



CITY OF MANZANITA

P.O. Box 129, Manzanita, OR 97130-0129
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ci.manzanita.or.us

COUNCIL REGULAR SESSION

Pine Grove Community Center
<https://ci.manzanita.or.us>

AGENDA

October 9, 2024
06:00 PM Pacific Time

Council will hold this meeting at the Pine Grove Community Center

Video Information: The public may watch live on the

[City's Website: ci.manzanita.or.us/broadcast](https://ci.manzanita.or.us/broadcast)

or by joining via Zoom:

<https://us02web.zoom.us/j/84111102670?pwd=tx9nvmAyr5Hsp7agBZ512hPxb9l8O1.1>

Meeting ID: 841 1110 2670 Passcode: 338371

Call in number: +1 253 215 8782

If you would like to submit written testimony to the City Council on items included on the agenda, please send your comments to cityhall@ci.manzanita.or.us and indicate the agenda item and date of meeting.

Note: Agenda item times are estimates and are subject to change

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

2. **AUDIENCE PARTICIPATION**

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**

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. September 04, 2024, Regular Session
- b. September 11, 2024, Work Session

B. Approval of Bills

4. INFORMATION

- A.** City Manager Report
Leila Aman, City Manager
- B.** Tillamook County Transient Lodging Tax Increase Proposal
Mary Faith Bell, Tillamook County Commissioner
- C.** Manzanita Off Season Tourism Grant Kickoff
Nan Devlin, Executive Director of Tillamook Coast Visitors Association

5. OLD BUSINESS

- A.** Planning Commission Applicant Criteria
Tom Campbell, Councilor
Cody Aucoin, Hatfield Fellow
- B.** Ordinance 24-05 – Reducing the Speed Limit to 20 Miles Per Hour in Residence Districts within the City of Manzanita
Mike Sims, Police Sergeant
- C.** Ordinance 24-06 – Amending Section 1, Section 4(B), Section 4(I), Section 5(A) and Section 5(B) of Ordinance 10-03 Establishing Rules and Regulations Relating to Short-Term Rentals
Leila Aman, City Manager

6. NEW BUSINESS

- A.** Amendment to Guaranteed Maximum Price Contract with Cove Built LLC
Leila Aman, City Manager
- B.** Contract Approval with Oregon Business Development Department for \$2.709 Million for the Classic Street Connection Project
Leila Aman, City Manager
- C.** Approval of Direct Responsible Charge (DRC) Operator Position and Resolution Adopting Salary Range for DRC Operator
Leila Aman, City Manager

7. COUNCIL UPDATES

8. ADJOURN (8:00)

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 503-812-2514. Staff will do their best to respond in a timely manner and to accommodate requests. Most Council meetings are broadcast live on the ci.manzanita.or.us/broadcast.



City of Manzanita

MEMORANDUM

To: City Council

Date Written: October 4, 2024

From: Leila Aman, City Manager

Subject: **October 9, 2024, City Council Regular Session**

4. INFORMATION

B. TILLAMOOK COUNTY TRANSIENT LODGING TAX INCREASE PROPOSAL

Tillamook County Commissioner Mary Faith Bell will provide an overview of the County proposal to place a referendum on the May 2025 ballot to increase the Transient Lodging Tax to 15%. Commissioner Bell will discuss the proposed options that the county is considering.

C. MANZANITA OFF SEASON TOURISM GRANT KICKOFF

Nan Devlin will provide an overview of the Manzanita Off Seasons Tourism Grant process and timeline for this year. The City allocated \$20,000 in Tourism funds for these grants which are administered by the Tillamook County Visitor Association on a competitive basis.

5. OLD BUSINESS

A. PLANNING COMMISSION APPLICANT CRITERIA

Cody Aucoin will present the timeline for the Selection Committee process, which includes posting the updated application, a three (3) week application window and interviews to follow. (Updated selection criteria, application, and interview questions are attached.)

B. ORDINANCE 24-05 – REDUCING SPEED LIMITS IN RESIDENTIAL AREAS IN THE CITY LIMITS (20 IS PLENTY)

See staff report.

C. ORDINANCE 24-06 - HOUSEKEEPING AMENDMENTS TO ORDINANCE 10-03 RULES AND REGULATIONS RELATING TO SHORT TERM RENTALS

See staff report.

6. NEW BUSINESS

A. AMENDMENT TO GUARANTEED MAXIMUM PRICE CONTRACT WITH COVE BUILT LLC

See Staff Report

B. CONTRACT APPROVAL WITH OREGON BUSINESS DEVELOPMENT DEPARTMENT FOR \$2.709 MILLION FOR THE CLASSIC STREET CONNECTION PROJECT

The Legislature approved SB 1530 which included an allocation of \$2.709 million dollars for the purpose of constructing the Classic Street Connection project which includes water, stormwater and roadway improvements on Classic Street. The grant funds will be distributed by the Oregon Business Development Department (Business Oregon). The contract is included in the packet and requires Council approval in the form of an Ordinance or Resolution to finalize the Grant Agreement. Council is asked to approve the resolution authorizing the city manager to execute a Grant Agreement for these funds on behalf of the city.

CITY OF MANZANITA
SEPTEMBER 4, 2024
CITY COUNCIL REGULAR SESSION

1. CALL TO ORDER: The meeting was called to order on September 4, 2024, at 6:01pm at the Pine Grove Community Center by Mayor Kathryn Stock.

Roll: Council members present: Kathryn Stock, Linda Kozlowski, Jerry Spegman, Brad Hart, and Tom Campbell. Staff present: City Manager Leila Aman, Public Works Director Dan Weitzel, Operations Manager Rick Rempfer, Police Officer John Garcia, and Assistant City Recorder Nancy Jones. Staff Present via Zoom: Accounting Manager Nina Crist, Development Services Manager Scott Gebhart, and Hatfield Fellow Cody Aucoin. Panelist's present: Emergency Volunteer Corps of Nehalem Bay Mark and Megan Adamcin, Tillamook County Commissioner Doug Olson, and Manzanita Farmers Market Executive Director Kendra Hall.

2. AUDIENCE PARTICIPATION: There were 10 people in attendance, 12 attended via zoom, 24 attended via website. There were two public comments.

3. CONSENT AGENDA:

- A. APPROVAL OF MINUTES –
 - a. August 07, 2024, Regular Session
 - b. August 14, 2024, Work Session

- B. APPROVAL OF BILLS FOR PAYMENT

A motion was made by Hart, seconded by Campbell, to approve the consent agenda that included approval of the August 07, 2024, Regular Session Minutes; August 14, 2024, Work Session Minutes; Approved payment of bills and all subsequent bills subject to approval by the Mayor or Council President and City Manager; Motion passed Unanimously.

4. INFORMATION:

- A. City Manager Report -** City Manager Leila Aman
 - Public Works Director Dan Weitzel introduced the newly hired Operations Manager, Rick Rempfer. This new position will support the Public Works Director.
 - City Manager Leila Aman announced that the city received three Request for Proposals (RFP) to hire an engineering firm for the Classic Street project. It is planned to bring a contract recommendation to the council in October for approval so the design phase can begin. Construction is anticipated to begin early next year.
 - Aman provided an update to the City Hall project. The timeline is still on schedule as framing should begin within the next two weeks.

-Aman shared that the water rights between Manzanita and Wheeler have been in review for almost thirty years. She stated that Wheeler holds the water rights and Manzanita owns the infrastructure. The cities have been granted an extension of time and are continuing to work together. Manzanita is also collaborating with an engineer and water rights attorney to ensure everything is done correctly.

B. Emergency Preparedness Proclamation / EVCNB Update – Emergency Volunteer Corps of Nehalem Bay Mark Adamcin and Megan Adamcin

Mayor Kathryn Stock read the Emergency Preparedness Proclamation and declared September 2024 as the Emergency Preparedness Month in Manzanita.

Emergency Volunteer Corps of Nehalem Bay (EVCNB) Megan Adamcin spoke about emergency broadcasting on radio station KQMI 88.9fm. She said that KQMI is an all-classical radio station of Portland and announced that EVCNB broadcasts every first and third Wednesdays of each month at 11am. She communicated that in the event of an emergency, if cellphone and internet service is down, the radio station will still be able to broadcast emergency information to the community.

Emergency Volunteer Corps of Nehalem Bay (EVCNB) Mark Adamcin spoke about the Great Shake Out that is scheduled for Thursday October 17, 2024, at 10:17am. The Great Shake Out is a nationwide earthquake and tsunami preparedness drill. At 10:17am on October 17, KQMI will announce a simulated earthquake and will ask everyone to drop, cover and hold on until it concludes. If you want to learn more about emergency preparedness and how to get involved visit evcnb.org

C. Bond Issue for Emergency Responders Radio System – Tillamook County Commissioner Doug Olson

Tillamook County Commissioner Doug Olson spoke about bond measure 29-180. He reported that the twenty-five-year-old Tillamook County public safety emergency communications system needs updating. He stated that this system is used daily for first responders' police, medical, and fire and parts are no longer available for repairs. The cost of the new system will be \$26.4 million dollars. He reported that the county received a grant in the amount of two million dollars and the bond measure will cover the remaining \$24.4 million dollars, payable over sixteen years. He shared that the new emergency system would provide ninety five percent coverage across Tillamook County, and he encouraged everyone to vote yes on bond measure 29-180 at the November 2024 election.

D. Farmers Market Update – Manzanita Farmers Market Executive Director Kendra Hall Manzanita Farmers Market Executive Director Kendra Hall spoke about this year's farmers market. She communicated her gratefulness for the collaborative effort with the city, for the use of Underhill Plaza, and use of the port-a-potties. She reported that there has been a minimum of sixty vendors each week and thanked them for providing their products. She proclaimed that approximately thirty-six thousand people have visited the market this year and estimated that

there has been over \$1 million dollars in sales. She spoke about donations that the market has contributed towards and said the market will conclude this year on September 20th.

5. NEW BUSINESS:

A. Short-Term Rental Program Update and STR Ordinance Housekeeping Amendments – Development Services Manager Scott Gebhart

Development Services Manager Scott Gebhart provided an update of this year’s short-term rental program and proclaimed it has been a year of changes and upgrades. He shared improvements that have been implemented and spoke about the new portal system for existing owners.

Development Services Manager Scott Gebhart proposed five housekeeping amendments to Ordinance 10-03 that govern short term rentals. He said these updates will allow staff more time to process periodic inspections, quarterly tax returns, and renewals.

Allowed for public comment: There was one public comment.

6. OLD BUSINESS:

A. Planning Commission Appointment of Council Member and PC Member – City Manager Leila Aman

City Manager Leila Aman spoke about the appointment process for the Planning Commission members and announced that there are three terms that are set to end on December 31, 2024. She asked council to appointment a member from Council and the Planning Commission to serve on the appointment Selection Committee. Councilor Spegman nominated Councilor Campbell, and he accepted the nomination. Mayor Stock communicated that Karen Reddick Yurka would like to serve on the selection committee to represent the Planning Commission. A consensus of the council approved Tom Campbell and Karen Reddick Yurka to serve on the Planning Commission Selection Committee. Aman recommended that Hatfield Fellow Cody Aucoin also serve on this committee to gain experience in committee selection. It is planned to bring the selection criteria to council next month so applications can begin to be accepted.

B. Foredune Grading Moratorium – City Manager Leila Aman

City Manager Leila Aman spoke about Ordinance 95-04 and previous council actions regarding the view grading moratorium. She asked the council to adopt findings supporting a continuation of the View Grading Moratorium for a period of 6 months, expiring March 2025. This extension allows the city to continue to make progress toward updating Goal 18 of the Comprehensive Plan.

A motion was made by Hart to Adopt the Findings as Presented and Extend the Dune Grading Moratorium for a Period of Six Months, ending March 2025. Seconded by Kozlowski; Motion passed Unanimously.

C. Recology Rate Resolution – City Manager Leila Aman

City Manager Leila Aman presented Resolution 24-17 and provided a summary of the August 7th regular session council meeting presentation and discussion about the Recology rate adjustment. She spoke about the two options that were presented to council and stated that council decided unanimously to proceed with option two. Option one is a 3.9 percent rate increase for all services. Option two is to increase the 32-gallon side yard service by 53 percent. Aman reported that this increase is retroactive and would be effective September 1st.

A motion was made by Campbell to accept Resolution 24-17 Approving Solid Waste Collection Rates effective September 1, 2024. Seconded by Kozlowski; Motion passed Unanimously.

