely at all times. During 2013, our supervisors attended "Train the Trainer" sessions for the Smith System, and we have worked to share this with all of our drivers. We additionally deployed an on board safety surveillance program called Drivecam that provides video used for coaching and accident investigations.

I would appreciate the opportunity to discuss any questions you may have before we make our presentation to the City Council. Please call my office at 503-474-4856 at your convenience.

Respectfully,

A handwritten signature in black ink, appearing to read 'Fred Stemmler', written in a cursive style.

Fred Stemmler, CPA
General Manager

Recology Western Oregon-North Coast Collection 2013-2014 Rate Review Report



	RWO - North Coast Collection Total			City of Astoria		
	2013 Actual	PROJ 2014 EXPENSE	Allocation Method	2013 Actual	Adjustments and Projected Changes	2014 Projected
REVENUE				Calc. Rate Adj. :	0.00%	no adj.
Collection Services	\$ 8,152,924	\$ 8,364,386	Actual	\$ 2,164,029	\$ 101,152	\$ 2,265,181
Proposed Rate Adjustment	\$ -	\$ -		\$ -	\$ -	\$ -
Other Franchised Revenue	\$ 39,357	\$ 31,905	Revenue	\$ 11,440	\$ 233	\$ 11,673
Non-Franchised Revenue	\$ 38,276	\$ 26,250	Actual	\$ -	\$ -	\$ -
Total Revenue	\$ 8,230,557	\$ 8,422,540		\$ 2,175,469	\$ 101,385	\$ 2,276,854
LABOR EXPENSES						
Operational Personnel	\$ 932,666	\$ 915,174	Labor Hours	\$ 229,090	\$ (4,296)	\$ 224,794
Health Insurance	\$ 228,831	\$ 277,337	Labor Hours	\$ 56,208	\$ 11,914	\$ 68,122
Payroll Taxes	\$ 95,224	\$ 93,684	Labor Hours	\$ 23,390	\$ (378)	\$ 23,012
Labor Overhead	\$ 71,336	\$ 75,791	Labor Hours	\$ 17,522	\$ 1,094	\$ 18,616
Total Labor Expenses	\$ 1,328,056	\$ 1,361,986		\$ 326,210	\$ 8,334	\$ 334,544
DISPOSAL EXPENSES						
Disposal Charges - Outside Source	\$ 347,646	\$ 371,218	O/S Disposal	\$ 5,936	\$ 403	\$ 6,339
Disposal-Medical Waste	\$ 68,017	\$ 70,000	MW Disposal	\$ 64,870	\$ 1,891	\$ 66,761
Disposal - Free Dump Vouchers (Astoria)	\$ -	\$ 36,250	Astoria	\$ -	\$ 36,250	\$ 36,250
Disposal Charges - Inter-Company	\$ 1,784,939	\$ 1,796,780	I/C Disposal	\$ 528,490	\$ 3,506	\$ 531,996
Total Disposal Expenses	\$ 2,200,602	\$ 2,274,248		\$ 599,296	\$ 42,050	\$ 641,346
OPERATIONAL EXPENSES						
Fuel	\$ 355,017	\$ 334,339	Labor Hours	\$ 87,203	\$ (5,079)	\$ 82,124
Repairs and Maintenance	\$ 883,993	\$ 913,839	Labor Hours	\$ 217,135	\$ 7,331	\$ 224,466
Repairs and Maint. - Non-Franchised	\$ 38,595	\$ 20,000	Actual	\$ -	\$ -	\$ -
Contract Labor	\$ 424	\$ 959	Labor Hours	\$ 104	\$ 131	\$ 236
Business Licenses and Fees	\$ 104,136	\$ 101,494	Labor Hours	\$ 25,579	\$ (649)	\$ 24,930
Franchise Fees	\$ 400,405	\$ 411,536	Actual	\$ 126,418	\$ 4,924	\$ 131,343
Depreciation and Amortization	\$ 2,572	\$ 11,554	Labor Hours	\$ 632	\$ 2,206	\$ 2,838
Operational Lease and Rent	\$ 569,845	\$ 573,553	Labor Hours	\$ 139,971	\$ 911	\$ 140,882
Op. Lease and Rent - (Seaside Depot)	\$ 16,380	\$ 16,380	Actual	\$ -	\$ -	\$ -
Supplies	\$ 37,771	\$ 29,915	Labor Hours	\$ 9,278	\$ (1,930)	\$ 7,348
Insurance Expense	\$ 57,421	\$ 62,067	Labor Hours	\$ 14,104	\$ 1,141	\$ 15,245
Yard Debris Processing (I/C)	\$ 110,780	\$ 112,712	Program Yards	\$ 100,363	\$ 1,751	\$ 102,113
Recycling Processing	\$ 166,170	\$ 169,068	Program Hours	\$ 52,838	\$ 922	\$ 53,759
Freight	\$ 20,737	\$ 3,636	Labor Hours	\$ 5,094	\$ (4,200)	\$ 893
Other Operational	\$ 17,833	\$ 10,133	Labor Hours	\$ 4,380	\$ (1,891)	\$ 2,489
Total Operational Expenses	\$ 2,782,079	\$ 2,771,187		\$ 783,098	\$ 5,568	\$ 788,666
SUBTOTAL	\$ 1,919,820	\$ 2,015,120		\$ 466,865	\$ 45,433	\$ 512,299
ADMINISTRATIVE EXPENSES						
Administrative Services	\$ 740,753	\$ 755,666	Computed	\$ 195,792	\$ 9,125	\$ 204,917
Management Services	\$ 246,917	\$ 251,889	Computed	\$ 65,264	\$ 3,042	\$ 68,306
Supervision and Recycling Services	\$ 9,766	\$ -	Labor Hours	\$ 2,399	\$ (2,399)	\$ -
Postage	\$ 12,803	\$ 15,396	Cust Counts	\$ 2,740	\$ 555	\$ 3,295
Billing Services	\$ 75,743	\$ 77,113	Cust Counts	\$ 16,210	\$ 293	\$ 16,503
Bank Service Charges	\$ 24,980	\$ 24,170	Cust Counts	\$ 5,346	\$ (173)	\$ 5,173
Dues and Subscriptions	\$ 9,529	\$ 10,759	Cust Counts	\$ 2,039	\$ 263	\$ 2,303
Contributions	\$ 27,936	\$ 30,573	Cust Counts	\$ 5,979	\$ 564	\$ 6,543
Office Supplies	\$ 18,164	\$ 18,639	Cust Counts	\$ 3,887	\$ 102	\$ 3,989
Advertising & Public Relations	\$ 12,498	\$ 14,980	Cust Counts	\$ 2,675	\$ 531	\$ 3,206
Professional Fees	\$ 19,022	\$ 25,133	Cust Counts	\$ 4,071	\$ 1,308	\$ 5,379
Business Meals & Entertainment	\$ 6,695	\$ 5,167	Cust Counts	\$ 1,433	\$ (327)	\$ 1,106
Travel	\$ 8,326	\$ 9,372	Cust Counts	\$ 1,782	\$ 224	\$ 2,006
Bad Debts	\$ 23,437	\$ 38,902	Cust Counts	\$ 5,016	\$ 3,310	\$ 8,326
Telephone	\$ 51,069	\$ 53,301	Cust Counts	\$ 10,930	\$ 478	\$ 11,407
Education & Training	\$ 5,193	\$ 7,399	Cust Counts	\$ 1,111	\$ 472	\$ 1,584
Miscellaneous	\$ 2,190	\$ 3,341	Cust Counts	\$ 469	\$ 246	\$ 715
Total Administrative Expenses	\$ 1,295,020	\$ 1,341,799		\$ 327,143	\$ 17,613	\$ 344,756
Interest Income, Loss on Sale of Assets	\$ (2,746)	\$ (3,366)	Cust Counts	\$ (588)	\$ (133)	\$ (720)
NET INCOME BEFORE TAX	\$ 627,545	\$ 676,687		\$ 140,310	\$ 27,953	\$ 168,263
Operating Margin	7.62%	8.03%		6.45%	0.00%	7.39%
Calculated Operating Ratio	91.62%	91.26%		92.89%	no adj.	91.89%



RWO - North Coast Collection Total			City of Astoria		
2013 Actual	PROJ 2014 EXPENSE	Allocation Method	2013 Actual	Adjustments and Projected Changes	2014 Projected

Allocation Data:

Revenue	\$ 2,164,029	\$ 2,265,181
Revenue Percent	26.54%	27.08%
Labor %	24.56%	24.56%
Outside Source (O/S) Disposal %	1.71%	1.71%
Inter-Company (I/C) Disposal %	29.61%	29.61%
Medical Waste %	95.37%	95.37%
Yard Debris (I/C) %	90.60%	90.60%
Recycling %	31.80%	31.80%
Customer Count %	21.40%	21.40%

Operating Ratio Calculation:

Total Expenses:				
Total Labor	\$ 1,328,056	\$ 1,361,986	\$ 326,210	\$ 334,544
Total Disposal	\$ 2,200,602	\$ 2,274,248	\$ 599,296	\$ 641,346
Total Operational	\$ 2,782,079	\$ 2,771,187	\$ 783,098	\$ 788,666
Total Administrative	\$ 1,295,020	\$ 1,341,799	\$ 327,143	\$ 344,756
Total	\$ 7,605,757	\$ 7,749,219	\$ 2,035,747	\$ 2,109,311
Less Non Allowable Expenses:				
Interest on Purchase of routes	\$ -	\$ -	\$ -	\$ -
Non-Franchised R&M	\$ (38,595)	\$ (20,000)	\$ -	\$ -
Amortization	\$ -	\$ -	\$ -	\$ -
Contributions	\$ (27,936)	\$ (30,573)	\$ (5,979)	\$ (6,543)
Less "Pass Through Expenses:				
Franchise Fees	\$ (400,405)	\$ (411,536)	\$ (126,418)	\$ (131,343)
Allowable Expenses	\$ 7,138,821	\$ 7,287,110	\$ 1,903,349	\$ 1,971,426
Revenue				
Revenue	\$ 8,230,557	\$ 8,422,540	\$ 2,175,469	\$ 2,276,854
Less Non-Franchised Revenue	\$ (38,276)	\$ (26,250)		
Less "Pass Through Expenses:				
Franchise Fees	\$ (400,405)	\$ (411,536)	\$ (126,418)	\$ (131,343)
Revenue (net of Pass Through)	\$ 7,791,876	\$ 7,984,754	\$ 2,049,051	\$ 2,145,512
Operating Ratio:				
Allowable Expenses divided by	\$ 7,138,821	\$ 7,287,110	\$ 1,903,349	\$ 1,971,426
Revenue (net of Pass Through)	\$ 7,791,876	\$ 7,984,754	\$ 2,049,051	\$ 2,145,512
Calculated Operating Ratio	91.62%	91.26%	92.89%	91.89%

Recology Western Oregon - North Coast Collections, Inc.
(A Wholly Owned Subsidiary of Recology Inc.)

