



CITY OF OREGON CITY

CITY COMMISSION REGULAR MEETING

AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, December 20, 2023 at 7:00 PM

REGULAR MEETING OF THE CITY COMMISSION

Ways to participate in this public meeting:

- *Attend in person, location listed above*
- *Register to provide electronic testimony (email recorderteam@orc.gov or call 503-496-1509 by 3:00 PM on the day of the meeting to register)*
- *Email recorderteam@orc.gov (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

1. CONVENE MEETING AND ROLL CALL

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

[3a.](#) Oath of Office for New Oregon City Police Sergeant

[3b.](#) 179th Anniversary Proclamation - Oregon City

4. CITIZEN COMMENTS

[Citizens](#) are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Commission does not generally engage in dialog with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the City Commission.

5. PRESENTATIONS

6. ADOPTION OF THE AGENDA

7. CONSENT AGENDA

This section allows the City Commission to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may only be discussed if it is pulled from the consent agenda.

[7a.](#) Resolution 23-31, Adoption of the City of Oregon City Investment Policy

[7b.](#) Public Improvement Contract for the 2024 Manhole Rehabilitation Project (CI 23-011)

[7c.](#) Minutes for September 20, 2023 Regular Meeting

8. PUBLIC HEARINGS

[8a.](#) Second Reading of Ordinance No. 23-1011, A Legislative Zoning Code Text Amendment to the MUC - Mixed-Use Corridor Zone District (LEG 23-00001)

9. GENERAL BUSINESS

[9a.](#) Diversity, Equity, and Inclusion Initiatives 2023-2025 Biennium

[9b.](#) City Manager Performance Evaluation, Salary Adjustment, and Merit Pay for Performance

10. COMMUNICATIONS

City Manager

Commissioners

Mayor

11. ADJOURNMENT

ORDINANCE NOTICE

If an ordinance is noticed above in this agenda, the text of the ordinance is available online with the posted agenda packet. In addition, three copies are provided for public review in the Office of the City Recorder upon request.

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WFMC at 503-650-0275 for a programming schedule.

OATH OF OFFICE

Sworn Police Sergeant
Oregon City Police Department

*I, **Jon Neece**, do solemnly swear that I will uphold the law, and support the Constitution of the United States and the State of Oregon. I will abide by the Law Enforcement Code of Ethics, and the department's rules and regulations, while faithfully performing my duties as a Police Sergeant for Oregon City, Oregon.*

GIVEN THIS 20th DAY OF DECEMBER 2023

Denyse C. McGriff, Mayor

SUBSCRIBED AND SWORN to before me this 20th day of December 2023.

Notary Public
State of Oregon
My commission expires: _____

City of Oregon City

Item 3b.



Know Ye By Proclamation,

Whereas, on June 26, 1844, a petition was presented to the Provisional Government for the issuance of an Act to incorporate Oregon City; and

Whereas, the Bill to incorporate Oregon City was read for the third and final time then passed on December 24, 1844; and

Whereas, the City of Oregon City was, on that date, the first city incorporated in the American West, that vast area beyond the Missouri River; and

Whereas, the Provisional Legislature gave Oregon City its first charter and proclaimed it to be the capitol of the Oregon Country; and

Whereas, a day is hereby set forth commemorating this important event.

Now, Therefore, I, Denyse C. McGriff, Mayor of the City of Oregon City, do hereby proclaim Sunday, December 24, 2023, as:

179TH ANNIVERSARY OF THE INCORPORATION OF OREGON CITY

And, urge all citizens of the City and the State, on this Christmas Eve, to honor this great heritage, and go forward in harmony, peace and prosperity and continue to be good stewards of this beautiful land.

In Witness Whereof, I have hereunto set my hand and caused the great seal of the City of Oregon City to be affixed this 20th day of December 2023.

DENYSE C. MCGRIFF, Mayor

An Act to incorporate ~~the~~ Oregon City

An Act to incorporate Oregon City

Sec 1st Be it enacted by the Legislature
 Committee of Oregon
~~Chapter 1st~~ as follows

That so much of the county of
 Clatsop as is comprised within
 the limits of the town Plat of Oregon
 City - laid off by John McLoughlin Esq
 and surveyed by Jesse Applegate
 in Decr 1843 with the additions
 made thereto by continuing up the
 Willamette River to the head of
 the Island, ^{the same, together with} including all that portion
 under the Bluff on the East side
 of said river.

Be and the same is hereby created a corp^o
 coporate, and shall ~~be~~ hereafter be
 known by the name and style of
 "Oregon City".

of said corporation
 shall meet at some convenient place
 within the same on the first Wednesday
 of January now next - And on the
 first Wednesday of January annually
 thereafter at such place ^{Oregon City} as the ~~town~~ Council shall direct And
 then and there proceed to elect a Mayor
 Recorder and ~~three~~ five Trustees who
 shall have the qualifications of electors
 and reside within the limits of the corpora-
 tion And the Mayor Recorder and
 Trustees so elected shall hold their
 office as

Dec 1st

Dec 1st That so much of the
County of Clackamas as is comprised
within the limits of the town plat
the town of Oregon City laid off by the
Messrs. Eschscholtz & Co. Surveyors, together
with all additions made thereto by going up
of the plat included all and sundry on the east side
of the river all additions that may hereafter
be recorded, thereto by consent of two
thirds of the qualified voters of said town
be and the same is hereby created
a town corporate and shall be here
after be known by the name and
style of Oregon City.

See 2a

That the qualified voters for members
of the Legislative Assembly residing
within the limits of said corporation
shall meet at some convenient place
within the same on the first Wednesday
of January now next and on the
first Wednesday of January annually
thereafter at such place ^{or places} ~~in said town~~
as the ^{City} ~~town~~ Council shall direct and
then and there proceed to elect a Mayor
Recorder and ~~three~~ five Trustees who
shall have the qualifications of electors
and reside within the limits of the corpora-
tion and the Mayor Recorder and
Trustees so elected shall hold the
office for

And until their successors are elected
qualified. Provided that a failure to
elect on ~~the day~~ shall not forfeit the
charter, but an election may be had
on any succeeding day by giving due
notice.

Sec 3^d. That at the first election ~~held~~
to be held under this act, two judges
and a clerk shall be chosen, Viva
Voce by the electors present and at all
subsequent elections the Mayor or any
two of the Trustees shall sit as Judges
and the Recorder, or in his absence
some one of the Council pro tempore
shall sit as clerk and ^{at} all such elections
the polls shall be opened between the hours
of one and two o'clock in the afternoon,
and close by the hour of four of the
same afternoon and at the close of
the polls the votes shall be counted, and
a statement thereof proclaimed at
the door of the house in which the
election shall be held, and the
persons elected shall within ten
days after their election take an
oath to support the laws of Oregon
and an oath of office, a certificate
of which shall be deposited with
the Recorder and by him preserved.

Sec 4.

The Mayor Recorder and Trustees
of said ^{city} ~~town~~ shall be a body politic
and corporate with perpetual success-
ion to be known by the name of

"The Corporation
~~the town~~ of Oregon City" and shall be
 capable in law to acquire property
 real and personal for the use of
 said town, and sell and convey the
 same; May have a common seal
 and may alter the same at pleasure.
 May be sued, plead and be impleaded,
 answer and be answered in any
 court of law or equity in Oregon; and
 when any suit shall be commenced against
 said corporation the first process shall
 be a summons, a certified copy
 of which shall be left with the recorder
 or in his absence with the Mayor
 at least ten days previous to the return
 thereof.

Sec. 5. That the Mayor Recorder
 and Trustees or a Majority thereof
 shall always be one. shall have authority to make
 or amend and publish all by laws
 and ordinances not inconsistent
 with the laws of Oregon as they shall
 deem necessary and proper for the
 promotion of morality as well as
 for the good regulation, interest
 safety health cleanliness and
 convenience of said town and the
 citizens thereof; they shall have
 power to fill all vacancies that may
 happen by death or otherwise of any
 of the officers herein named; they shall
 also have power to appoint
 Treasurer marshal and such

Subordinate officers as they may deem
 needful to prescribe their duties and
 require surety for their performance
 to remove them at pleasure and to
 establish the fees of all officers in
 the corporation not established by this
 act; they shall have power to impose
 fines for the breach of their ordinances
 but no fine shall be imposed on
 any one person for any one breach
 of any one ordinance of more than
 ten dollars which fine may be
 recovered with costs of suit before
 a justice of the peace by action of
 debt in the name of the corporation
 All fines collected in pursuance
 of this act shall by the officer col-
 lecting the same be paid over
 to the Treasurer of the corporation
 Dec 6

It shall be the duty of the re-
 corder to keep a true record of the
 by-laws and ordinances, and of the
 proceedings of the council. Which
 record shall be at all times kept
 open for the inspection of the elec-
 tors of said ^{city} ~~town~~, and the recorder
 shall preside at all meetings
 in the absence of the Mayor
 Dec 7

That the ^{city} ~~town~~ council shall
 have power to assess for corpora-
 tion purposes an annual tax
 on all property in said ~~town~~ ^{city}

Made subject to taxation by the laws of Oregon Not exceeding in any one year one per centum on the value thereof which value shall be ascertained by an assessor, appointed by the ~~town~~^{city} council for that purpose a duplicate of which shall be made out and signed by the recorder, and delivered to the collector. They shall have power to annul any injudicious assessment thus made on complaint of the person aggrieved.

Sec 8 That the ~~town~~^{city} Marshal shall be the collector of any tax assessed, and he is hereby authorized and required by his trip and sale of property, as constables on execution, to collect and pay over said tax to the treasurer within three months after the time of receiving the duplicate thereof, and the treasurer's receipt shall be his voucher.

The ~~town~~^{city} Marshal shall make personal demand of every resident charged with tax and shall give ten days notice by advertisement, in three of the most public places in said ~~city~~^{city} corporation of any tax, and if the tax on any lot or piece of land, on which no personal property can be found, shall remain unpaid three months after the expiration of the time by this act allowed the collector for the collection of the tax, then the ~~town~~^{city} Marshal shall give notice in the nearest News paper (if any there shall be in Oregon).

if not posting up at least three public notices, stating the amount of such tax, and the number of the lot on which it is due and that the same will be sold to discharge such tax, unless the payment thereof be made within three months from the date of such advertisement, and if such tax be not paid within that time, the ~~town~~ ^{city} marshal, after giving thirty days notice of the time and place of sale at three of the most public places in said ~~town~~ ^{city} shall proceed to sell at public auction, so much of said lot or piece of land as will discharge said tax.

Sec. 9 That if the owner of such lot or piece of land shall appear, at any time within two years after such sale and pay the purchase money, with interest and ~~with~~ twelve per centum penalty thereon, he shall be entitled to the right of redemption. Provided that nothing in the two preceding sections shall affect the right of others, in law or equity, to the benefit of the right of redemption, when they shall, at full age.

Sec 10 Twenty days before each annual election, the ~~town~~ ^{city} council shall put up in some conspicuous place within said ~~town~~ ^{city}, an accurate account of the money received and expended by said corporation since the last annual election, with the sources from which they were derived, and the ~~sources~~ on which they were expended which shall

in the most public place in Oregon)
shall be certified by the recorder
Dec 11

Item 3b.

The said corporation shall have power to regulate and improve all streets, alleys, sidewalks, drains, sewers; to sink and keep in repair public wells, remove nuisances, and regulate markets, to grant licenses ~~for the benefit~~ within the limits of said corporation, and to appropriate the proceeds of such licenses for the benefit of the ~~town~~ ^{city}; they shall have power to license and regulate, or prohibit, all shows and public exhibitions; Provided, however that the power hereby granted shall not be so construed as to conflict with general laws of Oregon regulating the same
Dec 12

That said ^{Corporation} ~~Council~~ shall have power to establish and organize a fire department, to procure an engine, hose, hook, ladders and other implements of use in the arrest and extinguishment of fire
Dec 13

That the by-laws and ordinances of said corporation shall be posted up in some public place in said ~~town~~ ^{city}, fifteen days before the taking effect thereof, and the certificate of the recorder upon the ~~town~~ ^{city} record shall be sufficient evidence of the same having been done. And every annual election herein authorized, shall be called by five days notice thereof.

Page 13

put up in three public places in
said ~~town~~ ^{City}

Sec 14 That the streets and alleys
of said ~~town~~ ^{City} shall constitute one Road
District, including the several roads
leading from said ~~Town~~ ^{City} for the distance
of one mile from the corporate
limits, and the ~~town~~ ^{City} council shall
have ~~power~~ the exclusive right
of appointing the supervisor for
said district, who in every respect
shall act as though appointed
by the ~~county~~ ~~commissioner~~ circuit
Court

That the Mayor or a Majority
of the Council ^{may} ~~may~~, may call a meeting
of the ~~town~~ ^{City} Council whenever, in his
or their opinion, the same may
be necessary. The Mayor and trustees
shall receive no compensation
unless the same shall be authorized
by the inhabitants, in legal meeting
assembled

Sec 15

Any future Legislature
may alter, amend or repeal
this act

Published in the
Oregon
Spectator
5th March
1846
and filed
in my office
J. S. Long
Secretary
Oregon City
Incorporated

1505
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100

Mr. Gilmore, from committee of ways and means, reported unfavorable on the petition of J. L. Meek, for license to act as auctioneer, Which report was received.

The bill for the relief of James Connor,
Was read a third time, and passed.

The bill on apportionment,
Was read a third time, when

Mr. Speaker demanded the yeas and nays, which were as follows:

Yeas—Messrs. Hill and Speaker—2.

Nays—Messrs. Burnett, Gilmore, Newell and Lovejoy—4.

So the bill was lost.

The bill, appointing Jesse Applegate engineer,
Was read a third time, and passed.

On motion,

The House went into committee of the whole.

Mr. Gilmore in the chair.

After several bills were considered, the committee rose and reported progress.

On motion,

The house adjourned to 9 o'clock to-morrow.

TUESDAY, DEC. 24, 1844.

The house met pursuant to adjournment,
Mr. Lovejoy presented a petition in relation to land claims,
Referred to select committee, consisting of Messrs. Lovejoy, Gilmore and Hill.

Mr. Lovejoy, from committee on roads, to which was referred the petition of W. H. Gray and others; also,

A petition from John McLoughlin to establish a ferry; also,
The petition of Hugh Burns for an increase of his rates of ferriage, reported unfavorably.

Which report was rejected,
And the committee instructed to report a bill to increase the ferriage fees of Hugh Burns.

On motion,

The House proceeded to the

ORDERS OF THE DAY.

The bill, for the erection of a jail,
Was read a third time, and passed.

The bill to incorporate Oregon City,

Was read a third time, and passed; also,

The bill defining the boundaries of Oregon; also,

The bill for opening a road from Oregon City to the Island mills;
also,

The appropriation bill,

Were severally read a third time, and passed.

The bill to call a convention,

Was read a second time, and referred to committee of the whole.

On motion of Mr. Burnett,

The House adjourned to 2 o'clock, P. M.

AFTERNOON SESSION.

The house met pursuant to adjournment,

Mr. Lovejoy, from committee to whom was referred the petition of W. H. Grey and others, for an amendment to the law on land claims, reported a bill amendatory to said law.

On motion,

The rules of the House were suspended for this day.

Mr. Burnett introduced a bill on land claims,

Which was read a first time; and,

On motion,

Was read a second time, and referred to committee of the whole.

Mr. Lovejoy introduced a bill on ferries,

Which was read a first time; and,

On motion,

Was read a second time, and referred to committee of the whole.

Mr. Burnett presented a petition from Robert Moore, for an increase of ferriage toll,

Referred to committee of the whole.

On motion,

The House went into committee of the whole,

Mr. Newell in the chair,

After considering several bills, the committee rose and reported progress.

On motion of Mr. Newell,

The House adjourned to 6 o'clock, P. M.

EVENING SESSION.

House met at 6 o'clock.

The bill granting a charter to W. H. Willson and J. H. Judson,

To Mayor Denyse McGriff and the governing body of Oregon City

From Alger Marsh

RE: Homelessness policy

I have received a notice that Oregon City has a policy that RVs on private property are not allowed to be lived in.

I currently have friends living in their RV that is parked in my driveway. I am being told to remove them.

On July 7, 2021, the State of Oregon revised their homelessness policy. Here are some of the segments of ORS 458.528:

- (1) As used in this section, "homelessness" means the lack of a decent, safe, stable and permanent place to live that is fit for human habitation.
- (2b) Preventing and ending homelessness is important for all levels of government, business and the community.
- (4a) The redesign of existing response systems to homelessness to include a realignment of services with permanent housing.
- (4e) An individualized approach to the homeless person that includes an assessment of individual needs, identification of appropriate solutions that may include services, coordination and cost-effective use of support across agencies and appropriate monitoring and evaluation of the homeless person's individual progress.

(References to previous legislation and following comments are removed.)

These statements indicate to me that the State of Oregon intends that all communities in the state follow their current pattern of helping to provide both facilities and locations for the homeless. In the case of people with facilities (such as RVs) but no location, cities are to provide for their location.

Another segment of the State's legislation is ORS 446.125. Pertinent to my request are the following sections:

A person may occupy a manufactured dwelling or a camping vehicle on private land with the consent of the owner of the land if:

- (1) The lot, tract or parcel of land upon which the manufactured dwelling or camping vehicle is situated has an area adequate to provide safe, approved water supply and sewage disposal facilities and is not in conflict with ORS 446.310 (Definitions for ORS 446.310 to 446.350) (9).

(Those definitions have to do with property ownership, tenants, and legalities concerning manufactured structures.)

On January 10, 2023, Governor Kotek issued Executive Order 23-03 stating that homeless people may camp on private property with the owner's permission, reinforcing the previous regulations. Mayor Wheeler has updated Portland's regulations to match Oregon's House Bill 3115. That bill, adopted in February, delayed the implementation date to July 1, 2023, to allow local governments time to develop compliant ordinances.

I believe that Oregon City would be wise to follow the current homelessness regulations that Oregon has adopted. That is the intent of the State. In addition, if you continue to forbid having tenants in RVs and other manufactured structures on an individual's property, then the city will need to provide locations where those tenants can live. It will be cost-effective to modify our current regulations.

My driveway has the required hookups properly installed. I request that you bring Oregon City's regulations into alignment with the current State of Oregon's regulations for the homeless.

Sincerely,



Alger Marsh

ORS 458.528

Policy on homelessness

- [Text](#)
- [Annotations](#)

(1)

As used in this section, "homelessness" means the lack of a decent, safe, stable and permanent place to live that is fit for human habitation.

(2)

The Legislative Assembly finds and declares that:

(a)

Homelessness is a detriment to individuals, families and communities. The effects of homelessness impact quality of life, productivity and self-sufficiency, career and educational opportunities, health and wellness. Those effects may also extend to future generations.

(b)

Preventing and ending homelessness is important for all levels of government, business and the community.

(3)

The Housing and Community Services Department and the Department of Human Services shall serve as the lead agencies in administering the state policy regarding homelessness.

(4)

It is the policy of this state that the Housing and Community Services Department, the Department of Human Services, the Oregon Housing Stability Council and the Community Action Partnership of Oregon work to encourage innovation by state, regional and local agencies that will create the comprehensive and collaborative support system and housing resources vital for a successful campaign to end and prevent homelessness. The comprehensive and collaborative support system should include, but not be limited to:

(a)

The redesign of existing response systems to homelessness to include a realignment of services with permanent housing.

(b)

The inclusion of community-based treatment, outreach services, early intervention strategies, housing and service management and an interagency system that can address individuals with compound needs.

(c)

The coordination of multiagency services provided to people with chronic needs, older adults and homeless and runaway youths, including but not limited to criminal justice, housing, public welfare, health, mental health and youth and family services, to create integrated and cost-effective programs that deliver housing and service needs of homeless persons in a seamless and timely manner.

(d)

Programs of care for the homeless that have an accompanying set of outcomes to increase accountability and further development of more effective methods in reaching client outcome goals and cost effectiveness. Outcomes for increasing the accountability of programs of care for the homeless include shortening the length of stay in emergency housing, eliminating repeated periods of homelessness and addressing the issue of homelessness in all areas of the state.

(e)

An individualized approach to the homeless person that includes an assessment of individual needs, identification of appropriate solutions that may include services, coordination and cost-effective use of support across agencies and appropriate monitoring and evaluation of the homeless person's individual progress. [2009 c.407 §1; 2015 c.180 §20]Note: [458.528 \(Policy on homelessness\)](#) was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 458 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

ORS 446.125

Occupancy on private land

- [Text](#)
- [Annotations](#)

A person may occupy a manufactured dwelling or a camping vehicle on private land with the consent of the owner of the land if:

(1)

The lot, tract or parcel of land upon which the manufactured dwelling or camping vehicle is situated has an area adequate to provide safe, approved water supply and sewage disposal facilities and is not in conflict with [ORS 446.310 \(Definitions for ORS 446.310 to 446.350\)](#) (9).

(2)

The person complies with all applicable standards of sanitation, water, plumbing and electrical and sewerage installations prescribed by the laws of this state and the rules issued thereunder, or by local authorities. [1959 c.562 §10; 1967 c.247 §9; 1969 c.533 §24; 1983 c.707 §7; 1989 c.648 §13; 2001 c.900 §256; 2005 c.22 §315]

Source: Section 446.125 — Occupancy on private land, https://www.oregonlegislature.gov/bills_laws/ors/ors446.html.

446.003

Definitions for ORS 446.003 to 446.200 and 446.225 to 446.285 and ORS chapters 195, 196, 197, 215 and 227**446.005**

"Issuing authority" defined**446.007**

Exceptions to ORS 446.003 definitions (repealed)**446.055**

Four to six manufactured dwellings exempt from ORS 446.003 to 446.140**446.062**

Rules regulating parks**446.066**

Inspection of parks**446.072**

Uniform enforcement throughout state**446.076**

Consumer and Business Services Fund**446.090**

Application of ORS 446.095 to 446.105**446.095**

Park construction and facilities**446.100**

HB 3115: Homelessness and Public Space

Updated: February 11, 2021

Certain Policies Relating to Public Space Management Need Updating

- Some local communities have existing laws to manage public space that prohibit camping, sleeping and lying down outside on public property. Local ordinances that regulate these activities are more likely to impact people experiencing homelessness, who have no choice but to try to survive outside.
- Local laws that ban any form of sitting, lying or sleeping on public property frustrate the goal of promoting safety for people living unsheltered and are not effective ways to ensure safe public spaces for other community members. Enforcement of these laws against people who have no alternative erects barriers to accessing services and housing, and is an ineffective use of public resources.

Unlimited Bans on Homelessness “Survival Activities” Are Unconstitutional in Oregon

- In the *Martin v. City of Boise* case, the 9th Circuit ruled that homeless persons cannot be punished for sleeping outside on public property in the absence of adequate alternatives, or unless the law imposes “reasonable time, place and manner” restrictions on the regulated activities in public space. For now, this is the law in Oregon and, as a result, some communities are already in the process of updating their ordinances following the court decision.
- HB 3115 builds on these basic principles to bring clarity and guidance for local governments in the management of outdoor public spaces.

Bill Provides a Statutory Framework for “Reasonable” Ordinances on Camping, Sleeping, etc.

- Rather than impose outright bans on activities including sitting, lying, sleeping or keeping warm and dry, cities can comply with current constitutional law by passing reasonable ordinances that take into account the perspective of all stakeholders, including persons experiencing homelessness.
- HB 3115 is a negotiated bill between Oregon Law Center, the League of Oregon Cities and representatives for individual local jurisdictions that provides a framework for cities and counties to develop policies on public space management that reflect the uniqueness of each jurisdiction, as well as the interests of all stakeholders and perspectives.
- The workgroup reached consensus on the principle that penalizing homeless individuals for the unavoidable consequences of homelessness is not in the public interest, as well as shared recognition that local communities lack sufficient resources to address the underlying causes that lead to homelessness.

Bill Outline

SECTION 1.

