



COUNCIL REGULAR SESSION

Zoom Video Conference

AGENDA Updated

December 8, 2021

06:00 PM Pacific Time

Video Meeting: Council will hold this meeting through video conference. The public may watch live on the [city's YouTube channel](#), or by joining the Zoom webinar:

<https://us02web.zoom.us/j/89175250494>

Call in number:

+1 253 215 8782

Please note that a passcode is not required to enter the webinar.

Note: agenda item times are estimates and are subject to change.

1. CALL TO ORDER (6:00 p.m.)

2. AUDIENCE PARTICIPATION (6:01 p.m.)

Comments must be limited to city business topics that are not on the agenda. A topic may not be discussed if the topic record has been closed. All remarks should be directed to the whole Council. The presiding officer may refuse to recognize speakers, limit the time permitted for comments, and ask groups to select a spokesperson. **Comments may also be submitted in writing before the meeting, by mail, e-mail (to cityhall@ci.manzanita.or.us), or in person to city staff.**

3. CONSENT AGENDA (6:15)

Consent items are not discussed during the meeting; they are approved in one motion and any Council member may remove an item for separate consideration.

- A. Approval of Minutes
 - a. November 3, 2021 Workshop
 - b. November 3, 2021 Regular Session
 - c. November 13, 2021 Council Retreat
- B. Approval of Bills

4. NEW BUSINESS (6:20 p.m.)

- A. Nehalem Bay Health District Update (6:20 p.m.)
Marc Johnson, Board Chair
- B. Coalition for Recreational Trails Award for Neah Kah Nie Mountain to Manzanita Trail
Mike Scott and Connie Soper

C. Heart of Cartm "Trashion" – Special Event Permit

D. NBFA Christmas Tree Fundraiser – Special Event Permit

5. OLD BUSINESS (6:50 p.m.)

A. City Hall Construction Project Update

6. CITY MANAGER REPORT (7:00)

7. INFORMATION AND ADJOURN (7:05)

CITY OF
MANZANITA



COUNCIL PACKET

CITY OF MANZANITA
November 3, 2021
CITY COUNCIL SPECIAL WORKSHOP

CALL MEETING TO ORDER: The meeting was called to order by Mayor Scott at 3:00 P.M. November 3, 2021 via Zoom.

ROLL: Members present were: Mike Scott, Linda Kozlowski, Steve Nuttall, Jerry Spegman, and Hans Tonjes. Staff Present: Leila Aman, Nina Aiello, and Judy Wilson.

1. NEHALEM BAY FIRE DISTRICT UPDATE: NBFD Chief Chris Beswick provided an update on the operations of the fire district, which has five paid staff and 20 volunteers. Beswick gave an update on the number of emergency calls (829) received to date. Beswick also discussed the district's budget, new equipment, current issues, ambulance service, and provided an overview of a three-year plan.

2. DISPOSITION PROCESS FOR 543 LANEDA (OLD CITY HALL): City Manager Leila Aman discussed the disposition process for the old City Hall building, located at 543 Laneda. Aman stated that there are two methods for disposition, a bid method or a broker method. A bid method requires that the City oversee the bid process. Aman stated that a broker would still need to be retained to help with closing for the bid method. If the City elected to use a broker method, the City would hire a broker and they would manage the entire process. A broker hired to assist with the bid method would be retained by the hour, whereas a broker method requires payment based on commission. More details will be discussed at the November 3, 2021 City Council meeting.

3. VISITOR CENTER UPDATE: Councilor Tonjes discussed his recent meeting with the Off-Season Tourism Promotion Group, which discussed Tourism Promotion in our community and the recent vacancy of the Visitors Center Coordinator position. Tonjes stated that with the increase of tourism in the community due to COVID-19, there is no need to promote tourism in the off season and that there may be other ways that the resources could be spent.

