

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

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

Staff Present: City Manager Pro Tem Estes, Police Chief Curzon, Parks and Recreation Director Cosby, Financial Analyst Snyder, Fire Chief Ames, Planner Johnson, Library Director Tucker, Public Works Director Cook, 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 the Thursday Market has become extremely crowded at the corner of 13th and Duane Street. He was told that the Market has asked the City if they could use a portion of 13th to set up booths, but the City denied the request. He asked City Manager Pro Tem Estes to reexamine the request to see if the Thursday Market could use a portion of 13th Street for booths. Parking beyond the two-hour limit is allowed, but the Market is very crowded. It would be great if they could move out into parts of 13th Street. One of the City's goals is to support the Market. City Manager Pro Tem Estes replied Staff would reexamine the request, adding he knew the Market made this request last year, but did not believe a request was made this year. He agreed to speak with Councilor Herzig after the meeting to get contact information for the Thursday Market.

Councilor Herzig reported he recently attended two emergency preparation sessions. One session was hosted by the County featuring Justin Ross from Oregon Health and Science University (OHSU), who gave a presentation on emergency planning for people with disabilities and caregivers. Astoria has a large population of seniors and disabled people in very vulnerable locations. He noted that Fire Chief Ames received stellar reports from Mr. Ross, who said Chief Ames was proactive and engaged in dealing with emergency preparedness, and from Clatsop Care Center, who said Chief Ames had taken all the shifts through the building to make sure they were fully cognizant of the challenges involved in evacuating a care center during an emergency. He thanked Chief Ames for being in the forefront of emergency preparedness. The second session, hosted by Congresswoman Bonamici, focused on tsunami awareness. Geologist Patrick Corcoran reported that the warning system is in place and must be maintained. The challenges are in community education and preparedness. A Camp Rilea representative had said they tried preparing staff for a big tsunami event and received a very poor response. They received a much better response when preparing staff for smaller scale events like power outages, flooding, and wind storms, which are easier to manage. People were more willing to take on the usual occurrences because they were not so overwhelming. This is a good psychological tactic as everyone needs to think more about emergency preparedness, but in ways that can be more easily grasped.

Item 3(b): Councilor Mellin reported that on June 19th, she attended a luncheon with 20 female leaders in Clatsop County, which was organized by Betsy Johnson and Kate Brown. During the luncheon, Lisa Tarabochia Clement gave Ms. Brown an earful about the fishing issues Astoria's has with the governor. Ms. Clement was very articulate and knowledgeable. As Secretary of State, the issue is not part of her purview, but it was still interesting to hear Ms. Clement's comments. On June 25th, she, Councilor LaMear, and Planner Johnson toured the proposed Coast Guard Housing site and were able to get a good look at the entire area. She felt satisfied that the creek will not be damaged, the wetlands will not be destroyed, and the project will be done very tastefully. She attended the Yacht Club's teen center opening on June 26th, adding the Parks Department has done a wonderful job in giving a home to the teens through a grant from the Ford Foundation.

Item 3(c): Councilor Warr No report.

Item 3(d): Councilor LaMear reported that she attended the opening of the Armory with the Roller Dolls. The event was a fun experience, but she wished the real names of the roller derby participants had been revealed. She appreciated Planner Johnson taking her and Councilor Mellin to see the new Coast Guard housing area. Reading the report, she was unable to figure out where the roads would be and it was helpful to visit the site. Planner Johnson had explained where the roads and the vacation of West Niagara would be. She

had never noticed there was a West Niagara in that area, but could see why it needed to be vacated. The street will be a dead end, but must be vacated in order to be built upon.

Item 3(e): Mayor Van Dusen thanked City Council and Staff for allowing him to be gone for most of June and absent for two City Council meetings. He reported that Astoria is the newest United States Coast Guard City in the United States, approved by Congress. The Coast Guard hosted a change of command and retirement ceremony at the air station where Captain Bruce Jones retired and was honored for his stellar career. He had not previously understood the depth of Captain Jones service or how successfully he led his team. He thanked Captain Jones, on behalf of the community, for his service in the United States Coast Guard as Sector Commander of Sector Columbia River, which is the entire Columbia River.

Former Captain Bruce Jones, 455 45th Street, Astoria, noted that over 500 active duty, 225 reservists, and about 800 auxiliary volunteers serve in Sector Columbia River.

Mayor Van Dusen said he had been to a number of changes of command and retirements, but Captain Jones' ceremony was the best. He asked Captain Jones what rank his son held. Captain Jones said his oldest son was a Lieutenant Junior Grade stationed at North Bend. His middle son was a Cadet at the Coast Guard Academy. His older son, Wes, spoke at the retirement ceremony. Mayor Van Dusen stated his son was a great speaker. He called for a round of applause for Captain Jones.

Captain Jones thanked City Council and Mayor Van Dusen. It was an honor to end his career spending the last three years in a wonderful community and Coast Guard City. The Coast Guard feels very welcomed and supported in Astoria and it is a great place to be stationed. He and his wife have decided to spend the rest of their lives in Astoria. He was happy to call Astoria his home, first as a Coast Guardsman and now as a civilian.

Mayor Van Dusen reported that Staff has requested the assistance of Albany City Manager Wes Hare in their search for a new City Manager. Mr. Hare has facilitated goal setting sessions for Astoria. He reviewed over 50 resumes at no charge to the City, so Staff will send him a thank you note. City Council also reviewed the resumes and chose four well-qualified finalists. Each finalist will be invited to attend a community meet and greet in Astoria on Wednesday, July 30, 2014. A location has not yet been determined. Everyone is invited to come meet the finalists. On Thursday, July 31st, three different panels will interview the finalists. One panel will be the five City Council members; one panel will be five community members, each appointed by a City Councilor; and one panel will be City Staff, appointed by City Manager Pro Tem Estes. The City has made it clear to the finalists that a decision would not be made at that time. He commended the community, Chief Curzon, and Chief Ames for how well the Fourth of July Celebration went. The fireworks were great and traffic moved well. He reported that this is the 30th year of Shanghaied in Astoria, the longest running melodrama in the United States. Opening night is Thursday, July 10th, and he hoped everyone would support the play.

CHANGES TO AGENDA:

City Manager Pro Tem Estes requested the addition of a presentation, Item 5(d): Property Sale Commissions.

PRESENTATIONS:

Item 5(a): Update on Friends of the Astoria Column Activities and Memorandum of Understanding between the Friends and City of Astoria

Mayor Van Dusen introduced Jordan Schnitzer, President of the Friends of the Astoria Column, noting he has been involved with the Friends since 1990.

Jordan Schnitzer, 1121 SW Salmon, Portland, introduced board members Gayle Timmerman, Hal Snow, Karen Whitman, Pam Lum, and Tiffany Estes, and staff members Sheri Mitchell, Jay Mitchell, Celeste Grannum, and Suzanne Ordan. He noted that Ms. Branum is part of his Portland staff and was involved with the CommuniCare Program. She liked Astoria so much that she asked to work on the Friends of the Astoria Column project. Ms. Ordan, who heads up marketing, is helping Ms. Estes with the website, which is now active. Angela Cosby is an ex-officio member. Until now, the best relationship that the Friends had with the Parks Department was when Fred Lindstrom was Director. Director Cosby has done a wonderful job, attends all of their meetings, and has excellent communication. Last year, the Friends were concerned about coordinating City events and Friends

events at the Column. The communication between Director Cosby and Sheri Mitchell has resulted in a wonderful working relationship. Last year, the Friends committed to giving City Council an annual report when they asked to take on some additional responsibilities at the Column. For 26 or 27 years, the Friends have served at the City's pleasure as unpaid volunteers. Anytime the City is unhappy with the Friends, all Staff has to do is call or send a letter and the Friends will be gone. The City continues to have full control and ownership of the site, which is a public asset of all the citizens and the community. The Friends have been honored to spend time working on the Column. When the Friends received the support of City Council to take over more of the grounds, increase operational activities at the site, and increase parking fees, it was a gutsy move for the Friends to take on the additional costs. The agreement has worked out wonderfully and has reenergized the Friends because they are now able to execute their ideas. He noted that the Column was in poor shape years ago, when he asked Edith Henningsgaard-Miller if she wanted any help cleaning up the area. Ms. Henningsgaard-Miller told him that City Council had been struggling with how to repair damage to the Column and would love the help, which began a wonderful journey. He added that City Attorney Henningsgaard's niece, Sally Catter, recently became engaged at the top of the Column.