- Requires that any local law regulating the act of sitting, lying, sleeping or keeping warm and dry outside on public property must be “objectively reasonable” as applied to all stakeholders, including persons experiencing homelessness.
- Local ordinances that are in violation of this law because the limitations are not “reasonable” can be challenged by a person experiencing homelessness with a private right of action for declaratory or injunctive relief, or as a defense to enforcement of the ordinance. Monetary damages are not allowed. Attorney fees available in limited circumstances, when a plaintiff is not seeking to vindicate an interest unique to plaintiff and when plaintiff gives a 90-day notice to the governing body before filing the action.
- Clarifies that policies on campsite clean-ups pursuant to ORS 203.077 et. seq., (posting requirements, storage of personal property, etc.) are not subject to the reasonableness standard in this law.

SECTION 2.

- Delayed implementation date of July 1, 2023, to allow local governments time to develop new compliant ordinances through robust public process. The LOC and OLC will partner to provide guidance.

SECTION 3.

- Emergency clause to allow jurisdictions to begin the development of ordinances immediately.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Finance Director Matt Zook

Agenda Date: 12/20/2023

SUBJECT:

City of Oregon City Investment Policy

STAFF RECOMMENDATION:

Staff recommends the approval of Resolution 23-31 adopting the City Investment Policy

EXECUTIVE SUMMARY:

The Investment Policy will serve as the governing framework for wise and judicious investment of City funds. This policy articulates the authority, governance, limitations, controls, and priorities of how the City's liquid assets will be invested. This policy is modeled after the State Treasury's Oregon Short Term Fund Board (OSTFB) recommended sample policy, which is included with this report. The OSTFB will review this policy once approved by the Commission. The OSTFB will communicate to the Commission any comments or recommendations. This Investment Policy appears to be the first Investment Policy submitted to the City Commission for approval.

BACKGROUND:

The primary investment vehicle of most Oregon municipal governments is the Local Government Investment Pool (LGIP). Oregon governments have the authority to place funds in an account at the pool without an investment policy. Oregon Revised Statutes contain a limit to the amount of funds that can be in the pool, which is currently just under \$60 million and adjusted annually for inflation. The City has maintained funds more than this amount for several years, but the excess has been maintained in the City bank checking account, which has a very small interest rate. To maximize the return on the balances in the checking account, the opportunity for an additional investment option became apparent.

The Commission's review and approval of the Investment Policy is the first step. Once complete, the Investment Policy will go to the OSTFB for review and comment at their January 2024 quarterly board meeting, which will be attended by the City's Finance Director to answer any questions the OSTFB may have about the policy. The OSTFB

serves as a valuable tool to local governments in a review capacity, but it does not formally approve the policy. It will provide a written letter to the Commission with the results of its review. If changes are necessary or desired at that time, the City can revise the Investment Policy. Once any revisions are made and approved by the City Commission, staff will execute the policy.

As noted in the policy, staff will make regular reports to the Commission on the performance of the investment portfolio. In summary, Staff intends to maintain all funds in hand in the LGIP up to the maximum allowed by ORS, and then invest any funds beyond that limit in the most prudent manner possible, which would be in US Treasuries. As the investment discipline matures, staff may explore other allowable investments within the policy.

Key components of the policy are outlined in the table of contents. The Governing Authority section designates the City Commission responsibility for the Investment Policy and identifies the Finance Director as the Investment Officer. It is common practice to have either the City Manager or the Finance Director named as the investment officer.

The General Objectives section prioritizes preservation of capital, liquidity, and return as the overarching values of investments.

The Standards of Care section addresses standard of prudence, ethics, conflicts of interest, authority, delegation, and the roles of each participant in the investment process.

The Transaction Counterparties, Investment Advisors, and Depositories section establishes the roles and requirements of external consultants and financial institutions.

The Administration And Operations section refers to the internal bookkeeping and controls for the investment process.

The Suitable And Authorized Investments section outlines the specific categories of allowable and prohibited investment types.

The Investment Parameters section covers evaluative factors such as credit risk, diversification, security ratings, liquidity risk, and interest rate risk.

The remaining sections of the policy cover the investment of debt proceeds and capital reserves, policy compliance, and reporting requirements.

OPTIONS:

1. Approve the Investment Policy as presented.
2. Approve the Investment Policy as revised if necessary.
3. Provide feedback and direction for additional consideration and approval at a future meeting.

BUDGET IMPACT:

Amount: \$0. This is approval of a policy.

FY(s): Ongoing

Funding Source(s): N/A

ATTACHMENTS:

1. Resolution 23-31
2. Investment Policy
3. The model policy from OSTFB
4. The OSTFB Local Government Investment Policy Review Process

RESOLUTION NO. 23-31

A RESOLUTION OF THE OREGON CITY COMMISSION ADOPTING THE CITY INVESTMENT POLICY

WHEREAS, the City of Oregon City has a fiduciary responsibility to steward the financial resources of the City, including cash and investments; and

WHEREAS, the City adheres to the investment values, in priority order of safety, liquidity, and return; and

WHEREAS, an Investment Policy is necessary to serve as the governing framework for wise and judicious investment of City funds; and

WHEREAS, the Investment Policy, as shown in Exhibit A, will be reviewed by the Oregon Short Term Fund Board (OSTFB) at their future quarterly meeting. This policy follows the model policy developed by the OSTFB, which provides oversight and advice to the State Investment Pool / State Treasurer. OSTFB voluntarily reviews cities' investment policies for compliance with Oregon Revised Statutes.

NOW, THEREFORE, OREGON CITY RESOLVES AS FOLLOWS:

Section 1. The City Commission adopts the Investment Policy attached as Exhibit A to this resolution.

Section 2. This resolution shall take effect immediately upon its adoption by the City Commission.

Approved and adopted at a regular meeting of the City Commission held on the 20th day of December 2023.

DENYSE C. MCGRUFF
Mayor

Attested to this 20th day of December 2023:

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

Attachment: Exhibit A – Investment Policy

CITY OF OREGON CITY, OREGON

INVESTMENT POLICY

Updated 12/20/2023



Table of Contents *(section numbers)*

I.	INTRODUCTION AND PURPOSE	1
II.	GOVERNING AUTHORITY	1
III.	SCOPE	1
IV.	GENERAL OBJECTIVES	2
V.	STANDARDS OF CARE	2
VI.	TRANSACTION COUNTERPARTIES, INVESTMENT ADVISORS, AND DEPOSITORIES	3
VII.	ADMINISTRATION AND OPERATIONS	6
VIII.	SUITABLE AND AUTHORIZED INVESTMENTS	7
IX.	INVESTMENT PARAMETERS	9
X.	INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE	12
XI.	INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENT FUNDS	13
XII.	GUIDELINE MEASUREMENT AND ADHERENCE	13
XIII.	REPORTING AND DISCLOSURE	13
XIV.	POLICY MAINTENANCE AND CONSIDERATIONS	14



CITY OF OREGON CITY

INVESTMENT POLICY

I. INTRODUCTION AND PURPOSE

The City of Oregon City, Oregon (hereinafter referred to as the City) operates under the council-manager form of government. Policy making and legislative authority are vested in the governing commission, which consists of a mayor and four-member commission, who serve staggered four-year terms. The City Commission appoints the City Manager, who oversees the delivery of public services and is responsible for all administration and management of the City.

Oregon City is the County seat of Clackamas County in Northwest Oregon, thirteen miles south of Portland, Oregon at the confluence of the Willamette and Clackamas Rivers. The City was established in 1829 and incorporated in 1844, later becoming the capital of the Oregon Territory. It currently encompasses 10.27 square miles and is part of the Portland Greater Metropolitan Area. Oregon City has a population of 37,786.

The purpose of this Investment Policy is to define the parameters within which funds are to be invested by the City. This policy also formalizes the framework, pursuant to ORS 294.135, for the City's investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

II. GOVERNING AUTHORITY

The City's investment program will be operated in conformance with Oregon Revised Statutes (ORS) and applicable Federal Law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the state of Oregon. Any revisions or extensions of these sections of the ORS will be assumed to be part of this Investment Policy immediately upon being enacted.

III. SCOPE

This policy applies to the activities of the City with regard to investing the financial assets of all funds except for funds held in trust for the Public Employees Retirement System (PERS) and deferred compensation funds for the employees of the City which have separate rules. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the State of Oregon. Other than bond proceeds or other unusual situations, the total of all available funds ranges from \$10,000,000 to \$100,000,000. This policy provides direction for all the following City funds, to include the Urban Renewal Agency:

- A. General Fund
- B. Special Revenue Funds
- C. Debt Service Funds
- D. Capital Projects Funds
- E. Enterprise Funds
- F. Internal Service Funds
- G. Other Funds

IV. GENERAL OBJECTIVES

The primary objectives, in priority order, of investment activities will be:

1. Preservation of Invested Capital

Investment will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

2. Liquidity

The investment portfolio will remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio may also be placed in the Oregon Short Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

3. Return

The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages active trading and turnover of investments. Investments should generally be held to maturity.

V. STANDARDS OF CARE

1. Prudence

The standard of prudence to be used by investment officials will be the "prudent person" standard and will be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this Investment Policy and exercising due diligence will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviation from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The "prudent person" standard states, "Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest

City investment staff involved in the investment process will refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. City investment staff will disclose any material interest in financial institutions with which they conduct business. Disclosure will be made to the City Manager. They will further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. City investment staff will refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. City investment staff will, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

All participants in the investment process will seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

3. Delegation of Authority and Responsibilities

i. Governing Body

The ultimate responsibility and authority for the investment of City funds resides with the City Commission. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and ORS 294.155.

ii. Delegation of Authority

The City hereby designates the Finance Director as the Investment Officer for the City's funds to conform with ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810. The Investment Officer will invest City funds in accordance with ORS Chapter 294, Public Financial Administration, and with this Investment Policy. This Policy will constitute a "written order" from City Commission per ORS 294.035. The Investment Officer, with the consent of the City Manager, may further delegate the authority to invest City funds to additional City Finance personnel.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer will be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process will seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

iii. Investment Committee

The Investment Officer may seek to establish an Investment Committee to provide guidance to the Investment Officer and monitor investment policy compliance.

iv. Investment Municipal Adviser

The Investment Officer may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with this investment policy. Investment advisers may be hired on a non-discretionary basis. All investment transactions by approved investment advisers must be pre-approved in writing by the Investment Officer and compliant with this Investment Policy. If the City hires an investment advisor to provide investment management services, the adviser is authorized to transact with its direct dealer relationships on behalf of the City.

VI. TRANSACTION COUNTERPARTIES, INVESTMENT ADVISORS, AND DEPOSITORIES

The City will maintain a list of all authorized financial institutions and dealers that are approved for investment purposes. Any firm is eligible to make an application to the Investment Officer and upon due consideration and approval, will be added to the list. Additions and deletions to the list will be made at the City's discretion. The City will maintain evidence as to all the necessary credentials and licenses held by employees of the brokers/dealers who will have contact with the City as specified by

but not necessarily limited to the Financial Industry Regulatory Authority (FINRA), Securities and Exchange Commission (SEC), etc.

1. Broker/Dealers

Primary and secondary dealers must be registered with FINRA and meet the SEC rule 15c3-I (uniform net capital rule). The Investment Officer will annually review the approved list for due diligence regarding financial condition, registration, and ethical conduct. If the City's investment advisor is contracted to provide securities transactions on behalf of the City, the advisor's broker/dealer list must be provided to the Investment Officer for approval. The Investment Officer can assign the responsibility of broker/dealer due diligence process to the Advisor, and all licensing information on the counterparties will be maintained by the Advisor and available upon request.

i. Broker/Dealer firms must meet the following minimum criteria:

- A. Be registered with the Securities and Exchange Commission (SEC)
- B. Be registered with the Financial Industry Regulatory Authority (FINRA)
- C. Provide most recent audited financials
- D. Provide FINRA Focus Report filings

ii. Approved Broker/Dealer employees who execute transactions with the City must meet the following minimum criteria:

- A. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
- B. Be licensed by the State of Oregon;
- C. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.

iii. The Investment Officer may want to establish policies for engaging broker/dealer firms and registered representatives that are more restrictive than stated in this investment policy. Additional requisites or due diligence may include:

- A. Positive references from at least three other local government clients.
- B. As part of the periodic due diligence review, inquiries with other local government clients with regard to their recent experiences with broker/dealer firms or registered representatives and any change in relationship status.
- C. Requirement that approved registered representatives provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
- D. Requirement that prospective registered representatives have an established history of advising local governments with similar amounts of assets under management.

iv. Periodic (at least annual) review of all authorized Broker/Dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider:

- A. Pending investigations by securities regulators
- B. Significant changes in net capital
- C. Pending customer arbitration cases
- D. Regulatory enforcement actions

2. Direct Issuers

Obligations that are permitted for purchase by this policy may be purchased directly from the issuer.

3. Financial Bank Institutions

All financial banks that provide bank deposits, certificates of deposits or any other deposit of the bank to the City must either be fully covered by the Federal Deposit Insurance Corporation (FDIC) or the bank must be a participant of the Public Funds Collateralization Program (PFCP). ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the PFCP. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. ORS Chapter 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS Chapter 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected.

4. Investment Advisors

An investment advisor may be utilized to manage funds and will be selected through a competitive request for proposal (RFP) process.

i. The Advisor must meet the following criteria:

- A. The investment advisor firm must be registered with the SEC or licensed by the state of Oregon; (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon);
- B. All investment advisor firm representatives conducting investment transactions on behalf of the City must be registered representatives with FINRA;
- C. All investment advisor firm representatives conducting investment transaction on behalf of the City must be licensed by the state of Oregon;
- D. Certification, by all of the adviser representatives conducting investment transactions on behalf of this entity, of having read, understood and agreed to comply with this investment policy.

ii. Periodic (at least annual) review of all approved Investment Advisors and their respective authorized registered representatives under contract will be conducted by the Investment Officer to determine their continued eligibility with the portfolio guidelines. Factors to consider:

- A. Pending investigations by securities regulators
- B. Significant changes in net capital
- C. Pending customer arbitration cases
- D. Regulatory enforcement actions

iii. The Investment Officer may want to establish policies for engaging Investment Advisors that are more restrictive than stated in this investment policy. Additional requisites or due diligence may include:

- A. Positive references from at least three other local government clients.
- B. As part of the periodic due diligence review, inquiries with other local government clients with regard to their recent experiences with investment advisors or registered representatives and any change in relationship status.
- C. Requirement that approved investment advisors provide notification within 30 days of a relationship termination by an Oregon based local government.
- D. Requirement that approved investment advisors provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.

- E. Requirement that prospective investment advisors have an established history of advising local governments with similar amounts of assets under management.

5. Depositories

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

6. Competitive Transactions

The Investment Officer will obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate broker/financial institutions or through the use of a nationally recognized trading platform.

In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer will document the quotations for comparable or alternative securities.

When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer will preferably document quotation on comparable securities.

The City's Investment Advisor that is providing investment management services must provide documentation of competitive pricing execution on each transaction. The Investment Advisor will retain documentation and provide upon request.

VII. ADMINISTRATION AND OPERATIONS

1. Delivery vs. Payment

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds.

2. Third-Party Safekeeping

Securities purchased by the City will be held in a segregated account for the City's benefit at a third-party trustee as safekeeping agent. The approved broker/dealer or Investment Advisor will provide the City with a confirmation ticket listing the specific instrument, issuer, coupon, maturity, CUSIP number, purchase or sale price, transaction date, and other pertinent information. The broker/dealer will deliver all securities on a delivery versus payment method to the designated third-party trustee at the direction of the Investment Officer.

3. Accounting Method

The City will comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB). Pooling of Funds: Except for cash in certain restricted and special funds, the City will consolidate balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with GAAP.

4. Internal Controls

The Investment Officer and City Commission are jointly responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment Policy and protected from loss, theft, or misuse. Specifics for the controls will be documented in writing. The established control structure will be reviewed and updated periodically by the Investment Officer. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

i. The Internal Controls will address the following points at a minimum:

- A. Compliance with Investment Policy
- B. Control of collusion
- C. Separation of transaction authority from accounting and record keeping
- D. Custodial safekeeping
- E. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary
- F. Clear delegation of authority to subordinate staff members
- G. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form.
- H. Dual authorization of wire and automated clearing house (ACH) transfers
- I. Staff training
- J. Review, maintenance, and monitoring of security procedures both manual and automated

5. External Audit

An external audit will provide an annual independent review to ensure compliance with Oregon State law and City policies and procedures.

VIII. SUITABLE AND AUTHORIZED INVESTMENTS

1. Permitted Investments

All investments of the City will be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for the Custodial Officer), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS will be assumed to be part of this Investment Policy immediately upon being enacted.

2. Suitable Investments

The City is empowered to invest in the following types of securities:

Type	Definition
U.S. Treasury Obligation	Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS 294.035(3)(a)]
U.S. Agency Obligations	US Government Agencies, Government Sponsored Enterprises. Corporations or Instrumentalities of the US Government — Federal Instrumentality Securities include, but are not limited to Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB). [ORS 294.035(3)(a)]
Commercial Paper	Commercial Paper that is rated A1/P1
Corporate Indebtedness	Corporate Bonds that have a minimum long term debt rating of AA- rated by Standard and Poor's or a Aa3 rating by Moody's or equivalent rating by any nationally recognized statistical rating organization. [ORS 294.035(3)(i)]
Local Government Investment Pool	State treasurer's local short-term investment fund up to the statutory limit per ORS 294.810
Certificates of Deposit/Bank Deposit/Savings Accounts	Time deposit open accounts, certificates of deposit and savings accounts in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state. [ORS 294.035(3)(d)]
Municipal Obligations	Lawfully issued debt obligation of the agencies and instrumentalities of the State of Oregon and its political subdivisions that have a long-term rating of A or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization. [ORS 294.035(3)(b)] Lawfully issued debt obligation of the States of California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating of AA or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization. [ORS 294.035(3)(c)]
Bankers' Acceptances	Bankers' acceptances, if the bankers' acceptances are: (i) Guaranteed by, and carried on the books of, a qualified financial institution; (ii) Eligible for discount by the Federal Reserve System; and (iii) Issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations. For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon. [ORS 294.035(3)(h)]
Oregon Short Term Fund	Established in the State Treasury as a commingled investment vehicle for investment funds and moneys. ORS 293.728

3. Approval of Permitted Investments

If additional types of securities are considered for investment, per Oregon state statute, they will not be eligible for investment until this Policy has been amended and the amended version adopted by the City.

4. Prohibited Investments:

Type	Definition
Private Placement or "144A" Securities	For purposes of the policy, SEC Rule 144A securities are defined to include commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
U.S. Agency Mortgage-backed Securities	US agency-backed securities such as those securities issued by FNMA and FFLMC are not allowed.
Securities Lending	The City will not lend securities nor directly participate in a securities lending program.

5. Demand Deposits and Time Deposits

All demand deposits and time deposits (examples of time deposits are: certificate of deposit and savings accounts) will be held in qualified Oregon depositories in accordance with ORS Chapter 295. Demand deposits in qualified depository institutions are considered cash vehicles and not investments are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

6. Repurchase Agreements

ORS 294.035 (3)(1) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short Term Fund Board.

ORS 294.135(2) limits the maximum term of any repurchase agreement to 90 days.

The OSTF Board has adopted the following margins:

- A. US Treasury Securities: 102%
- B. US Agency Discount and Coupon Securities: 102%
- C. Mortgage Backed and Other*: 103%

*Limited to those securities described in ORS 294.035(1)

IX. INVESTMENT PARAMETERS

1. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate Credit risk by conforming to the following guidelines:

i. Diversification

The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions, or maturities.

ii. Recognized Credit Ratings

Investments must have a rating from at least one of the following nationally recognized statistical ratings organization (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

iii. Portfolio Average Credit Rating

The minimum weighted average credit rating of the portfolio's rated investments will be Aa/AA/AA by Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service respectively.

iv. Exposure Constraints and Minimum Investment Credit Ratings

The following table limits exposures among investments permitted by this policy.

Type	Maximum % Holdings	Minimum Ratings Moody's/S&P/Fitch
U.S. Treasury Obligation	100%	None
U.S. Agency Securities	100%	--
Per Agency (Senior Obligations Only)	33%	--
Oregon Short Term Fund	Maximum allowed per ORS 294.810	--
Bankers' Acceptances	25% ⁽¹⁾	A1+/P1/F1+
Time Deposits/Savings Accounts/Certificates of Deposit ⁽²⁾	50%	--
Per Institution	25%	
Repurchase Agreements	5%	--
Corporate Debt (Total)	15% ⁽³⁾	--
Corporate Commercial Paper	15% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	A1/P1/F1
Corporate Bonds	10% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	Aa/AA/AA
Municipal Debt (Total)	10%	--
Municipal Commercial Paper	10%	A1/P1/F1
Municipal Bonds	10%	Aa/AA/AA

⁽¹⁾ 25% Maximum per ORS 294.035(D)

⁽²⁾ As authorized by ORS 294.035(3)(d)

⁽³⁾ 35% Maximum per ORS 294.035(D)

⁽⁴⁾ 5% Maximum per ORS 294.035(D)

v. Determining a Security's Rating

A single rating will be determined for each investment by utilizing the lowest security level rating available for the security from Standard and Poor's, Moody's Investor Services and Fitch Ratings respectively.

vi. Restriction on Issuers with Prior Default History

Per ORS 294.040, the bonds of issuers listed in ORS 294.035(3)(a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city for a period of five years next preceding the date of the investment.

2. Liquidity Risk

Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to mitigate liquidity risks. The value of the lesser of at least 25% of funds available for investing or six months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than 90 days to provide sufficient liquidity for expected disbursements. Funds in excess of liquidity requirements are allowed for investment maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.

Portfolio investment maturities will be limited as follows:

Maturity Constraints	Minimum % of Total Portfolio
Under 90 days	Lesser of 25% or six months of Estimated Operating Expenditures
Under 1 year	50%
Under 3 year	100%

Reserve or Capital Improvement Project monies may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide, as nearly as practical, with the expected use of the funds.

Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.

The maximum portfolio average maturity (measured with stated final maturity) will be 1.5 years. The maximum stated final maturity of individual securities in the portfolio will be three year, except as otherwise stated in this policy. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

Type	Maximum % of Issuance* (PAR)
U.S. Agency Securities	50%
Corporate Debt (Total)	--
Corporate Commercial Paper	100%
Corporate Bonds	25%
Municipal Bonds	25%

*The par amount issued under a single CUSIP.

3. Interest Rate Risk

Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be mitigated by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments.

i. The City will use the following strategies to control and mitigate adverse changes in the market value of the portfolio due to changes in interest rates:

- A. Where feasible and prudent, investment maturities should match expected cash outflows to mitigate market risk.
- B. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate re- investment risk.
- C. No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date or receive a fee other than interest for future deliveries.
- D. The maximum percent of callable securities in the portfolio will be 25%.
- E. The maximum stated final maturity of individual securities in the portfolio will be three years, except as otherwise stated in this policy.
- F. The maximum portfolio average maturity (measured with stated final maturity) will be 1.5 years.

X. INVESTMENT OF PROCEEDS FROM DEBT ISSUANCE

Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds will be invested in accordance with the parameters of this policy and applicable bond covenants and tax laws.

Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and are maturity matched with outflows. Consequently, surplus funds within the scope of ORS 294.052 are not subject to this policy's liquidity risk constraints within section IX (2).

XI. INVESTMENT OF RESERVE OR CAPITAL IMPROVEMENT FUNDS

Pursuant to ORS 294.135 (1)(b), reserve or capital improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the City Commission, the maturity of the investments or investments made with the funds may occur when the funds are expected to be used.

XII. GUIDELINE MEASUREMENT AND ADHERENCE

1. Guideline Measurement

Guideline measurements will use market value of investments.

2. Guideline Compliance

If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer will bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance will be documented and reported to the City Commission. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

XIII. REPORTING AND DISCLOSURE

1. Reporting Requirements and Compliance

The Investment Officer will submit, at least biannually, a report to the City Commission to ascertain whether investment activities during the reporting period have conformed to the investment policy.

i. The reporting will include the following:

- A. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable)
- B. Average maturity of the portfolio at period-end
- C. Maturity distribution of the portfolio at period-end
- D. Average portfolio credit quality of the portfolio at period-end
- E. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- F. Distribution by type of investment
- G. Transactions since last report
- H. Distribution of transactions among financial counterparties such as broker/dealers
- I. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance

2. Performance Standards/ Evaluation

The Investment Officer will periodically establish a benchmark yield or return for the City's investments. Considerations for establishing the benchmark yield may include the current yield on the State of Oregon Local Government Investment Pool, and the average yield on the 3-month U.S. Treasury Bill or other industry benchmarks. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio will be included in the computation of the portfolio's rate of return.

