

An executive session of the Astoria Common Council was held at the above place at the hour of 6:00 pm.

EXECUTIVE SESSION

Item 1(a): ORS 192.660(2)(h) Legal Counsel

The City Council consulted with legal counsel.

Item 2(a): ORS 192.660(2)(h) Legal Counsel

The City Council consulted with legal counsel.

The Executive Session adjourned at 7:15 pm.

City Council Action: Motion made by Mayor Jones, seconded by Councilor Rocka, to direct Staff to pursue an agreement with Paul Benoit to serve as the City Manager Pro Tem and present to the City Council an employment agreement for review and approval at a Special City Council Meeting on May 20, 2022. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

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

Councilors Present: Brownson, Rocka, Herman, Hilton, and Mayor Jones.

Councilors Excused: None

Staff Present: City Manager Estes, Parks and Recreation Director Dart-McLean, Community Development Director Leatherman, Finance Director Brooks, Fire Chief Crutchfield, Interim Police Chief Halverson, Special Project Manager Spalding, Public Works Director Harrington, Library Director Pearson, and City Attorney Henningsgaard. The meeting was live streamed and recorded, and will be transcribed by ABC Transcription Services, LLC.

PROCLAMATIONS

Item 4(a): Coast Guard City Announcement

This item was postponed until a representative of the Coast Guard could be present.

Item 4(b): Peace Officers Memorial Day and Police Week 2022

Mayor Jones read the proclamation declaring May 15 – 21, 2022 as Peace Officers Memorial Day and Police Week in Astoria. He presented the proclamation to Interim Chief Halverson.

Item 4(c): National Public Works Week

Mayor Jones read the proclamation declaring May 15 – 21, 2022 as National Public Works Week in Astoria. He presented the proclamation to Director Harrington.

PRESENTATIONS

Item 5(a): Presentation of Certificate from Oregon Health Authority Drinking Water Services for Outstanding Performance during the last Water System Survey conducted on September 28, 2021

A water system survey is an on-site review, conducted by Oregon Health Authority (OHA) Drinking Water Services, of a water system's sources, treatment, storage facilities, distribution system, operation and maintenance procedures, monitoring, and management, for the purpose of evaluating the system's capability of providing safe water to the public. Oregon Drinking Water Services has identified criteria for determining whether a community public water system should be considered to have outstanding performance. This designation is given at the completion of a water system survey. Systems that are designated outstanding performers will have their water system survey frequency reduced from every 3 years to every 5 years. The City of Astoria was identified as an outstanding performer as a result of the water system survey completed on September 28, 2021.

Director Harrington introduced Public Works Staff and gave a brief presentation on the OHA survey.

Item 5(b): Clatsop County Fermentation Cluster Economic Impact Study

Ayreann Columbo of Columbia Pacific Economic Development District (Col-Pac) will be present the recently completed Clatsop County Fermentation Cluster Economic Impact Study.

Ayreann Columbo and Lidia Ivanovic, Col-Pac, presented the details of their fermentation cluster economic impact study for Clatsop County. The PowerPoint presentation included an overview of their independent research, data analysis, stakeholder input, and estimated impacts of the fermentation cluster in the county.

Mayor Jones said the Council appreciated the fermentation sector and recognized their charitable contributions in the community. The enterprise zone was unanimously approved and that was critical to Fort George's expansion. The City needs to be as creative as possible to help fermentation businesses find technical solutions.

Councilor Rocka stated the Council was very interested in working with Col-Pac to find solutions.

Mayor Jones called for public comments. There were none.

REPORTS OF COUNCILORS

Item 6(a): Mayor Jones reported that City Manager Estes had taken a new opportunity and would be leaving Astoria in July. In an effort to make sure the City continues to be managed with excellence, the Council has hired former City Manager Paul Benoit as City Manager Pro Tem. Human Resources has already begun recruiting a permanent replacement. The City was fortunate that Mr. Benoit agreed to come out of retirement to keep the City operating without losing momentum on any of the current projects.