Leila Aman invited Tillamook Coast Visitors Association (TCVA) Executive Director Nan Devlin to discuss the potential benefits of a destination management plan for Manzanita. A destination management plan is a strategy the City can use to manage tourism. The discussion focused on working with TCVA to hire an interim Visitors Center coordinator, TCVA to develop a proposal for a destination management plan which would include recommendations for how best to use the Visitors Center, and what responsibilities a permanent Visitors Center coordinator would have.

Mayor Scott adjourned the meeting at 4:44 pm

MINUTES APPROVED THIS
8th Day of December, 2021

Michael Scott, Mayor

Attest:

Leila Aman, City Manager

CITY OF MANZANITA
November 3, 2021
CITY COUNCIL MEETING

CALL MEETING TO ORDER: The meeting was called to order November, 2021 at 6:00 P.M. via Zoom by Mayor Mike Scott.

ROLL: Members present were: Mayor Mike Scott, Linda Kozlowski, Steve Nuttall, Jerry Spegman, and Hans Tonjes. Staff present: City Manager Leila Aman, Police Chief Erik Harth, Finance & Administrative Specialist Nina Aiello, and Licensing Ordinance Specialist Judy Wilson.

AUDIENCE INTRODUCTION: There were 35 people in attendance

PUBLIC COMMENTS AND COMMUNICATIONS: There was one comment regarding illegal camping within City limits, and one comment regarding increased tourism in our community.

CONSENT AGENDA:

A. APPROVAL OF MINUTES – October 6, 2021 City Council Special Workshop, October 6, 2021 City Council Meeting.

B. APPROVAL OF BILLS FOR PAYMENT

A motion was made by Tonjes, seconded by Kozlowski, to approve the consent that includes approval of the October 6, 2021 City Council Special Workshop, October 6, 2021 City Council Meeting; approve payment of bills and all subsequent bills subject to approval by the Mayor or Council President and City Manager; Motion passed unanimously.

NEW BUSINESS:

A. **Resolution 21-17 Reappointing John Nanson to the Planning Commission – Mayor Mike Scott**

A motion was made by Kozlowski, seconded by Tonjes, to approve Resolution 21-17 A Resolution of the City Council of the City of Manzanita, Oregon, making an appointment of John Nanson to the Planning Commission. Motion passed unanimously.

B. Nehalem Bay Fire District Update– NBFD Chief Chris Beswick – Chief Beswick provided an update on the operations of the fire district, which has five paid staff and twenty volunteers. Beswick gave an update on the number of emergency calls (829) received to date. Beswick also discussed the district's budget, new equipment, current issues, ambulance service, and provided an overview of a three-year plan.

C. Event Permit – CERT – Special Event Permit on behalf of the Community Emergency Response Team has been removed from the agenda.

D. Resolution 21-18 Updating Emergency Information for Visitors – City Manager Leila Aman – Aman presented Resolution 21-18 A Resolution of the City Council of the City of Manzanita, Oregon, amending Emergency information requirements for short-term rentals and rescinding Resolution 15-01. This Resolution is a follow-up to the recently passed Ordinance 10-3 which requires an updated tsunami emergency access map, local agent information, and adding the recommendation for a landline in all short-term rentals.

A motion was made by Kozlowski, seconded by Tonjes, to approve Resolution No. 21-18 A Resolution of the City Council of the City of Manzanita, Oregon, amending emergency information requirements for short-term rentals and rescinding Resolution 15-01. Motion passed unanimously.

E. Approval of Intergovernmental Agreement with Oregon Parks and Recreation District for Police Services – City Manager Leila Aman – Aman provided an overview of the proposed IGA between the City of Manzanita and the Oregon Parks and Recreation District. The IGA will generate \$27,500 in revenue for FY 2022 and 2023, for a total of \$55,00. In addition, the City will also receive an estimated \$23,000 in revenue from citations issued on behalf of OPRD.

A motion was made by Tonjes, seconded by Kozlowski, to approve Resolution 21-19 authorizing the City Manager to execute an Intergovernmental Agreement with OPRD for Law Enforcement services. Motion passed unanimously.