3. Marking to Market

The Investment Officer will periodically calculate the market value of the portfolio and a statement of the market value of the portfolio will be issued annually.

4. Audits

The Investment Officer will establish an annual process of independent review by the external auditor to ensure compliance with internal controls. Such audits will include tests deemed appropriate by the auditor.

XIV. POLICY MAINTENANCE AND CONSIDERATIONS

1. Review

This Investment Policy will be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

2. Exemptions

Any investment held prior to the adoption of this policy will be exempted from the requirements of this policy. At maturity or liquidation, such monies will be reinvested as provided by this policy.

3. Policy Adoption and Amendments

This investment policy and any modifications to this policy must be formally approved in writing by the City Commission.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- i. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the City Commission, the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).**

And either:

- A. This policy has never been submitted to the OSTF Board for comment;
- Or
- B. Material changes have been made since the last review by the OSTF Board

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy will be re-submitted biannually to the City Commission for approval.

This Sample Investment Policy is a template from which Local Governments may draw in formulating a comprehensive investment policy. The investment parameters in this Policy are generally more restrictive than Oregon Law and may not represent the full range of legally allowable investments for local governments in the state of Oregon. It is recommended that local governments adjust this template policy to conform to unique investment needs and consult legal counsel when creating or altering their investment policy to ensure compliance with applicable Oregon Law.

Key Elements of an Investment Policy should consist of the following:

- **Purpose:** Outlines the purpose for the policy document
- **Authority:** Identifies the authoritative guidance under which investing takes place
- **Scope:** Identifies funds under the authority of the policy
- **Objectives:** (Prioritized)
 - Safety
 - Liquidity
 - Return
- **Standards of Care:**
 - Prudence (Prudent Person Standard)
 - Ethics and Conflicts of Interest
 - Indemnification for investment decisions
 - Delegation of Authority
 - Internal controls
 - Separation of Investment decisions and recordkeeping
- **Safekeeping & Custody:**
 - Delivery vs. Payment protocol
 - Safekeeping/Custody by 3rd Party
- **Authorized investments:** Specific authorized investment types should be listed
- **Risk Parameters:**
 - Credit Risk:
 - Ratings requirements
 - Exposure limitations
 - Interest Rate Risk:
 - Maximum investment maturity
 - Maximum average maturity
 - Concentration Risk:
 - Diversification requirements
 - Liquidity Risk:
 - Minimum liquidity guidance
 - Maturity buckets
- **Transaction Counterparties:**
 - Minimum requirements to approve broker/dealers
 - Minimum requirements to approve Investment advisers
- **Policy Compliance:**
 - Reporting requirements:
 - Required data
 - Periodicity of reporting
 - Recipients of reports
 - Guideline violation resolution
- **Policy Maintenance:**
 - Periodic Policy Review

Sample Investment Policy for Local Governments**I. Purpose**

This Investment Policy defines the parameters within which funds are to be invested by [Local Government]. The [Local Government] is a [Type of Local Government] whose purpose is to [Function of Local Government]. This policy also formalizes the framework, pursuant to ORS 294.135, for the [Local Government]'s investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

II. Governing Authority

[Local Government]'s investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

III. Scope

This policy applies to activities of [Local Government] with regard to investing the financial assets of [operating funds / capital funds / bond proceeds / bond reserve funds]. Funds managed by [Local Government] that are governed by other investment policies are excluded from this policy; however, all funds are subject to Oregon Law. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$xxx million and \$xxx million.

IV. General Objectives

The primary objectives, in priority order, of investment activities shall be:

1. Preservation of Invested Capital

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the Oregon Short Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

3. Return

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages active trading and turnover of investments. Investments should generally be held to maturity

V. Standards of Care**1. Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The "prudent person" standard states:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the [Local Government]. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

3. Delegation of Authority and Responsibilities**i. Governing Body**

The [Designated Oversight Body or Position] will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.

ii. Delegation of Authority

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to [Designated Position], hereinafter referred to as Investment

Officer, and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

iii. Investment Committee

The [Designated Oversight Body or Position] may seek to establish an investment committee to provide guidance to the Investment Officer(s) and monitor investment policy compliance.

iv. Investment Municipal Adviser

The [Designated Oversight Body or Position] may engage the services of one or more external investment managers to assist in the management of the entity's investment portfolio in a manner consistent with this investment policy. Investment advisers may be hired on a non-discretionary basis. All investment transactions by approved investment advisers must be pre-approved in writing by the Investment Officer and compliant with this Investment Policy. If [Local Government] hires an investment adviser to provide investment management services, the adviser is authorized to transact with its direct dealer relationships on behalf of [Local Government].

Note: Oregon Revised Statutes (ORS) do not restrict hiring investment advisers on a discretionary basis. However, the OSTF Board cautions against hiring investment advisers on a fully discretionary basis. Therefore this sample policy only allows for non-discretionary investment advisers.

VI. Transaction Counterparties, Investment Advisers and Depositories

1. Broker/Dealers

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives.

The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- i. Broker/Dealer firms must meet the following minimum criteria:
 - A. Be registered with the Securities and Exchange Commission (SEC)
 - B. Be registered with the Financial Industry Regulatory Authority (FINRA)
 - C. Provide most recent audited financials
 - D. Provide FINRA Focus Report filings

- ii. Approved broker/dealer employees who execute transactions with [Local Government] must meet the following minimum criteria:
 - A. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
 - B. Be licensed by the state of Oregon;
 - C. Provide certification (in writing) of having read; understood; and agreed to comply with the most current version of this investment policy.
- iii. The Investment Officer may want to establish policy for engaging broker/dealer firms and registered representatives that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
 - A. Positive references from at least three other local government clients.
 - B. As part of the periodic due diligence review, inquiries with other local government clients with regard to their recent experiences with broker/dealer firms or registered representatives and any change in relationship status.
 - C. Requirement that approved registered representatives provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
 - D. Requirement that prospective registered representatives have an established history of advising local governments with similar amounts of assets under management.
- iv. Periodic (at least annual) review of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:
 - A. Pending investigations by securities regulators
 - B. Significant changes in net capital
 - C. Pending customer arbitration cases
 - D. Regulatory enforcement actions

Professional conduct; regulatory filing history; and registration status for any registered broker/dealer firm or for an individual registered representative can be researched at the FINRA website using the FINRA BrokerCheck® service.

- www.finra.org/Investors/ToolsCalculators/BrokerCheck/

Additional information (including state issued Enforcement Orders) on brokers and registered representatives licensed by the state of Oregon may also be obtained from the Oregon Department of Consumer and Business Services Division of Finance and Corporate Securities.

- www.cbs.state.or.us/external/dfcs/

2. Direct Issuers

Obligations that are permitted for purchase by this policy may be purchased directly from the issuer.

3. Investment Advisers

A list will be maintained of approved advisers selected by conducting a process of due diligence.

- i. The following items are required for all approved Investment Advisers:
 - A. The investment adviser firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon (*Note: Investment adviser firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon*).
 - B. All investment adviser firm representatives conducting investment transactions on behalf of [Local Government] must be registered representatives with FINRA.
 - C. All investment adviser firm representatives conducting investment transactions on behalf of [Local Government] must be licensed by the state of Oregon.
 - D. Certification, by all of the adviser representatives conducting investment transactions on behalf of this entity, of having read, understood and agreed to comply with this investment policy.
- ii. A periodic (at least annual) review of all investment advisers under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines. Factors to consider would be:
 - A. Pending investigations by securities regulators
 - B. Significant changes in net capital
 - C. Pending customer arbitration cases
 - D. Regulatory enforcement actions

Professional conduct and regulatory filing history for any registered investment adviser or for individual adviser representatives can be researched on the Securities and Exchange Commission's (SEC) Investment Adviser Public Disclosure website.

The SEC's Investment Adviser Public Disclosure website provides access to the registration form ("Form ADV") that the adviser filed. Form ADV contains information about an investment adviser and its business operations. Additionally, it contains disclosure about certain disciplinary events involving the adviser and its key personnel.

The website also allows users to search for an individual investment adviser representative and view that individual's professional background and conduct, including current registrations, employment history, and disclosures about certain disciplinary events involving the individual.

- www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx

- iii. The Investment Officer may want to establish guidelines or policy for engaging investment advisers' services that are more restrictive than stated in this policy. Additional requisites or due diligence items may include:
 - A. Positive references from at least three other local government clients of a prospective investment adviser firm.
 - B. As part of the periodic due diligence review, inquiries with other local government clients of approved investment advisers with regard to their recent experiences with the adviser and any change in the relationship status.

- C. Requirement that approved investment advisers provide notification within 30 days of a relationship termination by an Oregon based local government.
- D. Requirement that approved investment adviser provide notification within 30 days of any formal investigations or disciplinary actions initiated by federal or state regulators.
- E. Requirement that prospective investment advisers have an established history of advising local governments with similar amounts of assets under management.

4. Depositories

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

5. Competitive Transactions

- i. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
- ii. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities.
- iii. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
- iv. If an investment adviser provides investment management services, the adviser must retain documentation of competitive pricing execution on each transaction and provide upon request.

VII. Administration and Operations**1. Delivery vs. Payment**

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the [Local Government]'s safekeeping institution prior to the release of funds.

2. Third-Party Safekeeping

Securities will be held by an independent third-party safekeeping institution selected by the [Local Government]. All securities will be evidenced by safekeeping receipts in the [Local Government] name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16.

3. Internal Controls

The investment officer and [Designated Oversight Body or Position] are jointly responsible for establishing and maintaining an adequate internal control structure designed to

reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the [Designated Oversight Body or Position].

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- i. Compliance with Investment Policy
 - ii. Control of collusion
 - iii. Separation of transaction authority from accounting and record keeping
 - iv. Custodial safekeeping
 - v. Avoidance of physical delivery of securities whenever possible and address control requirements for physical delivery where necessary
 - vi. Clear delegation of authority to subordinate staff members
 - vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
 - viii. Dual authorizations of wire and automated clearing house (ACH) transfers
 - ix. Staff training
 - x. Review, maintenance and monitoring of security procedures both manual and automated
4. An external auditor shall provide an annual independent review to assure compliance with Oregon state law and [Local Government] policies and procedures.

VIII. Suitable and Authorized Investments

1. Permitted Investments

The following investments are permitted pursuant to ORS 294.035, 294.040, and ORS 294.810. (*Note: Permitted investments may be more restrictive than ORS 294.035 and 294.810*).

- *US Treasury Obligations: U.S. Treasury and other government obligations that carry the full faith and credit guarantee of the United States for the timely payment of principal and interest.*
- *US Agency Obligations: Senior debenture obligations of US federal agencies and instrumentalities or U.S. government sponsored enterprises (GSE).*
- *Oregon Short Term Fund*
- *Corporate Indebtedness*
 1. *Commercial Paper issued under the authority of section 3(a)2 or 3(a)3 of the Securities Act of 1933.*
 2. *Corporate Bonds*
- *Repurchase Agreements*
- *Municipal Debt*
- *Bankers Acceptances*
- *Qualified Institution Time Deposits/Savings Accounts/Certificates of Deposit*

A list of Investments allowed under ORS 294.035, 294.040 and 294.810 may be found on the Oregon State Treasury website at the following link:

<http://www.oregon.gov/treasury/Divisions/Investment/Audio/List%20of%20US%20Government%20and%20Agency%20Securities%20for%20Local%20Government%20Investment.pdf>

2. Approval of Permitted Investments

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by [Local Government].

3. Prohibited Investments**i. Private Placement or "144A" Securities**

Private placement or "144A" securities are not allowed. For purposes of the policy, SEC Rule 144A securities are defined to include commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.

ii. US Agency Mortgage-backed Securities

US agency mortgage-backed securities such as those securities issued by FNMA and FHLMC are not allowed.

iii. Securities Lending

The [Local Government] shall not lend securities nor directly participate in a securities lending program.

4. Demand Deposits and Time Deposits

- i. All demand deposits and time deposits (Examples of time deposits are: certificates of deposit and savings accounts) shall be held in qualified Oregon depositories in accordance with ORS Chapter 295.
- ii. Demand deposits in qualified depository institutions are considered cash vehicles and not investments and are therefore outside the scope and restrictions of this policy. Pursuant to ORS 294.035(3)(d), time deposits, certificates of deposit and savings accounts are considered investments and within the scope of this policy.

5. Repurchase Agreements

- i. ORS 294.035 (3)(j) requires repurchase agreement collateral to be limited in maturity to three years and priced according to percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short Term Fund Board.
- ii. ORS 294.135 (2) limits the maximum term of any repurchase agreement to 90 days.
- iii. The OSTF Board has adopted the following margins:
 - A. US Treasury Securities: 102%
 - B. US Agency Discount and Coupon Securities: 102%
 - C. Mortgage Backed and Other*: 103%

*Limited to those securities described in ORS 294.035(1)

IX. Investment Parameters**1. Credit Risk**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be mitigated by the following guidelines:

i. Diversification

It is the policy of [Local Government] to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type. Allowed security types and Investment exposure limitations are detailed in the table below.

ii. Recognized Credit Ratings

Investments must have a rating from at least [one/two] of the following nationally recognized statistical ratings organizations (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.

iii. Portfolio Average Credit Rating

The minimum weighted average credit rating of the portfolio's rated investments shall be Aa/AA/AA by Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service respectively.

iv. Exposure Constraints and Minimum Investment Credit Ratings

The following table limits exposures among investments permitted by this policy.

(This table contains sample restraints. Local Governments should also consult applicable State Statutes and legal guidelines):

Issue Type	Maximum % Holdings	Minimum Ratings Moody's / S&P / Fitch
US Treasury Obligations	100%	None
US Agency Securities	100%	-
Per Agency (Senior Obligations Only)	33%	-
Oregon Short Term Fund	Maximum allowed per ORS 294.810	-
Bankers' Acceptances	25% ⁽¹⁾	A1+/P1/F1+
Time Deposits/Savings	50%	-
Accounts/Certificates of Deposit ⁽²⁾		
Per Institution	25%	
Repurchase Agreements	5%	-
Corporate Debt (Total)	15% ⁽³⁾	-
Corporate Commercial Paper	15% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	A1/P1/F1
Corporate Bonds	10% ⁽³⁾	
Per Issuer	2.5% ⁽⁴⁾	Aa/AA/AA
Municipal Debt (Total)	10%	-
Municipal Commercial Paper	10%	A1/P1/F1
Municipal Bonds	10%	Aa/AA/AA

- (1) 25% Maximum per ORS 294.035(D)
- (2) As authorized by ORS 294.035(3)(d)
- (3) 35% Maximum per ORS 294.035(D)
- (4) 5% Maximum per ORS 294.035(D)

v. Determining a Security's Rating

A single rating will be determined for each investment by utilizing the lowest security level rating available for the security from Standard and Poor's, Moody's Investor Services and Fitch Ratings respectively.

vi. Restriction on Issuers With Prior Default History

Per ORS 294.040, the bonds of issuers listed in ORS 294.035 (3)(a) to (c) may be purchased only if there has been no default in payment of either the principal of or the interest on the obligations of the issuing county, port, school district or city, for a period of five years next preceding the date of the investment.

2. Liquidity Risk

Liquidity risk is the risk that an investment may not be easily marketable or redeemable. The following strategies will be employed to mitigate liquidity risks:

- i. The value of at least 25% of funds available for investing or [three/six/twelve] months of budgeted operating expenditures will be invested in the Oregon Short Term Fund, with a qualified depository institution, or investments maturing in less than [30/60/90] days to provide sufficient liquidity for expected disbursements.
- ii. Funds in excess of liquidity requirements are allowed for investments maturing in greater than one year. However, longer-term investments tend to be less liquid than shorter term investments. Portfolio investment maturities will be limited as follows:

Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under [30/60/90] days	25% or [three/six/twelve] months Estimated Operating Expenditures
Under 1 year	50%
Under 3 years	100%

- iii. Reserve or Capital Improvement Project monies may be invested in securities exceeding the maximum term if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- iv. Larger issuance sizes enhance liquidity as there are likely to be a greater number of investors. Issuance sizes above a minimum amount qualify a corporate or municipal debt bond issuance for index eligibility. Index eligible bonds have a significantly larger investor base which improves liquidity.
- v. Limiting investment in a specific debt issuance improves secondary market liquidity by assuring there are other owners of the issuance.

Issue Type	Maximum % of Issuance* (Par)
US Agency Securities	50%
Corporate Debt (Total)	-
Corporate Commercial Paper	100%
Corporate Bonds	25%
Municipal Bonds	25%

*The par amount issued under a single CUSIP.

3. Interest Rate Risk

Longer-term investments have the potential to achieve higher returns but are also likely to exhibit higher market value volatility due to the changes in the general level of interest rates over the life of the investment(s). Interest rate risk will be mitigated by providing adequate liquidity for short term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. Certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the interest rate risk profile of the portfolio differently in different interest rate environments. The following strategies will be employed to control and mitigate adverse changes in the market value of the portfolio due to changes in interest rates:

- i. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate market risk.
- ii. To the extent feasible, investment maturities not matched with cash outflows, including liquidity investments under one year, should be staggered to mitigate re-investment risk.
- iii. No commitments to buy or sell securities may be made more than 14 days prior to the anticipated settlement date, or receive a fee other than interest for future deliveries.
- iv. The maximum percent of callable securities in the portfolio shall be xx%;
- v. The maximum stated final maturity of individual securities in the portfolio shall be three years, except as otherwise stated in this policy.
- vi. The maximum portfolio average maturity (measured with stated final maturity) shall be 1.5 years.

X. Investment of Proceeds from Debt Issuance

1. Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy and the applicable bond covenants and tax laws.
2. Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not

invested for resale and are maturity matched with outflows. Consequently, funds within the scope of ORS 294.052 are not subject to this policy's liquidity risk constraints within section IX (2).

XI. Investment of Reserve or Capital Improvement Funds

1. Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities exceeding three years when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the county, municipality, school district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used.

XII. Guideline Measurement and Adherence**1. Guideline Measurement**

Guideline measurements will use [par/market] value of investments.

2. Guideline Compliance

- i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
- ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the [Designated Oversight Body or Position].
- iii. Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

XIII. Reporting and Disclosure**1. Compliance**

The Investment Officer shall prepare a report at least [monthly/quarterly] that allows the [Designated Oversight Body or Position] to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment oversight body. The report will include, at a minimum, the following:

- i. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
- ii. Average maturity of the portfolio at period-end
- iii. Maturity distribution of the portfolio at period-end

- iv. Average portfolio credit quality of the portfolio at period-end
- v. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- vi. Distribution by type of investment
- vii. Transactions since last report
- viii. Distribution of transactions among financial counterparties such as broker/dealers
- ix. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.

2. Performance Standards/ Evaluation

At least annually, the Investment Officer shall report comparisons of investment returns to relevant alternative investments and comparative Bond Indexes. The performance of the portfolio should be compared to the performance of alternative investments such as available certificates of deposit; the Oregon Short Term Fund; US Treasury rates; or against one or bond indices with a similar risk profile (e.g., Bond indexes comprised high grade investments and maximum maturities of three years).

When comparing performance, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.

3. Marking to Market

The market value of the portfolio shall be calculated at least [monthly/quarterly] and a statement of the market value of the portfolio shall be issued at least [monthly/quarterly].

4. Audits

Management shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

XIV. Policy Maintenance and Considerations**1. Review**

The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

2. Exemptions

Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

3. Policy Adoption and Amendments

This investment policy and any modifications to this policy must be formally approved in writing by the [Designated Oversight Body or Position] of [Local Government].

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- i. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the [Designated Oversight Body or Position], the maximum maturity date matches the anticipated use of the funds (ORS 294.135(1)(b) and 294.135(3)).

And either:

- A. This policy has never been submitted to the OSTF Board for comment;

Or

- B. Material changes have been made since the last review by the OSTF Board.

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to the [Designated Oversight Body or Position] for approval.

XV. List of Documents Used in Conjunction with this Policy

(The following is a list of suggested documents that may be used in conjunction with this policy)

- Listing of authorized personnel
- Relevant investment statutes and ordinances
- Description of benchmark(s)
- Master repurchase agreements and tri-party agreements
- Listing of authorized broker/dealers and financial institutions
- Credit studies for securities purchased and financial institutions used
- Safekeeping agreements
- Wire transfer agreements
- Sample investment reports
- Methodology for calculating rate of return
- Broker confirmations and safekeeping receipts

Local Government Investment Policy Review Process

- Submit required materials to Fixed Income (Fixed.Income@ost.state.or.us) six weeks prior to Oregon Short Term Fund (OSTF) Board Meeting
- 2023 OSTF Board Meeting Dates: January 31, April 25, July 25 and October 24. See the OSTF section of our website at <https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx> for further information.

Required Materials

- Current version of your investment policy
- Redline version highlights changes to the new policy along with a clean version of your policy for review
- Commentary or background information regarding significant or material guideline changes; if the changes are not material then you may not need a full review by the board
- The approximate range of funds currently falling within the scope of your current policy on an annual basis
- The approximate range of funds expected to fall within the scope of your revised policy on an annual basis over the next three years
- Names and addresses of the members of your governing body or commission who formally approve investment policies. This will only be used for when we send the formal letter from the OSTF Board after the review has been completed

Steps in the Local Government Investment Policy Review Process

- Treasury staff will review your submitted policy by comparing it to the OSTF Board Sample Policy
- A list of staff comments will be sent back to you for review and consideration; these comments will reflect any material deviations from the sample policy
- Final material is submitted to the OSTF Board for review a week prior to the meeting
- If possible, please plan to attend the OSTF Board meeting in person or call in; if you cannot join us, your policy will still be reviewed
- After the OSTF Board Meeting, Treasury staff strives to have the formal board letters sent to the local government with their comments within a month

Alternate Options:

1. Short Form - The OSTF Board has made a short-form policy available to local governments that desire to invest only bond proceeds or bond related funds described in ORS 294.052 for more than 18 months, and that desire expedited review by the OSTF Board before the investment policy is adopted. The short-form policy contains very substantial limitations and does not provide the Entity with the controls or flexibility that a comprehensive investment policy should provide.
2. Oregon Local Government Intermediate Fund - OLGIF is a voluntary investment vehicle and participation is open to all Oregon local governments, subject to approval by Treasury. A local government may qualify to invest in OLGIF by completing the requirements listed below:
 - a. OLGIF listed as an eligible investment in the participant's investment policy.
 - b. Investment policy reviewed by the Oregon Short Term Fund Board.
 - c. Investment policy approved by the participant's governing body.
 - d. Statement of understanding recorded in the participant governing body's minutes, as follows, with no deviations: The governing body of _____ acknowledges the following: Members of this body and investment staff have read and understand the "Oregon Local Government Intermediate Fund Information Pamphlet" provided by Oregon State Treasury; Investments in OLGIF are subject to loss; and Investments into OLGIF and divestments from OLGIF may be subject to restriction by Oregon State Treasury.
 - e. Existing Account with the Oregon Short Term Fund.



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Public Works Director John M. Lewis, PE

Agenda Date: 12/20/2023

SUBJECT:

Public Improvement Contract for the 2024 Manhole Rehabilitation Project (CI 23-011)

STAFF RECOMMENDATION:

Award the bid and authorize the City Manager to execute this Public Improvement Contract with Cascade Industrial Services, LLC in the amount of \$248,906.00 for construction of the 2024 Manhole Rehabilitation Project (CI 23-011).

EXECUTIVE SUMMARY:

The 2024 Manhole Rehabilitation Project is being delivered as part of the Inflow & Infiltration (I&I) Program. This program will rehab all manholes, via grout injection in portions of the McLoughlin, Rivercrest, and Newell Basins.

Staff seeks approval for the City Manager to execute this contract with Cascade Industrial Services, LLC in the amount of \$248,906.00 for construction of the 2024 Manhole Rehabilitation Project (CI 23-011). This project is eligible to receive funds from Water Environment Services through the existing Intergovernmental Agreement (IGA) for Regional Inflow and Infiltration Reduction.

