

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

Councilors Present: Price, Herzig, Warr, Mayor LaMear

Councilors Excused: Nemlowill

Staff Present: City Manager Estes, Police Chief Johnston, Community Development Director Cronin, Planner Ferber, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, 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 he and Mayor LaMear attended the opening of the new Coast Guard housing development. The houses are gorgeous, with a lot of quality and attention to detail, and they serve as an example to the rest of the country about how to do Coast Guard housing right. Astoria is lucky to have Coast Guard housing. The next day, he also attended the changing of the guard, where Coast Guard Captain Timmons replaced Captain Travers upon retirement. Captain Travers will stay in Astoria, which is another example of how the Coast Guard benefits the community. Retired Captain Bruce Jones stayed in Astoria after his retirement as well and he was happy to report that Mr. Jones would run for City Council to represent Ward 4 during the next election cycle. If elected, Councilor Herzig believed Mr. Jones would be an excellent addition to City Council. The City hosted an emergency preparedness forum, where the community learned that after a major earthquake, Clatsop County and the coast could expect to wait three to five years for fully restored services. Japan had invested in infrastructure in such a way that they were back to 80 percent capacity in a matter of weeks. He did not believe Clatsop County would recover if it took three years for services to be restored. State representatives need to be pressured to start building resilient infrastructure before the event so the area will not be depopulated after running schools and hospitals on generators for three years.

**Item 3(b): Councilor Price** reported her next salonical was scheduled for June 18, 2016 from 2:30 pm to 4:00 pm in the library.

**Item 3(c): Councilor Warr** said on Friday, June 3<sup>rd</sup>, he looked at the window restoration project at Oceanview Cemetery. The students in the preservation class at Clatsop College did a nice job and they are looking for another grant to do more.

**Item 3(d): Mayor LaMear** reported that she attended the ribbon cutting at the Coast Guard housing. The City hosted an open house to discuss options for the library, which was very well attended. She appreciated the Planning Commission for putting the event together. She volunteered at the Citizens Helping Improve Parks (CHIP-in) event at Oceanview Cemetery. Only four volunteers participated and they trimmed weeds. She also attended the mausoleum window replacement presentation. The new window is very impressive and she hoped the students could get more grants to complete the project. She congratulated the Astoria High School Girls Track Team for winning the OSAA 4A Girls Track and Field State Championship. She announced that she and Council President Nemlowill would be absent from the June 20, 2016 City Council meeting. Therefore, Councilor Warr, who has served as Council President in the past, would preside in their absence.

## **CHANGES TO AGENDA**

### **PRESENTATIONS**

**Item 5(a): Cameron Moore, Clatsop County Manager**

Cameron Moore introduced himself as the new Clatsop County Manager and gave background information on his personal life, career, and experiences.

**Item 5(b): Dr. Edward Harvey Historic Preservation Awards**

The City of Astoria Historic Landmarks Commission (HLC) has selected the 2016 recipient for the Dr. Edward Harvey Historic Preservation Award. The award is presented each year to recognize a property owner(s) who have completed exterior restoration or beautification of a building that exemplifies the historical attributes of the building or the architectural heritage of Astoria. This year there is one property owner who will be presented with a certificate in the residential category: Laura A. Rogers for the restoration work that has been done at 3720 Duane Street. A framed certificate will be presented by the Mayor to the recipient at the June 6, 2016 Council meeting.

Mayor LaMear read the history of Dr. Edward Harvey and the details of the Historic Preservation Award. She announced that the 2016 recipient of the award was Laura A. Rogers for the restoration work that has been done at 3720 Duane Street, a historic residential property.

Councilor Warr said a year and a half ago, Ms. Rogers purchased a house he was sure needed to be torn down, but she has done a marvelous job restoring the house.

**Item 5(c): Carbon Credits**

Public Works Director Ken Cook will be introducing Sean Penrith, Executive Director of the Climate Trust, who will be presenting the City with a ceremonial check in the amount of \$1,028,000 for the first of two purchases of carbon credits in the City's watershed. This money has already been deposited in the City's Capital Improvement Fund. In May of 2017, there will be another \$1,028,000 deposited with the City to complete the purchase of carbon credits. Ken Cook will also be introducing the City's consultant team, Mike Barnes, City Forester, and David Ford, Carbon Forester.

Director Cook said earlier that week, the City received its first \$1,028,750 payment for carbon credits from Astoria's watershed. The second payment for the same amount would be received in 12 months. The project has been difficult and detailed, but Staff has completed an inventory of the forest and certified that the inventory was done properly. He introduced and thanked the City's consultant team, City Forester Mike Barnes and Carbon Forester David Ford.

Sean Penrith, Executive Director, Climate Trust, Portland, briefly noted the history of carbon emission standards in Oregon and explained how the Climate Trust helped utilities comply with the law by investing money in carbon reduction projects. The City of Astoria Bear Creek Project was the Climate Trust's first forestry project based in the State of Oregon. He thanked City Staff and the consultants for helping to complete the project. He presented some nationwide statistics on forest losses from development and explained how carbon credits prevent increases in greenhouse gasses. He listed the benefits of the carbon credit program, which included environmental, financial, and economic benefits. Astoria understands the value of the watershed. The Bear Creek project is innovative and he hoped it would inspire other municipalities to do something similar.

