

**CITY COUNCIL AGENDA  
CITY OF PENDLETON  
April 15, 2014  
CITY HALL COUNCIL CHAMBERS**

- A. **COMMUNITY DISCUSSION** 7:00 – 7:15 p.m.  
This is the time designated for any person to ask questions or make statements before the City Council on any matter regarding City Business that is not on the agenda.
- B. **CALL TO ORDER**  
1. Introduction of Guests
- C. **CONSENT AGENDA**  
1. Accept the minutes of the April 1, 2014 City Council meeting.  
2. Executive Session pursuant to ORS 192.660(2)(d) labor negotiations; and ORS 192.660(2)(h) litigation.  
3. Council support letter for TGM Grant application.  
4. Recommendation of approval of Airport Grazing Pasture Lease.
- D. **PUBLIC HEARINGS AND RELATED ORDINANCES AND RESOLUTIONS**  
1. Staff report and Second reading of Ordinance No. 3847 to amend Ordinance No. 2795, the Transient Room Tax Ordinance.
- E. **BIDS**  
1. Consideration of bid award to Dickey and Tremper, LLP, to be selected as the auditors for 2014-2016.
- F. **CITY MANAGER REPORT**  
Information Only:  
1. Planning Commission Minutes  
2. Airport Commission Minutes  
3. Building Permits  
4. Staff Activity Reports
- G. **OTHER BUSINESS**
- H. **ADJOURNMENT**

*If special accommodations for hearing, visual, or manual impairment are needed to allow an individual to participate, or if an interpreter is needed, please contact the City's administrative office at 541-966-0201 at least 48 hours in advance of the meeting.*

**CITY COUNCIL MINUTES  
CITY OF PENDLETON  
APRIL 1, 2014**

A regular meeting of the Pendleton City Council was held in the City Hall Council Chambers at 7:00 p.m., April 1, 2014, with Mayor Houk presiding. Members in attendance were: Wood, Brown, May, Hill, Young, Brenne, Marks and Plute. Staff members present were Corbett, Kerns, Roberts, Chrisman, Green, Graham, Hoeft, Walker, Firefighters Denton and Allman. Representing the media was Wright, East Oregonian.

**MR JOHN RICHARDSON SPOKE IN SUPPORT OF THE CITY MANAGER CORBETT REGARDING PENDLETON FIRE AND AMBULANCE**

Mr. John Richardson, 4509 SW Olson, Pendleton, spoke as a citizen, a 22 year employee of the City of Pendleton, serves as captain as a temporary assignment, serves as Vice-president of the Union. He spoke in support of City Manager Corbett in regards to the resignation of Gary Woodson former Fire Chief. He is in support of Police Chief Roberts, and Provision Chief Walker. During this transition he will do what it takes to keep Pendleton Fire and Ambulance moving forward and continue to provide the best service to its citizens and the community we serve. If any of the City Council members have any questions about the union involvement in the resignation of Gary Woodson he would be available to speak directly to them at a later time. He would like to remind the Council of the kind of Men and Women working for the fire department. Employees of the fire department would put their lives on the line to save the life of another. Integrity, honor, courage and commitment are what the fire department is made of. In closing he is reminded of the many letters he wrote to his son while he was serving as a US marine in Afghanistan. As a concerned father I wrote the quote: Greater love hath no man than this that a man lay down his life for his friends. This is how Mr. Richardson stated he lives his life and all the employees at Pendleton Fire and Ambulance.

Mayor Houk commended the professionalism and quality of employees of the Pendleton Fire and Ambulance.

**MAYOR HOUK READ PROCLAMATION MAYOR'S DAY FOR NATIONAL SERVICE**

Proclamation read by Mayor Houk proclaiming April 1, 2014 Mayor's Day for National Service.

Mayor Houk called the meeting to order.

**INTRODUCTION OF GUESTS**

Mayor Houk introduced Former Council member Larry O'Rourke, Bryan Branstetter former Council member also and incumbent McKennon McDonald.

**CONSENT AGENDA**

Mr. Wood moved the following consent agenda items be approved:

Executive Session pursuant to ORS 192.660(2)(d) labor negotiations; and ORS 192.660(2)(h) litigation.

The motion was seconded by Mr. Brenne and carried unanimously.

### **MINUTES OF THE MARCH 18, 2014 CITY COUNCIL MEETING**

Mr. Brown said there are two corrections in the staff report regarding the description of truck in bid award. Truck with installation of new 10 foot bed and hydraulic controls for sander. It's not getting a new bed it has a bed already. It will be installing the hydraulics and controls for the City's ten foot sander. Two references were amended. Mr. Brown moved to approve the minutes as corrected. Motion seconded by Mr. Brenne and passed 8-0.

### **PUBLIC HEARING AND CONSIDERATION OF ORDINANCE NO. 3846 PROHIBITING MARIJUANA DISPENSARIES IN THE CITY OF PENDLETON**

Mayor Houk read the procedure for the Legislative hearing.

Ms. Kerns gave the staff report. It was recommended Council enact Ordinance 3846 - that imposes a moratorium on marijuana dispensaries within the City of Pendleton until May 15, 2015.

Federal law prohibits possession and sale of marijuana (Controlled Substance Act). Generally federal law preempts state law.

Local law (Ordinance No 3472) prohibits granting a regulatory license to any activity that violates federal law. Marijuana dispensaries are to include in the permissible uses allowed by our local zoning ordinance.

Oregon Law prohibits possession and sale, however, allows possession and sale to medical cardholders (ORS 475.306). New Oregon law (Senate Bill 1531/ORS475.314) allows local governments to regulate medical marijuana facilities (sales to cardholders).

New Oregon law also allows local governments to enact a moratorium on facilities until May 15, 2015; and moratorium must be enacted by May 1, 2014.

Mr. Brenne asked what the function is of a marijuana dispensary.

Ms. Kerns said it dispenses marijuana to those persons who have a medical marijuana card which is regulated by the Oregon health Authority.

Mr. Young asked about the proposed one year sunset. What is going to be done during the year moratorium?

Ms. Kerns replied there are political reasons. She said one year gives communities, and groups time to see what kind of impact it will have.

Mayor Houk asked if it also gave the community's time not to support moratorium.

Ms. Kerns said if you don't enact the moratorium the regulation license ordinance will conflict with state law, possibly the zoning ordinance too. The ordinances would have to be brought into alignment.

Mr. Brenne asked if a person can go to another county and purchase from another dispensary.

Ms. Kerns said if it is a legal dispensary.

Mr. May asked about the local ordinance. It prohibits giving regulatory license that violates federal law. How many licenses have been issued that violates federal law.

Ms. Kerns said there have been no licenses issued. She hasn't checked but fireworks maybe a possibility.

Mr. Corbett said he denied a license application because it violated federal law.

Mr. Brown asked if this is giving us a year to decide what the City should do.

Mr. Wood thinks they need more time to make an informed decision.

Ms. Kerns added the Oregon law that was recently passed requires if the City does a moratorium it must be enacted before May 1, 2014.

Ms. Marks asked if staff knew how many cities have passed the moratorium.

Ms. Kerns said a few cities have passed moratorium. She is not aware of any counties passing moratoriums.

Mr. Plute said the legislature has already passed the law. We are going to wait a year to write an Ordinance we could enact now.

Ms. Kerns said no, because the City would be using federal law for denying their application. She said we would then be violating State law. The City would be criticized either way.

Ms. Hill said the motivation of the state law was to minimize the risk of litigation but in the City Attorney's opinion does it make the city bullet proof or is this trading apples or oranges a different type of litigation can take place.

Ms. Kerns said if we do not enact the moratorium the City will need to address our regulation ordinance which follows federal law.

Mr. Brenne asked if the city received an application could the City manager still refuse to approve it.

Ms. Kerns said it would have to be denied until City Ordinance is amended.

Chief Roberts spoke on the one year moratorium which went through the house to allow a compromise. It allows Oregon state legislature a year to reconvene and address the issue. He said both the American psychiatric and medical association spoke out against it. The American medical association state they have been pressured to stay neutral on the issue but they refuse to because of the effects. He has a problem with it as there is no compliance and it defaults to local law enforcement. If you look at Oregon holistically and look at the number of seizures nationally Oregon is number 16 in outdoor marijuana grows and 4 on indoor marijuana grows. In Oregon 90% of the drugs seized is marijuana. It is problematic for

communities.

Mayor Houk asked how the Oregon Police Association stands.

Chief Roberts said the Oregon Chief of Police Associations is against the marijuana dispensaries.

Mr. Wood asked how it is working for people who get marijuana from clubs.

Chief Roberts said marijuana remains the number 1 drug threat. People are becoming desensitized about marijuana. He added the clubs are illegal.

Mayor Houk asked if there is anyone wishing to speak for or against Ordinance No. 3846 – Prohibiting Marijuana Dispensaries in the City of Pendleton.

Judy Witte, 33236 Kirk Avenue, she feels marijuana does good for those who haven't gotten fixed by someone else. She is a retired nurse practitioner. There needs to be some questions addressed. Moratorium does give you time. She suggested they actively address the issue. If you allow it? Will there be a limit? Will there be dispensaries if it is legalized.

She asked if she can deviate. She commended the Pendleton Fire and Ambulance saved her life she had a cardiac arrest and they brought her back to live. She thanked the fire department for saving there life.

Mayor Houk asked if there was anyone wishing to speak against Ordinance No. 3846.

Mr. Will Perkinson 414 NW 5<sup>th</sup>. Pendleton, he is opposed a moratorium HB 3360 is in the right direction. SB 1531 gives you a different path. If you're talking about federal state preemption you're talking about an exceeding complex area of law. There are multiple types of preemption and specifically under the Federal Controlled Substances Act it uses conflict preemption which means Federal law trumps State law when there is a direct conflict. 1998 Oregon Medical Marijuana Act lacks clarity, lacks precision, creates gray areas. You can read the ability to operate a dispensary under the previous state of the law. These dispensaries were operated across the state. He suggested Council amend the business license Ordinance. Every single medical marijuana card holder he knows work full time. Except for when they are under the spell of cancer. He agrees with Chief Roberts about the dangers of tobacco, alcohol and marijuana.

Ms. Hill asked if he supports moratorium to set up regulation

Mr. Perkinson said if the moratorium is passed with the reasonable regulations he feels the moratorium is acceptable.

Mr. May supports Ordinance No. 3846.

Ms. Hill said it is an important issue. She does not fundamentally believe public officials should make informed decisions for the public. When you look at the risk assessment there are the elements Chief Roberts spoke about. She is in support of the moratorium.

Mr. Wood is in favor of the moratorium.

Mr. Perkinson said when there is a conflict between Federal and state law, federal trumps state law. The City of Pendleton currently has no way of knowing where these transactions are taking place.

Mr. Plute is against Ordinance No. 3846.

**ORDINANCE NO. 3846 - PROHIBITING MARIJUANA DISPENSARIES IN THE CITY OF PENDLETON**

Ordinance No. 3846 was introduced and read for the second time by title only as follows: ORDINANCE NO. 3846 - PROHIBITING MARIJUANA DISPENSARIES IN THE CITY OF PENDLETON. Mr. May moved Council adopt Ordinance No. 3846. Mr. Wood seconded the motion. The Council was polled with the following members voting YES: Wood Brown, May, Hill, Brenne, Young, and Marks. NO: Plute. Ordinance No. 3846 passed 7 to 1

**FIRST READING OF ORDINANCE NO. 3847 PROPOSING TO AMEND ORDINANCE NO. 2795 THE TRANSIENT ROOM TAX ORDINANCE**

Mr. Corbett did the first reading of Ordinance No. 3847 - PROPOSING TO AMEND ORDINANCE NO. 2795 THE TRANSIENT ROOM TAX ORDINANCE.

It will be presented at the April 15, 2014 meeting for adoption.