Item 6(b): Councilor Hilton reported that he attended the last Community Development meeting on housing in Astoria. He congratulated Hayak Maritime on securing a grant for the lift at Tongue Point. He thanked the front line workers still working through the pandemic. He also congratulated Public Works on their water quality award.

Item 6(c): Councilor Brownson reported that he also attended the last housing development listening session. Astoria has a Community Development Director who wants to get feedback from the public. There were 20 people at the listening session, which was a good turnout. He also congratulated Hayak for getting the grant for the lift. All of the boats on the Lower Columbia and the West Coast need this type of facility and the lift will bring a lot more jobs to the community. Not that long ago, industry in Astoria was depressed and tourism was minimal. Astoria is now blossoming and the community is dealing with all of the challenges that come along with that. However, he was glad to have those challenges. He also attended League of Oregon Cities committee meetings on wastewater and telecommunications.

Item 6(d): Councilor Herman reported that she attended one of the listening sessions on housing issues and the ribbon cutting for the new interpretive sign at Fort George Park. She reminded everyone that Tuesday, May 17th was election day for two County Commission positions and primaries for State Legislators.

Item 6(e): **Councilor Rocka** reported that Saturday, May 21st was Uniontown Cleanup Day from 9:00 am to 12:00 pm, hosted by the Chamber of Commerce. Anyone who wants to volunteer should call the Chamber. He also reported that the new lighting was being installed along the east end of the Riverwalk.

Mayor Jones added that Officer Hansen was now the full-time Community Services Officer. He believed that the livability issues in Astoria had changed noticeably over the last month and Officer Hansen's work had made a big improvement.

CHANGES TO AGENDA

City Manager Estes stated Regular Agenda Items 9(d) and (e) would be addressed last.

CONSENT CALENDAR

The following items were presented on the Consent Calendar:

- 8(a) City Council Work Session Minutes of April 18, 2022
- 8(b) Maritime Memorial Committee Minutes of March 22, 2022 and April 12, 2022
- 8(c) Consideration of Liquor License Application from Astoritalia LLC, doing business as Fede', located at 1 12th St., for a Full On-Premises Commercial Sales License
- 8(d) Consideration of Liquor License Application from Guajitos LLC, doing business as El Jarocho Mexican Restaurant, located at 175 14th St., Ste. 180, for a Full On-Premises Commercial Sales License
- 8(e) Consideration of Liquor License Application from Eunice Chiweshe Goldstein Winery LLC, doing business as Eunice Chiweshe Goldstein Winery, new location at 1052 Commercial St., for a Winery 1st Location Sales License

City Council Action: Motion made by Councilor Brownson, seconded by Councilor Herman, to approve the Consent Calendar. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

REGULAR AGENDA ITEMS

Item 9(a): Second Reading and Adoption of Ordinance Amendments to City Codes 6.010, 6.070, 6.280, and 6.400 to Provide Additional Provisions to Existing Abandoned Vehicle Ordinances

On March 16, 2022, Staff presented at the Council Work Session on the proposal to address the increasing number of abandoned, stored and derelict vehicles on public rights-of-way. At the April 4, 2022 City Council meeting, a public hearing was opened to obtain feedback through Council and public discussion as a means to fine tune the proposal. On April 18, 2022, Council held a second public hearing to obtain feedback through Council and public discussion where Staff provided an update on the proposed ordinance modifications related to abandoned and derelict vehicles. Staff is proposing to amend the definition of "abandoned vehicles" to include vehicles left on the right-of-way that have expired registrations or are not registered, vehicles without license plates, inoperative, and dismantled and partially dismantled vehicles. Additionally, vehicles that are stored on the street that pose an immediate danger to the public such as leaking fluids, etc. can be immediately removed. The ordinance also allows for the removal of a vehicle that simply moves a short distance to avoid towing if it meets one of the required violations.