D. LOC Legislative Priorities – City Manager Leila Aman

City Manager Leila Aman spoke about the list of legislative priorities that is sent to Oregon cities from the League of Oregon Cities (LOC) and said each city is asked to choose their top five priorities from the list. She specified the top five priorities that were chosen by the council at the August 14th work session. 1-Infrastructure Funding, 2-Lodging Tax Flexibility, 3-Restoration of Recreational Immunity, 4-Full Funding and Alignment for Housing Production, and 5-Investment in Community Resiliency and Climate Planning Resources. Aman asked council to accept the chosen five priorities so they can be submitted.

A motion was made by Kozlowski to accept the Five Priorities as Discussed and Submit them to the League of Oregon Cities (LOC). Seconded by Campbell; Motion passed Unanimously.

7. COUNCIL UPDATES:

Council members took turns sharing information and updates of what they were involved in for the month.

8. INFORMATION AND ADJOURN:

- The next Planning Commission meeting is scheduled for September 9, 2024, at 4pm.
- Manzanita Municipal Court will be held September 13, 2024, at 1:30pm and is open to the public.

Mayor Stock adjourned the meeting at 7:55PM.

**MINUTES APPROVED THIS
9th Day of October, 2024**

Kathryn Stock, Mayor

Attest:

Leila Aman, City Manager

**CITY OF MANZANITA
SEPTEMBER 11, 2024
CITY COUNCIL WORK SESSION**

1. CALL MEETING TO ORDER: The meeting was called to order on September 11, 2024, at 2:00pm via Zoom by Mayor Kathryn Stock.

ROLL: Members present: Kathryn Stock, Linda Kozlowski, Jerry Spegman, Brad Hart, and Tom Campbell. Staff present: City Manager Leila Aman, Accounting Manager Nina Crist, Public Works Director Dan Weitzel, Development Services Manager Scott Gebhart, Hatfield Fellow Cody Aucoin, and Assistant City Recorder Nancy Jones. Panelist present: Oregon Association of Water and Wastewater Utilities Tim Tice.

2. Quarterly Water Rate Study - City Manager Leila Aman, Public Works Director Dan Weitzel, Oregon Association of Water and Wastewater Utilities Tim Tice

City Manager Leila Aman spoke about the most recent updated water rate study. She presented an overview, background, methodology of the water rates, and explained why the city completed a new quarterly rate study. She stated that Ordinance 24-01, a housekeeping amendment to the water rates, was adopted by the city council in April and soon after the adoption of Ordinance 24-01, the city received a petition for a referendum from Randy Kugler to vote on whether the council should or should not adopt Ordinance 24-01. Aman stated that Ballot Measure 29-179 will be decided by the voters at the November elections that will determine whether the water billing cycle will remain monthly or return to a quarterly billing cycle.

City Manager Leila Aman stated that the water utility is an Enterprise Fund governed by the City Charter and Ordinance 90-08. She summarized the main components of the updated water rate study for quarterly billing. She explained water definitions, guiding principles, water allowances, how rates are calculated, and the importance of water system maintenance. She stated that a guiding principle of the study is that the largest number of users are single family customers and that they should pay the lowest rate possible. Aman communicated that Oregon Association of Water Utilities (OAWU) recommends that 60 to 75 percent of the budget should be captured by the base rate and the remaining percent should be captured by consumption with a target of achieving 95% of budget. She explained the rate structure, how allowances and tiers are determined, and presented two quarterly rate options: Option one, triple the base rate and use existing consumption rates for tiers, which achieves 91% of the budget. Option two, adjust the base rate and create new consumption rates for new tiers, which achieves 95% of the budget.

Public Works Director Dan Weitzel spoke about water accountability, fire hydrants, dysfunctional water meters, and water leaks. He communicated that the city is currently working on replacing all water meters at a pace of approximately one hundred a year. Weitzel announced that the new meters are digital, and the project is targeted to be completed in six years.

The next work session on this topic is scheduled for October 16th. Depending on the outcome of the November election, the city council will decide between the two rate options at the November 6th meeting. If the voter's decision of the ballot measure reverts to quarterly billing, implementation would begin January 2025.

5. Adjourn: Mayor Stock adjourned the meeting at 3:42pm.

- Coffee with the City: Thursday September 19th at 9am at Offshore Grill.
- Conversation with Counselors: September and October (check the website for exact times and dates)

**MINUTES APPROVED THIS
9th Day of October 2024**

Kathryn Stock, Mayor

Attest:

Leila Aman, City Manager

BILLS FOR APPROVAL OF PAYMENT

From 09/01/2024 - 09/30/2024

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH EXP	ROADS	Visitors Center	WATER
HASCO (FUEL)	\$1,369.01		\$849.61	\$62.71		\$17.71		\$88.56	\$102.47	\$247.95
JEREMY JEPSON (STAFF REIMB.)	\$106.00									\$106.00
JOSH HAMILTON (STAFF REIMB.)	\$106.00									\$106.00
KLOSH (OWNERS REP.)	\$2,560.40						\$2,560.40			
LARRY BLAKE (MUNI JUDGE)	\$400.00				\$400.00					
LB BUILDING SERVICES (CITY PLANNER)	\$1,905.21			\$1,905.21						
LONGFELLOW CONST. (EXCAVATION)	\$1,200.00									\$1,200.00
MANZ LUMBER (MTRLS & SUPP.)	\$54.63									\$54.63
MILLER NASH (CITY ATTORNEY)	\$12,878.50	\$6,436.00						\$1,570.94		\$4,871.56
NBWW (SEWER UTILITY)	\$252.00					\$252.00				
ONION PEAK (SURVEYOR)	\$15,000.00							\$9,061.50		\$5,938.50
ONE CALL (LOCATE FEES)	\$17.88									\$17.88
ONE ELEVEN (IT SERVICES)	\$4,219.60	\$4,189.60								\$30.00
ONE ELEVEN (EQUIPMENT)	\$1,020.88	\$45.98		\$24.99						\$949.91
OR. DEPT REV (FINES & ASSMNTS.)	\$353.23				\$353.23					

BILLS FOR APPROVAL OF PAYMENT

From 09/01/2024 - 09/30/2024

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH EXP	ROADS	Visitors Center	WATER
PACE (ENGINEER)	\$4,932.00									\$4,932.00
PACIFIC OFFICE (PSTG & COPIER)	\$210.45	\$176.70								\$33.75
PINE GROVE (SPACE RENTAL)	\$4,000.00	\$4,000.00								
RHINO ONE (GEOTECH)	\$1,220.96						\$1,220.96			
RICK REMPFER (STAFF REIMB.)	\$127.96									\$127.96
RTI (PHONE SERVICE)	\$494.16	\$96.10	\$96.59							\$301.47
STAPLES (OFFICE SUPPLIES)	\$206.05	\$206.05								
STATE OF WA. (RECORDS REQUEST)	\$0.16				\$0.16					
STEP FORWARD (MTRLS & SUPP.)	\$5.00								\$5.00	
SWEET SEPTIC (PORTABLE TOILETS)	\$295.00								\$295.00	
TILL. CREAMERY (MTRLS & SUPP.)	\$711.99									\$711.99
TILL. PAYABLE (FINES & ASSMNTS.)	\$81.03				\$81.03					
TILL. TIRE (TIRE SERVICE)	\$1,040.00									\$1,040.00
TCVA (VC COORD.)	\$3,747.88								\$3,747.88	
TPUD (ELECTRICITY)	\$3,777.49	\$183.02	\$126.27			\$97.37		\$609.00	\$114.74	\$2,647.09

BILLS FOR APPROVAL OF PAYMENT

From 09/01/2024 - 09/30/2024

VENDOR	TOTAL	ADMIN	POLICE	BLDG	COURT	PARKS	CH EXP	ROADS	Visitors Center	WATER
US BANK (CITY VISA)	\$5,244.77	\$260.03	\$412.30					\$831.66	\$518.18	\$3,222.60
VERIZON (TELEPHONE)	\$1,380.71	\$294.58	\$354.02	\$264.97					\$64.99	\$402.15
WALTER WEND. (CITY PLANNER)	\$320.00	\$320.00								
TOTALS	\$208,436.59	\$25,435.32	\$1,968.77	\$2,257.88	\$2,683.60	\$367.08	\$127,849.12	\$12,161.66	\$4,973.23	\$30,739.93

Planning Commission Criteria 2024

- A balanced group of people representing people who live and/or own property in Manzanita City Limits or Urban Growth Boundary.
- Has read the Comprehensive Plan and possesses an understanding of basic land use issues/principles.
- Can objectively weigh and balance complex issues and rely on the Comprehensive Plan and Ordinance for decision making. (e.g., does not let personal opinion bias objective analysis of a land use issue).
- Has limited, if any, potential conflicts of interest.
- [NEW] Applicant demonstrates ability to listen and communicate effectively in a group setting.
- [NEW] Applicant confirms they have read Chapter 9 - Ethics, Decorum, Outside Statements of the City of Manzanita Rules of Procedure for City Council Meetings.



City of Manzanita

PO BOX 129, Manzanita OR 97130-0129
Phone (503) 812-2514 | Fax (503) 368-4145 | TTY Dial 711
ci.manzanita.or.us

Planning Commission Application

Name: _____	Phone: _____
Address: _____	Email: _____
City/State/Zip: _____	
Occupation: _____	

There are three positions open on the Planning Commission. These positions will be 4-year appointments and will end December 2028.

Do you live, own property, or a business within the City or Urban Growth Boundary? If yes, please describe your relationship to the City of Manzanita.

Please explain what skills or qualifications you bring that you believe will benefit the City as a member of the Planning Commission. Be brief but be as specific as possible.

Please describe your understanding of the Comprehensive Plan, the City's Zoning Ordinance and/or Land Use Planning.

As a Planning Commissioner you will be asked to make decisions on Land Use Applications using the City's Zoning Ordinance. Your ability to interpret the Zoning Ordinance and criteria will be essential to your success in this position. Please describe how you would evaluate a land use application where you may personally disagree with what is being proposed.

Do you have any expected or anticipated conflicts of interest that may require you to recuse yourself from a planning application? If yes, please describe.

Planning Commission Meetings are held on the second Monday of each month at 4 pm. In cases where the Monday falls on a holiday the Planning Commission will meet on the third Tuesday of each month. There are also potential trainings and special meetings that may be required. Can you meet this time commitment?

Yes No

Meetings are currently held via the Zoom and are expected to continue on Zoom until mid year 2025. Are you able to participate via Zoom? If meetings were held in person would you be able to participate? Please describe your availability to attend meetings either via Zoom or in person below.

Is there anything else you would like to share with the selection committee about your experience and interest in the position?

You are also welcome and encouraged to submit a CV or Resume as part of your application.

THE DEADLINE FOR SUBMISSIONS IS November 1, 2024, AT 4:00 PM

Please return this form
by email to cityhall@ci.manzanita.or.us

If you have any questions, please call 503-812-2514 or email us at cityhall@ci.manzanita.or.us

CHAPTER 9 – Ethics, Decorum, Outside Statements

Amended May 8, 2024

- I. Ethics.** All members of the Council and all members of any committee appointed pursuant to Rule 8 shall review and observe the requirements of state ethics law, all members of the Council and/or any committee member appointed pursuant Rule 8 shall refrain from:
- A. Disclosing confidential information.
 - B. Taking action which benefits special interest groups or persons at the expense of the city as a whole.
 - C. Expressing an opinion outside of Council meetings or committee meetings contrary to the official position of the Council or the committee without saying so.
 - D. Conducting themselves in a manner that may bring discredit upon the government of the city.
- II. Decorum.**
- A. The presiding officer shall preserve decorum during meetings and shall decide all points of order, subject to appeal of the Council.
 - B. Members of the Council or Committee shall preserve decorum during meetings, and shall not, by conversation or action, delay or interrupt the proceedings or refuse to obey the orders of the presiding officer or these rules.
 - C. Members of the city staff and all other persons attending meetings shall observe the Council’s rules of proceedings and adhere to the same standards of decorum as members of Council.
 - D. No flags, posters, placards, or signs may be carried or placed within the Council Chambers or Committee location of which the City Council or Committee is officially meeting. This restriction shall not apply to arm bands, emblems, badges, or other articles worn on personal clothing or individuals, provided that such devices do not interfere with the vision or hearing of other persons at the meeting or pose a safety hazard.
- III. Statements to the Media and Other Organizations**
- A. Representing City. If a member of the Council or Committee, including the Mayor, appears as a representative of the city before another governmental agency, media or organization to give a statement on an issue, the member may only state the official position of the city, as approved by majority of Council.
 - B. Personal Opinions. If a member of Council or Committee, including the Mayor, appears in their personal capacity before another governmental agency, media or an organization to give a statement on an issue, the member must state they are expressing their own opinion and not that of the city before giving their statement.

