



CITY OF MANZANITA

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COUNCIL REGULAR SESSION

Zoom Video Conference
<https://ci.manzanita.or.us>

AGENDA

January 4, 2023
06:00 PM Pacific Time

Video Meeting: Council will hold this meeting through video conference. The public may watch live on the [City's Website: ci.manzanita.or.us/broadcast](https://ci.manzanita.or.us/broadcast) or by joining the Zoom webinar:

<https://us02web.zoom.us/j/83345351719>

Call in number:
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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 (6:05 p.m.)

Deb Simmons, Mayor

2. AUDIENCE PARTICIPATION (6:06 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 (6:21)

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. December 7, 2022 Regular Session

B. Approval of Bills

4. NEW BUSINESS (6:22)

- A. Selection of Council President
Deb Simmons, Mayor
- B. In Person City Council Meetings
Leila Aman, City Manager
- C. Stormwater SDC update
Dan Weitzel, Public Works Director
- D. Dorcas Contract
Dan Weitzel, Public Works Director
- E. Planning Commissioner Appointments
Karen Reddick Yurka, Planning Commission Chair
- F. Budget Committee Selection Criteria
Jim Dopp, Budget Committee Member

5. CITY MANAGER REPORT (7:25)

6. ADJOURN (7:30)

Meeting Accessibility Services and Americans with Disabilities Act (ADA) Notice

The city is committed to providing equal access to public meetings. To request listening and mobility assistance services contact the Office of the City Recorder at least 48 hours before the meeting by email at cityhall@ci.manzanita.or.us or phone at 503-368-5343. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the [city's youtube channel](#).

CITY OF MANZANITA
December 7, 2022
CITY COUNCIL REGULAR SESSION

1. CALL TO ORDER: The meeting was called to order on December 7, 2022, at 6:01 pm via Zoom by Mayor Mike Scott.

Roll: Council members present: Mayor Mike Scott, Linda Kozlowski, Steve Nuttall, Jerry Spegman and Jenna Edginton. Staff present: City Manager Leila Aman, Accounting Manager Nina Aiello, and Assistant City Recorder Nancy Jones.

2. AUDIENCE PARTICIPATION: There were 20 people in attendance. There were two public comments.

3. CONSENT AGENDA:

A. APPROVAL OF MINUTES – October 25, 2022 Budget Committee Work Session; November 9, 2022 City Council Work Session and November 9, 2022 City Council Regular Session

B. APPROVAL OF BILLS FOR PAYMENT

A motion was made by Kozlowski, seconded by Nuttall, to approve the consent agenda that includes approval of the October 25, 2022, Budget Committee Work Session, November 9, 2022, City Council Work Session and November 9, 2022, City Council Regular Session; approve payment of bills and all subsequent bills subject to approval by the Mayor or Council President and City Manager; Motion passed unanimously.

4. COUNCIL UPDATES: Council members took turns sharing what they worked on for the month of December.

5. NEW BUSINESS:

A. Updated Employee Policy Manual – City Manager Leila Aman

City Manager Aman asked council to approve Resolution 22-16. She shared detailed information about the current Employee Policy Manual and the changes that would incur. The primary changes are to the Employment Equal Opportunity section of the manual. Other updates include changes to vacation accrual carryover and payout limits. It is planned to update the Manual annually.

A motion was made by Kozlowski to adopt Resolution 22-16, Employee Handbook of Personnel Policies, seconded by Spegman; Motion passed unanimously

B. Renewal of Public Works Equipment Fund - City Manager Leila Aman.

City Manager Aman shared that under ORS 2943462, the City is required to review the Public Works Equipment fund every 10 years and determine if the fund is to be continued or abolished. Approval of Resolution 22-17 will renew this fund to an expiration date of 2032.

A motion was made by Nuttall to approve Resolution 22-17, Renewal of Public Works Equipment Fund, seconded by Kozlowski; Motion passed unanimously

C. Amendment to Klosh Contract – City Manager Leila Aman

City Manager Leila Aman spoke about the 2 phases of the City Hall project. Phase one will complete 30 percent of schematic design. Approval of this change order will secure that we will be able to move towards the completion of phase one.

A motion was made by Kozlowski to authorize the change to the Klosh Contract, seconded by Spegman; Motion passed unanimously

D. Budget Committee Selection Committee - City Manager Leila Aman.

City Manager Leila Aman shared that there will be 3 open positions on the Budget Committee in March. She noted that the Budget Committee appointed Jim Dopp to serve on the selection committee and requested the appointment of a member of council. Council Member Jerry Spegman was nominated and accepted to serve on the Selection Committee.

6. CITY MANAGER REPORT: Aman gave an update on the City Hall project. The public survey and video are still available through the City of Manzanita website. A summary of the survey results will be presented at a future council meeting. Aman praised Public Works Dan Weitzel, as he did an amazing job setting up the tree lighting ceremony. The new Mayor and Council will be sworn in during the Regular session in January. They will also be viewing the City Hall project video. The deadline to turn in applications for the Planning Commission is Friday Dec 9th by 5pm. Aman spoke about town parking and the new restaurant that will be opening on Laneda.

7. INFORMATION AND ADJOURN:

1. Manzanita Municipal Court will be held December 16, 2022 and continues to remain closed to the public.
2. The Planning Commission meeting will not be held this month.
3. The Council Work Session in January has been cancelled.

Mayor Scott adjourned the meeting at 7:12PM.

**MINUTES APPROVED THIS
4th Day of January, 2023**

Deb Simmons, Mayor

Attest:

Leila Aman, City Manager

BILLS FOR APPROVAL OF PAYMENT

From 12/1/2022 - 12/30/2022

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH Expansion	ROADS	Visitors Center	WATER
ADVANCED EXCAVATION (MATERIALS & SUPPLIES)	\$1,382.51							\$316.25		\$1,066.26
ALEXIN ANALYTICAL (STATE WATER TESTING)	\$1,194.00									\$1,194.00
ASTORIAN (ANNUAL SUBSCRIPTION)	\$71.00	\$71.00								
BEARING ARCHITECTURE (PROFESSIONAL SERVICES)	\$10,129.48						\$10,129.48			
BUDDY HUDSON* (REFUND OF PERF BOND)	\$1,350.00	\$1,350.00								
CASELLE (MONTHLY SERVICE FEE)	\$5,032.25	\$3,101.00								\$1,931.25
CHARTER (INTERNET SERVICE)	\$589.91	\$219.98	\$129.98						\$109.97	\$129.98
CITY OF NEHALEM (FINES & ASSESSMENTS)	\$733.00				\$733.00					
CITY OF WHEELER (FINES & ASSESSMENTS)	\$548.00				\$548.00					
DEPT. OF MOTOR VEHICLES (DRIVING RECORDS)	\$3.90				\$3.90					
EC ELECTRIC (PROFESSIONAL SERVICES)	\$2,562.55								\$2,562.55	
EO MEDIA GROUP (ADVERTISING)	\$616.00							\$242.64		\$373.36
FASTENAL (MATERIALS & SUPPLIES)	\$97.91									\$97.91
GALLS (POLICE UNIFORMS & SUPPLIES)	\$128.36		\$128.36							
GRAINGER (MATERIALS & SUPPLIES)	\$223.51								\$223.51	
KLOSH GROUP (OWNERS REPRESENTATIVE)	\$2,574.75						\$2,574.75			

BILLS FOR APPROVAL OF PAYMENT

From 12/1/2022 - 12/30/2022

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH Expansion	ROADS	Visitors Center	WATER
LARRY BLAKE (JUDICIAL SERVICES)	\$400.00				\$400.00					
MANZANITA GROCERY (TREE LIGHTING CEREMONY)	\$450.00								\$450.00	
MANZANITA LUMBER (MATERIALS & SUPPLIES)	\$26.86									\$26.86
MILLER NASH (CITY ATTORNEY)	\$10,029.50	\$6,020.00					\$2,511.00			\$1,498.50
MPH INDUSTRIES (POLICE EQUIPMENT)	\$271.50		\$271.50							
MORGAN CPS (CITY PLANNER)	\$1,160.00	\$1,160.00								
NEHALM BAY WASTEWATER (UTILITIES)	\$243.00					\$243.00				
NEHALEM LUMBER (MATERIALS & SUPPLIES)	\$69.91									\$69.91
NORTH COAST CIVIC DESIGN (PROFESSIONAL SERVICES)	\$11,424.00							\$4,499.77		\$6,924.23
ONE CALL (STATE LOCATE FEES)	\$33.75									\$33.75
ONE ELEVEN (IT SERVICES)	\$3,660.00	\$3,230.00							\$400.00	\$30.00
ONE ELEVEN (EQUIPMENT)	\$429.79	\$75.21								\$354.58
OREGON BUILDING ASSOC (ANNUAL MEMBERSHIP)	\$225.00			\$225.00						
OREGON DEPT OF REV (FINES & ASSESSMENTS)	\$550.00				\$550.00					
OREGON MAYORS ASSOC (ANNUAL MEMBERSHIP)	\$71.00	\$71.00								
OREGON ASSOC OF CHIEFS (ANNUAL MEMBERSHIP)	\$300.00		\$300.00							

BILLS FOR APPROVAL OF PAYMENT

From 12/1/2022 - 12/30/2022

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH Expansion	ROADS	Visitors Center	WATER
PACE ENGINEERS (PROFESSIONAL SERVICES)	\$105.00									\$105.00
PACIFIC OFFICE (POSTAGE SERVICE)	\$263.54	\$229.04								\$34.50
PINE GROVE COM. HOUSE (FACILITY RENTAL)	\$70.00	\$70.00								
RHINO ONE (GEOTECHNICAL CONSULTANT)	\$1,050.00						\$1,050.00			
RHYNO NETWORKS (IT SERVICES)	\$387.00	\$249.00	\$66.00							\$72.00
RTI (PHONE SERVICE)	\$494.68	\$96.12	\$99.77							\$298.79
SHELDON OIL CO. (FUEL)	\$2,967.12		\$591.85	\$129.64		\$112.28		\$561.41		\$1,571.94
STAPLES (OFFICE EQUIP & SUPPLIES)	\$1,017.74	\$418.78		\$598.96						
STATE OF WASHINGTON (DRIVING RECORDS)	\$0.12				\$0.12					
SWEET SEPTIC (PORTABLE TOILETS)	\$115.00								\$115.00	
TILL CO PAYABLE (FINES & ASSESSMENTS)	\$144.00				\$144.00					
TILLAMOOK PUD (ELECTRIC SERVICE)	\$3,569.01	\$84.09						\$609.00	\$80.81	\$2,795.11
US BANK (CITY VISA)	\$5,534.81	\$1,232.11				\$298.00		\$40.49	\$2,240.31	\$1,723.90
VERIZON (TELEPHONE)	\$1,159.60	\$293.26	\$344.36	\$114.98					\$64.99	\$342.01
TOTALS	\$73,459.06	\$17,970.59	\$1,931.82	\$1,068.58	\$2,379.02	\$653.28	\$16,265.23	\$6,269.56	\$6,247.14	\$20,673.84

*Refund of performance bond guarantee - 867 Elm St



COUNCIL STAFF REPORT

To: Mayor and City Council
From: Leila Aman, City Manager

Date Written: December 30, 2022

Subject: **In Person Council Meetings**

ACTION REQUESTED

Provide staff direction on whether to pursue in person meetings for the City Council. Provide direction to staff on the location, type, date, and frequency of City Council meetings if new meetings are proposed and direction on how long to obligate city funds for this purpose. Provide staff direction on whether to pursue in person meetings for the Planning Commission.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

None

ANALYSIS

The City of Manzanita has been holding all of its required public meetings using the virtual platform Zoom and live streaming meetings from the city's website and YouTube page since the beginning of the COVID 19 pandemic in March of 2020. Since then, restrictions for meetings have declined and there is interest by the City Council and the Planning Commission to explore a return to in person meetings.