It was noted that further legal review was necessary from City Attorney Henningsgaard as well as with some other legal professionals specializing in this area of law. Staff has also reviewed ordinance modifications adopted in other jurisdictions that have experienced similar challenges addressing these vehicles. Staff has continued to work with Attorney Henningsgaard and Attorney Chad Jacobs with Beery, Elsner & Hammond to further refine the ordinance in this complex and ever-changing area of law.

Attached to the memo is the second draft of the proposed Astoria Code amendments on this matter. This draft includes edits made through the legal review process with the Mr. Jacobs and the City Attorney. Approval of the proposed modifications to Astoria Code will provide additional tools to officers to address the increasing complaints received relating to derelict vehicles. Special Projects Manager Geoff Spalding presented the most

recent ordinance draft at the May 2nd Council meeting. It is recommended that the City Council hold a second reading and consider adopting the ordinance.

Director Brooks conducted the second reading of the ordinance.

City Council Action: Motion made by Councilor Brownson, seconded by Councilor Hilton, to adopt ordinance amendments to City Codes 6.010, 6.070, 6.280, and 6.400 to provide additional provisions to existing abandoned vehicle ordinances. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

Item 9(b): Review and Discussion on Camping Ordinance

On several occasions, Staff presented at Council meetings and Council Work Sessions on the proposal to address the requirements of recent legislation and recent State and Federal court decisions related to unlawful camping in public places. One of the requirements of House Bill 3115 is that cities adopt or modify their ordinances to address such requirements as addressing the "Time, Place & Manner" where houseless individuals can sleep. Staff has had regular meetings with the City Attorney and the contract attorney specializing in these matters. Staff will be proposing language to address the "Time" and the "Manner" portions and will share information and seek feedback on the "Place" language. Staff will be proposing to amend the current City of Astoria Code on Overnight Camping at an upcoming meeting and would like to present options for Council discussion and specific policy direction at this meeting. The primary focus will be the locations where camping will be prohibited and where camping will be permitted during the proposed timeframes. Geoff Spalding will be making a presentation on this matter and consulting attorney Chad Jacobs will be available at the meeting as well.

It is recommended that following the presentation the City Council provide specific direction and feedback for staff to complete development on a proposed camping ordinance.

Mayor Jones stated that former Chief Spalding had been leading a statewide team addressing the camping issues. Additionally, Staff had been working with legal counsel and law enforcement across the state to glean the best practices and policies to ensure that Astoria had the most defensible and effective ordinance to enhance community livability.

[53:10 – 56:10 technical difficulties]

Geoff Spalding, City Manager Estes, and Chad Jacobs, Special Legal Counsel, gave a detailed PowerPoint presentation outlining the ambiguous nature of State laws, the complexities and challenges of the new court decisions, the advice of legal counsel, ordinances adopted by other jurisdictions, considerations specific to Astoria, and the ordinance recommended by Staff.

Mayor Jones said he believed the draft criteria would be a huge leap forward in livability improvements in the community. Despite the exclusions, a lot of public right-of-way would remain available throughout the city. Additionally, the criteria would allow the City to remain in compliance with court rulings and State laws and provide relief to Astorians.

Councilor Rocka stated he was not sure how the City would communicate to the homeless population how such an ordinance would work. They would need a map showing where and when camping was allowed. Additionally, he believed the proposed ordinance stopped short of what the City should be doing. He recently spoke to a homeless woman who had said she missed People's Park. The community saw the park as unsightly, but this woman felt safe at the park. She had spoken about how degrading it was when restroom facilities were not available, particularly during menstruation. Additionally, she must carry everything she might need because she had nowhere to leave her belongings. He wanted to speak to the owners of Blue Ridge because it could not be used for anything other than camping right now and the City could provide a place for people to put their belongings. People need restrooms and a place to dispose of trash as well. The City could find a way to provide for those needs. People also need bus service, so they get to their appointments or to services they need. Piecemeal solutions are just a Band-Aid. He knew how much work went into this proposed ordinance, so he felt terrible saying it was not good enough. However, it was not good enough. He spoke to a homeless man who had worked all his life, as did his wife who had owned a couple of beauty shops. Most people in America are living paycheck to paycheck. Something could happen and all of sudden, a person is homeless.