- C. Social Media. If a member of the Council or Committee, including the Mayor, creates a social media post, participates in a social media post, or distributes by any electronic means comment or information regarding Manzanita City government, the member may only state the official position of the City, as approved by a majority of the Council unless the member provides a clear statement they are expressing their own opinion and not that of the City.
- D. Electronic Mail – All members of the Council or Committee shall observe the following guidelines when using an electronic method for correspondence in their elected roles:
 - 1. All Council email correspondence is subject to the Oregon Public Records and Meetings laws and is subject to disclosure (pursuant to ORS 192)
 - 2. Email may be used for correspondence, to schedule meetings, send informative messages, or request information from other members of the Council, the City Manager, or City Department Directors.
 - 3. Email may not be used to discuss policy issues with a quorum of the Council at one time or a quorum of a standing advisory body in any manner which would be in violation of the Oregon Public Meetings Law (pursuant to ORS 192).

IV. Resolution Number 20-22 Condemning Racism and Encouraging a Commitment to Fair and Equal Treatment for all. Resolution number 20-22 Condemning Racism and Encouraging a Commitment to Fair and Equal Treatment for All is incorporated into this Rule 9 as if fully set forth herein. Conduct in contravention of said resolution may be grounds for sanctions against a member of Council or Committee.

RESOLUTION NO 20-22

A RESOLUTION CONDEMNING RACISM AND ENCOURAGING A COMMITMENT TO FAIR AND EQUAL TREATMENT FOR ALL

WHEREAS, the City of Manzanita, Oregon, its Mayor, City Council, Chief of Police, the Manzanita Police Department, and all City staff are deeply saddened by the tragic events that continue to occur across our country; and

WHEREAS, racism and hate have no place in Manzanita, and we are committed to working actively against all forms of racism and injustice. We are committed to ensuring that the Constitutional rights of every person who lives, works, and visits our great City are protected; and

WHEREAS, the Mayor and City Council support the Manzanita Police Department and its continuing commitment to fight against racism and treat everyone with respect and dignity regardless of race, creed, religion, sexual orientation, or color; and

WHEREAS, the Manzanita Police Department continues to be honest and transparent to build a culture of trust with those they serve and is committed to working diligently every day to exceed expectations in all aspects of law enforcement; now, therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MANZANITA

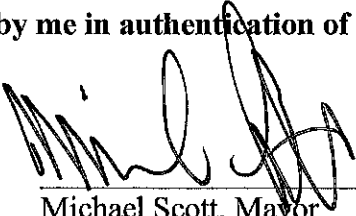
Section 1. The Mayor and City Council of the City of Manzanita, Oregon stand steadfast with all residents of Manzanita against racism and reaffirm the City's commitment to fighting for racial justice and human and civil rights for all.

Section 2. The Mayor, City Council, the Manzanita Police Department and all City staff are committed to engaging in continuing communication and dialog with the community to address issues of systemic racism and intolerance and their impact on individuals and on the community as a whole.

Section 3. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance Oregon State law.

Section 4. This Resolution is effective immediately.

Passed by the City Council and signed by me in authentication of its passage this 5th day of August, 2020.



Michael Scott, Mayor

ATTEST:



Cynthia Alamillo, City Manager/Recorder

Chapter 9- Ethics, Decorum, Outside Statements (Amended)

- I. **Ethics.** All members of the Council and all members of any committee appointed pursuant to Rule 8 shall review and observe the requirements of state ethics law, all members of the Council and/or any committee member appointed pursuant Rule 8 shall refrain from:
 - A. Disclosing confidential information.
 - B. Taking action which benefits special interest groups or persons at the expense of the city as a whole.
 - C. Expressing an opinion outside of Council meetings or committee meetings contrary to the official position of the Council or of the committee without saying so.
 - D. Conducting themselves in a manner so as to that may bring discredit upon the government of the city.
- II. **Decorum.**
 - A. The presiding officer shall preserve decorum during meetings and shall decide all points of order, subject to appeal of the Council.
 - B. Members of the Council or committee shall preserve decorum during meetings, and shall not, by conversation or action, delay or interrupt the proceedings or refuse to obey the orders of the presiding officer or these rules.
 - C. Members of city staff and all other persons attending meetings shall observe the Council's rules of proceedings and adhere to the same standards of decorum as members of Council.
 - D. No flags, posters placards, or signs may be carried or placed within the Council Chambers or committee location of which the City Council or committee is officially meeting. This restriction shall not apply to arm bands, emblems, badges, or other articles worn on personal clothing or individuals, provided that such devices do not interfere with the vision or hearing of other persons at the meeting or pose a safety hazard.
- III. **Statements to the Media and Other Organizations**
 - A. Representing City. If a member of the Council or committee to include the Mayor, appears as a representative of the city before another governmental agency, the media or an organization to give a statement on an issue, the member may only state the official position of the city, as approved by a majority of the Council.
 - B. Personal Opinions. If a member of the Council or committee, to include the Mayor, appears in their personal capacity before another governmental agency, the media or an organization to give a statement on an issue, the

member must state they are expressing their own opinion and not that of the city before giving their statement.

- C. Social Media. If a member of the Council or committee, to include the Mayor, creates a social media post, participates in a social media post, or distributes by an electronic means comment or information regarding Manzanita City government, the member may only state the official position or the City, as approved by a majority of the Council unless the member provides a clear statement they are expressing their own opinion and not that of the City
- D. Electronic Mail.
 1. All Council email correspondence is subject to the Oregon Public Records and Meetings laws and subject to disclosure (pursuant to ORS 192).
 2. Email may be used for correspondence, to schedule meetings, send informative messages, or request information from other members of the Council, the City Manager, or City Department Directors.
 3. Email may not be used to discuss policy issues with a quorum of the Council at one time or a quorum of a standing body in any manner which would be in violation of the Oregon Public Meetings Law (pursuant to ORS 192).

IV. Resolution No. 20-22 Condemning Racism and Encouraging a Commitment to Fair and Equal Treatment for All.

Resolution No. 20-22 Condemning Racism and Encouraging a Commitment to Fair and Equal Treatment for All is incorporated into this Rule 9 as if fully set forth herein. Conduct in contravention of said resolution may be grounds for sanctions against a member of Council or committee.



CITY OF MANZANITA

P.O. Box 129, Manzanita, OR 97130-0129
Phone (503) 368-5343 | Fax (503) 368-4145 | TTY Dial 711
ci.manzanita.or.us

Acknowledgement of Receipt of City of Manzanita Rules of Procedure for City Council Meetings, Chapter 9 – Ethics, Decorum, Outside Statements (Amended May 8, 2024)

I acknowledge that I have received a copy of the City of Manzanita Rules of Procedure for City Council Meetings, Chapter 9 – Ethics, Decorum, Outside Statements (“Chapter 9”), amended May 8, 2024. I understand that it is my responsibility to read, familiarize myself with, and abide by the rules and procedures outlined in Chapter 9. I also agree that if there is any rule or provision in Chapter 9 I do not understand I will ask the City Manager for clarification.

I have read this acknowledgement carefully before signing.

Name (Print)

Signature

Date



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: September 16, 2024

From: Mike Sims, Police Sergeant

Reviewed: Leila Aman, City Manager

Subject: Ordinance 24-05 Reducing the Speed Limit to 20 Miles Per Hour (MPH) in Residence Districts within the City of Manzanita.

ACTION REQUESTED

Conduct a first reading of Ordinance 24-05 Reducing the Speed Limit to 20 Miles Per Hour (MPH) in Residence Districts within the City of Manzanita.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[September 13, 2023](#) – City Council discussed the potential for lowering speed limits in residential districts to 20 MPH citywide as a first step in implementing the City’s Transportation System Plan (TSP). The City Council directed staff to conduct a community survey and gather additional information.

[December 13, 2023](#) – Staff presented the results from the community survey to City Council and were directed to conduct additional research on the implementation of a 20 MPH speed limit in residential districts citywide.

[June 12, 2024](#) – Staff presented findings on the legal authority and steps required to implement a 20 MPH speed limit. The City Council directed staff to develop an Ordinance for City Consideration.

BACKGROUND

In August 2023 the City of Manzanita adopted a Transportation System Plan (TSP) which included new transportation policies for the City. These policies were incorporated into Goal 12 of the City’s Comprehensive Plan. Reducing the speed limit in residential areas can have a significant impact on pedestrian and bicycle safety, which is the cornerstone of the TSP.

Staff conducted a community survey to assess interest and support in reducing speed limits citywide. There were 255 respondents to the survey, the majority of which represented homeowners in the City of Manzanita. Of those, 81 percent supported the proposed speed reduction. Key themes that emerged from the survey included the need for a higher level of safety citywide, increased enforcement, and a need for more signage to indicate speed limits.

Survey respondents also indicated that Manzanita Avenue, Dorcas Lane, Classic Street, Necarney Blvd., Lakeview Drive, Carmel Avenue, and 3rd Street should be areas of focus. Notably, these streets also aligned with the streets indicated in the TSP as future bike and pedestrian facilities.

To implement this change, staff conducted research to determine whether the City had the authority to lower the speed limit within City limits. Per Oregon Revised Statute (ORS) Chapter 810.010, cities (i.e., Manzanita) are the delegated “road authority.” Per ORS 810.180 Section (11), cities are permitted to lower speed limits by 5 MPH, except on arterial highways (i.e., U.S. 101). Currently, all residential streets are 25 MPH per ORS 811.111 Section (1)(d)(D). The Manzanita City Council serves as the Road Authority and has the ability to adopt an Ordinance to implement a 20 MPH speed limit in residential areas.

ANALYSIS

Citywide, the speed limit is 25 MPH except on:

1. Laneda Avenue (20 MPH)
2. Necarney Blvd. (30 MPH)
3. A portion of Necarney City Road (35 MPH)

Per ORS 810.180 Section (11), “A city may establish by ordinance a designated speed for a highway as defined in ORS 801.305 under the jurisdiction of the city that is five miles per hour lower than the statutory speed. The following apply to the authority granted under this subsection:

- a) The highway is located in a residence district. (A ‘highway’ is defined as “every public way, road, street, thoroughfare and place, including bridges, viaducts and other structures within the boundaries of this state, open, used or intended for use of the general public for vehicles or vehicular traffic as a matter of right.” A ‘residence district’ is defined as “territory not comprising a business district that is contiguous to a highway and has access to dwellings provided by alleys.”)
- b) The highway is not an arterial highway. (For example, U.S. 101.)
- c) The city shall post a sign giving notice of the designated speed at each end of the portion of highway where the designated speed is imposed and at such other places on the highway as may be necessary to inform the public. The designated speed shall be effective when signs giving notice of the designated speed are posted.”

BUDGET IMPACT

The Fiscal Year 2024-2025 Budget already includes funding for speed limit signs – including thermoplastic and radar signs – signposts, and their installation.

WORKLOAD IMPACT

Manzanita Public Works Department labor hours for installation of new 20 MPH speed limit signs and replacement of current 25 MPH with 20 MPH speed limit signs. Educational

initiatives will also be launched to inform residents, motorists, and other stakeholders about the benefits of slower speeds and the importance of adhering to the new speed limit. If required, additional materials such as flyers, website and other sources of information will require staff time. This will largely impact the police department with oversight by the City Manager.

COORDINATION, CONCURRENCE, OR DISSENT

The City Attorney has reviewed this Ordinance.

STAFF RECOMMENDATION

Adopt Ordinance 24-05 Reducing the Speed Limit to 20 Miles Per Hour in Residence Districts Within the City of Manzanita.

