



SCAPPOOSE *Oregon*

**TUESDAY, JANUARY 22, 2019
TECHNICAL ADVISORY COMMITTEE FOR AFFORDABLE HOUSING
at 6:00 p.m.**

**CITY COUNCIL MEETING AGENDA
Regular meeting 7:00 p.m.
Scappoose City Council Chambers**

<u>ITEM AGENDA TOPIC</u>	<u>Action</u>
Call to Order	
Pledge of Allegiance	
Roll Call	
Approval of the Agenda	
Public Comments	
1. Consent Agenda ~ January 7, 2019 City Council meeting minutes	
<u>Old Business</u>	
2. ORD. No. 877: An Ordinance Amending Chapters 17.62, 17.68, 17.69, 17.70, and 17.162 and Adding a New Chapter, 17.126 – Food Cart Pod Permits to the Scappoose Municipal Code	Second Reading/Approval
Staff: City Planner Laurie Oliver	
<u>New Business</u>	
3. Dutch Canyon Well No. 2 Contract	Approval
Staff: Public Works Director Dave Sukau and Treatment Plant Supervisor Darryl Sykes	
4. Inspector Contract	Approval
Staff: Public Works Director Dave Sukau	
5. Assign City Council Liaisons	
Mayor Burge	
Announcements ~ Information only	
6. Calendar	
City Manager, Police Chief, Councilors, and Mayor	
7. Executive Sessions:	
1. ORS 192-660(2)(e) Real Property Transaction	
2. ORS 192-660(2)(e) Real Property Transaction	
3. ORS 192-660(2)(e) Real Property Transaction	
Adjournment	

This meeting will be conducted in a handicap accessible room. If special accommodations are needed, please contact City Recorder, Susan Reeves at (503) 543-7146, ext. 224 in advance.

TTY 1-503-378-5938



SCAPPOOSE
Oregon

**Scappoose Affordable Housing Strategy Technical Advisory Committee
Meeting #1**

1/22/2019, 6:00-7:00pm

AGENDA

10 mins	Welcome and Project Overview Introductions	Laurie Oliver All
25 mins	Presentation: Potential Tools to Support Housing Affordability and Availability	Lorelei Juntunen & Becky Hewitt, ECONorthwest
20 mins	Discussion: What questions do you have about the tools? Which do you think are of greatest interest at this point? Any tools that the TAC doesn't want to consider further at this point?	All
5 mins	Next Steps	Laurie & Lorelei

DATE: January 16, 2018
TO: Scappoose Affordable Housing Strategy Technical Advisory Committee
FROM: Becky Hewitt, Lorelei Juntunen, and Emily Picha
SUBJECT: SCAPPOOSE HOUSING STRATEGY:
BACKGROUND AND INTRODUCTION TO POTENTIAL TOOLS

Introduction

To implement City Council goal 3G to “Develop an Affordable Housing Plan,” the City of Scappoose applied for and received a grant from the Department of Land Conservation and Development (DLCD) to adopt or advance strategies to increase the supply and affordability of housing in Scappoose.¹ The grant provides funding for ECONorthwest to assist the City with the creation of a housing implementation strategy.

This memorandum provides context about the city’s housing needs and describes a range of potential funding tools that could support housing affordability and availability in the city. At the January 22, 2019 Affordable Housing Strategy Technical Advisory Committee (TAC) meeting, we will get feedback on which tools seem most promising and gather questions from TAC members. We will bring back additional information and analysis to the TAC at the following meeting, tentatively scheduled for March 18, 2019.

Background

The City’s recently adopted Housing Needs Analysis (HNA) evaluates the need for different types of housing in Scappoose and identifies the need for housing affordable at many different income levels. It projects a shortage of housing affordable for low- and middle-income households, especially renters. The HNA identifies a need for more multifamily housing, townhomes, and other types of housing that tend to cost less to buy or rent in Scappoose.

The City recently amended its development code to remove regulatory barriers to building new multifamily housing, including:

- Removed the limit on the number of units per building for apartment buildings (previously limited to 8 units per building)
- Increased the height limit in the High Density Residential (A-1) zone from 35 feet to 45 feet to allow three-story buildings; and in the Commercial (C) and Expanded Commercial (EC) zones increased the height limit for multifamily buildings from 35 feet to 60 feet to allow five-story buildings

¹ This project is funded by Oregon general fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

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- Decreased the minimum lot size in all residential zones for duplexes, triplexes, and quadplexes

These actions cost little and are expected to yield results this year. City staff recently held pre-application conference's for; a 3 story 14-unit mixed use building and a 3 story 36-unit apartment complex, both of which would be located centrally, in the Downtown Overlay. City staff is also currently processing a Site Development Review application for a quadplex.

The City's action on code amendments is an important step to implementing the recommendations from the Housing Needs Assessment, but there is more the City could do to advance housing affordability and availability and to encourage a range of housing options that meets current and future residents' needs. Specifically, the Oregon Manufacturing Innovation Center (OMIC) and related developments that are coming to Scappoose, will create a boom in new jobs that will impact the future housing market. To accommodate new workers while meeting the needs of existing residents, new housing will be needed at a range of price points. The sooner the City acts to put new tools in place, the more impact it can have on developer and property owner decision making.

The policy successes described above required substantial investment of staff time but limited direct financial contribution. Building on that momentum is likely to require public funding. However, the City does not have funding available for affordable housing in its existing budget. Some potential tools to support housing require dedicated funding sources, while others reduce revenue available to the City and overlapping taxing districts.

The City and other taxing districts have limited ability to withstand reduced revenue, given planned infrastructure projects, increased services stemming from expected population growth, and the fact that the City is currently considering adopting an urban renewal area that would impact tax revenue to the City and overlapping taxing districts.

Overview of Potential Tools

With the above context in mind, ECONorthwest reviewed commonly used tools with staff and considered each tool's: (1) potential to address Scappoose's housing affordability challenges, (2) potential fiscal impact to City (i.e. foregone revenue from taxes or System Development Charges), and (3) administrative burden (for existing staff).

Based on this review, this memorandum provides an overview of three funding tools and three property tax abatement programs that the TAC may wish to explore; identifies how each works to support housing affordability and availability; and describes their fiscal impacts, advantages, and disadvantages. These tools are introduced briefly on the following page, and described in greater detail in the next section.

Funding Tools

The tools listed below could provide funding to support affordable or workforce housing development without diminishing City resources.

- **Construction Excise Tax:** Levies a tax on new construction projects to fund housing programs/investments. Can be applied to residential and/or commercial and industrial development.
- **Local Option Levy:** Creates a time-limited property tax, subject to voter approval, that is levied in addition to a City or taxing jurisdiction's permanent rate to pay for specified programs or investments.

In addition, the City is already considering adopting Urban Renewal (described below). This memorandum is not intended to provide a comprehensive overview of urban renewal, or to recommend a decision on urban renewal itself. Rather, it describes how urban renewal funding, if available in the future, could be applied to housing programs or investments.

- **Urban Renewal:** A funding tool that would generate revenue from increases in the designated area's assessed value to pay for capital investments in the area. Funds could be used to support housing development in the area, including paying for infrastructure improvements, predevelopment activities, land acquisition, or System Development Charges.