Two key things have changed since the Council and the Planning Commission last held in person meetings. First, the city no longer has a safe public meeting space to hold City Council or other committee and commission meetings. Second, the state passed [HB 2560](#) which requires that public meetings provide a call in or virtual option to listen and participate in public meetings. This means that all meetings must be a hybrid (in person and remote) and requires some measure of technology and technological support.

Staff investigated the options available and have prepared a timeline, budget estimate to carry out in person meetings. Key Assumptions informing the estimate are outlined in detail below.

- The proposal assumes that the meetings will be held at the Pine Grove Community House and that the use of the Community House on a regular basis requires that we pay to reserve the space. Rental fee estimates included are based on the fees proposed by the Pine Grove Community House. (See Attachment 1)
- The proposal assumes that the City will continue to provide the highest possible quality and access to the meetings through the virtual option. Special guests, audience members and others would still be able to access the meetings and participate either by phone or through a Zoom Webinar link and community members would still be able to watch the City's livestream or participate in the Zoom Webinar.
- In person meetings require additional support from the City's IT consultant. The proposal assumes 2.5 hours on the front and back end of each meeting for the IT consultant's attendance, set up, tear down and post processing time.

- The hardware proposal assumes the IT consultant will provide most if not all the necessary video and audio hardware required resulting in significant cost savings for the city.
- Rental fees are based on an 8-hour (all day) rental.
- Staff to set up the meeting, technology, and tear down assumes 2 hours of overtime for the on-call Public Works staff person to come back after hours to tear down the meeting.
- Costs are calculated on a monthly, and an annual basis.

	Monthly Estimate	Annual Estimate
Rental Fees	\$335	\$4,020
Technology (one time*)		
	[\$3,500]	[\$3,500]
Technology	\$250	\$3,000
Public Works	\$150	\$1,800
Total	\$735	\$8,820
	[**\$4,235]	[\$12,320]

** Includes hardware costs.

The monthly estimates are provided for context and can be used to make estimates should the council entertain adding an additional meeting or changing the date of the work sessions. Pine Grove Community House has indicated an interest in allowing the city to reserve additional space/days if required subject to availability.

Below is an example of potential costs for holding in person meetings if Council were to add an additional city council meeting on a difference day, and elected to have Planning Commission as in person meetings the annual cost would be:

City Council (Regular and Work Session)	\$8,820	
Planning Commission	\$8,820	
Additional City Council Meeting	\$8,820	
Initial Start Up Fees		[\$3,500]
Total Costs	\$26,640	**[\$29,960]

**Year 1 with start up fees.

In terms of timeline, if staff is directed to move forward with in person meetings it is anticipated that staff will be prepared to start those meetings in the following month from which the direction is given. If staff can move forward immediately, we anticipate being able to execute our first meetings hybrid in February. If staff need to return to council for approval of a proposal in February, staff will be ready to proceed in March.

One final note for Council consideration is that the city also currently holds its municipal court in person and has been doing so out of the Nehalem Bay Fire Department. These meetings are held the third Friday of each month. NBFRD Board recently extended the city's facility use agreement for the 2023 calendar year. The use of this space for court was never intended to be long term. Set up and security restrictions make the logistics of holding these meetings complex and staff heavy. Council should consider this additional need in the context of the overall, long term budget impact of holding in person meetings.

BUDGET IMPACT

The City Manager estimated approximately \$10,000 of Professional Services could be used for this purpose when preparing the FY 22-23 budget. It is estimated that a significant portion of the professional services will not be expended this fiscal year so there is sufficient room in this line item to account for additional costs if the anticipated estimate does not cover the fees for the current fiscal year. These costs will need to be added to the budget for FY 23-24 and will assumed to become part of the city's ongoing administration costs.

WORKLOAD IMPACT

If the current schedule is maintained it will not have a workload impact on the City Manager, Assistant City Recorder or other staff who regularly attend these meetings. In person meetings will require overtime from a public works staff person and additional hours for the IT consultant. If new meetings are added it will impact the City Manager and the Assistant City Recorders time to prepare for, notice and hold additional meetings. New meetings will require additional overtime from a public works staff person and additional hours for the IT consultant. If staff time is required outside of normal business hours this will also have an additional impact.

STAFF RECOMMENDATION

Staff recommend that the city council provide direction to staff on whether the Council wishes to pursue in person council meeting including direction on the type, time, date, and frequency of City Council meetings and any proposed changes. Staff also recommend that council provide a timeframe for obligating the city's funds. Additionally, staff request that council provide direction on whether to authorize in person meetings for the Planning Commission and provide any other guidance or feedback to staff to ensure that the objectives are met.

ATTACHMENTS

1. Rental Proposal from Pine Grove Community House



225 Laneda Ave, Manzanita, OR 97130
Mail: PO Box 47, Manzanita, OR 97130
thepinegrove.org



RENTAL PROPOSAL

15 December 2022

**TO: Leila Aman, Manager
City of Manzanita**

Pine Grove Community House is pleased to offer the following rental proposal to The City of Manzanita.

The City has asked to rent the Pine Grove facility for multiple rental dates during the calendar year 2023. These would be for in-person City Council meetings (12 meetings) and in-person Planning Committee meetings (12 meetings). The City also anticipates that it will need eight additional meeting days for various other committee meetings during the year.

Our current rental rates are \$50 per hour with a 25% discount for Pine Grove members in good standing. We are willing to extend the Pine Grove member discount to the City of Manzanita, thus each of the requested meeting days would cost \$335. This is calculated at \$50 x 8 hours (\$400) less 25% Pine Grove member discount (\$100) plus \$35 for one hour of cleaning.

In-person City Council Meetings (one weekday/month)	\$300 x 12 meetings	\$ 3,600
Planning Commission (one weekday/month)	\$300 x 12 meetings	\$ 3,600
8 misc mtgs. (budget, comprehensive plan, etc.)	\$300 x 8 meetings	\$ 2,400
Rental Cost	32 meetings	\$ 9,600
Cleaning Fee for 32 full days	\$35 x 32	\$ 1,120
Total Rental Charge for 32 full days		\$10,720

Pine Grove would like to offer the City an additional 15% discount on the rental cost (\$9,600 less 15% = \$8160) in return for the City’s “bulk rental” and willingness to pre-pay these rentals either annually or semi-annually. The cleaning rate would not be discounted.

After the bulk discount, the total invoice to the City of Manzanita for 32 meetings would be **\$ 9,280.**

We understand the City of Manzanita may need to rent additional days during the year as other meeting needs arise. These would be charged at the regular rental rates plus a 25% Pine

Grove member discount. In fact, we have already reserved the following dates on the Pine Grove calendar. We will be invoicing the City for \$1,152.50 for these meetings.

6 Jan (Friday)	7 hrs	Training/retreat	\$ 262.50 + \$35 = \$297.50
18 Jan (Saturday)	6 hrs	Training/retreat	\$ 262.50 + \$35 = \$297.50
28 Jan (Wednesday)	7 hrs		\$ 225 + \$35 = \$260
13 Feb (Monday)	7 hrs		\$ 262.50 + \$35 = \$297.50
4 days	27 hours		\$1152.50

Please let us know if this proposal is acceptable, and what specific dates you will need us to reserve for the meetings discussed above.

Sincerely,

Lynne M. Gross

Lynne Gross, President
Pine Grove Board of Directors



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: December 15,
2022

Reviewed: Leila Aman, City Manager

From: Dan Weitzel, Public Works Director

Subject: **Storm Drain System Development Charge Increase**

ACTION REQUESTED

Listen to a presentation from consultant regarding the methodology for updating the city's Storm Drainage System Development Charge (SDC). Adopt Resolution increasing the Storm Drain SDC from \$174 to \$1,669.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[Ordinance 91-4](#) authorizes the city to establish System Development Charges (SDC) for water, storm drainage and parks.

Resolution 91-7 Adopted a Storm Water Master Plan and established a Storm Drainage SDC of \$150

1996 - Storm Drainage SDC was increased to \$174 per water connection

ANALYSIS

In December 2020 the City working with its consultant, OTAK, completed an updated [Storm Water Master Plan \(SWMP\)](#). This plan evaluated the watershed characteristics, and storm drainage issues based on current conditions and provided recommendations for storm water remediation, cost, phasing, and implementation of capital improvements.

Upon completion of the SWMP, staff contracted with HDR to establish proper Storm Drainage SDC to reflect the needs of the proposed system. The cost for this plan was \$8,440 and was paid for using funds from the Storm Drain Facilities Fund. Staff worked with the Storm Drainage Master Plan consultant, and contract City Engineer Kyle Ayers to identify the project list for the SDC study that would form the basis of the fee. This list is included as Attachment 1.

The Storm Drainage SDC recommendation is based on both reimbursement of improvements made and future improvements in the Storm Drainage Systems as outlined in the Storm Drainage Master Plan. The fees are calculated based on requirements under Oregon State law outlined in detail in Attachment 2, Storm Drain System Development Charge Report. The consultant that prepared the report will provide an overview of the following:

- Overview of System Development Charges (SDC 101)
- System Development Charge Formula
- Review of the City's current SDC

- Review of the proposed SDC
- Discussion and Questions.

The consultant will review all the information included in the report and will be available to answer questions of the Council. In summary the proposed maximum SDC based on the project list included as Attachment 1 is \$1,699. Staff are recommending that council adopt the maximum fee.