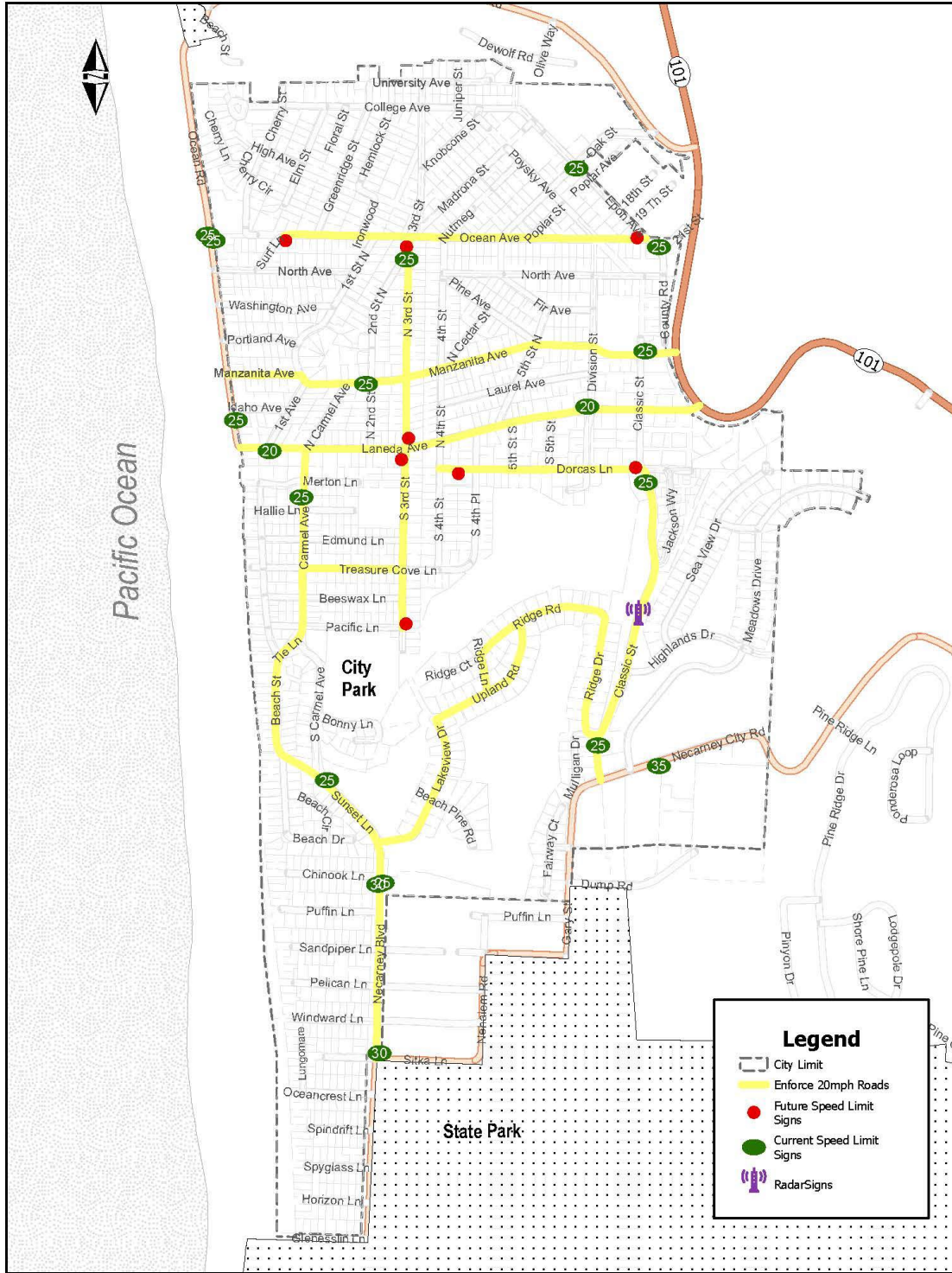
ALTERNATIVES

Council can reject this Ordinance and maintain existing speed limits.

ATTACHMENTS

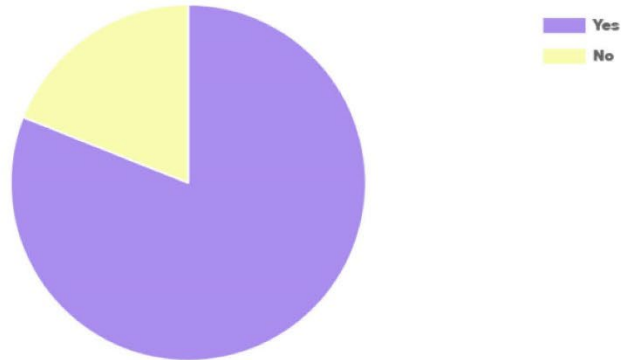
1. Map
2. Survey Results and Community Feedback Summary
3. Ordinance

Attachment 1 – Map



Attachment 2 – Survey Results and Community Feedback Summary

The Manzanita City Council is considering lowering the speedlimit on all streets within the city to 20 miles per hour. Most residential streets are currently 25 Miles Per Hour. Do you support this change?



ANSWERS	RESPONSES
Yes	81% 207
No	19% 48



Public Input - 255 Respondents

ANSWERS	RESPONSES
Home Owner	93% 236
Business Owner	4% 10
Renter	2% 6
Other	1% 2
Visitor	0% 1

Currently, there is approximately 600 full time residents





COUNCIL ORDINANCE No. 24-05

AN ORDINANCE OF THE CITY OF MANZANITA, OREGON REDUCING THE SPEED LIMIT TO 20 MILES PER HOUR IN RESIDENCE DISTRICTS WITHIN THE CITY OF MANZANITA.

WHEREAS, the 2019 Oregon Legislature passed SB 558, which included amendments to ORS 810.180 to authorize cities to designate by ordinance a speed that is five miles per hour (“MPH”) lower than the statutory speed on non-arterial streets in “residence districts” under their jurisdiction; and

WHEREAS, Volume 2 of the Nehalem Bay Transportation System Plan for Manzanita assessed ‘key needs’ to inform recommended projects, including “traffic calming to lower vehicle speeds on local roads,” as well as “more facilities for people walking and biking” thus populating local roads with more pedestrians and further providing need for lower vehicle speeds; and

WHEREAS, research shows that the average risk of severe injury and/or death for a pedestrian struck by a vehicle is reduced by about half when struck at 20 MPH versus 25 MPH (Tefft, B.C. (2011). *Impact Speed and a Pedestrian’s Risk of Severe Injury or Death* (Technical Report). Washington, D.C.: AAA Foundation for Traffic Safety); and

WHEREAS, reducing the speed limit to 20 MPH on designated streets will ‘enhance safety’ as well as ‘quality of life,’ implementing primary themes of Volume 2 of the Nehalem Bay Transportation System Plan for Manzanita.

Now, therefore, the City of Manzanita (the “City”) does ordain as follows:

Section 1. Definitions

The following words and phrases, as used herein, shall have the following meanings:

- A. Highway - Every public way, road, street, thoroughfare and place, including bridges, viaducts and other structures within the boundaries of this state, open, used or intended for use of the general public for vehicles or vehicular traffic as a matter of right, consistent with ORS 801.305.
- B. Designated speed - The speed that is designated by the City as the maximum permissible speed for a highway and that may be different from the statutory speed for the highway, consistent with ORS 810.180.
- C. Statutory speed - The speed that is established as a speed limit under ORS 811.111, or is established as the speed the exceeding of which is prima facie evidence of violation of the basic speed rule under ORS 811.105.
- D. Residence district – Consists of all territory described under ORS 810.180(12) or ORS 801.430.

E. Non-Arterial Highway – A highway that is not used primarily by through traffic.

Section 2. Ordaining Clauses

- A. Consistent with ORS 810.180, the City of Manzanita establishes a designated speed of 20 MPH, five MPH lower than the statutory speed of 25 MPH, on all non-arterial highways in residence districts.
- B. Consistent with ORS 810.180(11)(c), the designated speed established by this Ordinance shall become effective on a non-arterial highway when signs giving notice of the designated speed are posted at each end of that non-arterial highway and at such other places on the non-arterial highway as may be necessary to inform the public.

Section 3. Violation - Penalty

- A. Consistent with ORS 811.109, exceeding a designated speed posted under ORS 810.180 (Designation of maximum speeds) is punishable as follows:
 - a. One to 10 miles per hour in excess of the designated speed is a Class D traffic violation.
 - b. 11 to 20 miles per hour in excess of the designated speed is a Class C traffic violation.
 - c. 21 to 30 miles per hour in excess of the designated speed is a Class B traffic violation.
 - d. Over 30 miles per hour in excess of the designated speed is a Class A traffic violation.

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Mayor

ATTEST:

Leila Aman, City Manager/Recorder



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: October 4, 2024

Reviewed: Leila Aman, City Manager

From: Scott Gebhart, Development Services Manager

Subject: Ordinance 24-06 Amending Section 1, Section 4(B), Section 4(I), Section 5(A) and Section 5(B) of Ordinance 10-03 Establishing Rules and Regulations Relating to Short Term Rentals.

ACTION REQUESTED

Conduct a first reading of Ordinance 24-06 Amending Section 1, Section 4(B), Section 4(I), Section 5(A) and Section 5(B) of Ordinance 10-03 Establishing Rules and Regulations Relating to Short Term Rentals.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[September 4, 2024](#) – Staff provided city council with an overview of proposed housekeeping amendments.

BACKGROUND

On [May 8, 2024](#) City Council approved Ordinance 24-02, which regulates outdoor lighting citywide. Ordinance 24-02 builds upon and expands the requirements for outdoor lighting set forth in Ordinance 10-03 which apply only to short term rentals. Staff recommend that the City Council amend Ordinance 10-03 to refer to Ordinance 24-02 to ensure consistency across all properties in the City allowing for consistency in application of the rules and enforcement.

Staff have determined that a minor adjustment to renewal and inspection deadlines outlined in Ordinance 10-03 would create a more efficient and manageable workload for staff and would result in higher levels of customer service throughout the year. Currently, renewals and quarterly tax payments (Transient Lodging Tax) which currently start on July 1st and provide staff with only 31 days to process a minimum of approximately 550 documents on top of staff's regular duties. Additional, staff conduct between 70 and 100 periodic re-inspections between January 1st and July 1st. The proposed changes are outlined below.

Finally, the STR Committee recommended clarification of language regarding short term rental identification sign standards outlined in more detail below.

These are all minor adjustments that provide more clarity for both city staff responsible for issuing permits, conducting inspections, and enforcing the rules and regulations outlined in 10-03.

Proposed Changes

- Amend outdoor lighting to reference Ordinance 24-02.
- Change periodic re-inspection due date to June 1st.

- Change renewal due date to September 1st.
- Replace 'visible' with the phrase 'rigid and readable' to identification sign requirements.

BUDGET IMPACT

None

WORKLOAD IMPACT

By changing the Periodic Re-Inspection due dates to June 1st and annual renewals to September 1st, staff will have more time to process documents.

COORDINATION, CONCURRENCE, OR DISSENT

The City Attorney has reviewed this Ordinance.

STAFF RECOMMENDATION

Adopt Ordinance 24-06 Amending Section 1, Section 4(B), Section 4(I), Section 5(A) and Section 5(B) of Ordinance 10-03 Establishing Rules and Regulations Relating to Short Term Rentals.

ALTERNATIVES

Council can reject this Ordinance, leaving the current Ordinance in place.

ATTACHMENTS

1. Ordinance 24-06



COUNCIL ORDINANCE No. 24-06

AN ORDINANCE OF THE CITY OF MANZANITA, OREGON AMENDING SECTION 1, SECTION 4(B), SECTION 4(I), SECTION 5(A) and SECTION 5(B) OF ORDINANCE 10-03 ESTABLISHING RULES AND REGULATIONS RELATING TO SHORT TERM RENTALS.

WHEREAS, Ordinance No. 24-02 was adopted by City Council on May 8, 2024 and went into effect on June 7, 2024 to increase livability and protect the natural environment from the impact of outdoor lighting by minimizing light pollution, glare and light trespass at night citywide; and,

WHEREAS, city staff have determined that the required timing of the processing of Annual Short Term Rental License Renewals, Quarterly Transient Lodging Tax payment processing, and Short Term Rental Inspections imposes a significant seasonal workload impact on staff which impacts the City's ability to provide a high level of customer service; and,

WHEREAS, ensuring the rigidity and readability of identification signs on licensed Short Term Rentals within the City is necessary to ensure the intent of the requirement in the ordinance is achieved.