Financial Statements

December 31, 2013
(With Independent Accountant's Review Report)

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Recology Western Oregon - North Coast Collections, Inc.
McMinnville, Oregon

We have reviewed the accompanying balance sheet of Recology Western Oregon - North Coast Collections, Inc. as of December 31, 2013, and the related statements of earnings and stockholder's investment, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Armanino LLP
Armanino^{LLP}
San Ramon, California

March 24, 2014

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Balance Sheet

December 31, 2013

Assets

Current assets:

Accounts receivable, net of allowance for doubtful accounts of \$13,313	\$ 868,252
Prepaid expenses	31,500
Due from Parent	<u>204,056</u>
Total current assets	<u>1,103,808</u>

Fixed assets:

Building and improvements	2,642
Machinery and equipment	48,865
Less accumulated depreciation	<u>(39,755)</u>
Property and equipment, net	<u>11,752</u>
Total assets	<u>\$ 1,115,560</u>

Liabilities and Stockholder's Investment

Current liabilities:

Accounts payable	\$ 45,684
Accrued liabilities	77,055
Deferred revenues	<u>101,554</u>
Total current liabilities	224,293
Stockholder's investment, net	<u>891,267</u>
Total liabilities and stockholder's investment	<u>\$ 1,115,560</u>

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Statement of Earnings and Stockholder's Investment

For the year ended December 31, 2013

		<u>Percent</u>
Revenues	\$ 8,230,557	<u>100.0</u>
Cost of operations		
Disposal costs	2,200,602	26.7
Labor costs	1,328,056	16.1
Operational expenses	<u>2,782,079</u>	<u>33.8</u>
	<u>6,310,737</u>	<u>76.7</u>
Gross profit	1,919,820	23.3
General and administrative	<u>1,295,020</u>	<u>15.8</u>
Earnings from operations	<u>624,800</u>	<u>7.6</u>
Other income		
Interest income	<u>2,746</u>	<u>0.0</u>
	<u>2,746</u>	<u>0.0</u>
Net earnings	627,546	<u>7.6</u>
Stockholder's investment, net, beginning of year	747,703	
Net distributions to Parent and affiliates	<u>(483,982)</u>	
Stockholder's investment, net, end of year	<u>\$ 891,267</u>	

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)
Statement of Cash Flows
For the year ended December 31, 2013

Cash flows from operating activities:	
Net earnings	\$ 627,546
Adjustments to reconcile net earnings to cash provided by operating activities:	
Depreciation	2,572
Provision for bad debts	23,437
Changes in assets and liabilities:	
Accounts receivable	(107,764)
Prepaid expenses	1,896
Due from Parent	(57,897)
Accounts payable	(9,953)
Accrued liabilities	(12,689)
Deferred revenues	27,450
Net cash provided by operating activities	<u>494,598</u>
Cash flows from financing activities:	
Net distribution to Parent and affiliates	<u>(494,598)</u>
Net change in cash	-
Cash, beginning of year	-
Cash, end of year	<u>\$ -</u>
Supplemental disclosure of noncash activities:	
Additions to property and equipment funded by Parent	\$ 10,616

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) Accounting Policies

(a) Organization

Recology Western Oregon - North Coast Collections, Inc. (the "Company"), is a wholly owned subsidiary of Recology Oregon Inc., which is a wholly owned subsidiary of Recology Inc. (the "Parent" or "Recology"), which in turn is wholly owned by the Recology Employee Stock Ownership Plan (the "Recology ESOP" or the "ESOP").

(b) Revenue Recognition and Accounts Receivable

The Company recognizes revenue on an accrual basis when services are performed. Deferred revenues primarily consist of revenues billed in advance that are recorded as revenue in the period in which the related services are rendered. The majority of the Company's revenue is subject to rate regulation by the municipalities in which it operates.

The Company's receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The Company estimates its allowance for doubtful accounts based on several factors, including historical collection trends, type of customer, existing economic conditions and other factors.

(c) Property and Equipment

Property and equipment, including major renewals and betterments, are stated at cost. It is the Company's policy to periodically review the estimated useful lives of its property and equipment. Depreciation is calculated on a straightline basis over the estimated useful lives of assets as follows:

	<u>Estimated useful lives</u>
Buildings	20-40 years
Leasehold improvements	Shorter of lease or useful life
Machinery and equipment	6-8 years
Furniture and fixtures	8 years
Vehicles	9 years
Containers	10 years

Depreciation expense on the above amounted to \$2,572 for the year ended December 31, 2013. The cost of maintenance and repairs is charged to operations as incurred; significant renewals and betterments are capitalized.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) Accounting Policies (continued)

(d) Environmental Remediation Liabilities

The Company accrues for environmental remediation costs when they become probable and based on its best estimate within a range. If no amount within the range appears to be a better estimate than any other, the low end of such ranges is used. Remediation costs are estimated by environmental remediation professionals based upon site remediation plans they develop and on their experience working with regulatory agencies and the Company's environmental staff and legal counsel. All estimates require assumptions about future events due to a number of uncertainties, including the nature and extent of any contamination, the appropriate remedy or remedies, the final apportionment of responsibility among the potentially responsible parties, if any are identified, the financial viability of other potentially responsible parties, and regulatory agency requirements. Thus, actual costs incurred may differ from the Company's initial estimate. These estimates do not take into account discounts for the present value of total estimated future costs, as the timing of cash payments is not reliably determinable. The Company regularly evaluates the recorded liabilities when additional information becomes available or regulatory changes occur to ascertain whether the accrued amounts are adequate. The Company does not recognize recoverable amounts from other responsible parties or insurance carriers until receipt is deemed probable. No environmental liabilities were accrued at December 31, 2013.

(e) Impairment of Long-Lived Assets

The Company's policy is to review estimated undiscounted future cash flows and other measures of asset value for its operations when events or changes in circumstances indicate the carrying value of an asset may not be fully recoverable.

During the year ended December 31, 2013, there were no events or changes in circumstances that indicated the carrying value of an asset was not fully recoverable.

(f) Income Taxes

Effective October 1, 1998, the Parent elected to become an S corporation with the Company electing to be treated as a Qualified Subchapter S corporation subsidiary. Under S corporation rules, the Parent's taxable income and losses are passed through to the ESOP, the Parent's sole shareholder, which is exempt from income tax, and the Company is treated as a division of the Parent having no separate income tax obligations. The Parent has not allocated the income tax expense to the Company.

The Company recognized income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that has a greater than 50% likelihood of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company's accounting policy for evaluating uncertain tax positions is to accrue estimated benefits or obligations relating to those positions.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) Accounting Policies (continued)

(f) Income Taxes (continued)

The Company records interest related to unrecognized tax benefits as interest expense and penalties as an administrative expense. For the year ended December 31, 2013, there was no interest or penalties recorded because the Company has no uncertain tax positions that meet the more likely than not threshold.

(g) Cash Concentration Account

The Company's bank account is linked to the Parent's concentration account. Cash balances (or deficits) at the end of each day are automatically transferred to (or from) the concentration account, so that at the end of any particular day, as well as at year-end, the Company's bank account has a zero balance, with related amounts debited or credited to the underlying intercompany account.

(h) Allocations

The Company includes allocated charges from the Parent and affiliates in operating expenses. The charges are allocated by applying activity appropriate factors to direct and indirect costs of the Parent and affiliates or based upon established fees.

(i) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. The more significant estimates requiring the judgment of management include the valuation of the allowance for doubtful accounts, self-insurance, and liabilities for environmental remediation. Actual results could differ from those estimates.

(j) Stockholder's Investment

The Company has 100,000 shares of common stock authorized and 1,000 shares issued and outstanding with no par value as of December 31, 2013. Stockholder's investment, net is comprised of the legal capital plus cumulative contributions net of distributions.

(k) Fair Value of Financial Instruments

The carrying amounts reported in the balance sheets of the assets and liabilities, which are considered to be financial instruments (such as receivables, accounts payable, and accrued liabilities), approximate their fair value based upon current market indicators.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(2) Operations

The Company collects refuse and recyclables in Northwest Oregon and along the Northern Oregon coast. The Company's refuse collection rates are set by these municipalities. The rate setting process may result in the disallowance of certain costs and/or delays in cost recovery, as well as differences in the timing of when revenues and expenses are recognized.

During the year ended December 31, 2013, the Company disposed of the yard debris collected by its operations at both a transfer station owned and operated by an affiliate and an independent third party. All refuse was disposed at an affiliate and an independent third party.

(3) Commitments and Contingencies

Substantially all of the assets of the Company are pledged to secure obligations of the Parent. The Company, along with the Parent and the Parent's wholly owned subsidiaries, have guaranteed the repayment, on a joint and several basis, of any and all obligations under the Parent's Revolving Credit Agreement. The Company could be required to honor the guarantee upon an uncured default event, as defined in the Parent's Revolving Credit Agreement. The Parent's Revolving Credit Agreement expires September 2020. The Parent has represented to the Company that it is in compliance with all covenants of the Revolving Credit Agreement.

The Parent and its subsidiaries, including the Company, are subject to various laws and regulations relating to the protection of the environment. It is not possible to quantify with certainty the potential impact of actions regarding environmental matters, particularly any future remediation, and other compliance efforts. The Parent has environmental impairment liability insurance, which covers the sudden or gradual onset of environmental damage to third parties, on all owned and operated facilities. In the opinion of management, compliance with present environmental protection laws will not have a material adverse effect on the results of operations of the Company provided costs are substantially covered in the Company's rates on a timely basis.

The Company and the Parent are involved in various legal actions arising in the normal course of business. It is the Company's opinion that these matters are adequately provided for or that the resolution of such matters will not have a material adverse impact on the financial position or results of operations of the Company or the Parent.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(4) Equipment and Property Obligations

The Company has cancelable agreements with an affiliate whereby it pays for use of certain operating equipment. Future payments for continued use of the equipment and property, by year-end and in aggregate, as of December 31, 2013 are as follows:

Year ending December 31:	<u>Property</u>	<u>Vehicles and Equipment</u>	<u>Total</u>
2014	\$ 6,000	\$259,943	\$265,943
2015	6,000	158,605	164,605
2016	6,000	109,817	115,817
2017	4,500	30,717	35,217
2018	-	13,760	13,760
Thereafter	<u>-</u>	<u>955</u>	<u>955</u>
Total payments	<u>\$22,500</u>	<u>\$573,797</u>	<u>\$596,297</u>

Rental expense for the year ended December 31, 2013 was \$586,225 including amounts under short-term rental agreements with third parties and affiliates.

Under the terms of the equipment lease agreement with an affiliate, and in accordance with existing rate policies, the Company may continue to use certain equipment under operating leases without a related payment once the affiliate's equipment cost and related interest have been funded through operating lease payments.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(5) Transactions with Related Parties

During the year ended December 31, 2013, operating and other expenses of the Company included allocated charges from the Parent and affiliates. Such charges are based upon the direct and indirect costs of the Parent and affiliates, or established fees, and allocated based on specific activities. The allocated charges are as follows:

Parent:

Health insurance	\$ 228,831
Worker's Compensation	5,890
401(k) employer portion	26,825
General and vehicle insurance	<u>57,421</u>
	<u>318,967</u>

Affiliates:

Debris box revenue	(46,949)
Rental of equipment	485,366
Freight	18,000
Disposal costs	1,784,939
Processing fees	276,950
General administration allocation	740,753
Truck and garage	575,265
Regional management and accounting fees	<u>256,683</u>
	<u>4,091,007</u>
Total	<u>\$ 4,409,974</u>

During the year ended December 31, 2013, amounts due from or payable to Parent and affiliates were accumulated by the Company and as of the Parent's fiscal year-end, September 30, 2013, the net amount was settled by way of capital contributions or distributions. Changes in amounts due from or payable to Parent or affiliates are presented as a financing activity in the statement of cash flows, except as related to expenditures attributable to property and equipment. For the three months from October 1, 2013 to December 31, 2013, the net amount was not settled by way of capital contributions or distributions.

(6) Subsequent Events

The Company has evaluated its subsequent events through March 24, 2014, which is the date the financial statements were available for issuance. As a result of the evaluation, we are not aware of any material modifications that should be made to these financial statements for them to be in conformity with generally accepted accounting principles.