The initial SDC for Storm Drain was set in 1991 via resolution 91-7 when the last storm water master plan was updated and the original fee was set at \$150. Ordinance 91-4, Section 4, allows for the SDC to be updated annually for inflationary cost impacts every January. The last time the fee was updated for inflation was in 1996 when the fee was set at \$174. The fee has not been updated since. The city does not currently have any financial policies that require or ensure that this annual update occurs.

There are two key themes that emerged from the Envision Manzanita¹ outreach process that relate specifically to System Development Charges and are worth noting. Community members felt that current development fees are not contributing enough to provide resources for system expansion and there is strong support to update system development charges, and to establish a process to keep them updated, generally. City Staff have not conducted outreach with developers on this proposed fee increase.

State law allows the council to consider charging less than the maximum fees allowed however, staff are recommending that council move forward with the maximum proposed fee. If there is concern that the new fees may impose a barrier to the development of affordable housing, it should be noted that Section 8 of Ordinance 91-4 provides for exemptions for low-income housing, housing for the elderly or other city funded projects.

Staff are also asking council to provide policy guidance on establishing a financial policy for ensuring SDC fees are current with inflation and updated on a regular basis

BUDGET IMPACT

The proposed fee change would significantly impact the Storm Drain Construction Fund in positive way.

WORKLOAD IMPACT

There is not a significant workload impact to implement a new fee.

¹ The Envision Manzanita process is a program of civic engagement designed to keep people interested, engaged, and informed in what is happening with their local government. The City hosted a series of Envision Manzanita Town Hall meetings (3 in person) and surveys (3) over several months during the summer and fall of 2022. That information was refined into a set of themes that are designed to inform the comprehensive plan update and other policy objectives.

ALTERNATIVES

The Council can elect to adopt a fee lower than the maximum proposed fee. The Council can elect to not adopt the Resolution or fee increase. The council can ask for more information and defer the decision to another month.

ATTACHMENTS

1. Storm Drain CIP Project List
2. 2022-12-15 Stormwater SDC Report
3. Resolution

Figure 8.3 CIP Cost Summary*

COST SUMMARY		
PROJECT PRIORITY	PROJECT NAME	COST
1	DIVISION STREET DRAINAGE	\$ 809,000
2	SITKA STREET DRAINAGE	\$ 144,000
3	LAKEVIEW DRIVE DRAINAGE	\$ 730,000
4	PINE STREET DRAINAGE	\$ 389,000
5	HALLIE LANE DRAINAGE	\$ 155,000
6	DIVISION STREET (NORTH) DRAINAGE	\$ 217,000
7	NORTH AVENUE DRAINAGE	\$ 150,000
8	GREENRIDGE STREET DRAINAGE	\$ 536,000
9	CHERRY STREET DRAINAGE	\$ 271,000
10	MANZANITA AVENUE DRAINAGE	\$ 347,000
	TOTAL	\$ 3,748,000



November 4, 2022

Mr. Dan Weitzel
City of Manzanita
1090 Oak St.
Manzanita, OR 97130

Subject: Storm Drain System Development Charge Report

Dear Mr. Weitzel:

The City of Manzanita (City) has requested technical and professional assistance from HDR Engineering Inc. (HDR) to review and update the City's storm drain system development charges. The City last updated their storm drain system development charges in 1996. The requirements for system development charges for water, storm drain, and parks and recreation were adopted under City Ordinance No. 91-4. The fee was last updated in 1996.

The City currently accounts for costs using the cash basis methodology for reporting which does not require reporting of assets or depreciation. Therefore, to update the storm drain system development charges without asset data, the City provided the last several years of completed storm drain projects. Future projects were based on the City's current storm drain capital improvement plan. The projected total equivalent service units (ESUs) for the storm drain system were based on existing billing ESUs, plus the 2019 Manzanita Urban Growth Boundary (UGB) Buildable Lands Inventory report estimates on buildable ESUs.

This analysis has been prepared using generally accepted financial and engineering principles. The City's financial, planning, and engineering data were the primary sources for the information contained in this report. HDR would recommend that prior to implementing the proposed SDCs contained in this technical review, the approach and analysis be reviewed by the City legal counsel for compliance with Oregon State law.

HDR appreciates the opportunity to assist the City in this matter. We also would like to thank you and your staff for the assistance provided to us. We look forward to future opportunities to work with the City.

Sincerely yours,
HDR Engineering, Inc.

A handwritten signature in blue ink that reads "Judy Dean". The signature is fluid and cursive.

Judy Dean
Associate Vice President



Storm Drain System Development Charge Study

Introduction

The purpose of system development charges (SDCs) is to maintain equity between existing customers and new customers connecting to the City's storm drain system. The objective of a SDC is to calculate the cost-based charges for new customers connecting to, or existing customers requesting additional capacity on, the City's storm drain system. By establishing cost-based storm drain SDCs, the City attempts to have the growth pay for growth by having new customers pay their proportional share of the infrastructure in place which will serve them, while also reimbursing the existing utility customers for funding the financial impacts of growth.

HDR Engineering Inc. (HDR) was retained by the City of Manzanita (City) to update the City's storm drain SDC. The City has a current storm drain SDC of \$174 per equivalent service unit (ESU). The SDC has not been reviewed or updated since 1996. The City through adopted City Ordinance 91-4, Section 4, allows for the SDCs to be updated annually for inflationary cost impacts every January, based on the Engineering News Records Construction Index (ENR-CCI) for Seattle, Washington. Since the implementation of the current SDC, the City has not made the allowable annual inflationary adjustments. As noted in the City's ordinance, general industry recommendations are to adjust these charges annually based on changes in construction costs, and to update the charges every three to five years, or whenever comprehensive planning documents for the systems have been updated.

The first step in establishing cost-based SDCs, is to gain a better understanding of the definition of a SDC. For the purposes of this report, a SDC is defined as follows:

"System development charges are one-time charges paid by new development to finance construction of public facilities needed to serve them."¹

SDCs for storm drain are generally imposed as a condition of service. The objective of the SDCs are not to generate revenues for a utility, but rather to create fiscal balance between existing customers and new customers so that all customers seeking to connect to the utility's systems bear an proportional share of the cost of capacity that is invested in both the existing, and any future growth-related expansion of the system. Through the implementation of cost-based and equitable SDCs, existing customers will not be unduly burdened with the cost of new development. Absent those charges, many utilities would likely be unwilling to build growth-related facilities (i.e., burden existing rate payers with the entire cost of growth-related capacity expansion). The establishment of a cost-based SDC is a function of generally accepted methodologies, along with Oregon State law and regulations.

¹ Arthur C. Nelson, System Development Charges for Water, Sewer, and Stormwater Facilities, Lewis Publishers, New York, 1995, p. 1,

Requirement Under Oregon State Law

In establishing SDCs, an important requirement is that they be developed and implemented in conformance with local laws. In particular, many states have established specific laws regarding the establishment, calculation, and implementation of SDCs. The main objective of most state laws is to assure that these charges are established in such a manner that they are fair, equitable, and cost-based. In other cases, state legislation may have been needed to provide the legislative powers to the utility to establish the charges.

The purpose of Oregon law for the determination of SDCs is to provide a uniform framework for the imposition of SDCs by local governments for specified purposes, and to establish that such fees be used only for capital improvements. Specifically, the requirement for the calculation of SDCs in Oregon is found in ORS 223.297 to 223.314. Capital improvements as defined under Oregon law are as follows:

- Water supply, treatment and distribution;
- Wastewater collection, transmission, treatment and disposal;
- Drainage and flood control;
- Transportation; and
- Parks and recreation.

An SDC means a reimbursement fee, an improvement fee, or a combination thereof. As defined under Oregon law, “improvement fee” means a fee for the costs associated with capital improvements to be constructed. “Reimbursement fee” means a fee for costs association with capital improvements already constructed or under construction.

In addition to the definitive requirements of the establishment of a SDC as an improvement fee and/or reimbursement fee, other requirements under Oregon law are as follows:

- The SDC must be based on an approved capital improvement plan, public facilities plan, master plan, or comparable plan which lists the capital improvements that may be funded with the improvement fee revenues and the estimated costs and timing for each improvement.
- Proper administrative review procedures must be followed in the enactment of an SDC resolution or ordinance.
- SDC funds must be spent only on facilities for which they were collected.
- A proper accounting system must be established which provides for an annual accounting of SDCs showing the total amount of revenue collected and the projects that were funded.
- The SDC may be annually adjusted based on an annual, recognized, published index if incorporated as part of methodology and in a separate ordinance.

System Development Charge Calculation

In simple terms storm drain planning is based on stormwater runoff after an immediate rainfall and can involve groundwater flow and snow melt. The purpose of a storm drain system is to control runoff in ways that minimize hazards to life and property, and minimize inconvenience to

the general public. Many outside factors contribute to the runoff such as development, vegetation or hard surface area which do not allow for a set and defined capacity like a water or sewer system. For the most part the stormwater infrastructure is based on planning and development for a stormwater event, usually measured in 20 to 25 year increments. The City measures their storm drain capacity based on the Urban Growth Boundary (UGB) planning for existing and future buildable units.

There are various approaches that can be used to establish SDCs which ultimately depend on the available capacity in the utility (i.e., ability to meet future customer demands). The Water Environment Federation (WEF) Manual of Practice No. 27, Financing and Charges for Wastewater Systems, Fourth Edition discusses three generally accepted SDC methods:

- The **buy-in method** is based on the value of the existing system's capacity. This method is typically used when the existing system has sufficient capacity to serve new development now and into the future.
- The **incremental cost method** is based on the value or cost to needed to add to the existing system to serve additional customers. This method is typically used when the existing system has limited or no capacity to serve new development now and into the future.
- The **combined approach** is based on a blended value of both the existing and future costs needed to serve a new customers. This method is typically used where some capacity is available in the existing system, but future projects are needed in other parts (e.g., lift station, collection) to serve new development at some point in the future.

The storm drain system has specific expansion needs to serve new customers. Therefore, the combined approach is the approach that best fits the City's expansion of facilities given the impacts of growth outlined in the Master Plan. Therefore, the existing and future component cost per ESU is determined, and the cost per ESU for each existing and future component is added together for a combined total.

Within the generally accepted SDC methodologies,² there are a number of different steps used to establish cost-based and equitable SDCs. These steps are as follows:

- **Step 1** – Determination of system planning criteria
- **Step 2** – Determination of equivalent service units (ESUs)
- **Step 3** – Valuation of system component costs
- **Step 4** – Determination of any credits

² Methodologies established in industry documents referenced as System Development Charges for Water, Wastewater, and Stormwater Facilities, by Arthur C. Nelson; AWWA M-1 Manual, 7th Edition and WEF Manual of Practice No. 27, Financing and Charges for Wastewater Systems, Fourth Edition.