Councilor Herzig believed designating the City of Astoria as a Climate Trust City would be good marketing for both the City and Climate Trust. Mr. Penrith said the Climate Trust does not have any official designation program. However, the idea will be discussed because they are very proud of all of the projects they have invested in. The projects are not just carbon projects to the Climate Trust; they are human projects that represent things like clean water and habitat preservation. The Climate Trust goes out of its way to create important stories that inspire others to do similar projects.

Mayor LaMear thanked the Climate Trust, Staff, and the consultants for working so hard on the project. The City of Astoria, the environment, and the Climate Trust are all winners in this project.

**CONSENT CALENDAR**

The following items were presented on the Consent Calendar:

- 6(a) Boards and Commission Minutes
  - (1) Historic Landmarks Commission Meeting of 4/19/16
  - (2) Library Board Meeting of 4/26/16
  - (3) Planning Commission Meeting of 4/26/16

- (4) Planning Commission Work Session of 4/26/16
- 6(b) Renewal of Contract for Professional Services with ABC Transcription (City Manager)
- 6(c) Request by John Fenton for Tree Trimming Permit on City Property adjacent to 570 W Lexington (Public Works)
- 6(d) Agreement for Telecommunication Service Audit (Finance)
- 6(e) Resolution Establishing Rules, Regulations, Rate Changes and Conditions for Solid Waste Services (Finance)

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

**REGULAR AGENDA ITEMS**

**Item 7(a): Public Hearing and Resolution regarding Columbia Memorial Hospital Bonds (Finance)**

Columbia Lutheran Charities, dba Columbia Memorial Hospital (CMH), an Oregon nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue code of 1986 (the "Code"), has requested The Hospital Facilities Authority of the City of Astoria, Oregon (the "Authority") issue non-recourse revenue bonds for and on behalf of Columbia Memorial in an aggregate principal amount not exceeding \$ 20,000,000, and, on May 19, 2016, the Authority adopted a Bond Resolution approving such request. Section 147(f) of the Code requires qualified 501(c)(3) bonds be approved by the applicable elected representatives of the governmental unit issuing such bonds and the governmental unit having jurisdiction over the area in which the Project is located. The Mayor and City Council of the City are the elected representatives; the Board of Directors of the Authority are not elected representatives.

The principal and interest on the Bonds will not constitute a debt of the City of Astoria or the Authority, nor shall the Bonds be payable from a tax of any nature levied upon any property within the City of Astoria nor any other political subdivision of the State of Oregon. The Bonds will be payable only from the revenues and resources of CMH. The Oregon Revised Statutes provide a municipality may establish a Hospital Facilities Authority (HFA) to oversee the development of hospital facilities within the city. The City of Astoria has established such an authority to oversee the development of Columbia Memorial Hospital (CMH). The HFA may issue bonds for hospital facilities but only after the City Council approves the bond issue.

CMH is seeking approval for financing the following projects: i) capital construction, remodeling and equipping of facilities used to provide health care, including, without limitation, a cancer center, ii) funding a debt service reserve fund, if required, iii) financing the payment of interest on the Bonds during construction, and iv) certain costs relating to the issuance of the Bonds. ORS 441.565 states very clearly the obligations of the HFA and CMH are not the obligation of the municipality. The statutes make it clear the debt is the debt of CMH and CMH is required to pay off the bonds. Additionally, the attached resolution highlights the Bonds do not constitute a debt of the City and are payable by the Borrower (CMH). The bond issues are in not an obligation of the City, are not debt backed by the full faith and credit of the City and the City's General Fund is in no way liable for any payment related to these bonds. HFA is asking the Council to hold a hearing regarding issuance of the bonds. If the hearing is without consequence, the HFA is requesting Council to approve the attached resolution. This is a technical exercise required to satisfy the legal requirements for CMH to sell the bonds. City Attorney Blair Henningsgaard has reviewed the attached materials as to form and concurs that the request is appropriate. It is requested that Council hold a hearing regarding issuing the bonds and consider approval of the attached resolution authorizing the sale of bonds.

Councilor Herzig confirmed the bonds would not increase taxes on the citizens of Astoria.

Doug Goe, Orrick Herrington and Sutcliffe, Portland, said he was bond counsel and special counsel to the Hospital Facilities Authority and the City of Astoria. The Hospital Authority just celebrated its 40<sup>th</sup> anniversary having been created by City Council in 1976 to allow non-profit hospitals to issue tax-exempt bonds. Under the federal tax code, a non-profit organization must rely on a governmental body to issue bonds on its behalf even though it is a tax-exempt organization. This public hearing is a requirement of the federal tax code, which also requires the bonds to be tax exempt. The public notice of this hearing was published 14 days ago. Because City Council created the Hospital Authority, it is up to Council to approve the bond issues in order for them to be tax

exempt. There is no liability of any kind on the part of the City and the Hospital Authority has no taxing powers, so there are no taxes associated with the bonds. The bonds are solely secured by the resources and credit of Columbia Memorial Hospital.