Now, Therefore, the City of Manzanita Does Ordain as Follows:

SECTION 1:

Section 1, Section 4(B), Section 4(I), Section 5(A) and Section 5(B) of Ordinance 10-03 are hereby amended as follows, [Language proposed to be added is shown as underlined and changes proposed to be deleted are shown as ~~strikethrough~~]

Section 1 – Definitions

Short-Term Rental License. A permit to operate a Short-Term Rental in accordance with this and all City Ordinances. The licensing year is ~~August~~ September 1st to ~~July~~ August 31st of the following year and the fee of which is not subject to proration.

Section 4 – Standards

b. Identification Sign. In addition to the signs permitted by Section 4.070 of Ordinance 95-4 the Owner or Local Agent shall provide and maintain a sign that lists a

telephone number for the Owner or Local Agent as required under Section 4(d). Such signage shall be rigid and visible-readable from the street and shall be no smaller than 72 square inches nor larger than 90 square inches. Such sign shall include the MCA for the Dwelling Unit as described in Section 2(b) of this Ordinance.

i. Outdoor Lighting – To minimize light pollution, glare, light trespass and to protect the dark skies all Short-Term Rentals shall be in compliance with Manzanita Ordinance 24-02.

~~1. Outdoor light fixtures shall be fully shielded by opaque side and top covers or frosted glass and the bulb pointed in a downward direction so that light does not radiate from the sides or top of the fixture.~~

~~2. Bulbs shall be “warm” rather than daylight, and either amber or lower emission LED (less than 3000k).~~

~~3. Lights shall be turned off when not in use and shall not be left on for more than 12 hours. As an alternative, porch lights may be fitted with motion detectors.~~

~~4. Security (flood) lights shall be on motion detectors and must not shine on adjacent houses. [Added by Ord. No. 21-06, 9/8/21]~~

Section 5 – License Renewals and Re-inspections

- a. Renewal Fee. All Short-Term Rental Licenses shall be renewed annually for the period of ~~August~~ September 1 of the current year to ~~July~~ August 31 of the following year provided all requirements in this Ordinance and Transient Lodging Tax Ordinance No.16-03 continue to be met. If the Owner is out of compliance with the provisions of this Ordinance or any other City Ordinance, regulation or requirement, the City will not renew the license, and the property shall no longer be used as a Short-Term Rental. A license shall not be renewed if fines related to a violation of any City Ordinance or Transient Lodging Taxes related to the subject property are outstanding.

Failure to pay the required license renewal fee, determined by resolution of the City Council, or to submit any form or document required for renewal by the annual August 1 due date shall result in the assessment of a late fee as determined by resolution of the City Council. Failure to pay the required license renewal fee or to submit any form or document required for renewal within thirty (30) days following the annual ~~August~~ September 1st due date shall be considered abandonment of the Short-Term Rental License and the license shall expire.

- b. Periodic Re-inspection. Every Short-Term Rental License shall be subject to re-inspection of the Dwelling Unit by the City Building Official or designee at the City's discretion, but no less than every three (3) years. The purpose of this inspection will be to determine the conformance of the Dwelling Unit with the State of Oregon Residential Specialty Code regulations which may be directly related to potential safety issues, and with all other standards required by the City. The City reserves the right to modify inspection requirements to ensure compliance with any standards required by the City. The City shall notify the Owner of required re-inspections at least six (6) months prior to the ~~renewal inspection due date of June 1st of the Short-Term Rental License.~~ The Owner shall pay a fee as determined by resolution of the City Council and arrange for a re-inspection by the City Building Official or designee and must correct any identified deficiencies. All follow-up inspections due to failed items on the city-published inspection list will be subject to additional inspection fees. Failure to arrange for the re-inspection and complete correction of all identified deficiencies by ~~the annual August June 1st renewal due date for the Short-Term Rental License~~ shall be considered abandonment of the Short-Term Rental License and the license shall expire.

Read the first time on _____, and moved to second reading by _____ vote of the City Council.

Read the second time and adopted by the City Council on _____.

Signed by the Mayor on _____.

Kathryn Stock, Mayor

ATTEST:

Leila Aman, City Manager/Recorder



COUNCIL STAFF REPORT

To: Mayor and City Council

Date Written: October 4, 2024

From: Leila Aman, City Manager

Subject: Guaranteed Maximum Price Amendment to the Cove Built Construction Manager / General Contractor (CMGC) Contract for the Purpose of Constructing a City Hall

ACTION REQUESTED

Approve Resolution Authorizing the City Manager to execute a Guaranteed Maximum Price Amendment to the Cove Built CMGC Contract and Authorizing the City Manager to Execute the Guaranteed Maximum Price Amendment for the Approved Change Order Related to the Construction of the Manzanita City Hall Project.

HISTORY OF PRIOR ACTIONS AND DISCUSSIONS

[January 5, 2022](#) – City Council acting as the Local Contract Review Board Approved Findings in Support of an Exemption from Competitive Bidding Under ORS 279C.335(2) to allow the city to pursue a Construction Manager/General Contractor (CM/GC) alternative contracting process.

[November 9, 2022](#) – City Council approved Resolution 22-04 authorizing the City Manager to Execute a contract with Cove Built LLC for the Construction of Manzanita City Hall

[November 8, 2023](#) – City Council Approved Resolution 23-21 authorizing an Early Work Amendment for the abatement and demolition of the buildings on Underhill Plaza for the purpose of constructing a city hall.

[March 6, 2024](#) – City Council adopted Resolution 24-03 approving a Guaranteed Maximum Price Amendment to the CM/GC Contract with Cove Built, LLC in the amount of \$4,589,943.67 for the purpose of constructing a City Hall and authorizing the City Manager to negotiate and execute any contract or agreement related to the Project with a contract price of \$100,000 or less.

ANALYSIS

The approval of the Guaranteed Maximum Price Amendment will enable the city's CM/GC, Cove Built, to add specific tasks added to the Project by the owner in the amount of \$131,771.04. Those additions are outlined in the supplemental change orders that have been approved by the City. The change orders include:

PR-03 - \$14,648.08 - Add paving and striping to west gravel parking area

PR-04 - \$ 1,816.56 - Change to custom door frame color

PR-05 - \$31,216.80 - Design, procure, install hard-wired intrusion detection system

PR-07 - \$ 2,922.77 - Upgrade service conduits and add underground conduits for solar

PR-08 - \$ 1,442.69 - Add door and modify threshold

PR-09 - \$65,570.98 - Procure and install generator

PR-10 - \$14,153.16 - Add catch basin and modify site grading

BUDGET IMPACT

The proposed change orders do not change or increase the overall estimated project budget of \$6,084,341. The funds for the proposed changes orders will be transferred from the project contingency, and \$10,000 of the funds will come from the City Emergency Management Line Item included in the Non-Departmental Budget.

WORKLOAD IMPACT

There is no additional workload impact on the City Manager for this change order if approved.

COORDINATION, CONCURRENCE, OR DISSENT

The City Attorney, Owners Representative and Cove Built, LLC have reviewed and approved the proposed GMP amendment.

STAFF RECOMMENDATION

Approve Resolution Authorizing the City Manager to execute a Guaranteed Maximum Price Amendment to the Cove Built CMGC Contract and Authorizing the City Manager to Execute the Guaranteed Maximum Price Amendment for the Approved Change Order Related to the Construction of the Manzanita City Hall Project.

ALTERNATIVES

Council may elect to not approve the Amendment doing so will impact construction of certain items such as the catch basin, infrastructure related to solar, paving and hard wiring necessary for the city's security system and may stall or impact the city's ability to install a generator.

ATTACHMENTS

1. Guaranteed Maximum Price Amendment to Cove built CM/GC Contract Amendment including attachments
2. Resolution

DRAFT AIA® Document G701® - 2017

Change Order

PROJECT: <i>(Name and address)</i> Manzanita City Hall 635-655 Manzanita Ave., Manzanita, OR 97130	CONTRACT INFORMATION: Contract For: City of Manzanita Date: 11/9/2022	CHANGE ORDER INFORMATION: Change Order Number: 01 Date: 10/9/2024
OWNER: <i>(Name and address)</i> City of Manzanita 167 S 5 th St. Manzanita, OR 97130	ARCHITECT: <i>(Name and address)</i> Bearing Architecture LLC 215 SE 9 th Ave. Unit 303 Portland, OR 97214	CONTRACTOR: <i>(Name and address)</i> Cove Built LLC 79117 Tide Rd. Arch Cape, OR 97102

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

- PR-03 - \$14,648.08 - Add paving and striping to west gravel parking area
- PR-04 - \$ 1,816.56 - Change to custom door frame color
- PR-05 - \$31,216.80 - Design, procure, install hard-wired intrusion detection system
- PR-07 - \$ 2,922.77 - Upgrade service conduits and add underground conduits for solar
- PR-08 - \$ 1,442.69 - Add door and modify threshold
- PR-09 - \$65,570.98 - Procure and install generator
- PR-10 - \$14,153.16 - Add catch basin and modify site grading

The original Guaranteed Maximum Price was
 The net change by previously authorized Change Orders
 The Guaranteed Maximum Price prior to this Change Order was
 The Guaranteed Maximum Price will be increased by this Change Order in the amount of
 The new Guaranteed Maximum Price including this Change Order will be

\$	4,589,943.67
\$	0
\$	4,589,943.67
\$	131,771.04
\$	4,721,714.71

The Contract Time will be unchanged by Zero (0) days.
 The new date of Substantial Completion will be unchanged - May 16, 2025

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

_____ ARCHITECT <i>(Firm name)</i>	_____ CONTRACTOR <i>(Firm name)</i>	_____ OWNER <i>(Firm name)</i>
_____ SIGNATURE	_____ SIGNATURE	_____ SIGNATURE
_____ PRINTED NAME AND TITLE	_____ PRINTED NAME AND TITLE	_____ PRINTED NAME AND TITLE
_____ DATE	_____ DATE	_____ DATE



COUNCIL RESOLUTION No. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, APPROVING A GUARANTEED MAXIMUM PRICE AMENDMENT TO THE COVE BUILT, LLC CMGC CONTRACT, AUTHORIZING THE CITY MANAGER TO EXECUTE THE GUARANTEED MAXIMUM PRICE AMENDMENT FOR APPROVED CHANGE ORDER RELATED TO THE CONSTRUCTION OF THE MANZANITA CITY HALL PROJECT

WHEREAS, the Manzanita City Council adopted findings authorizing the use of the construction manager-general contractor (“CM/GC”) alternative delivery method per ORS 279C.335(2) on January 5, 2022; and

WHEREAS, the City of Manzanita (the “City”) conducted a formal Request for Proposals process; and

WHEREAS, on November 9, 2022, the City Council approved Resolution 22-14 approving and authorizing the City Manager to execute a contract with Cove Built, LLC, an Oregon limited liability company (the “CM/GC Contract”), to perform the required scope of CM/GC services for the City Hall Construction Project (the “Project”); and

WHEREAS, on June 7, 2023, the City Council approved Resolution 23-07 authorizing Phase 2 of the Project; and

WHEREAS, on November 8, 2023, the City Council approved Resolution 23-21 authorizing an early work amendment to the CM/GC Contract for the purpose of abatement, demolition and site clearing; and

WHEREAS, on March 6, 2024, the City Council approved Resolution 24-03 approving a Guaranteed Maximum Price Amendment to the CM/GC Contract with Cove Built, LLC in the amount of \$4,589,943.67 for the purpose of constructing a City Hall; and

WHEREAS, Resolution 24-03 authorized the City Manager to negotiate and execute any contract or agreement related to the Project with a contract price of \$100,000 or less; and

WHEREAS, the City Manager has determined that it is appropriate to issue change orders for the Project that total \$131,771.04; and

WHEREAS, the change orders issued by the City will increase the GMP to \$4,721,714.71.

Now, Therefore, the City Council resolves as follows:

Section 1: The City Council approves and authorizes the City Manager to execute an Amendment to the CM/GC Contract with Cove Built, LLC to increase the GMP by

\$131,771.04, resulting in a GMP with an amount not to exceed of \$4,721,714.71 for the purpose of constructing the Project.

Introduced and adopted by the City Council on **October 9, 2024**.

This resolution is effective on **October 9, 2024**.

Kathryn Stock, Mayor

ATTEST:

Leila Aman, City Manager/ City
Recorder

GRANT AGREEMENT

Project Name: Water and Stormwater Infrastructure for Residential Housing Development

Project Number: C2024579

This grant agreement (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through its Oregon Business Development Department (“OBDD”), and the City of Manzanita (“Recipient”) for financing of the project referred to above and described in Exhibit B (“Project”). This Contract becomes effective only when fully signed and approved as required by applicable law. Capitalized terms not defined in Section 1 and elsewhere in the body of the Contract have the meanings assigned to them by Exhibit A.