Step 1 – Determination of System Planning Criteria

The first step in establishing the SDC is the determination of the system planning criteria. This implies calculating the amount of capacity required by a single-family residential customer, or one ESU. The use of an adopted facility plan or master plan for the utility provides the basis for the SDC system planning criteria. These planning documents provide the rational planning basis and criteria for the facilities and investment needed to operate and maintain the system properly and adequately. Generally, for a storm drain system the planning criterion is the defined minimum lot size per ESU. The City’s recent Urban Growth Boundary, Buildable Lands Inventory defined the average lot as roughly 94% high density residential zoning with a minimum lot size of 5,000 square feet. Table 1, below, provides the planning data for the City’s storm drain system.

Table 1. SDC – Planning Data

Description	Total
Total Buildable Acres ⁽¹⁾	96.05
Square Feet per Acre ⁽²⁾	<u>x 43,560</u>
Total Buildable Square Feet	= 4,183,938
Minimum Lot Size ⁽³⁾	÷ 5,000
Total Future ESUs	= 836.79

(1) Manzanita UGB: Buildable Lands Inventory, October 10, 2019, Table 9: Summary of Residential Buildable Lands.

(2) Definition of square feet per Acre is 43,560 square feet.

(3) Defined minimum lot size, Manzanita UGB: Buildable Lands Inventory, October 10, 2019, page 21 of 21.

Step 2 – Determination of Equivalent Service Unit (ESU)

The next step is the determination of the ESUs. An ESU provides a “common denominator” for assessing impact on a utility system. The determination of the total system ESUs is an important calculation in that it provides the linkage between the amounts of infrastructure necessary to provide service to a set number of customers.

System planning criteria are used to establish the capacity needs of an ESU. The future ESUs is 836.79 units. The existing ESUs is 3,039.00 based on billing data from the 2021 Water Master Plan. The future ESUs plus the existing ESUs is approximately 3,875.79 total ESUs. A summary of the existing, future and total ESUs is presented in Table 2.

Table 2. SDC – Equivalent Service Units

Description	Total
Existing ESUs ⁽¹⁾	3,039.00
Future ESUs ⁽²⁾	<u>836.79</u>
Total ESUs	3,875.79

(1) Number of ESUs based on billing data from 2021 Water Master Plan for 2020, page iii..

(2) Future ESUs based on Table 1 SDC-Planning Data.

Given the development of the storm drain system ESUs the focus shifts to the calculation of the SDC for each component. This aspect of the analysis is discussed in the next steps below.

Step 3 – Valuation of System Component Costs

The next step of the analysis is to review the major functional system infrastructure to determine the SDC for the storm drain system. In calculating the SDC, existing components and future capital improvements relating to expansion were included. The methodology used to calculate each of these components is described below.

Existing or Buy-in Component

The City currently uses the cash basis methodology for reporting which does not require reporting of assets or depreciation. Therefore, to update the current storm drain system development charges absent asset data, the City provided the last several years of completed storm drain projects. A replacement cost method was used to bring the infrastructure to today's dollars. To accomplish this, the completed projects were escalated to October 2022 dollars, based on the Construction Cost Index (CCI) for the Seattle area published in the Engineering News-Record (ENR). The total SDC existing component value totaled \$446,000. The total existing completed projects of \$446,036 divided by total ESUs of 3,875.79 results in \$115 per ESU for the existing component ($\$446,036 \div 3,875.79 \text{ ESUs} = \115 per ESU). Further detail can be seen on Exhibit 2 of the Technical Appendix.

Future Component

An important requirement for a SDC is the connection between the anticipated future growth on the system and the required facilities and infrastructure needed to accommodate that growth. For purposes of this study, the City's current Capital Improvement Plan (CIP) was provided by the City. It should be noted that the future components are in today's dollars (2022).

The total future capital projects totaled \$6.1 million. The total future component of \$6.1 million divided by total ESUs of 3,875.79 results in \$1,584 per ESU for the future component ($\$6.1 \text{ million} \div 3,875.79 \text{ ESUs} = \$1,584 \text{ per ESU}$). The capital improvement listing can be seen on Exhibit 3 of the Technical Appendix.

Step 4 – Determination of Any Credits

The last step in the calculation of the SDC the determination of any credits. The credit considers the method used to finance infrastructure on the system so that customers are not paying twice for infrastructure. The double payment can come in through the imposition of a SDC and then the requirement to pay debt service within a customer's storm drain rates.

The City does not have any outstanding debt service for storm drain therefor there is no debt credit at this time.

SDC Summary of Net Allowable Calculation

Based on the sum of the component costs calculated above, the allowable storm drain SDC was determined. "Allowable" refers to the concept that the calculated SDC is the City's cost-based

SDC. The City, as a matter of policy, may charge any amount up to the allowable SDC, but not over that amount. Charging an amount greater than the allowable SDC would not meet the practical basis of a cost-based SDC. Table 3 shows a summary of the allowable SDC per ESU. Details are provided in Exhibit 1 of the Technical Appendix.

Table 3. Summary of SDC per ESU

Component	Total SDC
Reimbursement Fee (RCN)	\$446,036
Improvement Fee	6,140,000
Total Reimbursement and Improvement Fee	\$6,586,036
Total Existing and Future ESUs	3,875.79
Total System Development Charge per ESU⁽¹⁾	\$1,699

(1) One ESU equals 5,000 square foot lot size.

This calculated storm drain SDC of \$1,699 compares to the City’s current SDC of \$174 per ESU, or an increase of \$1,525. The \$1,699 per ESU reflects one (1) equivalent service unit which is approximately a 5,000 square foot lot based on the UGB Buildable Land Inventory definitions.

The large increase is based on the fee not changing since 1996, plus capital projects that need to be completed for additional growth on the system. It is recommended that the City adjust the adopted fee by the City Council, annually, as detailed in the Ordinance 91-4. Further, if planning data or capital projects change the fee should be updated with any new planning information.

SDC Implementation

The City implements the fee on an ESU basis. Table 4 below summarizes the SDC for present and calculated for the storm drain system.

Table 4. Present and Calculated System Development Charge

Use Category	Present SDC ⁽¹⁾⁽²⁾	Calculated SDC ⁽³⁾	\$ Change
One (1) Equivalent Service Unit	\$174	\$1,699	\$1,525

(1) 1 equivalent service unit is approximately 5,000 square foot lot.

(2) Present SDC as of 1996.

(3) Combined methodology established in Water Environment Federation (WEF) Manual of Practice No. 27, 4th Edition, p. 206-211.

Summary

Based on the review and update of the City’s storm drain system, HDR recommends the following:

- ✓ The City may adopt storm drain for new connections to the storm drain system that are no greater than the net allowable SDC as set forth in this analysis.
- ✓ The adopted storm drain SDC should be updated annually by a local construction cost index such as the Engineering New Record Construction Cost Index (ENR-CCI) for no more

than five years before a complete update of the charge is undertaken. This best industry practice can keep the charge relatively current with construction pricing practices.

- ✓ The City should update the actual calculation for the SDC at such time when a new capital improvement plan, public facilities plan, comprehensive system plan, or a comparable plan is approved or updated by the City, or every five years or when a major infrastructure project is completed.

The storm drain SDC developed and presented in this technical review are based on the planning and engineering design criteria of the City's storm drain system, the estimated value of the existing completed projects, future capital improvements, and generally accepted rate and fee setting principles. Adoption of the calculated net allowable SDCs will create equitable and cost-based charges for new customers connecting to the City's storm drain system.



Technical Appendix

City of Manzanita

Exhibit 1

Development of the Storm Drain SDC Per ESU

Description	Original Cost (1)	SDC Eligible Original Cost (2)	TOTAL RCN (3)
Reimbursement Fee			
Land	\$0	\$0	\$0
Storm Drainage	334,537	334,537	446,036
Flood Control	<u>0</u>	<u>0</u>	<u>0</u>
Total Reimbursement Fee	\$334,537	\$334,537	\$446,036
Improvement Fee (4)			
Land		\$0	\$0
Storm Drainage		6,140,000	6,140,000
Flood Control		0	0
Total Improvement Fee		\$6,140,000	\$6,140,000
Total Reimbursement and Future Investment			\$6,586,036
Total Equivalent Service Units (5)			3,875.79
Calculated SDC per ESU			\$1,699
Current SDC			\$174
Seattle ENR-CCI 12/1/1996			6,086.77
Seattle ENR-CCI 10/1/2022			15,197.93
ENR Factor from 1996 - 2022			2.50
Current SDC at ENR			\$434

NOTES:

- (1) Asset list based on infrastructure as of June 30, 2022. See Exhibit 2.
- (2) Net of assets that are not SDC eligible.
- (3) Replacement based on specific "in service" date of asset and October 2022 Engineering News Record, Seattle construction cost index.
- (4) Current capital improvement plan. See Exhibit 3.
- (5) Total equivalent service units based on UGB Buildable Lands Inventory. See Exhibit 4.

City of Manzanita
 Exhibit 2
 Fixed Asset Listing as of June 30, 2022

Asset #	Function	Contributed	Description	Date Acquired	Original Cost	ENR-CCI 9/1/2022 14,639	Replacement Cost	% SDC	SDC Eligible Original Cost	SDC Eligible Replacement Cost
						ENR Factor (1)				
	Storm Drainage		Third St S. Project (street reconstruction, new storm)	12/30/2013	46,976	1.49	70,034	100.0%	46,976	70,034
	Storm Drainage		Laneda Project (street reconstruction, new storm)	12/30/2014	10,862	1.55	16,801	100.0%	10,862	16,801
	Storm Drainage		Ridge Rd storm (new storm)	12/30/2017	21,784	1.35	29,516	100.0%	21,784	29,516
	Storm Drainage		Ridge Ct (new storm)	12/30/2016	2,075	1.38	2,872	100.0%	2,075	2,872
	Storm Drainage		4th Place S. (new storm)	12/30/2016	6,760	1.38	9,355	100.0%	6,760	9,355
	Storm Drainage		S.Carmel (street reconstruction, new storm)	12/30/2017	137,896	1.35	186,846	100.0%	137,896	186,846
	Storm Drainage		Beach St (new storm)	12/30/2017	2,560	1.35	3,468	100.0%	2,560	3,468
	Storm Drainage		3rd St N. (street reconstruction, new storm)	12/30/2019	94,609	1.22	114,954	100.0%	94,609	114,954
	Storm Drainage		Storm Water Master Plan	12/30/2021	11,014	1.11	12,189	100.0%	11,014	12,189
Total					\$334,537		\$446,036		\$334,537	\$446,036

FUNCTION	Original Cost	Replacement Cost	SDC Eligible Original Cost	SDC Eligible Replacement Cost
Assets				
Land	\$0	\$0	\$0	\$0
Storm Drainage	334,537	446,036	334,537	446,036
Flood Control	0	0	0	0
Total	\$334,537	\$446,036	\$334,537	\$446,036

NOTES:
 (1) System cost based on asset listing as of June 2022 plus October 2022 ENR-CCI for Seattle.