F. Contract for Owners Representative Services for the City Hall Construction Project – City Manager Leila Aman – Aman provided an overview of the process for selecting an Owners Representative and discussed the value this service will bring the City. Aman and Councilor's Spegman and Kozlowski evaluated four proposals and selected David Dwyer and Jim Willeford with the Klash, Inc. Dwyer presented an overview of the company and provided a project phasing update.

A motion was made by Kozlowski, seconded by Spegman, to approve Resolution 21-20 A Resolution of the City of Manzanita, Oregon, authorizing the City Manager to execute a Personal Services Agreement with Klash, Inc. for Owners Representative Services in an amount not to exceed \$126,038. Motion passed unanimously.

G. 543 Laneda Surplus Property Hearing – City Manager Leila Aman – Aman presented Resolution 21-21 officially declaring the property at 543 Laneda as surplus. Proceeds from the sale of the property will be put into the City Hall Expansion Fund to be used towards the new City Hall Project.

Mayor Mike Scott opened the Public Hearing at 7:11 pm. and closed it at 7:12 pm. No comments were made.

A motion was made by Tonjes, seconded by Kozlowski, to approve Resolution 21-21 A Resolution of the City Council of the City of Manzanita, Oregon, to declare the real property owned by the City of Manzanita at 543 Laneda Avenue surplus and authorizing the City Manager to sell the property for the purpose of funding a new City Hall. Motion passed unanimously.

H. 543 Laneda Disposition Process – City Manager Leila Aman – Aman discussed the disposition process for the old City Hall building, located at 543 Laneda. Aman stated that there are two methods for disposition, a bid method or a broker method. A bid method requires that the City oversee the bid process. Aman stated that a broker would still need to be retained to help with closing for the bid method. If the City elected to use a broker method, the City would hire a broker and they would manage the entire process. A broker hired to assist with the bid method would be retained by the hour, whereas a broker method requires payment based on commission.

Councilor Tonjes volunteered to assist City Manager Aman with providing recommendations for a commercial broker, as well as provide other local real estate contacts for Aman to consult with.

A motion was made by Tonjes, seconded by Kozlowski, to direct the City Manager to proceed with procuring a broker for the disposition of property located at 543 Laneda. Motion passed unanimously.

OLD BUSINESS:

A. City Hall Construction Project Update – City Manager Leila Aman – City Manager Aman provided an update on the new City Hall construction project. Aman discussed the steps in phase one that have been completed, such as beginning to build the team, site work (including remediation of the oil tank located at Underhill Plaza), and beginning the process of selling the old City Hall building. Aman discussed the next steps of phase one which will include continuing to build the team, environmental assessments, completing the sale of old City Hall, and beginning the schematic design and financial strategy for funding City Hall.

B. Visitors Center Update – Councilor Hans Tonjes – Councilor Tonjes discussed his recent meeting with the Off-Season Tourism Promotion Group, which discussed Tourism Promotion in our Community and the recent vacancy of the Visitors Center Coordinator position. Tonjes stated that with the increase in tourism in the community due to COVID-19, there is no need to promote tourism in the off season and that there may be other ways that the resources could be spent.

City Manager Aman stated that she has been working with Tillamook Coast Visitors Association (TCVA) Executive Director Nan Devlin to discuss the potential benefits of a destination management plan for Manzanita. A destination management plan is a strategy the city can use to

manage tourism. Devlin has volunteered to assist the City with hiring an interim Visitors Center coordinator, and developing a proposal for a destination management plan which would include recommendations for how to best use the Visitors Center, and what responsibilities a permanent Visitors Center coordinator would have. Council formed a consensus for Aman to move forward with the process of working with TVCA to hire an interim Visitors Center coordinator and develop a proposal for a destination management plan.

CITY MANAGER’S REPORT –

A. City Manager Leila Aman – Aman stated that NBFD recently renewed the contract with the City to continue holding Municipal Court at their facility. Aman also stated that the City has just completed a financial software conversion. The City will move to a webinar format for Council meetings held via zoom beginning at the December 8, 2021 City Council meeting.