Councilor Brownson responded that Blue Ridge was privately owned. Councilor Rocka's idea would require a long-term negotiation. The Council was talking about what it could do now to get started on some solutions. He agreed with Councilor Rocka. He was also concerned about having enough space for everyone. No one has a clear answer about how much space is needed. The amount of space would depend on demand at the time. The exclusion areas would be clear, but how would the City communicate those to the homeless population. It would be easier to tell people where they could camp.

City Manager Estes explained that all jurisdictions in the 9th Circuit Court region were dealing with the same issues. Staff had been watching what was currently happening in the cities of Edmond and Seaside. The State Legislature has said cities must pass an ordinance by 2023, so the Council could tell Staff to table this conversation until next summer. Additionally, the Council could direct Staff to propose camping permitted in certain areas.

City Attorney Henningsgaard noted that Staff had thought about how to communicate camping restrictions to homeless people. Corvallis has made a nice handout that includes a map and other information about social services. Astoria would use that handout as a model. Officer Hansen and the Clatsop Community Action liaisons have daily interactions with many homeless people and they would assist in handing out the information. Additionally, the vast majority of homeless people have smart phones, so the information would also be available on the City's website. Law enforcement would give ample warnings in advance of any enforcement action.

Councilor Brownson said he just wanted to make sure this ordinance would work. Astoria does not have lots available.

Mr. Jacobs stated the ordinances were being amended in reaction to the court cases and State legislation. The ordinances are not intended to be a solution to homelessness. Cities will need to consider additional steps to take to reach a point where there are designated camp sites. This ordinance will be the first of many steps to come. Every jurisdiction is going through this at the same time. Astoria Staff is currently trying to figure out how to comply with H.B. 3115 and the court cases. Once compliance is achieved, Staff and the Council can focus its time and money on the next steps. Some jurisdictions are skipping this first step because if a city can provide shelter, then it does not have to allow outdoor camping. Douglas County is working on a regional campsite with services, training, and transportation. Some jurisdictions are turning areas like a Public Works yard into a campsite. However, the size of the homeless population must be considered. If the City takes any actions that worsens a person's condition, the City has created a danger that violates Constitutional rights. Therefore, any campsite must have adequate security, clean air, and other amenities. Otherwise, the City will have legal liabilities. The Council could skip the step of adopting this proposed ordinance and start working on a designated shelter or camp. However, a lot of considerations must be made when designating a shelter or camp.

Councilor Herman believed the City needed to be prescriptive because she did not want to see tents lining the sidewalks. It is not appropriate to allow camping in Astoria's prime retail district. The livelihoods of the business owners are threatened when customers find human waste on the sidewalks or are threatened by aggressive behaviors. She proposed an exclusion zone downtown and a buffer along the Riverwalk. Many people do not feel safe on the Riverwalk. Additionally, if Astoria is going to have more camping, the city needs more portable restrooms. The lack of adequate restroom facilities is partly to blame for pedestrians finding human waste. She asked where people would store their belongings when they have to pack up their tents.

City Manager Estes said if the Council wanted to exclude specific business areas, Staff would have to determine how much area could be excluded. Staff had begun speaking to Clatsop Community Action about the storage issues.

Councilor Hilton stated he believed the City should focus on creating an ordinance first, and then focus on the next steps, one step at a time. A camping ordinance would provide safety to the safety and serve the demand of those who need it. There is a large piece of city-owned land on W. Commercial St. by Clatsop Behavior Health that could be considered.

City Manager Estes responded that the City could pass a resolution that would allow organized camping locations without having to amend the Code, but there would still be a public process.