City of Manzanita
Exhibit 3
Development of Future Capital Improvements

Project Description (1)	Est. Project		Total	% Eligible (2)	\$ Eligible
	Length	Function			
1 Division St. South to Dorcas Ln Drainage	2,800	Storm Drainage	\$1,258,000	100%	\$1,258,000
2 Sitka St Drainage	550	Storm Drainage	219,000	100%	219,000
3 Lakeview Dr Drainage	2,500	Storm Drainage	1,121,000	100%	1,121,000
4 Pine Ave and Cedar St Drainage	1,130	Storm Drainage	611,000	100%	611,000
5 Hallie Lane Drainage	375	Storm Drainage	254,000	100%	254,000
6 Division St (North) Drainage	650	Storm Drainage	334,000	100%	334,000
7 North Ave and Epoh Ave	100	Storm Drainage	100,000	100%	100,000
8 Greenridge St Drainage	1,775	Storm Drainage	837,000	100%	837,000
9 Cherry St Drainage	500	Storm Drainage	502,000	100%	502,000
10 Manzanita Ave Drainage	2,000	Storm Drainage	904,000	100%	904,000
TOTAL CAPITAL IMPROVEMENT PROGRAM			\$6,140,000		\$6,140,000
			<hr/>		
			CATEGORY	TOTAL	
			Land	\$0	
			Storm Drainage	6,140,000	
			Flood Control	0	
			TOTAL	\$6,140,000	

NOTES:

(1) CIP based on Manzanita Stormwater Master Plan Update, December 2020, Figure 8.1, page 64 and 2022 \$.

(2) CIP % eligible based on type of project and City engineer input.

City of Manzanita - Storm Drain
Exhibit 4
Development of Equivalent Service Units

		Total	
Total Buildable Acres (1)		96.05	Acres
Square Feet per Acre (2)	X	<u>43,560.00</u>	Square Feet per Acre
Total Buildable Square Feet	=	4,183,938.00	Total Buildable Square Feet
Minimum Lot Size of 5,000 Square Feet (3)	÷	5,000.00	Minimum Lot Size of 5,000 Square Feet
Future Buildable Units	=	836.79	Units
Existing ESUs 2022 ⁽⁴⁾		3,039.00	
Future ESUs		<u>836.79</u>	
Total ESUs		3,875.79	ESUs

NOTES:

- (1) Manzanita UGB: Buildable Lands Inventory, October 10, 2019, Table 9: Summary of Residential Buildable Lands.
- (2) Definition of square feet per Acre is 43,560 square feet.
- (3) Defined minimum lot size, Manzanita UGB: Buildable Lands Inventory, October 10, 2019, page 21 of 21.
- (4) Number of ESUs based on billing data from 2021 Water Master Plan for 2020, page iii.

City of Manzanita

Exhibit 5

Current and Calculated Storm Drain SDC

Item	Calculated SDC
Reimbursement Fee	\$115
Improvement Fee	1,584
Total SDC per ESU	\$1,699

Current SDC **\$174**



COUNCIL RESOLUTION No. 23-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON,
ADOPTING A METHODOLOGY FOR AND ESTABLISHING AN UPDATED SYSTEM
DEVELOPMENT CHARGE FOR STORM DRAINAGE**

WHEREAS, Ordinance No. 91-4 authorizes system development charges pursuant to ORS 223.297-223.314; and;

WHEREAS, Ordinance 91-4 states that it is important to the City that costs of growth are equitably and rationally shared by new growth and development activities type text; and

WHEREAS, significant new development is occurring in the city of Manzanita and the current system development charge for storm drainage does not cover the costs of new growth and development activities; and

WHEREAS, the City worked with OTAK, Inc. to update and prepare a new Storm Drainage master Plan; and

WHEREAS, the City worked with OTAK to identify specific projects, costs and estimated time of construction to form the basis of the storm water system development charge improvement fee; and

WHEREAS, the City retained HDR, Inc. to review, analyze these recommendations and to develop a storm water system development charge methodology and fee recommendation; and

WHEREAS, Ordinance No. 91-4 of the City of Manzanita imposes the reimbursement and improvement elements of system development charges on new development within the City's service area and provides that system development charge methodologies for both the reimbursement and improvement portions of the charge be adopted through Resolution;

Now, Therefore, be it Resolved by the City Council of the City of Manzanita that:

Section 1. Definitions. As used in this Resolution, the following terms shall mean:

Change in Usage. A condition wherein the amount of impervious surface increases from that originally used in the determination of the system development charge.

All other definitions as used in this Resolution shall have the same meaning as defined in Ordinance 91-4.

Section 2. Collection of Charge.

- a) The City of Manzanita shall collect a storm drainage systems development charge in accordance with Ordinance 91-4.
- b) Such charge shall be collected when a change in usage occurs, as determined by the Public Works Director upon issuance of a building permit.
- c) To the extent that the Public Works Director finds that a change in usage has occurred in accordance with subsection (b), then the developer will be required to pay an amount equal to the current storm drainage system development charge on a dollar/Equivalent Service Unit (ESU) basis time the increase in equivalent residential units. In no instance will a refund be provided if it is found that the change in usage results in a decrease in the number of equivalent dwelling units.

Section 3. The methodology used to establish the storm drainage system development charge considers the cost of projected capital improvements needed to increase the capacity of the systems as shown on Figure 8.3 in the Stormwater master Plan, attached. Figure 8.3 is hereby adopted as the storm system capital plan for the purposes of ORS 223.309

Section 4. An equivalent service unit (ESU) is approximately a 5,000 square foot lot based on the UGB Buildable Land Inventory definitions. The Storm Drain Systems Development Charge shall be \$1,699 /ESU.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

Deb Simmons, Mayor

ATTEST:

DRAFT



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: December 30,
2022

From: Leila Aman, City Manager
Dan Weitzel, Public Works Director

Subject: **Dorcas Lane Reconstruction Project Update**

ACTION REQUESTED

Provide direction to staff on negotiations with selected contractor and delegate authority to the City Manager to execute a contract with Advanced Excavation in an amount not to exceed \$1,560,370.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[October 7, 2020](#) – City Council approved a Contract with OTAK for the design, overview, and construction administration for the Dorcas Lane Reconstruction Project.

[July 7, 2021](#) – Council reviewed a draft proposal and contract to transfer the design, overview, and construction administration of the Dorcas Lane Reconstruction Project from OTAK to North Coast Civil Design. Council instructed staff to revise the proposed contract and have the City Attorney review the final contract for approval.

[September 8, 2021](#) – Council approved a contract with North Coast Civil Design (NCCD) to finalize the design, overview, and provide construction administration services for the Dorcas Lane Reconstruction Project.

[September 7, 2022](#) – Council Listen to an update from staff on the status of the Dorcas Lane Reconstruction Project.

[November 9, 2022](#) – City Council approved bid documents for the Dorcas Reconstruction project and authorized staff to move forward with the bid selection process.

ANALYSIS

The bid opening for Dorcas was held at the City of Manzanita, Public Works Department, November 29, 2022, at 2:00 P.M., of which there were four (4) bids submitted. Of the bids received for the Dorcas Ln reconstruction project Advanced Excavation submitted the lowest bid of \$1,606,182. The highest bid submitted was \$2,798,372. The city issued a Notice of Intent to Award to Advanced Excavation on December 21st. The protest period ended on December 28th at 4pm. No protests were received.

The City is currently in negotiations with the selected contractor to value engineer the project an negotiate a final bid price. The most significant cost impact is on the storm drain element of the project. The estimates for the storm drain improvements came in approximately \$200,000 higher

than what the city had estimated. Staff are exploring alternatives to the current storm water design to find a path forward where the city can put in place as much of the system as possible addressing the key improvements within the approved budget.

If this approach is taken, the full extent of the storm water improvements will require future phases and funding sources to complete. Key elements that will be value engineered out include the 4th street element of the project. That entire section will be deferred to a future project improvement. Staff are also exploring alignment options where the city can connect the existing storm drain system into the intersection of Dorcas but leaving the intersection unchanged. This reduces costs and allows for an alternative design for the intersection that could better integrate into future improvements to Classic Street. The project includes all elements of the road surface improvements, and the water portion of the project including water main and service line replacements along S. 4th and all of Dorcas Ln.

Staff are seeking input and direction from the council on the proposed value engineering approach which include reducing the storm drain scope of work and phasing in non-essential stormwater improvements. The city's approach to capital improvements is to consider options that allow for the consolidation of public improvements if at all possible. Sometimes, as is the case with the storm system the funding sources and the timing do not match up so priorities must be evaluated to determine if it is still in the best interest of the city to move forward.

As a result of the new pricing information staff considered three alternatives including canceling the project, waiting to fund the balance of the project with other funding sources, or value engineering the project. Staff are recommending value engineering because the purpose and intent of the project was ultimately to repair the compromised water line on Dorcas. The condition of the water line is critical and has resulted in multiple catastrophic main failures including one that occurred over the last year that resulted in damage to private property. The replacement of this line is a priority for the city's infrastructure. Staff will now focus on incorporating meaningful elements of the storm system that can result in some cost savings and then phase in other elements later as funding becomes available. The urgency to replace the water line is the main reason staff are recommending the city advance on the timeline and take the value engineering approach.

BUDGET IMPACT

Dorcas Ln Reconstruction Project is fully funded in the 2022-2023 budget from the Storm Water Fund (\$194,400), Water Construction Fund (\$751,359), and the Road Fund (\$614,611). Total resources included in the FY 2022-2023 budget is \$1,560,370. Staff recommendation is within the approved budgeted project amount.

WORKLOAD IMPACT

The Public Works Director and City Manager have spent additional time review plans and value engineering the project to negotiate the final contract. Once the contract is complete the Public Works Director will manage the engineer contract and oversee the design and construction of the improvements. The City Manager will, at a minimum provide oversight of

the Public Works Director to ensure compliance with all public contracting rules including facilitating legal review and finalizing of all contracts and bid documents; review and approve all project invoices and payments including the review of all change orders and other issues that arise during construction; participate in project briefings; engage with the Public Works Director to provide updates to City Council; secure and organize support services (including Information Technology) to ensure community outreach and project information is available to the public. The Accounting Manager will be responsible for reviewing and processing all project payments and ensuring compliance with the project contract and public contracting rules.