Miscellaneous:

1. The City of Manzanita will hold Municipal Court on October 19, 2021 at 1:30 pm. Due to COVID-19 restrictions court continues to remain closed to the public.
2. There will be no Planning Commission Meeting for the month of November.

Mayor Scott adjourned the meeting at 7:53 p.m.

**MINUTES APPROVED THIS
8th Day of December, 2021**

Michael Scott, Mayor

Attest:

Leila Aman, City Manager

CITY OF MANZANITA
November 13, 2021
CITY COUNCIL RETREAT

CALL MEETING TO ORDER: The meeting was called to order by Mayor Scott at 9:00 A.M. November 13, 2021 at the Nehalem Bay Fire District.

ROLL: Members present were: Mike Scott, Linda Kozlowski, Steve Nuttall, Jerry Spegman, and Hans Tonjes. Staff Present: Leila Aman, Nina Aiello, and Mike Sims.

AUDIENCE INTRODUCTION: There were 3 people in attendance.

1. CITY MANAGER UPDATE: Aman provided an overview of her first six months as City Manager, providing an update on staff, her plans for reorganization and restructuring, and community issues. Aman also discussed her goals for the City and next steps to complete Council goals.

2. REVIEW OF COUNCIL GOALS: Aman provided an overview and update of the current City Council goals, adopted April 8, 2020.

Goal 1: Implement plan to relocate City Hall and related services to Underhill Plaza:

Aman stated that several steps have been completed in phase one of this project. An Owners Representative has been hired, environmental site work has been completed at Underhill Plaza, and old City Hall has been declared surplus and is in being prepared for disposition. The next steps in phase one will include continuing to build the team, environmental assessments, completing the sale of old City Hall, community engagement, site planning, completing 30% of the schematic design, and developing a financial strategy for funding. Phase two of the project will focus on finalizing the design and construction of the city hall.

Goal 2: Develop an emergency preparedness plan that will result in increased City capabilities to address a major catastrophic event, including necessary seismic retrofitting of City infrastructure, improved street signage, and pursuit of opportunities for regional preparedness: Aman stated that emergency preparedness has moved from a City goal to a City operation. The City Manager and the City's Public Works director coordinate on the City's emergency preparedness efforts. The City has made strategic investments in emergency preparedness (\$30,000 in FY 21 and \$50,000 in FY 22), has addressed mass care supplies, implemented a radio transmitter, and is working toward implementing a temporary Emergency Operations Center at the water treatment plant until the EOC at the new city hall is in place.

Goal 3: Develop a capital improvements plan that considers financial feasibility and strategies to accomplish projects to improve the storm drainage system, water distribution and storage system, and road system. Aman agreed that the City needs a Capital Improvement plan and that she has been working with Dan Weitzel, the public works director toward the development of a CIP for FY 23-24. Aman also stated that a long-term financial strategy for the City that considers other sources of revenue is necessary. Aman would like to hire an economic consultant to work with the city to analyze current revenue sources, identify opportunities for generating additional revenue such as creating new enterprise funds, and other funding opportunities. Aman would like to create a budget sub-committee to assist in this effort.

Goal 4: Identify a shared vision for the long-term future of the community and strategically direct efforts and resources towards achieving the City Council goals that support the vision while responding to evolving citizen input. Aman stated that the City needs to engage with the community to creating a shared vision plan for the Manzanita community, including the UGB. The comp plan will respond to 19 statewide planning goals from housing to beaches, and should be a solid plan based on thoughtful community engagement. Aman stated this significant effort and would require resources to do it right. Aman stated that the Department of Land Conservation and Development technical assistance grant program funds comprehensive plans. If the city had a vision in place and support for a comprehensive plan update Aman stated that the city would be well positioned for the next round of funding in 2023. Aman will continue the discussion with council at future meetings including development of a workplan and budget.