Mayor LaMear opened the public hearing at 7:29 pm and called for anyone wanting to address the City Council on the Columbia Memorial Hospital bonds to come forward with any comments or concerns. Seeing none, she closed the public hearing at 7:29 pm.

Mr. Goe confirmed for Councilor Herzig the current members of the Hospital Authority were Craig Hoppes, Willis Van Dusen, Kevin LaCoste, Nicole Williams, and Celia Davis.

Councilor Price believed the City Manager's memorandum and the resolution were clear, adding that the City Attorney has read and approved of the resolution.

**City Council Action:** Motion made by Councilor Price, seconded by Councilor Warr to approve the resolution authorizing the sale of non-recourse revenue bonds for and on behalf of Columbia Memorial Hospital in an aggregate principal amount not exceeding \$ 20,000,000. Motion carried unanimously. Ayes: Councilors Warr, Herzig, Price and Mayor LaMear; Nays: None.

**Item 7(b): Resolution to Elect to Receive State Shared Revenues (Finance)**

Oregon Revised Statute 221.770 requires the City to adopt a resolution to declare its intent to receive state revenue for each new fiscal year. State shared revenues include the state gas tax, alcohol tax, cigarette tax and state shared revenues. The attached resolution expresses the City's intention to receive state shared revenues for FY 2016-2017. It is recommended that the City Council consider this resolution for adoption.

**City Council Action:** Motion made by Councilor Herzig, seconded by Councilor Warr to adopt the resolution declaring the City of Astoria's intent to receive state revenue for FY 2016-2017. Motion carried unanimously. Ayes: Councilors Warr, Herzig, Price and Mayor LaMear; Nays: None.

**Item 7(c): Public Hearing and Resolution to Adopt the City of Astoria Budget for Fiscal Year Ending June 30, 2017 (Finance)**

Oregon Local Budget Law requires that the City Council hold a public hearing on the budget, as recommended for approval by the Budget Committee. Notice of this hearing, scheduled for June 6, 2016, was published in the *Daily Astorian* on Wednesday, May 18, 2016. The budget for the City of Astoria, as discussed and recommended for approval by the Budget Committee, is ready for the City Council to consider for adoption. The changes from the proposed budget that the Budget Committee considered are as follows: The Ending Fund Balance of the Capital Improvement Fund is reduced by \$60,000 and the Capital Outlay – Machinery and Equipment is increased to recognize the additional cost for the Spur 14 Project brought before Council at the May 16, 2016 meeting. The attached resolution will adopt resources and appropriations and authorize the collection of taxes at a rate of \$8.1738 per thousand for FYE June 30, 2017. It is recommended that the City Council hold a public hearing on the FYE June 30, 2017 budget as recommended by the Budget Committee. After the hearing, it is recommended that the Council consider the resolution to adopt this budget.

Mayor LaMear opened the public hearing at 7:33 pm and called for anyone wanting to speak about the budget for FYE June 30, 2017 to come forward.

Skip Hauke, 92732 Deer Valley Road, Astoria, understood there were questions at the budget hearings about the contract between the City of Astoria and the Chamber of Commerce. If City Council still had questions, he was willing to answer them. He explained that the Chamber did its best to separate the Chamber Budget and expenses from the Visitor's Services Center, adding this is not an exact science.

Mayor LaMear closed the public hearing at 7:35 pm and called for Council deliberation and discussion.

Councilor Herzig said on Friday, some Councilors attended a League of Oregon Cities presentation, where they learned that cities have recently lost recreational immunity through a state court decision. This means if a person is injured in a City park and can claim negligence, the person has the right to sue City employees. The League of

Oregon Cities will appeal this decision, but in the mean time, cities are exposed to lawsuits based on negligence. He proposed that the City move \$25,000 allocated to the Chamber's Visitor's Center and \$25,000 allocated to the Chamber's Tourism Committee to the Promote Astoria Fund's contingency fund to enhance Riverwalk maintenance, including trash pickup and possibly provide portable restrooms during the tourist season. If the maintenance issues on the Riverwalk are not taken very seriously, the City could be setting itself up for potential lawsuits.

Councilor Price suggested Councilor Herzig consider that City Council would discuss the Parks Department's budget in more detail when the Comprehensive Parks and Recreation Master Plan is presented to them for adoption. She had made some suggestions for the Master Plan about finding additional resources. She was not sure Councilor Herzig's would be the best resource, but she would be willing to discuss it, just not at this time.

Councilor Herzig understood his suggestion was not a long-term solution, but the summer season has arrived and the City needs to act now. Council needs to make sure the Parks Department has enough funds through the Promote Astoria Fund to keep the Riverwalk and the parks as safe as possible to avoid potential lawsuits.

**City Council Action:** Motion made by Councilor Herzig to transfer within the Promote Astoria Fund \$25,000 from the Chamber of Commerce Lower Columbia Tourism Committee and \$25,000 from the Chamber of Commerce Visitor Services and Tourism Promotion into the Promote Astoria Contingency Fund and that the funds be used to keep the Riverwalk safe and hygienic during the summer season. Motion died due to lack of a second.