**COUNCIL APPROVAL OF AMENDMENT TO PEAK 3 CONTRACT**

Mr. Chrisman gave the staff report. It was recommended Council increase Peak 3's (UAS contractor) Phase 2 contract costs based on expansion of project. Extend deliverable date to July 31, 2014.

In an effort to quickly act on this unique UAS opportunity, our contractor, Peak 3, very rapidly put together a scope of work for a project that has never been done before, the standing up of a commercial UAS test range. In the process of completing Phase 1 (planning) there were new developments that have changed the project scope and require additional resources to complete the scope. Those changes are as follows:

1. Commercial companies almost immediately expressed interest in flying in our range, which forced Peak 3 to work with prospective customers much quicker than at first expected. Although that is a good problem to have, it altered the scope of Phase 1 and made apparent some areas that need to be addressed.

The Pendleton UAS Test Range needs a very sophisticated user interface that needs to not only be aesthetically attractive and project a professional, hi-tech image but that also provides a customer Access database management system for the forms, processes and customer data. This site must be completely built from the ground up:

Web Master/Developer	Cost-\$13,996
IT Exchange Developer	Cost-\$10,179

2. We fully expect to have a customer on the range within 1-2 months. That is much

quicker than originally thought. Phase 2 of the contract was a contract to be operational by the July 1 date which would mean 1 customer in place by that date, not management beyond that date. This earlier than expected business requires that Peak Management beyond that date. This earlier than expected business requires that Peak 3 hire a Range Manager at least part time to prepare for the manage onsite operations. This is a position that would have to be hired internally or contracted out by July 1; so, this is essentially just backing up his hire date. Again a good problem to have but there is a cost:

Range Manager/Safety Officer: Cost-\$22,902 (Peak 3 will employ this person)

3. University of Alaska/Fairbanks (UA-F) is the actual test site manager and Pendleton operates under their oversight. It was originally expected that they would produce or play a major role in producing all the forms and policies and procedures utilized at all of the test ranges. As it turned out UA-F is overwhelmed by their own projects and seriously understaffed (3 people), so they are not providing the expected support. Therefore, Peak 3 has had to take on the entire task of producing all those materials from scratch. The revised Phase II proposal makes the following labor changes:
  - a) Program Manager from 50% time to 75% time: Cost-\$16,560
  - b) Ops Manager from 50% time to 100% time: Cost-\$25,303

In summation, we have three new additions to the original contract (website, It exchange and range manager for \$47,777) and two increases in the original labor costs (program manager and ops manager for \$41,864) that increase total by \$88,891. With travel costs revised down slightly, this leaves a total revised Phase II cost of \$202,636. Cost revenue analysis has been done by staff and consultants to estimate the cost benefit of the City's investment at the airport in consulting fees and infrastructure improvements. Our most conservative estimates are that the range would lose \$34,000 a year, Our high estimate for revenue would be that the range would make \$261,000/year.

Phase 2 Plan implementation will increase from \$118,983 to \$202,636 (increase of \$83,743). Funds would come from the Community Development Fund which would require the Council to approve a supplemental budget

Mr. May moved Council increase Peak 3's (UAS contractor) Phase 2 contract costs based on expansion of project and extend deliverable date to July 31, 2014. The motion was seconded by Mr. Brenne passes 8-0.

### **COUNCIL APPROVAL OF AUTHORIZATION TO FUND PHASE 1 OF THE UAS TEST RANGE DEVELOPMENT**

Mr. Chrisman gave the staff report. It was recommended Council approve funding for Phase 1 of development of the Pendleton UAS Test Range. Airport Commission supports project.

Phase 1 of the four Phase plan is the creation of what is essentially a hi-tech RV park with leveled pads for UAS operators. We are currently unable to offer anything like this. This is considered to be a necessary step to allow ourselves to accommodate multiple clients and maximize range revenue. In addition, we will separate ourselves from competing ranges. City crews will be used to trench around the east side of airfield from Airport Road to Taxiway Foxtrot. They will bring water, sewer, power and fiber around from the road to a series of 50X50 pads that our crews will level and gravel.

We anticipate having UAS companies working at the range within 1-2 months. Note that Phase 1 is a standalone project and has nothing to do with Phase 2, 3 or 4. There will be no development of additional phases until demands exceed Phase 1 supply.

Cost revenue analysis has been done by staff and consultants to estimate the cost benefit of the City's investment in the airport in consulting fees and infrastructure improvements. Our most conservative estimates are that the range would lose \$34,000/year. Our high estimate for revenue would be that the range would make \$261,000/year.

Pendleton UAS Test Range: Phase 1 development costs-\$120,000. Funds would come from the Community Development Fund which would require the Council to approve a supplemental budget.

Mr. Brown asked if this meets with the FAA approval.

Mr. Green said it meets the FAA requirements. It is temporary.

Ms. Hill supports it and inquired on the projected completion date.

Mr. Chrisman said 45 to 60 days.

Mr. Larry O'Rourke former City Council member spoke said he has reviewed information on drones. There is a company that started in Arlington, Oregon. They were a bunch of guys that were just trying to make a drone that someone could use. After they perfected the drone they were building. The company is now INSTITU. It was eventually purchased by Boeing for 300 million dollars just a little outfit that started in Arlington Oregon. Three years ago when the previous president resigned he called him and was directed to the director of flight operations. He asked the director of flight operations what Pendleton had to offer that they could use as a foot.

When you look at the number of sites in the United States there are 6, Presently, Pendleton's site is as ready to go as any place in the world. In his estimation it will give Pendleton the largest site in the United States.

He encouraged them to move forward, it is just the start. When the first person brings his first 2 million dollar drone have it ready.

Mr. Wood moved Council approve funding for Phase 1 of development of the Pendleton UAS Test Range. The motion was seconded by Ms. Hill, passes 8-0.

### **COUNCIL APPROVAL OF AIRPORT SOLAR LEASE**

Mr. Chrisman gave the staff report. It was recommended Council approve the 20-year lease with two 5-year extensions with TLS Capital, Inc. for the creation of a 65-acre solar farm. Airport Commission supports this recommendation.

TLS Capital, Inc. approached the Airport about leasing 65-acres to develop a 10 MW solar

farm. It is a \$20 million development project. TLS, Capital, Inc. is represented by Troy Snyder, who has ties to Eastern Oregon (his sister works for Madison Farms in Echo). This does not appear to be a big organization; however, he puts projects together for Strata Solar ([www.stratasolar.com](http://www.stratasolar.com)), which looks like to be a very established player in the renewable energy world. They have developed a number of solar projects at airports on leased land. Pacific Power is required to buy all the renewable energy they can produce (confirmed with Pacific Power).

Lessee requests permission to install a 65-acre (10 mw) solar field on the City acreage closest to the crux of Airport Rd and i-84. Lessee requests a 12-month due diligence period to clear the requirements of Pacific Power and FAA (typically takes 9 months). Lease payments would not begin until those contingencies are cleared and developmental begins. This is heavily sloped land with poor access and has very little agricultural value.

This does conflict somewhat with an earlier agreement to lease pasture to a rancher, but Lessee is fine with leasing the rest of the pasture to cattle and plans to build a fence around the solar field. Rancher still wishes to lease remaining property from City.

For a 20 year term Lessee will pay \$500 per acre/year or \$32,500/year for the land. Potential for two 5-year extensions.

Mr. Brenne moved Council approve the 20-year lease with two 5-year extensions with TLS Capital, Inc., for the creation of a 65-acre solar farm. Mr. May seconded the motion and it passes 8-0.

Mr. Brown asked if the company closed what would happen to the Solar Equipment.

Mr. Chrisman said it would have to be put back to the way it was when leased.

**CITY MANAGER REPORT**  
**Pendleton Convention Center** Calendar  
**Staff Activity Reports**  
**Revenue and Expense Report**

There being no further business to come before the City Council, the meeting adjourned.

Submitted by: \_\_\_\_\_  
City Recorder

\_\_\_\_\_  
Date Accepted by Council

City Council draft letter of support for TGM grant

Ms. Cindy Lesmeister  
Transportation and Growth Management Program  
Oregon Department of Transportation  
555 13<sup>th</sup> Street NE, Suite 2  
Salem, Oregon 97301

The City of Pendleton City Council fully supports of the City's application for a TGM grant to update our Transportation System Plan. This is the third and final phase of our Periodic Review effort, and will ensure that all of the changes that have happened in the City since the last TSP update in 2006 can be integrated with the work done to update the City's Comprehensive Plan through Periodic Review.

Many changes have occurred in the City of Pendleton Since the last TSP update in 2006. The City has expanded its UGB and added new industrial lands, completed an Interchange Area Management Plan (IAMP) for our primary access point from Interstate 84, annexed and rezoned a large quantity of land on our eastern edge, and watched a major traffic shift happen as St. Anthony Hospital moved from the town's eastern edge to the southern edge. The City is also seeing an increase in demand for housing resulting from new commercial and industrial development on Tribal land at our eastern boundary.

A very recent change with as yet unknown impacts is the designation of the Eastern Oregon Regional Airport at Pendleton as an Unmanned Aerial Vehicle XXXXXX. This carries the potential for rapid development at the airport, as there are only XXX other sites in the continental U.S. to test UAVs.

A large portion of Pendleton's work force commutes in from outside the City. 2011 Census data shows more than 4,800 people commute into the City for work daily, and more than 3,600 people live in Pendleton but work elsewhere. Many people who work for and on the Confederated Tribes of the Umatilla Indian Reservation live in Pendleton, as housing is limited on Tribal lands.

It is not uncommon for people in this part of the state to commute 50 miles or more for work. The Tribe runs an inter-city transit system that serves Pendleton, Pilot Rock, LaGrande, Milton-Freewater and Walla Walla, Hermiston and Tri-Cities, Washington. Many people still commute in single occupant vehicles. There is burgeoning interest in multiple communities in north east Oregon to designate transit hubs and Park and Ride lots for people who travel between and among our many communities.

In 2013 the City adopted several "Opportunity Area" overlays as part of our Periodic Review work. These overlays cover large undeveloped areas and allow for much greater flexibility than the base zones, and have the potential to impact the trip generation and distribution assumptions made in the 1996/2006 TSP. The City does not want to be in the position of offering innovative development standards while being constrained by antiquated traffic assumptions.

Underlying all of this is the realization that the City, Umatilla County and Tribe are in an active partnership in planning for the future. We share not just common boundaries but the same residents, employees and visitors. Our infrastructure is comingled. We would like to take this opportunity to update our TSP as part of a regional framework and partnership involving all three entities.

The City of Pendleton has completed a significant amount of work since the TSP was last updated in 2006, and seen a significant change in actual and potential traffic patterns in that time as well. We are, as some would say, "Open for Business." In order to ensure that we are able to promote and accommodate new development to our full potential, we simply must update our TSP. It is critical not only to the success of our City, but our regional neighbors and partners as well. Please help us to update our TSP so we can keep that sign lit.



## CITY OF PENDLETON

### REQUEST FOR CITY COUNCIL ACTION

Date Submitted:	Type of Action Requested:	Subject:
April 2, 2014	<input type="checkbox"/> Resolution	Airport Grazing Lease with Dan Bratlie for a 5 year land lease with option to renew for 10 years for 300+/- acres, as shown on the attached map
<b>Date Action Requested:</b>	<input type="checkbox"/> Ordinance	
April 16, 2014	<input checked="" type="checkbox"/> Formal Action/Motion	
<b>Attachments: (list)</b> Contract Grazing Map	<input type="checkbox"/> Other	

**TO:** Mayor and City Council

**FROM:** Steve Chrisman

**RECOMMENDATION:** Based on Airport Commission's approval at the October 16, 2013, Airport Commission meeting, the Airport Manager recommends approval of the Grazing Pasture Lease with Dan Bratlie for a 5 year lease, with option to renew for 10 years, at a graduated rate, as shown below:

Year 1	\$0
Year 2	\$750
Year 3	\$1,000
Year 4	\$1,500
Year 5	\$2000

**DISCUSSION:** Proposal for Dan Bratlie/Pasture Land (approx. 300 acres +/-)

The pasture has a fair value of \$2000 dollars annually. Due to the initial costs with spray and fencing the graduated fee schedule is in place for the payment terms of the lease. Lessee agrees to use the grazing rights to keep vegetation, particularly yellow star thistle and other noxious weeds, consumed down to prevent their spreading and to control noxious weeds through spraying and other methods; as deemed appropriate by Lessee and City.