STAFF RECCOMENDATION

City Council can either delate authority to the City Manager to sign a contract with Advanced Excavation in an amount not to exceed \$1,560, 370.

ALTERNATIVES

Council can request staff come back with a proposal at the next Council meeting slightly delaying the start of the project. Council can cancel the contract negotiations and not move forward with the contract. Council can ask staff to revise the project and put it back out to bid. Council can provide alternate direction to staff on project negotiations and strategy.

ATTACHMENTS

1. Notice of Intent to Award
2. Bid Worksheet

December 21, 2022



City of Manzanita
Attn: Dan Weitzel, Public Works Director
PO Box 129
Manzanita, OR 97130

**Re: Notice of Intent to Award – Dorcas Lane & 4th St. Reconstruction Project
NC Civil Project No. 21004Man**

Dear Mr. Vandecoevering:

Thank you for submitting your bid for the above-referenced project. The bid opening was held at the City of Manzanita, Public Works Department, **November 29, 2022**, at 2:00 P.M., of which there were four (4) bids submitted.

The City of Manzanita has considered all bids submitted for the above-described work in response to its Advertisement for Bid and Instructions to Bidders for this project. A bid tabulation sheet is enclosed for your information. The Owner has determined that the base bid in the amount of **\$1,606,182.00** submitted by **Advanced Excavation, Inc.**, is the lowest responsive bid submitted by a responsible bidder. The second lowest bidder submitted a total base bid in the amount of \$2,196,292.00.

The Owner is hereby providing written notice to all bidders of the Owner's intent to award the contract to the lowest responsive bidder identified above. The award will take place no sooner than seven days from the date of this Notice of Intent to Award. Any protest of the award of the contract must be delivered to the City in writing no later than 4:00 p.m. on December 28, 2022. Protests received by the City after this date and time will not be considered. The protest must be in writing and specify the grounds for the protest.

If an original Bid Bond was submitted to the City, we are herewith returning the bid bond to all but the second lowest bidder. If you have any questions, please feel free to contact our office at your convenience.

On behalf of the Owner, we thank you very much for submitting your bid and wish you a busy and successful construction season.

Sincerely,

A handwritten signature in blue ink that reads 'Kyle Ayers'.

Kyle Ayers, PE
Project Manager

Enclosure: Bid Tab Summary
cc: City of Manzanita
NC Civil Project File

DORCAS LN AND 4TH RECONSTRUCTION PROJECT (#8087967)

Owner: City of Manzanita

Solicitor: North Coast Civil Design

11/29/2022 02:00 PM PST

Section Title	Item Code	Item Description	UofM	1ST		2ND		3RD		4TH	
				Quantity	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price
Dorcias-4th Project						\$1,606,182.00		\$2,196,292.00		\$2,429,294.00	\$2,798,372.00
	1	Mobilization	LS	1	\$84,000.00	\$84,000.00	\$225,000.00	\$225,000.00	\$242,935.00	\$242,935.00	\$389,000.00
	2	Traffic Control & Flagging	LS	1	\$10,000.00	\$10,000.00	\$45,000.00	\$45,000.00	\$175,100.00	\$175,100.00	\$24,000.00
	3	Erosion Control, Stormwater Management & Dewatering	LS	1	\$24,000.00	\$24,000.00	\$20,000.00	\$20,000.00	\$117,009.00	\$117,009.00	\$103,000.00
	4	Asphalt Sawcut	LF	820	\$4.00	\$3,280.00	\$6.00	\$4,920.00	\$3.00	\$2,460.00	\$3.30
	5	Asphalt Pavement & Concrete Demolition (In Place Quantities)	SY	6500	\$3.80	\$24,700.00	\$8.00	\$52,000.00	\$5.35	\$34,775.00	\$8.70
	6	General Excavation & General Fill (In Place Quantities)	CY	1600	\$24.00	\$38,400.00	\$45.00	\$72,000.00	\$57.25	\$91,600.00	\$40.60
	7	Over-Excavation & Base Stabilization, Including Excavation, Haul-Off, Fabric and Pit-Run Rock (As Directed - In Place, Compacted Qu	CY	200	\$50.00	\$10,000.00	\$100.00	\$20,000.00	\$133.50	\$26,700.00	\$116.00
	8	3/4"-0" Aggregate Leveling Course & Shoulder Rock (In Place, Compacted Quantities)	CY	2170	\$61.50	\$133,455.00	\$80.00	\$173,600.00	\$97.00	\$210,490.00	\$92.40
	9	CDF Backfill (As Directed By Engineer)	CY	100	\$150.00	\$15,000.00	\$200.00	\$20,000.00	\$162.00	\$16,200.00	\$230.00
	10	Asphalt Paving (4" Thick Road Section-2 lifts, 3" Thick Transition Section & 2" Thick Driveway Section)	Ton	1535	\$171.00	\$262,485.00	\$175.00	\$268,625.00	\$150.00	\$230,250.00	\$168.00
	11	Construct New 18" Concrete Valley Gutter	LF	2400	\$56.00	\$134,400.00	\$46.00	\$110,400.00	\$39.00	\$93,600.00	\$47.60
	12	Construction Fabric	SY	5300	\$1.00	\$5,300.00	\$2.00	\$10,600.00	\$1.00	\$5,300.00	\$0.70
	13	12" White Striping, Thermoplastic	LF	80	\$33.00	\$2,640.00	\$65.00	\$5,200.00	\$42.00	\$3,360.00	\$28.00
	14	Adjust Existing Surface Structures	EA	15	\$537.00	\$8,055.00	\$1,500.00	\$22,500.00	\$1,280.00	\$19,200.00	\$520.00
	15	Raise/Lower Existing Franchise Utility to Allow For New Water & Storm Main Construction (Per Plan & As Directed By Engineer)	EA	4	\$1,070.00	\$4,280.00	\$3,000.00	\$12,000.00	\$1,240.00	\$4,960.00	\$700.00
	16	Reconstruct 4" diam. ASTM D-3034 Sewer Service Lateral at New Grade If Conflict Exists (As Directed By Engineer)	EA	2	\$1,758.00	\$3,516.00	\$3,500.00	\$7,000.00	\$4,030.00	\$8,060.00	\$2,200.00
	17	Water Service Assembly (Service Size Per Water Appurtenance Tables)	EA	43	\$1,290.00	\$55,470.00	\$2,700.00	\$116,100.00	\$2,250.00	\$96,750.00	\$1,325.00
	18	Asbestos Pipe Demolition	LF	50	\$31.00	\$1,550.00	\$75.00	\$3,750.00	\$70.00	\$3,500.00	\$228.00
	19	F&I 6" ANSI/AWWA C-906 HDPE DR11.0 Water Main Pipe Including Trench Excavation, Select Bedding, Native Backfill, Disinfection	LF	350	\$42.50	\$14,875.00	\$82.00	\$28,700.00	\$115.00	\$40,250.00	\$102.50
	20	F&I 8" ANSI/AWWA C-906 HDPE DR11.0 Water Main Pipe Including Trench Excavation, Select Bedding, Native Backfill, Disinfection	LF	1425	\$49.00	\$69,825.00	\$61.00	\$86,925.00	\$85.00	\$121,125.00	\$109.00
	21	F&I 10" ANSI/AWWA C-906 HDPE DR11.0 Water Main Pipe Including Trench Excavation, Select Bedding, Native Backfill, Disinfection	LF	113	\$68.00	\$7,684.00	\$112.00	\$12,656.00	\$140.00	\$15,820.00	\$170.00
	22	F&I 12" ANSI/AWWA C-906 HDPE DR 11.0 Water Main (4th St) connects to Laneda, Trench Excavation, Select Bedding, Native Backf	LF	695	\$79.00	\$54,905.00	\$90.00	\$62,550.00	\$145.00	\$100,775.00	\$146.00
	23	F&I Hydrant Assemblies, Complete per plans	EA	5	\$7,212.00	\$36,060.00	\$8,100.00	\$40,500.00	\$8,040.00	\$40,200.00	\$7,500.00
	24	F&I 1" Air Release Valve Assembly (As Directed by Engineer)	EA	2	\$2,340.00	\$4,680.00	\$4,000.00	\$8,000.00	\$2,410.00	\$4,820.00	\$3,800.00
	25	F&I Water Connection-0.0: Laneda/4th St, (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing, d	EA	1	\$2,500.00	\$2,500.00	\$1,700.00	\$1,700.00	\$1,300.00	\$1,300.00	\$3,400.00
	26	F&I Water Connection-1: Edmund Ln/4th St, (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing	EA	1	\$15,804.00	\$15,804.00	\$11,000.00	\$11,000.00	\$14,950.00	\$14,950.00	\$18,000.00
	27	F&I Water Connection - Storm Crossing: (Includes, excavation, bedding/backfill, bends, required fittings, testing, disinfection per pl	EA	1	\$2,700.00	\$2,700.00	\$29,000.00	\$29,000.00	\$5,100.00	\$5,100.00	\$7,700.00
	28	F&I Water Connection-2: Dorcas Ln/4th St: (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing,)	EA	1	\$15,482.00	\$15,482.00	\$17,000.00	\$17,000.00	\$17,480.00	\$17,480.00	\$16,200.00
	29	F&I Water Connection-3: Dorcas Ln/4th PL, (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing,	EA	1	\$15,328.00	\$15,328.00	\$12,500.00	\$12,500.00	\$15,985.00	\$15,985.00	\$13,500.00
	30	F&I Water Connection-4: Dorcas Ln/5th St: (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing,)	EA	1	\$12,113.00	\$12,113.00	\$9,000.00	\$9,000.00	\$10,590.00	\$10,590.00	\$13,000.00
	31	F&I Water Connection-5: Dorcas Ln/5th PL: (Includes, excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, testing	EA	1	\$10,576.00	\$10,576.00	\$10,000.00	\$10,000.00	\$10,385.00	\$10,385.00	\$11,500.00
	32	F&I Water Connection-6: Dorcas Ln/Division St: (Includes GVs, Bends, Couplings, required fittings, testing, disinfection, complete pe	EA	1	\$17,625.00	\$17,625.00	\$14,000.00	\$14,000.00	\$27,335.00	\$27,335.00	\$19,200.00
	33	F&I Water Connection-7: Dorcas Ln/Classic St N: (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, te	EA	1	\$15,700.00	\$15,700.00	\$14,500.00	\$14,500.00	\$16,010.00	\$16,010.00	\$16,200.00
	34	F&I Water Connection-8: Dorcas Ln/Classic St S: (Includes excavation, bedding/backfill, GVs, Bends, Couplings, required fittings, tes	EA	1	\$11,340.00	\$11,340.00	\$11,000.00	\$11,000.00	\$12,155.00	\$12,155.00	\$13,700.00
	35	Edmund & 4th St: Construct 18" HDPE Pipe Including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushin	LF	750	\$92.00	\$69,000.00	\$117.00	\$87,750.00	\$118.00	\$88,500.00	\$209.00
	36	4th St: Construct 12" HDPE Pipe, including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushing and Testi	LF	125	\$99.00	\$12,375.00	\$114.00	\$14,250.00	\$123.00	\$15,375.00	\$155.00
	37	DORCAS LN: Construct 18" HDPE Pipe Including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushing and	LF	1396	\$100.00	\$139,600.00	\$126.00	\$175,896.00	\$125.00	\$174,500.00	\$219.00
	38	DORCAS LN: Construct 12" HDPE Pipe, including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushing anc	LF	910	\$78.00	\$70,980.00	\$73.00	\$66,430.00	\$115.00	\$104,650.00	\$155.00
	39	DORCAS LN: Construct 8" HDPE Pipe Including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushing and T	LF	128	\$65.00	\$8,320.00	\$80.00	\$10,240.00	\$105.00	\$13,440.00	\$133.00
	40	Reconstruct Existing Storm Manhole, Complete per plans	EA	2	\$3,237.00	\$6,474.00	\$6,500.00	\$13,000.00	\$2,000.00	\$4,000.00	\$5,700.00
	41	F&I New concrete 48" Storm Manhole, Complete per plans	EA	11	\$5,935.00	\$65,285.00	\$11,000.00	\$121,000.00	\$6,600.00	\$72,600.00	\$9,300.00
	42	F&I New concrete 60" Storm Manhole, Complete per plans	EA	2	\$9,210.00	\$18,420.00	\$11,000.00	\$22,000.00	\$9,850.00	\$19,700.00	\$9,500.00
	43	F&I New Nyloplast Catchbasin per plans, Complete per plans	EA	40	\$2,200.00	\$88,000.00	\$3,200.00	\$128,000.00	\$2,500.00	\$100,000.00	\$4,700.00
						\$1,606,182.00		\$2,196,292.00		\$2,429,294.00	\$2,798,372.00