Mr. Schnitzer described how the Friends was founded more than 26 years ago, noting the people who were involved. In the past, more than \$1 million was raised to repair the Column and another \$1.3 million was raised to redo the plaza. When the Column was being repaired, they discovered the below-ground platform did not comply with the current seismic codes; therefore, the entire Column was redone. When the staircase began to crack, the Friends raised \$600,000 to replace the stairs. This was the only time the Column was shut down.

Mayor Van Dusen explained that the top of the Column was removed, the old stairs were pulled out from the top, and the new stairs were installed in sections by dropping them in from the top.

Mr. Schnitzer displayed boards highlighting the Friends' activities over the last year. He noted that the words "taken over" have been used, but this seemed to imply the wrong idea. The Friends have just asked for permission to reduce the City's operational costs and for the Friends to assume more responsibility in maintaining the Column. He reviewed the Friends' activities as follows:

- **Hired Staff** – Caretakers and Executive Directors Sherry and Jay Mitchell live in the cottage on site.
- **Cottage Improvements** – About \$42,000 was spent making seismic and other improvements. The front door and lights will be replaced soon and planter boxes will be added, which will cost about \$12,000.
- **Parking Revenues** – The City's share of parking revenues two years ago was about \$25,000, but Staff was spending about \$15,000 to \$20,000 more than that on maintenance. Since the Friends have taken over the maintenance costs, the City is saving between \$50,000 and \$60,000. The Friends' goal is to maximize the revenue generated at the site, and then use that revenue for the site.
- **Landscape and Maintenance** – The City still sends sweepers to the Column, but the Friends take care of all of the landscaping and restrooms, and pays an outside contractor with a large mower to mow the big field.
 - Boxwood hedges around the parking lot were removed at the beginning of the season and the Friends did not get sod installed in time. The Friends will work with the City in the fall to try to get sprinklers installed so that lawn around the sidewalks will make the area look nice.
- **Master Plan** – The Friends spent \$26,000 on a master plan study, but a lot more work still needs to be done. The Friends committed to creating a master plan for the entire 26 or 30 acres that surround the entire Column area. The community needs a long-term master plan so everyone agrees on sightlines, flora, fauna, trails, and protection for the site for perpetuity.
 - Development of a master plan will be a two-year process that will include public input and the Parks Board. Before a master plan could be implemented, it would need to go through a public review process, be approved by the Parks Board, and then adopted by City Council.
- **Website** – The website has been launched and social media is being utilized. However, staff is still trying to figure out how to keep the social media sites updated daily.
- **Events and Activities** – More events and activities are being scheduled.

Sheri Mitchell, 2195 Coxcomb Drive, Astoria, explained the Friends want to host events at the Column that promote the community. On July 26, 2014, from 10:00 am to 3:00 pm, ten to twelve artists, authors, and vendors that are local or Oregonians will be at the Column to show off their books and art.

Councilor Herzig noted that the Astoria Open Studio Tour is scheduled for the same weekend, with 35 local artists opening their studios. The Column will be another location. If the Column is not getting many participants, it is because 35 local artists will be in their own studios that weekend. The tour will take place on Saturday and

Sunday from 10:00 am to 4:00 pm. He hoped to get information to Ms. Mitchell so that people who come to the Column can also come to the studio tour. Ms. Mitchell stated she would send Councilor Herzig the information via email and would share information about the tour on the Friends website. The event at the Column is the same day that the riverboat will be making drops every 15 minutes. The Friends tried a volunteer day on the first Saturday of each month where volunteers would clean up the Column. The event was not advertised well because the website was not up yet. The Friends will try this event again and promote it on their website. She has met many community members through the Moose Lodge and the Armory who have been willing to help anytime help is requested. Community involvement at the Column is slowly increasing and the Friends want to promote this because it is the community's Column. Her goal is to make sure everyone realizes that community involvement is necessary for this historical monument to survive.

Mr. Schnitzer added that the Friends purchased a new point of sale (POS) system with a software package that produces monthly reports. This allows them to track sales and inventory more efficiently. A lot of money was spent in 2013 building up the inventory so that the Friends would have enough items to sell. He explained that Ms. Mitchell went to shows to get advice and was mentored by the Maritime Museum. Ms. Mitchell said she had done marketing before, but in a grocery store, not in a retail setting. She went to Blue at the Maritime Museum and asked for ideas and advice. The Friends' store needed new life and some new merchandise that would promote the Column and Astoria. She learned which gift shows to attend and how to avoid overspending at the shows. She and Blue worked together to make sure the two shops did not carry the same items because they wanted to provide a good variety to the visitors. Each store wants to raise its own money for its own causes.

Mr. Schnitzer reported sales numbers have been phenomenal because of Ms. Mitchell's work. Revenue from sales was as follows: June 2010, \$36,000; June 2011, \$34,000; June 2012, \$34,000; June 2013, \$44,000; and June 2014, \$62,000. Ms. Mitchell added that sales this last Saturday, July 5th were \$4,275, which was the most the Column has made in one day. Mr. Schnitzer said the store is selling what people want. The merchandise promotes Astoria and the Column. The Friends spent \$500 on a tent that will be used first for the artists and authors event and then on weekends to sell more merchandise. He believed the Friends were just scratching the surface; being their first year, they are learning what sells and what does not. The Column now has guides that welcome guests and give details about the Column. These guides make all the difference because they facilitate the collection of money and generate a state of mind that the Column and the site is so wonderful.

Ms. Mitchell stated that in June 2013, annual parking pass fees were increased from \$1 to \$2. Silver Salmon sponsors the Friends by printing the passes, which include a coupon. Revenue from parking passes have increased as follows: June 2010, \$3,194; June 2011, \$3,137; June 2012, \$2,757; June 2013, \$4,685; and June 2014, \$14,735. The increase in parking revenue for June 2014 was due to the guides.

Mr. Schnitzer stated the parking revenue for 2013 was \$73,000. In 2014, \$104,000 in parking revenue is anticipated, but he believed it would be more. Supplies for the parking guides were \$6,000 and wages for parking guides were \$26,000. The Memorandum of Understanding proposes a set fee of \$35,000 to the City, which is up from \$10,000 and \$25,000 that the Friends used to give the City, resulting in a net of \$37,000 for the Friends, which is about a 50/50 split of net revenues between the City and the Friends after net costs. The previous agreement included a 75/25 split of gross revenues, so the Friends were losing money. By hiring guides, the Friends are putting money back into the community and getting more revenue from parking.

Mayor Van Dusen explained the flat fee came from Director Cosby, who wanted to know exactly how much money the Parks Department could depend on for budgeting purposes.

Mr. Schnitzer noted that the Friends began working on the Memorandum of Understanding in 2013, but the process slowed when Paul Benoit left. They have worked with City Attorney Henningsgaard, Director Cosby, and Staff and they believe the completed memorandum reflects all of the input received. The memorandum has been signed by the Friends and submitted to the City for review by the Parks Board. The memorandum will be updated with any suggestions made by the Parks Board. Once the Parks Board finds the memorandum acceptable, they will recommend approval by City Council. The memorandum states that the City continues to own the site. He did not want anyone to get the impression that the Friends are somehow taking over. The Friends are just trying to enhance the visitor experience, maintain the Column, and make Astoria proud of this majestic site.

Mayor Van Dusen added that the City's charter states how the committee is appointed. City government has full control over the Friends, just like the Parks Board and Planning Commission. The Friends of the Astoria Column is not a stand-alone committee, it is a City of Astoria committee appointed by the Council.

Mr. Schnitzer said the City maintains the ownership and liability, which needs to continue because the City serves as protector at the State Legislature. The City maintains the roads, infrastructure, and safety services and is responsible for lighting and the cost of utilities. The Friends operates the gift shop, the premises, maintains the restrooms, maintains the cottage, maintains the grounds, collects parking revenues, and employs staff. The Friends have just taken over the operational aspects to save the City money.

Councilor Mellin believed it was wonderful how the Column was being looked after, adding she enjoys the Column every day.

Councilor Herzig said he was grateful to the Parks Department and the Friends of the Astoria Column who allowed the Column to be lit teal for Sexual Assault Awareness Month. The Column was gorgeous and it is such a community asset. The community cannot thank the Friends enough for all they are doing for the City and its reputation around the world. He asked Mr. Schnitzer about the relocation of the communications tower.

Mr. Schnitzer explained that he was told not to give a status report on the communications tower. The Friends have funded almost \$55,000 employing outside consultants who are working with the City.