BACKGROUND:

I&I causes clean water to be conveyed to the wastewater treatment plant. This additional flow can raise rates unnecessarily for the City's utility customers. These high flows also increase the City's maintenance of the pump stations and sewer mains which results in additional rate increases for utility customers. Infiltration typically occurs through holes, cracks, joint failures, and faulty connections in pipes or manholes due to aging infrastructure or disturbance. Inflow sources occur in improper connections such as roof drains, foundation drains, and stormwater catch basins.

The City's 2014 Sanitary Sewer Master Plan calls for an Inflow and Infiltration Program to reduce surface and subsurface water entering the sanitary sewer collection system. The City instituted the Program to identify I&I problems in the sewer system and deliver

projects to address them. Utilizing a wholistic approach, the Program considers all components of the sewer system when identifying rehabilitation focused areas. The 2024 Manhole Rehabilitation Project (CI 23-011) is part of this program and eligible for funding via the existing Water Environmental Services (WES) IGA for Regional I&I Reduction.

The 2024 Manhole Rehabilitation Project will repair leaky manholes throughout the reimbursement area, primarily within the McLoughlin, Rivercrest and Newell Basins. This project includes:

- Rehabilitation of 238 manholes, via grout injection to include necessary structural repairs to perform the grout injection.
- Perform additional and incidental work, as called for by the Specifications and Plans.

This work is being completed primarily within the Elyville, McLoughlin, Rivercrest and South End neighborhood associations.

On November 8, 2023 and November 15, 2023, this project was advertised in the *Daily Journal of Commerce* and the City bid site, in accordance with City and State contracting procedures. The bid opening was held on December 5, 2023, and three (3) bids were received.

The City and Wallis Engineering determined that Cascade Industrial Services, LLC was the low responsive bidder. The contract award value is two hundred forty-eight thousand, nine hundred and six dollars (\$248,906.00).

The list below includes the bidders and bid amounts received for this project:

Cascade Industrial Services, LLC	\$248,906.00
Underground Tech	\$793,970.00
Lovett	\$1,772,513.58
Engineers Estimate	\$221,250.00

The apparent low bidder was 12.5% higher than the engineer's estimate.

Construction is anticipated to occur mid-Winter 2023/2024. Work is anticipated to be completed by Spring 2024.

OPTIONS:

1. Authorize the City Manager to execute the Contract with Cascade Industrial Services, LLC.
2. Authorize the City Manager to execute the Contract with Cascade Industrial Services, LLC with specific modifications.

3. Deny the Contract. If the Commission chooses to deny the Contract, staff requests direction on how to proceed.

BUDGET IMPACT:

Amount: \$248,906.00

Fiscal Years(s): FY 23-24

Funding Source(s): Sewer Fund

SECTION III A **CONTRACT AGREEMENT**

This Agreement, made and entered into this ____ day of _____, 20____, between the CITY OF OREGON CITY (“CITY”), acting by and through the City Commission and **CASCADE INDUSTRIAL SERVICES** (“CONTRACTOR”).

Witnesseth, that the CONTRACTOR and the CITY, for the considerations stated herein, agree as follows:

ARTICLE I - Scope of Work

The CONTRACTOR hereby agrees to furnish all of the materials, equipment and labor necessary, and to perform all of the work for the project entitled: **2024 Manhole Rehabilitation (CI 23-011)** in accordance with the contract documents which are hereby made a part of this agreement.

The contract documents consist of:

Invitation to Bid Scope of Work Instructions to Bidders Bid Proposal and Bid Schedule Compliance with ORS 279C.840 Resident Bidder Status Certification of Drug Testing Program Non-Collusion Statement Asbestos Certification Registrations Business Licenses Certification Certification of Non-Discrimination Certification of Compliance with Tax Law First Tier Subcontractor Disclosure Form Bidder Responsibility Form Bid Bond Customer Service Acknowledgment Form Qualification of Bidder Contract Agreement Oregon City Public Improvement Standard Conditions	Statutory Conditions to Contract Agreement Payment Bond Performance Bond State of Oregon Statutory Public Works Bond Prevailing Wage Rates for Public Works Contracts in Oregon, dated July 5, 2023 Amendments to the Prevailing Wage Rates for Public Works Contracts in Oregon dated October 5, 2023 Prevailing Wage Apprenticeship Rates dated October 5, 2023 Definitions of Covered Occupations for Public Works Contracts in Oregon dated July 1, 2018 General Conditions Special Provisions Contract Drawings City of Oregon City Standard Details Technical Specifications 2021 Oregon Standard Specifications for Construction (ODOT and APWA) as referenced by these documents Addendum 1 dated November 29, 2023 All items included within these Contract Documents.
--	---

The order of items cited above does not constitute an order of precedence different than that established in the special or standard specifications. Equivalent titles, which may be substituted for the above listed items, are included as if specifically named.

ARTICLE II - Time of Completion

The project shall be substantially complete by **May 27, 2024** and ready for final acceptance by **June 26, 2024** as identified in 00180.50(b) of the Special Provisions.

ARTICLE III – Contract Amount

The Contract Amount for the work covered by this Agreement is estimated to be **two hundred-forty eight thousand, nine hundred-six dollars (\$ 248,906.00)**.

ARTICLE IV - Warranty and Quality of Work

In addition to all other warranties, express or implied, that are part of this Agreement, the Contractor expressly warrants to the City for a period of one year from acceptance of the work by the City that all materials and equipment furnished under this contract will be new, unless otherwise specified, and that the work will be of good quality, free from faults and defects and in conformance with the City's specifications. Work that does not conform to these standards shall be considered defective.

Contractor shall, at its own expense, make good and repair any and all defects arising from faulty workmanship or materials, if the defective work is discovered within the one-year warranty period and notice thereof is given to the Contractor within 60 days after the expiration of the warranty period. If required by the City, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment used to repair the defect.

In witness whereof, the parties hereto have executed this agreement, the day and year first above written.

CITY OF OREGON CITY

Anthony J. Konkol III
City Manager

By: _____
John M. Lewis, P.E.
Public Works Director

Approved as to Legal Sufficiency

By: _____
City Attorney

City Commission Award Date:

CASCADE INDUSTRIAL SERVICES

Printed Name

By: _____
Authorized Signature

Title

Date

Address:

Federal Taxpayer ID Number

December 11, 2023

Dayna Webb
City of Oregon City
625 Center Street
Oregon City, Oregon 97045

RE: Manhole Rehabilitation Project – Recommendation to Award
OC Project No. CI 23-011
W.E. Job No. OC 23-II.02.06

Dear Mrs. Webb:

We have reviewed the submitted bid from the apparent low bidder received for the above referenced project. A total of three (3) bids were received ranging from \$248,906.00 to \$1,772,512.58. Based on the submitted bid documents, the apparent low bidder appears to be responsible and responsive.

The lowest responsive and responsible bid was submitted by Cascade Industrial Services from Rathdrum, ID in the amount of Two Hundred Forty Eight Thousand, Nine Hundred Six Dollars and Zero Cents (\$248,906.00).

We have reviewed Cascade Industrial Services bid bond and have checked their current status relative to state licensing and found it to be in order along with verifying that the contractor is not listed on the debarred contractors list.

Upon the City's award of the project, please fill out and sign, as applicable, the Notice of Award, Performance Bond, Payment Bond, Public Works Bond, and Contract Agreement forms and forward them to the contractor.

Please note that in accordance with ORS 279B.135 a Notice of Intent to Award must be posted or provided to the other bidders prior to the City's award of a contract.

Sincerely,



David Brokaw, P.E.
WALLIS ENGINEERING

Client City of Oregon City
Project 2024 Manhole Rehabilitation Project , CI 23-011
Bid Tabulation
Date: December 5, 2023, 2 pm

Apparent Low

Other Bidders

Item	Description	Units	Quantity
1	Extra Work as Authorized	FA	1
2	Mobilization	LS	1
3	Temporary Work Zone Traffic Control, Complete	LS	1
4	Rehabilitate Manhole - Injection Grout and Spot Repair	EA	243
TOTAL (ITEMS 1 TO 4)			

Engineers Estimate	
Unit Price	Extended
\$ 10,000.00	\$ 10,000.00
\$ 19,000.00	\$ 19,000.00
\$ 10,000.00	\$ 10,000.00
\$ 750.00	\$ 182,250.00
	\$ 221,250.00

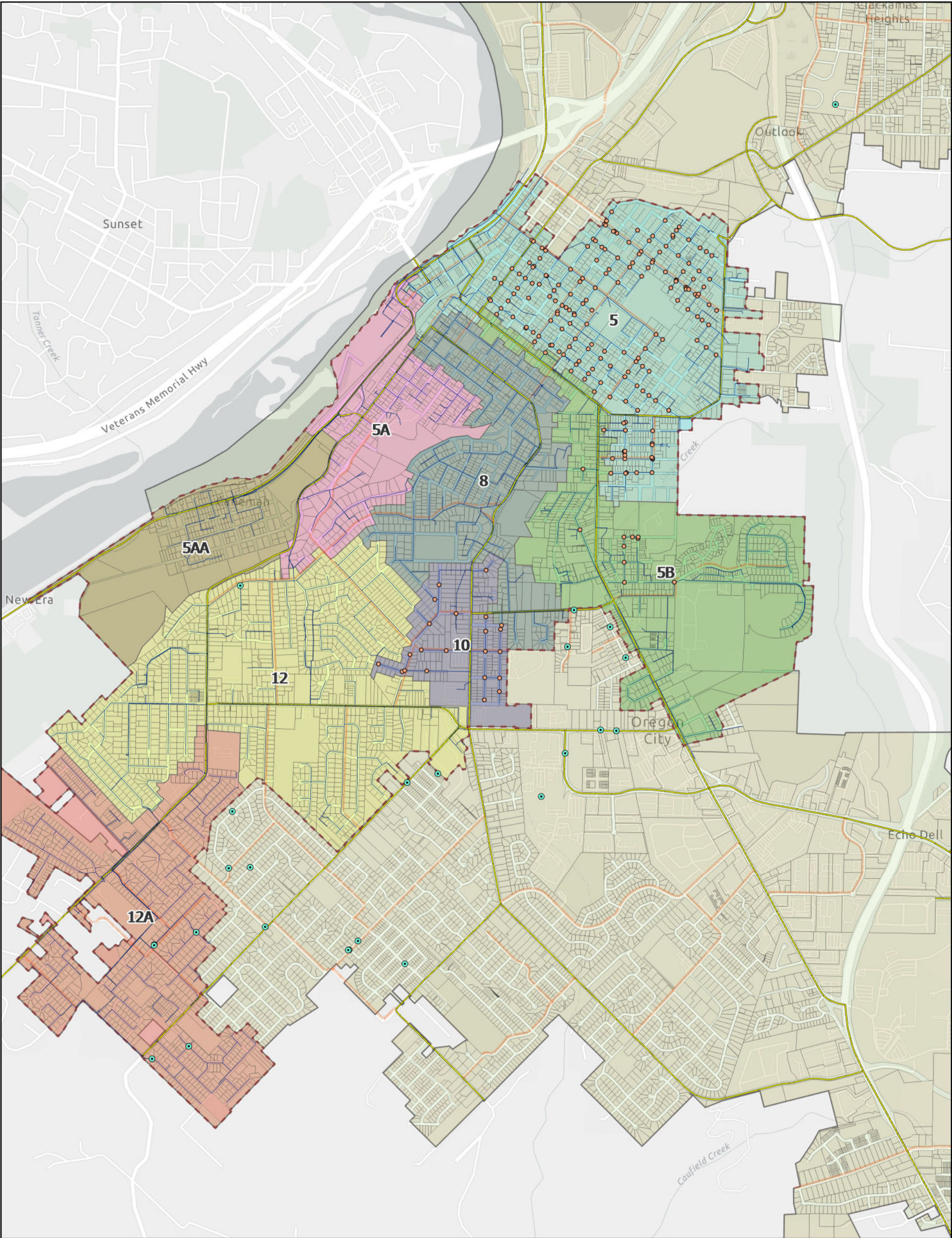
Cascade Industrial Services	
Unit Price	Extended
\$ 10,000.00	\$ 10,000.00
\$ 2,500.00	\$ 2,500.00
\$ 7,500.00	\$ 7,500.00
\$ 942.00	\$ 228,906.00
12.5%	\$ 248,906.00

Underground Tech Inc.	
Unit Price	Extended
\$ 10,000.00	\$ 10,000.00
\$ 20,000.00	\$ 20,000.00
\$ 86,000.00	\$ 86,000.00
\$ 2,790.00	\$ 677,970.00
258.9%	\$ 793,970.00

Lovett Services	
Unit Price	Extended
\$ 10,000.00	\$ 10,000.00
\$ 47,582.48	\$ 47,582.48
\$ 310,464.00	\$ 310,464.00
\$ 5,779.70	\$ 1,404,467.10
701.1%	\$ 1,772,513.58

Note:

error in bid



CONTRACT DRAWINGS - PAGE 1 OF 6

OREGON CITY
I&I //
MANHOLE
REHABILITATION
PACKAGE

Date: 10/17/2023

- RIVERCREST, 10
- WARNER PARROT, 12
- SOUTH END, 12A
- MCLAUGHLIN, 5
- FALLS, 5A
- FALLS, 5AA
- NEWELL, 5B
- LINN, 8

- REHABILITATE MANHOLE - INJECTION GROUT AND SPOT REPAIR
- REHABILITATE MANHOLE - FULL REPAIR
- PIPES
- REIMBURSABLE BASIN BOUNDARY
- TAXLOTS
- OREGON CITY BOUNDARY
- ARTERIAL
- COLLECTOR



0 1,000 2,000
SCALE IN FEET





CITY OF OREGON CITY

CITY COMMISSION REGULAR MEETING

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, September 20, 2023 at 7:00 PM

1. CONVENE MEETING AND ROLL CALL

Mayor McGriff convened the meeting at 7:04 PM.

PRESENT: 5 - Commissioner Rocky Smith, Commissioner Adam Marl, Commissioner Mike Mitchell, Commissioner Frank O'Donnell, Mayor Denyse McGriff

STAFFERS: 12 - City Manager Tony Konkol, City Recorder Jakob Wiley, Community Development Director Aquilla Hurd-Ravich, Parks and Recreation Director Kendall Reid, Police Chief Shaun Davis, Finance Director Matt Zook, Library Director Greg Williams, Public Works John Lewis, Human Resources Director Patrick Foiles, IT Director Mike Dobaj, Communications Manager Jarrod Lyman

2. FLAG SALUTE

3. CEREMONIES AND PROCLAMATIONS

Mayor McGriff recognized that September was Deaf and Hearing Impaired Awareness Month and expressed her support for improving access and services for deaf individuals.

4. CITIZEN COMMENTS

None

5. PRESENTATIONS

5a. Parks and Recreation Advisory Committee Annual Report

Steve Williams, Vice Chair of the Parks and Recreation Advisory Committee, provided the annual update on the Committee's activities and achievements.

5b. Programming at the Ermatinger House

Melissa Sebastian, Aquatic and Recreation Manager, provided a presentation on the Ermatinger House programming, event attendance, field trips, plans for the upcoming year, and upcoming events.

There was discussion regarding the involvement of the Friends group, increased interest in the events, partnerships, volunteers, opportunities for students, and maintenance.

Karla Laws, resident of Oregon City, said the Friends thanked the City for their partnership and looked forward to working with them in the future.

6. ADOPTION OF THE AGENDA

The agenda was adopted as presented.

7. CONSENT AGENDA

Motion made by Commissioner Smith, seconded by Commissioner Marl, to approve the consent agenda. The motion carried by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, Commissioner O'Donnell, Commissioner Smith, and Commissioner Mitchell

- 7a. OLCC: Liquor License Application – Off Premises, Sierra Enterprises Oregon, Inc., 1002 Molalla Ave., Oregon City
- 7b. Resolution No. 23-18, Amend Current Parks and Recreation Advisory Committee Bylaws
- 7c. Youth Opioid Prevention Grant Program
- 7d. Opioid Settlement Agreement Addendum with Additional Opioid Distributors
- 7e. Personal Services Agreement with Geotechnical Resources, Inc. for the City-Wide Landslide Monitoring (PS 23-015)
- 7f. Public Improvement Contract with Landis & Landis Construction for the Linn Basin Sanitary Sewer I&I Rehab Project 1 (CI 23-001)
- 7g. Older Americans Act Subrecipient Agreement 24-012
- 7h. Minutes of the May 17, 2023 City Commission Meeting
- 7i. Minutes of the June 7, 2023 City Commission Meeting

8. PUBLIC HEARINGS

9. GENERAL BUSINESS

9a. Sports Groups - Memorandums of Understanding

Kendall Reid, Parks and Recreation Director, discussed the memorandums of understanding with Oregon City Youth Sports and Oregon City Soccer Club, particularly the field usage fees, monthly billing, field reservations/cancellations, process, and season logistics. Staff worked with these two groups and revised the memorandums to better meet their needs. Staff recommended the revenues be dedicated to maintenance and capital projects for the sports fields.

Scott Costanzo, Oregon City Youth Sports, discussed the proposed fees and wanted to emphasize the benefits the organization provided and the equipment the organization purchased to maintain the fields. He thought the fee should be waived considering all they did.

John Benjamin, Oregon City Soccer Club, discussed the soccer club, fees charged, scholarships, and the level of participation in the organization. The organization spent approximately \$25,000 on replacement soccer goals for the parks. They helped with maintenance of the fields as well. They did not want to have to raise their fees.

There was discussion regarding what the organizations charged, looking at the future, economic value to reserve a field, recognizing the contribution of the organizations, and revenue going back into the fields.

Motion made by Commissioner Mitchell, seconded by Commissioner Marl, to establish a \$3 per hour fee for the two organizations. The motion passed by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, and Commissioner Mitchell

Voting Nay: Commissioner O'Donnell and Commissioner Smith

Motion made by Commissioner Mitchell, seconded by Mayor McGriff, to approve the Memorandums of Understanding as presented with the TBD language replaced with the approved \$3 per hour. The motion passed by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, and Commissioner Mitchell

Voting Nay: Commissioner O'Donnell and Commissioner Smith

9b. Intergovernmental Agreement (IGA) with Clackamas River Water (CRW) for the Provision of Water Service to the Thimble Creek Concept Plan Area

John Lewis, Public Works Director, explained how this was similar to other agreements with CRW to provide water service to the Thimble Creek Concept Plan area. It was a back-up plan as the City planned to serve the area and fund the water distribution capital program. CRW had approved the agreement and he explained the terms.

There was discussion regarding taking this to the South Fork Water Board before the Commission voted on it.

Motion made by Commissioner O'Donnell, seconded by Mayor McGriff, to table the Intergovernmental Agreement (IGA) with Clackamas River Water (CRW) to the next meeting. The motion passed by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, Commissioner O'Donnell, and Commissioner Mitchell

Voting Abstain: Commissioner Smith

9c. Local Authorization to Prohibit Psilocybin Facilities.

Tony Konkol, City Manager, said the Commission could adopt an ordinance to prohibit psilocybin facilities, and it would have to be referred to the voters at the next general election. If an ordinance was brought forward, it would go to the November 2024 election.

There was discussion regarding the definition of service center and manufacturing and giving voters a choice in this decision.

Motion made by Commissioner O'Donnell, seconded by Commissioner Marl, to direct staff to prepare an ordinance prohibiting psilocybin facilities. The motion carried by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, Commissioner O'Donnell, Commissioner Smith, and Commissioner Mitchell

10. COMMUNICATIONS**City Manager**

Mr. Konkol said at the last Work Session there was discussion regarding reconsideration of the vote taken in August 2022 on the approval of the Clackamette Park Master Plan. Following Robert's Rules of Order, the reconsideration would have had to be done on the night it was approved. It was not an option now; however a different motion could be made to provide direction to amend the plan.

There was discussion regarding amending the location of the RV Park, providing a dual-purpose parking and utilization area in the current RV Park area, and reexamination of the boat ramp placement. There was further discussion regarding the citizen input that went into the plan, need to address items that were not considerations at the time, accommodating more parking, and restoring the bank.

Motion made by Commissioner O'Donnell, seconded by Commissioner Smith, to direct staff to bring back the plan to revisit key elements for possible amendments. The motion carried by the following vote:

Voting Yea: Commissioner Marl, Mayor McGriff, Commissioner O'Donnell, and Commissioner Smith

Voting Nay: Commissioner Mitchell

Commissioners

Commissioner Smith announced a Pride event at Clackamas Community College on Saturday.

Commissioner Mitchell noted how the new tolling plan would cause disproportionate economic impact and thought something needed to be done. He discussed his observations of city buses in Yakima.

Commissioner O'Donnell said South Fork's next meeting was on September 27.

Mayor

Mayor McGriff attended 9/11 memorials and a press conference on vandalism downtown. She thanked staff for their work. She had responded to a citizen letter regarding homelessness concerns. She also discussed state overreach and imposing regulations on cities when they could not manage it. She announced the Mental Health Fair on October 7.

11. ADJOURNMENT

Mayor McGriff adjourned the meeting at 9:12 PM.

Respectfully submitted,

Jakob S. Wiley, City Recorder



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Pete Walter, Planning Manager

Agenda Date: 12/20/2023

SUBJECT:

Second Reading of Ordinance No. 23-1011, A Legislative Zoning Code Text Amendment to the MUC - Mixed-Use Corridor Zone District (LEG 23-00001)

STAFF RECOMMENDATION:

Staff recommends that the City Commission approve the second reading of Ordinance 23-1011 and approve file LEG-23-00001.

EXECUTIVE SUMMARY:

On December 6, 2023 the City Commission approved the first reading of Ordinance No. 23-1011, A Legislative Zoning Code Text Amendment to the MUC - Mixed-Use Corridor Zone District (LEG 23-00001).

On November 13, 2023 the Planning Commission held a public hearing and after considering the application, staff report and recommendation, public testimony and reviewing all the evidence in the record, recommended approval to the City Commission by a 6-0 vote for the requested amendment. The Planning Commission hearing may be viewed at the city's meeting webpage at following link:

<https://www.orcity.org/1709/Agendas-Videos-and-Minutes>

PGE has proposed a Legislative Code Text Amendment to Chapter 17.29 – Mixed Use Corridor, Section 17.29.030 E. of the Oregon City Municipal Code (OCDC) to recognize its existing Operations Center as a Conditional Use in the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use. If approved, the Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.

The proposal is to amend 17.29.030 and .040 as follows:

17.29.030 - Conditional uses—MUC-1 and MUC-2 zones.

E. Public utilities and services, and utility facilities, including substations (such as buildings, plants and other structures) and outdoor storage associated with the conditional use;

17.29.040 - Prohibited uses in the MUC-1 and MUC-2 zones.

B. Outdoor storage unless permitted under OCMC 17.29.030.E;

BACKGROUND:

The PGE Operations Center is located at 209 Warner Milne Road and currently occupies 6.59 acres along the north side of Warner Milne Road, across from the Beavercreek Road intersection. The site is identified as Tax Lots 100 and 201 on map 3-2E-06DA.

The use of the property is legally non-conforming within the Mixed Use Corridor zone district. A public utility facility requires a Conditional Use permit in order to expand in the MUC-1 zone district. The MUC-1 zone district also prohibits Outdoor Storage, which is a necessary component of the Operations Center.

Section 17.29.040 B. of the MUC-1 District prohibits outdoor storage. PGE's proposal states that "outdoor storage of equipment and material that is required for the electric power system is part of the Operations Center and is essential to its function as a power system management and service facility." The proposed amendment would provide for outdoor storage only as associated with this specific Conditional Use.

The proposed amendment would not change the Conditional Use and Site Plan and Design Review process for review of an expansion to a utility facility in the MUC-1 zone district. The review requires a Type III quasi-judicial land use process including a public hearing pursuant to OCMC 17.56 – Conditional Uses approvable by the Planning Commission. Specific and appropriate conditions of approval applicable to the PGE site and operations should be applied when that application is reviewed. Staff does not recommend conditions of approval for this application. If the City Commission approves this proposed amendment, PGE will need to make a subsequent application for a Conditional Use Permit to be reviewed by the Planning Commission.