Mayor Jones said he had concerns about excluding all of downtown because that would not be fair to the businesses in Uppertown and Uniontown. The burden has to be shared. Additionally, he wished the Council could be talking about the new homeless shelter that would shelter 50 people each night. However, the City is not there yet. This ordinance was one tool in the toolbox and a first step. It has taken a couple of years to get here and the City needs to continue moving forward by giving Staff the guidance to develop this ordinance.

Councilor Brownson stated this ordinance would put the City in compliance, at least for the moment. The City would have flexibility to make changes and expand its ability to help the homeless if new opportunities come along. He would be on the Council for the next two and a half years and would make sure the City follows up on that.

City Manager Estes noted that once a city passes an ordinance, amendments will be necessary as case law is refined. Seaside passed an ordinance and immediately scheduled a work session the next Monday to start amending it. Staff could come back to Council quickly with proposed time and manner provisions, but if adopted, those provisions would be applied all across the city and could include parks. He asked if Staff should propose time and manner provisions or work through the place item first.

Councilor Brownson said he preferred Staff work on the entire package. He believed Staff had a good general sense of place and how that would be codified.

Mr. Spalding stated that Staff could propose the time and manner provisions at the next City Council meeting. He also noted that because the parks have a 10:00 pm curfew, parks would be excluded.

Mr. Jacobs added that the City should be very clear with the public when passing the time and manner restrictions about the ability for Staff to enforce those restrictions on a city-wide basis during the interim period. Making sure every tent is down by 7:00 am throughout the city is probably not a realistic goal. He encouraged the Council to have realistic expectations about what Staff can actually accomplish.

Mayor Jones asked if Staff preferred to propose all the restrictions at once or just the time and manner restrictions first.

Chief Halverson responded that enforcing city-wide time and manner restrictions was not practical, but Staff could start informing people, follow up, and keep things moving. Currently, the Code is not enforceable.

Mayor Jones said he was in favor of Staff moving forward with the time and manner restrictions now and completing the place restrictions in the future. More discussions with the Council about the place restrictions is necessary. He confirmed there was a consensus among the Council to complete the time and manner restrictions first.

Mayor Jones called for a recess at 9:20 pm. The meeting reconvened at 9:30 pm.

Item 9(c): Second Reading and Adoption of the Pretreatment Ordinance

In order to formalize the City's new Industrial Pretreatment Program, an ordinance was developed to establish the foundation of the program including information about topics such as permitting, compliance, reporting, and enforcement. The Pretreatment Ordinance has been developed over many months using the EPA template with the guidance and contribution from multiple technical experts including Dale Richwine with Richwine Environmental, our consulting attorneys with Ring Bender, City Attorney Henningsgaard, and City staff. Two resolutions accompany this ordinance, but those documents will be presented at later Council meetings as separate and distinct topics: a resolution establishing waste allocations to specific fermentation beverage cluster businesses; and a resolution establishing the new sewer rate structure. It is important to note that the Pretreatment Ordinance must be adopted prior to approving any associated resolutions. It is recommended that Council hold a second reading of the Pretreatment Ordinance and adopt the Pretreatment Ordinance establishing requirements and procedures for the pretreatment of industrial wastewater.

Mayor Jones re-opened the public hearing and called for public comments. Seeing none, he closed the public hearing.

Director Brooks conducted the second reading of the ordinance.

City Council Action: Motion made by Councilor Brownson, seconded by Councilor Herman to adopt the Pretreatment Ordinance establishing requirements and procedures for the pretreatment of industrial wastewater. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

The Council proceeded to Item 9(f) at this time.

Item 9(d): Consider Authorization of Oregon Infrastructure Finance Authority Grant Agreement and Authorization to Issue a Request for Qualifications for Engineering Services for the 16th Street Distribution Waterline Replacement Project

This item was addressed immediately following Item 9(h).