Mayor Van Dusen said Astoria desperately needs better communication coverage for police and fire services. Deputy Chief Johnson and Bob Johnson of the Fire Department had worked many hours to come up with a solution that put a cell tower equal in height to the Column very close to the Column. They presented this solution to City Council at a City Council meeting in 2013. He was prepared to approve this because he believed police and fire needed to be a first priority. However, Mr. Schnitzer opposed putting a cell tower next to the historic Astoria Column, stating there had to be a better way to take care of the police and fire departments while preserving the park and the Column. He asked Mr. Schnitzer to give an update of the situation.

Mr. Schnitzer noted that Mike Lindberg, who is on the board of the Friends, was a former City Councilor. The City employed David Olson for a number of years to head up the communications office. Mr. Lindberg and fellow board member Thane Tienson recommended the Friends speak with Mr. Olson. Mr. Olson has been fabulous to work with. Converge, a consulting team, has been hired to negotiate with Verizon on tower location and fee arrangements. Since the Friends have no authority in this area, they have been acting in a manner that would allow the City to dissolve the group at any time, creating a good cop/bad cop situation and the Friends have told Verizon what they cannot do to the site. Mr. Olson initially had an \$8,000 or \$9,000 contract, but has been donating all of his time since the contract has expired. The Friends hired engineers so that they had their own data showing cell tower coverage. The engineers presented this data to Verizon's engineers and suggested resolutions to the issue. Deputy Chief Johnson attended all of the meetings and has been working in partnership with the City. It took some time to get Verizon to realize they could not do whatever they wanted. The City has the authority to deny extended terms on the two years remaining on the contract that allows Verizon to have a tower in that location. Verizon cannot afford to lose the service they provide to this whole area. Ultimately, the City has the advantage. After the engineering was complete and many meetings took place, Verizon began to realize they could consider a few other locations that would actually provide better service than the existing tower. The Friends never lost sight of the fact that the City needed better communication for its emergency services. He believed Astoria should keep discussions about this issue to a minimum and allow Verizon to work through the solutions from their end. He hoped to receive some recommended solutions from Verizon in the next 90 days. He would like the City to get better coverage from a tower that is paid for by Verizon and for the existing tower to be removed. He wanted to see Verizon get a fabulous location that provided better service and allowed them to add more service. He also hoped that negotiations would result in Verizon contributing to the Friends to reimburse them for the money spent on this issue. The Friends are beginning to research ways to integrate cell phone applications that would give guests an oral history of the Column. They will try to increase weekend sales by selling merchandise out of the tent. The master plan suggests better restrooms and a covered picnic area be considered. Tiles are sinking into the sand and will need to be repaired. The Friends have allocated about \$50,000 for the initial phase of repairing the medallions. They estimate the total cost will be about \$600,000, so they have discussed starting a fundraising campaign in the fall.

Councilor Mellin said the restrooms at the Columns are the only restrooms in town that have not been vandalized. It is important to have caretakers at the Column. One morning, she saw a man at the Column with an aerial camera that was flying around the Column. The video showed damage on the medallions up close. The video has been published on the Parks Department's website. She has also been reading some great stories about the Column. Mr. Schnitzer noted that the stories are the reason the phone application would be a great investment.

Councilor Warr said has worked professionally with the Friends for over 20 years. It is astounding what the Friends have been able to accomplish for the community. He appreciated what the Friends have done and what they continue to do.

Councilor LaMear said she loves the Column and believes it is such a special place in Astoria. All of the Friends efforts have made the Column a top notch site.

Councilor Herzig suggested that the Friends develop an application showing people where the Column is because people are unable to find the Column with global positioning systems (GPS).

Director Cosby confirmed for Mayor Van Dusen that the Parks Board would review the Memorandum of Understanding at their July 2014 meeting.

Mayor Van Dusen explained that Astoria's Sister City relationship with Waldorf, Germany began right after World War II when Astoria's Mayor was Jewish, which was a historic event. Waldorf named one of their city streets after the Jewish Mayor, Harry Steinbach. This is the oldest Sister City relationship between World War II enemies. During the mid-1990s, when the Column was being restored, Germany awarded Friends of the Astoria Column President Jordan Schnitzer, who is Jewish, the Freedom Award, which is the highest award that Germany can give to a civilian. It is important this story is told and Mr. Schnitzer deserved this award.

Mr. Schnitzer said he had dinner in London with Lord Astor and his family, who talked about coming back to Astoria. They sent their best wishes to Mayor Van Dusen, the City Council, and the community.

Item 5(b): Friends of the Astoria Armory Progress Report

Sean Fitzpatrick, 1046 Grand Avenue, Astoria, stated the Friends of the Astoria Armory is a new group. He hoped that in 26 years he could present the mayor with a report of the many millions of dollars raised and many wonderful things done at the Astoria Armory. He thanked the Mayor and City Council for their efforts in allowing the Friends to get into the Armory. City Staff and many community members have also helped. Many people in the community have thanked the Friends for what they are doing. He reported on progress the Friends have made to date via PowerPoint with these comments:

- In May, a few weeks before receiving permission to enter the building, the Friends conducted a walkthrough with Chief Curzon, Chief Ames, Jack Applegate, and Tad Peterson, who represented the State Fire Marshall. The walkthrough generated a list of things that had to be completed before the opening. On June 6, 2014, at 6:00 pm, he was given the keys to the building. On June 8, 2014, at 10:00 am, people began roller skating in the building and a large group of volunteers were cleaning and painting.
- He showed before and after pictures of the interior of the building, describing the details of the clean-up and the improvements made. Approximately 50 people, most of whom were volunteers, worked on the building more than 20 days, putting in over 1,000 hours of time into the clean-up work. Most of the volunteers were people associated with the Friends of the Armory, the Shanghaied RollerDolls, and the Moose Lodge. The Walter E. Nelson Company, City Lumber, and Tony Bogh Electric donated several thousand dollars worth of materials, in addition to labor. He did not have time to list everyone who helped, but noted Greg Newenhoff, Bob Borke, and Robin Coustic, who were present virtually every waking hour over those 20 days. Rickenbach Construction and All Metals Fabrication gave a generous break on their costs and made the armory a top priority. Blocked doorways were unblocked and new doors were installed. This was costly, but the job was completed in a very short amount of time. The cost of opening the armory exceeded \$35,000, most of which was spent on the doors and metal staircase installed on the northeast side of the building. The Friends are still trying to figure out how to pay for this.
- On June 28, 2014, the armory event opened. The online tickets sold out at noon on Friday, June 27, but the Friends stopped selling tickets online at noon, so they would still have tickets to sell at the door on Saturday.

They began selling tickets at the door at 3:00 pm on Saturday and were sold out in five minutes. The line for tickets extended down the block. Between 200 and 250 people were turned away, but were invited to return for the community skate. There were 500 people in the building during the Roller Dolls event and it was great to have the bleachers packed. He showed pictures of the Roller Dolls during the event. At halftime, there was an indoor soccer demonstration, which received a great response. The soccer players loved the building because it was the perfect size for the sport and the spectators enjoyed the bird's eye view. Because the field is smaller than a regulation field, the spectators get to see more activity as the ball is not in the air as often. The players say indoor soccer requires more technique when playing in a small area. After halftime, the Shanghaied Roller Dolls went on to win their second event, due in large part to being motivated now that they have a home and this was their home game. After the bout, most of the audience left and many more people came to skate. It was emotionally gratifying to see individuals, couples, and parents with children out on the floor skating. The Friends believe the event was a success. They have held two open skate nights since that first event and an open house was on July 4, 2014 to allow people to see the building. Upcoming events include a free concert by the Columbia River Symphony on August 2, 2014, a dodge ball tournament, and another roller derby event in August. Once confirmed, the Friends will share more concert and event dates on their Facebook page. He was not able to mention many names or details, but wanted to make sure that everyone knew how much the Friends appreciated the community involvement. He thanked Director Cosby for donating the use of the Astoria Recreation Center's skates.

Bruce Jones, 455 45th Street, Astoria, said the number of volunteers in the community was amazing. Cleaning up the building in 20 days was phenomenal. He reiterated how much the Friends appreciated the support from the City, the Police and Fire Chiefs, and all of the others who helped the Friends get a permit to operate the facility at the end of June. Watching people line up to get tickets was exciting. Seeing the disappointment of those who did not get in was the best validation of all of their work. People wanted to be there and recognized that the Armory is a great venue for entertainment, sports, community events, and classes. The potential of the Armory is unlimited and it can be something that all of the citizens in Astoria and the greater area can take advantage of. He and Mr. Fitzpatrick would like to honor the heritage of the facility as an armory. It opened in 1942 as a place where service men and women from the National Guard, Navy, Coast Guard, and other military could go for entertainment and professional meetings. Given the large numbers of National Guardsmen, Coast Guardsmen in Oregon and in the Astoria area, as well as the CSO, the Friends are looking forward to reaching out to the veteran's organizations to bring veterans back to Astoria within the next year. He would like to invite veterans who served in Astoria during the war and later to come back to Astoria. The 75th anniversary of the armory will be in 2017 and there are many things the Friends can do to celebrate that.