**City Council Action:** Motion made by Councilor Warr, seconded by Councilor Price to adopt the resolution adopting the City of Astoria Budget for FYE June 30, 2017 as presented. Motion carried 3 to 1. Ayes: Councilors Warr, Price and Mayor LaMear; Nays: Councilor Herzig.

**Item 7(d): Liquor License Application from Erica Miltenberger for Oregon Lass, LLC dba Workmans Irish Pub, Located at 218 W Marine Drive for a New Outlet for a Full On-Premises Sales Commercial Establishment License (Finance)**

A Liquor License Application has been filed by Erica Miltenberger for Oregon Lass LLC doing business as Workmans Irish Pub. This Application is a New Outlet for a Full On-Premises Sales Commercial Establishment License. The appropriate Departments have reviewed the Application. A memorandum from the Police Department is attached along with the Application. It is recommended that Council consider the request.

Mayor LaMear invited the Applicant to speak.

Erica Miltenberger, 2516 3<sup>rd</sup> Street, Tillamook, said the police have recommended her application be denied because she owns another bar in Tillamook. When she opened the bar, she had problems with fighting, but she has turned the bar around a lot. When Astoria's Police Chief spoke with Tillamook's Police Chief, the bar had just had a couple of fights over the weekend. She understood this looked bad on paper, but the bar does not have a lot of fights. The bar now has systems in place and they started closing earlier. When she originally went into to Tillamook, she was not expecting to have these issues because she also owns an insurance company in Portland that insures 400 bars and taverns. She did not think she would have problems, but the Oregon Liquor Control Commission (OLCC) had discussed the issues with her before she opened the bar. The town was having problems with people getting thrown through windows and all sorts of other incidents. She has not had anything happen inside the bar for a year and a half. However, there have been a couple of altercations outside the bar on the sidewalk involving people they had been cut off and told to go outside. She has already been approved by OLCC. Her inspector in Astoria was also her inspector in Tillamook. The inspector has told her she would not have any problems getting her liquor license as early as tomorrow if her application is approved by City Council. She is used to working with the OLCC and has never had any serious violations at her bar. She did hear from OLCC that a couple of the bars here have been forced to close down early and are prohibited from selling shots. She has never had anything like that happen, but she believed it was the primary reason she was denied. Also, she did not disclose her last name on the paperwork. Her maiden name was Mote and she was married in between. Gerlach was her old married name. She has been through this process a couple of times and was just filling out the application quickly. She just wrote her maiden name on the application, but it also has her Social Security number and she has already been approved in Tillamook. She has also owned a bar in Portland.

Councilor Herzig asked if Ms. Miltenberger was making any preparations, knowing that Astoria's bars can be rowdy.

Ms. Miltenberger said her establishment in Astoria would be more of a restaurant than a bar. She will sell liquor, but anticipates her sales will be only 20 percent liquor and 80 percent food. The food will include traditional Irish foods, steaks, and burgers and everything will be made from scratch. She showed photographs of the building, which used to have graffiti and sat empty for several years. In the past, the building was Café Uniontown and Fiddler's Green. She has repainted the outside and redone the signage, so it looks a lot better now. Her bar in Tillamook is more of a pub or an actual bar with no seating. It has a different atmosphere than what she will have in Astoria. The new business will allow minors until 10:00 pm and her 16-year old daughter will work there. She is trying to create more of a family atmosphere. The bar will only have five barstools at a tiny bar in the front of the building and the rest of it is dining. She did not change the floor plan of the Café Uniontown, so it is all dining room. There will be 70 seats inside and outdoor seating in the back of the building. She does not believe she will need to hire a bouncer because the business will be closing earlier and it is more of a restaurant. She did not anticipate having any issues like other bars. If issues do occur, she would be willing to hire someone to help out. She confirmed she planned to close at 12:00 am, but if business is slow, she would close around 10:00 pm. There will be live music from 6:00 pm to 9:00 pm seven days a week. The music will be calm dinner music, like a piano player and traditional Irish music.

Councilor Herzig said the application states business hours would be from 3:00 pm to 2:30 am. He confirmed she wrote these hours on the application to make sure she would have the ability to change her hours of operation if necessary.

Ms. Miltenberger said she had redone the application, which now states the business would close at 12:00 am. She confirmed for Councilor Warr that the OLCC inspector said she could get her license as early as tomorrow if City Council approves her application because OLCC had everything ready to approve it. She was supposed to come to the City Council meeting in May, but she was postponed. She had originally believed she would receive the license last month. She reiterated the OLCC inspectors for her Astoria business are the same inspectors for her bar in Tillamook.

Mayor LaMear said Astoria City Staff received 26 police reports from the City of Tillamook Police Department for calls involving or related to Workmans Irish Pub in Tillamook.

Ms. Miltenberger said the situation has definitely improved. When she first came into town to open the Irish pub, which is more of a bar than her Astoria business, she did not anticipate the type of clientele, many of whom are industry workers and kids. The community has a lot of farmers and loggers. She has learned to deal with the issues and has not had a fight inside the bar for a really long time. The bar has a strong policy on removing anyone who has an altercation in her bar, even if they are just being rude to other people. There is a two-page list of people who are not allowed in the bar anymore. Being from Portland, she did not know everyone in town when she first opened the bar and did not know what to expect. She had to have an extra person work at night just to walk through the crowd to make sure everything was okay. The bar is very busy and she has had to make a lot of changes. Things were rough at the beginning of the year, but now the bar is doing well and there are not as many issues. She learned to work with the situation and the bar has not had a fight inside.