The City has been awarded funding in the amount of \$2,790,000 through allocation of the American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund managed by the Oregon Business Development Department (OBDD) for engineering services and construction for the 16th St. Distribution Waterline Replacement Project. This important waterline is the main supply line located in a tunnel at a maximum depth of approximately 80-feet, distributing water to a network of smaller water distribution piping serving the north side of a largely residential area of Astoria, including our waterfront and the Port of Astoria. It is in very poor condition and requires replacement as identified as a priority in our recently completed Water Master Plan.

Staff is recommending that the City Council approve the Grant Agreement with the OBDD utilizing ARPA State Fiscal Recovery Funds in the amount of \$2,790,000 and authorize the issuance of a Request for Qualifications (RFQ) for the engineering services for this project.

City Council Action: Motion made by Councilor Brownson, seconded by Councilor Herman to approve the Grant Agreement with the OBDD utilizing ARPA State Fiscal Recovery Funds in the amount of \$2,790,000 and authorize the issuance of a Request for Qualifications (RFQ) for the engineering services for the 16th Street Distribution Waterline Replacement Project. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

Item 9(e): Consider Authorization of Oregon Infrastructure Finance Authority Grant Agreement and Authorization to Issue a Request for Qualifications for Engineering Services for the Pipeline Road Waterline Resilience Project

The City has been awarded funding in the amount of \$2,930,000 through allocation of the American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Fund managed by the Oregon Business Development Department (OBDD) for engineering services and construction for the Pipeline Road Waterline Resilience Project. This project was identified as the next critical water system element in need of attention in order to have a higher likelihood of meeting the water system recovery goals established in our Water System Master Plan.

Staff is recommending that the City Council approve the Grant Agreement with the OBDD utilizing ARPA State Fiscal Recovery Funds in the amount of \$2,930,000 and authorize the issuance of a Request for Qualifications (RFQ) for the engineering services for this project.

City Council Action: Motion made by Councilor Hilton, seconded by Councilor Rocka, to approve the Grant Agreement with the OBDD utilizing ARPA State Fiscal Recovery Funds in the amount of \$2,930,000 and authorize the issuance of a Request for Qualifications (RFQ) for the engineering services for the Pipeline Road Waterline Resilience Project. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

The Council proceeded to New Business at this time.

Item 9(f): Consider Resolution Authorizing Hospital Revenue Refunding Bonds Issued by the Hospital Facilities Authority of the City of Astoria

This item was addressed immediately following Item 9(c).

Many states, including Oregon, provide by law for the creation of a public authority called hospital facility authorities to allow non-profit health care facilities to finance capital improvements through tax-exempt bonds. While nonprofit organizations such as Columbia Lutheran Charities dba Columbia Memorial Hospital ("CMH") are tax-exempt organizations, they are not permitted to directly issue tax-exempt bonds. Instead, a governmental body such as The Hospital Facilities Authority of the City of Astoria, Oregon (the "Authority"), issues revenue bonds on their behalf. Attached is a memorandum providing further explanation of the Authority.

Recently, CMH has requested the Authority to issue its Hospital Revenue and Refunding Bonds, Series 2022 (Columbia Memorial Hospital). Proceeds of the Series 2022 Bonds will be used to refund the Authority's Revenue and Refunding Bonds, Series 2012. The proposed Series 2022 Bonds are being issued to refinance the Series 2012 Bonds in an aggregate principal amount not to exceed \$25,000,000

The Hospital Facilities Authority of the City of Astoria, Oregon will hold a public hearing prior to the City Council meeting on May 16, 2022. Bond Counsel for the Authority will subsequently provide a report to the City Council at the May 16th Council meeting. In addition to obtaining approval of the Authority, CMH must obtain the approval of the City Council, as the creator of the Authority. Therefore, the attached City Council resolution is being brought forward for consideration.

It is recommended the Council approve the resolution authorizing hospital revenue refunding bonds, Series 2022 (Columbia Memorial Hospital) issued by the Hospital Facilities Authority of the City of Astoria, Oregon in an aggregate principal amount not to exceed \$25,000,000.