Councilor Mellin said when she was young, her high school basketball team played at the armory. She saw the Harlem Globe Trotters at the armory in the mid-1950s. When she walked into the roller dolls event, the armory had the same feeling; her heart was pounding and there was excitement in the air. She thanked the Friends for hosting an incredible event.

Councilor Herzig thanked the Friends for their vision and leadership. Last year, City Council had a great deal of uncertainty about this project and someone had said they were making a terrible mistake. He believed this person has been proven wrong and was so glad that the armory is becoming a community center filled with history and culture.

Mr. Fitzpatrick said the last few days, the Friends were stressed out trying to get things ready. The alarm system had been dismantled a few days before the event. It should have taken two weeks to fix the alarm, but he was able to get it fixed in a much shorter time. He said Chief Ames was nice enough to offer his assistance after hours on Friday and came in Saturday morning on his own time to go through the alarm system with him. Had the alarm not worked properly, Chief Ames had volunteers ready to do a fire watch. He really appreciated Chief Ames working so closely with the Friends on the alarm issue.

Councilor LaMear said she did not have a clue what was going on during the roller derby, but she was caught up in the excitement. She had great fun.

Mayor Van Dusen displayed a print made by Noel Thomas which will be used as the poster for the Regatta. Copies of the print can be purchased for \$60.

Item 5(c): Senior Center Project Update

In April 2013, the City of Astoria received a \$1.5 million Community Development Block Grant (CDBG) to renovate the Astoria Senior Center. As described in the memo regarding this item, due to the requirements of the CDBG grant, the process took longer than expected. The City's Construction Manager Al Jacques and Project Architect Scott Edwards and Associates have expressed concerns with going out to bid this summer; therefore, it is recommended that the Senior Center Project not be put out to bid until December 2014. The Senior Center Board supports this suggestion. Mr. Jacques and Senior Center Executive Director Larry Miller will be in attendance at the July 7th meeting to further address this issue.

City Manager Pro Tem Estes briefly reviewed details of the Senior Center renovation contained in the Staff report. Waiting until December 2014 to put the Senior Center Project out to bid would result in a completion date of August 2015.

Al Jacques, 639 Harrison Avenue, Astoria, explained that if the project went out for bids in June 2014, bid coverage could be minimal because all of the general contractors and subcontractors, both here in the local area and in Portland, are extremely busy and would likely bid high. This is a concern because there are limited funds for this project. The other concern is that by the time the bid process is complete, a notice to proceed would be given to the contractor in September 2014. Serious issues on the exterior of the building need to be addressed, like a new roof, seismic upgrades to the roof structure, complete recoating of the exterior of the building, mitigation of water issue in the basement, and a new ramp. Starting the project in September is not ideal because the weather gets rainy in October. The contractor would have to spend a lot of money on weather protection and this project cannot afford the extra expense. In December 2014, the bidders will be looking for projects. The project could start in March or April 2015 and be completed in August 2015. This was the original schedule before delays from the environmental review survey.

City Manager Pro Tem Estes requested that City Council to make a motion to support delaying taking the project out to bid until December 2014.

Larry Miller, Chair, Senior Center Board, 1111 Exchange Street, Astoria, said Mr. Jacques and City Manager Pro Tem Estes met with the Astoria Senior Board in June and spent about an hour discussing the benefits of delaying the bid process. The Senior Center Board supports the decision to postpone taking bids until December 2014. The board is disappointed by the delays, but they want to get the best for their money. Therefore, they support the decision to delay taking bids.

Councilor Herzig believed it was incorrect to say the Senior Center Board recommended the delay; they accepted the recommendation of City Staff. City Staff recommended the delay to the Senior Center Board and the Senior Board accepted it because they knew it was the best choice. He attended the membership meeting where the same thing occurred. The membership accepted the recommendation because it was the only way forward. The Senior Center would not have made the recommendation on their own initiative. He stated for full disclosure that he is a member of the Senior Center. The Parks and Recreation Department is moving into the Yacht Club and the Senior Center, by displacement, will be losing revenue and membership for another year. He suggested that Parks and Recreation look into assuming the utilities for the entire operation until the Senior Center is able to move out. The Senior Center is currently paying their own utility bill, but when the building is shared, he was unsure how the use of utilities would be portioned out. The Senior Center will only lose more revenue and membership with this delay. He would vote in favor of the delay because it was the only way to move forward.

Councilor Mellin said the Senior Center seemed to comfortable where it is and could get used to waiting a little longer. She believed the Senior Center had plenty of room. Mr. Miller agreed there was enough room and the Senior Center was making it work. They are looking forward to what will happen in the new building, so they will be patient.

City Council Action: Motion by Councilor Mellin, seconded by Councilor Warr, to delay putting the Astoria Senior Center Renovation Project out to bid until December 2014. Motion passed unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Mayor Van Dusen noted Mr. Jacques waited an hour and twenty minutes to make a five minute presentation, which likely saved hundreds of thousands of dollars. Mr. Jacques works with contractors and knows what the bid will be. Going out for bids when the contractors are not looking for work could really hurt the project. He complimented Mr. Jacques for taking five minutes to relay an important piece of information to help the City.

Item 5(d): Property Sale Commissions

This Item was added to the Agenda during Item 4: Changes to the Agenda.

Mayor Van Dusen explained that Shel Cantor, who was in the audience, had previously presented some questions about the sale of City owned properties. Mr. Cantor's questions would be addressed later in the meeting, if the following presentation did not answer all of his questions.

Director Cook stated the original contract stated a commission of six percent would be paid for real estate services. After the contract was signed and enforced, Area Properties requested in an email to Mike Morgan that a \$1,000 minimum commission be applied. Some of the properties were very small in size. These small properties would require the same amount of marketing, paperwork, and processing as larger parcels, but the purchase prices were very low. A six percent commission on these smaller properties would not cover Area Properties' expenses. This request for a \$1,000 minimum was not brought to senior management, but was implemented. Once the change in the contract was discovered, Staff discussed the validity of the request and how to contractually validate the commission charges in excess of six percent on some of the smaller properties. At the next City Council meeting, Staff will recommend a contract amendment authorizing the extra expenditures. All of the properties that have been sold to date, including some of the properties under the \$1,000 minimum, had an overall commission rate of 7.6 percent. Area Properties was the only real estate firm to respond to the City's initial Request for Proposals (RFPs) and they responded with a six percent commission. An independent realtor at Windemere advised the City that many real estate firms charge a 10 percent commission on land sales, but the average is currently seven to eight percent.

Mayor Van Dusen understood that only one real estate company put in a bid after City Council approved the goal to sell property. The bid was for a six percent commission. When Area Properties saw the smaller parcels on the list of properties for sale, the company contacted Mike Morgan to say they would charge a \$1,000 minimum. The contract did not reflect a \$1,000 minimum, only the six percent commission, which he learned from Mr. Cantor. If a property sold for \$4,000, the \$1,000 minimum would be a 25 percent increase. He understood that Staff believes this should have been included in the contract and will present a revised contract to reflect that the City will honor Mike Morgan's commitment of a \$1,000 minimum. Director Cook confirmed that Mayor Van Dusen's understanding of the situation was correct, but noted Staff would be presenting a contract amendment, not a revised contract.

CONSENT CALENDAR:

The following items were presented on the Consent Calendar:

- 6(a) City Council Minutes of 6/2/14
- 6(b) Boards and Commission Minutes
 - (1) Historic Landmarks Commission Meeting of 5/20/14
 - (2) Library Board Meeting of 5/27/14
 - (3) Planning Commission Meeting of 5/27/14

6(c) 2014-2015 Coastal Zone Management Planning Assistance Grant (Community Development)

- 6(d) Resolution Designating Authorized Signers for the City of Astoria (City Manager)

Councilor Herzig requested Item 6(c): 2014-2015 Coastal Zone Management Planning Assistance Grant (Community Development) be removed for further discussion.