Property Tax Abatement Programs

There are several property tax abatement programs that can be used to leverage private housing development to provide benefits (e.g. a portion of units at reduced rents, or ground floor retail in key areas) that the market may not deliver on its own. These include:

- **Multiple Unit Property Tax Exemption (MUPTE):** Can be used to incentivize multifamily housing with particular features or at particular price points by offering qualifying developments a partial property tax exemption for 10 years.
- **Vertical Housing Development Zones (VHDZ):** Incentivizes higher density housing and mixed-use development by offering a partial property tax exemption for 10 years to mixed use developments that include housing as well as non-residential use (e.g. retail on the ground floor), with a larger tax exemption for higher density developments.

In addition, the City could use property tax abatement to reduce the cost of providing government-funded affordable housing for low-income households, as described below.

- **Nonprofit Low-Income Rental Housing Exemption:** Provides a simplified way for affordable housing owned and operated by a nonprofit to qualify for a property tax exemption.

Potential Tools: How they Work, Fiscal Impacts, Pros and Cons

Construction Excise Tax

How it Works

In 2016, the Oregon Legislature passed Senate Bill 1533 which permits cities to adopt a construction excise tax (CET) on the value of new construction projects to raise funds for affordable housing projects. The tax is limited to 1% of the permit value on residential construction with no cap on the rate applied to commercial and industrial construction. A number of cities of various sizes in Oregon have adopted a CET.

The allowed uses for CET funding are defined by state statute:

- The City may retain up to 4% of funds to cover administrative costs. The funds remaining must be allocated as follows, depending on whether the CET is on residential or commercial and industrial development:
- For a residential CET:
 - 50% must be used for developer incentives (e.g. permit fee and SDC waivers², tax abatements, or finance-based incentives). The City would have to offer incentives but could cover the costs or foregone revenues with CET funds.
 - 35% may be used flexibly for affordable housing programs, as defined by the jurisdiction.
 - 15% is not available to the city and flows instead to Oregon Housing and Community Services for home ownership programs that provide down payment assistance.
- For a commercial / industrial CET:
 - 50% of the funds must be used for housing-related programs, as defined by the jurisdiction (note that these funds are not necessarily limited to affordable housing).
 - The remaining 50% are unrestricted.

Fiscal Impacts / Who Pays

The source for CET funds is new development. The statute exempts public buildings, regulated affordable housing, places of worship, public and private hospitals, agricultural buildings, nonprofit facilities, long term care facilities, residential care facilities, and continuing care retirement communities.³ The City can exempt other types of development if desired.

² Note that while these are called “waivers”, they are really subsidies, since the fees would still be paid by CET revenues rather than by the developer.

³ Oregon Revised Statute 320.173

Pros and Cons

Pros:

- Ability to link industrial or other employment investments, which generate new jobs and demand for new housing, with funding for housing development.
- Flexible funding source, especially for funds derived from commercial/industrial development.
- Allows some use of funds for administration; can fund staff time needed to administer programs.

Cons:

- CET increases development costs in an environment where many developers are already seeking relief from system development charges; depending on the rates imposed, it could have an impact on feasibility. More research would be necessary to understand the potential magnitude of the impact.
- Where demand is high relative to supply, additional fees on residential development may be passed on to tenants or home buyers through higher housing costs.
- Because CET revenue is development-derived, it will fluctuate with market cycles and will not be a steady source of revenue for affordable housing when limited development is occurring.

Local Option Levy

How it Works

A local option levy is a commonly-used public funding mechanism, though it is less frequently used for affordable housing. It is a time-limited property tax (five years for operations and 10 years for capital projects), subject to voter approval, that is levied in addition to a City or taxing jurisdiction's permanent rate to pay for specified programs or investments. The City could use a local option levy to raise funds for affordable housing programs or capital investments, each with different rules and time limits. For example, a levy for operations could fund rent subsidies or housing vouchers for low-income residents; a levy for capital projects could fund new affordable housing development.

Fiscal Impacts / Who Pays

All property owners pay for local option levies through time-limited increases in property taxes. While all property owners would pay for a local option levy, the cost is primarily borne by existing residents and businesses rather than new development.

Pros and Cons

Pros:

- Provides a tool for land acquisition and development that can be flexibly deployed throughout the city.

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- Can be used to provide rent support or achieve other programmatic or operational goals, so long as voters approve the uses.
 - Can be paired with other funding tools for greater impact.

Cons:

- Requires a city-wide public vote.
- Levies are issued as a rate, rather than a fixed amount, meaning that actual revenues may fluctuate from year to year with new development and with market cycles as assessed values change. However, with the exception of risk of compression (see next), Oregon's property taxation system would insulate a new levy from declining revenue.

Urban Renewal

How it Works

The City of Scappoose is currently exploring the creation of an urban renewal area (URA). If a URA is formed, the City's Urban Renewal Agency could establish programs to support housing development within the URA boundaries. Tax increment finance revenues are generated as assessed value inside the URA grows; taxes on this growth are available to the urban renewal agency for a defined set of investments inside the boundary. Urban renewal does not directly increase the amount of property taxes that any property owner pays. Instead, it diverts those taxes to the urban renewal agency. A city begins by taking out bonds, backed by future tax increment revenues, to fund renewal projects. When the bonds are paid off, the entire valuation is returned to the general property tax rolls.

Potential uses of urban renewal funds for housing could include property acquisition, low interest loans, grants, or system development charge waivers. The Agency could enact a specific set-aside for housing or could use funds targeted for infill and redevelopment to support housing development when opportunities arise. Urban renewal funding should generally go towards investments that increase property value in the urban renewal area; this may make it more appropriate as a funding tool to support market-rate development that achieves specific public goals for the urban renewal area (e.g. adding housing in downtown Scappoose) than to support affordable housing development (which is often tax exempt).

Fiscal Impacts / Who Pays

Urban renewal impacts the overlapping taxing districts (e.g. the City, the County, the Fire District), not property owners. It limits growth in the City's property tax revenue, as taxes on the increase in property value within the urban renewal area go towards urban renewal funding, rather than the City and other overlapping taxing districts.

Pros and Cons

Pros:

- The City is already considering urban renewal for a range of reasons; adding housing development as one of the goals provides an opportunity to integrate housing into broader projects.
- Given its relative flexibility, the City can leverage urban renewal funding with other potential funding tools that can support housing, like CET or State grant funding.

Cons:

- Can only be spent within an adopted urban renewal area boundary, and on the projects identified in an adopted urban renewal plan.
- Housing competes with other potential uses of urban renewal funds, such as infrastructure funding and storefront improvement grants.

Multiple Unit Property Tax Exemption (MUPTe)

How it Works

Through a multifamily tax exemption, a jurisdiction can incentivize diverse housing options in urban centers lacking in housing choices or workforce housing units. The abatement applies to improvement value only and lasts for 10 years, except for affordable housing, which lasts as long as the affordability restriction lasts.

The City could create a new program with specific eligibility and project selection criteria. This requires developing and administering a program that meets statutory requirements and ensures property owner compliance. To implement the exemption, Scappoose would take the following steps:

- (1) Create an ordinance to adopt a schedule establishing the length and percentage of the exemption based on the number of affordable units.
- (2) Define the terms “area median income” and “affordable” for families of varying sizes.
- (3) Determine eligibility criteria (percentage affordable or workforce housing, return on investment, where the units are located, etc.).
- (4) Seek agreement from taxing districts representing 51 percent or more of the combined levying authority on the property to include all of the taxing jurisdictions in the abatement. If the City is unable to get agreement from other taxing districts, the abatement will only apply to the City’s portion of property taxes.
- (5) Establish annual reporting procedures and administration.