NO ALTERNATES ACCEPTED

Alternate 1	A1	Edmund & 4th St: Construct 18" SANITITE HDPE Pipe Including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfi	LF	750	\$101.00	\$75,750.00	\$125.00	\$93,750.00	\$113.00	\$84,750.00	\$216.00	\$162,000.00
								\$15,625.00		\$17,250.00		\$21,125.00
Alternate 2	A2	4th St: Construct 12" SANITITE HDPE Pipe, including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flushing	LF	125	\$113.00	\$14,125.00	\$125.00	\$15,625.00	\$138.00	\$17,250.00	\$169.00	\$21,125.00
								\$188,460.00		\$189,856.00		\$316,892.00
Alternate 3	A3	DORCAS LN: Construct 18" SANITITE HDPE Pipe Including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flu	LF	1396	\$116.00	\$161,936.00	\$135.00	\$188,460.00	\$136.00	\$189,856.00	\$227.00	\$316,892.00
								\$86,450.00		\$104,650.00		\$142,415.00
Alternate 4	A4	DORCAS LN: Construct 12" SANITITE HDPE Pipe, including Fittings, Bends, Trench Excavation, Select Bedding and Native Backfill, Flu	LF	910	\$80.00	\$72,800.00	\$95.00	\$86,450.00	\$115.00	\$104,650.00	\$156.50	\$142,415.00



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: November 3,
2022

From: Planning Commission Selection Committee
Jenna Edginton, City Councilor
Karen Reddick – Yurka, Planning Commission Chair
Leila Aman, City Manager

Subject: **Planning Commission Appointments**

ACTION REQUESTED

Mayor recommends approval of a Resolution Appointing Mark Kuestner, Frank Squillo and Brad Berman to the Planning Commission.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[August 3, 2022](#) Manzanita City Council approved amendments to the Council Rules of Procedure, Section 8, Appointments. In summary the new process begins with the mayor appointing a member of Council to lead a committee selection process. The selection committee establishes selection criteria that is ultimately presented and approved by council. The selection process is conducted by the committee and a slate of candidate are presented to the mayor for final approval.

[November 9, 2022](#) – City Council approved criteria for the selection of Planning Commission Members.

ANALYSIS

Councilor Jenna Edginton, Planning Commission chair Karen Reddick – Yurka and City Manager Leila Aman served as the Planning Commission selection committee. The committee met and developed criteria for the selection process which was proposed and approved by the city council at the November meeting. The approved criteria were as follows:

1. Balanced group of people that represent people who live, or own property in Manzanita.
2. Have read the Comprehensive Plan and have a general understanding of basic land use issues/principles.
3. Can be objective weigh and balance complex issues and rely on the Comprehensive Plan and Zoning Ordinance for decision making. (eg. Does not let personal opinion bias objective analysis of a land use issue)
4. Has limited if any potential conflicts of interest.

Applications were posted on November 18 2022, and were open for a period of three weeks. The application deadline was December 9th at 5pm, by which time the city received 10 applications from an extensive pool of candidates with a rich range of diverse experience. Each member of the PC Selection Committee independently reviewed the applications in the context of the criteria. The committee reached consensus to interview five candidates that represented a

diversity of experience, skills and interests in the role. Interviews were conducted via Zoom on December 15th. The committee is putting forward three candidates for consideration by the Mayor. If approved these candidates will participate in the Planning Commission meeting in January.

BUDGET IMPACT

None

WORKLOAD IMPACT

None if approved. If a new process is required this will have workload impacts on the City Manager, and Assistant City Recorder.

STAFF RECOMMENDATION

Mayor recommends approval of a Resolution appointing Mark Kuestner, Frank Squillo and Brad Berman to the Planning Commission as proposed by the selection committee.

ALTERNATIVES

The Mayor can elect to not approve the slate and direct staff to proceed with a new process.

ATTACHMENTS

1. Resolution Appointing Planning Commission Members



City of Manzanita

COUNCIL RESOLUTION No. 23-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, MAKING AN APPOINTMENTS TO THE PLANNING COMMISSION.

WHEREAS, Chapter 5, Section 20 of the Manzanita City Charter states that the Mayor shall appoint a committee provided for under the Rules of the Council; and

WHEREAS, the Manzanita City Council approved amendments to the Council Rules of Procedure, Section 8, Appointments establishing a competitive application process for committee appointments; and

WHEREAS, the Council Rules of Procedure require the appointment of a selection committee to conduct the process and make a recommendation to the Mayor for approval;

WHEREAS, the city established the selection committee for the Planning Commission and established criteria in accordance with Council Rules of Procedure;

WHEREAS, the selection committee reviewed 10 applications and conducted interviews with the top 5 applicants;

WHEREAS, the selection committee unanimously agreed on the appointments of Brad Berman and Mark Kuestner for 4 year terms commencing January 2023, and Frank Squillo for a 2 year term commencing January 2023.

WHEREAS, the Mayor has ultimate responsibility for approving candidates and recommends the slate as presented for approval by the full City Council.

Now, Therefore, be it Resolved by the City Council of the City of Manzanita, Oregon that:

Section 1: Brad Berman and Mark Kuestner are hereby appointed by the Mayor to the Manzanita Planning Commission for a four-year term expiring December 31, 2026.

Section 2: Frank Squillo is hereby appointed by the Mayor to the Manzanita Planning Commission for a four-year term expiring December 31, 2026.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

ATTEST:

Deb Simmons, Mayor

Leila Aman, City Manager/ City Recorder



COUNCIL STAFF REPORT

To: Mayor and City Council
From: Leila Aman, City Manager
Jerry Spegman, City Councilor
Jim Dopp, Budget Committee Member

Date Written: December 29, 2022

Subject: Budget Committee Selection Criteria

ACTION REQUESTED

Review, provide feedback and approve criteria for the appointment of budget committee members.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[August 3, 2022](#) Manzanita City Council approved amendments to the Council Rules of Procedure, Section 8, Appointments. In summary the new process begins with the mayor appointing a member of Council to lead a committee selection process. The selection committee establishes selection criteria that is ultimately presented and approved by council. The selection process is conducted by the committee and a slate of candidate are presented to the mayor for final approval.

[December 7, 2022](#) Manzanita City Council nominated Jerry Spegman to participate on the budget selection committee.

ANALYSIS

There are three positions on the budget committee that will be up in March of 2023. The city has initiated the committee selection process outlined in Section 8 of the Council Rules of Procedure.. Section 8 II(A) requires the mayor to appoint a member of Council to lead a committee selection process. At its December 7, 2022 meeting the City Council appointed Jerry Spegman to serve as the councilor on the selection committee. The Budget Committee appointed Jim Dopp to serve as the committee member and Leila Aman, City Manager is serving as the staff liaison.

In December, the three committee members met and developed criteria for the selection process. The group also worked to develop a short description of the role of a budget committee to help potential applicants better understand the role of the budget committee.

“The role of the Budget Committee is to provide a lay review of the proposed budget. The budget committee receives the budget message and the proposed budget document from the budget officer, holds at least one meeting in which the public may ask questions about and comment on the budget and ultimately approves the budget document. Budget Committee also meets quarterly with staff to review city’s financial and other matters relevant to the committee such as the development of financial policies. Committee members need to have a good understanding of the city’s fiscal constraints and how services and programs are funded and be able to explain it to their friends and neighbors throughout the community.”

Below describes the proposed criteria for Budget Committee members for council consideration, feedback, and approval.

- Can demonstrate a readiness to be prepared to participate actively in the budget process. This includes taking the training provided by the Oregon Department of Revenue, reviewing, and understanding the budget document, and understanding their role of the budget committee.
- Has a solid basis or background in finance and or budgeting experience in either the public or private sectors. If private the candidate must have a willingness to learn the differences between private sector finance and public budgeting processes and experience should be substantial or significant in nature.
- Committee members should be able to take an active role in developing, evaluating and proposing policy that ensures the city's financial wellbeing. While this will likely happen outside of the budget process members will be asked for guidance and feedback on proposed financial policies.
- Committee members should have experience working in a constructive and collaborative committee format that is focused on supporting the development of a budget that advances the city's fiscal health and wellbeing and serving the public interest.