Mayor LaMear explained that City Council was concerned about Ms. Miltenberger establishing good relationships with her neighbors. The application packet states that a business owner regularly finds trash, debris, vomit or other substances in front of his business, the Workmans Irish Pub, and in the parking lot of the Rodeo Steak House on Saturday and Sunday mornings. The business owner reported he has tried to work with the Applicant and her husband with no success. The owner of the steak house reported that he found trash and broken beer bottles in his parking lot. City Council wants to make sure this does not happen in Astoria.

Ms. Miltenberger said none of that would happen. She used to sweep up the cigarette butts in the mornings, but the bar started doing this at night. The steak house over serves people, then sends those people to her bar. A lot of the people vomiting in the steak house parking lot are steak house customers. However, she and her husband are good friends with the owners of the steak house. They are on a bowling league together, have Christmas parties together, and go golfing together. They have a really good relationship with the Rodeo, but

there have definitely been issues with the Rodeo sending customers to the bar. So, the bar started closing at the same time as the Rodeo.

Mayor LaMear asked what her policy was for people who have had too much to drink. Ms. Miltenberger said the bar tries to monitor the issue. There are three other bars nearby, so it is kind of difficult. People who are intoxicated are not served and are asked to leave. The bar used to be nice by offering water and allowing intoxicated people to stay as long as they did not cause trouble. However, this made the bar look as if it was over serving people.

Councilor Price said she believed Astoria was very lucky to have a Police Chief who finds these reports important and goes to the trouble of researching and investigating every Applicant. Last week, Council reviewed a horrendous and long list of difficult problems with an Applicant. However, the OLCC does not pay attention to what City's say. Astoria should tell the OLCC to pay attention to what cities and communities want. This application resulted in a 12½-page memorandum from the Deputy Chief of Police that includes a litany of personal and professional irresponsibilities and a recommendation that City Council deny the application. It is possible that OLCC will not pay any attention and will grant the license.

Ms. Miltenberger said she bought the building, hired an entire staff, and the business has been ready to open for a month. Some of the people she hired have already quit their jobs to come work for her. She is a very good business owner and works very hard to keep her bar safe. This location in Astoria will be more of restaurant. If Council's concern is that there will be fights, it will definitely not be an issue. Her business will be more like the Silver Salmon than like the Labor Temple. It will have a completely different atmosphere. She is opening her business in Astoria because she wants a nicer place.

**City Council Action:** Motion made by Councilor Price to deny the Liquor License Application filed by Erica Miltenberger for Oregon Lass LLC, doing business as Workmans Irish Pub. Motion died due to lack of a second.

**City Council Action:** Motion made by Councilor Herzig to approve the Liquor License Application filed by Erica Miltenberger for Oregon Lass LLC, doing business as Workmans Irish Pub. Motion died due to lack of a second.

**City Council Action:** Motion made by Councilor Herzig, seconded by Councilor Warr, to take no action on the Liquor License Application filed by Erica Miltenberger for Oregon Lass LLC, doing business as Workmans Irish Pub. Motion carried 3 to 1. Ayes: Councilors Warr, Herzig, and Mayor LaMear; Nays: Councilor Price.

**Item 7(e): Authorization to Bid 2016 Paving Project (Public Works)**

The Public Works Department developed a list of the following streets to be included in the 2016 Paving Project. These locations were chosen using input from the City's pavement maintenance software, anticipated future project needs, stopgap maintenance obligations, field evaluation, and cost efficiency considerations.

Road Description	From	To
Exchange Street	14th Street	16th Street
Duane Street	15th Street	16th Street
13th Street	Duane Street	Exchange Street
Bond Street	4th Street	6th Street
W. Lexington Ave.	1st Street	Sonora Ave.
16th Street	Niagara Ave.	James Street
Irving Ave.	11th Street	14th Street
39th Street	Franklin Ave.	Grand Ave.
Nimitz Road	Kincaid Road	Halsey Road

The project includes asphalt pavement overlay, asphalt grinding, ADA ramp upgrades, road base reconstruction, striping and other associated improvements. The construction estimate for this project is \$430,000, including a 10% contingency. Funding for this project is available in the Astoria Road District Fund (Local Fuel Tax Fund). At the City Council meeting, Assistant City Engineer Nathan Crater will provide additional background on pavement management and the areas to be paved. It is recommended that City Council authorize Staff to solicit bids for the 2016 Paving Project.

Assistant City Engineer Nathan Crater presented a brief overview of pavement management and the areas to be paved via PowerPoint. The 2016 Paving Project Map was included in the agenda packet. He explained that funding for paving projects comes out of the City's fuel tax revenue. Three cents per gallon is collected from any station in the City limits that distributes gasoline. The money is sent to the State, who administers the program and gives the City money to put into its Pavement Fund. Astoria receives around \$200,000 to \$250,000 each year. Projects between \$400,000 and \$500,000 make best use of the money from the State, so paving is done every two years.