Greg Lund Attorney with Orrick Herrington and Sutcliffe, provided an update on the Hospital Facilities Authority meeting. He explained that non-profits could borrow on a tax exempt basis but must borrow through a governmental authority. The most common way is through a local hospital facility authority set up by a city. Astoria's Hospital Facility Authority has been used almost exclusively by CMH in connection with its bond issuances. Federal tax law requires a public hearing in the jurisdiction where bond proceeds will be spent. That hearing was held a few hours ago by the hospital authority. No one attended the hearing and no testimony was submitted. Federal also requires the elected officials to give a limited approval subsequent to the hearing. Adopting this proposed resolution will give the limited approval for the bonds. The bonds will be the obligation of CMH, not the City.

City Council Action: Motion made by Councilor Rocka, seconded by Councilor Brownson, to approve the resolution authorizing hospital revenue refunding bonds, Series 2022 (Columbia Memorial Hospital) issued by the Hospital Facilities Authority of the City of Astoria, Oregon in an aggregate principal amount not to exceed \$25,000,000. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

Item 9(g): Recology Rate Review for Year End December 31, 2021 for Solid Waste Collection and Transfer Station Activities

The City's franchise and license agreements with Recology require submission of financial statements and a separate rate review for both the Solid Waste Collection and Transfer Station Franchises no later than April 30th each year. Recology transmitted appropriate information and financial reports in a timely manner. The purpose of the annual rate review is to determine whether Recology's "Operating Ratio" for their solid waste collection and transfer station operations fall within the limits set within the Franchise Agreements with the City and to consider proposed rate changes for the upcoming year. It is recommended that Council consider the attached resolution with Solid Waste Collection rate changes and authorize modification of the Transfer Station License for rate changes, as indicated in Exhibit 2, to be effective July 1, 2022.

Dave Larmoth Rate Analyst, Recology Western Oregon, said there were no transfer station increases in 2021, but there was a 2.9 percent increase in 2020. Labor expenses and transportation costs have increased.

Additionally, the disposal costs have increased at the landfill where Recology delivers the waste. The City regulates the rate the collection company pays at the transfer station for waste brought in on collection trucks. The other source of material brought in to the transfer station is public self-haul, which is not regulated by the City. The requested rate increase of eight percent would bring Recology to an operating ratio of 93 and with operational efficiencies, Recology could make up the rest. Collection operations are reported separately from the transfer station. Labor and disposal costs have increased, as well as an increase in the rate they pay Trail's End for yard debris. Fuel is up significantly over last year. Other operational expenses include carts, containers, parts, truck computers and other components. The supply chain issues have affected Recology as well. When they can get what they need, they often pay a premium price. Without the rate increase, Recology's margin would be 0.89 percent for the year. He displayed a list of the proposed rate increases for all of Recology's services, which was included in the agenda packet.

Councilor Brownson asked how recycling was going.

Mr. Larmoth said recycling had stabilized at a low level. Before things went haywire, Recology could sell mixed recycling for \$40 or \$50 a ton. With the changes, Recology started paying over \$100 a ton. The markets remain available to Recology, but the rates are still not as good as they were previously. This stabilized new normal has lowered expectations. Recology can weather changes up and down with the commodity prices and as long as the market is stable, Recology has a place to move the material.

Mayor Jones asked if any of the recycling material was ending up in the dump.

Mr. Larmoth responded that all of the recycling material that Recology collects includes some garbage. All of it is sent to recycling facilities where it is processed and the garbage is screened out.

Councilor Brownson confirmed with Mr. Larmoth that paying for recycling was part of the operating costs.

City Council Action: Motion made by Councilor Herman, seconded by Councilor Rocka, to adopt the resolution approving Recology's solid waste collection rate changes and authorizing modifications to the transfer station license for rate change, effective July 1, 2022. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

Item 9(h): Astoria Downtown Historic District Association Contract Modification for Website Development

In July 2021 Council authorized two separate agreements with Astoria Downtown Historical District Association (ADHDA) for Professional Services and Downtown Parking and Tourist Information Services. These contracts were prepared for the duration of July 1, 2021 through June 30, 2022.