SUPPLEMENTARY INFORMATION

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTIONS, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Schedule of Expenses

For the year ended December 31, 2013

Operational expenses	
Contract labor	\$ 424
Depreciation	2,572
Franchise fees	400,405
Fuel	355,017
Insurance	57,421
Supplies	37,771
Freight	20,737
Operational lease expense	586,225
Recycling processing costs	276,950
Repair and maintenance	922,589
Taxes and licenses	104,136
Other operational expenses	17,832
	<u>\$ 2,782,079</u>
General and administrative expenses	
General administration allocation	\$ 740,753
Regional management and accounting fees	256,683
Advertising and promotion	12,497
Bad debt	23,437
Contributions	27,936
Billing services	75,743
Dues and subscriptions	9,529
Education and training	5,193
Bank service charges	24,980
Meals and entertainment	6,695
Office supplies	18,164
Postage	12,803
Professional services	19,022
Telephone	51,069
Travel	8,326
Other administration	2,190
	<u>\$ 1,295,020</u>

See independent accountant's review report.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014	Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
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Can & Cart Services - Curbside
Curbside: within 4' of the curb or road & 4' away
from all cars, mail boxes, or misc items

1a	20 Gal Mini Can Weekly	\$ 20.05	\$ -	\$ 20.05
1	1 Can Weekly	\$ 23.58	\$ -	\$ 23.58
2	Each Additional Can Weekly	\$ 23.58	\$ -	\$ 23.58
3	32 Gallon Cart Weekly	\$ 22.35	\$ -	\$ 22.35
4	90 Gallon Cart Weekly	\$ 37.24	\$ -	\$ 37.24

5	1 Can Every Other Week	\$ 15.34	\$ -	\$ 15.34
6	Each Additional Can Every Other Week	\$ 15.34	\$ -	\$ 15.34
7	32 Gallon Cart Every Other Week - Curbside	\$ 14.52	\$ -	\$ 14.52
8	90 Gallon Cart Every Other Week - Curbside	\$ 24.20	\$ -	\$ 24.20

9	1 Can Once a Month	\$ 8.24	\$ -	\$ 8.24
10	Each Additional Can Once a Month	\$ 8.24	\$ -	\$ 8.24
11	32 Gallon Cart Once a Month - Curbside	\$ 7.82	\$ -	\$ 7.82
12	90 Gallon Cart Once a Month - Curbside	\$ 13.05	\$ -	\$ 13.05

13	Will Call Billed - 32 gal can (per can)	\$ 8.10	\$ -	\$ 8.10
14	Will Call Billed - 32 gal cart (per cart)	\$ 7.66	\$ -	\$ 7.66
15	Will Call Billed - 90 gal cart(per cart)	\$ 12.79	\$ -	\$ 12.79
16	90 Gallon Cart Rent (for will-call service)	\$ 2.70		\$ 2.70

Note: Recycling Service not available for will-call customers.

17	Regular Customer - Additional Can, Bag, Misc.	\$ 5.89	\$ -	\$ 5.89
18	Extra 90 Gallon Cart Pick Up	\$ 9.32	\$ -	\$ 9.32

Can & Cart Services - Non Curbside
Non curbside: visible from the street, outside of
garages and fenced areas

19a	20 Gal Mini Can Weekly	\$ 21.09	\$ -	\$ 21.09
19	1 Can Weekly	\$ 24.83	\$ -	\$ 24.83
20	Each Additional Can Weekly	\$ 24.83	\$ -	\$ 24.83
21	32 Gallon Cart Weekly	\$ 34.76	\$ -	\$ 34.76
22	90 Gallon Cart Weekly	\$ 57.12	\$ -	\$ 57.12

23	1 Can Every Other Week	\$ 16.13	\$ -	\$ 16.13
24	Each Additional Can Every Other Week	\$ 16.13	\$ -	\$ 16.13
25	32 Gallon Cart Every Other Week	\$ 22.58	\$ -	\$ 22.58
26	90 Gallon Cart Every Other Week	\$ 37.12	\$ -	\$ 37.12

27	1 Can Once a Month	\$ 8.69	\$ -	\$ 8.69
28	Each Additional Can Once a Month	\$ 8.69	\$ -	\$ 8.69
29	32 Gallon Cart Once a Month	\$ 12.15	\$ -	\$ 12.15
30	90 Gallon Cart Once a Month	\$ 19.99	\$ -	\$ 19.99

31	Will Call Billed - 32 gal can (per can)	\$ 8.53	\$ -	\$ 8.53
32	Will Call Billed - 32 gal cart (per cart)	\$ 11.93	\$ -	\$ 11.93
33	Will Call Billed - 90 gal cart(per cart)	\$ 19.61	\$ -	\$ 19.61
34	90 Gallon Cart Rent (for will-call service)	\$ 2.70		\$ 2.70

Note: Recycling Service not available for will-call customers.

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014		Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
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Additional Can & Cart Charges

35	Regular Customer - Additional Can, Bag, Misc.	\$ 6.21	\$ -	\$ 6.21
36	Extra 90 Gallon Cart Pick Up	\$ 14.27	\$ -	\$ 14.27

Miscellaneous Rates

Charges for items on line 41- 47 do NOT include the additional service charge which is charged separately

rates based on current ATS prices.

37	Refrigerators - Freezers	\$ 51.66	\$ -	\$ 51.66
38	Appliances	\$ 11.48	\$ -	\$ 11.48
39	Furniture - all types (per unit, unit = 1 yd or 1 item)	\$ 17.22	\$ -	\$ 17.22
40	Tires off rims	\$ 4.59	\$ -	\$ 4.59
41	Tires with rims	\$ 9.18	\$ -	\$ 9.18
42	Truck tires off rims	\$ 11.48	\$ -	\$ 11.48
43	Truck tires with rims	\$ 22.96	\$ -	\$ 22.96

44	Service Charge - In Route	\$ 20.02	\$ -	\$ 20.02
45	Service Charge - Out of Route	\$ 78.88	\$ -	\$ 78.88
46	One truck - One employee (Per Hour)	\$ 117.72	\$ -	\$ 117.72
47	One truck - Two employees (Per Hour)	\$ 176.58	\$ -	\$ 176.58

Note: "It's Not Junk" services are based on these rates, including estimated time in minutes + disposal

Miscellaneous Charges

48	Container Re-Delivery Charge (after suspend)	\$ 40.03	\$ -	\$ 40.03
49	Off No Pay Reinstatement Charge	\$ 15.00		\$ 15.00
50	NSF Check Charge	\$ 25.00		\$ 25.00
51	Cart Replacement (loss/damage beyond normal wear & tear)	\$ 65.00		\$ 65.00
52	Cart Re-Delivery (after suspend) - In Route	\$ 10.00		\$ 10.00
53	Cart Re-Delivery (after suspend) - Out of Route	\$ 20.00		\$ 20.00

MEDICAL WASTE RATES

Large Volume Generators

Steri-Tub Rental and Disposal

increase based on vendor pricing

54	21 Gallons -- Per Tub	\$ 30.26	\$ 0.61	\$ 30.87
55	48 Gallons -- Per Tub	\$ 35.74	\$ 0.71	\$ 36.45
56	Overweight Charge -- Per Tub	\$ 121.50	\$ 2.43	\$ 123.93

Small Volume Generators

Sharps Container and Disposal

increase based on vendor pricing

57	4.7 Qt -- Per Container	\$ 19.35	\$ 0.39	\$ 19.74
58	10 Qt -- Per Container	\$ 22.50	\$ 0.45	\$ 22.95
59	23 Qt -- Per Container	\$ 43.77	\$ 0.88	\$ 44.65

Steri-Tub Rental and Disposal

increase based on vendor pricing

60	21 Gallons -- Per Tub	\$ 34.76	\$ 0.70	\$ 35.46
61	48 Gallons -- Per Tub	\$ 40.65	\$ 0.81	\$ 41.46
62	Overweight Charge -- Per Tub	\$ 121.50	\$ 2.43	\$ 123.93

Confidential Document Destruction

increase based on vendor pricing

63	9 Gallon Box	\$ 34.10	\$ 0.68	\$ 34.78
64	Storage Cabinet per Month	\$ 32.83		\$ 32.83

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014		Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
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Miscellaneous Rates - All Customers

Sharps Container Purchase

65	4.7 Qt - Per Container	\$ 5.91		\$ 5.91
66	10 Qt - Per Container	\$ 7.17		\$ 7.17
67	23 Qt - Per Container	\$ 18.41		\$ 18.41
68	Special Service Fee & Re-packaging Fee (per hour) (Supplies billed separately)	\$ 117.72	\$ -	\$ 117.72
69	Emergency Spill Remediation - per person (per hour) (Supplies billed separately)	\$ 218.85	\$ -	\$ 218.85
70	Spill Kit	\$ 24.50	\$ -	\$ 24.50

Temporary Rental Containers

Defined as: not longer than 30 days and
45 days between container rentals or for the
term of project for contractors

71	3 Yd Container (Delivery Chg, Final Pickup & 7 days)	\$ 112.26	\$ -	\$ 112.26
72	Additional Dumping Charge - 3 Yd Container	\$ 86.23	\$ -	\$ 86.23
73	3 Yd Rental - Recycling Only	\$ 101.05	\$ -	\$ 101.05
74	Additional Dumping Charge - 3 Yd Recycling	\$ 77.61	\$ -	\$ 77.61
75	Daily Rental Charge - 3 Yd Container	\$ 2.00		\$ 2.00

Drop Boxes

76	Delivery charge (Based on hourly truck time)	\$ 40.03	\$ -	\$ 40.03
77	Daily Rent - after 48 hrs/excluding weekends	\$ 12.48	\$ -	\$ 12.48
78	Rent (per month) - 1 year or longer	\$ 131.11	\$ -	\$ 131.11
79	Truck Time (per hour)	\$ 117.72	\$ -	\$ 117.72
80	Haul Fee	\$ 87.57	\$ -	\$ 87.57
81	Recycling Hauls / Market Hauls (per hour)	\$ 117.72	\$ -	\$ 117.72

COD (Temporary) Customers - same rates as below, deposit due at order

All Industrial/Drop Box Customers
(drop box and compactors)

82	Disposal Charge (per ton)	\$ 102.61	\$ -	\$ 102.61
83	Disposal Charge to Recycling Facility (per ton) **	\$ 94.00	\$ -	\$ 94.00

** tied to vendor pricing (may be less based on materials or current market prices)

Permanent Container Rates

Weekly Service - Containers

84	1 Yard Container	\$ 142.14	\$ -	\$ 142.14
85	1 1/2 Yard Container	\$ 173.41	\$ -	\$ 173.41
86	2 Yard Container	\$ 204.68	\$ -	\$ 204.68
87	3 Yard Container	\$ 267.24	\$ -	\$ 267.24
88	4 Yard Container	\$ 329.80	\$ -	\$ 329.80
89	5 Yard Container	\$ 392.35	\$ -	\$ 392.35
90	6 Yard Container	\$ 454.89	\$ -	\$ 454.89
91	8 Yard Container	\$ 557.10	\$ -	\$ 557.10

RECOLOGY WESTERN OREGON - NORTH COAST COLLECTION
Rate Schedule

ASTORIA Effective Date: 7/1/2014	Proposed Rates	Rate Adjustment 0.00%	Proposed Rates
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Each Additional Stop per Week - Containers

formula = weekly - rent

92	1 Yard Container	\$ 122.14		\$ 122.14
93	1 1/2 Yard Container	\$ 153.41		\$ 153.41
94	2 Yard Container	\$ 184.68		\$ 184.68
95	3 Yard Container	\$ 247.24		\$ 247.24
96	4 Yard Container	\$ 309.80		\$ 309.80
97	5 Yard Container	\$ 372.35		\$ 372.35
98	6 Yard Container	\$ 434.89		\$ 434.89
99	8 Yard Container	\$ 537.10		\$ 537.10