City Council Action: Motion made by Councilor LaMear, seconded by Councilor Herzig, to approve Items 6(a), (b), and (d) on the Consent Calendar. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

Item 6(c): 2014-2015 Coastal Zone Management Planning Assistance Grant (Community Development)

Councilor Herzig confirmed that Planner Johnson would be the designated coastal specialist required by the grant. He stated that local land use decisions have been on the front burner lately and the City certainly needs someone who is willing to be a coastal specialist for this grant. He thanked City Manager Pro Tem Estes for the clarification.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor LaMear, to approve Item 6(c) on the Consent Calendar. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin, and Mayor Van Dusen; Nays: None.

REGULAR AGENDA ITEMS

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

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 meetings of February 18, 2014, April 7, 2014, April 21, 2014, and May 5, 2014. In addition, an article reviewing the goals was published in the February 18, 2014 edition of *The Daily Astorian*. The final draft of the goals was posted on the City's website in advance of the May 5, 2014 Council meeting, and to date, no comments or suggestions for modifications or additions to the goals have been received from the public. It would be in order for the Council to consider adopting the draft list as the official City Council goals for Fiscal Year 2014-2015.

Councilor Herzig said that after adopting last year's goals, it seemed there was no way to revisit or amend the goals. Some of the goals were very problematic and he did not feel comfortable adopting this list of goals unless City Council can revisit any goal that may turn out to be problematic during implementation. He supported the goals, but wanted to ensure a means of revisiting goals before the fiscal year ends.

Councilor Warr asked how the goals would be revised.

Mayor Van Dusen believed the revision process would be the same as any other issue. A Councilor could add discussion of a goal to the agenda, and then City Council could vote to modify or remove the goal.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor Mellin, to adopt the draft list as the official City Council goals for Fiscal Year 2014-2015 with the proviso that City Council be allowed revisit and amend any of the goals at any time. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 7(b): Ordinance Adopting Building Code Operational Plan (2nd Reading and Adoption) (Community Development)

On March 24, 2014, the City Council adopted revised Building Inspection Program fees for the City of Astoria. The new fees were effective May 1, 2014. Oregon Administrative Rules require that municipalities update their Operational Plans following adoption of a new building inspection program fee schedule. The Operational Plan for the Building Inspection Division is required by the State Building Codes Agency to address the day-to-day operations of the building inspection program. The attached draft Operation Plan reflects the program as it is currently conducted with recent updates in items such as hours of operation, reference to the City web site, etc. At its meeting on June 16, 2014, the City Council conducted a first reading of the ordinance. It is recommended that the City Council conduct a second reading and adopt the proposed ordinance for the Operational Plan.

City Council Action: Motion made by Councilor Warr, seconded by Councilor Mellin to conduct a second reading of the proposed ordinance for the Operational Plan. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Director Cosby conducted the second reading of the proposed ordinance for the Operational Plan.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor LaMear to adopt the proposed ordinance for the Operational Plan. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 7(c): Public Hearing for the Sale of City Property Located in the 900 Block of 36th Street (Public Works)

A sales offer for a parcel of City owned property located in the 900 Block of 36th Street has been received from Brian K. Woosley and Donna L. Tavares who own property at 3609 Irving Avenue and Bernard Wood at 3629 Irving. The offer for the property is \$2000 each from Woosley/Tavares and Wood. The original asking price was \$4000 for the entire parcel. The lot consists of a 50 foot by 200 foot parcel that extends east-west behind four residences that front on Irving Street. The owners of two properties, Woosley/Tavares (tax lot 8300) and Mr. Wood (whose property is located east of the Woosley/Tavares property, tax lot 8400) have their only vehicular access across the City lot. The two owners of tax lots 8500 and 8600 have access from Irving Street. Under the proposed sales agreement, the City would sell separate 50' x 50' parcels to Woosley/Tavares and to Mr. Wood. A lot line adjustment would be done so that these parcels would be added to the respective lots. A survey is being done to identify the new lots and the easement across tax lot 8300 to tax lot 8400. The City would continue to own the remaining 50' x 100' lot behind tax lots 8500 and 8600. The property owners of tax lots 8500 and 8600 expressed no interest in owning the lot or a portion of the lot at this time. At their June 16, 2014 meeting, the City Council acted to schedule a public hearing on the proposed sale for the next Council meeting on July 7, 2014. It is recommended that the City Council conduct the public hearing and if deemed appropriate, approve the sale of City property located in the 900 Block of 36th Street.

Mayor Van Dusen asked if it was acceptable for the City to change the terms of the sale after the public hearing had been advertised. He was concerned that people saw the advertisement and had a perception of what would happen, but now the price is half of what it was. City Attorney Henningsgaard replied the City is only required to advertise its intention to sell a piece of property and allow the public to speak. It is City Council's decision what part of the property to sell and what price to sell the property for.

City Council consented that the public hearing should be opened. Mayor Van Dusen called for questions or comments from Councilors.

Councilor Herzig asked if Mr. Woosley would have been charged surveying costs, had he purchased the entire parcel. City Manager Pro Tem Estes answered no, because no survey would have been required.

Councilor Herzig said the potential buyers are bearing the costs of surveying because the City chose to sell the parcel as one lot. The buyers would not have had to bear these costs if the City had sold the parcel as individual lots. City Manager Pro Tem Estes confirmed the City could not have sold the parcel for four individual lots without a survey.

Councilor Herzig reiterated that if the City had decided to sell four individual lots, the City would have done the survey. City Manager Pro Tem Estes replied that City Council would have needed to make that determination.

Mayor Van Dusen opened the public hearing at 8:42 pm and called for anyone wanting to speak about the sale of property located in the 900 Block of 36th Street to come forward.

George McCartin, 490 Franklin Avenue, Astoria, said he hoped the City had reached the end of a poorly executed plan. This last property sale is the perfect book end for all of the sales because it demonstrates once again the disregard for the fiduciary duties to the people of this city. These sales began with the sale of the only property with a house on it, located in Councilor Herzig's neighborhood. The City bought the property for \$125,000 and sold it for \$50,000. According to Zillow, similar properties in that area were selling at that time for between \$85,000 and \$150,000. Bargain sales of the people's properties continued thereafter. Some citizens organized themselves and questioned the entire project, demanding full disclosure of the transactions, maps and charts that had not been provided in the beginning. People asked to be better informed through the distribution of information outside of the internet. Information was made available at the library and a notice was included in water bills. People also demanded a town meeting. Little by little, the group opposing the sales grew larger and expressed their opposition to the program. It became clear that with one exception, City Council was hell-bent on continuing the sales. A number of citizens asked for assurance that purchasers of the empty lots would not be

allowed to sell them for development. Apparently, this was not considered feasible. Ironically, on the evening he suggested restrictive covenants be added to the deeds, buyers of the property that was sold that night said the covenants were a good idea. The buyers indicated they would have agreed to a restrictive covenant to preserve the property from development in perpetuity. As opposition grew, City Council did nothing but dismiss efforts. One Council member had stated he/she just did not understand. Mayor Van Dusen had said there would always be a small number of people who opposed whatever City Council did. The current property being considered for sale is a bit more complex than any of the others. It would be beneficial to view the property when making a decision. He asked if any of the Councilors visited the property. He presented photographs of 3629 and 3609 Irving Street to Mayor Van Dusen and gave a detailed description of each picture. The carport at 3609 Irving did not match the color or architecture of the house. There is also a garage that had been added on to the house. Without a survey, he had to assume that both structures were already at least partially on privately owned property. He was surprised, but not shocked, that the City has now accepted less than their asking price. The property owners essentially took the city owned property and have been using it for garages and driveways. He did not know how long this had been going on. Opposing this sale so late in the process and requiring the adjacent property owners to move their structures would allow the City to sell the property to someone who may want to build on it. The property has some nice views. Legally, the adjacent property owners have taken adverse possession, but would have to pay a lawyer to succeed with their adverse possession. This would cost more than what the City is accepting for the property. The City could at least make the buyers pay for the easement and adverse possession. He recommended an chronological accounting of the sales be made that included the asking price, sale price, commissions paid, hours of Staff time, and consultant's costs. The chart could be posted on City Council's webpage, sent via email to people who receive the Agenda, made available at the library, and referenced in the water bill. He thanked City Council for allowing him to repeatedly harass them.