Lessee agrees to perform the fence repair and fence materials needed for upkeep of existing fences in good repair and installation of any new fences required for cattle enclosure.

**REPRESENTATIONS:** Lessee acknowledges that this lease is accepted based on

Lessee own examination and personal knowledge of the value and conditions of the premises and no representations or warranties as to the conditions of the premises. Its grazing capacity, estimated at 150 Animal Unit Months (AUM) for the period October 1<sup>st</sup> to May 15<sup>th</sup> for livestock or any other representation has to be made to Lessee.

**Note:** A solar company has proposed a portion of the land for solar production. If the solar project is implemented, the acreage amount and lease amount would be reduced for the grazing activity. The solar company would pay for the fencing of their equipment.

**FISCAL IMPACT:** Land is producing no income currently and has historically produced little to no income. After the initial 5 year period, it would produce \$2000/year.

**ALTERNATIVES:** another alternative was to create mountain biking trails, which would not generate any direct revenue.

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Prepared by: Steve Chrisman, Airport Mgr.

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Approved by: City Manager

## GRAZING PASTURE LEASE

1. DATE The date of this lease is April \_\_\_\_, 2014.

### 2. PARTIES

2.1 The parties to this lease are:

City of Pendleton, an Oregon municipal corporation (hereinafter "City" or "Landlord")  
Eastern Oregon Regional Airport  
500 SW Dorion Ave.  
Pendleton, OR 97801, and

Dan Bratlie  
77657 Ash Rd.  
Stanfield, OR 97875  
541-561-6231

(hereinafter "Tenant")

### 3. CITY RESTRICTION OF USE

3.1 City is seized of the real property herein by Instrument of Transfer dated July 13, 1948, from the United States of America, reserving certain rights to the United States of America, including but not limited to regulation and restrictions imposed by the Federal Aviation Administration. The Tenant herein acknowledges said limitations and consents to perform its obligations herein consistently with terms of City's restrictions of title.

3.2 City reserves the right to terminate this lease if, with or without fault of the tenant, continuation of this lease prevents City's compliance with the with restrictions of its title.

3.3 A portion of the premises which are the subject of this lease are within the City of Pendleton and or its Urban Growth Boundary, and as such may be zoned as M1 (light industrial exclusive use). City will authorize grazing within this use by Administrative Directive that grazing be allowed as a weed control measure.

### 4. PREMISES TO BE LEASED

4.1 City is the owner of bare ground (hereinafter "Premises") located in, County of Umatilla, State of Oregon, more particularly described in Exhibit A, attached hereto and by this reference incorporated herein.

4.2 The Premises consists of approximately 300 acres of bare ground, presently unfenced.

4.3 City hereby agrees to lease the Premises to Tenant, and Tenant hereby agrees to lease the Premises, both under the terms and conditions set forth in this lease.

4.4 City covenants and agrees that tenant herein will lawfully hold and enjoy the Premises during the term of this lease without disturbance by City or any person claiming thereunder, subject to the terms and provisions herein.

### 5. TERM

5.1 The term of this lease will commence on (the date above) and shall expire on March 31, 2019

5.2 Tenant, if not then in default, shall have the right to renew this lease for a period of 10 years. Notice of renewal must be made in writing and received by City not less than 60 days before the expiration of the term.

### 6. RENT

6.1 The pasture has a fair rental value of \$2000 dollars per year. Due to the initial costs with spray and fencing the following graduated fee schedule Tenant agrees to pay an annual rental as described in the following schedule:

- Year 1 \$0
- Year 2 \$750 (due April 1, 2015)
- Year 3 \$1,000 (due April 1, 2016)
- Year 4 \$1,500 (due April 1, 2017)
- Year 5 \$2000, (due April 1, 2018)

6.2 Rent shall be payable on the first day of each year during the term of the lease, beginning April 1st, 2015. Payment will be received at City of Pendleton, Eastern Oregon Regional Airport, 2016 Airport Rd., Pendleton Oregon.

6.3 If any rent remains due and unpaid for more than 10 calendar days, tenant will owe a late of fee of ... which will be assessed with the next month's rent.

## 7. USE OF PREMISES

7.1 Tenant will use the premises for the purpose of livestock grazing. The parties estimate the grazing capacity of the premises is 150 Animal Unit Months for the period October 1 to May 15 and Tenant will use the premises accordingly. Deviation from said grazing capacity must be mutually agreed upon by the parties.

7.2 The Premises will be used for Tenant's PURPOSE, and not for any unlawful purpose, including land use restrictions and limitations imposed by the FAA, as referenced hereinabove. Tenant will comply with all laws applicable to the use or occupancy of the premises.

7.3 Tenant may not create nuisance, waste or disrepair. Tenant will maintain the premises in good order and repair, including the duties and obligations as set forth, herein. Tenant will not permit any condition that is offensive to sight or smell.

7.4 Tenant will not suffer or permit any lien against the Premises. Any lien filed against the Premises will be discharged of record within 30 days of its filing.

### 7.5 Compliance With Environmental and Hazardous Materials Laws:

a. The term hazardous substances means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined or listed by any environmental laws and includes, without limitation, petroleum oil and its fractions.

b. Tenant may use or otherwise handle on the Property only hazardous substances that are typically used or sold in the prudent and safe operation of the Property for the purposes permitted by this lease. Tenant may store those hazardous substances on the Property only in quantities necessary to satisfy Tenant's reasonably anticipated needs. Tenant must comply with the environmental laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances, and Tenant must take all practicable measures to minimize the quantity and toxicity of hazardous substances used, handled, or stored on the Property. When this Lease expires or terminates, Tenant must remove all hazardous substances from the Property.

c. Tenant will defend, indemnify, and hold Landlord harmless from and against any and all claims, actions, lawsuits, damages, liability, and expense (including, without limitation, attorney fees) arising from loss, damage, or injury to persons or property, including all claims relating to handling, using, or storing hazardous substances or from violations of federal or state law relating to hazardous

substances occurring in, on, or about the Property, arising out of the Property, or occasioned wholly or in part by any act or omission of Tenant or Tenant's agents, contractors, customers, or employees.

## 8. MAINTENANCE AND TENANT OBLIGATIONS

8.1 Grazing: Tenant will maintain the Premises in good condition, suitable to standards for fenced grazing and weed control. Tenant will, at its expense will maintain sod or grass and provide adequate fencing, which shall become a fixture to the premises and the property of City upon expiration of the lease. Grazing will be conducted so as not to damage the sod or grass crop.

8.2 Noxious Weeds: Tenant, at its own expense, and within the limitation of all applicable law and hazardous material standards, will combat noxious weeds on the premise.

8.3 Fencing. In addition to annual rental payment, Tenant shall also construct grazing improvements, including fencing (including materials), as well as maintain weed control measures (treating yellow star thistle and other noxious weeds) which include spraying and grazing, and other measures as mutually determined by the parties. Tenant will maintain fencing suitable for cattle enclosure; including new fence materials to meet NRCS standards, and, weed control satisfactory to local and industry standards.

8.4 Tenant may not burn any grass or other materials without prior consent of City.

## 9. UTILITIES AND TAXES

9.1 City will pay all real estate taxes for the premises rented. Tenant shall pay for all other taxes and assessments pertaining to Tenant's business or use of the Premises.

9.2 Tenant will arrange for all charges and services for electricity and water, including any improvements necessary to receive said services.

## 10. MODIFICATION OR CANCELLATION BY CITY

10.1 The parties agree that in the event that City requires use of all or a portion of the premises for unspecified purposes, then, upon 90 days notice to Tenant, City may:

A. Modify this lease to reduce the acreage of premises, but not to the extent that such reduction would prevent Tenant from reasonable use of the remaining acreage. Rent, but not services or improvements by Tenant, will be reduced in a percentage proportional to the reduction in acreage, and prorated, if paid.

B. Terminate this lease in its entirety. Proration of any paid rent, but not services or improvements, will be provided to Tenant in the event of termination.

## 11. INDEMNIFICATION

1.1. Tenant will indemnify and defend Landlord from any third-party claim for bodily injury or property damage resulting from any occurrence on the Property during the term of this Lease, whether due to any negligent, tortious or other conduct by Tenant. It is further agreed that the Tenant shall and does hereby indemnify the City against the payment of all costs, including reasonable attorney's fees, to be fixed by Court, incurred by City for the protection or defense of any proceedings to discharge the premises from any liens created or suffered by Tenant.

## 12. INSURANCE

12.1 Before taking possession of the Property, Tenant will procure, and during the term of this Lease will continue to carry, either a Tenant's liability coverage policy or a commercial general liability policy of insurance, naming Landlord as an additional insured, with liability limits of not less than \$2 million for injury to persons or property in one occurrence, or in amount not less than the City's exposure under the Oregon Tort Claims Act (ORS 30.260 - .300) as it may be amended from time to time. The insurance should be provided by an insurance carrier reasonably acceptable to Landlord. Tenant will

deliver to Landlord certificates evidencing the insurance with an endorsement requiring 10 days notice to Landlord before the cancellation or prejudicial modification of the insurance coverage.

12.2 City may, unilaterally, upon any change in the exposure by the Oregon Tort Claims Act or other circumstances, revise Tenant's insurance coverage and revise the liability limits required of Tenant.

### 13. ENTRY AND INSPECTION

13.1 City and/or its agents may, at reasonable times and upon not less than 24 hours notice, enter the Premises for inspection or maintenance purposes, or without notice in cases of emergency, as determined by City.

### 14. SUBLETTING OR ASSIGNMENT

14.1 Tenant shall not assign this Lease or sublet the Premises or any part thereof without the prior consent of the Lessor, which consent shall not be unreasonably withheld. Every permitted assignee or sub-less shall become such upon the express condition that it becomes and remains responsible for the payment of rent and the full performance of the remaining provisions of this Lease. Tenant, upon any such assignment or sub-letting, shall continue to be responsible and bound by all terms and conditions of this Lease. Tenant will be responsible for and administrative fee of \$150.00 for preparation and processing of assignment documents.

### 15. DEFAULT

15.1 TIME OF THE ESSECE: Time is of the essence of this lease.

15.2 DEFAULT BY TENANT: The occurrence of any of the following events shall constitute default under this lease:

- A. Failure to pay rent or other charges when due.
- B. Failure to correct a failure of obligation of this lease, other than nonpayment of rent, following 30 days notice by City.
- C. Bankruptcy or similar proceeding filed by Tenant, voluntary or involuntary. In such event City shall have the right to file a claim as a creditor.
- D. Taking of Tenant's assets pursuant to any creditor or reorganization action or assignment of assets to creditor by Tenant.
- E. The abandonment of the premises by Tenant. Failure of the Tenant for forty five (45) days or more to occupy the property for one or more of the purposes permitted under this lease unless such failure is excused under other provisions of this lease shall constitute abandonment.

15.3 REMEDIES UPON DEFAULT: In the event of a default, the City, at its option, may terminate the lease by written notice, certified or registered mail, or personal delivery or service to Tenant. If the premises are abandoned by Tenant, termination shall be automatic and without notice.