Councilor Herzig said he believed Niagara needed work instead of 16<sup>th</sup> Street. Engineer Crater explained that field identification found unique issues on 16<sup>th</sup> Street between Niagara and James. Staff is looking into a project that will remedy the slumped area on Niagara. In the meantime, a section just east of the slump will receive an asphalt overlay that will extend around the corner, down 16<sup>th</sup>, and tie in near the reservoir. When Staff finds a way to mitigate the slide, the restoration work will continue in the next two year or as part of the slide mitigation project.

Councilor Herzig asked for details about soil movement in the area. Public Works Director Cook said two inclinometers were put in to establish the location of the slip plane. The slip is between 20 and 30 feet deep. A project would likely include removing a five to six foot section of asphalt and installing adequate drainage. Staff tested a section to the west and the slide has not moved significantly. The paving program should not be stopped just for that one project. He confirmed that filling the area with paving would make the situation worse because weight would be added. Councilor Herzig said he goes there regularly and is always worried his car will fall into a sinkhole.

Mayor LaMear thanked the Public Works Department for the work they did on West Grand, where the situation was very similar to the one on Niagara. The road was rebuilt and it looks great. It can seem counter intuitive to refrain from repairing the worst roads first and she asked Staff to discuss this.

Engineer Crater explained that Staff does try to repair some of the worst roads each paving cycle. One really bad road is 39<sup>th</sup> Street between Franklin and Grand, which has been patched and has water coming through the base. This section of 39<sup>th</sup> is a dead end street in a residential area, so it normally would not make the cut. However, it was added to the 2016 Paving Project because it has deteriorated to a condition that requires Staff to do something. Even though the street is small and narrow, the work will cost the same as doing two blocks of Exchange Street. The costs of paving smaller roads are significantly higher when they are deteriorated. It comes down to cost efficiencies. The funding that Astoria has does not come close to covering maintenance obligations, so Staff is tasked with deciding how to spend the money efficiently. It is difficult to make those decisions because Staff wants to repair the bad roads first. However, every dollar put into a good road will save the City \$10 in the future.

Mayor LaMear confirmed there were no questions or comments from the public.

**City Council Action:** Motion made by Councilor Price, seconded by Councilor Herzig to authorize Staff to solicit bids for the 2016 Paving Project. Motion carried unanimously. Ayes: Councilors Warr, Herzig, Price and Mayor LaMear; Nays: None.

## **NEW BUSINESS & MISCELLANEOUS, PUBLIC COMMENTS (NON-AGENDA)**

Tracy Black, 1619 Marine Drive, Astoria, said he was one of the owners of Life in the Slow Lane. His business has been at the brunt end of select Code enforcement. He had purchased some flags and after being on display for less than a week, the City said he was not allowed to have flags. He promptly removed the flags and asked about the other businesses that had flags. He was told the City did not have enough manpower to enforce the rule on the other businesses. The City had enough manpower to pass all the businesses that have had flags for years to visit his business that had flags for less than a week. He wanted to find out what he could do. His business is more than happy to follow the rules, but all businesses should have to follow the rules. He took pictures of Code violations earlier that day, which he presented at the dais.

City Manager Estes said he met with the Black's about a week and half ago to discuss their concerns. The Black's gave him a list of properties with Flag Code violations. Some of the properties Mr. Black filed a complaint against have been addressed. The City is still conducting Code enforcement proceedings with the other

properties. Community Development Staff was out last week addressing some of the issues raised by Mr. Black. Code enforcement Staff relies on complaints, so Staff can add the photographs to the list of complaints and continue with enforcement.

Mr. Black understood that he would have to go around, make note of every violation, and turn them in before Code enforcement will act. City Manager Estes confirmed the Code enforcement policy is complaint driven. Staff tries to be proactive as possible, but in this case, Staff can take a look at the properties submitted at this meeting.

Mayor LaMear asked what the flag ordinance required. Director Cronin said the Development Code clearly states what is prohibited. The signage codes were developed to retain Astoria's historic character. Nothing can be waving or fluttering, so flags are banned in Astoria. Feather and flag-type banners are being purchased online by business owners who have not checked the City's regulations. Last week, he drove around for three hours and talked to business owners about the sign codes, handing out copies of the sign codes, and leaving his business card.

Mr. Black said he had other photographs to give to Staff. He assumed digital signs were okay, but he believed his business was being picked on. Digital signs are supposed to show a message for at least 10 seconds before the next message is displayed. There is a sign that displays messages for less than 10 seconds and has animation, which is not allowed. Director Cronin confirmed enforcement action had been taken on that sign. Mr. Black said several signboards block sidewalks and are not ADA compliant. Director Cronin confirmed Staff had a list of those Code violations as well.

Staff said TLC's motion board sign was approved by the Planning Commission several months ago. The sign is controlled from the company's corporate headquarters in Longview and they are aware that the timing needs to be fixed.

Mr. Black said a business on 14<sup>th</sup> Street never brings its tables and chairs inside because they are allowed to leave them out. Apparently, the business must have renewed their permit. City Manager Estes confirmed Code enforcement staff visited with this business last week.