Every Other Week Service - Containers

100	1 Yard Container	\$ 83.47	\$ -	\$ 83.47
101	1 1/2 Yard Container	\$ 99.11	\$ -	\$ 99.11
102	2 Yard Container	\$ 114.72	\$ -	\$ 114.72
103	3 Yard Container	\$ 146.02	\$ -	\$ 146.02
104	4 Yard Container	\$ 177.28	\$ -	\$ 177.28
105	5 Yard Container	\$ 208.57	\$ -	\$ 208.57
106	6 Yard Container	\$ 239.84	\$ -	\$ 239.84
107	8 Yard Container	\$ 290.93	\$ -	\$ 290.93

Once a Month Service - Containers

108	1 Yard Container	\$ 51.87	\$ -	\$ 51.87
109	1 1/2 Yard Container	\$ 59.11	\$ -	\$ 59.11
110	2 Yard Container	\$ 66.33	\$ -	\$ 66.33
111	3 Yard Container	\$ 80.79	\$ -	\$ 80.79
112	4 Yard Container	\$ 95.24	\$ -	\$ 95.24
113	5 Yard Container	\$ 109.67	\$ -	\$ 109.67
114	6 Yard Container	\$ 124.11	\$ -	\$ 124.11
115	8 Yard Container	\$ 147.73	\$ -	\$ 147.73

Will Call Service - Containers

116	1 Yard Container	\$ 29.82	\$ -	\$ 29.82
117	1 1/2 Yard Container	\$ 37.77	\$ -	\$ 37.77
118	2 Yard Container	\$ 45.70	\$ -	\$ 45.70
119	3 Yard Container	\$ 61.60	\$ -	\$ 61.60
120	4 Yard Container	\$ 77.49	\$ -	\$ 77.49
121	5 Yard Container	\$ 93.37	\$ -	\$ 93.37
122	6 Yard Container	\$ 109.27	\$ -	\$ 109.27
123	8 Yard Container	\$ 135.23	\$ -	\$ 135.23

Rent - Containers

124	1 - 8 yd Containers (same rate per month)	\$ 20.00		\$ 20.00
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Permanent Frontload Compactor Rates

This includes all compacted material including
pre compacted waste

125	Compaction Ratio - 4:1	1.50		1.50
126	Compaction Ratio - 3:1	1.30		1.30
127	Compaction Ratio - 2:1	1.12		1.12

NOTES: Finance Charges (0.75% monthly, 9% annually) will be assessed on any past due amount (excluding amounts in dispute over billing or service issues). Billing Terms: Commercial Accounts are billed on a monthly basis. Residential accounts are billed once every two months; one in arrears and one in advance.



Mr. Brett Estes
City Manager Pro Tem
City of Astoria
1095 Duane St.
Astoria, OR 97103

RECEIVED
MAR 31 2014
CITY MANAGER

March 31st, 2014

Re: Astoria Transfer Station Annual Rate Review

Dear Brett:

Enclosed are the schedules that make up the Rate Review Report and Annual Financial Report as outlined in our Solid Waste Disposal License Agreement:

1. The Rate Review Report, which includes the following:
 - a. All the actual expenses incurred by Franchisee in the preceding calendar year, and all allowable expenses that we reasonably anticipate will be incurred in the current year;
 - b. The actual and expected Operating Ratios for the preceding and current calendar year;
 - c. The methods used to determine how revenue and expenses are allocated to the City.
2. The 2013 Reviewed Financial Statement prepared by an independent CPA firm;
3. Rate sheets showing current and proposed rates (not applicable this year).

Based on this data, the Operating Ratio for the current calendar year is projected to be within the limits of the Operating Ratio Range of 88% to 92%. As a result, we are not proposing a rate adjustment at this time.

In addition, Section 7.1 of the License Agreement calls for a summary of operational issues:

- a. Normal operations took place from April 1, 2013 to March 31, 2014, including solid waste, recycling and salvaging operations. The changes or improvements to property or structures related to the facility were continued efforts to improve storm water, general housekeeping improvements, bird abatement, and the completion of the tip floor and apron reconstruction projects. We look forward to the next phases of the stadium project.
- b. An Oregon Department of Environmental Quality Solid Waste Permit inspection was conducted on February 27, 2013. We have worked with DEQ staff to address several minor issues that were brought to our attention as part of this process..
- c. 28,358 tons of Solid Waste was delivered to Riverbend Landfill in McMinnville in 2013. This represents a decrease of 1.1% vs. 2012, and down 24.7% from the high-point of 37,654 tons disposed in 2006.

I would appreciate the opportunity to discuss any questions you may have before we make our presentation to the City Council. Please call my office at 503-474-4856 at your convenience.

Respectfully,

A handwritten signature in black ink, appearing to read 'Fred Stemmler', written in a cursive style.

Fred Stemmler, CPA
General Manager

**Recology Western Oregon - Astoria Transfer Station
Rate Review Report
March 29, 2014**



	2013 Actual	2014 Projected	Garbage Operations Proj 2014	Astoria Regulated Projections
Revenues				
Gate Receipts Public Tip Fees	\$ 891,670	\$ 952,337	\$ 952,337	
Yard Debris	\$ 41,623	\$ 37,881	\$ -	
Sale of Recyclables	\$ 375,773	\$ 324,357	\$ -	
I/C Recycling Processing Fees	\$ 276,950	\$ 281,781	\$ -	
Astoria Free Dump Vouchers	\$ -	\$ 36,250	\$ 36,250	\$ 36,250
I/C TS Rate Adjustment	\$ -	\$ -	\$ -	\$ -
I/C Transfer Station Tip Fee	\$ 1,784,939	\$ 1,796,780	\$ 1,796,780	\$ 531,996
Total Revenues	\$ 3,370,956	\$ 3,429,386	\$ 2,785,367	\$ 568,246
Cost of Operations				
Trash Disposal Costs	\$ 738,405	\$ 787,693	\$ 787,693	\$ 176,230
Non-Trash Disposal Costs	\$ 110,336	\$ 112,543	\$ -	\$ -
Labor Costs	\$ 342,498	\$ 355,025	\$ 143,253	\$ 32,050
Refuse Transportation	\$ 580,241	\$ 605,714	\$ 605,714	\$ 135,516
Other Transportation	\$ 145,122	\$ 151,493	\$ -	\$ -
Repair & Maint.	\$ 122,211	\$ 116,518	\$ 69,911	\$ 15,641
Depreciation	\$ 25,681	\$ 42,692	\$ 25,615	\$ 5,731
Lease Payment to City	\$ 41,040	\$ 41,040	\$ 24,624	\$ 5,509
Other Lease	\$ 116,351	\$ 106,921	\$ 64,153	\$ 14,353
License Fees	\$ 126,600	\$ 128,000	\$ 128,000	\$ 28,637
HHW Surcharge	\$ 98,731	\$ 105,617	\$ 105,617	\$ 23,630
Fuel	\$ 20,304	\$ 20,707	\$ 12,424	\$ 2,780
Other Operational Expenses	\$ 72,313	\$ 62,000	\$ 37,200	\$ 8,323
Total Operational Expenses	\$ 1,348,593	\$ 1,380,701	\$ 1,073,257	\$ 240,120
SUBTOTAL	\$ 831,123	\$ 793,424	\$ 781,165	\$ 119,846
General and Administrative Expense				
Shared Mgmt - 3%	\$ 100,353	\$ 102,882	\$ 83,561	\$ 17,047
Shared Admin - 9%	\$ 306,419	\$ 308,645	\$ 250,683	\$ 51,142
Non-Admin Labor	\$ 26,101	\$ 25,575	\$ 10,319	\$ 2,309
Other Admin Expense	\$ 72,736	\$ 85,127	\$ 34,349	\$ 7,685
Total General & Administrative	\$ 505,609	\$ 522,228	\$ 378,912	\$ 78,183
Interest Income	\$ (92)	\$ -	\$ -	\$ -
Gain/Loss from Operations	\$ 325,606	\$ 271,196	\$ 402,252	\$ 41,663
Operating Margin	9.7%	7.9%	14.4%	7.3%
OR Range = 88-92%	89.7%	91.5%	84.2%	91.9%
Target = 90%				

OR Calculation				
Total expenses	\$ 3,045,442	\$ 3,158,190	\$ 2,383,115	\$ 526,583
pass through	\$ 225,330	\$ 233,617	\$ 233,617	\$ 52,267
net expenses	\$ 2,820,112	\$ 2,924,573	\$ 2,149,497	\$ 474,316
Revenue	\$ 3,370,956	\$ 3,429,386	\$ 2,785,367	\$ 568,246
pass through	\$ 225,330	\$ 233,617	\$ 233,617	\$ 52,267
net revenue	\$ 3,145,626	\$ 3,195,768	\$ 2,551,750	\$ 515,979
Calculated Operating Ratio	89.7%	91.5%	84.2%	91.9%

Tonnage Allocation Calculation:		2013
Total Garbage Tons		28,127.56
Garbage tons from Astoria by NCC		6,292.97
Percent		22.4%

Recology Western Oregon - Transfer Station, Inc.
(A Wholly Owned Subsidiary of Recology Inc.)

Financial Statements

December 31, 2013
(With Independent Accountant's Review Report)

armanino 

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Recology Western Oregon - Transfer Station, Inc.
McMinnville, Oregon

We have reviewed the accompanying balance sheet of Recology Western Oregon - Transfer Station, Inc. as of December 31, 2013, and the related statements of earnings and stockholder's investment and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying Schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

Armanino LLP
Armanino^{LLP}
San Ramon, California

March 24, 2014

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Balance Sheet

December 31, 2013

Assets

Current assets:

Accounts receivable, net of allowance for doubtful accounts of \$403	\$ 88,191
Prepaid expenses	2,324
Total current assets	<u>90,515</u>

Fixed assets:

Building and improvements	306,860
Construction in progress	117,372
Less accumulated depreciation	<u>(26,535)</u>
Property and equipment, net	<u>397,697</u>
Total assets	<u>\$ 488,212</u>

Liabilities and Stockholder's Investment

Current liabilities:

Accounts payable	\$ 83,263
Accrued liabilities	92,828
Due to Parent	16,706
Deferred revenues	215
Total current liabilities	<u>193,012</u>

Stockholder's investment, net	<u>295,200</u>
Total liabilities and stockholder's investment	<u>\$ 488,212</u>

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - TRANSFER STATION , INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Statement of Earnings and Stockholder's Investment

For the year ended December 31, 2013

		<u>Percent</u>
Revenues	\$ 3,370,956	100.0
Cost of operations		
Disposal costs	848,742	25.2
Labor costs	342,498	10.2
Operational expenses	<u>1,348,593</u>	<u>40.1</u>
	<u>2,539,833</u>	<u>75.3</u>
Gross profit	831,123	24.7
General and administrative	<u>505,609</u>	<u>15.0</u>
Earnings from operations	<u>325,514</u>	<u>9.7</u>
Other income		
Interest income	<u>92</u>	<u>0.0</u>
	<u>92</u>	<u>0.0</u>
Net earnings	<u>325,606</u>	<u>9.7</u>
Stockholder's investment, net, beginning of year	6,800	
Net distributions to Parent and affiliates	<u>(37,206)</u>	
Stockholder's investment, net, end of year	<u>\$ 295,200</u>	

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Statement of Cash Flows

For the year ended December 31, 2013

Cash flows from operating activities:	
Net earnings	\$ 325,606
Adjustments to reconcile net earnings to cash provided by operating activities:	
Depreciation	25,681
Provision for bad debts	(501)
Changes in assets and liabilities:	
Accounts receivable	(5,676)
Prepaid expenses	408
Due from parent	46,439
Accounts payable	20,238
Accrued liabilities	4,023
Due to parent	16,706
Deferred revenues	215
Net cash provided by operating activities	<u>433,139</u>
Cash flows provided by financing activities:	
Net distribution to Parent and affiliates	<u>(433,139)</u>
Net change in cash	-
Cash, beginning of year	-
Cash, end of year	<u>\$ -</u>
Supplemental disclosure of noncash activities:	
Additions to property and equipment funded by Parent	\$ 395,933

See accompanying notes to financial statements and independent accountant's review report.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) **Accounting Policies**

(a) Organization

Recology Western Oregon - Transfer Station, Inc. (the "Company"), is a wholly owned subsidiary of Recology Oregon Inc., which is a wholly owned subsidiary of Recology Inc. (the "Parent" or "Recology"), which in turn is wholly owned by the Recology Employee Stock Ownership Plan (the "Recology ESOP" or the "ESOP").