- A. Damages: In the event of termination for default, City shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, the following amounts as damages:
  - 1. Upon termination of this lease by the passage of time or otherwise, the City shall have the option to either require removal of all structures, installation of improvements within ninety (90) days after the expiration of the lease at Tenant's expense or shall have the option to take title to such structures, installations and improvements.
    - a. The reasonable cost of re-entry and re-letting including without limitation the cost of any clean up, refurbishing, removal of Tenant's property and fixtures, or any

other expense occasioned by Tenant's failure to quit the premises upon termination and to leave them in the required condition, any repair, remodeling costs, attorney fees, court costs, broker commissions and advertising cost.

b. The loss of reasonable rental value from the date of default until a new tenant has been, or with the exercise of reasonable efforts could have been, secured

B. Re-entry after Termination: If the lease is terminated for any reason, Tenant's liability to City for damages shall survive such termination, and the rights and obligations of the parties shall be as follows:

1. Tenant shall vacate the property immediately, remove any property of Tenant including any fixtures which Tenant is required to remove at the end of the lease term, perform any cleanup, alterations or other work required to leave the property in the condition required at the end of the term, and deliver all keys to the City.

2. City may re-enter, take possession of the premises and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

C. Re-letting: Following re-entry or abandonment, City may relet the premises and in that connection may:

1. Make any suitable alterations or refurbish the premises, or both, or change the character or use of the premises, but City shall not be required to relet for any use or purpose (other than that specified in the lease) which city may reasonably consider injurious to the premises, or to any tenant which City may reasonably consider objectionable.

2. Relet all or part of the premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

## 16. TERMINATION

16.1 City may terminate this agreement under default provisions or the Modification by City provisions herein.

16.2 Either party may terminate this agreement by giving the other 90 days advanced notice upon the following events substantially affecting either party's ability to comply with the terms of this lease:

A. Issuance of order, rule, regulation or other act by federal or state agency, or

B. Occurrence of fire, casualty or act of God.

16.3 Upon termination of this agreement for any reason, Tenant shall deliver all keys to City and surrender the premises in good condition. City may reenter, take possession and relet the premises immediately upon termination. In the event that Tenant given notice of termination, Tenant's annual rent will not be prorated or refunded for the year in which the termination occurs.

17. COMPLIANCE WITH LAWS: Tenant shall, at its own expense, promptly observe and comply with all present and future laws, ordinances, requirements, orders, directions, rules, and regulations of federal, state, county, and city governments and of all other governmental authorities having or claiming jurisdiction, directly or indirectly, over the Premises or any part thereof (including governmental rules and regulations, and such regulations or standards as are or may be promulgated under the Federal Occupational Safety and Health Act of 1970 or similar federal, state, or local requirements), whether the

same are in force at the commencement of the Term or may in the future be passed, enacted, or directed. Without limiting the generality of the foregoing, Tenant shall also procure each and every permit, license, certificate, or other authorization now or hereafter required in connection with the lawful and proper use of the Premises.

#### 18. MISCELLANEOUS PROVISIONS:

18.1 CITY AND TENANT RELATIONSHIP. It is understood and agreed that neither party to this Lease, in performing any of the duties or obligations imposed upon either party or exercising any rights or benefits granted hereunder, shall at any time hold itself out to be the agent, servant, or employee of the other party in any manner whatsoever, and it is expressly understood that it is the intention of the Lease that neither party hereto at any time shall be or act as agent, servant or employee of the other, or attempt to pledge the credit of the other, but that the relationship shall at all times remain that of Lessor and Tenant.

18.2 SUCCESSORS. The provisions of this lease shall be binding upon the successors and assigns of the parties.

18.3 RIGHTS OF NON-DEFAULTING PARTY. The rights and remedies herein given the non-defaulting party shall not be exclusive, but shall be cumulative and in addition to all other remedies now or hereafter allowed by law or elsewhere provided for. The failure of either party to insist upon strict performance of any of the covenants and agreement of this Lease, or to exercise any option herein conferred in any one or more instance, shall not be construed to be a waiver or relinquishment of any such or any other covenants or agreements. All the covenants and conditions herein required to be performed by each party shall be considered to be continuing covenants and unless otherwise expressly stated shall exist for the terms of this Lease and any renewals and extensions thereof.

All rights granted to Tenant hereunder unless otherwise expressly stated shall cease and terminate on the expiration or sooner termination of this Lease and any extension thereof. This Lease is entire and the breach of any covenant or condition hereto shall constitute a breach of the entire agreement and upon such breach any rights or privileges of Tenant shall there upon terminate. Time is of the essence.

18.4 DAMAGE OR DESTRUCTION. In the event the Premises are rendered unleaseable in whole or in part by fire, elements, or other casualty, City may elect, at its option, not to restore or rebuild the Premises and shall so notify Tenant, in which event Tenant shall vacate the Premises and this Lease shall be terminated; or, in the alternative City shall notify Tenant, within 30 days after the notice of such casualty, that City will rebuild or restore the Premises and that such work will be completed within 180 days from the date of such notice. If City cannot restore or rebuild the Premises within 180 days, then the Lease may be terminated at City's option upon 10 days written notice to Tenant. During the period of unleaseability, rent shall abate in the same ration as the portion of the Premises rendered unleaseable bears to the whole of the Premises; provided, that if the damage is due to the negligence or willful act of Tenant, there shall be no abatement of rent.

18.5 APPLICABLE LAW. This agreement and the parties rights under it shall be construed and regulated by the laws of the State of Oregon with jurisdiction and venue for any dispute hereunder being in Umatilla County, Oregon.

18.6 ATTORNEY'S FEES. If suit or action is instituted in connection with any controversy arising out of this lease, each party shall bear the costs of its own attorney's fees.

IN WITNESS WHEREOF, the parties hereto have subscribed their names.

TENANT:

By: \_\_\_\_\_  
Dan Bratlie

THE CITY OF PENDLETON:

Phillip Houk, Mayor

Attest:

Andrea Denton, City Recorder

STATE OF OREGON )  
County of Umatilla )ss

On the \_\_\_ day of \_\_\_, 2014, personally appeared Phillip Houck, Mayor, and Andre Denton, City Recorder, who being duly sworn acknowledged this instrument to be the City of Pendleton's voluntary act and Deed.

Before me:

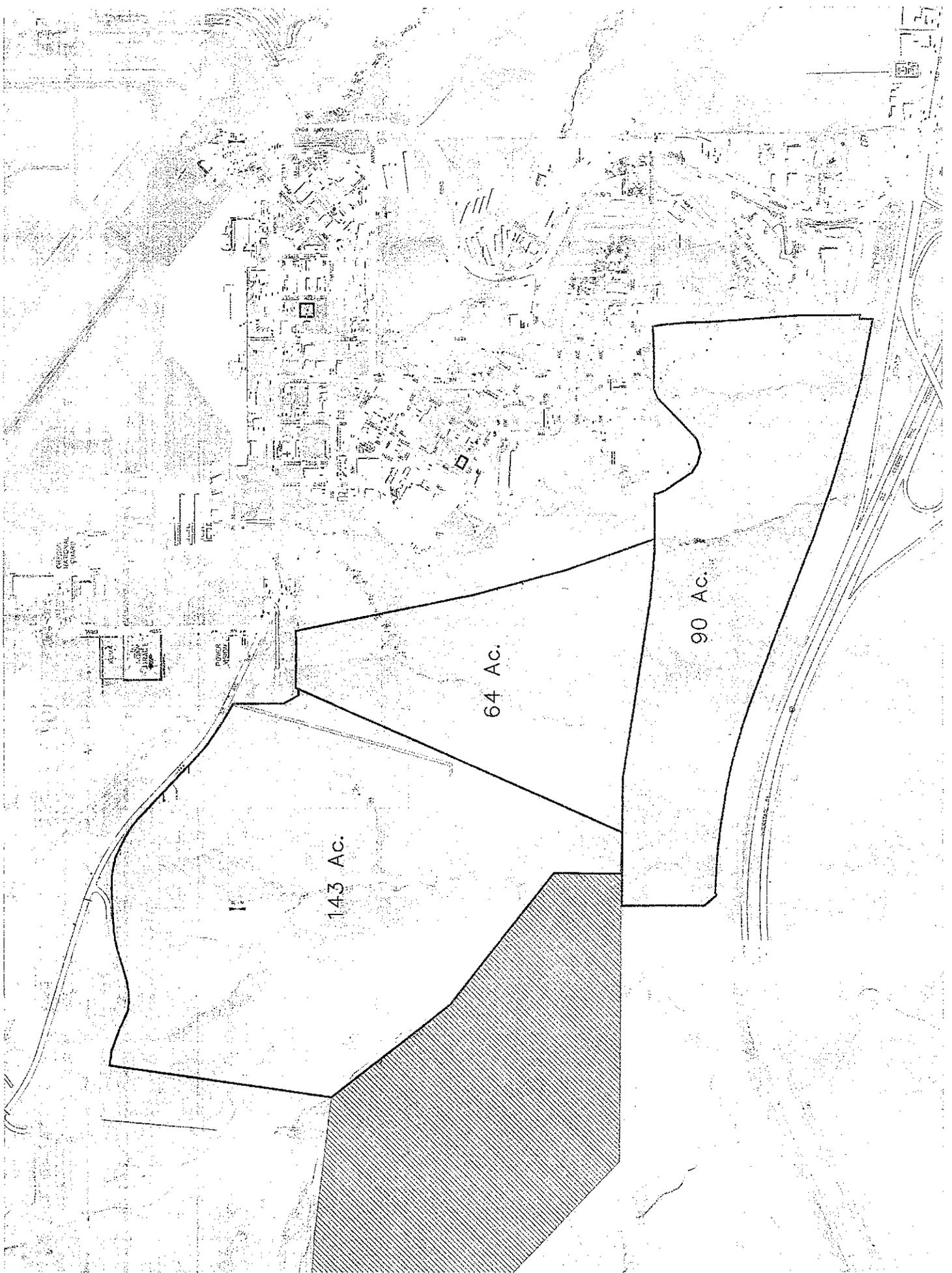
SEAL

APPROVED BY CITY COUNCIL ON \_\_\_\_\_, \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
Nancy Kerns, City Attorney

\_\_\_\_\_  
Steve Chrisman, Airport Manager



143 AC.

64 AC.

90 AC.

MEDICAL QUARTER

POWER WHEEL



CITY OF PENDLETON  
REQUEST FOR CITY COUNCIL ACTION

Date Submitted:	Type of Action Requested:	Subject:
2/27/14	<input type="checkbox"/> Resolution	Ordinance 3847 proposing amendment to Ordinance 2795 (Transient Room Tax)
Date Action Requested:	<input checked="" type="checkbox"/> Ordinance	
4/1/14	<input type="checkbox"/> Formal Action/Motion	
Attachments: (list) Proposed Amendments	<input type="checkbox"/> Other	

TO: Mayor and City Council

FROM: Nancy Kerns, City Attorney

**RECOMMENDATION:** Adopt Amendment provisions to the TPAC Ordinance which will (1) clarify that revenue can be used both to pay the loan and finance other capital improvement projects; and (2) extend the sunset date to the conclusion of payment of the PCC Expansion Project with a 15 year loan.

**DISCUSSION:** 1. The City has historically used TPAC revenue to pay for capital improvements at the Convention Center. The eastside expansion project at PCC has been planned and the budget approved, with the intention that some TPAC revenue would pay the debt service on that project, and some TPAC revenue would still be available for other capital improvement projects at PCC.

Bond counsel for the funding for the Eastside Expansion Project felt that the distinction between Eastside Project funding and the funding of other capital improvements is necessary.

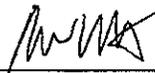
2. The sunset provision for the TPAC was previously extended to last until after the Eastside Projects debt service was paid, which was expected to be 10 years. Since amending the sunset provision, staff feels that financing the project over 15 years creates a lower debt payment and enables the remaining revenue to finance other capital improvements at PCC.