This Contract includes the following, listed in descending order of precedence for purposes of resolving any conflict between two or more of the parts:

This Contract less Exhibits	
Exhibit A	General Definitions
Exhibit B	Project Description
Exhibit C	Project Budget

Pursuant to ORS 285A.075(3) and Oregon Laws 2024, Chapter 109, Section 9(22) (the “Act” aka SB 1530 (2024)), OBDD is authorized to enter into a grant agreement with Recipient to assist in financing the costs of the Project to support the development of housing.

SECTION 1 - KEY TERMS

The following capitalized terms have the meanings assigned below.

Estimated Project Cost: \$3,419,000.

Grant Amount: \$2,709,000.

Project Close-Out Deadline: 90 days after the earlier of the Project Completion Date or the Project Completion Deadline.

Project Completion Deadline: June 30, 2025, unless extended by an amendment of the Parties, and for which OBDD shall not unreasonably withhold approval of such an amendment. Such an amendment extension shall be conditioned upon appropriation and expenditure authority carry-over extension of the Financing Proceeds by the Oregon Legislative Assembly.

SECTION 2 - FINANCIAL ASSISTANCE

OBDD shall provide Recipient, and Recipient shall accept from OBDD, a grant (the “Grant”) in an aggregate amount not to exceed the Grant Amount. Notwithstanding the Grant Amount, the aggregate total of Financing Proceeds disbursed under this Contract cannot exceed the Costs of the Project.

Conditions Precedent. OBDD’s obligations are subject to the receipt of the following items, in form and substance satisfactory to OBDD and its Counsel:

- (1) This Contract duly signed by an authorized officer of Recipient; and
- (2) Such other certificates, documents, opinions and information as OBDD may reasonably require.

SECTION 3 - DISBURSEMENTS

- A. Disbursement Method.
- (1) Reimbursement Basis. The Financing Proceeds will be disbursed to Recipient on an expense reimbursement or costs-incurred basis. Recipient must submit each disbursement request for the Financing Proceeds on an OBDD-provided or OBDD-approved disbursement request form (“Disbursement Request”).
 - (2) Advanced Payment. Notwithstanding, Section 3A.(1), the Financing Proceeds of any remaining Grant Amount may be disbursed to Recipient as an advanced payment if OBDD, in its sole discretion, determines it has not received timely appropriation and expenditure authority carry-over extension of the Financing Proceeds by the Oregon Legislative Assembly.
- B. Financing Availability. OBDD’s obligation to make, and Recipient’s right to request, disbursements under this Contract terminate on the Project Close-out Deadline.
- C. Conditions to Disbursements. As to any disbursement, OBDD has no obligation to disburse funds unless all following conditions are met:
- (1) There is no Event of Default.
 - (2) The representations and warranties made in this Contract are true and correct on the date of disbursement as if made on such date.
 - (3) OBDD, in the reasonable exercise of its administrative discretion, has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement. (Recipient acknowledges OBDD’s appropriation and expenditure authority for this Grant presently expires on June 30, 2025; OBDD will seek a carry-over extension in the 2025 Oregon Legislative Session.)
 - (4) Reserved.
 - (5) OBDD (a) has received a completed Disbursement Request, (b) has received any written evidence of materials and labor furnished to or work performed upon the Project, itemized receipts or invoices for payment, and releases, satisfactions or other signed statements or forms as OBDD may require, (c) is satisfied that all items listed in the Disbursement Request are reasonable and that the costs for labor and materials were incurred and are properly included in the Costs of the Project, and (d) has determined that the disbursement is only for costs defined as eligible costs under the Act and any implementing administrative rules and policies.
- OBDD may waive the requirements of this provision if an Advanced Payment disbursement method is used, and OBDD may instead require additional reporting requirements documenting the expenditures of the Financing Proceeds.
- (6) Recipient has delivered documentation satisfactory to OBDD that, in addition to the Financing Proceeds, Recipient has available or has obtained binding commitments for all funds necessary to complete the Project.
 - (7) Any conditions to disbursement elsewhere in this Contract are met.

SECTION 4 - USE OF FINANCIAL ASSISTANCE

- A. Use of Proceeds. Recipient shall use the Financing Proceeds only for the activities described in Exhibit B and according to the Project Budget in Exhibit C. Recipient may not transfer Financing Proceeds among line items in the Project Budget without the prior written consent of OBDD.

- B. Costs of the Project. Recipient shall apply the Financing Proceeds to the Costs of the Project in accordance with the Act and Oregon law, as applicable. Financing Proceeds cannot be used for costs in excess of one hundred percent (100%) of the total Costs of the Project and cannot be used for pre-award Costs of the Project.
- C. Costs Paid for by Others. Recipient may not use any of the Financing Proceeds to cover costs to be paid for by other financing for the Project, whether from OBDD or from another State of Oregon agency or any third party.
- D. Unexpended Grant Moneys. Any Grant moneys disbursed to Recipient, and any interest earned by Recipient on the Grant moneys, that are not used as set out herein or that remain after the Project is completed or this Contract is terminated shall be immediately returned to OBDD.

SECTION 5 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient represents and warrants to OBDD:

- A. Estimated Project Cost, Funds for Repayment. A reasonable estimate of the Costs of the Project is shown in Section 1, and the Project is fully funded.
- B. Organization and Authority.
 - (1) Recipient is a Municipality as defined in ORS 285B.410(9) , and validly organized and existing under the laws of the State of Oregon.
 - (2) Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract, (b) incur and perform its obligations under this Contract, and (c) receive financing for the Project.
 - (3) This Contract has been authorized by an ordinance, order or resolution of Recipient's governing body that was adopted in accordance with applicable law.
 - (4) This Contract has been duly executed by Recipient, and when executed by OBDD, is legal, valid and binding, and enforceable in accordance with their terms.
- C. Full Disclosure. Recipient has disclosed in writing to OBDD all facts that materially adversely affect the Project, or the ability of Recipient to perform all obligations required by this Contract. Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract, including Exhibit B and Exhibit C, is true and accurate in all respects.
- D. Pending Litigation. Recipient has disclosed in writing to OBDD all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.
- E. No Events of Default.
 - (1) No Events of Default exist or occur upon authorization, execution or delivery of this Contract.
 - (2) Recipient has not violated, and has not received notice of any claimed violation of, any agreement or instrument to which it is a party or by which the Project or its property may be bound, that would materially adversely affect the Project or the ability of Recipient to perform all obligations required by this Contract.

- F. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract will not: (i) cause a breach of any agreement or instrument to which Recipient is a party or by which the Project or any of its property or assets may be bound; (ii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient, the Project or its properties or operations.
- G. Compliance with Tax Laws. Recipient is not in violation of any Oregon tax laws, including but not limited to a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250 and ORS chapters 118, 314, 316, 317, 318, 321 and 323 and local taxes administered by the Department of Revenue under ORS 305.620.
- H. Governmental Consent. Recipient has obtained or will obtain all permits and approvals, and has made or will make all notifications, declarations, filings or registrations, required for the making and performance of its obligations under this Contract and the undertaking and completion of the Project.

SECTION 6 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify OBDD of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient or the Project related to the ability of Recipient to perform all obligations required by this Contract.
- B. Compliance with Laws. Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract and the Project. In particular, but without limitation, Recipient shall comply with the following, as applicable:
- (1) Oregon Tax Laws, (as defined in Section 5.G).
 - (2) State procurement regulations found in the Oregon Public Contracting Code, ORS Chapters 279A, 279B and 279C.
 - (3) Prevailing Wage Requirements.
 - (a) Recipient shall comply with state prevailing wage law as set forth in ORS 279C.800 through 279C.870, and the administrative rules promulgated thereunder (OAR Chapter 839, Division 25) (collectively, state “PWR”). This includes but is not limited to imposing an obligation that when PWR applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage for workers in each trade or occupation in each locality as determined by the Commissioner of the Bureau of Labor and Industries (“BOLI”) under ORS 279C.815.
 - (b) When the federal Davis-Bacon Act applies to the Project, contractors and subcontractors on the Project must pay the prevailing rate of wage as determined by the United States Secretary of Labor under the Davis-Bacon Act (40 U.S.C. 3141 *et seq.*).
 - (c) Notwithstanding (3)(a) and (3)(b) above, when both PWR and the federal Davis-Bacon Act apply to the Project, contractors and subcontractors on the Project must pay a rate of wage that meets or exceeds the greater of the rate provided in (3)(a) or (3)(b) above.
 - (d) When PWR applies, Recipient and its contractors and subcontractors shall not contract with any contractor on BOLI’s current List of Contractors Ineligible to Receive Public Works Contracts.

- (e) When PWR applies, Recipient shall be responsible for both providing the notice to the BOLI Commissioner required by ORS 279C.835 and the payment of any prevailing wage fee(s) required under ORS 279C.825 and BOLI's rules, including OAR 839-025-0200 to OAR 839-025-0230. For avoidance of any doubt, Recipient contractually agrees to pay applicable prevailing wage fees for the Project rather than OBDD, the public agency providing Financing Proceeds under this Contract.
- (f) Pursuant to ORS 279C.817, Recipient and any contractors or subcontractors may request that the BOLI Commissioner make a determination about whether the Project is a public works on which payment of the prevailing rate of wage is required under ORS 279C.840 (i.e. whether PWR applies).

These laws, rules, regulations and orders are incorporated by reference in this Contract to the extent required by law.

C. Project Obligations. Recipient shall:

- (1) When procuring professional consulting services, provide OBDD with copies of all solicitations at least 10 days before advertising, and all contracts at least 10 days before signing. Provide OBDD with copies of all plans and specifications relating to the Project, and a timeline for the bidding/award process, at least ten (10) days before advertising for bids.
- (2) Provide a copy of the bid tabulation and notice of award to OBDD within ten (10) days after selecting a construction contractor.
- (3) Permit OBDD to conduct inspection of the Project at any time.
- (4) Complete the Project using its own fiscal resources or money from other sources to pay for any Costs of the Project in excess of the total amount of financial assistance provided pursuant to this Contract.
- (5) Complete the Project no later than the Project Completion Deadline, unless otherwise permitted by OBDD in writing.
- (6) Provide status reports to OBDD for the Project bi-annually on a form provided for or approved by OBDD. Reports are due January 30 (for the period May 16 – December 31) and June 1 (for the period January 1 – May 15) each year until the final project completion report detailed in subsection (7) below is accepted by OBDD or until this Contract is terminated. Status reports shall include a minimum of the following:
 - (a) an updated Estimated Project Cost;
 - (b) any revisions to the Project description (may require Contract Amendment);
 - (c) updated totals for state and local government Project financing support, noting grant and loan amounts and program names;
 - (d) an updated list of other sources of financing anticipated to complete the Project, noting grant and loan amounts and program names and noting whether they have been secured or are pending;
 - (e) an updated estimated Project completion timeline;
 - (f) an updated number of existing and additional/ new housing estimated to be served by the completed Project; and

- (g) an updated number of units anticipated to be served by the completed Project that will be affordable housing units along with their respective anticipated area median income restriction.
- (7) No later than the Project Closeout Deadline, provide OBDD with a final project completion report on a form provided by OBDD, including Recipient's certification that the Project is complete, all payments are made, and no further disbursements are needed; provided however, for the purposes of this Contract, OBDD will be the final judge of the Project's completion.
- (8) Obtain and maintain as-built drawings for all facilities constructed as part of the Project.
- D. Ownership of Project. The Project will be owned by Recipient during the Project and for not less than ten years following the Project Close-Out Deadline.
- E. Operation and Maintenance of the Project. Recipient shall operate and maintain the Project in good repair and operating condition so as to preserve the long term public benefits of the Project, including making all necessary and proper repairs, replacements, additions, and improvements during the Project and for not less than ten years following the Project Close-Out Deadline. On or before the Project Closeout Deadline, Recipient shall adopt a plan acceptable to OBDD for the on-going operation and maintenance of the Project without reliance on OBDD financing and furnish OBDD, at its request, with evidence of such adoption. The plan must include measures for generating revenues sufficient to assure the operation and maintenance of the Project during the usable life of the Project.
- F. Insurance, Damage. During the Project and for a period of not less than ten years following the Project Close-Out Deadline, Recipient shall maintain, or cause to be maintained, insurance policies with responsible insurers or self-insurance programs, insuring against liability and risk of direct physical loss, damage or destruction of the Project, at least to the extent that similar insurance is customarily carried by governmental units constructing, operating and maintaining similar facilities. Nothing in this provision precludes Recipient from exerting a defense against any party other than OBDD, including a defense of immunity.
- G. Sales, Leases and Encumbrances. During the Project and for a period of not less than ten years following Project Close-Out Deadline, except as specifically described in Exhibit B (Project Description), Recipient shall not sell, lease, exchange, abandon, transfer or otherwise dispose of any substantial portion of or interest in the Project, unless worn out, obsolete, or, in the reasonable business judgment of Recipient, no longer useful in the operation of the Project. Nevertheless, OBDD may consent to such disposition if it has received 90 days' prior written notice from Recipient.
- H. Books and Records. Recipient shall keep accurate books and records and maintain them according to generally accepted accounting principles established by the Government Accounting Standards Board in effect at the time. Recipient shall have these records audited annually by an independent certified public accountant, which may be part of the annual audit of all records of Recipient.
- I. Inspections; Information. Recipient shall permit OBDD and any party designated by OBDD: (i) to inspect, at any reasonable time, the property, if any, constituting the Project; and (ii) at any reasonable time, to inspect and make copies of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters. Recipient shall supply any related reports and information as OBDD may reasonably require.
- J. Records Maintenance. Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract, the Project or the Financing Proceeds for a

minimum of six years, or such longer period as may be required by other provisions of this Contract or applicable law, following the Project Closeout Deadline. If there are unresolved issues at the end of such period, Recipient shall retain the books, documents, papers and records until the issues are resolved.