The full staff report and recommendation is included in the agenda packet.

OPTIONS:

1. Approve the first reading of Ordinance 23-1011 and approve file LEG-23-00001 as proposed.
2. Approve the first reading of Ordinance 23-1011 and approve file LEG-23-00001 with amendments.
3. Do not approve the first reading of Ordinance 23-1011 and direct staff to revise the recommended findings to support a denial of file LEG-23-00001.

ORDINANCE NO. 23-1011

AN ORDINANCE OF THE CITY OF OREGON CITY APPROVING A LEGISLATIVE AMENDMENT TO TITLE 17 – ZONING, CHAPTER 17.29 – MIXED USE CORRIDOR ZONE DISTRICT, OF THE OREGON CITY MUNICIPAL CODE

WHEREAS, the City of Oregon City has adopted a Zoning Code to implement the Comprehensive Plan in conformance with statutory requirements and the requirements of the Statewide Land Use goals; and

WHEREAS, the City of Oregon City Zoning Map and Code implements the Comprehensive Plan by regulating the location and type of land uses best suited for specific development; and

WHEREAS, the City of Oregon City Zoning Code may be amended and updated as necessary upon findings of facts that satisfy approval criteria in the City of Oregon City Municipal Code Section 17.68.020; and

WHEREAS, Portland Gas and Electric (PGE), has requested a legislative amendment to recognize utility facilities as a conditional use in the Mixed Use Corridor Zone District and to allow outdoor storage to occur as part of a public utility and services use; and

WHEREAS, approval of the requested amendment would allow PGE to apply for a conditional use permit to improve and expand its long-standing Operations Center within the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use; and

WHEREAS, on November 13, 2023 the Planning Commission held a public hearing and, after considering all the public testimony and reviewing all the evidence in the record, recommended approval to the City Commission by a 6-0 vote for the requested amendment; and

WHEREAS, the amendment to the zoning code is consistent with the Oregon City Comprehensive Plan.

NOW, THEREFORE, OREGON CITY ORDAINS AS FOLLOWS:

Section 1. The City hereby amends the portions of the existing Oregon City Municipal Code Title 17: Zoning, Chapter 17.29-Mixed Use Corridor Zone District, of the Oregon City Municipal Code; which are attached hereto as Exhibit A.

Section 2. The Commission adopts the Legislative Staff Report and Recommendation for files GLUA-23-00029 / LEG-23-0001 and associated documents, attached hereto as Exhibit B.

Read for the first time at a regular meeting of the City Commission held on the 6th day of December 2023 and the City Commission finally enacted the foregoing ordinance this 20th day of December 2023.

DENYSE C. MCGRUFF
Mayor

Attested to this 20th day of December 2023

Approved as to legal sufficiency:

Jakob S. Wiley, City Recorder

City Attorney

Attachments:

Exhibit A – Amendments to the OCMC 17.29.030

Exhibit B – GLUA 23-00029 LEG 23-0001 Legislative File

17.29.030 Conditional uses—MUC-1 and MUC-2 zones.

The following uses are permitted in this district when authorized and in accordance with the process and standards contained in OCMC 17.56:

- A. Drive-through facilities;
- B. Emergency service facilities (police and fire), excluding correctional facilities;
- C. Gas stations;
- D. Outdoor markets that do not meet the criteria of OCMC 17.29.020.I;
- E. Public utilities and services, and utility facilities, including sub-stations (such as buildings, plants and other structures) and outdoor storage associated with the conditional use;
- F. Public and/or private educational or training facilities;
- G. Religious institutions;
- H. Retail trade, including gift shops, bakeries, delicatessens, florists, pharmacies, specialty stores and any other use permitted in the neighborhood, historic or limited commercial districts that have a footprint for a stand-alone building with a single store in excess of sixty thousand square feet in the MUC-1 or MUC-2 zone;
- I. Hospitals;
- J. Parking not in conjunction with a primary use on private property, excluding after-hours public parking;
- K. Passenger terminals, excluding bus stops;
- L. Shelters.

17.29.040 Prohibited uses in the MUC-1 and MUC-2 zones.

The following uses are prohibited in the MUC district:

- A. Distributing, wholesaling and warehousing;
- B. Outdoor storage unless permitted under OCMC 17.29.030.E;
- C. Outdoor sales that are not ancillary to a permitted use on the same or abutting property under the same ownership;
- D. Correctional facilities;
- E. Heavy equipment service, repair, sales, storage or rentals (including but not limited to construction equipment and machinery and farming equipment);
- F. Kennels;
- G. Motor vehicle and recreational vehicle sales and incidental service;
- H. Motor vehicle and recreational vehicle repair/service;
- I. Self-service storage facilities;
- J. Marijuana production, processing, wholesaling, research, testing, and laboratories;
- K. Mobile food units, except with a special event permit.



Planning Division

695 Warner Parrott Road | Oregon City OR 97045
Ph (503) 722-3789 | Fax (503) 722-3880

LEGISLATIVE STAFF REPORT AND RECOMMENDATION

A preliminary analysis of the applicable approval criteria for a legislative proposal is enclosed within the following report.

November 3, 2022

HEARING DATE: November 13, 2022 - Planning Commission

FILE NUMBER: LEG-23-00001

APPLICATION TYPE: Legislative (OCMC 17.50.170)

APPLICANT/OWNER: Portland General Electric, Attn: Tina Tippin

121 SW Salmon St, Portland, OR 97204

REQUEST: PGE proposes a Legislative Code Text Amendment to Chapter 17.29 – Mixed Use Corridor, Section 17.29.030 E. of the Oregon City Municipal Code (OCMC) to recognize its existing Operations Center as a Conditional Use in the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use. The Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.

LOCATION(S)

(See Figure 2 on P. 5): This legislative text amendment affects the MUC - Mixed Use Corridor zone district. The mixed-use corridor (MUC) district is designed to apply along selected sections of transportation corridors such as Molalla Avenue, 7th Street, Beavercreek Road, and along Warner-Milne Road.

PROCESS: 17.50.170 - Legislative hearing process.

- A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use shall begin with a public hearing before the planning commission.
- B. Planning Commission Review.
 - 1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.
 - 2. The Community Development Director's Report. Once the planning commission hearing has been scheduled and noticed in accordance with OCMC 17.50.090.C and any other applicable laws, the community development director shall prepare and make available a report on the legislative proposal at least seven days prior to the hearing.
 - 3. Planning Commission Recommendation. At the conclusion of the hearing, the planning commission shall adopt a recommendation on the proposal to the city commission. The planning commission shall make a report and recommendation to the city commission on all legislative proposals. If the planning commission recommends adoption of some form of the proposal, the planning commission shall prepare and forward to the city commission a report and recommendation to that effect.
- C. City Commission Review.
 - 1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.
 - 2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

I. BACKGROUND:

Summary of the Proposal

Portland General Electric Company (PGE) proposes a Legislative Code Text Amendment to Section 17.29.030 E. of the Oregon City Development Code (OCDC) to recognize its existing

Operations Center as a Conditional Use in the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use. The Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.

Existing conditions

The PGE Operations Center is located at 209 Warner Milne Road and occupies two tax lots, indicated in the aerial photo below. It currently occupies 6.59 acres along the north side of Warner Milne Road, across from the Beavercreek Road intersection. The site is identified as Tax Lots 100 and 201 on map 3-2E-06DA.

The use of the property is legally non-conforming within the Mixed Use Corridor zone district. A public utility facility requires a Conditional Use permit in order to expand in the MUC-1 zone district. The MUC-1 zone district also prohibits Outdoor Storage, which is a necessary component of the Operations Center.



Figure 1. Aerial Photo of Property

The properties are zoned Mixed Use corridor, MUC-1, which is regulated under Oregon City Municipal Code (OCMC) Chapter 17.29.

Description of the proposed amendment

The Mixed Use Corridor district currently includes "Public Utilities and services including sub-stations..." as a Conditional Use, 17.29.030 E. That category provides for "facilities for providing electric power" (See Code Definition, 17.04.985¹) but that does not fully describe the PGE

¹ OCMC 17.04.985 - Public utilities and services.

"Public utilities and services" means facilities for providing electric power, communication, water, sewers and transportation.

Operations Center, which is a power system operations, management and service facility. The proposed text amendment would modify 17.29.030 E. to include the category "Utility Facilities", which provides for the "delivery or furnishing of services" including electric power as a Conditional Use (Definitions, 17.04.1450²). That would include the Operations Center.

The proposed amendment to the text of 17.29.030 E. is the following (added text is underlined and red color font):

17.29.030 - Conditional uses—MUC-1 and MUC-2 zones.

E. Public utilities and services, and utility facilities, including substations (such as buildings, plants and other structures) and outdoor storage associated with the conditional use;

17.29.040 - Prohibited uses in the MUC-1 and MUC-2 zones.

B. Outdoor storage unless permitted under OCMC 17.29.030.E;

Justification for the proposed code amendment

Section 17.29.040 B. of the MUC-1 District prohibits outdoor storage. PGE's proposal states that "outdoor storage of equipment and material that is required for the electric power system is part of the Operations Center and is essential to its function as a power system management and service facility." The proposed Code Amendment would provide for outdoor storage only as associated with that specific Conditional Use.

The proposed amendment would not change the process for review of an expansion to a utility facility in the MUC-1 zone district, which would still require approval of a conditional use application by the Planning Commission through a Type III quasi-judicial land use process including a public hearing pursuant to *OCMC 17.56 – Conditional Uses*.

² *OCMC 17.04.1450 - Utility facilities.*

"Utility facilities" means buildings, features or any constructed portion of a system which provides for the production, transmission, conveyance, delivery or furnishing of services including, but not limited to, heat, light, water, power, natural gas, sanitary sewer, stormwater, telephone and cable television. Utility facilities do not include stormwater pretreatment facilities.

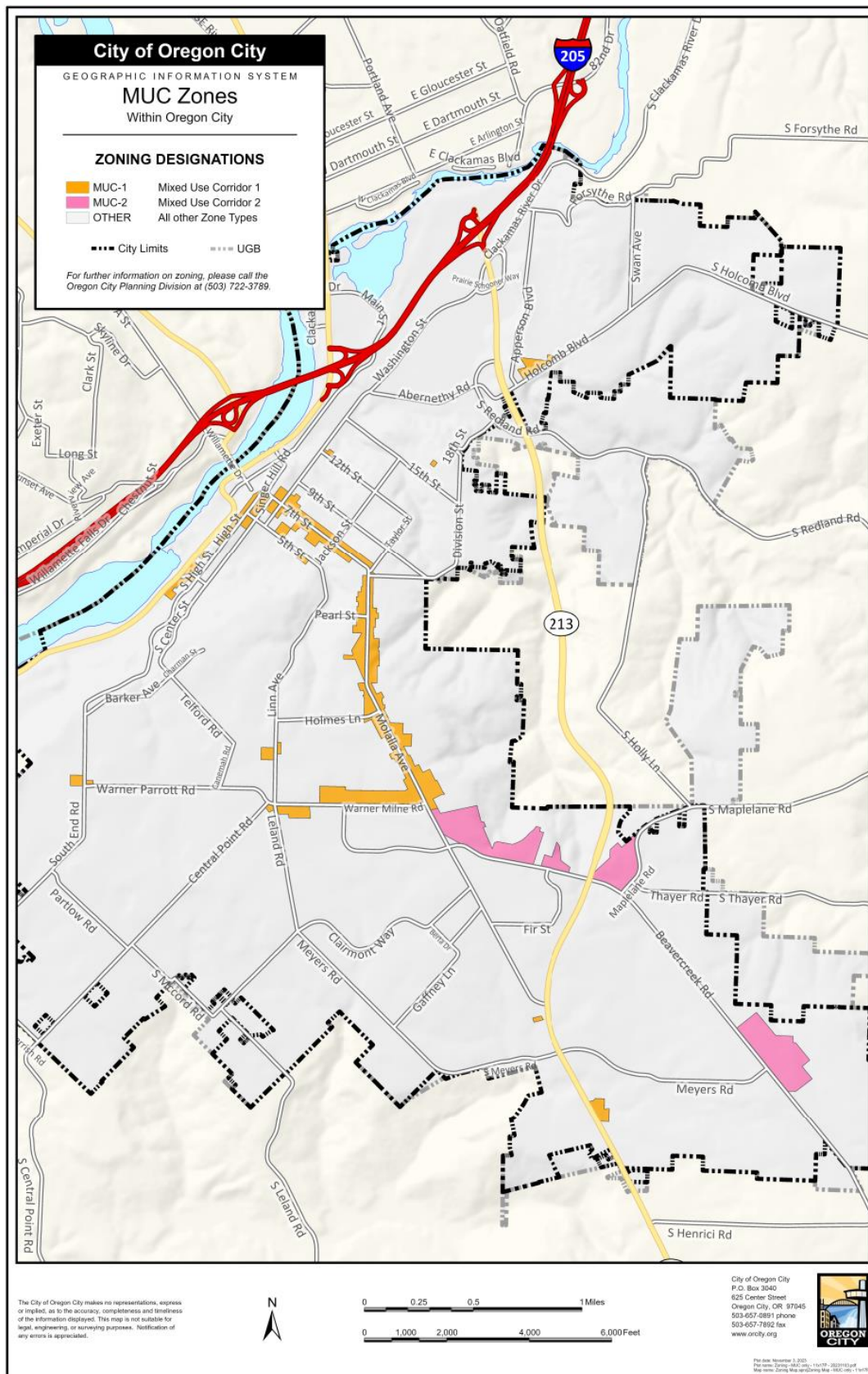


Figure 2. Extent of the MUC Zone District

Public Notice and Comments

This is a legislative action that requires public notice pursuant to OCMC 17.50.090.C. – *Notice of Public Hearing on a Legislative Proposal*. The Community Development Director provided the required Post Acknowledgement Plan Amendment (PAPA) notice to the Oregon Department of Land Conservation and Development (DLCD) on October 3, 2023.

Notice of the November 13, 2023 Planning Commission public hearing was provided to the Citizen Involvement Committee, Neighborhood Associations, and affected service districts, agencies and interested parties by mail and posted on the City website.

Public comments received prior to the date of publication of this staff report are available in the public comment summary exhibit. As of the date of publication of this report, no public comments have been received.

II. APPROVAL CRITERIA

The remainder of this staff report provides findings to demonstrate that the proposed legislative application is consistent with applicable approval criteria. Approval criteria for a Zoning Code amendment are found in Chapter 17.68 of the Oregon City Municipal Code.

Chapter 17.68 – Zoning Changes and Comprehensive Plan Amendments

17.68.010 – Initiation of the amendment.

A text amendment to the comprehensive plan, or an amendment to the zoning code or map or the Comprehensive Plan map, may be initiated by:

- A. A resolution request by the City Commission;*
- B. An official proposal by the Planning Commission;*
- C. An application to the Planning Division; or.*
- D. A Legislative request by the Planning Division.*

All requests for amendment or change in this title shall be referred to the Planning Commission.

Finding: This amendment has been initiated through an application by the property owner and has been referred to the Planning Commission for their recommendation to City Commission. The applicant provides an explanation why this code amendment is legislative in their narrative, which is provided below.

Need for a Legislative Code Text Amendment

The OCMC does not provide a feasible alternative that would allow for the improvement and expansion of the Operations Center including the necessary outdoor storage. Under the current terms of the MUC-1 District

the facility is considered to be a Non-conforming use. The only zoning District that allows outdoor storage is General Industrial (GI, Section 17.36). A proposal to change the land use designation of this site to GI would require a Comprehensive Plan Map Amendment and Zone Change. As a general-purpose industrial zone the GI District would not be consistent or compatible with the zoning and land use pattern in the surrounding area. This understanding is also reflected in the staff Notes report following Pre-Application Conference PA-22-00052, held October 25, 2022, in which it is clear that an application for a Comprehensive Plan Amendment and Zone Change to GI would not be supported. The Notes response to the question of a Plan/Zone Change to GI offers guidance to this proposal.

The proposed text amendment represents a small and limited-purpose change to the MUC-1 District. It would not change the zoning of any property or the zoning pattern of any area. It would limit outdoor storage to that associated with a Utility facility. It would allow for future consideration of a Conditional Use Permit for the improvement and expansion of the existing operations center, but not allow other new types of uses in the District. The proposed text amendment represents the least amount of change that can address this issue and allow PGE to continue providing reliable power to the area.

17.68.015 –Procedures.

Applications shall be reviewed pursuant to the procedures set forth in Chapter 17.50.

17.50.170 – Legislative hearing process.

A. Purpose. Legislative actions involve the adoption or amendment of the city's land use regulations, comprehensive plan, maps, inventories and other policy documents that affect the entire city or large portions of it. Legislative actions which affect land use shall begin with a public hearing before the planning commission.

B. Planning Commission Review.

1. Hearing Required. The planning commission shall hold at least one public hearing before recommending action on a legislative proposal. Any interested person may appear and provide written or oral testimony on the proposal at or prior to the hearing. The community development director shall notify the Oregon Department of Land Conservation and Development (DLCD) as required by the post-acknowledgment procedures of ORS 197.610 to 197.625, as applicable.

C. City Commission Review.

1. City Commission Action. Upon a recommendation from the planning commission on a legislative action, the city commission shall hold at least one public hearing on the proposal. Any interested person may provide written or oral testimony on the proposal at or prior to the hearing. At the conclusion of the hearing, the city commission may adopt, modify or reject the legislative proposal, or it may remand the matter to the planning commission for further consideration. If the decision is to adopt at least some form of the proposal, and thereby amend the city's land use regulations, comprehensive plan, official zoning maps or some component of any of these documents, the city commission decision shall be enacted as an ordinance.

2. Notice of Final Decision. Not later than five days following the city commission final decision, the community development director shall mail notice of the decision to DLCD in accordance with ORS 197.615(2).

Finding: Complies as Proposed. This legislative action is following the procedures found in OCMC 17.50.170.

17.68.020 – Criteria.

The criteria for comprehensive plan amendment or text or map amendment in the zoning code are set forth as follows:

- A. The proposal shall be consistent with the applicable goals and policies of the comprehensive plan;*

The applicable goals and policies of the “Oregon City 2040 Comprehensive Plan” (OC2040) are addressed as follows:

OC2040 CHAPTER 2 – DIVERSE ECONOMY

Diverse Economy Goal 3

Guide growth and development in a manner that implements the City’s 2040 Vision and maintains an urban growth boundary that supports and accommodates projected population and employment during the 20-year planning period.

Applicant Response: The OC2040 Vision Statement for a Diverse Economy calls for an economy that is vibrant, diversified, and resilient; a thriving city with a robust economy; thriving commercial and industrial districts; a strong tourism industry; good jobs and diverse housing choices.

Achieving the growth and development outcomes of the Vision Statement requires a reliable and resilient power supply that is supported by a local service, maintenance and management system. These are the primary functions of the Operations Center. As the population, economy and housing in the community grows and diversifies during the 20-year planning period the Operations Center must be prepared to deal with expanding requirements for providing power service and the corresponding management and routine maintenance activities, as well as emergency response to localized outages and local and community-wide disaster events.

According to the 2021 Housing Needs Analysis (HNA) the population of the city increased by 14,968 from 1990 to 2019, which was a 131% growth rate. The HNA projects that an additional 7,435 households will be required between 2021 and 2041. The ability to provide for timely power service needs, system maintenance, and appropriate emergency response required by the community depends on having adequate facilities, personnel, and equipment available at appropriate levels. These are requirements that will be addressed by the anticipated improvement and expansion of the existing Operations Center. The improvement and expansion of the Operations Center at its current location in the MUC-1 zone will not affect the Urban Growth Boundary. For these reasons the proposed text amendment is consistent with this Goal.

Finding: The proposal is consistent with the Comprehensive Plan. For clarification, the growth between 1990 and 2019 of 14,968 people is a growth of 131%, not a 131% growth rate.³

Diverse Economy POLICY 3.3

³ See City of Oregon City 2021-2041 Housing Needs Analysis, ECONorthwest, December 2021. P.i. "Oregon City grew from 14,968 people in 1990 to 35,570 people in 2019. This is an addition of 19,242 people or 131% growth."

Designate land uses in a manner that balances opportunities for housing and jobs and ensures development is consistent and compatible with the community's needs and resources.

Applicant Response: The anticipated improvement and expansion of the Operations Center corresponds to the growth of the community that has occurred during the past twenty years, and will prepare for the growth that is projected to occur over the next twenty years. The expansion of the Operations Center at its current location in the MUC-1 zone will maintain a stable land use pattern and it will not affect overall opportunities to provide housing and jobs in the community on lands that are designated specifically for industrial, commercial, or residential use. By providing the opportunity for improved service, maintenance and repair capabilities of the Operations Center at its current location the proposed text amendment is consistent and compatible with the existing and projected needs and resources of the community, in keeping with this policy.

Finding: The proposal is consistent with the Comprehensive Plan. The MUC-1 Zone District allows for public utilities as a Conditional Use. The conditional use review process allows for a discretionary review process of uses that are not permitted outright within the zone district in which they are proposed. The process allows the Planning Commission to evaluate impacts on jobs, housing and other uses within the zone district in which the conditional use is proposed. If the proposed text amendment, and a subsequent conditional use application is approved to allow an expansion of the PGE Operations Center, there will remain significant vacant and re-developable land within the MUC-1 and MUC-2 zone districts along both sides of Beavercreek Road to OR 213 and from Warner-Milne Road down the Molalla Avenue / 7th Street Corridor. Also, all the permitted land uses in the MUC-1 zone district are also permitted in the C-General Commercial Zone District and the MUD-Mixed Use Downtown District. So, the use of the subject properties for expansion of a public utility would not be detrimental to the amount of available land remaining for mixed use development and is compatible with the community's needs and resources.

Diverse Economy POLICY 3.4

Maintain the Oregon City Comprehensive Plan Land-Use Map as the official long-range planning guide for land-use development of the city by type, density and location.

Applicant Response: This policy is a directive to the City. The proposed text amendment will recognize a long-standing existing land use at its existing location. It does not significantly affect the current Land-Use Map designation. It does not propose a change in the Land-Use Map or affect the City's ability to main[tain] the Land-Use Map as the official long-range planning guide for development in the city. The proposal will have no impact on this policy directive.

Finding: The proposal is consistent with the Comprehensive Plan.

OC2040 CHAPTER 3 - CONNECTED INFRASTRUCTURE

Connected Infrastructure Goal 2

Ensure public utilities and infrastructure are maintained and improved to adequately serve all existing areas of Oregon City and can be extended to serve newly developing areas in a logical and fiscally responsible manner.

Applicant Response: The electric power supply and service system is part of the city's essential infrastructure. All parts of the community are connected to the power supply, which requires periodic service and maintenance. The power supply may also require local or city-wide emergency repair and restoration as a result of interruptions caused by human-caused accidents or natural events or disasters. The first response to these scheduled and unscheduled events is provided by the Operations Center. The proposed text amendment will enable a development application to allow the Operations Center to maintain an improved supply of materials and equipment necessary to address the requirements of regular scheduled maintenance as well as emergencies, and to plan and provide for the crews and additional equipment that is required for an effective response to these events. For these reasons the proposed text amendment is in keeping with this Goal to ensure the infrastructure is maintained and improved to adequately serve existing and newly developing areas the city.

Finding: The proposal is consistent with the Comprehensive Plan. The City of Oregon City Addendum to the Clackamas County Multi-Jurisdictional Hazard Mitigation Plan⁴ designates the electrical power system as critical infrastructure that is subject to disruptions due to natural and human-caused events including earthquakes, windstorms and winter weather. The proposed text amendment will allow PGE to maintain and expand its on-site capacity to respond to such events.

Connected Infrastructure Policy 2.4

Increase resiliency to climate change, natural hazard events, and cyber intrusions in public utility infrastructure.

Applicant Response: A result of the proposed text amendment will be to enable PGE to apply for a Conditional Use Permit to improve its facilities at the Operations Center to accommodate service crews, emergency response personnel, and additional materials and equipment, that will be necessary to respond to outages caused by weather events related to climate, human-caused accidents, and natural hazard events. These measures will improve the overall function and resiliency of operations at the facility to provide power system repair and faster restoration of service to the community.