**FISCAL IMPACT:** Increase revenue received from TPAC by extending the sunset provision for approximately 15 years.

**ALTERNATIVES:** 1. Do not approve and risk inability to complete loan for Eastside Expansion project.

2. Approve, but sunset after 10 years and provide no other funding for other capital improvement projects.

Prepared by: Nancy Kerns

  
Approved by: City Manager

**Proposed changes to Ordinance 2795:**

1. Add to Definitions: "Convention Center Eastside Expansion Project" means a capital improvement project of the Convention Center which will be constructed beginning in 2014 in an amount estimated to be \$600,000 principal, plus interest, to be funded with by procurement of a loan, payable over a period of 15 years.

**2. Amend Section 3 as follows:**

**SECTION 3. TAX IMPOSED.**

A. For the privilege of occupancy in any hotel, each transient shall pay eight percent (8%) of the rent charged by the operator. The tax constitutes a debt owed by the transient to the City which is extinguished only by payment to the operator or to the City. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. The operator shall enter the tax on his records when rent is collected if the operator keeps his records on the cash accounting basis and when earned if the operator keeps his records on the accrual accounting basis. If rent is paid in installments, a proportionate share of the tax shall be paid by the transient to the operator with each installment. If for any reason the tax due is not paid to the operator of the hotel, the Tax Administrator may require that such tax shall be paid directly to the City. In all cases, the rent paid or charged for occupancy, shall exclude the sale of any goods, services and commodities, other than the furnishing of rooms, accommodations, and parking space in mobile home parks or trailer parks.

B. In addition to the tax imposed by Subsection A of this Section, for the privilege of occupancy in any hotel other than spaces in mobile home or trailer parks, each transient shall pay \$1.50 per night per paid room of occupancy and for mobile home or trailer park spaces, \$0.50 per night per paid space.

a. Revenue collected by the Tax Administrator under subsection B of Section 3 of this ordinance shall be used for debt payment of the Convention Center Expansion Project and for finance of other capital improvement projects at the Pendleton Convention Center.

~~a-~~ b. The provisions of subsection B of Section 3 of this ordinance shall be repealed on the last day of the first month after the month in which the debt is paid for the Convention Center Eastside Expansion Project, ~~estimated to be \$600,000 principal, plus interest.~~

(Section 3, as amended by Ordinance No.2853, passed December 7, 1976; Ordinance No.3423, passed June 21, 1988; Ordinance 3670, passed July 16, 2002; Ordinance No. 3734, passed November 21, 2006; amended by Ordinance No. 3816, passed September 6, 2011; amendments made by Ord. No. 3816 will be repealed January 1, 2014; amended by Ordinance No. 3826, passed August 7, 2012; and Ordinance No. 3830 passed on December 18, 2012;.)

CITY OF PENDLETON

REQUEST FOR COUNCIL ACTION

<b>Date Submitted:</b> April 10, 2014	<b>Type of Action Requested:</b> <input type="checkbox"/> Resolution	<b>Subject:</b> Auditor Selection
<b>Date Action Requested:</b> April 15, 2014	<input type="checkbox"/> Ordinance	FY14-16
	<input checked="" type="checkbox"/> Formal Action	
	<input type="checkbox"/> Other	

**TO:** Mayor and City Council

**FROM:** Linda K. Carter, Finance Director 

**RECOMMENDATION:** Staff recommends hiring the firm, Dickey and Tremper, LLP., from Pendleton, to be the City and Urban Renewal Agency auditors for the fiscal year ended June 30, 2014, and for the next two years. Dickey and Tremper, LLP ranked the highest score from the reviewers evaluating technical knowledge and experience. The contract could be extended after the third year for an additional two years if both parties are agreeable.

**DISCUSSION:** The audit contract with Dickey and Tremper, LLP expired after the audit ending June 30, 2013. Staff placed bids in the Portland Daily Journal of Commerce and the East Oregonian. Staff also called accounting firms in Pendleton that have been known to audit non-profits and governmental agencies. The RFP produced two proposals. One from Dickey and Tremper, LLP and one from Pauly Rogers and Co., PC. The proposal gave 70 points for technical evaluation and 30 points for price evaluation for a total score of 100 points. Staff made contact with six different references provided by Pauly Rogers. The overall comments stated they were easy to work with but only three out of the six provided utility billing. Only one had a FAA Single Audit in the recent past. Some entities weren't even clear on what a Single Audit requirement was. The Finance Director at the City of Corvallis felt that she had another firm in prior years that provided much more detailed auditing and comments than Pauly Rogers. Several cities only had the auditor on site for less than six days, three in the spring and three in the fall. The cities felt they produced the audit in a timely manner.

Dickey and Tremper ranked the highest in technical experience and staffing knowledge in relationship to the needs of the City of Pendleton. Critical areas would be FAA Single Audits and utility billing. The City can't afford to not pass the FAA Single Audit when so much development is happening related to the Airport and its functions. Dickey and Tremper also preform the FAA Single Audit for the Redmond Regional Airport. With newer employees at the Airport, the history and knowledge that Dickey and Tremper have working with the FAA is invaluable to the City at this time.

Pricing came in very comparable with Pauly Rogers averaging \$2,000 less per audit year for the base fee for combined City/PDC Annual Financial Report. Staff considered the price of the audit compared to the knowledge that already exists, the expertise with FAA Single Audit, accessibility, and the fact that changing auditors while changing financial software might be too much for

already exhausted staffing limitations. Staff does believe it can be advantageous to switch auditors after a period of time, but does not see the benefit of switching to new auditors when the Finance department will be dealing with high stress and very time consuming software conversion. Dickey and Tremper quoted a single audit price of \$3,500 per Single Audit required. Pauly Rogers quoted an hourly rate of \$180 for a Partner, \$130 for Manager and Senior Associate, \$110 for Associate and Staff Accountant and \$50 for support staff for special reports, projects or other work at client's request. We believe the Single Audit price would fall under these quotes.

	Technical Scores	Audit Base Price Price (3 yrs)	Fee Scores	Total Scores
Dickey & Tremper, LLP	210	\$116,460	83	293
Pauly, Rogers and Co., P.C	143	\$110,125	90	233

Scoring committee consisted of Linda Carter, Andrea Denton and Dustin Dougherty.

**FISCAL IMPACT:** Auditing is a budgeted item in FY15. The budget proposed prior to the RFP proposals was \$45,000. That also includes payments to the State, and incidentals expenses including printing costs incurred during the audit process. The award to Dickey and Tremper as compared to Pauly Rogers could cost the City/PDC approximately \$2,000 to \$3,000 more in audit services per year, but Dickey and Tremper could actually end up the low bid based on Single Audit costs not specified as a base cost in Pauly Rogers RFP.

**ALTERNATIVES:** Award contract to Pauly Rogers.

Prepared by:  Reviewed by: \_\_\_\_\_  
Linda K. Carter, Finance Director

Reviewed by:  :  
Robb Corbett, City Manager

## PLANNING COMMISSION MINUTES

City Hall Council Chambers

March 20, 2014

7:00 p.m.

The regularly scheduled meeting of the Pendleton Planning Commission was held March 20, 2014, at 7:00 p.m. in the City Hall Council Chambers with Commissioners Tyson Furstenberg, Ryan DeGrofft, Lou Porter, Scott Fairley, Maureen McCormach and Terry Clarke present. Commissioner Don Butcher was absent. Staff members present were City Planner Evan MacKenzie, Secretary Jutta Haliewicz and Planning Aide Julie Chase.

**COMMUNITY DISCUSSION:** None. No audience present.

**CONSENT AGENDA:** The consent agenda was approved.

### **PUBLIC HEARINGS:**

- b. AMD13-04 (City of Pendleton):** Repeal of existing ordinances, and creation of a single Unified Development Code (Ordinance No. 3485) for development-related standards and criteria.  
*Continuation of discussion on zoning issues only.*

### **Deliberation:**

Current packet contains Section 8. Black font is existing language, colored font is recommended language. The Commission wanted further discussion regarding Section 8.4 Storage Containers. Mr. MacKenzie took language the Commission previously approved for portable storage containers and integrated that with the other language for accessory buildings and cargo containers as noted in red on page 48. What they approved previously for portable storage containers the definition is in 8.4.2 and the standards are in 8.4.3 D. It's the exact same language. There is now just one section, Portable Storage Containers (PSC), Accessory Storage Buildings and Cargo Containers. There isn't anything new from what they looked at previously. There's less since it's all in one place.

#### STORAGE CONTAINERS

- 8.4.2 Definitions
  - A. Portable Storage Container: **change accepted**
  - B. Accessory Storage Building
    - 1. **Change accepted**
    - 2. **Change not accepted, remove entirely**
  - C. Cargo Containers: **change accepted**
- 8.4.3 Storage on residentially zoned properties.
  - A. Remove the word "containers" from the first sentence.
  - B. **Change accepted**
  - C. Notwithstanding the provisions set forth in subsection A of this section, licensed and bonded contractors may use cargo containers for the temporary location of an office, equipment, and/or materials storage structure during construction which is taking place on the property where the cargo container is located for a period not to exceed 365 days.

Staff reported the reason there's a limit is if there is something really egregious that looks like somebody's just leaving there, the City will have a document they can use for enforcement action to move it. If it's an active project, especially if there's a contractor working on a project, such as the hospital, no one will mess with that. That's part of the construction project. What the City is trying to avoid is somebody saying that it is temporary and it's temporary because it just hasn't moved yet with no indication that it ever will. If there's no limit then it's going to be open for abuse. This is what the City is trying to prevent. They are allowed on commercial properties. When they're on

commercial properties and they stay there, it performs the same function as a structure on a foundation and results in storm water runoff. The City would like to be able to not give a complete pass on those since they're going to stay there. The City wants to be able to make sure that they're meeting setbacks, storm water runoff requirements and other development standards.

Julie Chase understood the construction side when there's a project going on. There aren't going to be a lot of hospitals constructed. This is Pendleton. But we will have a lot of residents who will see a cargo container and want to use it. City staff has to pass a straight face test. If we can explain to the people across the counter that this is reasonable then it's acceptable. It's not reasonable to allow a homeowner who's doing a construction project for 2 years or 5 years or 10 years, and we've got them, to have a cargo container that does not add to the value or marketability of the houses in the neighborhood. City staff knows that if there is a permitted commercial construction project going on, such as the hospital, they're going to have these types of units. The City has never, ever, since she has worked here, had to explain to a homeowner that a contractor has the right to put one of these on the property for a project. It's common sense. It doesn't make any sense to put language in the code that we micro-manage so that contractors have the right to have a cargo container during an active construction project and, at the same time, open the door for residents to have a cargo container in the neighborhood. It doesn't add up. Her suggestion is to not allow them. Allow the contractors to use them because it's part of the job and can easily be explained as part of the job. There are multiple mini-storage units that can be rented. At the same time, the City won't have to worry about sending someone out to make certain that the cargo container is removed.

**Recommended change by Commission:** Remove the last part of the sentence after "construction" starting with "which is taking place on the property where the cargo container is located for a period not to exceed 365 days." Add the following language from 8.4.3.D.6.: **"All such storage facilities must be removed within 30 days of completion or cessation of construction."**

- D. 1 – 5: **Changes accepted**
  - 6. Remove first sentence.
  - 7. **Change accepted**
- 8.4.4 Cargo containers – permitted locations
  - A. **Change accepted**
  - B. **Change accepted**
- 8.4.5 Permit required – Development standards.
  - A. Add the following language to the end of the sentence **"not associated with an active construction project."**
  - B. Remove "A Building Permit is required". Change sentence to read: **"Placement of a cargo container larger than 200 square feet in area shall be anchored according to the most current edition of the International Building Code. The application shall show the proposed cargo container is accessory to a permitted use on the property and meets the placement criteria for the zone."** Commission requested staff confirm with the Building Official as to whether or not Building Codes require a building permit.
  - C. **Change accepted**
  - D. **Change accepted**
  - E. **Change accepted**
  - F. **Change accepted**
  - G. **Change accepted**
  - H. **Change accepted**
  - I. **Change accepted**

- 8.5 Crime Prevention Through Environmental Design  
Add the following language to the last sentence after “should be considered **but is not required**”.