Bernard Wood, 3629 Irving Avenue, Astoria, said his garage is not on City property, it is on his own land. The carport next door was put up by Linda Dygert, two owners ago, and is on private property now owned by Brian Woosley. Neither structure sits on City property. On Friday, June 27, 2014, he received the letter announcing the public hearing, which included the initial bid by Mr. Woosley to purchase the four lots. When he called Planner Johnson, people in the planning office were not aware of what the letter said. He felt embarrassed for those who were not in the loop. This past weekend, he discovered that the City website indicated he had made a bid for \$2000 for land he believed was valued at \$1000. However, he had made no such bid. Prior to the meeting, Director Cook updated him. No one seems to know the exact boundaries of the land behind his house and garage. One of the reasons he wanted to buy the land was because he had been using land that he does not own. Outside of the wire fence around his backyard, he has been mowing and cutting the blackberries back on the City's property for 10 years. Until the City installed a new drain basin last year, he had been putting down crushed rock, which he paid for. When the rock was delivered, it was left in a big pile behind his garage. He distributed the rock from the back of his garage down to Irving Avenue with a wheelbarrow and a shovel. He was not crazy about spending money he does not have to purchase this property, but it is the right thing to do. His late wife wanted him to purchase the property and he wants to honor her memory by buying it. He wants to cooperate with Mr. Woosley, who is a fine neighbor. He wants to feel certain that when he backs his car out of his garage on his land, he is still on his own property. He would like to get the process over with.

Brian Woosley, 3609 Irving Avenue, Astoria, stated his garage was permitted and built two owners before he purchased his house. He intended to paint the entire house next spring to make the property cohesive. He has not encroached on City property at all. His wife attempted to speak with Mr. McCartin earlier that day to discuss some of his concerns. However, Mr. McCartin ignored his wife when he was taking photographs of their property. It irritated him a little bit to have someone snooping around taking pictures. He wanted to clean up the property that is for sale. Selling the property will be better for the City because it will result in increased taxes.

Donna Tavares, 3609 Irving Avenue, Astoria, said the land adjacent to her property is not useful land and cannot be built on because it is used for water drainage. She just wants to take care of the land.

Doris Queener, 4940 Cedar Street, # 2A, Astoria, said this is something the City has set up and is trying to wind down. The City has said it would sell two pieces of property for \$1000 a piece. She wanted to know if the realty company would also receive \$1000 for each piece of property. City Manager Pro Tem Estes explained that the commission would be a total of \$1000 for the entire property sale, \$500 for each piece. He confirmed for Ms. Queener that the City would be selling the property for \$2000 and paying a \$1000 commission. Ms. Queener said the commission sounded a little bit high.

Chris Farrar, 3023 Harrison Avenue, Astoria, questioned how many square feet the lot was. The City is essentially getting \$1000 from this sale. He wondered if any of the Councilors were proud of the sale, noting that some of the Councilors were business people. This is ridiculous and this is why the property sale scheme is foolhardy and embarrassing for the City. He supported giving the adjacent property owners access to their properties. People in similar situations should be able to come forward to present ideas to City Council to allow proper access to their property. The potential buyers are a bit inflated by suggesting that they have been cutting blackberries and putting gravel down because everyone does that kind of work. You have to mow your property. No one has done a survey, so claiming that none of the buildings are on City property is really unknown until a survey has been done. However, he still supported the adjacent property owners purchasing the property. He urged City Council to think about the value of the property and the best way to use the property. Sometimes the best use of a property is to allow access through it, but do not involve Area Properties and pay them \$1000. Just give the adjacent property owners the property because this is more fair and will take less time. The adjacent property owners need access to their properties and he supports giving them a small strip of City land for free without paying a realty company any more money.

Jack Waterfield, 3586 Irving Avenue, Astoria, said the property for sale is delicate and should not be sold to be developed as residential property. He has heard comments supporting and opposing the sale. He supported the sale, regardless of the amount, but the property should not be allowed to have a house built on it. The property is a slide area anyway and should not be an individual lot sold for a house.

Mayor Van Dusen closed the public hearing at 9:06 pm and called for Council discussion and deliberation.

Councilor Herzig said the City reduced the price of a property previously sold to Mr. Cahill because Mr. Cahill had put money into the property prior to purchasing it. He believed Mr. Woosley, Ms. Tavares, and Mr. Wood have maintained this property and purchased gravel, among other things. This sale is a nightmare as it has been ongoing for about 10 months. Mr. Wood was one of the first people to bring this issue to the City's attention when the first letters were sent out. He would like to see this resolved, but did not want to see it resolved at the buyers' expense for the City's lack of preparation and foresight. It is a shame to make the buyers pay for the survey. The buyers were just informed of this proposal in the last 24 hours. This is not the way the City should do business with its citizens. He confirmed that he was in favor of the sale.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor Warr to approve the sale of City property located in the 900 Block of 36th Street to Brian K. Woosley, Donna L. Tavares, and Bernard Wood for \$2000.

Councilor Herzig stated the price has not been settled yet, asking if it was \$2000 per lot or \$1000 per lot plus survey costs. The City does not have a clear figure on the survey costs and he did not believe a survey would cost \$2000 total. He was not happy with the pricing and did not believe the City could sell the property until it has been determined who would pay for the survey and exactly how much the survey would cost. City Manager Pro Tem Estes clarified that the proposed price is a total of \$2000, \$1000 for Woosley/Tavares and \$1000 for Mr. Wood. Staff has proposed that the buyers would pay for the survey.

Councilor Warr confirmed he understood the proposal correctly when he seconded the motion.

Motion carried 4 to 1. Ayes: Councilors LaMear, Warr, Mellin and Mayor Van Dusen; Nays: Councilor Herzig.

Item 7(d): CSO Program Hydraulic/Hydrologic Modeling Support Services – Approve IFA Grant (Public Works)

An essential tool for the success of the combined sewer overflow (CSO) program is the computerized hydrologic and hydraulic model that is used to delineate and scope each CSO project. These services have been provided by HOR for the past two years and are estimated to cost \$220,000 for the next two years. The annual contract renewal with HOR is included in the current Council packet as a separate agenda item. The Oregon Infrastructure Finance Authority (IFA) has awarded the City a \$20,000 technical assistance grant to cover a portion of the cost for these services. The CSO Fund will be utilized to pay the balance. City Attorney Henningsgaard has reviewed the contract and approved as to form. It is recommended that Council authorize the IFA Financing Contract for a technical assistance grant in the amount of \$20,000 for the CSO Program Hydraulic/Hydrologic Modeling Support Services.

Director Cook noted that Councilor Warr had left the room.

Mayor Van Dusen called for a five minute recess at 9:10 pm and reconvened the Council meeting reconvened at 9:20 pm.

City Council Action: Motion made by Councilor LaMear, seconded by Councilor Herzig to authorize the IFA Financing Contract for a technical assistance grant in the amount of \$20,000 for the CSO Program Hydraulic/Hydrologic Modeling Support Services. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 7(e): CSO Program Hydraulic/Hydrologic Modeling Support – Contract for Professional Services (Public Works)

As stated in the prior agenda item, an essential tool for the success of the combined sewer overflow (CSO) program is the computerized hydrologic and hydraulic model that is used to delineate and scope each CSO project. Ongoing maintenance and calibration must be performed on the model so that it closely replicates actual conditions in the field and gives the City the most accurate data for the design of future CSO projects. This work is accomplished by a specialized CSO modeling engineer. In April 2012, Council authorized a contract for CSO Modeling Support Services to HOR with the option of annual renewal to perform the work. This contract was then renewed in June 2013. During the past year, HOR has provided a scope of work and estimated budget of \$110,614 for July 2014 through July 2015. The scope of services includes continued model updates, further development of Phase 4 preliminary project scopes, processing data, and monthly reporting for DEQ requirements. Staff has reviewed the scope and fee and has found the proposal to be appropriate and reasonable. Funds for this work are available through the CSO Fund and from a \$20,000 technical grant from the Infrastructure Finance Authority. It is recommended that City Council renew the contract for CSO Modeling Support Services with HOR for a total not to exceed \$110,614.

City Council Action: Motion made by Councilor Mellin, seconded by Councilor Warr to renew the contract for CSO Modeling Support Services with HOR for a total not to exceed \$110,614. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Mayor Van Dusen requested an update on the success of the CSO project to date.

Cindy Moore, City Support Engineer, explained that when a project is complete and the City is satisfying its criteria to Department of Environmental Quality (DEQ), monitors are installed at each outfall location. Reports are sent to DEQ monthly. Although a few tweaks are being worked out, the City has been successful at controlling the outfalls.

Mayor Van Dusen noted that the citizens are paying so much on their water bills and the streets are being dug up. Everyone understands the big picture and does not want raw sewage going into the river, but he believed the citizens would like to see more data showing how well the system is working.