Finding: The proposal is consistent with the Comprehensive Plan.

Connected Infrastructure Goal 3

Serve the health, safety, and welfare of all Oregon City residents through provision of comprehensive public facilities and services.

Applicant Response: The power supply is an essential facility for the public in all parts of the city. The Operations Center provides new connections to the power supply, power supply management, and maintenance and repair throughout the entire city. These functions are consistent with this policy.

Finding: The proposal is consistent with the Comprehensive Plan.

⁴ <https://www.orcity.org/DocumentCenter/View/2680/2019-Oregon-City-Addendum-to-Clackamas-County-Natural-Hazard-Mitigation-Plan-PDF>

Connected Infrastructure Policy 3.4

Coordinate with service providers to ensure high levels of public utility and infrastructure service.

Applicant Response: The City can coordinate with PGE through the development review process and other methods to ensure that new development can be provided with electric power. The proximity of the Operations Center to the City's public works department will also help insure the continuity of high levels of public utility and infrastructure service.

Finding: The proposal is consistent with the Comprehensive Plan. The City includes PGE as an agency partner during the development review process, on capital improvement projects, and throughout the construction process.

Connected Infrastructure GOAL 4

Promote and support energy conservation, sustainability, and resiliency through best practices in infrastructure planning, operations, and management.

Applicant Response: The proposed text amendment complies with this policy by enabling PGE to plan and request approval for improvements to the Operation Center facilities, which will allow for improvement in the conduct and management of its operations including power supply management and distribution, maintenance and service; energy conservation, and resiliency. The anticipated improvements will include facilities to support conversion of the PGE fleet vehicles to electric power, which will promote a transition from fossil fuels and support energy conservation, and sustainability.

Finding: The proposal is consistent with the Comprehensive Plan.

Connected Infrastructure Policy 4.1

Identify and seek opportunities for sustainable practices in management and operation of public facilities and services.

Applicant Response: The expansion of the Operations Center will include looking at opportunities for expanded EV charging for fleet vehicles and the potential for rooftop solar.

Finding: The proposal is consistent with the Comprehensive Plan.

Connected Infrastructure Strategy 4.1.C

Wherever possible, design and develop public facilities to take advantage of solar energy, develop co-generation, and conserve energy in operations and public access.

Applicant Response: The development and integration of electric power generating sources and facilities such as solar and co-generation are system-wide issues that are outside the scope of operations of the local Operations Center. Such sources of power are becoming an increasing part of the mix of power sources that serves the public. The Operations Center works with property owners on planning and coordinating for solar power at their homes or businesses, the installation of EV chargers, in conservation measures such as efficient lighting programs for business and industry, and in power-conserving street lighting. These measures contribute to sustainable practices in the operation and management of public facilities and services.

Finding: The proposal is consistent with the Comprehensive Plan.

OC2040 CHAPTER 4 - PROTECTED ENVIRONMENT

PROTECTED ENVIRONMENT GOAL 3

Ensure the safety of residents and property by supporting plans, programs, and investments that minimize the impacts of future natural hazard events and aid in rapid response and recovery.

Applicant Response: The electric power system is part of the city's essential infrastructure and is recognized as "Critical Infrastructure" in the City of Oregon City Addendum to the Clackamas County Multi-Jurisdictional Hazard Mitigation Plan/Volume II: Oregon City Addendum, March 2019, Table OC-6 Critical Infrastructure in Oregon City, page OC-16. "Critical Infrastructure" means "Infrastructure that provides necessary services for emergency response" (page OC-16). The proposed text amendment will allow an application to request improvement and expansion of the Oregon City Operations Center that will include facilities to manage and support personnel, equipment, and materials that would be critical to restoring electric power that would

be interrupted as a result of natural events and disasters involving weather, geological forces, or other emergencies. Supporting the plans, programs and investments for the Operations Center improvement and expansion will aid in the rapid respond and recovery efforts involved in restoring power to the community and is consistent with this Goal.

Finding: The proposal is consistent with the Comprehensive Plan.

Connected Infrastructure Policy 3.4 –
Prioritize restoration of critical services following a natural hazard event.

Applicant Response: Approving the proposed text amendment to allow an application to improve and expand the Operations Center will prioritize the restoration of electrical service by recognizing the role that additional facilities for emergency response personnel and equipment, and on-site availability of critical materials such as power poles, transformers, wires, etc., will have on the ability to conduct rapid response and restoration of power service to the community.

Finding: The proposal is consistent with the Comprehensive Plan.

Connected Infrastructure Strategy 3.4.B
Ensure that key public services, such as water and sewer; and key public facilities such as police, fire, and hospital structures have the capability to back-up electricity during emergencies.

Applicant Response: Providing back-up electric power to individual uses through the use of measures such as on-site generators, battery back-up, etc., as a temporary measure in an emergency, is typically the choice and responsibility of the user, and would not be the responsibility of the Operations Center.

Finding: The proposal is consistent with the Comprehensive Plan.

Applicant's Summary regarding the City's Comprehensive Plan

The improvement and expansion of the Operations Center is necessary for PGE to meet the needs of the residents and activities of the city. Improvements to the Operations Center

facilities for power system installation, service, maintenance and repair will serve existing and new development and is consistent with the growth of the population and projected increases in housing. It is especially necessary to increase capabilities and preparation for response to emergencies that cause power outages, and for disaster relief and recovery. Recent weather-related incidents such as winter ice storms and the summer heat extremes, the increased awareness of potential major natural disasters, and the massive recovery operations that will be needed in those events, require that operational and service capabilities be updated, improved and expanded. For these reasons and considerations the proposed Code text amendment is consistent with the applicable goals and policies for a Diverse Economy, Connected Infrastructure, and Protected Environment.

Finding: The proposal is consistent with the Comprehensive Plan.

APPROVAL CRITERIA – Continued

17.68.020 - Criteria.

The criteria for comprehensive plan amendment or text or map amendment in the zoning code are set forth as follows:

17.68.020 B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone or plan amendment, or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone or plan amendment.

Applicant Response: The proposed zone Code text amendment is to recognize the existing Operation Center as a Conditional Use that is allowed in the zone. It will not provide for any other new uses that are not currently included in the zone. Any additional or new development proposed for the Operations Center will be reviewed in a new, separate Conditional Use application.

The existing Operations Center is provided with all needed public facilities and services, and the existing facilities and services are presently capable of supporting the use. At the time new development or expansion of the Operations Center is proposed the public facilities and services that are needed to support the new development will be determined. A Pre-Application Conference, PA 21-16, held in May, 2021, reviewed the expansion of the

operations center onto adjacent vacant property to the east. The public service requirements that may be needed for a potential expansion were reviewed by Development Services and discussed in its Notes report. In summary, transportation system requirements may include completing sidewalk gaps along Warner Milne Road and the east side of Beaver Creek Road and connecting to a shared use path from Beaver Creek Road to Laurel Lane. Stormwater system improvements and connections may be required. Water system and sewer system infrastructure improvements may be required to serve the new development. The specific requirements to serve the site will be determined when development plans are submitted. The Notes report indicates that all needed services are either presently capable or can be made available to serve the use.

Finding: The proposal is consistent with the Comprehensive Plan. At the time that the Applicant applies for conditional use approval and a site specific proposal is submitted for review, adequacy of available public infrastructure will be determined, and appropriate conditions of approval applied to ensure that any expansion is served with city transportation, water, sewer and stormwater improvements.

17.68.020 C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district or plan amendment; and

Applicant's Response: As noted in the Development Services Notes from Pre-App PA 21-16 Warner Milne Road is functionally classified as a Minor Arterial. No issues were identified regarding the function, capacity or level of service of the road. The only land use authorized by the proposed Code text amendment will be recognition of the existing operations center as a Conditional Use in the MUC-1 zone. Because the Code amendment will only recognize an existing use and there will be no change in the zoning district, it will be consistent with the transportation system serving the district.

Finding: The proposal is consistent with the Comprehensive Plan. The proposed code amendment does not change the functional classification or diminish capacity of the

transportation system. At the time of conditional use review a transportation impact analysis will be required.

17.68.020 D. Statewide planning goals shall be addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.

Applicant Response: The Comprehensive Plan contains specific policies related to the provision of public services, including electric power, which control the amendment as addressed above in criterion A. The Statewide Planning Goals are not affected by the proposed Code amendment. The proposed Code Amendment will follow the OCMC procedures for citizen involvement and public hearings. The site is not designated as a natural resource or a recreation area, it is not subject to a specific natural hazard, public services can be made available, it is not designated for housing, it will be consistent with the transportation system, and it does not affect the Urban Growth Boundary. The Comp Plan policies control the amendment and the State goals do not need to be addressed in this case.

Finding: The proposal is consistent with the Comprehensive Plan. No statewide planning goals have been identified that are not already controlled by the City's comprehensive plan. Notice of the proposed amendment was provided to the Department of Land Conservation and Development, who did not provide any comments on the proposal.

Chapter 17.50 Administration and Procedures

17.50.050 – Pre-application conference.

A. Pre-application Conference. Prior to a Type II – IV or Legislative application, excluding Historic Review, being deemed complete, the applicant shall schedule and attend a pre-application conference with City staff to discuss the proposal, unless waived by the Community Development Director. The purpose of the pre-application conference is to provide an opportunity for staff to provide the applicant with information on the likely impacts, limitations, requirements, approval standards, fees and other information that may affect the proposal.

- 1. To schedule a pre-application conference, the applicant shall contact the Planning Division, submit the required materials, and pay the appropriate conference fee.*

2. *At a minimum, an applicant should submit a short narrative describing the proposal and a proposed site plan, drawn to a scale acceptable to the City, which identifies the proposed land uses, traffic circulation, and public rights-of-way and all other required plans.*
3. *The Planning Division shall provide the applicant(s) with the identity and contact persons for all affected neighborhood associations as well as a written summary of the pre-application conference.*

B. A pre-application conference shall be valid for a period of six months from the date it is held. If no application is filed within six months of the conference or meeting, the applicant shall schedule and attend another conference before the City will accept a permit application. The Community Development Director may waive the pre-application requirement if, in the Director's opinion, the development has not changed significantly and the applicable municipal code or standards have not been significantly amended. In no case shall a pre-application conference be valid for more than one year.

C. Notwithstanding any representations by City staff at a pre-application conference, staff is not authorized to waive any requirements of this code, and any omission or failure by staff to recite to an applicant all relevant applicable land use requirements shall not constitute a waiver by the City of any standard or requirement.

Finding: complies. The required pre-application conference was held. A summary of the meeting is provided with the application.

17.50.055 - Neighborhood association meeting.

Neighborhood Association Meeting. The purpose of the meeting with the recognized neighborhood association is to inform the affected neighborhood association about the proposed development and to receive the preliminary responses and suggestions from the neighborhood association and the member residents.

- A. Applicants applying for annexations, zone change, comprehensive plan amendments, conditional use, Planning Commission variances, subdivision, or site plan and design review (excluding minor site plan and design review), general development master plans or detailed development plans applications shall schedule and attend a meeting with the City-recognized neighborhood association in whose territory the application is proposed no earlier than one year prior to the date of application. Although not required for other projects than those identified above, a meeting with the neighborhood association is highly recommended.*
- B. The applicant shall request via email or regular mail a request to meet with the neighborhood association chair where the proposed development is located. The notice shall describe the proposed project. A copy of this notice shall also be provided to the chair of the Citizen Involvement Committee.*

- C. *A meeting shall be scheduled within thirty days of the date that the notice is sent. A meeting may be scheduled later than thirty days if by mutual agreement of the applicant and the neighborhood association. If the neighborhood association does not want to, or cannot meet within thirty days, the applicant shall host a meeting inviting the neighborhood association, Citizen Involvement Committee, and all property owners within three hundred feet to attend. This meeting shall not begin before six p.m. on a weekday or may be held on a weekend and shall occur within the neighborhood association boundaries or at a City facility.*
- D. *If the neighborhood association is not currently recognized by the City, is inactive, or does not exist, the applicant shall request a meeting with the Citizen Involvement Committee.*
- E. *To show compliance with this section, the applicant shall submit a copy of the email or mail notice to the neighborhood association and CIC chair, a sign-in sheet of meeting attendees, and a summary of issues discussed at the meeting. If the applicant held a separately noticed meeting, the applicant shall submit a copy of the meeting flyer, postcard or other correspondence used, and a summary of issues discussed at the meeting and submittal of these materials shall be required for a complete application.*

Finding: complies. The required neighborhood association meeting was held. A summary of the meeting is provided with the application.

III. RECOMMENDATION

Based on the findings in this report, staff recommends approval of file LEG-23-0001. If the Planning Commission recommends approval to the City Commission, staff will prepare an Ordinance for consideration by the City Commission to adopt the proposed code amendments.

IV. EXHIBITS

- 1. Application
- 2. Public Notice
- 3. DLCD Notice
- 4. Map of MUC Zone District



LAND USE APPLICATION FORM

Type I (OCMC 17.50.030.A)

- ☐ Compatibility Review
- ☐ Lot Line Adjustment
- ☐ Non-Conforming Use Review
- ☐ Natural Resource (NROD) Verification
- ☐ Site Plan and Design Review
- ☐ Extension of Approval

Type II (OCMC 17.50.030.B)

- ☐ Detailed Development Review
- ☐ Geotechnical Hazards
- ☐ Minor Partition (<4 lots)
- ☐ Minor Site Plan & Design Review
- ☐ Non-Conforming Use Review
- ☐ Site Plan and Design Review
- ☐ Subdivision (4+ lots)
- ☐ Minor Variance
- ☐ Natural Resource (NROD) Review

Type III / IV (OCMC 17.50.030.C)

- ☐ Annexation
- ☐ Code Interpretation / Similar Use
- ☐ Concept Development Plan
- ☐ Conditional Use
- ☐ Comprehensive Plan Amendment (Text/Map)
- ☐ Detailed Development Plan
- ☐ Historic Review
- ☒ Municipal Code Amendment
- ☐ Variance
- ☐ Zone Change

File Number(s): _____
Proposed Land Use or Activity: Oregon City Development Code Text Amendment to allow for outdoor storage and maintenance activities associated with a utility facility in MUC-1 District through a Conditional Use.

Project Name: PGE Oregon City Operations Center Expansion **Number of Lots Proposed (If Applicable):** 9

Physical Address of Site: 209 Warner Milne Road, Oregon City 97045

Clackamas County Map and Tax Lot Number(s): 32E06DA00201, 32E06DA00100, 32E05CB01100, 32E05CB01200, 32E05CB01300, 32E05CB01400, 32E05CB01402, 32E05CB01500, 32E05CB01600

Applicant(s):

Applicant(s) Signature: 

Applicant(s) Name Printed: Tina Tippin **Date:** 8/18/23

Mailing Address: 121 SW Salmon St., 1WTC1302

Phone: 503.464.7672 **Fax:** _____ **Email:** tina.tippin@pgn.com

Property Owner(s):

Property Owner(s) Signature: 

Property Owner(s) Name Printed: Meredith Armstrong, Manager, PGE Property Rights Organization **Date:** 8/18/23

Mailing Address: 121 SW Salmon St., 1WTC1302

Phone: 503.464.2174 **Fax:** _____ **Email:** meredith.armstrong@pgn.com

Representative(s):

Representative(s) Signature: _____

Representative (s) Name Printed: _____ **Date:** _____

Mailing Address: _____

Phone: _____ **Fax:** _____ **Email:** _____

All signatures represented must have the full legal capacity and hereby authorize the filing of this application and certify that the information and exhibits herewith are correct and indicate the parties willingness to comply with all code requirements.

**PORTLAND GENERAL ELECTRIC
PROPOSED OREGON CITY DEVELOPMENT CODE TEXT AMENDMENT
OREGON CITY OPERATIONS CENTER EXPANSION**

Summary of the Proposal

Portland General Electric Company (PGE) proposes a Legislative Code Text Amendment to Section 17.29.030 E. of the Oregon City Development Code (OCDC) to recognize its existing Operations Center as a Conditional Use in the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use. The Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.

Background

The PGE Operations Center is located at 209 Warner Milne Road. It is zoned MUC-1, OCDC Chapter 17.29. This District currently includes "Public Utilities and services including sub-stations..." as a Conditional Use, 17.29.030 E. That category provides for "facilities for providing electric power" (Definitions, 17.04.985) but that does not include the Operations Center, which is a power system operations, management and service facility. The proposed text amendment would modify 17.29.030 E. to include the category "Utility Facilities", which provides for the "delivery or furnishing of services" including electric power as a Conditional Use (Definitions, 17.04.1450). That would include the Operations Center.

Section 17.29.040 B. of the MUC-1 District prohibits outdoor storage. Outdoor storage of equipment and material that is required for the electric power system is part of the Operations Center and is essential to its function as a power system

management and service facility. The proposed Code Amendment would provide for outdoor storage only as associated with that specific use.

The proposed amendment to the text of 17.29.030 E. is the following:

E. Public utilities and services, and utility facilities, including substations (such as buildings, plants and other structures) and outdoor storage associated with the conditional use.

Existing Conditions

The Operations Center has been at this location since the 1950's. There have been periodic updates and improvements since that time. It currently occupies 6.59 acres along the north side of Warner Milne Road, across from the Beavercreek Road intersection. The site is identified as Tax Lots 100 and 201 on map 3-2E-06DA. PGE also owns 2.92 acres adjacent on the east to the existing facility, identified as Tax Lots 1100, 1200, and 1300 on map 3-2E-05CB, and is seeking to acquire adjacent vacant property for the facilities expansion. All of the adjacent vacant property is also zoned MUC-1.

Current facilities include an office building housing administration and operations management activities, a maintenance garage, a materials and equipment storeroom-warehouse, and a covered open storage shed. The facility includes outdoor storage area for materials and equipment, parking for PGE fleet vehicles used for power service installation and system maintenance and repair, and parking for employees.

Future Expansion and Improvements

PGE has undertaken preliminary planning and design studies for an overall redevelopment and improvement of the Operations Center. This process has made evident an immediate need for expansion of the site to provide storage for an inventory of new power poles and associated power system materials and equipment, and to allow for an adequate staging area to enable quicker response

times for storm events and other emergencies. Other elements of the future redevelopment project may include a new, relocated administration/operations building within the site, rearrangement of the on-site maintenance, outdoor storage, and parking facilities, relocation of the site's main access driveway to align with the signal-controlled intersection at Beaver Creek Road, and improvements along the public street frontage. Facilities to support conversion of the PGE fleet vehicles to electric power are also planned. These new and improved facilities will improve the Company's ability to serve its customers, respond to power system emergencies, support disaster recovery activities in the local area, and improve the resiliency of the regional operations supported by this facility.

Need for a Legislative Code Text Amendment

The OCDC does not provide a feasible alternative that would allow for the improvement and expansion of the Operations Center including the necessary outdoor storage. Under the current terms of the MUC-1 District the facility is considered to be a Non-conforming use. The only zoning District that allows outdoor storage is General Industrial (GI, Section 17.36). A proposal to change the land use designation of this site to GI would require a Comprehensive Plan Map Amendment and Zone Change. As a general-purpose industrial zone the GI District would not be consistent or compatible with the zoning and land use pattern in the surrounding area. This understanding is also reflected in the staff Notes report following Pre-Application Conference PA-22-00052, held October 25, 2022, in which it is clear that an application for a Comprehensive Plan Amendment and Zone Change to GI would not be supported. The Notes response to the question of a Plan/Zone Change to GI offers guidance to this proposal.

The proposed text amendment represents a small and limited-purpose change to the MUC-1 District. It would not change the zoning of any property or the zoning pattern of any area. It would limit outdoor storage to that associated with a Utility facility. It would allow for future consideration of a Conditional Use Permit for the improvement and expansion of the existing operations center, but not allow other new types of uses in the District. The proposed text amendment represents the least

amount of change that can address this issue and allow PGE to continue providing reliable power to the area.

OCDC Chapter 17.68 Zone Changes and Amendments

17.68.010 - Initiation of the amendment.

A text amendment to the comprehensive plan, or an amendment to the zoning code or map or the comprehensive plan map, may be initiated by:

- A. A resolution request by the city commission;
- B. An official proposal by the planning commission;
- C. An application to the planning division; or
- D. A Legislative request by the planning division.

All requests for amendment or change in this title shall be referred to the planning commission.

This proposed amendment is initiated by an application to the planning division by the property owner, in keeping with part C.

17.68.020 - Criteria

The criteria for comprehensive plan amendment or text or map amendment in the zoning code are set forth as follows:

- A. The proposal shall be consistent with the applicable goals and policies of the comprehensive plan;

The applicable goals and policies of the "Oregon City 2040 Comprehensive Plan" (OC2040) are addressed as follows:

CHAPTER 2 DIVERSE ECONOMY

Goal 3 Guide growth and development in a manner that implements the City's 2040 Vision and maintains an urban growth boundary that supports and accommodates projected population and employment during the 20-year planning period.

The OC2040 Vision Statement for a Diverse Economy calls for an economy that is vibrant, diversified, and resilient; a thriving city with a robust economy; thriving commercial and industrial districts; a strong tourism industry; good jobs and diverse housing choices.

Achieving the growth and development outcomes of the Vision Statement requires a reliable and resilient power supply that is supported by a local service, maintenance and management system. These are the primary functions of the Operations Center. As the population, economy and housing in the community grows and diversifies during the 20-year planning period the Operations Center must be prepared to deal with

expanding requirements for providing power service and the corresponding management and routine maintenance activities, as well as emergency response to localized outages and local and community-wide disaster events.

According to the 2021 Housing Needs Analysis (HNA) the population of the city increased by 14,968 from 1990 to 2019, which was a 131% growth rate. The HNA projects that an additional 7,435 households will be required between 2021 and 2041. The ability to provide for timely power service needs, system maintenance, and appropriate emergency response required by the community depends on having adequate facilities, personnel, and equipment available at appropriate levels. These are requirements that will be addressed by the anticipated improvement and expansion of the existing Operations Center. The improvement and expansion of the Operations Center at its current location in the MUC-1 zone will not affect the Urban Growth Boundary. For these reasons the proposed text amendment is consistent with this Goal.

POLICY 3.3 Designate land uses in a manner that balances opportunities for housing and jobs and ensures development is consistent and compatible with the community's needs and resources.

The anticipated improvement and expansion of the Operations Center corresponds to the growth of the community that has occurred during the past twenty years, and will prepare for the growth that is projected to occur over the next twenty years. The expansion of the Operations Center at its current location in the MUC-1 zone will maintain a stable land use pattern and it will not affect overall opportunities to provide housing and jobs in the community on lands that are designated specifically for industrial, commercial, or residential use. By providing the opportunity for improved service, maintenance and repair capabilities of the Operations Center at its current location the proposed text amendment is consistent and compatible with the existing and projected needs and resources of the community, in keeping with this policy.

POLICY 3.4 Maintain the Oregon City Comprehensive Plan Land-Use Map as the official long-range planning guide for land-use development of the city by type, density and location.

This policy is a directive to the City. The proposed text amendment will recognize a long-standing existing land use at its existing location. It does not significantly affect the current Land-Use Map designation. It does not propose a change in the Land-Use

Map or affect the City's ability to main the Land-Use Map as the official long-range planning guide for development in the city. The proposal will have no impact on this policy directive.

CHAPTER 3 CONNECTED INFRASTRUCTURE

Goal 2 Ensure public utilities and infrastructure are maintained and improved to adequately serve all existing areas of Oregon City and can be extended to serve newly developing areas in a logical and fiscally responsible manner.

The electric power supply and service system is part of the city's essential infrastructure. All parts of the community are connected to the power supply, which requires periodic service and maintenance. The power supply may also require local or city-wide emergency repair and restoration as a result of interruptions caused by human-caused accidents or natural events or disasters. The first response to these scheduled and unscheduled events is provided by the Operations Center. The proposed text amendment will enable a development application to allow the Operations Center to maintain an improved supply of materials and equipment necessary to address the requirements of regular scheduled maintenance as well as emergencies, and to plan and provide for the crews and additional equipment that is required for an effective response to these events. For these reasons the proposed text amendment is in keeping with this Goal to ensure the infrastructure is maintained and improved to adequately serve existing and newly developing areas the city.