Though the state enables the programs, each City has an opportunity to shape the program to achieve its goals by controlling the geography of where the exemption is available, application process and fees, program requirements, criteria, and program cap. The City can select projects

on a case-by-case basis through a competitive process. Those applicants must show that the housing would not be feasible without the abatement.

Fiscal Impacts / Who Pays

City gives up some tax revenue (on improvement value only); other taxing districts may also give up revenue if enough districts agree to participate in the program.

Pros and Cons

Pros:

- The City sets eligibility criteria and controls application process and project selection.
- Program is flexible to support various objectives related to encouraging housing.
- Tax abatements can contribute to the feasibility of both market-rate and regulated units. Saving on operational costs contributes to greater net operating income, which is important in determining project value and subsequently the development feasibility.
- The City can use the abatement program to incent private development to include some affordable units, or to incent higher density housing or other specific types of housing not being delivered by the market.
- Since applicants need to prove that the project would not be feasible without the exemption, the funding only goes to developments that would not have otherwise occurred.
- The City can set an annual cap on the total amount of tax exemptions in any given year for all projects.

Cons:

- Some developers will be discouraged from applying due to a potentially cumbersome application process.
- City must weigh the temporary (up to 10 years) loss of tax revenue against the potential attraction of new investment to targeted areas.
- Reduces general fund revenues for all overlapping taxing districts, which could make it harder to promote the tool to partner jurisdictions that do not perceive the same project benefits.
- Can be competitive, depending on the criteria that the City outlines.
- Must get affirmative support from enough overlapping taxing districts to apply to their tax collections.

Vertical Housing Development Zones (VHDZ)

How it Works

This program incents mixed-use development and affordable housing by partially exempting property taxes for mixed-use or affordable housing projects. The exemption varies in

accordance with the number of residential floors on a mixed-use project with a maximum property tax exemption of 80 percent over 10 years. An additional property tax exemption on the land may be given if some or all of the residential housing is for low-income persons (80 percent of area median income or below). There is no tax exemption available for non-residential uses, but land can be partially exempt if the development includes affordable housing.

Before a city or county can grant an exemption for an eligible development project, they must establish a VHDZ. The City could consider designating all or a portion of the town center as a VHDZ to encourage mixed use and higher density development. Per state statute, jurisdictions must consider the potential for displacement⁴ of households within a proposed vertical housing development zone before designating the zone. Once the VHDZ is established, the developer may apply for the city's Vertical Housing Tax Abatement Program.

Fiscal Impacts / Who Pays

City gives up some tax revenue (on a portion of the improvement value only); other taxing districts also give up revenue unless they opt out.

Pros and Cons

Pros:

- Targeted tool to support mixed-use development in places with locational advantages.
- Overlapping taxing districts must take action to opt out, rather than having to take affirmative action to approve zone designations and project applications.
- Incentivizes higher density development as well as mixed-income development.

Cons:

- May provide insufficient incentive to lead to affordability unless paired with other tools.
- Requires retail space, which may not be viable or appropriate for all projects.
- Can't qualify until project is under construction – creates uncertainty for developer & lenders

⁴ According to the relevant statute (ORS 307.841(2)): "Displacement" means a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that: (a) A reasonable person would consider to be beyond the household's ability to prevent or control; (b) Occur despite the household's having met all previously imposed conditions of occupancy; and (c) Make continued occupancy of the residence by the household unaffordable, hazardous or impossible.

In evaluating this issue for other communities, ECONorthwest has considered the potential for displacement because of redevelopment of existing housing with new development using the VHDZ program ("direct displacement"), and the potential that the presence of new development that uses the VHDZ program could encourage property owners to increase rents in existing housing to a degree that the households can no longer afford them ("indirect displacement").

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- Reduces general fund revenues for all overlapping taxing districts (unless they opt out).

Nonprofit Low Income Rental Housing Exemption

How it Works

This tax exemption program would apply to rental housing for low income persons⁵ that is owned, being purchased, and/or operated by a nonprofit. It would also apply to land held for affordable housing development. Land and improvements are exempt for as long as the property meets the criteria, but developers must reapply every year to show that they continue to meet the program criteria.

To enact this program, the City would need to adopt standards and guidelines for applications, and enforcement mechanisms. Rents within the eligible properties must reflect the full value of the property tax abatement.

This program would provide an opportunity to assist nonprofits providing affordable housing in the community by lowering operating costs. Affordable housing provided by the Housing Authority, which accounts for most of the current affordable housing supply in the city, is already exempt.

Fiscal Impacts / Who Pays

The City gives up tax revenue; other taxing districts may also give up revenue if enough⁶ agree to participate. Some nonprofits may go through the County Assessor's office to obtain an exemption, even without a local program, so the net fiscal impact of this program may be limited.

Pros and Cons

Pros:

- The affordable housing tax abatement can be used for any non-profit affordable housing development.
- No requirement that construction be complete prior to application.
- Reduces carrying costs before development occurs (tax exemption available for land being held for development of affordable units), and offsets operational costs once the development is complete.

⁵ Incomes must be at or below 60% of area median income (AMI) to start, and up to 80% AMI in subsequent years.

⁶ Per ORS 307.519, the exemption applies to all taxing districts if the taxing districts that make up 51 percent or more of the total combined rate of taxation on the property agree to the exemption.

Cons:

- Reduces general fund revenues for all overlapping taxing districts if properties that would not otherwise have received an exemption are approved through the program.
- Must get affirmative support from enough overlapping taxing districts to apply to their tax collections.
- Limited applicability / eligibility, since it does not apply to mixed-income housing or affordable housing built by for-profit developers.
- The requirement for the property owner to resubmit eligibility documentation every year may be burdensome.

Next Steps

At the January 22, 2019 TAC meeting, committee members will review the information in this memorandum, provide direction on which tools to explore further, and identify any specific questions for ECONorthwest to address at the next meeting.

For the tools of most interest to the TAC, ECONorthwest will bring additional analysis on how the tools would work in Scappoose and the required steps to implement those tools to the TAC meeting on March 18, 2019. At this meeting, TAC members will direct City staff and ECONorthwest on which tools should become part of the housing implementation strategy.

In April and May 2019, ECONorthwest and City staff will draft the housing implementation strategy for TAC review. This work will include a refined list of possible housing implementation tools and a set of specific next steps that City staff will take to move forward with the strategy. Following TAC input, ECONorthwest and City staff will finalize the housing implementation strategy.

MONDAY, JANUARY 7, 2019

SWEARING IN OF NEW CITY COUNCIL, 6:00PM

Oath of Office for Mayor Scott Burge ~ Administered by County Clerk Betty Huser

Oath of Office for Councilor Joel Haugen, Councilor Josh Poling, and

Councilor Brandon Lesowske ~ Administered by County Clerk Betty Huser

Reception to follow

County Clerk Betty Huser administered the Oath of Office to Scott Burge for Mayor, along with Joel Haugen, Josh Poling, and Brandon Lesowske for City Council. Congratulations!

CITY COUNCIL MEETING

Regular meeting 7:00 p.m.

Call to Order

Mayor Burge called the City Council meeting to order at 7:00 p.m.