Next Steps: Aman summarized next steps:

- Continue discussion on goals with the City Council at a special in person meeting in December.
- Aman will summarize the information from the retreat to the community at a “state of the city” meeting in January.

3. **COMMUNICATION AGREEMENT:** An additional meeting will be held in December, 2021 to continue discussion.

Mayor Scott adjourned the meeting at 12:14 pm

**MINUTES APPROVED THIS
8th Day of December, 2021**

Michael Scott, Mayor

Attest:

Leila Aman, City Manager

BILLS FOR APPROVAL OF PAYMENT

From 11/1/2021 - 11/30/2021

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	ROADS	Visitors Cnt	WATER
BACKFLOW VALVE SERVICES (BACKFLOW TESTING)	\$588.00								\$588.00
CHARTER (INTERNET SERVICE)	\$694.89	\$339.96	\$124.98					\$104.97	\$124.98
CITY OF WHEELER (FINE & ASSESSMENT PAYABLES)	\$297.00				\$297.00				
DMV (DRIVING RECORDS)	\$1.75				\$1.75				
ERICKSON EXCAVATING (EXCAVATING SERVICE)	\$1,970.00						\$1,970.00		
FASTENAL (HARDWARE)	\$251.97								\$251.97
GILLESPIE GRAPHICS (POLICE VEHICLE MAINT)	\$963.00		\$963.00						
GVT ETHICS COMMISSION (ANNUAL SUBSCRIPTION)	\$548.82	\$548.82							
HDR ENGINEERING (ENGINEERING SERVICES)	\$6,124.75								\$6,124.75
LARRY BLAKE (JUDICIAL SERVICES)	\$400.00				\$400.00				
LEHR (POLICE MAINT & ACCESSPRIES)	\$1,200.00		\$1,200.00						
LIBERTY PCS (ANNUAL WEBSITE SECURITY SUB)	\$368.00	\$184.00							\$184.00
MANZANITA LUMBER (LUMBER & SUPPLIES)	\$411.32						\$411.32		
MILLER NASH GRAHM & DUNN (CITY ATTORNEY)	\$3,756.00	\$3,756.00							
MUNI REVS (STR CENSUS MONITORING)	\$1,165.00	\$1,165.00							
NEHALEM BAY READY MIX (MATERIALS)	\$498.58						\$498.58		

BILLS FOR APPROVAL OF PAYMENT

From 11/1/2021 - 11/30/2021

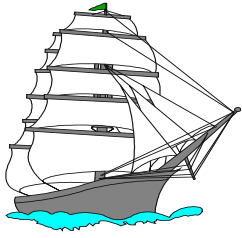
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BILLS FOR APPROVAL OF PAYMENT

From 11/1/2021 - 11/30/2021

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	ROADS	Visitors Cnt	WATER
STATE OF WASHINGTON (DRIVING RECORDS)	\$0.08				\$0.08				
SURPLUS CASHIER (STATE SURPLUS)	\$4,795.00								\$4,795.00
TILLAMOOK COUNTY (FINE & ASSESSMENT PAYABLES)	\$49.88				\$49.88				
TILLAMOOK PUD (ELECTRIC SERVICE)	\$1,434.24	\$418.97	\$327.25	\$123.99				\$64.00	\$500.03
US BANK (CITY VISA)	\$3,188.74	\$429.65	\$20.18	\$270.00	\$5.29				\$2,463.62
VAN DYKE PLUMBING (PLUMBING SERVICE)	\$135.00								\$135.00
VERIZON (CELL & DESK PHONE SERVICE)	\$1,374.34	\$423.99	\$329.34	\$120.97					\$500.04
TOTALS	\$60,664.51	\$21,982.81	\$4,423.24	\$890.31	\$1,166.12	\$430.60	\$12,624.27	\$588.97	\$18,558.19