- K. Economic Benefit Data. OBDD may require Recipient to submit specific data on the economic development benefits of the Project and other information to evaluate the success and economic impact of the Project, from the date of this Contract until six years after the Project Completion Date. Recipient shall, at its own expense, prepare and submit the data within the time specified by OBDD.
- L. Disadvantaged Business Enterprises. ORS 200.090 requires all public agencies to “aggressively pursue a policy of providing opportunities for disadvantaged business enterprises, minority-owned businesses, woman-owned businesses, businesses that service-disabled veterans own and emerging small businesses...” OBDD encourages Recipient in any contracting activity to follow good faith efforts as described in ORS 200.045, available at https://www.oregonlegislature.gov/bills_laws/ors/ors200.html. Additional resources are provided by the Governor’s Policy Advisor for Economic and Business Equity. Also, the Certification Office for Business Inclusion and Diversity at the Oregon Business Development Department maintains a list of certified firms and can answer questions. Search for certified MWESB firms on the web at: <https://oregon4biz.diversitysoftware.com/FrontEnd/SearchCertifiedDirectory.asp?XID=2315&TN=oregon4biz>.
- M. Professional Responsibility. A professional engineer or architect, as applicable, registered and in good standing in Oregon, will be responsible for any construction design for the Project. All service providers retained for their professional expertise must be certified, licensed, or registered, as appropriate, in the State of Oregon for their specialty. Recipient shall follow standard construction practices, such as bonding requirements for construction contractors, requiring errors and omissions insurance, and performing testing and inspections during construction.
- N. Notice of Event of Default. Recipient shall give OBDD prompt written notice of any Event of Default, or any circumstance that with notice or the lapse of time, or both, may become an Event of Default, as soon as Recipient becomes aware of its existence or reasonably believes an Event of Default is likely.
- O. Contributory Liability and Contractor Indemnification.
- (1) If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (“Third Party Claim”) against a party (the “Notified Party”) with respect to which the other party may have liability, the Notified Party must promptly notify the other party in writing and deliver a copy of the claim, process, and all legal pleadings related to the Third Party Claim. Either party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. The foregoing provisions are conditions precedent for either party’s liability to the other in regard to the Third Party Claim.
- If the parties are jointly liable (or would be if joined in the Third Party Claim), the parties shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable in such proportion as is appropriate to reflect their respective relative fault. The relative fault of the parties shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Each party’s contribution amount in any

instance is capped to the same extent it would have been capped under Oregon law if that party had sole liability in the proceeding. This Section shall survive termination of this Contract.

- (2) Recipient shall take all reasonable steps to require its contractor(s) that are not units of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless the State of Oregon and its officers, employees and agents (“Indemnatee”) from and against any and all claims, actions, liabilities, damages, losses, or expenses (including attorneys’ fees) arising from a tort (as now or hereafter defined in ORS 30.260) caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Recipient’s contractor or any of the officers, agents, employees or subcontractors of the contractor (“Claims”). It is the specific intention of the parties that the Indemnatee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnatee, be indemnified by the contractor from and against any and all Claims. This Section shall survive termination of this Contract.

SECTION 7 – DEFAULTS

Any of the following constitutes an “Event of Default”:

- A. Any false or misleading representation is made by or on behalf of Recipient, in this Contract or in any document provided by Recipient related to this Grant or the Project.
- B. Recipient fails to perform any obligation required under this Contract, other than those referred to in subsection A of this section 7, and that failure continues for a period of 30 calendar days after written notice specifying such failure is given to Recipient by OBDD. OBDD may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

SECTION 8 - REMEDIES

- A. Remedies. Upon any Event of Default, OBDD may pursue any or all remedies in this Contract and any other remedies available at law or in equity to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to any one or more of the following:
 - (1) Terminating OBDD’s commitment and obligation to make the Grant or disbursements of Financing Proceeds under the Contract.
 - (2) Barring Recipient from applying for future awards.
 - (3) Withholding amounts otherwise due to Recipient for application to the payment of amounts due under this Contract.
 - (4) Requiring repayment of the Grant and all interest earned by Recipient on those Grant funds.
- B. Application of Moneys. Any moneys collected by OBDD pursuant to section 8.A will be applied first, to pay any attorneys’ fees and other fees and expenses incurred by OBDD; then, as applicable, to repay any Grant proceeds owed; then, to pay other amounts due and payable under this Contract, if any.
- C. No Remedy Exclusive; Waiver; Notice. No remedy available to OBDD is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right power or privilege under this Contract will preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. OBDD is not required to

provide any notice in order to exercise any right or remedy, other than notice required in section 7 of this Contract.

- D. Default by OBDD. In the event OBDD defaults on any obligation in this Contract, Recipient's sole remedy will be for disbursement of Financing Proceeds for Costs of the Project, not to exceed the Grant Amount, less any claims OBDD has against Recipient.

SECTION 9 - MISCELLANEOUS

- A. Time is of the Essence. Recipient agrees that time is of the essence under this Contract.
- B. Relationship of Parties; Successors and Assigns; No Third Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
 - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
 - (3) This Contract will be binding upon and inure to the benefit of OBDD, Recipient, and their respective successors and permitted assigns.
 - (4) Recipient may not assign or transfer any of its rights or obligations or any interest in this Contract without the prior written consent of OBDD. OBDD may grant, withhold or impose conditions on such consent in its sole discretion. In the event of an assignment, Recipient shall pay, or cause to be paid to OBDD, any fees or costs incurred because of such assignment, including but not limited to attorneys' fees of OBDD's Counsel. Any approved assignment is not to be construed as creating any obligation of OBDD beyond those in this Contract, nor does assignment relieve Recipient of any of its duties or obligations under this Contract.
 - (5) Recipient hereby approves and consents to any assignment, sale or transfer of this Contract that OBDD deems to be necessary.
- C. Disclaimer of Warranties; Limitation of Liability. Recipient agrees that:
- (1) OBDD makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the Project or any portion of the Project, or any other warranty or representation.
 - (2) In no event are OBDD or its agents liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Contract or the existence, furnishing, functioning or use of the Project.
- D. Notices and Communication. Except as otherwise expressly provided in this Contract, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same, postage prepaid, to Recipient or OBDD at the addresses set forth below, or to such other persons or addresses that either party may subsequently indicate pursuant to this Section.

Any communication or notice by personal delivery will be deemed effective when actually delivered to the addressee. Any communication or notice so addressed and mailed will be deemed to be received and effective five (5) days after mailing. Any communication or notice given by email becomes effective 1) upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system or 2) the recipient's

confirmation of receipt, whichever is earlier. Notwithstanding this provision, the following notices may not be given by email: notice of default or notice of termination.

If to OBDD: Deputy Director
Oregon Business Development Department
775 Summer Street NE Suite 200
Salem, OR 97301-1280

If to Recipient: City Manager
City of Manzanita
167 S 5th Street
PO Box 129
Manzanita, OR 97131

- E. No Construction against Drafter. This Contract is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Contract is declared by a court of competent jurisdiction as illegal, invalid or unenforceable, that holding will not invalidate or otherwise affect any other provision.
- G. Amendments, Waivers.
- (1) This Contract may not be amended without the prior written consent of OBDD (and when required, the Department of Justice) and Recipient. This Contract may not be amended in a manner that is not in compliance with the Act. No waiver or consent is effective unless in writing and signed by the party against whom such waiver or consent is sought to be enforced. Such waiver or consent will be effective only in the specific instance and for the specific purpose given.
- (2) Notwithstanding Section 9G.(1) above, the Parties agree that OBDD may extend the Project Completion Deadline by sending a written notice of amendment to Recipient (“Letter Amendment”), and Recipient will not be required to provide written consent to effect the amendment. OBDD may execute such a Letter Amendment only after an appropriation and expenditure authority carry-over extension of the Financing Proceeds by the Oregon Legislative Assembly.
- H. Attorneys’ Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover its reasonable attorneys’ fees and costs at trial and on appeal. Reasonable attorneys’ fees cannot exceed the rate charged to OBDD by its attorneys.
- I. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.

Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.

Notwithstanding the prior paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This paragraph applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon’s sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This paragraph is also not a waiver by the State of

Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

J. Integration. This Contract (including all exhibits, schedules or attachments) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.

K. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

Recipient, by its signature below, acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.



STATE OF OREGON
acting by and through its
Oregon Business Development Department



CITY OF MANZANITA

By: _____
Edward Tabor, Infrastructure and
Program Services Director

By: _____
Leila Aman, City Manager

Date: _____

Date: _____

APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:

/s/ David Berryman per email dated 19 August 2024
David Berryman, Assistant Attorney General

EXHIBIT A - GENERAL DEFINITIONS

As used in this Contract, the following terms have the meanings below.

“Costs of the Project” means Recipient’s actual costs (including any financing costs properly allocable to the Project) that are (a) reasonable, necessary and directly related to the Project, (b) permitted by generally accepted accounting principles to be Costs of the Project, and (c) are eligible or permitted uses of the Financing Proceeds under applicable state or federal statute and rule.

“Counsel” means an attorney at law or firm of attorneys at law duly admitted to practice law before the highest court of any state, who may be of counsel to, or an employee of, OBDD or Recipient.

“Financing Proceeds” means the proceeds of the Grant.

“ORS” means the Oregon Revised Statutes.

“Project Completion Date” means the date on which Recipient completes the Project.

EXHIBIT B - PROJECT DESCRIPTION

Recipient shall use the Grant for water and stormwater infrastructure for residential housing development. Recipient will, with the assistance of an engineer licensed in Oregon, design and construct water and stormwater infrastructure for the Highlands neighborhood in Manzanita, Oregon.