Pledge of Allegiance

Roll Call

Scott Burge	Mayor	Michael Sykes	City Manager
Patrick Kessi	Councilor	Susan M. Reeves	City Recorder
Megan Greisen	Councilor	Laurie Oliver	City Planner
Natalie Sanders	Councilor	Alexandra Rains	Assistant to City Manager
Joel Haugen	Councilor	Dave Sukau	Public Works Director
Josh Poling	Councilor	Darryl Sykes	Treatment Plant Supervisor
Brandon Lesowske	Councilor	Phil Packineau	Police Sergeant (arrived at 7:29 pm)

Peter Watts Legal Counsel

Press: Courtney Vaughn, Spotlight

Approval of the Agenda

Councilor Sanders moved, and Councilor Greisen seconded the motion to approve the agenda. Motion passed (7-0). Mayor Burge, aye; Councilor Kessi, aye; Councilor Greisen, aye; Councilor Sanders, aye; Councilor Haugen, aye; Councilor Poling, aye and Councilor Lesowske.

Public Comments

There were no public comments.

Consent Agenda ~ December 3, 2018 Work Session minutes and December 3, 2018 City Council meeting minutes

Councilor Haugen moved, and Councilor Kessi seconded the motion to approve the Consent Agenda ~ December 3, 2018 Work Session minutes and December 3, 2018 City Council meeting minutes. Motion passed (7-0). Mayor Burge, aye; Councilor Kessi, aye; Councilor Greisen, aye; Councilor Sanders, aye; Councilor Haugen, aye; Councilor Poling, aye and Councilor Lesowske.

Election for Council President

Councilor Haugen nominated Councilor Kessi for Council President.

Councilor Sanders nominated Councilor Haugen.

Councilor Haugen replied he declines.

Councilor Sanders moved, and Councilor Poling seconded the motion to appoint Councilor Patrick Kessi as Council President. Motion passed (7-0). Mayor Burge, aye; Councilor Kessi, aye; Councilor Greisen, aye; Councilor Sanders, aye; Councilor Haugen, aye; Councilor Poling, aye and Councilor Lesowske.

Mayor Burge stated congratulations Council President Kessi.

Appoint Affordable Housing Ad Hoc Committee consisting of: Casey Mitchell - Community Action Team, Bill Blank – Habitat for Humanity & City of Scappoose Planning Commissioner, and all members of City of Scappoose City Council.

Mayor Burge appointed this as the committee, and he just needs a motion from Council to confirm that appointment.

Councilor Sanders moved, and Councilor Greisen seconded the motion to appoint the Affordable Housing Ad Hoc Committee. Motion passed (7-0). Mayor Burge, aye; Council President Kessi, aye; Councilor Greisen, aye; Councilor Sanders, aye; Councilor Haugen, aye; Councilor Poling, aye and Councilor Lesowske.

New Business

ORD. No. 877: An Ordinance Amending Chapters 17.62, 17.68, 17.69, 17.70, and 17.162 and Adding a New Chapter, 17.126 – Food Cart Pod Permits to the Scappoose Municipal Code

Mayor Burge read the opening statement and opened the public at 7:04 p.m.

City Planner Laurie Oliver read over the staff report. She explained the City of Scappoose proposes the addition of a new chapter to the Development Code, Chapter 17.126 - *Food Cart Pod Permits*. In support of the new chapter, the following existing chapters are also proposed to be amended;

- Chapters 17.62 -*General Commercial (C)* and 17.68- *Expanded Commercial (EC)* to add food cart pods as a permitted use.
- Chapters 17.69-*Public Use Airport (PUA)* and 17.70-*Ught Industrial (LI)* to add food cart pods as a conditional use.
- Chapter 17.162 - *Procedures for Decision Making--Quasi-Judicial* to clarify the approval process for food cart pod permits.

City Planner Laurie Oliver explained an identified City Council goal for FY18-19 was to explore a food cart ordinance since the only method the City currently has to allow food carts is through the issuance of a Temporary Use Permit, which is only good for 90-days, is intended to celebrate a specific season or event (e.g., a Christmas tree stand, or fireworks stand), does not have development standards, and is not renewable during the calendar year it is issued in. City staff kicked off the food cart ordinance discussion during July 2018 with an introductory work session on the topic with City Council. Planning Department staff drafted a new development code chapter, Chapter 17.126 -Food Cart Pod Permits, and held a second work session with Council in September 2018 in order to gain feedback on the draft development code language.

Some of the main topics of discussion during work session #2 involved:

- Where should food carts be allowed?
- Utility considerations
- Parking considerations
- Site Design Standards
- Review type and length of approval

City Planner Laurie Oliver explained based on feedback received during the September work session, as well as input from the Economic Development Committee members, Planning Department staff revised the draft development code language and brought back the amended draft for a third and final work session with Council in early November 2018. The proposed amendments to the Development Code are intended to allow individual entrepreneurship at a small scale and to provide unique eating establishments to the public, while ensuring that food carts are conducted as lawful uses and in a manner that is not detrimental or disruptive in terms of appearance or operation to neighboring properties and residents. The Planning Commission held a public hearing regarding this proposal on December 13, 2018, and unanimously recommended approval by the City Council based on the findings of fact contained in the Planning Commission staff report dated December 6, 2018.

Councilor Greisen asked if there are any current food carts here in town right now?

City Planner Laurie Oliver replied no, not at this time.

Mayor Burge asked if there are any proponents that would like to comment?

Chuck Daugherty, Columbia County Economic Team, explained this is a great thing. He is very supportive of this. He thinks from CCET's perspective this is really going to attract new investment into the community, and it will create jobs. He explained this is really in harmony with what they are doing for tourism. He thinks from the City's perspective you are representing the community. He explained we do need more dining experiences here.

Mayor Burge asked if there are any other proponents, or opponents? He stated seeing none, he closed the public hearing at 7:12 p.m.

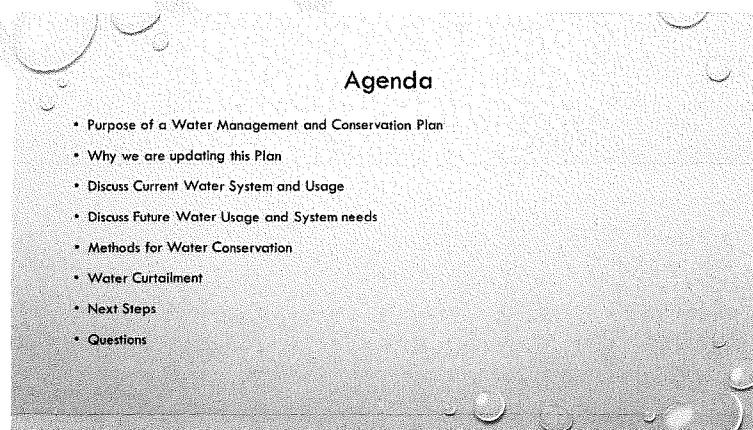
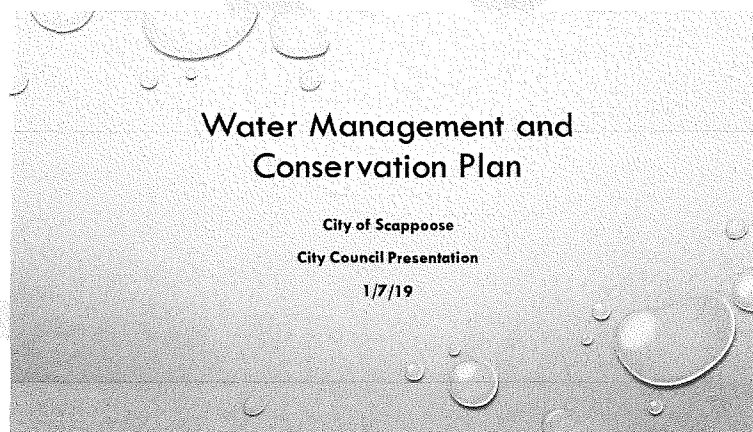
Councilor Sanders moved, and Councilor Haugen seconded the motion that Council adopt Ordinance No. 877, as presented.