Ms. Moore said Staff would plan to provide a more elaborate update.

Item 7(f): Preauthorization for Purchase of Front End Loader (Public Works)

The Public Works Department currently uses a 1982 Clark Michigan front end loader, which is primarily used to load dump trucks with gravel and other backfill material and to move large amounts of material. Clark Michigan has not been in business for 20 years and parts have to be made or retrofitted from some other piece of equipment. The loader has had over 5,600 hours of use and will need approximately \$18,000 worth of repair work to make it safe and usable. The estimated re-sale value of this loader is \$5,000. There are two venues to purchase used front end loaders; either public auction or equipment dealers. If staff uses the public auction method, they will need a purchase order in hand at the time of auction. If a loader is found through an equipment dealer, it may be difficult for the dealer to hold the loader until the purchase is authorized; therefore, staff is proposing preauthorization for purchase of a front end loader. Once a loader has been purchased, staff will report back to Council with the specifications of the equipment, as well as the price paid. It is recommended that

Council approve the preauthorization for purchase of a used front end loader for a price not to exceed the budgeted amount of \$115,000 in the Public Works Improvement Fund.

City Manager Pro Tem Estes confirmed for Mayor Van Dusen that this purchase was approved during the budget process.

Councilor Mellin asked why Staff planned to buy a used loader rather than a new one and wanted to know what the difference in price would be. Director Cook said many contractors will use equipment for a specific project, and then the equipment becomes excess. Therefore, used heavy machinery is of good value. If City Council approves this request, Staff would document where they shopped, the range of equipment available, and how they made the decision to purchase a specific loader. A brand new loader would cost between \$150,000 and \$160,000. Staff is considering a loader that is two or three years old.

Councilor Herzig asked if this purchase would reduce the funds available for the purchase of a fire engine, which the City needs. Director Cook explained that the two purchases would be made from different funds. The General Fund is separate from the Enterprise Fund of Public Works.

Mayor Van Dusen added that purchasing used equipment is a good move for the City because Public Works Staff in the shops maintain the vehicles very well. For some municipalities, it would not be a good idea to buy used equipment, but he has great confidence in Public Works Staff. Director Cook thanked Mayor Van Dusen for recognizing this. The City has extremely talented mechanics that do more than just repair work; they also do fabrication of all kinds of specialized parts and equipment that make the sewer and water system run. Staff is definitely an asset. Mayor Van Dusen said the City has a dump truck for the slow sand filter. The dump truck was modified with large tires. Other municipalities have copied this work by Astoria's Staff.

City Council Action: Motion made by Councilor Warr, seconded by Councilor LaMear to approve the preauthorization for purchase of a used front end loader for a price not to exceed the budgeted amount of \$115,000 in the Public Works Improvement Fund. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

Item 7(g): 11th Street CSO Separation Project – Authorize Pay Adjustment No. 7 (Public Works)

The 11th Street Combined Sewer Overflow (CSO) Separation project primarily consisted of installing over 10,000 linear feet of new storm water pipe. In certain instances, existing water and sanitary sewer pipes were replaced where construction of the new storm pipe compromised the integrity of the existing infrastructure. Due to the extent of utility replacement work along 8th Street, the entire roadway from Commercial to Niagara, was rebuilt from curb to curb and most of the sidewalk was replaced. Pay adjustment No. 7, which is expected to be the final pay adjustment for this project is \$60,898.41, and includes a variety of changes that are itemized below:

A. Inside drop manholes	\$2,123.42
B. Asphalt curbing - miscellaneous locations	\$684.75
C. ADA ramp retaining wall at 8th St and Lexington	\$2,214.90
D. Additional permanent erosion control and handrail on 9th St	\$4,231.55
E. Additional concrete-related work - miscellaneous locations	\$28,000.00
F. 8th St and Franklin intersection reconstruction	\$15,000.00
G. Asphalt embankment stabilization on 8th St - Franklin to Grand	\$2,117.50
H. Asphalt grinding for drainage - miscellaneous locations	\$2,936.56
I. Outside drop manholes	\$1,061.71
J. Credit for missing locate wire	(\$1,000.00)
K. Damaged sewer lateral repair at 11th St and Exchange manhole	\$8,496.31
L. Additional concrete-related work – 12th St/Jerome and 8th St	\$2,455.87
M. Credit for City-contracted landscaping	(\$3,550.40)
N. Credit for City-contracted plumber at 838 Grand (sewer lateral installation)	(\$4,473.76)
O. Driveway repair at 10th St and Irving	\$600.00

Staff recommended, and Council approved, a 15% contingency on this project due to the scope, scale, and potential for encountering unknown conditions during construction. The construction contingency of 15% totals \$857,577. The amount of the change orders to date is \$654,394.11, which is 11.5% of the contingency budget. Tapani crews have been working on final punch list items since substantial completion of construction in December 2013. This work could continue for the next few months. It is recommended that the City Council authorize this pay adjustment for the 11th Street CSO Separation project for \$60,898.41. Funds are available for this project through IFA funding.

Mayor Van Dusen asked for an update on the situation with Century Link. Director Cook said the City has informed Century Link of its claim and City Attorney Henningsgaard has been in contact with their legal department. City Attorney Henningsgaard said he just received a letter earlier that day from Century Link's attorney that says the City is wrong and claims the City caused Century Link more damage to them than they caused the City. He forwarded the letter to Ms. Moore who has not yet had the chance to read it. The letter was very fact specific and he did not know much about the engineering.

Director Cook confirmed for Mayor Van Dusen that the contingency would cover the costs if Astoria loses its argument with Century Link. If the City receives a settlement from Century Link, Staff and City Council would need to discuss what to do with the money, which could be used to pay on the loan.

Mayor Van Dusen explained that the City warned Century Link that the City planned to do this work. Century Link did not get out of the City's way, which delayed the project for two weeks and was very expensive. The City is trying to get Century Link to pay the extra costs of the delay.

Councilor Herzig said some residents in the area had landscaping and yards disrupted. They are still waiting for a full restoration. He asked if approval of the pay adjustment would affect restitution for those residents. Ms. Moore said Staff is working with several residents who had issues with the construction. This pay adjustment would not affect resolution of those issues. Most of the work is included in this pay adjustment and Staff expects this to be the final change order.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor Mellin to authorize Pay Adjustment No. 7 for the 11th Street CSO Separation project for \$60,898.41. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS

Mayor Van Dusen responded to Mr. McCartin's earlier comment about the sale of the property with a house. He explained the City purchased the property for \$125,000 and sold it for \$50,000 because CSO work flooded the house with sewage. The value of the house decreased, so the City paid the owners the value of the house before the accident occurred. The City sold the house for as much as it could get. Director Cook clarified that the house was not flooded with raw sewage. The way the basement water drained to the creek had been altered. The creek bed was raised and water flowed back into the basement.

Mayor Van Dusen appreciated that Mr. Cantor had presented his questions in advance of the meeting, enabling the Council to be prepared.

Shel Cantor, 1189 Jerome, Astoria, said several of the questions he prepared had been addressed, but a couple were still left and he wanted to respond to what has heard. He noted that final closing statements for the first seven city owned properties sold as part of the sales program were obtained via a public records request by Astoria resident Leon Jackson. How can the public access the final closing statements for the rest of the properties sold in this program? City Manager Pro Tem Estes replied that anyone can contact Cindy Maynard in the Public Works Department at City Hall by calling 503-338-5177 and request the documents, which could be picked up at a later time.

City Council agreed that no fee should be charged for requests of documents related to these sales.

Mr. Cantor asked how long it would be before all properties closed, so he could avoid multiple requests. Director Cook believed the property discussed at this meeting would close in about two weeks.

Mr. Cantor confirmed that the six percent with a \$1000 minimum commission schedule had been applied to all of the properties sold through this program to date. He understood that a 50 percent commission would be paid on the property sold at this meeting. The selling price is \$2000 and a commission of \$1000 would be paid. Director Cook clarified the commission would be \$500 for each buyer.