Infrastructure includes, but is not limited to the following:

- Water: Recipient will install 2,220 feet of resilient 10” water main on a proposed easement to the east of the Classic Street right-of-way. Recipient will pave the road after installing the water main.
- Stormwater: Recipient will construct a new stormwater system that will allow the current storm basin to flow in two separate directions in the Classic Street right-of-way. The new system will connect to the recently completed stormwater line on Dorcas Lane, which intersects with Classic Street

EXHIBIT C - PROJECT BUDGET

	OBDD Funds	Other / Matching Funds
Activity	Approved Budget	Estimated Budget
Design/Engineering	\$494,965	\$0
Construction	\$2,214,035	\$48,124
Construction Contingency	\$0	\$631,876
Legal Fees	\$0	\$20,000
Permitting and Regulatory Fees	\$0	\$10,000
Total	\$2,709,000	\$710,000



City of Manzanita

COUNCIL RESOLUTION No. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, AUTHORIZING A GRANT AGREEMENT WITH OREGON BUSINESS DEVELOPMENT DEPARTMENT (OBDD) FOR A GRANT IN THE AMOUNT OF \$2.709 MILLION DOLLARS AND DELEGATING AUTHORITY TO THE CITY MANAGER TO EXECUTE THE CONTRACT WITH OBDD

WHEREAS, the City of Manzanita (the “City”) is a “municipality” within the meaning of Oregon Revised Statutes 285B.410(9); and

WHEREAS, pursuant to ORS 285A.075(3) and Oregon Laws 2024, Chapter 109, Section 9(22) (the “Act” aka SB 1530 (2024)), OBDD is authorized to enter into a grant agreement with the City to assist in financing the costs of the Project to support the development of housing (the “Grant Agreement”); and

WHEREAS, the City will use the funds distributed under the Grant Agreement for water and stormwater infrastructure for residential housing development and will, with the assistance of an engineer licensed in Oregon, design and construct water and stormwater infrastructure for the Highlands neighborhood in Manzanita, Oregon (the “Project”); and

WHEREAS, the Project includes, but is not limited to the following:

- Installation of 2,220 feet of resilient 10” water main on a proposed easement to the east of the Classic Street right-of-way and road paving after installing the water main.
- Construction of a new stormwater system that will allow the current storm basin to flow in two separate directions in the Classic Street right-of-way. The new system will connect to the recently completed stormwater line on Dorcas Lane, which intersects with Classic Street.

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

Section 1.

The Governing Body authorizes the City Manager to execute the Grant Agreement on behalf of the Recipient in the amount of \$2,709,000.

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

Kathryn Stock, Mayor

ATTEST:

Leila Aman, City Manager/ City
Recorder

City of Manzanita, Oregon

Position Description

Job Title: Direct Responsible Charge Water Operator

FLSA: Exempt

Supervisor: Public Works Director

Type: Hourly

Department: Public Works

General Statement of Responsibilities

To perform the duties of a water system DRC (Direct responsible charge operator) for the well site as needed and treatment plant. Oversee the operation and maintenance of the City's surface water source, water treatment facility, water distribution system, storage tanks, and pump station facilities, including maintenance of equipment, quality control/testing..

Supervision Received

Work is performed under the Supervision of the Public Works Director and general direction of the City Manager. Employee is expected to use independent judgement to plan, organize, implement, and review duties with minimal supervision.

Examples of Duties - Essential Functions

1. Supervise the technical operations of the water treatment plant facility and establish and execute specific practices/policies for operation of the system in accordance with all applicable rules and regulations of public water systems.
2. Engage in day-to-day operation and/or supervision of the system.
3. Operate and maintain the City's required Cross Connection and Consumer Confidence Report programs.
4. Serve as certified DRC operator for the City's well system, transmission facilities, including operating and maintaining the intercity source water and treatment system with Wheeler and associated customers to provide safe drinking water to customers including collecting samples and conducting tests as scheduled or necessary. Maintain records, logs and charts.
5. Serve as the certified DRC operator of the city's distribution system, source water and treatment system, to provide safe drinking water to customers. Collect samples and conduct tests as scheduled or necessary. Maintain records, logs and charts.
6. Monitors water quality in the distribution system and provides guidance to employees who perform the same tasks.

Assist the Public Works Director to develop, maintain, and oversee a capital improvement plan for City projects, infrastructure needs and upgrades, on an annual basis and for at least five years out.

Make recommendations on budget needs to the Public Works Director.

7. Assist the Public Works Director in developing other long-range plans.

8. Assures that the City meets mandated Oregon Health Authority water sampling requirements by assisting the Public Works Director with scheduling, tracking, ordering, and performing water sampling as required.
9. Assist the Public Works Director in review and inspection duties of the City's water system related to any construction activities, installation of equipment, and any new connections to the City's water system.
10. Assist the Public Works Director in, updates and/or contributes to the development of mandated reports and plans to ensure compliance with State and Federal requirements. This includes but is not limited to the Emergency Response Plan, Capital Improvement Plan, Safety Plan, and Operation and Maintenance plans.
11. Operates departmental heavy equipment as necessary including excavator and dump truck as needed. Proficient with the use and safe operation of tools and equipment.
12. Assist in preparing reports, resolutions, and ordinances for Council information or action as directed by the Public Works Director.
13. Maintains professional, respectful, productive, and cooperative working relationships with City staff, other organizations, and the public.
14. Follows all safety rules and procedures for work areas and work areas of all Public Works employees. Corrects and/or reports unsafe conditions to appropriate personnel.
15. Performs other duties as assigned, including providing assistance with special assignments.

Screening Criteria

Education and Experience: A High School Diploma, or equivalent and over 5 years' experience in public works environment which includes supervisory or lead responsibilities, or any satisfactory combination of experience and training which demonstrates the knowledge, skills, and abilities to perform the above duties.

Special Requirements/Licenses: A valid Oregon driver's license and proof of an acceptable driving record is required. No felony arrests or convictions. Possession of the following certificates or licenses:

- Oregon Water Distribution Level II Certification
- Oregon Water Treatment Level II Certification
- Valid Driver's License from State of Residence

Knowledge of: Broad knowledge of public works functions, engineering, and public administration principles. Thorough knowledge of the principles of supervision and personnel practices; materials, methods and techniques used in the construction, maintenance and operation of public works facilities; contract administration; and budgeting. Knowledge of general office procedures and practices; business English, spelling, and punctuation. Knowledge of project management, civil engineering theory, practice, and standards as well as the methods, materials, equipment used in public works construction/maintenance and record keeping systems.

Skills: Requires excellent relationship management and communication skills, including technical writing skills sufficient to prepare project specifications, process documentation, and communications suitable for external distribution. Demonstrated initiative, organizational skills, problem solving skills, and attention to detail. At least a general knowledge of various related computer applications such as GIS, CAD, and Office 365 are required.

Physical Demands of Position: *The physical demands listed below represent those that must be met by an incumbent to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with qualified disabilities to perform the essential functions.*

While performing the duties of this position, the employee is frequently required to stand, sit, bend, listen, stoop, communicate, read, write, and comprehend both numbers and the written English language. Employee is required to frequently reach and manipulate objects, tools, or controls. The position requires mobility over a variety of terrain, including uneven terrain on an occasional basis. Duties involve moving materials weighing up to 10 pounds on a regular basis. Manual dexterity and coordination are required over 75% of the work period while operating equipment such as computer keyboard or calculator and other standard office equipment in an office setting and surveying or related equipment in the field. This position requires visual and audio acuity.

Working Conditions: *The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.*

Some work will have exposure to all types of weather conditions, construction sites, and confined spaces. The remainder of the work period takes place under usual office working conditions where the noise level is typical of most office environments with telephones, personal interruptions, and background noises. The noise level in the work environment is usually low; however, this position works in proximity to the Public Works Garage and equipment which can be subject to periodic louder noise.

SIGNATURES:

This document has been reviewed by the Supervisor and the Incumbent. I understand that this document is intended to describe the most significant essential and auxiliary duties performed by the job/position for illustration purposes, but does not include other occasional work, which may be similar, related to, or a logical assignment for the position. This job/position description does NOT constitute an employment agreement between the employer and employee, and is subject to change by the employer as the organizational needs and requirements of the job change.

Incumbent Name

Incumbent Signature

Date

Supervisor Name

Supervisor Signature

Date

Date Revised: October 2024

This description covers the most significant essential and auxiliary duties performed by the position for illustration purposes, but does not include other occasional work, which may be similar, related to, or a logical assignment for the position. This job description does NOT constitute an employment agreement between the employer and employee, and is subject to change by the employer as the organizational needs and requirements of the job change.



COUNCIL RESOLUTION No. 24 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MANZANITA, OREGON, APPROVING SALARY RANGE FOR DIRECT RESPONSIBLE CHARGE OPERATOR FOR FISCAL YEAR 2024-2025.

WHEREAS, recent changed in staffing requires that the city establish a new position to ensure continued oversight and responsibility of the water system

WHEREAS, the city council has approved a position of Direct Responsible Charge Operator position which includes specific certifications and responsibilities necessary for the operation and maintenance of the city’s water system.

Now, Therefore, be it Resolved that the salary range for the Direct Responsible Charge Operator is as follows:

FY 25 Proposed Salary Schedule for Direct Responsible Charge Operator						
Position	Step A	Step B	Step C	Step D	Step E	
Direct Responsible Charge Operator	5,280	5,544	5,821	6,112	6,418	

Introduced and adopted by the City Council on _____.

This resolution is effective on _____.

Kathryn Stock, Mayor

ATTEST:

Leila Aman, City Manager/ City Recorder

**INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE CITY OF WHEELER AND THE CITY OF MANZANITA
(PERSON IN DIRECT-RESPONSIBLE-CHARGE)**

This AGREEMENT is between the CITY OF WHEELER, an Oregon Municipal Corporation (hereinafter "Wheeler"), and the CITY OF MANZANITA, an Oregon Municipal Corporation (hereinafter "Manzanita").

RECITALS:

1. The City of Manzanita and the City of Wheeler entered into an Intergovernmental Cooperative Agreement (IGA) dated October 24, 2000 for the operation and maintenance of a jointly operated well water system.
2. Pursuant to OAR 333-061-0225 "General Requirements Applying to Water Systems", each water system owner delegates the responsibility of operating the water system to a certified operator known as the person in direct responsible charge.
3. The Oregon Department of Health Services/Drinking Water Program (DHS/DWP) interprets "system owner" for the purpose of delegating a person in direct responsible charge, to be the "Holder on Record" of the Water Right.
4. The Water Rights for the jointly operated well field are listed under the City of Wheeler's name.
5. Wheeler wishes to comply with requirements of OAR 333-061-0225 for employing, contracting with and designating an operator to be in Direct Responsible Charge - (DRC Treatment) of the water system.
6. The design of the recently completed system is such that, any changes at the well site also affects the operation of the City of Manzanita Treatment Plant.
7. Manzanita employs staff persons who are qualified to serve as the person in direct responsible charge of the treatment system (DRC -Treatment)

NOW, THEREFORE, IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. DRC (DIRECT RESPONSIBLE CHARGE) DELEGATION. Manzanita will make available a City staff person who will be designated by Wheeler as the Person in Direct Responsible Charge (DRC - Treatment) of the jointly operated well system. Such staff person shall possess the certifications at or above the level required by the State of Oregon for the operation of the ground water well portion of the system. The Person in Direct Responsible Charge will supervise the technical operations of the system, establish and execute specific practices and policies for operating the system in accordance with policies and practices of the Cities and the requirements of the public water system rules, and will be engaged in the actual day-to-day operation and/or supervision of the system.
2. DURATION: This agreement shall be effective upon approval and execution by both City of Wheeler and City of Manzanita. The initial term of this agreement shall be from February 1, 2005 to January 31, 2006 and shall be automatically renewed for one year on

February 1 of each year thereafter unless either Wheeler or Manzanita provides to the other written notice of intent not to renew at least sixty (60) days prior to the annual renewal date.

3. TERMINATION: This agreement may be terminated by mutual consent of both parties; ~~or by either party at any time~~, upon sixty days (60) notice in writing and delivered by certified mail or personal service.

4. DISPUTE RESOLUTION: If a dispute arises as to the operation of the joint system by the Person in Direct Responsible Charge, the two City Administrators shall first attempt to develop a solution. If both City Councils do not approve of the solution, the Mayors of both Cities shall call a special joint meeting of the two City Councils to discuss the dispute and attempt to reach a solution. In the event the City Councils cannot reach an agreement on the dispute, both City Councils agree to mediate the dispute. A mediator, agreeable to both City Councils, shall be selected. If mediation fails, the two Cities may pursue judicial resolution through the court system.

5. WRITTEN NOTICE ADDRESS: All written notices required under this Agreement shall be sent to:

WHEELER: City Manager
 City of Wheeler
 P.O. Box 177
 Wheeler, OR. 97147

MANZANITA: City Manager
 City of Manzanita
 P.O. Box 129
 Manzanita, OR. 97130-0129


IN WITNESS WHEREOF, the parties have caused this instrument to be executed in two (2) duplicate originals, either as individuals, or by their officers, thereunto duly authorized.

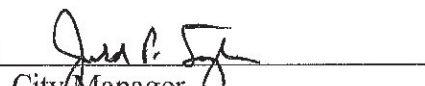
Dated this 9th day of March, 2005.

CITY OF MANZANITA

CITY OF WHEELER

By: 
Mayor

By: 
Mayor

By: 
City Manager

By: 
City Manager