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:** Animals and livestock in residential zones

The City is currently working on revising the Nuisance Ordinance and there was a staff proposal to remove pygmy goats from the Ordinance as a nuisance and list them as livestock. To do that only in the Nuisance Ordinance but the language would remain in the Zoning Ordinance and what they would be doing is taking away a right that you currently have under the Zoning Ordinance. In order to make that change in the Nuisance Ordinance they need to make a corresponding change in the Zoning Ordinance which means potentially notification to all property owners in all residential zones. Apparently, the Police Department has reported that there is a problem with pygmy goats. This is not something he would like to just bring forward to the Planning Commission for consideration. There needs to be citizen involvement and comment before an amendment will come before them.

The Commission directed Mr. MacKenzie to proceed with continuing to work on amending the Zoning Ordinance to loosen regulations on farm animals in a residential zone.

**REPORT OF THE CITY PLANNER:** Handout on Comprehensive Plans from Iowa State University

Mr. MacKenzie provided information from Iowa State University to help explain to the Commission what the difference is between a Comprehensive Plan and Zoning Ordinance.

The meeting adjourned at 8:03 p.m.

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Chairman Scott Fairley

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Date Approved

**EASTERN OREGON REGIONAL AIRPORT  
COMMISSION MEETING AGENDA**

**April 9, 2014**

**6:00 p.m.**

**Administration Offices**

**Terminal Building**

**(541)276-7754**

**1. Call to Order**

Introductions

Approval of Minutes-March 12, 2014 Airport Commission Meeting

**2. Old Business (5 min)**

- a. Lease Updates (pasture and solar)

**3. New Business (25 min)**

- a. Peak 3 Contract – Phase 2
- b. Re-purpose/demolition of former residential buildings
- c. UAS Phase I - Tech Park Development
- d. Part-time Airport Laborer Hire

**4. Airport Status Update (20 min)**

- a. Manager's Information Update
- b. Master Plan RFQ Update
- c. Marketing Plan Update
- d. Terminal Remodel Update

**5. Public Forum (This is the time set aside for anyone to ask questions, make requests or offer comments)**

**6. Executive Session (Pursuant to ORS-192-660 (1) (e) Real Estate Transaction) (as needed)**

**7. Recess Executive Session/Reconvene Regular Session for action from Executive Session (As needed)**

**8. Adjourn**

TO: AIRPORT COMMISSION

FROM: AIRPORT MANAGER

DATE: April 1, 2014

**Informational Update**

SeaPort's Amadeus reservation software and interline ticketing is reportedly installed and operational. All appears to be going well.

FAA Letter of Correction was received. Staff are working on updating Airport Emergency Plan and Cert Manual by June 1, 2014.

UAS project is moving forward ahead of schedule. Peak 3 and staff have done multiple site inspections and we should have a first customer within 30-60 days. Airport Manager went before the Council and requested an expansion of the contract with UAS contractor, Peak 3, and funding for UAS tech park Phase 1.

Airport Manager exhibited at AUVSI Conference in Tacoma and made several good contacts. He is also presenting to the Oregon Economic Development Commission on April 11: The goal is to get Oregon to recognize UAS as its number one economic development priority.

Master Plan RFQ has been advertised.

Airport Manager had responded to an RFI for a Forest Service rappel base and received an impromptu site visit in late March. They seemed very interested we expect to be asked to bid.

Solar lease is completed. Life Flight RFP is released.

Tear down of AIP buildings is delayed indefinitely due to cost of demolition. Multiple people have expressed an interest in converting old residences into storage facilities. As much as we would like to help our current tenants, it would require us to trade rent for repairs in all cases, and in most instances, we would still have an unsightly structure in the industrial park and a tear down at the end of the rental agreement. It's debatable whether or not we've gained anything.

Leadership Pendleton has decided to do a different project because they felt like the airport had too many decision makers when it came to design. The County awarded us \$15,000 for the remodel, but now we don't have anyone to do it.

There are monthly inquiries about our only two vacant buildings, but no one has leased them yet. There are rumored to be multiple offers on the Community Bank Building, so it's expected to sell.

**.City of Pendleton  
Eastern Oregon Regional Airport (EORA) Minutes  
March 12, 2014 6:00pm  
Airport Administration Office**

The meeting was called to order at 6:00 pm by Vice-Chairman Curt Thompson with members Terry Womack, Terry Bechtold, Dave Styer, Curt Thompson, Jeff Furnish and Scott Fairley present. Others present were Ex-Officio member and City Councilwoman Becky Marks, Airport Manager Steve Chrisman, staff Wayne Green and Karen Kendall. Commissioners Mike Thorne and JR Cook were excused and unable to attend the meeting. Commissioners Gene Harrison and Tom Billings were absent. Held a brief discussion on policy for excused and unexcused absences and will share with all commission members the need to notify the Commission if unable to attend a meeting.

**Terry Womack made a motion to approve the February 19, 2014, EORA minutes. The motion was seconded by Scott Fairley and approved unanimously.**

**Old Business**

Airport Manager reported the pasture lease draft is done and being reviewed by the lessee and will be ready for Council review shortly. The Drake RV lease and solar lease are being reviewed/developed by legal staff. At this time, we do not have a coffee company lease moving forward for the terminal space. A discussion was held on the legal review process for leases. Becky Marks gave an explanation on how priorities are developed for legal staff.

At last month's meeting, it was suggested Leadership Pendleton attends an Airport Commission meeting to present their proposals for a terminal remodel project. Leadership Pendleton is developing a plan for the terminal remodel. Glenn Graham, City Facilities Director, applied for a grant to cover approximately half of the lighting improvements. Air Museum representatives inquired about utilizing the baggage claim area into a mini-museum. Steve will ask the Leadership Team to present to the Commission.

**Airport Manager Report (handout on file)**

The FAA Letter of Correction has been received. The Airport Emergency Plan and Certification Manual are being worked on to address items needing additional work.

Peak 3 is working on the UAS test range and several companies have expressed an interest in utilizing the Pendleton range. Grants have been submitted to OR-UAS (Oregon non-profit) and USDA Rural Development. Additional grant funding will be sought to help with the UAS program. City Manager and Airport Manager will present Phase 1 UAS funding request to the City Council. Work includes site development for 10-15 sites with cable and utilities. Vice-Chair Thompson noted community support/BMCC support for the UAS test range.

**Scott Fairley made a motion requesting the Airport Manager draft a letter of support to the City Council, on behalf of the Airport Commission, to allocate resources for Phase 1 UAS Development. The motion was seconded by Terry Bechtold and approved unanimously.**

Master Plan RFQ has been modified per recommendations of the city's airport engineering firm and has been submitted to FAA for approval.

Airport Manager submitted the Capital Improvement Program (CIP) for the Airport and noted that major needs are related to airport grounds equipment and UAS development. The demolition of four older buildings is included on the CIP listing, but not funded yet at this time.

Airport is responding to a Forest Service "Request For Information" (RFI) for a rappel base.

The Airport Manager reported there have been several inquiries into the two remaining vacant buildings; but no lease development yet.

### **New Business**

SeaPort enplanements were down 10% from last February for a total of 281 enplanements (handouts on file).

Airport Manager provided a budget outline of airport revenues and expenses. The question was raised on how we realistically project budget needs given current revenues. We will continue to work on this issue.

Terry Bechtold and Steve Chrisman gave an update on the marketing efforts and marketing committee. They reported work being done on a promotion through CAPPs, NW Travel Magazine and website development. A request made for a copy of the Marketing Plan. **Curt Thompson suggested we utilize a system such as "Google Docs" to store airport-related documents, including agendas, minutes, ordinances, etc. Karen will check into this and find out what's available for the City.**

Becky Marks will have a report next month on property taxes.

**Executive Session: None**

### **Information/Discussion Items & Other Business**

Vice-Chairman Thompson asked if there were any other discussion items or comments. None received.

**Terry Womack made a motion to adjourn the meeting and the motion was seconded by Jeff Furnish and approved unanimously.** The meeting was adjourned at 7:10 p.m. by Vice-Chairman Thompson.

Note taker: Karen Kendall, Airport Office Specialist

**CITY OF PENDLETON**  
**Building Permits**  
**March 2014**

PERMIT NO.	PROPERTY OWNER OR AGENT	LEGAL DESC.	JOB DESCRIPTION	VALUATION	PERMIT FEE	STATE 12% SURCHARGE	STRUCT. REVIEW	F & L S REVIEW	INVEST FEE	TOTAL FEES
14-21	Housecraft	2N32 02DC								
03/03/14	110 SE 13th Street	6400	fire damage repair	\$ 35,600.00	\$ 286.00	\$ 34.32				(pd w/visa) \$ 320.32
Plan Review	McCormack Construction									
03/03/14	3001 St. Anthony Way Suite 115				\$ 1,290.90	\$ 154.91	\$ 839.09	\$ 216.36		\$ 2,501.26
14-22	Smith Security	2N32 09								
03/03/14	2575 Westgate Bldg 3	500	fire alarms	\$ 3,127.00	paid	previously				\$ -
14-23	Smith Security	2N32 09								
03/03/14	2575 Westgate Bldg 1, 2	500	fire alarms	\$ 3,751.00	paid	previously				\$ -
14-24	Pendleton School District	2N32 16AD								
03/03/14	1100 Southgate Suite 8	500	partition wall	\$ 1,000.00	\$ 22.75	\$ 2.73	\$ 14.79			\$ 40.27
Plan Review	Dickerhoof Construction									
03/05/14	1738-1740 SW Court Avenue				\$ 50.05	\$ 6.01	\$ 32.53			\$ 88.59
Plan Review	Dickerhoof Construction									
03/05/14	1728 SW Court Avenue				\$ 159.25	\$ 19.11	\$ 103.51			\$ 281.87
14-25	Duchek Construction	2N32 10AA								
03/05/14	363 S Main Street	12600	interior wall	\$ 7,930.00	\$ 89.05	\$ 10.69	\$ 57.88			\$ 157.62
Plan Review	Dickerhoof Construction									
03/06/14	1700-1740 SW Court Avenue						\$ 289.84			\$ 289.84
14-26	Dickerhoof Construction	2N32 10CB								
03/06/14	1728 SW Court Avenue	100	interior tenant improvements	\$ 17,000.00	paid	previously				\$ -
Plan Review	W C Construction									
03/07/14	301 S Main Street						\$ 986.96			\$ 986.96
Plan Review	Centimark									
03/07/14	5401 Rleth Road				\$ 754.65	\$ 90.56	\$ 490.52			\$ 1,335.73
Plan Review	Alpine Alarm									
03/10/14	501 NW 36th Street						\$ 68.02			(pd w/visa) \$ 68.02