City of Manzanita
Application for Special Event Permit



Date of request: _____, _____

Person making request: _____

Mailing address: _____

Phone number: _____ Cel number: _____

Organization (if applicable): _____

Type of event: _____

Date(s): _____ to _____ Hours: _____ to _____

Location: _____

(check which apply) Public Event: ☐ Private Event: ☐ Charitable: ☐ Profit: ☐

Non-profit: ☐ Public Property Used: ☐ Private Property Used: ☐

Estimated attendance: _____

Police, Fire or Medical support available or needed? Yes: ☐ No: ☐

Restrooms Available: Yes: ☐ No: ☐ Handicap Accessible: Yes: ☐ No: ☐

Alcohol Served/Sold/Consumed: Yes: ☐ No: ☐ Type: _____

Live Entertainment: Yes: ☐ No: ☐ Type: _____

Describe Event Support Staff: _____

Describe Parking Conditions: _____

Briefly Describe Nature of Event (attach map if needed for clarification or if requested)



City of Manzanita
Application for Special Event Permit

Date of request: November 19, 2021

Person making request: Shelby Porter

Mailing address: Po box 144 Manzanita, or 97130

Phone number: 503-724-9202 Cel number: 503-724-9202

Organization (if applicable): Nehalem Bay Volunteer Firefighter Association

Type of event: Fundraiser

Date(s): Jan 2, 2022 to Jan 8, 2022 Hours: 1/2/21: 1pm - 4pm and 1/8/21: 11am - 2pm

Location: _____

(check which apply) Public Event: ☐ Private Event: ☐ Charitable: ☒ Profit: ☐
Non-profit: ☒ Public Property Used: ☐ Private Property Used: ☐

Estimated attendance: 5 at a time

Police, Fire or Medical support available or needed? Yes: ☐ No: ☒

Restrooms Available: Yes ☐ No: ☒ Handicap Accessible: Yes ☒ No: ☐

Alcohol Served/Sold/Consumed: Yes: ☐ No: ☒ Type: _____

Live Entertainment: Yes: ☐ No: ☒ Type: _____

Describe Event Support Staff: 2-3 firefighters staffing vehicle loading trees

Describe Parking Conditions: drive up, drop off tree, and leave.

Briefly Describe Nature of Event (attach map if needed for clarification or if requested)

Parking a pickup truck and staffing with 2-3 firefighters to allow local community members
to drive to the lot, briefly park their car and have their Christmas tree that they brought
in their own car, unloaded and placed into the designated pickup for collections on designated
dates and time: 1/2/21 1pm - 4pm and 1/8/21 11am - 4pm. The pickup will be removed after event hours.

From: Randy Kugler <rkinor@gmail.com>

Sent: Wednesday, December 8, 2021 11:06 AM

To: Mike Scott <mscott@ci.manzanita.or.us>; Linda Kozlowski <lkozlowski@ci.manzanita.or.us>; Hans Tonjes <htonjes@ci.manzanita.or.us>; Steve Nuttall <snuttall@ci.manzanita.or.us>; Jerry Spegman <jspegman@ci.manzanita.or.us>

Cc: Leila Aman <lanan@ci.manzanita.or.us>

Subject: City Hall Project

Please include this information in the public record of your 12/8/21 Council meeting.

Mayor and Council, 12/8/21

This past Monday I was made aware of a report by ZCS Engineering and Architecture that recently completed a structural evaluation for the City of Cannon Beach of the Cannon Beach Elementary School and Quonset Hut gymnasium. The purpose of the report was to provide a comprehensive structural, architectural and MEP evaluation of those structures. Cannon Beach anticipates using the structures as a community center.

I have just this morning completed my investigation including a visit to the site to take photos and am relaying this information to you for your consideration.