Councilor Herzig asked if a flag in a fixed frame that did not move would be allowed. There are banners in fixed frames on the light posts on Commercial. Director Cronin confirmed they were approved by the Astoria Downtown Historic District Association (ADHDA) and the City. Councilor Herzig said Life in the Slow Lane is trying to get their business up and running, so they are trying to call attention to things. A fixed frame is a possible solution. Director Cronin confirmed he spent time telling the Black's about what is and is not legal.

Ralph Norgaard, 449 McClure Avenue, Astoria, noted City Council discussed fluoride in the water about a month or two ago. The discussion was tabled, so he wanted to share his opinion. In 1951, when he was 11 or 12 years old, he had three cavities even though he was never a big fan of sweets and did not eat many deserts. He believed fluoride was added to the water in 1953. Today, he has good teeth. He believes fluoride works and is good for young people. He encouraged City Council to keep fluoride in the water. If Council has to discuss the issue again, make sure good, reliable information on both sides of the issue is presented. Both pros and cons should be discussed because a lot of false information was discussed about autism and vaccinations. Fluoride has worked fine for him. He still has his teeth and has had very little dental work throughout his life. He will be 77 in August and has lived all but 10 years in Astoria.

Councilor Price reminded that the Riverfront Vision Plan (RVP) was to be implemented in four phases. City Council implemented the Civic Greenway Area, Phase 1, on October 2, 2014; the Bridge Vista Area, Phase 2, in June 2015, and the Neighborhood Greenway Area, Phase 3, in December 2015. Phase 4, the Urban Core, is a very important phase. The Urban Core area extends from about 2<sup>nd</sup> Street to 16<sup>th</sup> Street, the area of town most accessible and most vulnerable to large developments. She asked when the City would start on Phase 4. City Manager Estes said after the first three phases were complete, City Council wanted to take on other projects dealing with the library, affordable housing, and the Astor West Urban Renewal District (AWURD). All of those projects are managed by the Community Development Department. Staff anticipates progress will be made on the library project and affordable housing issues this summer. The AWURD projects will continue into the next year. If City Council is interested, Staff can begin to pursue grant funds for the implementation of the last phase

of the RVP. All four Code amendment processes received funding from the Oregon Department of Land Conservation and Development (DLCD).

Councilor Price urged Council to direct Staff to look for additional funding. She realized the Community Development Department had a lot on its plate, but the RVP is also consultant and Planning Commission driven to a great extent. The City has done so much work on the project and she believes the last phase was of profound importance. She sees in the newspaper that developers are very interested in Astoria right now, so she is very concerned about the Urban Core Area. Something could be developed that would be prohibited by this final phase of the RVP and that would reflect poorly on City Council. The Urban Core Area can have a real impact right away and ahead of some of the projects being discussed, like affordable housing. The affordable housing issues are very complex and waiting for those issues to be settled first could take a year or two.

Mayor LaMear said getting the library and Heritage Square sorted out is a big project. The City is also working on the Parks Master Plan and the gateway project on the west end of town. There is a lot on everyone's plate, but she believed Staff could look for grants. However, she wanted to see some of the other projects completed before tackling something else. City Manager Estes added that even if Staff began looking for grants now, it would be some time before those grants were available.

Council Warr said the City had also been working on a Strategic Plan, but the plan has not been discussed for several months. He asked if Staff was still working on the plan. City Manager Estes said during the last discussion on the Strategic Plan, City Council expressed interest in going in a different direction, possibly with a different consultant. He met with Marty Jacques, who said he was happy working with City Council to facilitate discussions and was glad to hear Council wanted a more robust process. In June, the Mayor and a Councilor will be absent from one of the City Council meetings. And, in July, City Council will discuss the library and possibly affordable housing. Therefore, he anticipated the Strategic Plan would be discussed at the second meeting in July. A special City Council meeting could be scheduled in July to discuss the Strategic Plan further.

Councilor Price said City Manager Estes made a good case to start on the Urban Core as soon as possible. Assuming that City Council makes a decision in July on the library, it would be quite some time before the Planning Commission reviewed any part of the project. The Urban Core was the area of town that kicked off the entire need for the RVP because there were 16 applications for condominium projects right on the river. The City will be at peril if this is not done.

Councilor Herzig said he agreed the Community Development Department had many projects on its plate right now. The other sections of the Riverwalk have proven that implementation is an incredibly time consuming effort for Staff. The Planning Commission gets the tip of the iceberg. While the Commission does spend hours working on the Plan, City Staff has to prepare for days and days. He believed the City had priorities that are more important right now. Once other projects start moving forward, Staff can circle back and finish the Riverwalk. City Council must not put more work on City Staff right now. City Manager Estes said if City Council wanted to consider implementing the Urban Core Area of the RVP, he would begin working with Community Development Staff to determine workloads and timing. He asked how City Council wanted Staff to proceed.

Councilor Price said she wanted Staff to move forward with the RVP.

Councilor Warr said he was on the Council when the RVP was first introduced. City Council did a lot of work on the Plan and it has turned out much differently than originally anticipated. He believed Councilor Price did not want any development downtown or anywhere in the city. However, the government will not provide all of the jobs. Astoria needs some development to give people employment. He was not in favor of moving forward with the RVP because Astoria has other more important projects.