Policy 2.4 Increase resiliency to climate change, natural hazard events, and cyber intrusions in public utility infrastructure.

A result of the proposed text amendment will be to enable PGE to apply for a Conditional Use Permit to improve its facilities at the Operations Center to accommodate service crews, emergency response personnel, and additional materials and equipment, that will be necessary to respond to outages caused by weather events related to climate, human-caused accidents, and natural hazard events. These measures will improve the overall function and resiliency of operations at the facility to provide power system repair and faster restoration of service to the community.

Goal 3 Serve the health, safety, and welfare of all Oregon City residents through provision of comprehensive public facilities and services.

The power supply is an essential facility for the public in all parts of the city. The Operations Center provides new connections to the power supply, power supply management, and maintenance and repair throughout the entire city. These functions are consistent with this policy.

Policy 3.4 Coordinate with service providers to ensure high levels of public utility and infrastructure service.

The City can coordinate with PGE through the development review process and other methods to ensure that new development can be provided with electric power. The proximity of the Operations Center to the City's public works department will also help insure the continuity of high levels of public utility and infrastructure service.

GOAL 4 Promote and support energy conservation, sustainability, and resiliency through best practices in infrastructure planning, operations, and management.

The proposed text amendment complies with this policy by enabling PGE to plan and request approval for improvements to the Operation Center facilities, which will allow for improvement in the conduct and management of its operations including power supply management and distribution, maintenance and service; energy conservation, and resiliency. The anticipated improvements will include facilities to support conversion of the PGE fleet vehicles to electric power, which will promote a transition from fossil fuels and support energy conservation, and sustainability.

Policy 4.1 Identify and seek opportunities for sustainable practices in management and operation of public facilities and services.

The expansion of the Operations Center will include looking at opportunities for expanded EV charging for fleet vehicles and the potential for rooftop solar.

Strategy 4.1.C Wherever possible, design and develop public facilities to take advantage of solar energy, develop co-generation, and conserve energy in operations and public access.

The development and integration of electric power generating sources and facilities such as solar and co-generation are system-wide issues that are outside the scope of operations of the local Operations Center. Such sources of power are becoming an increasing part of the mix of power sources that serves the public. The Operations

Center works with property owners on planning and coordinating for solar power at their homes or businesses, the installation of EV chargers, in conservation measures such as efficient lighting programs for business and industry, and in power-conserving street lighting. These measures contribute to sustainable practices in the operation and management of public facilities and services.

CHAPTER 4 PROTECTED ENVIRONMENT

GOAL 3 Ensure the safety of residents and property by supporting plans, programs, and investments that minimize the impacts of future natural hazard events and aid in rapid response and recovery.

The electric power system is part of the city's essential infrastructure and is recognized as "Critical Infrastructure" in the City of Oregon City Addendum to the Clackamas County Multi-Jurisdictional Hazard Mitigation Plan/Volume II: Oregon City Addendum, March 2019, Table OC-6 Critical Infrastructure in Oregon City, page OC-16. "Critical Infrastructure" means "Infrastructure that provides necessary services for emergency response" (page OC-16). The proposed text amendment will allow an application to request improvement and expansion of the Oregon City Operations Center that will include facilities to manage and support personnel, equipment, and materials that would be critical to restoring electric power that would be interrupted as a result of natural events and disasters involving weather, geological forces, or other emergencies. Supporting the plans, programs and investments for the Operations Center improvement and expansion will aid in the rapid respond and recovery efforts involved in restoring power to the community and is consistent with this Goal.

Policy 3.4 Prioritize restoration of critical services following a natural hazard event.

Approving the proposed text amendment to allow an application to improve and expand the Operations Center will prioritize the restoration of electrical service by recognizing the role that additional facilities for emergency response personnel and equipment, and on-site availability of critical materials such as power poles, transformers, wires, etc., will have on the ability to conduct rapid response and restoration of power service to the community.

Strategy 3.4.B Ensure that key public services, such as water and sewer; and key public facilities such as police, fire, and hospital structures have the capability to back-up electricity during emergencies.

Providing back-up electric power to individual uses through the use of measures such as on-site generators, battery back-up, etc., as a temporary measure in an emergency, is typically the choice and responsibility of the user, and would not be the responsibility of the Operations Center.

Summary: The improvement and expansion of the Operations Center is necessary for PGE to meet the needs of the residents and activities of the city. Improvements to the Operations Center facilities for power system installation, service, maintenance and repair will serve existing and new development and is consistent with the growth of the population and projected increases in housing. It is especially necessary to increase capabilities and preparation for response to emergencies that cause power outages, and for disaster relief and recovery. Recent weather-related incidents such as winter ice storms and the summer heat extremes, the increased awareness of potential major natural disasters, and the massive recovery operations that will be needed in those events, require that operational and service capabilities be updated, improved and expanded. For these reasons and considerations the proposed Code text amendment is consistent with the applicable goals and policies for a Diverse Economy, Connected Infrastructure, and Protected Environment.

- B. That public facilities and services (water, sewer, storm drainage, transportation, schools, police and fire protection) are presently capable of supporting the uses allowed by the zone or plan amendment, or can be made available prior to issuing a certificate of occupancy. Service shall be sufficient to support the range of uses and development allowed by the zone or plan amendment;

The proposed zone Code text amendment is to recognize the existing Operation Center as a Conditional Use that is allowed in the zone. It will not provide for any other new uses that are not currently included in the zone. Any additional or new development proposed for the Operations Center will be reviewed in a new, separate Conditional Use application.

The existing Operations Center is provided with all needed public facilities and services, and the existing facilities and services are presently capable of supporting the use. At the time new development or expansion of the Operations Center is proposed the public facilities and services that are needed to support the new

development will be determined. A Pre-Application Conference, PA 21-16, held in May, 2021, reviewed the expansion of the operations center onto adjacent vacant property to the east. The public service requirements that may be needed for a potential expansion were reviewed by Development Services and discussed in its Notes report. In summary, transportation system requirements may include completing sidewalk gaps along Warner Milne Road and the east side of Beaver Creek Road and connecting to a shared use path from Beaver Creek Road to Laurel Lane. Stormwater system improvements and connections may be required. Water system and sewer system infrastructure improvements may be required to serve the new development. The specific requirements to serve the site will be determined when development plans are submitted. The Notes report indicates that all needed services are either presently capable or can be made available to serve the use.

- C. The land uses authorized by the proposal are consistent with the existing or planned function, capacity and level of service of the transportation system serving the proposed zoning district or Plan amendment; and

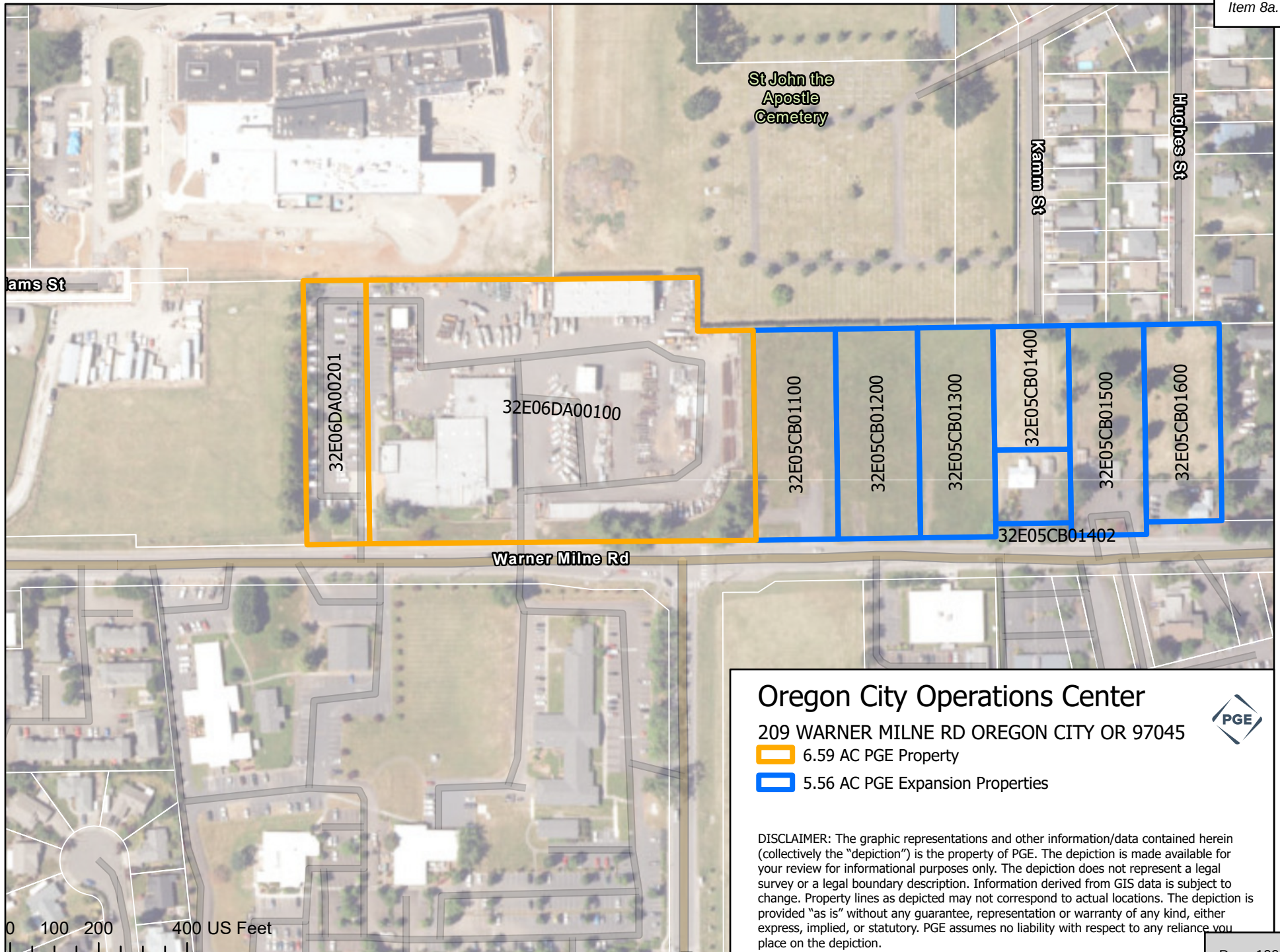
As noted in the Development Services Notes from Pre-App PA 21-16 Warner Milne Road is functionally classified as a Minor Arterial. No issues were identified regarding the function, capacity or level of service of the road. The only land use authorized by the proposed Code text amendment will be recognition of the existing operations center as a Conditional Use in the MUC-1 zone. Because the Code amendment will only recognize an existing use and there will be no change in the zoning district, it will be consistent with the transportation system serving the district.

- D. Statewide planning goals shall be addressed if the comprehensive plan does not contain specific policies or provisions which control the amendment.

The Comprehensive Plan contains specific policies related to the provision of public services, including electric power, which control the amendment as addressed above in criterion A. The Statewide Planning Goals are not affected by the proposed Code amendment. The proposed Code Amendment will follow the OCDC procedures for citizen involvement and public hearings. The site is not designated as a natural resource or a recreation area, it is not subject to a specific

natural hazard, public services can be made available, it is not designated for housing, it will be consistent with the transportation system, and it does not affect the Urban Growth Boundary. The Comp Plan policies control the amendment and the State goals do not need to be addressed in this case.

The proposed text amendment provides for future consideration for the improvement and expansion of the Operations Center as a Conditional Use in the MUC-1 zone. A separate application for a Conditional Use Permit will be required, allowing for the review of a specific development proposal. The Code amendment as proposed does not allow for new or additional uses in the zone. The proposed Code amendment is a small change to the text of the MUC-1 zone, and the specialized nature of the facility it provides for will result in minimal impact to other properties in the MUC-1 District.



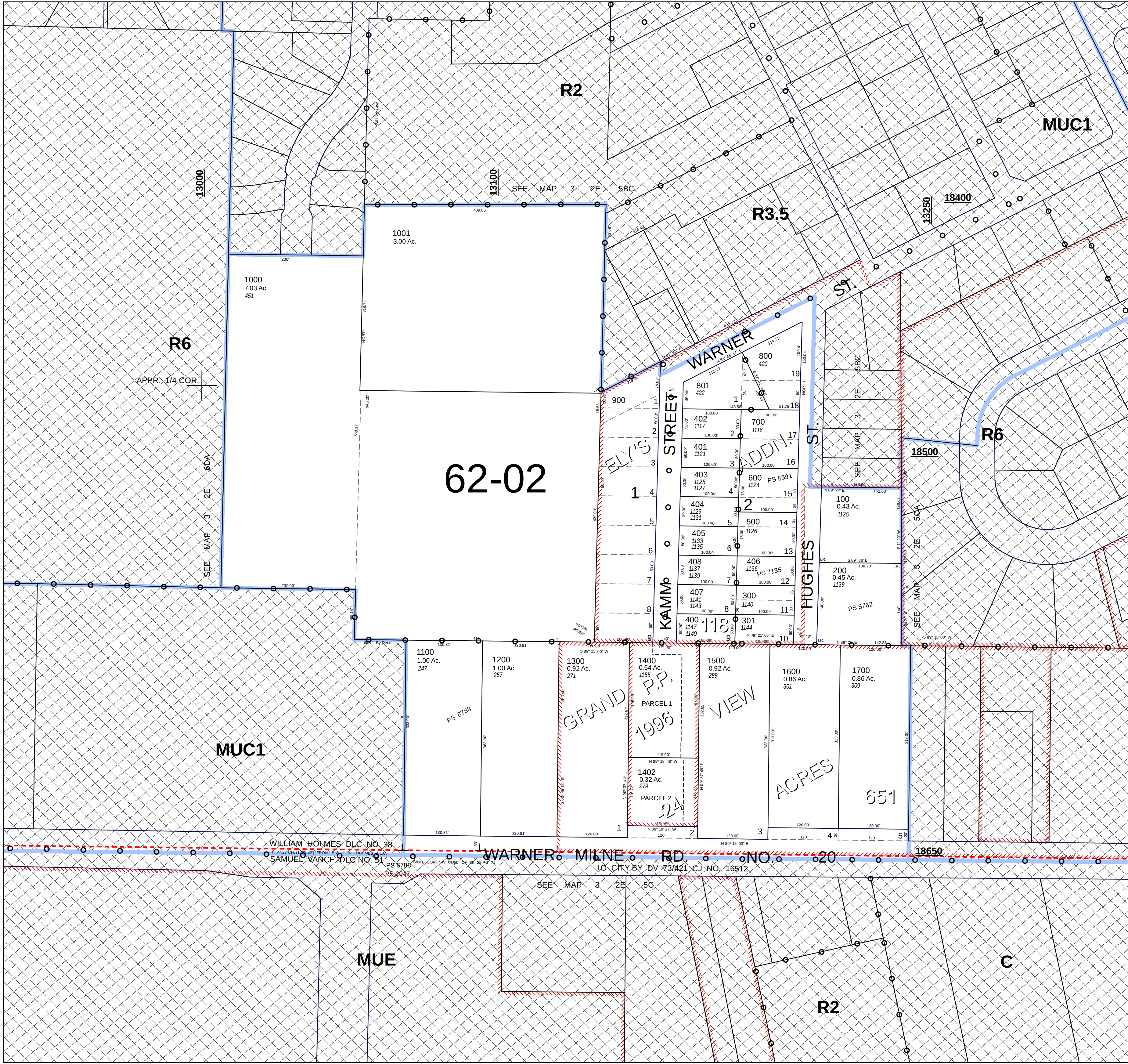
3 2 E 05C
OREGON CITY

N.W.1/4 S.W.1/4 SEC.5 T.3S. R.2E. W.M.
CLACKAMAS COUNTY
1" = 100'

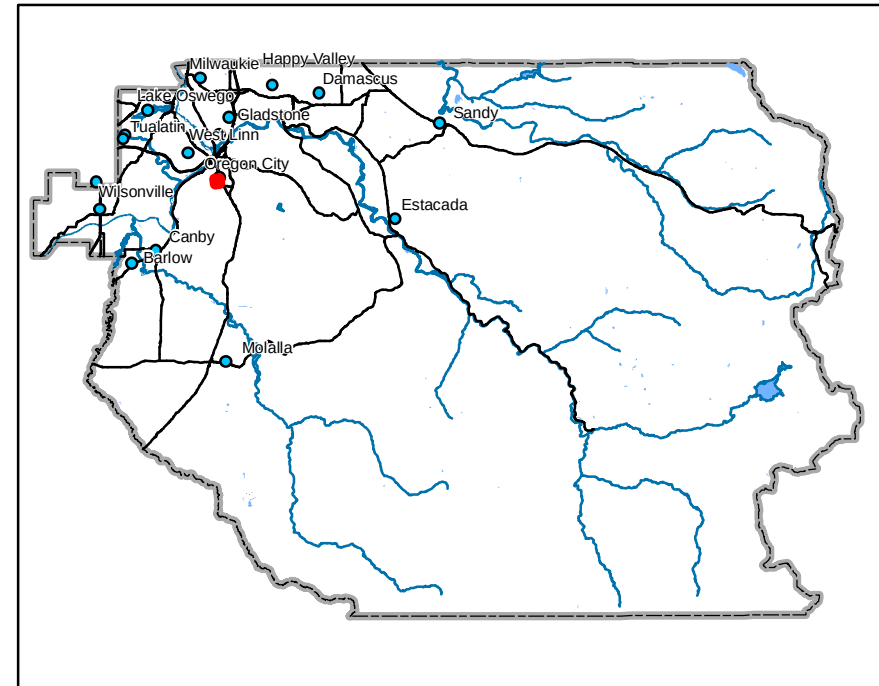
D. L. C.
WILLIAM HOLMES NO. 38

Cancelled Taxlots

1401
1601
1701



- Parcel Boundary
- Private Road ROW
- Historical Boundary
- Railroad Centerline
- TaxCodeLines
- Map Index
- WaterLines
- Land Use Zoning
- Plats
- Water
- Corner
- Section Corner
- 1/16th Line
- Govt Lot Line
- DLC Line
- Meander Line
- PLSS Section Line
- Historic Corridor 40'
- Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT
PURPOSES ONLY



ELYVILLE NEIGHBORHOOD ASSOCIATION MEETING SUMMARY

On May 9, 2023, PGE attended the regular meeting of the Elyville Neighborhood Association to discuss the proposed Development Code Text Amendment. The Text Amendment would allow PGE to apply for a Conditional Use Permit to expand and redevelop its existing Operations Center on Warner Milne Road.

PGE was represented at the meeting by Meredith Armstrong, Manager Property Services; Tina Tippin, Senior Property Specialist; and Jeff Tross, Tross Consulting, Inc., Land Use Planning.

PGE had invited the adjacent Rivercrest Neighborhood Association to attend the meeting but no one identified with that organization was present.

The meeting was chaired by Karla Laws, Elyville N.A. Chairperson. Four others attended, as shown on the enclosed sign-up list.

Meredith Armstrong discussed the proposed Text Amendment and described the proposed redevelopment and expansion of the existing Operations Center. She stated the project is necessary to serve the current and projected growth of the community; to provide additional outdoor storage space for service, maintenance and repair equipment and vehicles; to provide facilities for additional power line crews; to better prepare for future emergencies that affect the power supply such as the recent heat wave, ice storm, and fires; and to be more resilient to these as well as a major natural disaster such as an earth quake. She also described the intent to re-align the current site access driveway with the signalized intersection at Beaver Creek Road.

Comments from the public were positive. The Chair noted that demand for electric power will increase as the use of other energy sources decreases, and acknowledged the recent weather events that affected the power supply. A comment was made that PGE is a good neighbor. Another comment encouraged PGE to acquire property to the east along Warner Milne Road.

There were no comments objecting to the proposal, and no further questions.

May 8, 2023 Elyville Neighborhood Association sign in sheet

ENA Sign In
5/9/23

Name	Address	email / phone
Marie Lewis	419 Ransom St.	marie.lewis@gmail.com
Carson Mather	7221 Ransom St	carson.mather@gmail.com (parent)
Tina Tippet	131 SW Salmon St Portland, OR 97201	tina.tippett.pgn.com
Meredith Armstrong	121 SW Salmon St Portland, OR 97201	meredith.armstrong@gmail.com
Jeff Trice	1710 Liberty St SE Gresham, OR 97030	jefftrice@gmail.com
Lucy Schaffer	304 Cambridge St.	cankeuxstewie@gmail.com
Bertie Adrian	613 Logue St CC	robsteaadrian@yahoo.com
Gary Avery	451 Warner St O.C.	
Will Tansley	516 Logue	willtansley@yahoo.com

PhotoScan by Google Photos



Submitted On-line/Sent To DLCD: 09/14/2023

Local File #: GLUA-23-00029 LEG-23-00001

1st Hearing: 11/13/2023 Days Difference: 60

Final Hearing: Days Difference:

Proposal Type:

- ☐ Comprehensive Plan Map Change
- ☐ Zoning Map Change
- ☐ Comprehensive Plan Map & Zoning Map Change
- ☐ Comprehensive Plan Text Change
- ☒ Land Use Regulation Change
- ☐ UGB using Simplified Method (div 38)
- ☐ UGB amendment by city with population less than 2,500 within UGB (div24)
- ☐ UGB amendment of 50 acres or less by a city with population 2,500 or more within UGB (div 24)
- ☐ UGB amendment adding more than 50 acres by city with population 2,500 or more within UGB (div 24)
- ☐ UGB amendment that adds more than 100 acres by Metro (div 24)
- ☐ Urban Reserve designation by Metro or a city with population 2,500 or more within UGB
- ☐ Urban Reserve amendment to add over 50 acres by a city with population 2,500 or more within UGB
- ☐ Urban Reserve designation or amendment by a city with population less than 2,500 within UGB
- ☐ Urban Reserve amendment by Metro
- ☐ Urban Reserve Other
- ☐ Annexation
- ☐ Other
- ☐ Periodic Review Task

Summary of Proposed Change: Portland General Electric Company (PGE) proposes a Legislative Zoning Code Text Amendment to Section 17.29.030 E. of the Oregon City Municipal Code to recognize its existing Operations Center as a Conditional Use in the Mixed Use Corridor (MUC-1) District, including the outdoor storage and maintenance activities that are a part of that use. The Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.