Mayor Burge read the title for the first time ~ Ordinance No. 877: An Ordinance amending Chapters 17.62, 17.68, 17.69, 17.70, and 17.162 and Adding a New Chapter, 17.126 – Food Cart Pod Permits to the Scappoose Municipal Code.

Water Conservation Plan

Public Works Director Dave Sukau went over the staff report. He explained in 2017, the City of Scappoose signed a Master Agreement with Carollo Engineers, Inc. Part of the agreement was to update the City's 2012 Water Management and Conservation Plan (Task 1200). The purpose of this update will be to reflect changes in demand since 2012 and to identify the new Dutch Canyon Well as an added source. Updates to this Plan are a requirement of OAR 690-086. This Document assists the City to identify current and future water needs, methods of conservation and a plan for water curtailment in the event of a shortage.

Treatment Plant Supervisor Darryl Sykes over a power point.



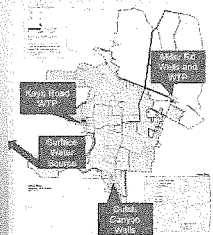
Purpose of a Water Management and Conservation Plan

- Define the City's current and future water resources and needs by describing the following:
 - Source of supply reliability and capacity
 - Current and future estimated population and water demands
 - Existing water rights inventory
 - Current and planned Water Conservation Program
 - Water Curtailment Plan

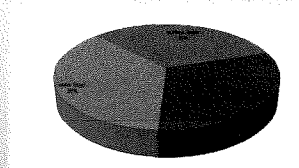
Why we are updating this Plan

- Update required as a condition of the Dutch Canyon Well #2 water right
- Required by OAR 690 chapter 86 every 10 years

Current Water System



Water is supplied evenly between three sources



Councilor Greisen asked if the process of monitoring how much surface water is coming through yet?

Treatment Plant Supervisor Darryl Sykes replied it has not. He explained we just received a proposal from GSI to do that work and they will need to review it to see if they want to proceed with that.

Councilor Greisen asked if that is something we have to go through GSI to do?

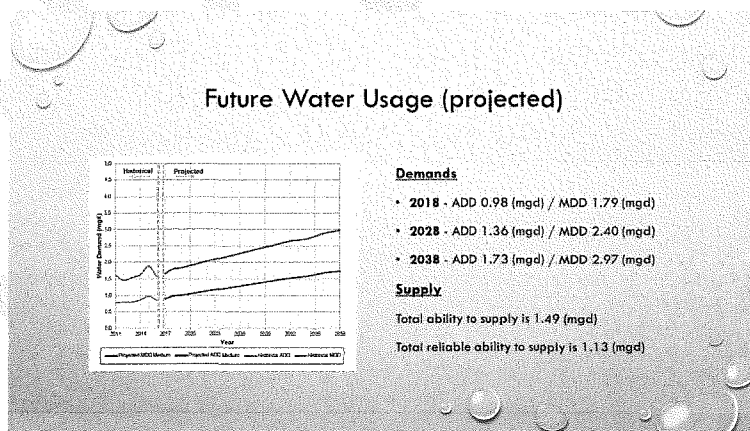
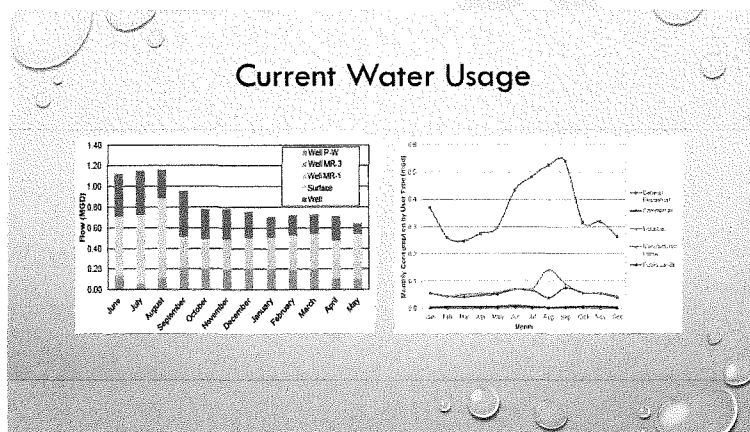
Public Works Director Dave Sukau replied analyzing the data, yes, but we may look at purchasing the testing equipment and doing that ourselves.

Councilor Haugen asked what is the approximate cost of a volume meter installation?

Public Works Director Dave Sukau replied we don't that yet.

Councilor Haugen feels rather than contracting this out it is something we can do in house.

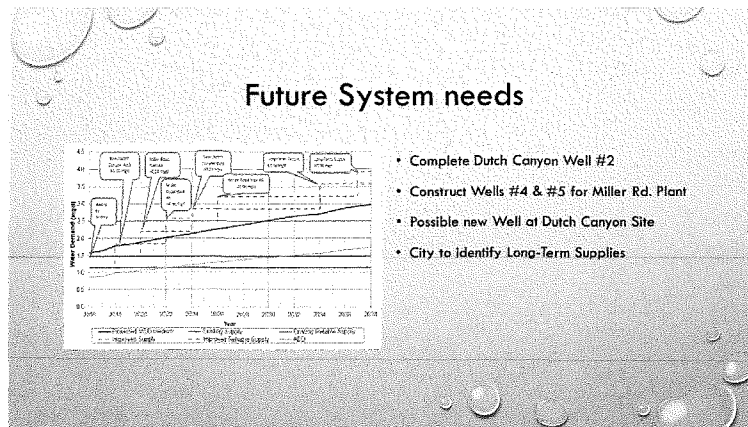
Public Works Director Dave Sukau replied GSI is the specialist on this and they can do the calculations on the volume that passes through, and they have all the software.



Councilor Lesowske asked if there are any campaigns to get residential use reduced or identify ways to help reduce water usage?

Treatment Plant Supervisor Darryl Sykes replied that is part of the mandate for this management plan ~ there is an educational component. He explained in the past he has sent out information with the water bills about conservation ideas.

City Manager Sykes explained it happens about three times a year where we meet the maximum.



Treatment Plant Supervisor Darryl Sykes explained they are having a bid opening for a potential contractor to finish up the mechanical portion of the Dutch Canyon well. He explained it would be for a well pump installation, the electrical, and also the piping portion.

Treatment Plant Supervisor Darryl Sykes explained for our long-term supply we are going to have to look for alternatives.

Councilor Greisen asked Darryl if he thinks it would be beneficial to put in a collector well or a ranney well, before the possibility of a Dutch Canyon site or well #5 at Miller Road?