(b) Revenue Recognition and Accounts Receivable

The Company recognizes revenue on an accrual basis when services are performed. The Company's receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The Company estimates its allowance for doubtful accounts based on several factors, including historical collection trends, type of customer, existing economic conditions and other factors.

(c) Property and Equipment

Property and equipment, including major renewals and betterments, are stated at cost. It is the Company's policy to periodically review the estimated useful lives of its property and equipment. Depreciation is calculated on a straightline basis over the estimated useful lives of assets as follows:

	<u>Estimated useful lives</u>
Buildings	20-40 years
Leasehold improvements	Shorter of lease or useful life
Machinery and equipment	6-8 years
Furniture and fixtures	8 years
Vehicles	9 years
Containers	10 years

Depreciation expense on the above amounted to \$25,681 for the year ended December 31, 2013. The cost of maintenance and repairs is charged to operations as incurred; significant renewals and betterments are capitalized.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) Accounting Policies (continued)

(d) Environmental Remediation Liabilities

The Company accrues for environmental remediation costs when they become probable and based on its best estimate within a range. If no amount within the range appears to be a better estimate than any other, the low end of such ranges is used. Remediation costs are estimated by environmental remediation professionals based upon site remediation plans they develop and on their experience working with regulatory agencies and the Company's environmental staff and legal counsel. All estimates require assumptions about future events due to a number of uncertainties, including the nature and extent of any contamination, the appropriate remedy or remedies, the final apportionment of responsibility among the potentially responsible parties, if any are identified, the financial viability of other potentially responsible parties, and regulatory agency requirements. Thus, actual costs incurred may differ from the Company's initial estimate. These estimates do not take into account discounts for the present value of total estimated future costs, as the timing of cash payments is not reliably determinable. The Company regularly evaluates the recorded liabilities when additional information becomes available or regulatory changes occur to ascertain whether the accrued amounts are adequate. The Company does not recognize recoverable amounts from other responsible parties or insurance carriers until receipt is deemed probable. No environmental liabilities were accrued at December 31, 2013.

(e) Impairment of Long-Lived Assets

The Company's policy is to review estimated undiscounted future cash flows and other measures of asset value for its operations when events or changes in circumstances indicate the carrying value of an asset may not be fully recoverable.

During the year ended December 31, 2013, there were no events or changes in circumstances that indicated the carrying value of an asset was not fully recoverable.

(f) Income Taxes

Effective October 1, 1998, the Parent elected to become an S corporation with the Company electing to be treated as a Qualified Subchapter S corporation subsidiary. Under S corporation rules, the Parent's taxable income and losses are passed through to the ESOP, the Parent's sole shareholder, which is exempt from income tax, and the Company is treated as a division of the Parent having no separate income tax obligations. The Parent has not allocated the income tax expense to the Company.

The Company recognized income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that has a greater than 50% likelihood of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(1) Accounting Policies (continued)

(f) Income Taxes (continued)

The Company's accounting policy for evaluating uncertain tax positions is to accrue estimated benefits or obligations relating to those positions. The Company records interest related to unrecognized tax benefits as interest expense and penalties as an administrative expense. For the year ended December 31, 2013, there was no interest or penalties recorded because the Company has no uncertain tax positions that meet the more likely than not threshold.

(g) Cash Concentration Account

The Company's bank account is linked to the Parent's concentration account. Cash balances (or deficits) at the end of each day are automatically transferred to (or from) the concentration account, so that at the end of any particular day, as well as at year-end, the Company's bank account has a zero balance, with related amounts debited or credited to the underlying intercompany account.

(h) Allocations

The Company includes allocated charges from the Parent and affiliates in operating expenses. The charges are allocated by applying activity appropriate factors to direct and indirect costs of the Parent and affiliates or based upon established fees.

(i) Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. The more significant estimates requiring the judgment of management include the valuation of the allowance for doubtful accounts, self-insurance, and liabilities for environmental remediation. Actual results could differ from those estimates.

(j) Stockholder's Investment

The Company has 500 shares of common stock authorized and 100 shares issued and outstanding with no par value as of December 31, 2013. Stockholder's investment, net is comprised of the legal capital plus cumulative contributions net of distributions.

(k) Fair Value of Financial Instruments

The carrying amounts reported in the balance sheets of the assets and liabilities, which are considered to be financial instruments (such as receivables, accounts payable, and accrued liabilities), approximate their fair value based upon current market indicators.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(2) Operations

The Company provides transfer station and recycling services in Northwest Oregon. The Company's transfer station rates are set in part by the City of Astoria. The rate setting process may result in the disallowance of certain costs and/or delays in cost recovery, as well as differences in the timing of when revenues and expenses are recognized.

The Company's operating results are also affected by variations in its recycling revenues from the sale of recyclable commodities. The Company's recycling revenues may be volatile and fluctuate in accordance with changes in recycling commodity mix and in the prices of recyclable commodities, which in turn are, in many cases, dependent on changes in worldwide supply of, and demand for, such recyclable commodities. In general, the costs related to recycling operations do not fluctuate in accordance with changes in the prices of such commodities.

(3) Commitments and Contingencies

Substantially all of the assets of the Company are pledged to secure obligations of the Parent. The Company, along with the Parent and the Parent's wholly owned subsidiaries, have guaranteed the repayment, on a joint and several basis, of any and all obligations under the Parent's Revolving Credit Agreement. The Company could be required to honor the guarantee upon an uncured default event, as defined in the Parent's Revolving Credit Agreement. The Parent's Revolving Credit Agreement expires September 2020. The Parent has represented to the Company that it is in compliance with all covenants of the Revolving Credit Agreement.

The Parent and its subsidiaries, including the Company, are subject to various laws and regulations relating to the protection of the environment. It is not possible to quantify with certainty the potential impact of actions regarding environmental matters, particularly any future remediation, and other compliance efforts. The Parent has environmental impairment liability insurance, which covers the sudden or gradual onset of environmental damage to third parties, on all owned and operated facilities. In the opinion of management, compliance with present environmental protection laws will not have a material adverse effect on the results of operations of the Company provided costs are substantially covered in the Company's rates on a timely basis.

The Company and the Parent are involved in various legal actions arising in the normal course of business. It is the Company's opinion that these matters are adequately provided for or that the resolution of such matters will not have a material adverse impact on the financial position or results of operations of the Company or the Parent.

(4) Equipment and Property Obligations

The Company has cancelable agreements with an affiliate whereby it pays for use of certain operating equipment. Future payments for continued use of the equipment and property, by year-end and in aggregate, as of December 31, 2013 are as follows:

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(4) Equipment and Property Obligations (continued)

Year ending December 31:	<u>Vehicles and Property</u>	<u>Equipment</u>	<u>Total</u>
2014	\$ 41,040	\$ 54,840	\$ 95,880
2015	41,040	51,252	92,292
2016	41,040	43,580	84,620
2017	41,040	26,670	67,710
2018	41,040	23,794	64,834
Thereafter	<u>451,440</u>	<u>318</u>	<u>451,758</u>
Total payments	<u>\$ 656,640</u>	<u>\$ 200,454</u>	<u>\$857,094</u>

Rental expense for the year ended December 31, 2013 was \$157,391 including amounts under short-term rental agreements with third parties and affiliates.

Under the terms of the equipment lease agreement with an affiliate, and in accordance with existing rate policies, the Company may continue to use certain equipment under operating leases without a related payment once the affiliate's equipment cost and related interest have been funded through operating lease payments.

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.
(A Wholly Owned Subsidiary of Recology Inc.)

Notes to Financial Statements

December 31, 2013

(5) Transactions with Related Parties

During the year ended December 31, 2013, operating and other expenses of the Company included allocated charges from the Parent and affiliates. Such charges are based upon the direct and indirect costs of the Parent and affiliates, or established fees, and allocated based on specific activities. The allocated charges are as follows:

Parent:	
Health insurance	\$ 65,181
Worker's Compensation	1,483
401(k) employer portion	6,994
General and vehicle insurance	<u>19,140</u>
	<u>92,798</u>
Affiliates:	
Transfer station	(1,787,319)
Rental of equipment	83,407
Freight	58,893
Processing fees	(276,950)
General administration allocation	306,419
Truck and garage	68,665
Regional management and accounting fees	<u>126,454</u>
	<u>(1,420,431)</u>
Total	<u>\$ (1,327,633)</u>

During the year ended December 31, 2013, amounts due from or payable to Parent and affiliates were accumulated by the Company and, as of the Parent's fiscal year-end, September 30, 2013, the net amount was settled by way of capital contributions or distributions. Changes in amounts due from or payable to Parent or affiliates are presented as a financing activity in the statement of cash flows, except as related to expenditures attributable to property and equipment. For the three months from October 1, 2013 to December 31, 2013, the net amount was not settled by way of capital contributions or distributions.

(6) Subsequent Events

The Company has evaluated its subsequent events through March 24, 2014, which is the date the financial statements were available for issuance. As a result of the evaluation, we are not aware of any material modifications that should be made to these financial statements for them to be in conformity with generally accepted accounting principles.

SUPPLEMENTARY INFORMATION

RECOLOGY WESTERN OREGON - TRANSFER STATION, INC.

(A Wholly Owned Subsidiary of Recology Inc.)

Schedule of Expenses

For the year ended December 31, 2013

Operational expenses	
Contract labor	\$ 8,019
Depreciation	25,681
Franchise fees	225,331
Fuel	20,304
Insurance	19,140
Supplies	21,130
Operational lease expense	157,391
Purchase of recyclables	788
Refuse transportation	666,470
Repair and maintenance	122,211
Taxes and licenses	14,227
Freight	58,893
Other operational expenses	9,008
	<u>\$ 1,348,593</u>

General and administrative expenses	
General administration allocation	\$ 306,419
Regional management and accounting fees	126,454
Advertising and promotion	5,605
Bad debt	(501)
Contributions	269
Billing services	6,465
Dues and subscriptions	3,656
Education and training	1,110
Bank service charges	8,327
Meals and entertainment	2,524
Office supplies	8,242
Postage	2,517
Professional services	5,199
Telephone	20,515
Travel	3,251
Other administration	5,557
	<u>\$ 505,609</u>

See independent accountant's review report.