Councilor Price said Councilor Warr should not put words in her mouth. She wanted to implement the RVP to its full extent. City Council has told people the Plan would be implemented since 2008. The City has been working very hard on the implementation since 2013 and it needs to be finished. This last phase is a very important part of the city. She believed that the Councilors who refused to implement the last phase of the Plan are saying they do not care what happens in that part of town.

Councilor Warr and Mayor LaMear disagreed. Mayor LaMear believed the entire Council cared very much about what happens to the downtown core. She also believed that Council needed to be realistic and consider the

workload that they put on the Planning Commission. There is a lot going on in the city right now. She supported looking for grants, but did not want to start the implementation process until City Council determines what will happen to the library and at Heritage Square, which are priorities.

Councilor Price said City Manager Estes indicated that moving forward with this final phase begins with asking Staff to find grants, which Mayor LaMear said she supported. Finding grants will take some time and it will be awhile for the Planning Commission is involved.

Councilor Herzig said he agreed with Mayor LaMear. In addition to the Planning Commission, this also involves the Community Development Department and Planning Staff. Everyone knows the RVP is on the City's to-do list and he knew Staff would get to it as soon as they could. The entire Council cares about the Riverwalk and the downtown core, but Council also cares enough to refrain from burning out its Staff by sending them on five different errands at once.

City Manager Estes confirmed Staff would look for opportunities and if something comes their way, they will check in with City Council.

Mayor LaMear called for a recess to convene the Astoria Development Commission meeting at 8:36 pm

Following the Development Commission meeting, City Council immediately went into Executive Session.

## **EXECUTIVE SESSION**

### **Item 9(a): ORS192.660 (2) (f) – Exempt Public Records**

The City Council will recess to executive session to consider information or records that are exempt by law from public inspection.

Mayor LaMear reconvened the regular session of the City Council meeting at 8:42 pm.

City Manager Estes said last week, the City of Astoria received allegations that the Chief of Police might have misused City resources and/or received inappropriate reimbursements. A thorough investigation was immediately undertaken by Astoria's Labor Attorney Akin Blitz. The investigative report received the highest priority so that complete findings would be ready for the City Council immediately. The City Council is now informed and the allegations were found to be without merit. A succession of Astoria Police Chief employment agreements allowed unrestricted use of their vehicle and Staff will be fixing this. Chief Johnston and City Finance Director Brooks are working diligently to determine what corrections and repayments by the Chief to the City are appropriate to ensure that all aspects of the tax code are met. In recognition that the community has a right to know the facts and the reasoning, which have developed very quickly, he directed City Attorney Henningsgaard to prepare a version suitable for public disclosure and to redact from that version only such portions he believed could not be disclosed without creating a potential harm to the City, distinct from the personal interests of any public employee, including himself.

Councilor Price said City Manager Estes and Director Brooks are looking into what needs to happen to ensure the tax code is met. It is possible that contradictions between the tax code and Chief Johnston's employment agreement with the City could result in him owing money to the City. She asked if City Council would require him to pay the money or forgive the debt because of the employment agreement.

Councilor Herzig recommended City Council determine that Chief Johnston does not owe the City any money in relation to this incident. Any taxes due would be Chief Johnston's responsibility, but he believed City Council agreed that Chief Johnston did not owe any reimbursement to the City. Mayor LaMear agreed.

Councilor Warr said when this was brought to Chief Johnston's attention, he offered to make the City whole on any costs and reimburse the City for all expenses. However, the employment agreement says the City would provide a full size sedan or sport utility equipped with emergency equipment satisfactory to respond to emergency situations, the vehicle would not be marked or conspicuous, and less than six years old. The City would pay for all liability, property damage, and comprehensive insurance coverage, and for the purchase and operation, including all fuels and lubricants, maintenance, repair, and replacement when the vehicle is

unavailable. The agreement also gives Chief Johnston the right to use the vehicle throughout the States of Oregon and Washington, both for business and personal uses. It says nothing about Chief Johnston being obligated to pay taxes on what would be considered by the government to be income for his personal use of the vehicle, but he has offered to repay the City for what that cost may have been. Because of the way the employment agreement was written, he did not believe Chief Johnston should be obligated to reimburse the City.

Mayor LaMear said she believed the only obligation is to the United States government.

City Attorney Henningsgaard suggested Council make a motion that based upon the investigation, Council does not believe any reimbursement is required from Chief Johnston to the City as a result of his use of the automobile.

**City Council Action:** Motion made by Councilor Price, seconded by Councilor Warr that based upon the investigation, City Council does not believe any reimbursement is required from Chief Johnston to the City as a result of his use of the automobile. Motion carried unanimously. Ayes: Councilors Warr, Herzig, Price and Mayor LaMear; Nays: None.

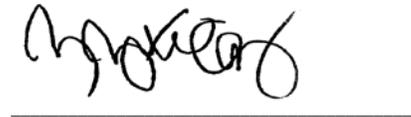
**ADJOURNMENT**

There being no further business, the meeting was adjourned at 8:48 pm.

**ATTEST:**

  
Secretary

**APPROVED**

  
City Manager