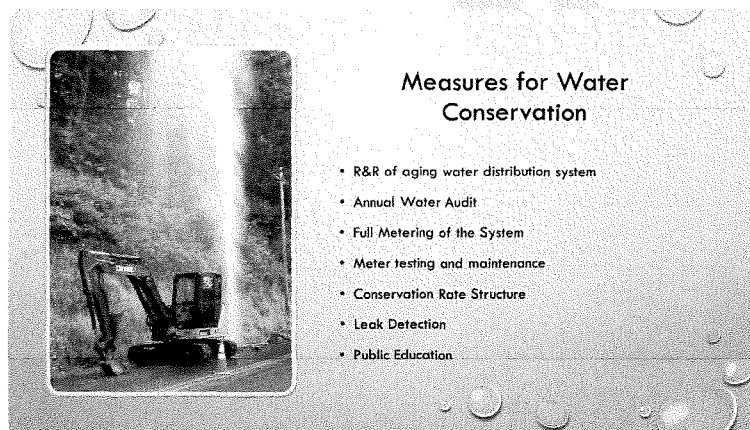
Treatment Plant Supervisor Darryl Sykes replied he thinks once the Master Plan is done, we really need to make the decision of whether we want to maybe bypass the next couple of wells and go with a collector well. He explained we will have to do a feasibility study to see if a collector well will be viable or not.

City Manager Sykes explained, as he recalls, we really came to a point where we felt fairly comfortable with our next ten-year strategy for identifying developing sources, but one of the things that was pretty clear was in order to make that long-term decision there is some other fact finding that we need to do. He explained we would need to do a feasibility study to see if a ranney well would work at Chapman Landing, and the other thing that was really critical was to get a real sense of what kind of volume of water we have in Dutch Canyon, and does it make sense to add a sixteen inch line and improve that six miles of pipe that is seventy years old or so. He explained until we get the data from the next couple of years and monitor what that volume is, it is really hard to make a good solid decision, even though we do know that is the best water in the system.

Councilor Greisen stated the big picture would be great, and she feels we are all on the same page.

City Manager Sykes explained they have found there are a lot of State resources for the ranney well feasibility study.

Legal Counsel Peter Watts explained the projections assume a population growth at a rate that is far higher than other communities in the Portland Metro area, and in looking at your residential buildable lands inventory he doesn't know whether that rate of growth being projected is necessarily going to be feasible. He explained when you are looking at this it might be that you look at the residential buildable lands inventory that you have now, then seeing whether that seems likely to develop or whether it makes sense to go to DLCD and see if they would be willing to swap out for lands that could be more easily developed.



Treatment Plant Supervisor Darryl Sykes went over the Measures for Water Conservation. He explained if we are using up a certain percentage of our production capabilities, those are triggers.

Public Works Director Dave Sukau explained these are the limits that can trigger conservation, but it doesn't mean we are going to just because you may see one of these conditions happen.

Councilor Haugen asked how much of the system has been covered with leak detection at this point?

Treatment Plant Supervisor Darryl Sykes replied about two years ago the City did 100% of the whole system, with the exception of the raw lines coming down from the canyon. He explained they did do as far as our last customer on the treated line.

Water Curtailment

Category	Level	Requirement	Implementation Methods
Voluntary	Prevent supply reductions	Assess and report industrial daily demand	<ul style="list-style-type: none"> Implement Curtailment Plan Public notification and awareness Report water consumption through meter reduction Industry program reduction Prohibited Modification Methods: <ul style="list-style-type: none"> Clear changes to staff/View page
			<ul style="list-style-type: none"> Continue all industry measures Keep water consumption for industrial needs Reduce municipal program and activities (e.g. fire department, emergency services) Reduce landscape watering to existing levels Reduce landscape watering to existing levels Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants Prohibit building cooling Prohibit Modification Methods: <ul style="list-style-type: none"> Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants
Tier 1 Curtail	Use water by permit of up to 10 percent reduction in demand	10 percent reduction in demand	<ul style="list-style-type: none"> Continue all industry measures Keep water consumption for industrial needs Reduce municipal program and activities (e.g. fire department, emergency services) Reduce landscape watering to existing levels Reduce landscape watering to existing levels Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants Prohibit building cooling Prohibit Modification Methods: <ul style="list-style-type: none"> Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants
			<ul style="list-style-type: none"> Continue all Tier 1 measures Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants Prohibit building cooling Prohibit Modification Methods: <ul style="list-style-type: none"> Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants
Tier 2 Curtail	Use water by permit of up to 20 percent reduction in demand	20 percent reduction in demand	<ul style="list-style-type: none"> Continue all Tier 1 measures Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants Prohibit building cooling Prohibit Modification Methods: <ul style="list-style-type: none"> Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants
			<ul style="list-style-type: none"> Continue all Tier 1 measures Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants Prohibit building cooling Prohibit Modification Methods: <ul style="list-style-type: none"> Prohibit landscape watering to newly installed plants Prohibit landscape watering to existing plants

Next Steps

- Council approval to submit Agency Draft for regulatory review
- Regulatory review
- Council adoption of plan after regulatory review

Questions?



Public Works Director Dave Sukau explained staff recommends City Council authorize City Manager Sykes to submit the Draft Water Management and Conservation Plan to the Oregon Water Resources Division for Regulatory Review.

Councilor Sanders moved, and Councilor Haugen seconded the motion that City Council authorize City Manager Sykes to submit the Draft Water Management and Conservation Plan to the Oregon Water Resources Division for Regulatory Review. Motion passed (7-0). Mayor Burge, aye; Council President Kessi, aye; Councilor Greisen, aye; Councilor Sanders, aye; Councilor Haugen, aye; Councilor Poling, aye and Councilor Lesowske.

Survey Poll Results

Assistant to City Manager Alexandra Rains went over the survey poll results. She explained in its 2018-2019 Goals, City Council identified that conducting a community survey would further the Council's communication goals. The community survey was timed to coincide with and inform the Annual Town Meeting (ATM) on February 9th. The survey was developed with the intention of being conducted each year prior to the ATM. City staff received 339 survey responses during the two-month survey period from October to December. The survey asked residents to rate their satisfaction with a variety of city-provided services. Additionally, the survey included pedestrian-centered transportation questions – a central theme to the ATM, as well as component of the Council's transportation improvements and livability objectives. An overview of the survey results is included below, complete results are attached as Exhibit A. A copy of the community survey is included as Exhibit B to the staff report.

Satisfaction of City Services

- 65% of respondents are satisfied with new parks, improvements, and maintenance
 - o However, 46% indicated neutral for community events
- 75% are satisfied or very satisfied with the cleanliness of streets and public spaces
- 61% are satisfied with drinking water quality, whereas 22% are dissatisfied or very dissatisfied

Livability

- 87% are satisfied with Scappoose as a place to live
- 26% are dissatisfied or very dissatisfied with how the city is planning growth; 41% are neutral to the subject

Transportation

- 35% are dissatisfied with surface quality of streets in the city
- 41% are dissatisfied with pothole repair and other street quality issues
- 34% rated sidewalks and roads in their neighborhood as either failing or poor
- 83% indicated that it is important or very important that the city improve or develop safe pedestrian routes to schools
- 89% indicated that it is important that the city develop and maintain sidewalks and roads

Local Gas Tax

- 48% are supportive
- 33% are unsupportive
- 17% are neutral
- 2% do not know

City Manager Sykes explained this is something we do every other year to give us an idea of what the community thinks of the services we are providing. He thinks it was very positive, but he thinks there are some lessons here for us to consider. He explained if you look at the line for dissatisfied the two big numbers are street surface quality and street repair. He stated it is timely since this is the topic that is going to be discussed at the Annual Town Meeting. He thinks it reflects how positive people feel about living in Scappoose and raising their families here.