BUDGET IMPACT

None

WORKLOAD IMPACT

If approved the City Manager and Assistant City Recorder will need to dedicate time to conduct the process.

STAFF RECOMMENDATION

Provide feedback and approve criteria for the appointment process for the Budget Committee. Direct the committee to move forward with applications and interview process.

ALTERNATIVES

The Council can elect not to approve criteria. It should be noted however that due to the required process that would delay appointments until at least April which will put new members at a disadvantage as the pre-budget meetings start in March and the formal budget process begins in May.

Dear Mayor Simmons and City Council.

I wish to provide public comment and echo the concerns Denise Lofman raised in her letter regarding the Planning Commission appointments that are on tonight's agenda. The process has not been transparent, and citizens really want to understand how the Planning Commission members are selected.

The Planning Commission is tremendously important, and given the proposed Comprehensive Plan update and other updates coming in the near future, the three new commissioners will exert a massive and long-term impact on our town.

Please do not approve the proposed appointees tonight, and take more time to ensure the process feels transparent and clear.

Sincerely,
Sandy Wood
120 Beeswax Lane
Manzanita

Please, please vote to allow council meetings to once again be in-person. COVID may never end, so, if necessary, spend money for the technology and/or manpower to make this happen. Bring back civility to Manzanita.

Thank you,
Kaleen Wineinger

Because this is important to us as permanent residents of Manzanita we r contacting Council members asking them to not approve the slate of candidates tonight and to look at the process and make sure it feels transparent so citizens have some sense of who the applicants are before they are appointed. I'd like to see the applications for the proposed appointed candidates be made available in the Council meeting packet, and the overall process be more visible.

Concerned Citizens of Manzanita
Bonnie & Dan Savickas

Sent from my iPhone

Dear City Councilors:

I would strongly support in-person Counsel meetings in the future. I think this will encourage public engagement. I also think the Planning Commission meetings should be in-person. I was told that new equipment is required (please purchase this) and that the Pine Grove is available.

Thank you,

Alexandra Steel

Please enter my comment in the public record for the January 4, 2023 Council Meeting.

Dear Mayor and Council,

I'm writing in opposition to resuming in-person public meetings at this time. I understand that eventually we should and will move to a hybrid model and people will be able to choose what works best for them.

I know it's not everyone's cup of tea and problems have arisen with the technology but I believe that virtual meetings have actually increased public participation and involvement. For many people the virtual option has made it possible to attend meetings they otherwise would not.

I've made quite a few records requests for meetings held by the Planning Commission and Council before we moved to Zoom and have seen the sign in sheets from those in-person meetings. What I've noticed were the dismal numbers of attendees at most in-person meetings.

It seems that now there are far more people attending virtually from wherever they happen to be. I know there are problems with the system but those seem to be something that could be fixed.

I also wonder about the price tag of moving back to in-person meetings. It's not just the rent or the technology but the hours of staff time necessary to schlep equipment, set up, take down and move it all back. How much does that all cost per meeting and what other work does that divert our staff from doing?

But my main objection to resuming in-person meetings is for public health concerns. I know many people in town do not agree with me on this but over the past two winters I've been personally impacted by the consequences of an overloaded health care system due to surges of covid.

The move to in-person meetings during this season of respiratory illnesses and the new vaccine evasive variety of covid has public health consequences for the entire community.

The Oregon Health Authority currently recommends masking in public. Cases of RSV, flu and covid are already rising in Oregon and so are hospitalizations. The Washington Post reported yesterday that they expect another surge after the holidays.

So why the rush to meet at the Pine Grove when participation in the Zoom meetings has actually gotten more people involved in local government during the past three years? I don't get it.

While individuals are free to make their own choices about attending in-person meetings, wearing masks or getting vaccinated, those choices impact our already struggling health care system.

When people do get sick or injured and need emergency care and hospitalization, they may find it necessary to be transferred to a hospital in another city like my nephew's son or my brother-in-law have been because they couldn't get a bed where they live. The cost of medical transport isn't cheap and often isn't covered by insurance.

In my opinion, it's both unwise and unnecessary to move to in-person meetings right now. Our health care system--all the doctors, nurses and health care providers need our support so that they can do their work.

I know people want to go back to before times but the truth is, those times are over and we need to replace our nostalgia for what used to be with the reality of what is. We know these respiratory viruses and covid are worse during the winter. We know that RSV, flu and covid cases are on the rise and we know a post holiday surge is expected. We know that hospitals are struggling to keep up with demand for beds. That's reality.

It doesn't mean we never resume in-person meetings but that we slow our roll until they can be done with less risk.

Having people I know and love unable to get hospital beds when and where they needed them has made me rethink what the public good really is. I don't want other people to go through what I and so many others have gone through because our healthcare system is overwhelmed. We have a working option to meet virtually until the winter is over. It's not perfect and it's not without problems but it works and sometimes we have to go with that.

Sincerely,
Kim Rosenberg

Please include this letter in the public record

Dear Council and Mayor Simmons,

I'm writing to ask that the Planning Commission appointments on the agenda for the meeting tonight be delayed until the process is more transparent. Our town has trust issues and rushing to fill these spots when the process feels unclear to citizens will only provoke more mistrust.

I understand that the members are to be appointed by the Mayor and the City is working on a process for future appointments that will be clear and transparent to citizens, council and the candidates, but we're not there yet. We'll get there, I know, but appointing candidates who will serve several years without citizens understanding why they were chosen--their qualifications, their application process and how they scored on their interviews seems like a bad way to start their terms of service.

These positions are vital to the City. All land use decisions begin with the Planning Commission and it's imperative to have in place a robust process that is both clear for citizens to understand and transparent in how and why candidates are chosen. This is necessary for future community involvement.

I ask that you slow down and take time to create a process that is transparent and understandable.

Sincerely,
Kim Rosenberg
PO Box 517
Manzanita, OR 97130

Good Evening,

I am surprised that someone who does not live here full time is eligible to be on the planning commission. I thought Ms. Yurka gave full time residency as a requirement.

Also, surprised that someone in the urban growth boundary is eligible. If that is the case what other positions are people in the UGB eligible for in the City of Manzanita?

Thank you,

Mary Ruef

Manzanita is indeed in a precarious state of change! Continuing influx of new residents, visitors, lot clearing, building permits for commercial buildings, business applications, subdivisions and homes. New mayor, council members...relatively new city manager and now need to replace several members of our planning commission. I'm thinking we need to put on the brakes, starting with the appointment of any new planning commission members. Give us all a moment to breathe, especially for appointments to this important commission. Everything that is built/opened, starts at planning. As a committed citizen I would like to know who has shown interest in applying, who is now being considered, what qualifications do they have, what experience and knowledge can they offer for sustainable growth in Manzanita. How do they interpret Livability?

I also feel strongly that the new mayor and council, voted in by the people, will recognize the need for transparency in this selection process, let the citizens have the information that is used to find the right commission members...their decisions have a huge impact on us all.

Thank You,

Donna Miller
869 Knobcone St.
Manzanita

Sent from my iPad

January 4, 2023

City of Manzanita Mayor Simmons, and City Council Members Linda Kozlowski; Jerry Spegman; Jenna Edginton; and Brad Mayerle

VIA EMAIL: cityhall@ci.manzanita.or.us

Dear Mayor and City Council Members:

I am writing regarding the Planning Commissioner Appointments that are on the agenda for tonight's City Council meeting. I have concerns that the selection process lacks transparency, limiting citizens ability to provide input.

If we look at City Code, per Ordinance 66 – Ordinance Establishing the Planning Commission it states in Section 2: "The Commission shall consist of seven members to be appointed by the Mayor."

While I applaud the City for putting together a selection committee to make the process feel more democratic and to set specific criteria for selection, all we have right now is a list of three names. Neither citizens nor the Council have seen the application materials from any of the candidates, even the proposed appointees.

It would be useful if the public was able to view the applications. Applications for commission or committee assignments are usually included in City Council meeting packets in some other coastal towns when they are appointed. The public should have enough specific information about the applicants and the selection process to allow citizens to provide feedback to the Council on the slate of candidates, their qualifications, and how they answered application and/or interview questions. I have nothing I can say about any of the candidates because I do not have access to any of that information.

The Mayor and City Council have an opportunity to take a step back and make certain citizens feel the selection process is transparent and clear. This is essential given the upcoming work of the Planning Commission. In 2022, the Planning Commission had to make difficult decisions regarding highly contentious projects, and this work will continue in the coming years. Having members on the Commission that are willing to scrutinize applications and ask difficult questions of both staff and applicants is important to make sure projects meet code. It is also essential that Planning Commission members understand the importance of citizen involvement. Like any citizen concerned with land use planning in the City, I want to be certain we have Planning Commission members that are balanced and considered in their decision-making, understand the City's Comprehensive Plan and code, recognize how their role and decisions shape our town, and consider the input of local residents.

If we look at Section 8 in the ordinance, it becomes clear that the Planning Commission has a significant role to play in Manzanita:

The Commission shall have all the powers which are now or hereafter granted to it by Ordinances of this City or by general laws of the State of Oregon. The Commission shall control the subdivision of land and may make recommendations to the City Council, to public officials and to individuals regarding land uses; location of thoroughfares, public buildings, parks and other public facilities; and regarding any other matter relating to the planning and development

of the City and the surrounding area. The Commission may make studies, hold hearings and prepare reports and recommendations on its own initiative or at the request of the City Council.

Almost all the development in Manzanita comes before the Planning Commission. The three new Planning Commission members will have a large role to play in shaping the future of our town with a new Comprehensive Plan and updating related ordinances. It is vital that citizens, while we may not play a role in the selection, have an understanding of who the candidates are, how they answered application and interview questions, and what the criteria was for how the committee scored them.

Please take a step back and slow this process down. I respectfully request that the Mayor not approve the slate and to direct staff to proceed with a new process, per the Council staff report. The new process could be discussed at an upcoming work session.

Thank you for your time and consideration.

Sincerely,
Denise Lofman
PO Box 206
Manzanita, OR 97130

Subject: In Person City Council Meetings

It is my understanding that the City Council will be discussing a return to In Person City Council Meetings at the upcoming City Council Meeting tomorrow, January 4th, 2023.

I would like to express my support for a return to this format. I do realize there will be some additional costs to set this up and secure a space to accommodate participants. I appreciate Leila Amen's formation of a budget to review the additional costs.

During this time of change and movement towards making our city government more transparent and open to input from concerned parties, the return to open, in person meetings is needed.

Thank you for your consideration,

Carol Kennedy
578 Dorcas Lane
Manzanita, OR