**CITY OF PENDLETON**  
**Building Permits**  
**March 2014**

PERMIT NO.	PROPERTY OWNER OR AGENT	LEGAL	JOB	VALUATION	PERMIT FEE	STATE 12% SURCHARGE	STRUCT. REVIEW	F & L S REVIEW	INVEST FEE	TOTAL FEES
14-27	Smith Security	2N32 10AA	fire alarms	\$ 15,644.00	\$ 151.45	\$ 18.17				(pd w/visa) \$ 169.62
03/10/14	215 N Main Street	2600								
Plan Review	Dickerhoof Construction									
03/12/14	1738-1740 SW Court Avenue						\$ 289.84			(pd w/visa) \$ 289.84
14-28	Dickerhoof Construction	2N32 10CB	façade	\$ 70,000.00	\$ 445.90	\$ 53.51				(pd w/visa) \$ 499.41
03/12/14	1700-1740 SW Court Avenue	100								
14-29	City of Pendleton	2N32 10AD								
03/13/14	500 SW Dorion Avenue	100	glass replacement	\$ 1,553.00	fees waived					\$ -
14-30	Pendleton Little League	2N32 01CC	score booth	\$ 30,542.00	fees waived					\$ -
03/14/14	1800 SE Alexander Place	300								
Plan Review	Oregon Dept of Transportation									
03/14/14	1327 SE 3rd Street						\$ 509.54			\$ 509.54
14-31	McCormack Construction	2N32 16								
03/17/14	3001 St. Anthony Way Suite 115	1414	tenant improvements	\$ 323,925.00	paid	previously		\$ 300.00		\$ 300.00
Plan Review	Kendall Construction									
03/18/14	201 SW 20th Street						\$ 166.89			\$ 166.89
Plan Review	Christine Long									
03/18/14	414 NW 3rd Street						\$ 78.16			\$ 78.16
Plan Review	JB Contractors									
03/18/14	2150 NW Garden Avenue						\$ 88.30			\$ 88.30
14-32	Aspen Construction	2N32 14CC	single-family dwelling							
03/18/14	1914 SW 2nd Drive	11400	with attached garage	\$ 185,000.00	\$ 839.15	\$ 100.70				\$ 939.85
Plan Review	Housecraft									
03/19/14	2430 SW Perkins Avenue				\$ 89.05	\$ 10.69	\$ 57.88			\$ 157.62
Plan Review	South County Construction									
03/21/14	159 SW Nye Avenue						\$ 418.70			\$ 418.70
Plan Review	DSC									
03/21/14	3101 SW Riverview Drive						\$ 118.72			\$ 118.72

**CITY OF PENDLETON**  
**Building Permits**  
**March 2014**

PERMIT NO.	PROPERTY OWNER OR AGENT	JOB ADDRESS	LEGAL DESC.	JOB DESCRIPTION	VALUATION	PERMIT FEE	STATE 12% SURCHARGE	STRUCT. REVIEW	F & L S REVIEW	INVEST FEE	TOTAL FEES
Plan Review	DSC										
03/21/14	3084 SW Riverview Drive							\$ 88.30			\$ 88.30
14-33	W C Construction		2N32 10AA								
03/24/14	301 S Main Street		12000	tenant improvements	\$ 393,444.00	\$ 1,518.40	\$ 182.21		\$ 607.36		\$ 2,307.97
14-34	Rocky Mountain Colby Pipe							\$ 599.87			(pd w/visa) \$ 599.87
03/24/14	4650 NW McKennon Road										
14-35	O'Brien Construction		2N32 08B								
03/25/14	4650 NW McKennon Road		1500	plant addition		paid	previously				\$ -
14-36	Housecraft		2N32 16DA								
03/25/14	2430 SW Perkins Avenue		1000	ADA bathroom	\$ 8,000.00	paid	previously				\$ -
14-37	E S & A Sign		2N32 10BC								
03/25/14	1701 SW Court Avenue		3593	signs	\$ 16,000.00	\$ 151.45	\$ 18.17	\$ 98.44			\$ 268.06
Plan Review	Alpine Alarm										
03/26/14	1745 SW 32nd Place							\$ 37.60			\$ 37.60
Plan Review	Go Construction										
03/27/14	801 SE 6th Street							\$ 223.93			\$ 223.93
Plan Review	South County Construction										
03/31/14	900 SW Emigrant							\$ 1,179.20			\$ 1,179.20
Plan Review	Christine Long										
03/31/14	414 NW 3rd Street					\$ 65.65	\$ 7.88	\$ 42.67			\$ 116.20
				<b>TOTALS</b>	<b>\$ 1,112,516.00</b>	<b>\$ 5,913.70</b>	<b>\$ 709.64</b>	<b>\$ 6,881.18</b>	<b>\$ 1,123.72</b>	<b>\$ -</b>	<b>\$ 14,628.24</b>

## **APRIL ACTIVITY REPORT**

### **PARKS:**

1. Parks crew has been very busy with the Frazier project that is now 99% complete. We still have some boulders to place and working on a design for banner placement. I think it looks great and a big pat on the back to the crew.
2. Staff is currently waking up the restrooms, irrigation systems, and drinking fountains from their winter hibernation. Visit our website for an updated list of open restrooms. This usually takes a couple of weeks to complete.
3. Kiwanis Club has purchased a shelter to be erected in Kiwanis Park. This will be our next project and should be completed between mid-May and June 1<sup>st</sup>.
4. Our greenhouse is chucked full of plants just waiting to be put in your parks system. Planting will commence after Mother's Day.

### **RECREATION:**

1. Rec programs continue to do well. The spring and summer brochure is at the printer and should be out soon. Lisa and Jeff are doing a great job and I am glad to have them on our team. They have a lot of good ideas on new programs, games and ways to create revenue and increase community participation.

### **AIRPORT**

SeaPort's Amadeus reservation software and interline ticketing is reportedly installed and operational. All appears to be going well.

FAA Letter of Correction was received. Staff is working on updating Airport Emergency Plan and Cert Manual by June 1, 2014.

UAS project is moving forward ahead of schedule. Peak 3 and staff have done multiple site inspections and we anticipate first customer on site within 30-60 days.

Airport Manager exhibited at AUVSI Conference in Tacoma and made several good contacts. He is also presented to the Oregon Economic Development Commission on April 11.

Master Plan RFQ has been advertised.

Airport Manager had responded to an RFI for a Forest Service rappel base and performed site inspection in late March.

Life Flight hangar RFP is released.

The County awarded airport \$15,000 for terminal remodel.

### **FINANCE**

Finance is working many hours with the department heads and the City Manager to prepare a budget. This includes adjustments as requested through the process and combining requests into an overall worksheet for the City Manager to review and make changes. Adjusting Central Service allocation worksheets.

Finance finished the RFP for PCC Eastside Expansion with Council Award. Now just emailing back and forth with Bond Attorney when necessary.

Finance has assisted in the billing for the Olney Cemetery LID project. Finance has also billed the developer for the first two billings for the developer's portion of the project. And submitted billing to State loan for reimbursement.

Input W-2's to Federal and new this year, to the State by March 31st.

Finance has input 60 1099's to the State which is a new requirement this year by March 31st.

Finance is preparing for RFP for a billing copy machine replacement.

Finance and PW finalized the RFP for financial software and it was released and published in March. Now answering vendor questions.

Finance has released and published the RFP for audit proposal award.

Finance is still preparing work for the RFP for a new wheelchair accessible van for the City's public transit. Waiting on vendors and Elite Taxis to finalize model needed.

Provided Jump Start loan information and send reminders.

Finance is still working with new staff member to get the receivable subsidiary accounts in balance at the Fire Station. Finance provides a detailed list of items that need to be addressed.

Finance provided customer service to all areas of the City including water bills and payroll questions. Hundreds of customers have had counter help with only one known complaint during the month of March. Finance provides customers service from 8 am to 5 pm Monday through Friday. Finance never closes to the public during normal City Hall hours.

Finance is still processing renewal business licenses this month.

Finance has processed invoices totaling in the hundreds for the month of March and paid bills on a timely basis. Processes according to all requirements set by City Manager Purchasing Policy. Court has provided municipal court consistently and seamlessly through a transition period with a new judge.

Finance has receipted thousands of court, water bill and misc. receipts for the month of March and has an exceptional balancing record.

Finance has billed 5,750 customers on time while the utility billing clerk has been handling payroll.

Finance provides monthly bank statement balancing for all the accounts that the City has.

Finance balances utility receivables, misc. receivables, LID's, solar loans, ambulance receivables, airport receivables to the subsidiary accounts, sometimes managed at other site locations.

Finance provided payroll for employees on-time without an experience clerk for 165 employees.

That includes direct deposit to multiple banks for the individual employee and also provides paper checks. Draw requests were processed on time mid-month.

## **PUBLIC WORKS**

## PW Admin & Fleet:

- Capital Improvement Program (CIP):
  - o Presentations completed in March.
  - o Deferred maintenance discussed.
    - Streets @ \$15.9 million (May 2013): about 90% or \$14.3 million today
    - Facilities @ \$15 million in immediate needs
    - Water: awaiting master plan: estimate at about \$1.3 million per year
    - Sewer: awaiting master plan: estimate on solid footing
    - Storm: awaiting master plan: capacity is the primary unknown
    - Bond continuance with existing rates to fund about \$9 million
- Budget highlights:
  - o Meeting with City Manager & Finance Director: April 7<sup>th</sup>.
  - o 2.5% CPI adjustment: April 1, 2014.
  - o Proposed another 5% water rate increase for deferred maintenance/staffing
    - CM & PWD still in discussion on this rate
    - CM may want to await master plan information
  - o Proposed sewer rate decrease (7%) with additional water rate increase (7%) for future membrane purchase: apply to water reserve fund: \$250,000 per year
    - CM supported
    - Reconstitute Water Capital Reserve Fund: initiating resolution
  - o Proposed additional FY15 FTE for RRF: supported by CM.
  - o Proposed locate position to PW Admin with 60% sewer / 40% water split.
  - o FY14 Water Fund: M&S: over budget (electricity)
  - o Sewer Fund: M&S: over budget (repair & maintenance increase, sanitation supplies - \$18,000 for garbage service)
- Master Planning:
  - o Conference call held April 1, 2014.
  - o April update:
    - Water
      - Development of projects and descriptions underway
      - Model: nearly completed.
      - AMR document: final for appendix inclusion
    - Collections
      - Existing system description: Jeff has sent in mark-up. Bob's comments same as for water on nomenclature
      - Model and analysis: 90 manholes surveyed and invert measurements taken: subbed-out survey work to Jason Wells: running model at their end
    - Stormwater
      - Study area characterization: nearly complete
      - Existing system description: draft nearly complete
      - Model and analysis: 40 manholes surveyed and invert measurements taken. Need to finish outfalls / inverts: in-house with Wayne Green
    - Levee:
      - Bob to follow-up with Randy Hill at Conforth in regards to scope
      - Bob to follow-up with ODOT D12 staff
      - \$500,000 in FY15 to finish FEMA PAL certification
    - Data requests: no more requests at this time

- Schedule: MSA on-site in mid-April, tentative, 4/12, 4/13, 4/14: conference call to follow – awaiting verification of schedule
- Staffing:
  - GIS Technician position description
    - Good to advertise
    - In budget for FY15
  - Control Systems Technician position description
    - Good to advertise
    - Place on hold
  - RARE Intern:
    - Pendleton Home & Outdoor show: ETO, solar, & weatherize programs
    - U of O program visit by Megan Smith (still on waiting?)
    - Revised work plan
      - Electrical fueling station
      - Fleet evaluation for alternative dual fuel systems
  - CECOP Engineering Intern:
    - April – September appointment (Spring / Summer terms)
      - Update TSP costs for transportation SDC development
      - FOG receiving at RRF
      - Bus shelter / kiosks
      - Review/locate/record “irrevocable consents” for road improvements
      - Fleet evaluation for alternative dual fuel systems
      - RFP for levee work in FY15 to finish PAL certification
      - Farmer’s market
      - Master Planning support
      - Assist GIS development
      - Assist with construction inspection
      - Review utilities for streets projects (NW Carden, SW Nye, etc.)
      - Other TBD
  - Building Codes Employees:
    - April 30, 2014 is deadline to move forward for FY15
    - 4 new positions: July 1<sup>st</sup>: 1 Permit Technician: 1 Plans Examiner: 2 Inspectors
    - Fully utilize basement office space
    - Coordination underway
- Best Practices Accreditation:
  - Submit application to APWA National (April)
  - Information to Klaus
- Leadership training:
  - May 1<sup>st</sup>: 360-degree feedback / Trust – the one thing that changes everything
  - Monkey surveys are going out from Susan
  - Review The Speed of Trust by Steven Covey
  - Bob & Susan to put together crew / staff survey
- Fleet:
  - CIP recommendations in FY15 budget
  - Utility bucket truck: Glenn rebidding: purchase under \$25,000
- Other:
  - Integrated Financial System RFP:

- RFP solicited
- Tentative schedule:
  - Solicitation: March 2014
  - Due: April 30, 2014
  - Evaluation: May 2014
  - Oral Presentations: June 2014
  - Final evaluation: June 2014
  - Contract (\$) negotiations: July 2014
  - Award date: July / August 2014
  - Project schedule: Based on Awardee's schedule
- Raised crosswalks:
  - Design for Main Street mid-block crossings
    - May hire outside services
  - Bid in April, work in May/June
- Bond continuance:
  - Survey questions being reviewed with committee
  - Present to council on March 18<sup>th</sup> or April 1<sup>st</sup>
- APWA Fall Conference: October 13 – 17, 2014:
  - Begin conference committee meetings
- 2014 Umatilla County Heritage Museum: Umatilla Basin Watershed Presentation
  - Exhibit to opened after Tuesday, February 18<sup>th</sup>
  - Other displays purchased and available for hang at WFP, PW Shop Conf. Rm, City Hall, & RRF.
- Umatilla River Bridge at SE 8<sup>th</sup> Street
  - Bob to meet with Knights of Pythias on April 14<sup>th</sup> @ 7:30 pm
  - Intergovernmental Agreement (IGA) approved by City Council
  - Meeting with commissioners: still apart: scheduling another meeting the week of April 14<sup>th</sup>.
- City Council: April 15<sup>th</sup> / May 6<sup>th</sup>:
  - 8<sup>th</sup> Street Bridge report – executive session
  - No other actions at this time

#### **Water Super & Crew:**

- Meter reading checking for possible leaks on high reads and zero reads
- Installing new water services
- Repairing / replacing old water service
- Fire hydrant replacement and repair
- Working with customers on complaints
- Shut-offs / turn-ons
- Well 2 waiting to reinstall and test
- MSA mapping Question and Details
- Working on getting a large PO to cover all remaining manual read meters to get better price

#### **Water Filtration Plant:**

- Need to get control tech hired or water super
- Sodium Hypo generator about to go down waiting on PO for parts
- ASR total 588 MG
- Waiting to hear back on CT for clearwell / first customer from OHA-DWS

**PW Superintendent:**

Finish Storm System Survey on Wednesday  
Planning for UAV Project  
Street Maintenance planning  
Working on hiring a new full time employee and a seasonal employee  
Working on department 360 feedback survey's

**C&R Crew:**

Concrete Patching in various locations  
SW 9<sup>th</sup> St sewer main replacement and water service (300 BLK): LID 439 in FY15  
UAV Complex phase 1

**Streets Crew:**

Finish gravel pickup  
Sign projects around town  
Striping  
Sewer inspections  
Asphalt patching – waiting on asphalt plant – list of potholes underway (at all times)

**Sanding rock pick-up**

- **Begin week of March 17<sup>th</sup>: 5 weeks total**
  - **March 17 – 21: North Hill**
  - **March 24 – 28: School parking lots and roads**
  - **March 31 – April 4: South Hill (north of I-84)**
  - **April 7 – 11: SE part of town (east of Hwy 395 / Southgate)**
  - **April 14 – 18: SW part of town (west of Hwy 395 / Southgate)**
- **Residents to sweep sidewalks**
- **Community Corrections: \$180/day: sweeping sidewalks**
  - **Eastgate**
  - **Westgate**
  - **One-ways**
  - **Southgate**
  - **Northgate**

Should finish about 2- to 4-days ahead of this schedule.

**RRF Super & Crew:**

- Installing RAS pump 3, Waiting on “switch” for moisture detection, one we had burnt. 3 weeks out on replacement ordered extra. Still Waiting. Got switch, installing pump today 4/4
- Fixing hand rail on primary digester stairs (got set-up for welding aluminum) Underway as time permits
- Working on grating at RAS pump station for better access to RAS pumps. Underway as time permits
- Got part and crane is working will be moving membranes to off line AB for rinse and then acid soak.
- Finish portable piston pump, waiting on motor and control panel. Got electric panel from Tim will be working on fixing it to the trailer. On going
- Waiting for part on Co-Gen1. Got part, will be installed this week. Got part installed but there is still a problem with an electronic board working on getting board ordered.

- Lime skid mix tank split. Working on replacement and trying to pry some money from Sodimate. Have tank removed, will remove tank top for use on SS tank. Working on Quotes to have tank made. Ongoing.
- Nitrite issue is getting better...still causing problems. Extra testing, waiting for bugs to come around.
- Looking at carbon sources to aid nitrite removal. Looks like nitrite problem is over for season will keep working to be set up for next cold season.
- Ordering parts for Huber, Hach. Working on replacement for portable gas detection as the Industrial Scientific M 40 is obsolete. Have new portable gas meter. Huber solenoid valves still a no show.
- Kyle set up for Capstone training May 5-9
- With the crane working focus will be getting the Membranes cleaned and back working.

### **Regulatory:**

- Air Quality Daily Announcements (daily)
- City Safety & Wellness Committee meeting, Thu April 10
- Quotes on printing Annual Water Quality Report/ Consumer Confidence Report
- Weekly ASR Field Parameter sampling at Prison and Hospital wells
- Kick-off planning for APWA City of Pendleton PW Certification
- EPA UCMR-3 sampling
- Quarterly DBP sampling
- Finalize Bids on Lab Testing services and select lab for 2014-2015 ASR cycle
- APWA Accreditation seminar, Tue Apr 15 in Tacoma, WA at WA Chapter APWA Conference
- Safety Training, Union Pacific RR & Flood Response Plan, Tue Apr 15
- OSHA Safety Training BMCC, Lockout-Tagout and Forklift Safety, Wed Apr 16
- Air Quality Poster Contest Judging with AQ Commission, Thu Apr 17, 6-8 pm
- Prep for Sun Ridge Middle School AQ Awards Presentation
- Prep for OHA DWP Water System Survey (tentatively scheduled for Wed Apr 30, 2014)
- APWA City of Pendleton PW Certification process

### **Other projects w/ Community Development / Engineering:**

- Comprehensive Plan Update:
  - o Consultant working on grant funding application for Transportation System Plan upgrade
  - o Rate structure analysis: provide project costs for last 5 to 10 years.
  - o Future codification and adoption of public facilities plans:
    - Water
    - Sewer
    - Storm (new) incorporating levee system
- Street Preservation:
  - o SW 15<sup>th</sup> to SW 11<sup>th</sup> between Frazer to Goodwin: water / sewer / storm / street in 2014 construction season:
    - Wagner/Jutta close to final contract documents
  - o NW Carden Avenue:
    - Evaluate water / sewer / storm: Bob/Jeff/Mike
  - o SW Nye between SW 2<sup>nd</sup> to SW 5<sup>th</sup>: reconstruction
  - o SW 18<sup>th</sup> / Onley Housing LID: construction well underway
  - o NW King Avenue / Housing Project: on-hold
  - o H Avenue / NW 49<sup>th</sup>: HB2001 funding: bring loop from Airport Road to A Avenue
  - o SW 9<sup>th</sup> Cul-de-sac: LID: development of old Blue Berry Nursery property

- **FY15 street projects: \$800,000 budgeted: pavement management software**
  - **\$50K: ODOT D12 crack sealing**
  - **\$720K: preservation project list**
  - **\$30K: match for bus shelters**
- Other street projects awaiting results from master planning information
  - To be established as part of budget process
  - To be incorporated in FY15 project lists
  - To be incorporated into GIS layer
- **Airport:**
  - FAA identified deficiencies on-going
  - UAS / UAV planning and approvals underway
    - Consultant hired
    - Approved to construct Phase I (RV pad)
- **Bridges:**
  - 8<sup>th</sup> Street:
    - ODOT agreement approved, but not executed
    - Still working on agreement with county for local match
    - ODOT / city mini-request for proposals: on-hold
    - 89.63% federal match awarded: May 2013
- **Convention Center Remodel:**
  - Advertisement imminent (still)
  - Contract documents under final review and preparation
  - Financing package (Finance / PCC)

**OTHER ITEMS:**

- **Superintendents and Leads:** discussed chain of command and how to better communicate
  - Meetings arranged for Mondays / Thursdays: 4:05 pm: City Shop conference room
  - Kent to attend both
  - Bob to attend Monday afternoons
- **School District update:** Washington School / Sherwood School preliminary plans discussed
- **Summer help:** Superintendents to do advertising and screening



<ul style="list-style-type: none"> <li>•The Library will research, prepare and maintain a list of resources available through other community agencies for citizens to improve their work-related skills and post these online at the library website beginning July 1, 2014.</li> </ul>		Task Completed.
<ul style="list-style-type: none"> <li>•In FY 2014, the library will redesign floor layout to create 1,000 square feet of additional attractive, comfortable community space for individuals to access public wifi and use the resources available for promoting family learning, entertainment and enrichment.</li> </ul>		Task Completed.
<p><b>Other Activities</b></p> <ul style="list-style-type: none"> <li>•Olney Housing Project</li> </ul>		LID nearly complete. House construction expected to begin in May.
<ul style="list-style-type: none"> <li>•Gun Range Property Housing Project</li> </ul>		In conversation this week, staff anticipated receiving a tentative proposal shortly.
<ul style="list-style-type: none"> <li>•Job Creation</li> </ul>		Nothing new to report.
<ul style="list-style-type: none"> <li>•Blue Mountain Recover Center</li> </ul>		Meeting scheduled for April 16 to discuss alternatives with state agencies and Scott Fairley.
<ul style="list-style-type: none"> <li>•Industrial Zoning Amendment</li> </ul>		Completed.
<p><b>GOAL</b></p> <p>Improve communication and delivery of services to the community so that local citizens believe that local government works in and for Pendleton.</p>		
<p><b>2014 Objectives</b></p> <ul style="list-style-type: none"> <li>•Hire outside consultant to explore funding options for Fire/Ambulance Services by June 2014.</li> <li>•Replace financial software by June 2014.</li> </ul>		Staff is evaluating consultant proposals.  RFP is out.

	<ul style="list-style-type: none"> <li>Beginning with the results of the 2013 community survey, the library will post on their webpage and Facebook page the survey results and any actions taken based on public input.</li> <li>Determine whether to transfer library trust funds to Oregon Community Trust Fund by January 2014.</li> </ul>	Task complete.
	<b>Other Activities</b>	
	<ul style="list-style-type: none"> <li>Complete 3 year Financial Projections</li> <li>Complete City Maintenance Schedule for CIP</li> <li>Credentialing</li> </ul>	<p>No Activity</p> <p>CIP planning underway.</p> <p>No activity to report.</p>
	<ul style="list-style-type: none"> <li>Codification of Planning Ordinances</li> </ul>	Planning Commission continues to review this document.
<b>GOAL</b>		
	<b>Balance the operational budget at the airport/industrial park by increasing revenue &amp; implementing cost saving measures to make it an economic engine.</b>	
	<b>2014 Objective</b>	
	<ul style="list-style-type: none"> <li>Obtain permission to sell industrial park property from FAA by June 2014.</li> <li>Determine cost and value of retaining commercial air certification by June 2014.</li> </ul>	<p>No activity</p> <p>Task complete.</p>
	<b>Other Activities</b>	
	<ul style="list-style-type: none"> <li>FAA Designated UAV Test Site</li> </ul>	Staff is frequently talking with future customers who anticipate flying out of Pendleton.
<b>GOAL</b>		
	<b>Emphasize and enhance commitment to public safety.</b>	
	<b>2014 Objective</b>	

	<ul style="list-style-type: none"> <li>• Work with public safety agencies in Morrow and Umatilla County to procure a new records management/computer aided dispatch system and combining dispatch services by June 2014.</li> </ul>		Task Completed.
	<ul style="list-style-type: none"> <li>• Train a new "Playground Safety Inspector" and Commit to a monthly inspection program of all play equipment in the system, by June 2014.</li> </ul>		No known change.
	<ul style="list-style-type: none"> <li>• A keyed alarm will be added to the exit door in the Children's Area by September 2013.</li> </ul>		Currently proposed as part of the Bond Continuation effort.