CITY OF ASTORIA

Founded 1811 • Incorporated 1856

April 23, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTESS, CITY MANAGER PRO TEM

SUBJECT: AUTHORIZATION TO RELOCATE THE ASTORIA RECREATION CENTER

DISCUSSION/ANALYSIS

The Parks and Recreation Department offers a variety of programs at the Astoria Recreation Center (ARC). This includes a teen center, after school program, school aged summer day camp, adult lounge, adult fitness classes, special events, gymnastics classes, Tae Kwon Do, and many others.

In August 2011, the Parks and Recreation Department began leasing space in the Star of the Sea Building from St. Mary's Catholic Parish to house the Astoria Recreation Center. This lease will expire on August 1st, 2014 providing an opportunity for the Astoria Recreation Center to relocate to the Astoria Yacht Club in an effort to enhance services and reduce expenditures.

The Star of the Sea Facility has been a wonderful home for the Astoria Recreation Center; however, due to the facilities limitations and costs, staff and Parks Advisory Board are recommending relocating to the Astoria Yacht Club. The Astoria Yacht Club is a City owned facility, thus the Parks and Recreation Department will no longer be required to make lease payments and additional savings will be gained in utility and janitorial costs. In addition, the improvements made to the facility will benefit the City of Astoria Residents long into the future.

Based upon proposed rent payments, utility costs, and janitorial fees from St. Mary's Catholic Parish expenses at the Star of the Sea facility are:

	8/11-10/11	11/11-7/11	8/12-7/13	8/13-7/14	8/14-7/15	8/15-7/16	8/17-7/17
Rent	-	1,100	1,300	1,500	5,000	5,150	5,300
Utilities	-	-	950	800	1,900	1,957	2,016
Janitorial	-	300	300	300	1,000	1,030	1,061
Monthly Total	-	1,400	2,550	2,600	7,900	8,137	8,377
Annual Total	-	16,800	30,600	31,200	94,800	97,644	100,519

In comparison to the average cost to remain in the Star of the Sea Facility compared to the Astoria Yacht Club the Parks and Recreation Department will see an annual savings of \$87,654. If approved, the Astoria Recreation Center would begin relocating this July.

On Wednesday, April 30th, 2014, Department staff presented a proposal to relocate the Astoria Recreation Center from the Star of the Sea Facility to the Astoria Yacht Club to the Parks Advisory Board. Based on the information presented, the Parks Advisory Board unanimously voted in support of the relocation to the Astoria Yacht Club.

RECOMMENDATION

Based on the financial savings, program improvements, enhanced services, and recommendation from the Parks Advisory Board, it is recommended that City Council authorize relocating the Astoria Recreation Center from the Star of the Sea Facility to the Astoria Yacht Club.


By: 
Angela Cosby
Director of Parks & Recreation



April 26, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: AUTHORIZATION FOR GRANT APPLICATION TO SUPPORT WAYFINDING SIGNAGE INSTALLATION ALONG THE RIVERWALK

DISCUSSION/ANALYSIS

The Parks and Recreation Department has been exploring ways to implement way-finding signage along the Riverwalk and has consulted the assistance of GREENWORKS, a Portland based Landscape Architecture and Environmental Design Company to lead the City through a public process of schematic design and deliver a Wayfinding Concept Plan focused on the downtown area. This plan could also be replicated to areas outside downtown. Public involvement on the downtown wayfinding project will be coordinated with the help of Astoria Downtown Historic District Association, the Astoria Warrenton Chamber, the Riverfront Trolley Operators, and the Cruise Ship Hosts.

To assist in funding the implementation of the Wayfinding Concept Plan the Parks and Recreation Department would like authorization to apply for a Travel Oregon Matching Grant. These grants make awards available to eligible applicants for projects that contribute to the development and improvement of local communities throughout the State. If received, the funds would be used to construct and install signage.

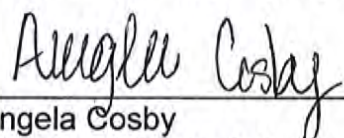
The installation of Wayfinding signage along the Riverwalk may be a strong candidate for this one-time grant of \$20,000, as they share goals:

- Maximize the economic return on public and private investments in Oregon
- Drive year-round destination-oriented travel from Oregon's key domestic and international markets by aligning and optimizing local opportunities
- Develop destination-based products that are in concert with Oregon's natural environment and that support the stewardship of the state's resources.

It is suggested the Promote Astoria Fund provide an additional 100% match, in the amount of \$20,000.

RECOMMENDATION

It is recommended that City Council approve the application for the Travel Oregon Matching grant in the amount of \$20,000 to support funding Wayfinding Signage along the Riverwalk.

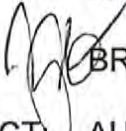
By: 
Angela Cosby
Director of Parks & Recreation



April 26, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: AUTHORIZATION FOR GRANT APPLICATION TO SUPPORT PARKS AND RECREATION MASTER PLAN

DISCUSSION/ANALYSIS

The Parks and Recreation Department is looking to complete a system-wide Parks and Recreation Master Plan to provide guidance and policy direction for Astoria's Parks, Aquatic Center, Recreation Center, and Recreational Programs.

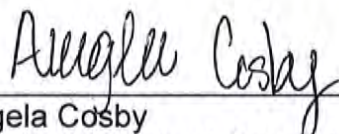
The Oregon Parks and Recreation Department Local Government Grant Program hosts a system-wide Park and Recreation Planning Grant to assist cities in identifying system needs, available resources, and required capital project investments to accomplish short and long-term park, recreation, and open space objectives of the community. The planning process must include substantial citizen involvement, inventory of existing conditions and facilities, analysis of issues and community needs, and specific recommendations that include specific actions, priorities, and costs. Additionally, to complete the granting requirements the planning process must include the adoption of the planning document through the local land use approval process. Should the City receive the grant, a consultant would be selected through the City procurement process.

If successful, the Parks and Recreation Department would receive \$40,000 to assist in funding a system-wide Park and Recreation Master Plan. It is suggested that the Parks and Recreation fund provide an additional 40% match, in the amount of \$16,000.

The Parks Advisory Board is supportive of developing a system-wide Parks and Recreation Master Plan as it will assist in future grant applications for park infrastructure projects.

RECOMMENDATION

It is recommended that City Council authorize submittal of a grant application for the Oregon Parks and Recreation Department Local Government Grant Program in the amount of \$40,000 to support funding a system-wide Parks and Recreation Master Plan.


By: 
Angela Cosby
Director of Parks & Recreation



April 15, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: **15th & DUANE STREET MANHOLE INSTALLATION**

DISCUSSION/ANALYSIS

The upcoming 16th St. Combined Sewer Overflow (CSO) Separation project consists of installing approximately 8,100 feet of new stormwater pipe within the existing roadway infrastructure in established City right-of-way.

Public Works staff have been preparing for this project by trying identifying potential issues that the contractor may encounter which would require extra work outside of the immediate construction area.


There is a sewer lateral located near the Owens Adair Apartments at 1508 Exchange Street that needs to be relocated to a new manhole on Duane Street. Staff submitted informal quotes to local contractors and two responded:


TFT Construction	\$21,962.00
Big River Construction	\$17,766.00

Funds for this project are available in the Public Works Improvement Fund.

RECOMMENDATION

It is recommended Council award a contract to Big River Construction to install a new manhole on Duane Street for the relocation of a sewer lateral for Owens Adair.

Submitted By: 
Ken P. Cook, Public Works Director

Prepared By: 
Ken B. Nelson, Public Works Superintendent

60.01.00 - GENERAL

THIS AGREEMENT, made and entered into this ____ day of April, 2014, by and between Big River Construction, Inc., 1050 Olney Ave, Astoria, OR 97103 hereinafter called "**CONTRACTOR**" and the City of Astoria, a municipal corporation, hereinafter called "**CITY**."

WITNESSETH:

That the said **CONTRACTOR** and the said **CITY**, for the consideration hereinafter named agree as follows:

60.2.00 - DESCRIPTION OF WORK

The **CONTRACTOR** agrees to perform the work of:

15th & Duane St. Sanitary Sewer Project

and do all things required of it as per his bid, all in accordance with the described bid, a copy of which is hereto attached and made a part of this contract.

60.3.00 - COMPLETION OF CONTRACT

The **CONTRACTOR** agrees that the work under this contract shall be performed within 30 calendar days of Notice to Proceed. If conditions beyond the control of the **CONTRACTOR** prevents completion of the project within the time set, **CONTRACTOR** may request a reasonable extension of time in accordance with APWA General Requirements. If said **CONTRACTOR** has not fully completed this contract within the time set or any extension thereof, he shall pay liquidated damages in accordance with Section 108.6.00 of the Supplementary Conditions to General Requirements.

60.4.00 - CONTRACT PRICE

The contract price for this project is \$17,766.00. Payment will be made in accordance with ORS 279C.560 including progress payments at the end of each month. Retainage will be withheld in accordance with ORS 279C.550 - .565.

60.5.00 - CONTRACT DOCUMENTS

The **CONTRACTOR** and the **CITY** agree that the plans, specifications (including the APWA Oregon Chapter 1990 Standard Specifications for Public Works Construction with 1996 revisions), general conditions, supplementary conditions, call for bids, special provisions to the engineering specifications, instructions to bidders, all addenda and all modifications thereto and bid are, by this reference, incorporated into this contract and are fully a part of this contract.

60.6.00 - CHANGES IN WORK

With the consent of the **CONTRACTOR**'s surety, the **CITY** may change the plans, specification, character of the work, or quantity of work, provided the total value of all such changes, both additive and deductive, does not exceed the following:

A. An increase or decrease of more than 25 percent of the total cost of the work calculated from the original proposal quantities and the unit contract prices; or,

B. An increase or decrease of more than 25 percent in the quantity of any one major contract item.

For condition b) above, a major item is defined as any item that amounts to 10 percent or more of the total contract price. If it is necessary to exceed this limitation, the change shall be by written supplemental agreement between the **CONTRACTOR** and **CITY**.

Any change shall be in writing and state the dollar value, method of payment, and any adjustments in contract time, and shall provide for the signatures of the **CONTRACTOR** and **CITY**.

Changes in plans and specifications, requested in writing by the **CONTRACTOR**, which do not materially affect the work, may be granted by the Engineer. Payment will be made in accordance with Section 60.4.00 of this contract.

60.7.00 - COMPLIANCE

The **CONTRACTOR** specifically agrees to comply with all laws, ordinances, and regulations applicable to municipal contracts and to make prompt payment of all amounts that may be due from said **CONTRACTOR** in the way of taxes or lawful deductions and to make prompt payment of all labor and materials, and save the **CITY** harmless from any damages or claims whatsoever in the performance of this contract.

The **CONTRACTOR** further agrees to comply with all laws, ordinances, rules, orders and regulations relating to the performance of the work, the protection of adjacent property, and the maintenance of passageways, guard fences, or other protective facilities.

CONTRACTOR agrees to take every precaution against injuries to persons or damage to property.

The **CONTRACTOR** agrees that the work will be done to the satisfaction and approval of the Engineer of the **CITY** of Astoria.

CONTRACTOR agrees to store his apparatus, materials, supplies and equipment in such orderly fashion at the site of the work as will not unduly interfere with the progress of their work or the work of any other employees or persons.

CONTRACTOR agrees to hold the **CITY** free and harmless from all liability to persons and property for failure to leave the premises in a safe condition and to make payment to all persons employed by them in such project.

60.8.00 - ADDITIONAL CONTRACTOR RESPONSIBILITIES

CONTRACTOR is responsible for obtaining and paying for all necessary permits.

CONTRACTOR shall verify existing conditions and locations of all utilities and shall notify the Engineer of any discrepancies that may affect the work.

CONTRACTOR is responsible for contacting the utilities to have the lines relocated or repaired as necessary.