Quick Facts on the Cannon Beach Elementary School Project:

- Cannon Beach purchases the approximate 1 acre property in 2020 for \$400,000.
- 4,600 square foot School built in 1950. 8,350 square foot Gym built in 1952.
- Single story slab on grade wood frame construction for both structures built to the same building codes in effect as the Underhill School.
- Building was vacant for approximately 8 years. The water damage from broken windows and leaking roof during this time is substantial when compared to the Underhill structures which have no similar issues.
- The ZCS study includes substantially all of the areas addressed by the Manzanita WRK Structural Condition and Assessment with the addition of estimates for Hard and Soft costs including Tenant Improvements for a remodel.
- The Underhill remodel would result in a minor change of occupancy classification. This situation triggers energy conservation code requirements and associated costs that were already anticipated for the remodel. The end result is the potential of a LEED certified structure with an equal or higher energy efficiency rating than a new build because of the extra LEED points earned through the reuse of existing building materials.

Improvements to be completed for both the Cannon Beach school and gym:

Hard costs and tenant improvements:

Required demolition and abatement.

Hazardous material abatement.

New fire barrier and fire doors.

New HVAC system for school and gym.

ADA parking upgrades.

New upgraded finishes for walls, ceiling, flooring and casework.

Remodel existing restroom and add new ADA restroom with upgraded finishes.

New electrical lighting and panel for school and gym.

Roof replacement including gutters and downspouts for school and gym.

Seismic retrofits for school and gym.

Mezzanine remodel in the gym.

New doors where needed and upgraded aluminum windows for school and gym.

Exterior siding repair and painting for school and gym.

Fire sprinkler and alarm system for gym.

Sound system and stage lighting for gym (medium to high end system).

Landscaping allowance of \$50,000.

Soft Costs:

Land use planning, permits and fees.

Mobilization.

Contractor Bonding and Insurance.

Contractor overhead and profit.

Anticipated Design Fees.

Owner Design Contingency of 20%

Owner Construction Contingency of 5%.

ZCS cost as of August 2020 for 12,950 square feet of remodeled public meeting and office space is an estimated **\$3,998,000.**

Applying these same estimated costs to an identical Underhill remodel project could have 9,600 square feet of remodeled public meeting and office space at an estimated cost of approximately **\$2,956,800.**

Replacing the west wall of the school during a remodel with an additional 1,080 square feet is a cost effective way of creating an approximate 6,500 square foot City Hall.

Conclusions:

O'Brien Construction is the Cannon Beach project General Contractor. Vito Cerelli of O'Brien has toured the Underhill school, commented on its favorable structural condition and the ease with which the spaces could be converted to functioning City uses. Mr. Cerelli provided Tenant Improvement cost estimates to me which I then shared with the City recently in conjunction with the WRK cost analysis that also confirmed similar cost savings when compared with your new build options.

The accompanying photos document that the Cannon Beach project is a more problematic candidate for remodel than the Underhill project. It is located in the tsunami zone, has experienced extensive water penetration, 2 x 4 construction of exterior walls rather than 2 x 6 and foundation concrete spalling and cracking with the gym.

Your April 2021 "preliminary budget" hard cost estimates alone are overly optimistic for a 6,500 square foot new build which does not even meet the Public Facilities Advisory Committee's recommendation for Immediate space needs. The City has yet to announce the costs to move, remodel or demo the Q Hut which means that your total project costs are going to continue to rise to well over this preliminary budget estimate of \$5 million dollars.

The City is now in the unenviable position of seeking citizen support for the financing of this project while explaining the logic of how spending up to \$2 million more for substantially less space is a sound financial decision. The explanations during the past 3 years as to why a new build is more cost effective are again effectively refuted by this project which is taking place in a neighboring city as we speak.

Should the Council announce at Wednesday's meeting that a remodel is now under consideration and will be placed on the January Council Agenda for community consideration, I am willing to work with Councilors Nuttall, Spegman and the City Manager to find a way to complete this project and end the ongoing controversy so that Council can focus on other pressing and costly projects facing our community.

The explanation for this reconsideration will certainly raise questions but it will be less problematic than pretending that you had no knowledge of the details of this project. Perhaps giving the credit to your Owners Representative for suggesting this reconsideration is a solution.

Randy Kugler