Mr. Cantor understood that Ms. Duey approached Mr. Morgan to say that six percent was too low and she requested a \$1000 minimum. This has not been a normal real estate selling endeavor in several ways. Normally, a real estate selling agent would invest the time and effort to make a sales pitch to each prospective seller for each property with no guarantee of landing the client. In this case, there was only one client, Astoria's City Council, for 37 some odd properties, and once the initial contract was signed back in August 2013, there were no other agents competing to sell the properties. Normally, a real estate selling agent would invest the time and effort to present convincing documentation to justify what the asking price should be. In this case, as he explained in detail at the end of the City Council meeting on May 5, 2014, the cryptic letter from Area Properties with its table of numbers did not meet that standard. Normally, a selling agent would advertise the property at the agent's own expense to find prospective buyers. In this case, that was not needed. Merely mailing letters to adjoining neighbors of the properties hardly compares to the cost of advertising. The letters were so confusing that they engendered a storm of upset residents at the subsequent City Council meeting. Normally, a selling agent would invest the time and effort to arrange mutually acceptable appointments to show the property and often perform the showing of the property to prospective buyers over the course of the listing. In this case, that was not needed. Normally, a selling agent might end up splitting the six percent sales commission with the buyer's agent. In this case, that was not applicable. Normally, the seller and real estate agents sign a legal contract without coercion, including a stipulation in advance regarding how the sales commission will be determined, to which both parties abide. That was done, except for the part about abiding to the contract. Pending seeing the final sales documents, he estimated approximately \$3,168 in overpayments will have been paid relative to what the contract stipulated, which was six percent. This is not considered pocket change to most Astorians. When parties sign a legal contract in good faith, it is required that those parties abide by the terms of that contract. Try turning this around. Suppose the City or Mr. Morgan had approached Ms. Dewey and said despite the six percent commission agreed to in the contract, the City is going to reduce the commission by about \$3,200. Would Ms. Dewey have responded with, 'Sure, we normally do not concern ourselves with abiding with what is written in legal contracts anyway? Let's just change the contract.' He doubted this would have been her response. A floor under the commission undermines the monetary incentive for a real estate agent to work for a better price for the seller. The standard six percent commission incentivizes the agent because the higher the sales price, the higher the commission. However, with a \$1,000 commission, once it becomes clear that a bidder is not going to offer more than \$16,700 for a property, at which point the commission would be \$1000 regardless of how much lower the sale price is, the only remaining monetary incentive for the real estate agent is to get a bid in writing, close the sale, and get the \$1,000. City Council has been what is called in the real estate business a highly motivated seller. No bid was too low despite the pleas from some residents on numerous occasions urging City Council to question whether the agreed to prices accepted in the past were fair for Astorians. Therefore, there is no way to tell how much more the City lost in revenue from underpriced sales as a result of the \$1,000 minimum commission. If this had not been uncovered by a public records request, would City Council still be considering a contract amendment at the next City Council meeting? He noted this was a rhetorical question.

Doris Queener, 4940 Cedar Street, #2A, Astoria, said she presented some questions about the process of hiring a new City Manager at the last City Council meeting. She noted that she is trying to become a more educated citizen and is constantly vigilant about the idea of transparency in city government. Paul Benoit's contract with the City of Piedmont included a large section about conflicts of interests. She hoped that the next City Manager for Astoria would be hired with a contract including such language. Some City employees receive medical benefits paid for by the City after retirement. She was told the budget lists this expense as an \$180,000 long term liability. She believed someone said this benefit applied to 30 employees, but it did not if that was correct. She asked who to contact to find out if this was true.

City Manager Pro Tem Estes said Ms. Queener needed to speak with Financial Analyst Snyder, who he believed was in the hallway. Mayor Van Dusen said the two could speak after the City Council meeting.

Ms. Queener said she appreciated the information.

Jessica Schleif, 731 Alameda, Astoria, said a few weeks earlier, the new Parks and Recreation Grounds Coordinator, Jonah Dart McLean, brought to her attention that Astoria has reinstated the policy of using herbicides. She said Paul Benoit told her Interim Parks and Recreation Director J.P. Moss had used organic methods. She was unsure if this was to save money or because he believed in stewardship to the land. The grounds coordinator had told her that at Smith Point, the City is weeding, spreading Casoron, applying bark mulch, then spreading more Casoron. She wanted to know if this same method was being used in other parks, where kids are playing, and at the ball fields. She believed Director Cosby was doing an awesome job. The Parks and Recreation Department has so much to do with such a small budget. Herbicides are expensive and free bark mulch is a great weed control. Director Cosby said the Parks Department has begun using Casoron, but they are only using it at Smith Point because it is the most challenging location to control weeds. One of the grounds coordinator's tasks over the next few months is to develop a lawn care and weed control plan for all of the turf areas. Use of Casoron may expand to a few more limited sites in the future. The department does not have a set plan, but they are very cautious about where they use Casoron and use it as little as possible.

Ms. Schleif said Director Cosby partially answered her question, noting she was still concerned that there has not been a serious maintenance plan for the parks so far, though things look like they are getting better. Smith Point is one of the hardest places because it has not been weeded or taken care of for a long time. Using carcinogenic chemicals that could stay in the ground for five years are especially dangerous to small children and animals. This does not seem like the right approach without trying other steps, like a maintenance program, mulching, and other things that come with caring for land.

Sue Skinner, 511 Jerome, Astoria, said she was also concerned about Casoron and other herbicides and pesticides being used in the city. She understood that Casoron is banned in Europe and is especially noxious in aquatic situations, which includes Smith Point. Everyone is talking about a cancer center in Astoria and there is a lot of cancer in Astoria, especially among the young people. We need to figure out why and we need to start being responsible about what we are doing. One principle rule is not to use something one is unsure about. Europe is so sure that Casoron is an extremely persistent carcinogen that they banned it in 2010. Casoron should not be used in Astoria. It is cheaper to use free mulch and newspaper than it is to put down Casoron pellets that last forever. The pellets are persistent for at least five years in the environment. She hoped that Staff considered this so that Astoria does not have more cancer than it already has. Casoron is the brand name used in the United States, but there are several other names for the herbicide. Neonicotinoids are very persistent and kill bees; Astoria should not be using these either. She found a young adult crow that had neurotoxin poisoning on the post office lawn last summer. She is not comfortable letting her dogs run around on the lawns in the parks and she certainly would not go barefoot. She believed all types of chemicals were being used in Astoria and she would like to know exactly what was being used because there is a lot of disease in the area.

Mayor Van Dusen agreed that Smith Point was in an aquatic area. He explained that he had chuckled when Ms. Skinner mentioned Smith Point because he was reminded of the time the area flooded. He clarified that he was confirming her comment, not scoffing it.

Mayor Van Dusen called for a brief recess at 9:42 pm and reconvened the City Council meeting at 9:43 pm.

Chris Farrar, 3023 Harrison Avenue, Astoria, said many toxic chemicals are being used in the area, which is part of the reason there are not many salmon. It seems that it would be easy for the City to post notices in the parks when toxic chemicals have been sprayed. Some people would like to be informed about this and some people want to avoid the chemicals, keeping pets and children away from the substances. It would not be difficult to post what chemical was sprayed and when it was sprayed. Then, people could use their own judgment about getting the poison on themselves.

Alana Garner, 486 12th Street, Suite H, Astoria, announced that on Friday, July 4, 2014, the Astoria Downtown Historic District Association (ADHDA) had its 6th annual Riverwalk Community Parade, which had the best turnout yet. She thanked the Astoria Riverfront Trolley for picking up the Transcendental Brass Band at Buoy Beer and dropping them off at the Barbey Center to march with the Kazoo Marching Band along the Riverwalk. On Wednesday, July 23rd, the ADHDA will host a clean up from 5:00 pm to 7:00 pm, focusing on the Astoria Regatta Parade route to get it ready for the parade.

The City Council meeting recessed at 9:45 pm to convene the Astoria Development Commission meeting.

EXECUTIVE SESSION

Immediately following the Astoria Development Commission meeting, the Executive Session was convened at 9:47 pm.

Item 9(a): ORS 192.660(2)(d) – Labor Negotiation Consultations

The regular meeting of the Astoria City Council was reconvened at 9:56 pm.

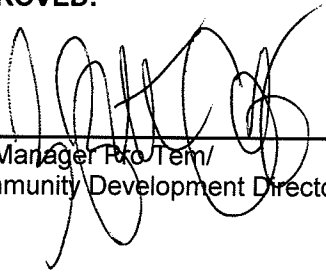
Mayor Van Dusen stated labor transactions with the Public Works Department were discussed during the Executive Session.

City Council Action: Motion made by Councilor Herzig, seconded by Councilor Warr to authorize Mayor Van Dusen and City Manager Pro Tem Estes to sign the contract with the Public Works Employee Group Chauffeurs Teamsters and Helpers Local No. 58. Motion carried unanimously. Ayes: Councilors LaMear, Warr, Herzig, Mellin and Mayor Van Dusen; Nays: None.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:57 pm.

APPROVED:



City Manager Pro Tem/
Community Development Director