60.9.00 - CONTRACTOR IS INDEPENDENT CONTRACTOR

A. CONTRACTOR's services shall be provided under the general supervision of **CITY's** project director or his designee, but **CONTRACTOR** shall be an independent **CONTRACTOR** for all purposes and shall be entitled to no compensation other than the compensation provided for under Section 60.4.00 of this Contract.

B. CONTRACTOR acknowledges that for all purposes related to this Contract, **CONTRACTOR** is and shall be deemed to be an independent **CONTRACTOR** and not an employee of **CITY**, shall not be entitled to benefits of any kind to which an employee of the **CITY** is entitled and shall be solely responsible for all payments and taxes required by law; and furthermore in the event that **CONTRACTOR** is found by a court of law or an administrative agency to be an employee of the **CITY** for any purpose, **CITY** shall be entitled to repayment of any amounts from **CONTRACTOR** under the terms of the Contract; to the full extent of any benefits or other remuneration **CONTRACTOR** receives (from **CITY** or third party) as result of said finding and to the full extent of any payments that **CITY** is required to make (to **CONTRACTOR** or to a third party) as a result of said finding.

C. The undersigned **CONTRACTOR** hereby represents that no employee of the **CITY** of Astoria, or any partnership or corporation in which a **CITY** employee has an interest, has or will receive any remuneration of any description from the **CONTRACTOR**, either directly or indirectly, in connection with the letting or performance of this Contract, except as specifically declared in writing.

60.10.00 SUBCONTRACTS - RELATIONS WITH SUBCONTRACTORS, ASSIGNMENTS AND DELEGATION

A. CONTRACTOR shall be fully responsible for the acts or omissions of any subcontractors and of all persons employed by them, and neither the approval by **CITY** of any subcontractor nor anything contained herein shall be deemed to create any contractual relation between subcontractor and **CITY**.

B. CONTRACTOR's relations with subcontractors shall comply with ORS 279C.580. In accordance with that statute:

1. **CONTRACTOR** shall include in each subcontract for property or services entered into by the **CONTRACTOR** and a first-tier subcontractor, including a material supplier, for the purpose of performing a construction contract:

(a) A payment clause that obligates the **CONTRACTOR** to pay the first-tier subcontractor for satisfactory performance under its subcontract within 10 day out of such amounts as are paid to the **CONTRACTOR** by the contracting agency under the contract; and

(b) An interest penalty clause that obligates the **CONTRACTOR**, if payment is not made within 30 days after receipt of payment from the contracting agency, to pay to the first -

tier subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause included in the subcontract under paragraph (a) of this subsection. A **CONTRACTOR** or first-tier sub-contractor may not be obligated to pay an interest penalty if the only reason that the **CONTRACTOR** or first-tier sub-contractor did not make payment when payment was due is that the **CONTRACTOR** or first-tier subcontractor did not receive payment from the contracting agency or **CONTRACTOR** when payment was due. The interest penalty shall be: (A) For the period beginning on the day after the required payment date and ending on the date on which payment of the amount due is made; and (B) Computed at the rate specified on ORS 279C.515 (2).

2. **CONTRACTOR** shall include in each of the **CONTRACTOR's** subcontracts, for the purpose of performance of such contract condition, a provision requiring the first-tier subcontractor to include a payment clause and an interest penalty clause conforming to the standards of subsection (1) of this section in each of the first-tier subcontractor's subcontracts and to require each of the first-tier subcontractor's subcontractors to include such clauses in their subcontracts with each lower-tier subcontractor or supplier.

The above required clauses are required by ORS 279C.580 (3) and (4) and all the provisions of ORS279C.580 are applicable.

C. CONTRACTOR certifies that all subcontractors performing work described in ORS 701.005(3) or ORS 671.520(1) will be registered with the Construction Contractors Board or by the State Landscape Contractors Board before the subcontractors commence work under this contract.

D. Assignment or Transfer Restricted. The **CONTRACTOR** shall not assign, sell, dispose of, or transfer rights nor delegate duties under the contract, either in whole or in part, without the **CITY's** prior written consent. Unless otherwise agreed by the **CITY** in writing, such consent shall not relieve the **CONTRACTOR** of any obligations under the contract. Any assignee or transferee shall be considered the agent of the **CONTRACTOR** and be bound to abide by all provisions the contract. If the **CITY** consents in writing to an assignment, sale, disposal or transfer of the **CONTRACTOR's** rights or delegation of the **CONTRACTOR's** duties, the **CONTRACTOR** and its surety, if any, shall remain liable to the **CITY** for complete performance of the contract as if no such assignment, sale, disposal, transfer or delegation had occurred unless the **CITY** otherwise agrees in writing.

E. CONTRACTOR certifies that **CONTRACTOR** has not discriminated and will not discriminate against minority, women or small business enterprises in obtaining any required subcontracts.

60.11.00 - EARLY TERMINATION

A. This Contract may be terminated without cause by mutual written consent of the parties. In addition, the parties may agree to terminate the contract:

1. If work under the Contract is suspended by an order of a public agency for any reason considered to be in the public interest other than by a labor dispute or by reason of any third party judicial proceeding relating to the work other than a suit or action filed in regard to a labor dispute; or

2. If the circumstances or conditions are such that it is impracticable within a reasonable time to proceed with a substantial portion of the Contract.

B. Payment. When a Contract, or any divisible portion thereof, is terminated pursuant to this section, the **CITY** shall pay the **CONTRACTOR** a reasonable amount of compensation for preparatory work completed and for costs and expenses arising out of termination. The **CITY** shall also pay for all work completed, based on the contract price. Unless the work completed is subject to unit or itemized pricing under the Contract, payment shall be calculated based on percent of contract completed. No claim for loss anticipated profits will be allowed.

C. Responsibility for Completed Work. Termination of the contract or a divisible portion thereof pursuant to this section shall not relieve either the **CONTRACTOR** or its surety of liability for claims arising out of the work performed.

D. Termination under any provision of this paragraph shall not affect any right, obligation or liability of **CONTRACTOR** or **CITY** which accrued prior to such termination.

E. If work is suspended under circumstances described in A (1) but the contract is not terminated, the **CONTRACTOR** is entitled to a reasonable extension of time to complete the contract, and reasonable compensation for all costs resulting from the suspension plus reasonable allowance for overhead with respect to such costs.

60.12.00 - CANCELLATION FOR CAUSE

CITY may cancel all or any part of the Contract if **CONTRACTOR** breaches any of the terms herein or in the event of any of the following: Insolvency of **CONTRACTOR**; voluntary or involuntary petition in bankruptcy by or against **CONTRACTOR**; appointment of a receiver or trustee for **CONTRACTOR**, or an assignment for benefit of creditors of **CONTRACTOR**. Damages for breach shall be those allowed by Oregon Law, reasonable and necessary attorney's fees, and other costs of litigation at trial and upon appeal.

60.13.00 - NONWAIVER

The failure of the **CITY** to insist upon or enforce strict performance by **CONTRACTOR** of any of the terms of this Contract or to exercise any rights hereunder shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or rights on any future occasion.

60.13.01 - REMEDIES

Consequences for **Contractor's** failure to perform the scope of work identified in the invitation to bid or the **Contractor's** failure to meet established performance standards may include, but are not limited to:

(A) Reducing or withholding payment;

(B) Requiring the contractor to perform, at the contractor's expense, additional work necessary to perform the identified scope of work or meet the establish performance standards; or

(C) Declaring a default, terminating the public contract, and seeking damages and other relief available under the terms of the public contract or other applicable law.

(D) Liquidated damages as calculated in Division 98, Supplementary Conditions, Section 108.6.00

60.14.00 - SUIT OR ACTION

In the event suit or action is instituted to enforce any of the terms of this agreement, the prevailing party shall be entitled to recover from the other party such sum as the Court may adjudge reasonable as attorney's fees at trial or on appeal of such suit or action, in addition to all other sums provided by law.

60.15.00 - CONFLICT BETWEEN TERMS

It is further expressly agreed by and between the parties hereto that should there be any conflict between the terms of this instrument and the bid of the **CONTRACTOR**, this instrument shall control and nothing herein shall be considered as an acceptance of the said terms of said bid conflicting herewith.

60.16.00 - INDEMNIFICATION

The **CONTRACTOR** agrees to indemnify and to hold harmless the **CITY**, its officers, employees and agents against and from any and all loss, claims, actions, suits, including costs and attorney's fees, for or on account of injury, bodily or otherwise, to, or death of persons, damage to or destruction of property belonging to **CITY**, **CONTRACTOR** or others, resulting from **CONTRACTOR's** negligence.

60.17.00 - WORKERS' COMPENSATION

All employers, including **CONTRACTOR**, that employ subject workers who work under this contract in the State of Oregon shall comply with ORS 656.017 and provide the required Workers' Compensation coverage, unless such employers are exempt under ORS 656.126. **CONTRACTOR** shall ensure that each of its subcontractors complies with these requirements. (ORS 279C.530 (2)).

60.18.00 - LABORERS AND MATERIALMEN, CONTRIBUTIONS TO INDUSTRIAL ACCIDENT FUND, LIENS AND WITHHOLDING TAXES

CONTRACTOR shall make payment promptly, as due, to all persons supplying **CONTRACTOR** labor or material for the prosecution of the work provided for this contract.

CONTRACTOR shall pay all contributions or amounts due the Industrial Accident Fund from **CONTRACTOR** or any subcontractor incurred in the performance of the contract.

CONTRACTOR shall not permit any lien or claim to be filed or prosecuted against the state, county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished.

CONTRACTOR shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

60.19.00 - PAYMENT OF CLAIMS BY PUBLIC OFFICERS; PAYMENT TO PERSONS FURNISHING LABOR AND MATERIALS; AND COMPLAINTS

A. If the **CONTRACTOR** fails, neglects or refuses to make prompt payment of any claim for labor or services furnished to the **CONTRACTOR** or a subcontractor by any person in connection with the public contract as such claim becomes due, the proper officer or officers representing the municipality may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due the **CONTRACTOR** by reason of such contract.

B. If the **CONTRACTOR** or a first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract for a public improvement within 30 days after receipt of payment from the public contracting agency or a **CONTRACTOR**, the **CONTRACTOR** or first-tier subcontractor shall owe the person the amount due plus interest charges commencing at the end of the 30-day period that payment is due under ORS 279C.580 and ending upon final payment, unless payment is subject to a good faith dispute as defined in 279C.580. The interest penalty shall be as provided in ORS 279C.580.

C. If the **CONTRACTOR** or a sub-contractor fails, neglects or refuses to make payment to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580.

D. The payment of a claim in the manner here authorized shall not relieve the **CONTRACTOR** or the **CONTRACTOR's** surety from obligation with respect to any unpaid claims.

60.20.00 - HOURS OF LABOR

No person shall be employed for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, the employee shall be paid at least time and a half pay:

A. For all overtime in excess of eight hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; or

B. For all overtime in excess of 10 hours in any one day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; and

C. For all work performed on Saturday and on any legal holiday specified in ORS 279C.540.

D. **CONTRACTOR** must give notice to employees who work on a public contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees of the number of hours per day and days per week that the employees may be required to work.

E. CONTRACTOR will comply with the requirements of ORS 279.C545 regarding time limitation or claim for overtime, posting of circular.

60.21.00 - PAYMENT OF MEDICAL CARE

CONTRACTOR shall promptly, as due, make payment to any person, copartnership, association or corporation, furnishing medical, surgical and hospital care or other needed care and attention, incident to sickness or injury to the employees of such **CONTRACTOR**, of all sums which the **CONTRACTOR** agrees to pay for such services and all moneys and sums which the **CONTRACTOR** collected or deducted from the wages of employees pursuant to any law, contract or agreement for the purpose of providing or paying for such service.