In April, 2022 a request was received by Executive Director Jessamyn West for City consideration to reallocate \$11,000 of remaining appropriations for Parking and Tourist Information Services to ADHDA Professional Services Agreement to be utilized toward a portion of a website upgrade. ADHDA had a vacancy in the Community Outreach Officer position since the beginning of the year and anticipates a new officer will be on board by July 1, 2022. The City has not distributed the second half of the contract funds due to this key vacancy. The estimated costs of a new website include approximately \$20,000 for the portion which would be primarily focused on tourist related endeavors, marketing and visitor activities. The request aligns with tourism requirements for Promote Astoria funds and staff provided recommendation to City Council at the May 2, 2022 meeting for reallocation of \$11,000 from the Parking and Tourist Information Agreement in addition to transfer of additional \$9,000 from contingency to materials & services category to support the \$20,000 request for the website costs. Council approved the budget resolution to adjust funding from contingency and the associated modifications to ADHDA's agreement are in order.

The modification to ADHDA Parking and Tourist Information Services Agreement reduces the not to exceed amount from \$23,760 to \$12,760. The modification to ADHDA Professional Services Agreement increases the not to exceed amount from \$43,000 to \$63,000 and modifies the scope of work to include implementation of new website. There is no change in the term for either agreement with performance period ending June 30, 2022. It should be noted that the new website to be funded by these additional professional services resources will need to be complete by June 30, 2022.

Mayor Jones understood that \$20,000 was just an estimate and the ADHDA would put out an RFP before spending any money. An accounting of the funds would be provided by June 30, 2022.

Jessamyn West, Executive Director, ADHDA, said the ADHDA had received a few estimates and any funds not utilized by June 30th would be paid back to the City.

Councilor Rocka said he looked up the price of website development and the proposal is in keeping with where things are now.

Mayor Jones called for public comments. There were none.

City Council Action: Motion made by Councilor Brownson, seconded by Councilor Hilton, to approve modifications to the contracts with the Astoria Downtown Historical District Association (ADHDA) for Professional Services and Downtown Parking and Tourist Information Services. Motion carried unanimously. Ayes: Councilors Brownson, Herman, Rocka, Hilton, and Mayor Jones; Nays: None.

The Council proceeded to Item 9(d) at this time.

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

This item was addressed immediately following Item 9(e).

Councilor Brownson thanked Public Works for having projects ready to go when grants funds become available. He also requested that at the next City Council meeting, the Council discuss a proposal to increase the Mayor and Councilors compensation. He had some research and comments he wanted to share with Councilors prior to a discussion. The compensation for the amount of time and effort required limits who is willing to be on the Council. He believed that higher compensation would attract younger people.

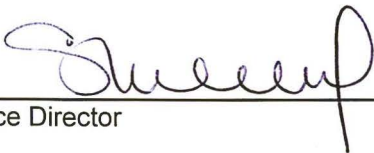
Mayor Jones said the City's charter refers to the pay as compensation. It would make more sense to call it a stipend. He agreed that the extremely low pay deterred some people from serving. He asked Councilor Brownson to share his research with Councilors and then the Council could decide whether to add the topic to the agenda.

Mayor called for public comments. There were none.

ADJOURNMENT

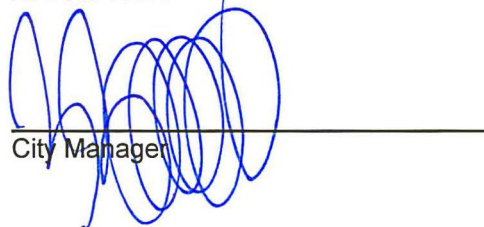
There being no further business, the meeting was adjourned at 10:10 pm.

ATTEST:



Finance Director

APPROVED:



City Manager