Legal Counsel Peter Watts explained the City had really good numbers on this survey. He feels regarding the gas tax it would just take some voters education and people understanding what projects would be built with the tax money collected.

Councilor Greisen stated as City Manager Sykes mentioned, she thinks we can't ignore the results on the current state of our roads and sidewalks. She thinks we are being proactive about that in trying to find solutions and we are listening to what the community wants. She explained finding an answer might not always be what the community wants to hear but these improvements cost money and we are doing the best we can to look for those sources. She stated the roads and sidewalks are definitely something that need to stay at the top of the list.

Mayor Burge addressed the issue that the community doesn't see the difference between the County roads inside the City and the City roads inside the City, and the City roads are in much better shape than the County roads.

Announcements ~ information only

Calendar

Mayor Burge went over the calendar.

Councilor Kessi explained he has a conflict with the date of the Council Retreat.

City Manager Sykes replied we can change that date.

Mayor Burge stated having Patrick there is really important.

Council decided on February 23 for the Council Retreat.

City Manager, Police Chief, Councilors, and Mayor

City Manager Sykes explained Council has his written department report in front of them. He welcomed Brandon aboard and said he looks forward to working with him. He explained the City made the last payment for Crown Zellerbach Road. He explained Chief Concomly is finished for now because of the weather. He explained intern Huell White was successful in getting a \$10,000 HEAL grant to build a climbing wall at Chief Concomly Park. He explained DEQ sent the City notice that we made their list for loans if we choose to pursue one in the amount of 6.4 million dollars to upgrade some of the components of the treatment plant. He also

wanted to note that we are going to be meeting with members of the Port of St. Helens and other railroad users this month to address some of the issues and concerns that were raised by Mayor Burge and Council President Kessi. He explained the City Committees have been going through the process of setting goals for the upcoming year, along with staff, and we will be submitting that all to Council at the Retreat. He explained there is an event on January 24 in Salem "City Day at the Capital", and if you would like to attend please let him know.

Councilor Poling welcomed Brandon.

Councilor Kessi stated he is excited about the Affordable Housing Plan. He stated it is very difficult to do, and City's get it wrong. He is excited to work on this with Council and staff and see if we can get it right here.

Councilor Greisen congratulated the Mayor and Council who were sworn in this evening.

Councilor Sanders gave an update on the giving tree that the Department of Human Services had around town. She explained it was very successful. She thanked the businesses that supported DHS and she looks forward to doing it again. She welcomed Councilor Lesowske.

Councilor Haugen explained we have a marvelous Council and staff and as we head into 2019 things are looking good. He explained at the last Parks & Rec Committee meeting, the committee recommended support for instituting an annual chess tournament at the High School, which would be commemorating Mike Sheehan. He explained Mike was a prolific chess player and claimed it changed his life. He explained this is an all-day regional chess tournament on March 2 at the Scappoose High School. He would like to see the City of Scappoose support this to the tune of \$500. He stated this would be a good way to showcase our community.

Mayor Burge explained he can put this on the agenda for the next Council meeting.

Mayor Burge explained he is undecided on this only because it is outside of our normal contribution system and he doesn't want to set bad precedence.

Councilor Haugen was hoping to get a sense from the Council on this because they are moving ahead with advertising the event.

Council President Kessi stated the City of Scappoose could support it, with no money, and then others could try to raise the money. He asked do you want the City of Scappoose to endorse this or pay for it?

Councilor Haugen replied he would like to list the City of Scappoose as a sponsor, so this gives us notoriety for this event. He explained \$500 seems like a good investment. He explained if the City is not going to do that then we can't advertise them as a sponsor.

Council President Kessi stated he supports this, but he thinks we could go out and ask businesses to donate money to cover the fees. He thinks to have the City of Scappoose do this right now without going through the proper process....he agrees with Mayor Burge on this.

Councilor Haugen replied what he is hearing right now, they will just leave the City of Scappoose off.

Councilor Greisen asked Mayor Burge how does he feel about the language supported by the City of Scappoose?

Mayor Burge replied he is fine with that. He explained it is not that he doesn't support it, it is just that there is a process for community contributions that we budget money for every year.

Councilor Haugen replied "support" is fine. He stated maybe that could include an announcement in the water bills.

Mayor Burge replied yes.

Councilor Lesowske explained he is really excited for this opportunity, but most importantly for the citizens and residents of Scappoose. He looks forward to working for all of you and continuing to create a great community for all of us to embrace and also enjoy. He is very honored to have this role with the City and looks forward to continuing this great work.

Mayor Burge stated welcome aboard to Brandon. He thanked staff for everything. He stated this is the beginning of a new term of office. He was telling Council President Kessi that he remembers when he first ran for Council, which was twenty years ago, and he talked about parks, job creation, and public safety. He feels like these things are moving forward, and with the work of the staff, it has been great working here.

Adjournment

Mayor Burge adjourned the meeting at 8:17 p.m.

Mayor Scott Burge

Attest:

City Recorder Susan M. Reeves, MMC

City of Scappoose
Council Action & Status Report

Date Submitted: January 16, 2019
Agenda Date Requested: January 22, 2019
To: Scappoose City Council
Through: Planning Commission
From: Laurie Oliver, CFM, Planning Department Supervisor
Subject: Proposed amendments to Scappoose Development Code Chapters 17.62, 17.68, 17.69, 17.70, 17.162 and the addition of a new Chapter, 17.126, to set standards for food carts

Type of Action Requested:

- | | | | | | |
|--------------------------|--------------------------|----------------------|-------------------------------------|--------------------------|--------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Formal Action | <input type="checkbox"/> | <input type="checkbox"/> | Report Only |

Issue:

The City of Scappoose proposes the addition of a new chapter to the Development Code, Chapter 17.126 – *Food Cart Pod Permits*. In support of the new chapter, the following existing chapters are also proposed to be amended;

- Chapters 17.62 -*General Commercial (C)* and 17.68- *Expanded Commercial (EC)* to add food cart pods as a permitted use.
- Chapters 17.69-*Public Use Airport (PUA)* and 17.70-*Light Industrial (LI)* to add food cart pods as a conditional use.
- Chapter 17.162 - *Procedures for Decision Making--Quasi-Judicial* to clarify the approval process for food cart pod permits.

Analysis:

An identified City Council goal for FY18-19 was to explore a food cart ordinance since the only method the City currently has to allow food carts is through the issuance of a Temporary Use Permit, which is only good for 90-days, is intended to celebrate a specific season or event (e.g., a Christmas tree stand or fireworks stand), does not have development standards, and is not renewable during the calendar year it is issued in.

City staff kicked off the food cart ordinance discussion during July 2018 with an introductory work session on the topic with City Council. Planning Department staff drafted a new development code chapter, Chapter 17.126 -Food Cart Pod Permits, and held a second work session with Council in September 2018 in order to gain feedback on the draft development code language.

Based on feedback received during the September work session, as well as input from the Economic Development Committee members, Planning Department staff revised the draft development code language and brought back the amended draft for a third and final work session with Council in early November 2018.

The proposed amendments to the Development Code are intended to allow individual entrepreneurship at a small scale and to provide unique eating establishments to the public, while ensuring that food carts are conducted as lawful uses and in a manner that is not detrimental or disruptive in terms of appearance or operation to neighboring properties and residents.