60.22.00 - DRUG TESTING PROGRAM

CONTRACTOR shall demonstrate, to the satisfaction of the Public Works Director that an employee drug-testing program is in place. **CONTRACTOR** may attach hereto a written description of his drug testing program, or a copy of the adopted drug-testing program, to comply with this condition.

60.23.00 – PREVAILING WAGE RATE

A. Prevailing Wage Rate. If this contract is subject to both ORS 279C.800 to ORS 279C.870 and the Davis-Bacon Act (40 USC 3141 *et seq*) every contract and subcontract must provide that the worker whom the **CONTRACTOR**, subcontractor, or other person who is a party to the contract uses in performing all or part of this contract, must be paid not less than the higher of the applicable state prevailing rate of wage for each trade or occupation as defined by the Commissioner of the Bureau of Labor and Industries in the applicable publication entitled *Definitions of Covered Occupations for Public Works Contracts in Oregon* or federal prevailing rate of wage. A current copy (title page only) of Prevailing wage Rates for Public Works contracts in Oregon is included in Section 40 of the specifications. A web site where these publications are available is <http://egov.oregon.gov/BOLI/WHD/PWR/pwr.state.shtml>.

B. Statutory Public Works Bond. **CONTRACTOR** shall have a Public Works bond on file with the Construction Contractors Board before starting work on the project, unless exempt under the terms of ORS 279C.836. **CONTRACTOR** shall include a provision in every subcontract requiring the subcontractor to have a public works bond on file with the Construction Contractors Board before starting work on the project, unless exempt under the terms of ORS 279C.836.

C. Certified Payroll Reports. **CONTRACTOR** or **CONTRACTOR's** surety and every subcontractor or subcontractor's surety shall file certified payroll reports with the **CITY** in conformance with ORS 279C.845. The **CITY** is required to withhold 25% of amounts earned by **CONTRACTOR** if certified payroll reports are not submitted as required.

60.24.00 – INSURANCE

A. Commercial General Liability. **CONTRACTOR** shall obtain, at **CONTRACTOR'S** expense and keep in effect during the term of this Contract, Commercial General Liability Insurance covering bodily injury and property damage with limits of not less \$1,000,000 per occurrence

and the annual aggregate not less than \$2,000,000. Coverage shall include contractors, subcontractors and anyone directly or indirectly employed by either. This insurance will include personal and advertising injury liability, products and completed operations. Coverage may be written in combination with Automobile Liability Insurance (with separate limits). Coverage will be written on an occurrence basis, and coverage will be primary, not contributory. If written in conjunction with Automobile Liability the combined single limit per occurrence will not be less than \$1,000,000 for each job site or location. Each annual aggregate limit will not be less than \$2,000,000.

B. Automobile Liability. Contract shall obtain, at Contractor's expense and keep in effect during the term of the resulting Contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence will not be less than \$1,000,000.

C. Additional Insured. The liability insurance coverage shall include CITY and its officers and employees as Additional Insured but only with respect to CONTRACTOR'S activities to be performed under this Contract. Coverage will be primary and non-contributory with any other insurance and self-insurance. Prior to starting work under this Contract, CONTRACTOR shall furnish a certificate to CITY from each insurance company providing insurance showing that the CITY is an additional insured, the required coverage is in force, stating policy numbers, dates of expiration and limits of liability, and further stating that such coverage is primary and not contributory.

D. Notice of Cancellation or Change. There will be no cancellation, material change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written notice from CONTRACTOR or its insurer(s) to CITY. Any failure to comply with the reporting provisions of this clause will constitute a material breach of this Contract and will be grounds for immediate termination of this Agreement.

60.25.00 - PERFORMANCE AND PAYMENT BOND

A performance bond and a payment bond are not required for this project.

60.26.00 - CERTIFICATION OF COMPLIANCE WITH TAX LAWS

As required by ORS 305.385(6), CONTRACTOR certifies under penalty of perjury that the CONTRACTOR, to the best of CONTRACTOR's knowledge, is not in violation of any of the tax laws described in ORS 305.380(4).

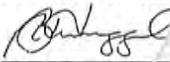
60.26.01 - CITY OCCUPATION TAX

Prior to starting work, Contractor shall pay the City occupation tax and provide the Public Works Department with a copy of occupation tax receipt. Contractor shall, likewise, require all subcontractors to pay the City occupation tax and provide a copy of the receipt to the Public Works Department prior to commencement of work.

60.27.00 - NO THIRD PARTY BENEFICIARIES

This agreement and each and every provision is for the sole benefit of the CITY and CONTRACTOR and no third parties have any rights or benefits except to the extent expressly provided herein.

APPROVED AS TO FORM:


Digitally signed by
CN=Angie Idms, o=Portland, c=US, email=angie@portland.oregon.gov, ou=City of Portland
DN: cn=Angie Idms, o=Portland, c=US, email=angie@portland.oregon.gov, ou=City of Portland

City Attorney


Contractor


Date

CITY OF ASTORIA, a municipal of the
State of Oregon

BY: _____
Mayor Date

ATTEST:

City Manager Date



CITY OF ASTORIA
ASTORIA PUBLIC WORKS
Founded 1811 • Incorporated 1856

15th and Duane St. Sanitary Sewer Project
REQUEST FOR QUOTES

March 25, 2014

Background

The City of Astoria Public Works Department is requesting quotes to furnish all labor, equipment and materials to install an inline manhole at 15th & Duane.

Scope of Work

The sewer lateral from Owens Adair, 1508 Exchange, crosses the City's 8" sewer main located approximately on the centerline of Duane St. just east of 15th St. The objective is to construct a cast-in-place manhole over the City's 8" main and connect the Owens Adair lateral to the new manhole. The City's main is approximately 12' deep and the lateral depth at the main is unknown but should be between 8' and 12'. All work and materials shall meet A.P.W.A., City of Astoria standards and specifications, OSHA and plumbing code. Contractor shall be responsible to maintain sewer service during construction.

The work may include, but is not limited to:

Traffic control (Contractor may apply to close Duane Street during work hours, but open in evening), installation of new 48" diameter manhole, installing manhole channels, trench excavation, protection of existing utilities and structures, required shoring, installation of pipe adapters, connecting to existing lateral, abandon remaining lateral on each end with Cherne plug, compaction of backfill aggregate and HMAC surface treatment.

The City will supply pipe and adaptors to complete the connection of the lateral to the manhole. Contractor will supply all other material and all labor.

*MANDATORY PRE-QUOTE MEET ON SITE, 15TH & DUANE,
MONDAY MARCH 31, 2014 AT 9:30 A.M.

The City will consider both price and completion date in awarding work.

Lump sum quote: \$ 17,766.00, work will be completed by June 27, 2014.
Please review the attached utility map and sample City contract prior to providing a quote. The City will execute the contract with the selected contractor.

Delivery of Quotes


Quotes are due by April 4, 2014. Please send sealed quotes to:

Ken B. Nelson, Public Works Superintendent
550 30th St.
Astoria, OR 97103
Email: knelson@astoria.or.us
Fax: 503-325-3550

Fax and emailed quotes are also acceptable, but will require acknowledgement of receipt.

4/4/14
DATE SIGNED

Big River Construction Inc.
OFFEROR

 Vice President

SIGNED (NAME AND TITLE)
1050 Olney Ave
MAILING ADDRESS
Astoria, OR 97103
CITY, STATE, AND ZIP CODE
PHONE NUMBER: 503-338-3878
CORPORATION: YES NO
IF NO, TAX ID NUMBER OR SOCIAL
SECURITY NUMBER:
CONTRACTOR BOARD NO. 147632



CITY OF ASTORIA
Founded 1811 • Incorporated 1856

April 30, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: **AUTHORIZATION TO BID – FRANKLIN AVENUE SEWER REPLACEMENT PROJECT**

DISCUSSION/ANALYSIS

Public Works Operations staff has identified a severely deteriorated combined sewer pipe while performing video inspection work on Franklin Avenue between 26th Street and 27th Street. The 15" diameter clay pipe has collapsed in several locations, with significant cracking noted in many other areas. Additionally, a manhole on the alignment has settled substantially causing a reverse grade with resultant poor drainage. The existing combined sewer is located directly adjacent to three residents on the south side of Franklin Avenue and is over ten feet deep.

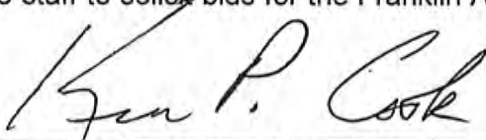
Staff has evaluated a variety of repair options, and determined that a relocation of the sewer pipe would be the most cost effective approach that also minimizes risk to the adjacent resident's property. The Public Works Department contracted with HLB Otak, Incorporated to provide survey and engineering services to design a combined sewer to replace the deteriorated utility.

The project will include installation of 550 feet of 15" diameter PVC sewer pipe, five manholes, three sewer laterals, and associated restoration work. The construction is being scheduled to minimize conflict with upcoming Columbia Memorial Hospital development in the vicinity. The construction estimate for this project is \$120,000, which includes a 10% contingency. Funds for this project would be available in the Public Works Improvement Fund (FY 14/15).

RECOMMENDATION

It is recommended that City Council authorize staff to solicit bids for the Franklin Avenue Sewer Replacement Project.

Submitted By



Ken P. Cook, Public Works Director

Prepared By:


NATHAN CRATER

Nathan Crater, Assistant City Engineer




CITY OF ASTORIA
Founded 1811 • Incorporated 1856

May 1, 2014

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM:  BRETT ESTES, CITY MANAGER PRO TEM

SUBJECT: CONSIDERATION OF DRAFT COUNCIL FISCAL YEAR 2014-2015 GOALS

DISCUSSION/ANALYSIS

The draft Fiscal Year 2014-2015 City Council Goals were presented for discussion at the April 7 and 21, 2014 Council meetings. Attached is the revised version which incorporates changes made at the two prior meetings. The draft goals have been posted on the City of Astoria website and are being presented for further discussion. This item will be placed on a future City Council meeting for consideration and adoption.



CITY OF ASTORIA

Founded 1811 • Incorporated 1856

ASTORIA CITY COUNCIL DRAFT GOALS FISCAL YEAR 2014-2015

- **Implement the Library renovation plan**
- **Involve the community in developing eastern half of Heritage Square**
- **Support community efforts to provide emergency and warming shelters**
- **Develop plans for pedestrian and traffic safety on Williamsport Road**
- **Continue working to complete landscape plans for the Column**
- **Continue implementation of the Riverfront Vision Plan**
- **Support community efforts to develop a dog park**
- **Complete emergency communication system**
- **Develop an affordable housing survey working with community partners**
- **Maintain advocacy for the Astoria Bypass, for fishery issues, and for business development / expansion through the Astoria Downtown Historic District Association Business Development Committee, Columbia Pacific Economic Development District (Col-Pac), and Clatsop Economic Development Resources (CEDR)**
- **Continue proactive enforcement of the Derelict Building Ordinance**
- **Support implementation of Citizens Helping Improve Parks (CHIP/in!) and all volunteer programs**
- **Continue efforts to improve pedestrian safety**
- **Maintain and nurture the historical relationships we have with our sisters and brothers in Germany, China, India, and Japan**
- **Continue support of diversity through the proactive efforts of the many organizations that contribute to diversity in our community**
- **Ensure post-construction maintenance plans are prepared and in place for all City projects**
- **Hold annual City of Astoria open house where citizens can communicate directly with City Council as well as staff from all departments**