The Planning Commission held a public hearing regarding this proposal on December 13, 2018, and unanimously recommended approval by the City Council based on the findings of fact contained in the Planning Commission staff report dated December 6, 2018.

City Council held a public hearing for the first reading of the ordinance on January 7, 2019 and passed a motion to approve the application as presented.

Options:

1. Adopt proposed Ordinance 877, thereby accepting the findings in the DCTA2-18 Planning Commission staff report dated December 6, 2018.
2. Adopt findings demonstrating that the application does not comply with the Scappoose Municipal Code and deny the application.

Recommendation: Staff recommends that the Council adopt the Ordinance as presented.

Suggested Motion: N/A (second reading of the ordinance)

Please find attached:

Ordinance 877 (the Exhibits were attached with the previous packet, but are not included here)

ORDINANCE NO. 877

**AN ORDINANCE AMENDING CHAPTERS 17.62, 17.68, 17.69, 17.70, AND 17.162 AND
ADDING A NEW CHAPTER, 17.126 – FOOD CART POD PERMITS TO THE
SCAPPOOSE MUNICIPAL CODE**

WHEREAS, an identified Scappoose City Council goal for FY18-19 was to explore a food cart ordinance since the only method the City currently has to allow food carts is through the issuance of a Temporary Use Permit, which is only good for 90-days, is intended to celebrate a specific season or event, does not have development standards, and is not renewable during the calendar year it is issued in; and

WHEREAS, three public City Council work sessions were held on the topic of food carts in order to gain feedback on setting appropriate standards to allow food carts to operate on a year-round basis; and

WHEREAS, the proposed amendments to the Scappoose Municipal Code are intended to allow individual entrepreneurship at a small scale and to provide unique eating establishments to the public, while ensuring that food carts are conducted as lawful uses and in a manner that is not detrimental or disruptive in terms of appearance or operation to neighboring properties and residents; and

WHEREAS, all legal and public notices have been provided as required by law for this application; and

WHEREAS, the Planning Commission held a hearing on the application on December 13, 2018 and the City Council held a hearing on the application on January 7, 2019 and January 22, 2019; now therefore,

THE CITY OF SCAPPOOSE ORDAINS AS FOLLOWS:

Section 1. The Scappoose Municipal Code is hereby amended as indicated in Exhibit A, attached hereto and hereby incorporated by reference.

Section 2. The City of Scappoose adopts the findings and conclusions contained in the staff report dated December 6, 2018, attached to this ordinance as Exhibit B and hereby incorporated by reference, as the basis in support of this ordinance.

PASSED AND ADOPTED by the City Council this 22nd day of January 2019 and signed by the Mayor and City Recorder in authentication of its passage.

CITY OF SCAPPOOSE, OREGON

Scott Burge, Mayor

First Reading: January 7, 2019
Second Reading: January 22, 2019

Attest: _____
Susan M. Reeves, MMC
City Recorder

DRAFT

CITY OF SCAPPOOSE

Council Action & Status Report

Date Submitted: January 16, 2019

Agenda Date Requested: January 22, 2019

To: Scappoose City Council

From: Dave Sukau, Public Works Director

Subject: Dutch Canyon Well No. 2 Contract Approval

TYPE OF ACTION REQUESTED:

- | | |
|---|--------------------------------------|
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Ordinance |
| <input checked="" type="checkbox"/> Formal Action | <input type="checkbox"/> Report Only |

ANALYSIS: Over the Fall of 2018, Murray Smith completed engineering for the Dutch Canyon Well No. 2 Project and delivered bid ready construction documents to the City. The City then advertised an Invitation to Bid (ITB) to solicit bids from contractors to complete construction of the well. The ITB was issued on December 6, 2018 and the following bids were received on January 8, 2019:

- | | |
|---------------------|---------------------|
| 1) PCR Inc. | \$335,345.00 |
| 2) Stettler | \$307,950.00 |
| 3) R.L. Reimers Co. | \$327,875.00 |
| 4) Tapani | \$383,000.00 |

A final recommendation was made by staff on January 8, 2019 to enter into a contractual agreement with Stettler to complete construction of Dutch Canyon Well no. 2. Final award of the contract is scheduled to take place following Council's approval and expiration of the challenge period.

FISCAL IMPACT: The cost of completing Dutch Canyon Well No. 2 is \$307,345.00. It will be funded through by the City's Water Fund.

Request for Council Action

RECOMMENDATION: Staff recommends Council authorize City Manager Sykes to execute a contract with Stettler for \$307,345.00 in order to complete the Dutch Canyon Well No. 2 Project.

SUGGESTED MOTION: I move Council authorize City Manager Sykes to execute a contract with Stettler for \$307,345.00 in order to complete the Dutch Canyon Well No. 2 Project.

Request for Council Action

CITY OF SCAPPOOSE

Council Action & Status Report

Date Submitted: January 16, 2019

Agenda Date Requested: January 22, 2019

To: Scappoose City Council

From: Alexandra Rains, Assistant to City Manager

Subject: Inspector Contract

TYPE OF ACTION REQUESTED:

- | | |
|---|--------------------------------------|
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Ordinance |
| <input checked="" type="checkbox"/> Formal Action | <input type="checkbox"/> Report Only |

ANALYSIS: The Crown Zellerbach Road Extension Project, phases I and II, is well underway. The project is quite significant both in its size, its valued at approximately \$12 million, and in its expected impact to the community. A project of this magnitude requires a considerable amount of inspections and oversight, more than can be accommodated with the City's current staffing levels. Therefore, staff invested time to locate an Inspector qualified to perform this work, which requires a very specific and uncommon skill set, to ensure the project receives sufficient oversight. Quotes for inspection services were collected from the following:

- | | |
|-----------------------|----------------------|
| 1) 3J Engineering | \$118 per hour |
| 2) Cardno Engineering | \$109 per hour |
| 3) CMTS | \$88 per hour |

Ultimately, the Public Works Director and City Engineer identified working with CMTS, a company that specializes in staffing construction projects with qualified individuals on a contract basis, as the best method to quickly locate an individual with the requisite skill at the lowest hourly rate of the quotes received.

FISCAL IMPACT: The contract Inspector position will be paid for entirely out of the inspection fees paid by the developer. The contract is will be billed at \$88 per hour, plus mileage, at an average of 20 hours per week.

Request for Council Action

RECOMMENDATION: Staff recommends Council authorize the City Manager to execute the Inspector Contract.

SUGGESTED MOTION: I move Council authorize the City Manager to execute the Inspector Contract.

2019 CITY COUNCIL LIAISON

PARKS COMMITTEE:

COMMUNITY CLUB:

ECONOMIC DEVELOPMENT COMMITTEE:

HISTORICAL SOCIETY/WATTS HOUSE:

SCHOOLS:

PORT:

TRAFFIC SAFETY:

SENIOR CENTER:

COLPAC:

ACT:

APPROVED BY COUNCIL ON _____

CITY OF SCAPPOOSE

February 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 City Council Work Session 6pm Council meeting 7pm	5	6	7	8	9 Annual Town Meeting 9am to Noon Scappoose Middle School Cafeteria
10	11	12	13	14	15	16
17	18 President's Day City offices closed	19 City Council 7pm	20	21 EDC ~ Noon Park & Rec 6pm	22	23 Council Retreat 8:30 – Noon
24	25	26	27	28 Planning Commission 7pm		