An exception to a statewide planning goal is proposed: No

Goals Subject to Exception:

Total Acres: 12.23

Locations:

Contacts:

Peter Walter

Documents:

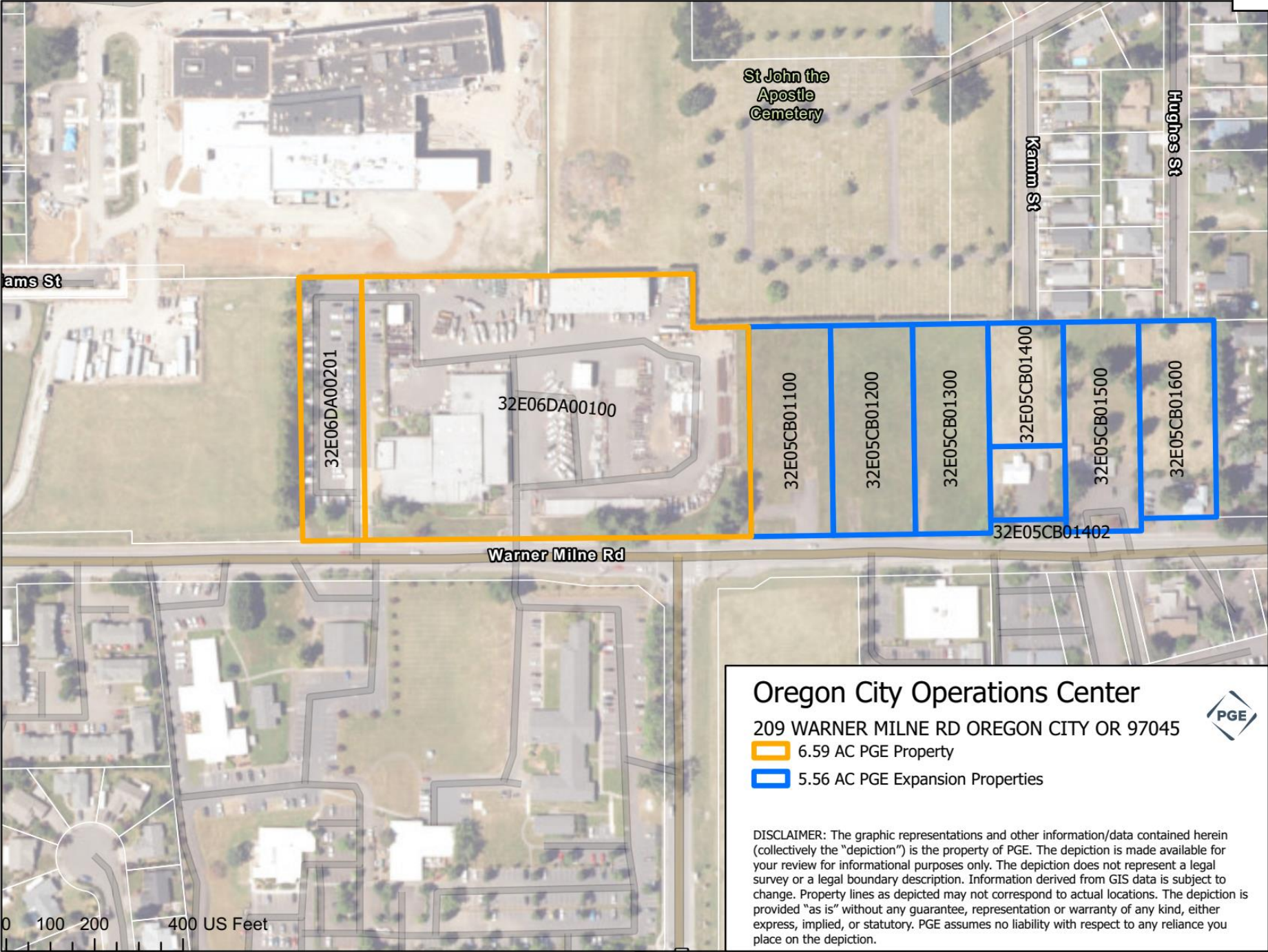
Uploaded	Document Name
09/14/2023	Proposal_Legislative Narrative_2023-09-14_12-44-06.pdf
09/14/2023	Proposal_Aerial of taxlots_2023-09-14_12-44-14.pdf
09/14/2023	Proposal_Land Use app_2023-09-14_12-44-21.pdf
09/14/2023	Proposal_OC2040 Comp Plan Goals and Policies for PGE Expansion_2023-09-14_12-44-30.docx
09/14/2023	Proposal_Tax Maps_2023-09-14_12-44-45.pdf
10/03/2023	Revision_Operations Center Code Amend Narrative 10-2-23 Final_2023-10-03_09-18-19.docx



NOTICE OF PLANNING COMMISSION PUBLIC HEARING

HEARING DATE:	On Monday, November 13, 2023 the City of Oregon City Planning Commission will conduct a public hearing at 7:00 p.m. in the Commission Chambers at the Robert Libke Public Safety Building, 1234 Linn Avenue, Oregon City 97045 and virtually on the following Legislative Application. Any interested party may testify at the public hearings or submit written testimony at or prior to the close of the hearing. Please contact planning@orccity.org to provide virtual testimony. The meeting may be viewed live at www.youtube.com/user/CityofOregonCity . Written comments must be received by the Planning Division by 4pm on November 1 st , 2023 to be included in the staff report. Written comments received after that date will be provided to the Commission but may not be included in the staff report. The agenda and associated report will be posted at www.orccity.org/meetings one week prior to the meeting. The City Commission hearing date for this application will be scheduled once the Planning Commission reaches a formal recommendation.	
FILE NUMBERS:	GLUA 21-00029 and LEG 23-00001: Legislative Zoning Code Text Amendment	
APPLICANT:	Portland General Electric (PGE)	
PROPOSAL:	PGE proposes a Legislative Code Text Amendment to Chapter 17.29 – <i>Mixed Use Corridor</i> , Section 17.29.030 E. of the Oregon City Municipal Code (OCDC) to recognize its existing Operations Center as a Conditional Use in the MUC-1 District, including the outdoor storage and maintenance activities that are a part of that use. The Code Amendment would allow PGE to apply for a Conditional Use Permit to improve and expand the Operations Center. An application for a Conditional Use Permit would follow adoption of the Code Amendment.	
WEBPAGE:	https://oregoncity.teammunicode.com/communitydevelopment/project/glua-23-00029-leg-23-00001	
LOCATION:	289 Warner Milne Rd (3-2E-05CB-01500), No Address (3-2E-06DA-00201), 279 Warner Milne Rd (3-2E-05CB-01402), 301 Warner Milne Rd (3-2E-05CB-01600), 209 Warner Milner Rd (3-2E-05CB-01100), No Address (3-2E-05CB-01300), 1155 Warner Milne Rd (3-2E-05CB-01400), No Address (3-2E-05CB-01200), No Address (3-2E-06DA-00100)	
STAFF CONTACT:	Pete Walter, Planning Manager, Ph: (503) 496-1562 Email: pwalter@orccity.org	
NEIGHBORHOOD ASSOC. / CPOs:	Elyville	Date of Meeting: 5/9/2023
CRITERIA:	Oregon City Municipal Code (OCMC) OCMC 17.50 <i>Administration and Procedures</i> , OCMC 17.68 <i>Zoning Changes and Amendments</i> , the <i>Oregon City Comprehensive Plan (2004)</i> , and <i>Statewide Land Use Planning Goals</i> .	
For tips on submitting public comments, please visit www.orccity.org/planning/how-do-i and click on “How do I Make the Most Effective Comments on Development Applications?”. Please do not hesitate to give us a call to learn more about the development process.		

This legislative application is subject to the Administration and Procedures section of the Oregon City Code set forth in Chapter 17.50. The application and all supporting documents submitted by or on behalf of the applicant are available for inspection at no cost at the Oregon City Planning Division, 695 Warner Parrott Road, during regular business days, 9am-4pm Monday thru Friday. Copies of these materials may be obtained for a reasonable cost. The staff report, with all the applicable approval criteria, will also be available for inspection seven days prior to the hearing. Any interested party may testify at the public hearing and/or submit written testimony at or prior to the close. Notice of the decision shall be sent to all persons submitting comments and providing a return address. The procedures that govern the hearing will be posted at the hearing and are found in OCMC Chapter 17.50 the City Commission’s Rules of Procedure.



City of Oregon City

GEOGRAPHIC INFORMATION SYSTEM

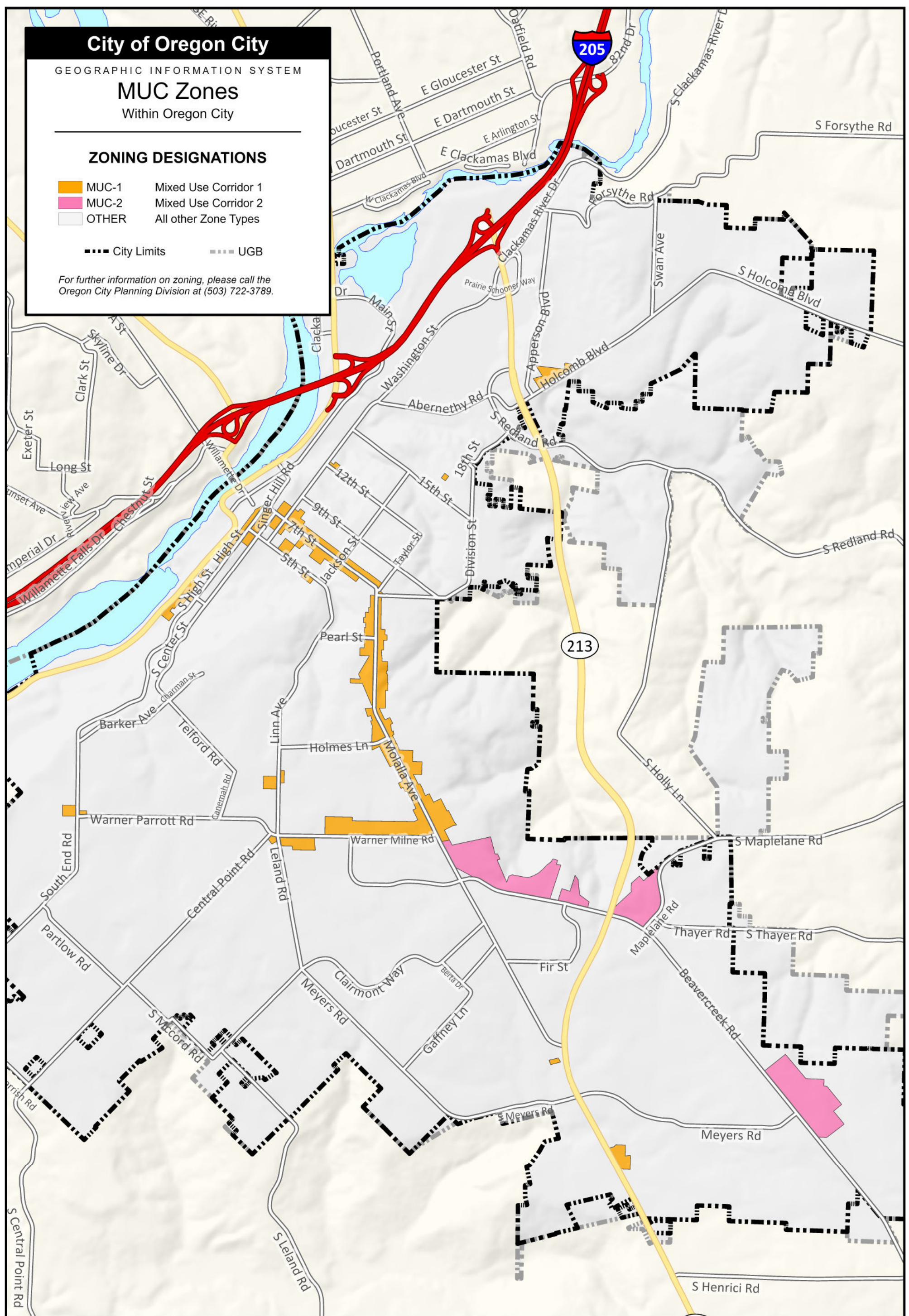
MUC Zones

Within Oregon City

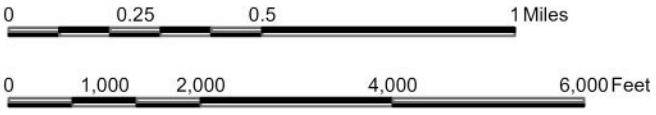
ZONING DESIGNATIONS

- MUC-1 Mixed Use Corridor 1
- MUC-2 Mixed Use Corridor 2
- OTHER All other Zone Types
- City Limits
- UGB

For further information on zoning, please call the Oregon City Planning Division at (503) 722-3789.



The City of Oregon City makes no representations, express or implied, as to the accuracy, completeness and timeliness of the information displayed. This map is not suitable for legal, engineering, or surveying purposes. Notification of any errors is appreciated.



City of Oregon City
P.O. Box 3040
625 Center Street
Oregon City, OR 97045
503-657-0891 phone
503-657-7892 fax
www.oregoncity.org



Plot date: November 3, 2023
Plot name: Zoning - MUC only - 11x17P - 20231103.pdf
Map name: Zoning Map.aprxZoning Map - MUC only - 11x17P



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Human Resources Director Patrick Foiles

Agenda Date: 12/20/2023

SUBJECT:

Diversity, Equity, and Inclusion Initiatives 2023-2025 Biennium

STAFF RECOMMENDATION:

Discussion - No action required

BACKGROUND:

During the 2021-2023 biennium, the City Commission established **Goal 1: Promote diversity, equity, and inclusion for a safe, inclusive community and organization.** The goal introduced a series of initiatives, projects, and accomplishments related to advancing diversity, equity, and inclusion in Oregon City. One of the key initiatives was to develop and adopt a DEI Framework that would guide the City's work around diversity, equity, and inclusion. The process involved input from the DEI Community Task Force, a community survey, city staff, and the city's consultant MGT Consulting.

In May 2023, the Commission adopted Resolution No. 23-10 and Oregon City DEI Framework and commitment.

Our DEI Commitment

In Oregon City, we strive to be a place where all persons, regardless of race, ethnicity, sexual orientation, gender identity, age, religion, or ability feel safe, respected, and valued. We will work to ensure that all staff feel a sense of belonging and all city services and programs are equally available and accessible to everyone. We are committed to sustained improvement by doing the work necessary to achieve this goal.

DEI Framework – Strategic Priorities:

- Foster and sustain a feeling of belonging and inclusion for all Oregon City staff members.
- Strengthen approach to talent recruitment, selection, development, and retention.

- Demonstrate individual and organization-wide commitment to DEI through communication, training, and accountability at all levels.
- Weave a culture of diversity, equity, and inclusion into the fabric of all external-facing work of Oregon City.

Each Strategic Priority included 4 or 5 initiatives or projects for the City to work on that will support those four strategic priorities. [Attachment A]

Again, this biennium, the Commission extended its commitment to diversity, equity, and inclusion during the 2023-2025 Goal setting retreat and process.

2023-2025 Commission Goal 1 - Create a collaborative environment to promote diversity, equity and inclusion resulting in a safe, inclusive community and organization.

During those discussions, the Commission and staff discussed using the framework and set of initiatives to continue our journey by focusing the next set of projects. Staff heard the Commission was interested in a few of the identified initiatives:

- Re-establish the Community Task Force that can be an ongoing voice of the community and an advisor to the City.
- We also heard the importance of establishing a group of staff members devoted to advancing diversity, equity and inclusion within the organization and empowering them to help drive the work throughout the organization.
- Investment in employee Education and Training designed to build a foundation of knowledge and awareness for more impactful and self-sustained DEI work.
- Improve and review selection process to ensure equitable opportunity. Use innovative and consistent strategies to strengthen the employee recruitment process.

Staff has drafted and proposes the scope of work presented in the attached Draft Request for Qualifications (RFQ).

Following this discussion and gathering feedback from the Commission, staff will post, accept bids, and select a consultant/firm to guide us through these initiatives.



Requests for Qualifications Consultant Services for Diversity Equity and Inclusion Initiatives

Proposals Due: February 4, 2024

Introduction

The City of Oregon City seeks proposals from qualified vendors with experience in 1) helping local governments develop an ongoing training program for staff to establish a strong foundation of understanding around Diversity, Equity, and Inclusion (DEI) initiatives, programs, processes, and staff readiness in order to develop and successfully integrate DEI throughout their operations, and 2) establishing internal, staff-led workgroups to provide input and feedback on organizations' DEI initiatives and to support the work of implementing these initiatives, and 3) re-engaging and coordinating the activities of a community Task Force that provides perspective on the resident experience and city policy decisions and 4) analyzing, evaluating, and recommending changes to organization policies and procedures.

The ideal vendor will have experience and expertise in implementing municipal or public sector DEI frameworks or strategic plans, and in analyzing and evaluating current policies and practices from a DEI perspective. The ideal vendor will also have significant experience designing and coordinating public engagement and involvement, including experience working with and supporting a formal community task force or similar advisory body. The ideal vendor will also have significant experience facilitating constructive discussion of potentially challenging or controversial topics, including systemic racism and inequity. The ideal vendor will also have significant experience developing and implementing training programs for municipal or public sector staff who may have differing levels of prior exposure to DEI concepts and topics.

Background

Community history and demographics

The City of Oregon City was the first permanent Euro-American settlement in the Willamette Valley and the first incorporated City west of the Rocky Mountains. Founded in 1829 and incorporated in 1844, it first became the home to fur traders and missionaries. As "the end of the Oregon Trail", the City served as the final destination for many early immigrants.

Prior to Euro-American settlement, the area where Oregon City is located was a focal point for fishing and trade among the Native Americans and home to the Clowwewalla (also known as the Charcowah), the Cashhooks Indians, and the Molalla Indians. The nearby Clackamas Indians, also of the Upper Chinookan Linguistic group, located their villages along the Clackamas River.

The City and the area both have a long and rich history, one which the community both celebrates and seeks to better understand, particularly the complex and intertwined histories of native peoples and later, non-native immigrants and settlements.

Today, the City of Oregon City has a population of over 37,570. According to 2019 race/Hispanic origin demographic data from the U.S. Census Bureau's Population Estimates Program, this population is made up of approximately 91% White residents, 1% Black or African American residents, 5.3% Hispanic or Latino residents, 1.5% American Indian and Alaska Native residents, 1% Asian residents.

City Commission DEI goals

In June 2020, the City Commission of the City of Oregon City approved and adopted **Resolution 20-19 (LINK)**. The Resolution recognized that a diverse community and workplace adds significantly to the community's quality of life, committed to the creation of an inclusive and equitable environment for every member of the community, and committed to operationalizing equity in City policies and practices and creating a diverse, equitable, and inclusive workplace.

For the 2021-2023 biennium, the City Commission established goals, including **Goal #1 (LINK)**: Promote diversity, equity, and inclusion for a safe, inclusive community and organization. During the past biennium, the City worked with a contractor to complete the identified initiatives:

1. Using the vision articulated in Resolution 20-19, develop a comprehensive internal and external DEI framework.
2. Create a community task force to guide the external DEI work
3. Evaluate internal policies, procedures, hiring practices, purchasing, and codes to reduce barriers and systemic inequities.

One of the outcomes from the work in 2022-23, was the Oregon City DEI Framework and Strategic Priorities. The City Commission approved and adopted resolution 23-10 and framework. (Attached) As part of the Framework, the City Commission articulated the following commitment:

In Oregon City, we strive to be a place where all persons, regardless of race, ethnicity, sexual orientation, gender identity, age, religion, or ability feel safe, respected, and valued. We will work to ensure that all staff feel a sense of belonging and all city services and programs are equally available and accessible to everyone. We are committed to sustained improvement by doing the work necessary to achieve this goal.

The DEI Framework articulates the following Strategic Priorities:

1. Foster and sustain a feeling of belonging and inclusion for all Oregon City staff members.
2. Strengthen approach to talent recruitment, selection, development, and retention.
3. Demonstrate individual and organization-wide commitment to DEI through communication, training, and accountability at all levels.
4. Weave a culture of diversity, equity, and inclusion into the fabric of all external-facing work of Oregon City.

During the recent goal setting process for the 2023-2025 biennium, the City Commission extended Goal 1 and provided direction to continue working through the established DEI Framework's Strategic Priorities and supporting Initiatives.

The City is seeking an experienced consultant to assist with the implementation of the following Initiatives supporting the City Commission's Strategic Priorities:

- Initiative 1A: Design and implement an ongoing DEI Training Plan to enhance the skills, knowledge, and awareness of all City employees.
- Initiative 1E: Solicit regular feedback from City employees on progress, successes, and development opportunities.
- Initiative 2A: Use innovative and consistent strategies to strengthen the employee recruitment process.
- Initiative 2B: Review and improve selection process to ensure equitable opportunity.
- Initiative 3B: Establish an internal DEI committee to support design and implementation of the organization's work.
- Initiative 4B: Establish a DEI Community Task Force that provides perspective on the resident experience and action plan process.

Although these initiatives are listed separately, we expect the work on individual initiatives will inform and support the work on other initiatives.

Goals and Objectives

The City will rely on the vendor's experience and expertise in the areas of DEI, training, and public engagement in order to implement these initiatives. While the City expects proposals from different vendors to reflect different approaches, vendors should provide specific information on how they anticipate completing the initiatives listed below.

Strategic Priority #1: Foster and sustain a feeling of belonging and inclusion for all Oregon City Staff Members

- **Initiative 1A: Design and implement an ongoing DEI Training Plan to enhance the skills, knowledge, and awareness of all City employees** – The Consultant will develop a training plan for city employees (who may have differing levels of familiarity with DEI concepts and topics) with the goal of creating a strong foundation to support the City's commitment to promote and sustain a culture of diversity, equity, and inclusion. The consultant will also identify what level(s) and type(s) of resources will be required for the City to sustain and maintain an ongoing DEI training and evaluation process.
- **Initiative 1E: Solicit regular feedback from City employees on progress, successes, and development opportunities** – The consultant will help develop and implement tool(s), instrument(s), or processes to solicit regular feedback from City employees on the City's progress and successes in implementing the City Commission's Strategic Priorities, and additional development opportunities which may be needed or beneficial.

Strategic Priority #2: Strengthen approach to talent recruitment, selection, development, and retention.
Initiatives

- **Initiative 2A: Use innovative and consistent strategies to strengthen the employee recruitment process** - The consultant will analyze and evaluate the City's current recruitment and strategies and processes and recommend any changes to better ensure equitable employment opportunities and a more diverse workforce.
- **Initiative 2B: Improve and review selection process to ensure equitable opportunity** – The consultant will analyze and evaluate the City's current interview and selection processes and recommend any changes to better ensure equitable employment opportunities and a more diverse workforce.

Strategic Priority #3: Demonstrate individual and organization-wide commitment to DEI through communication, training, and accountability at all levels.

- **Initiative 3B: Establish an internal DEI committee to support design and implementation of the organization's work** – The consultant will advise and facilitate the establishment of an internal DEI committee with specified goals, procedures, and composition to support the design and implementation of the organization's work, and will support the committee's development of an initial 1-year work plan.

Strategic Priority #4: Weave a culture of diversity, equity, and inclusion into the fabric of all external-facing work of Oregon City.

- **Initiative 4B: Establish a DEI Community Task Force that provides perspective on the resident experience and action plan process** - As part of the process of developing the Oregon City DEI Framework and Strategic Priorities, a community Task Force was created and consulted. While this Task Force has not been active since the culmination of that work, it is anticipated that they will be reactivated to provide community input and feedback during this implementation phase. The consultant will work to re-engage this group, and (with support from City staff) fill any vacancies and/or make necessary adjustments to the group's composition/charter.
 Primary Purpose -The primary purpose of the Task Force will be to receive updates and provide input on future policy decisions and the City's implementation of the initiatives identified in this RFQ.
 Meeting Facilitation – The consultant will facilitate all Task Force meetings, including meeting planning and logistics, full facilitation of Task Force meetings, preparation of meeting minutes, and preparation of reports/presentations for Task Force members and/or the City Commission

If there are other activities or elements that are necessary to achieve the City Commission's goals and implement the initiatives outlined above, the vendor's proposal should include them. In addition, if the vendor identifies any other initiatives in the Oregon City DEI Framework that could be readily achieved as part of the general scope of work identified above, or that the vendor feels should/must be implemented at the same time as the initiatives identified above, the vendor's proposal should include

them.

Scope of Work / Deliverables

The vendor should, at a minimum, accomplish the initiatives outlined above, with specific deliverables to include:

- Development and implementation of a plan to coordinate the creation and coordination of a Community DEI Task Force. It is anticipated the Task Force will meet on a bi-monthly basis for at least 18 months.
- Development and delivery a DEI Education and Training Plan, including an initial introductory/beginning course of training for all City employees
- Establish an internal DEI committee made up of staff members to support the design and implementation of the organization's future DEI work.
- Recommendations on changes to recruitment, interview, and selection processes.

The City has a fixed budget of \$125,000 for this project. Following vendor selection, the City expects to negotiate a Scope of Services to fit within the allocated budget under a Personal Services Agreement. The City reserves the right to negotiate with other responsive vendors if terms cannot be reached. The Proposer must provide a comprehensive plan and timeline to complete this project as part of their proposal. The City desires to complete the envisioned work no later than June 30, 2025.

City-Provided Resources

City staff resources will be available to the consultant to provide assistance evaluating, assessing, and understanding the City's current DEI readiness and environment. The City will provide the consultant with access to staff, documents, and meeting facilities for meetings/interviews.

If any confidential information is deemed necessary to be released to the awarded party, it shall be the understanding of the awarded party that all such information shall remain confidential. In addition, the City may require a confidentiality agreement.

A consultant/firm will be selected for this project based on the information in the section "Scoring Criteria".

Proposals

Proposal submissions must include the following information:

- A brief description of the consultant's assessment of DEI trends and best practices, especially as related to municipal government.
- Specific plans for group sessions, interviews, and other mechanisms to gather information from City departments and stakeholders. You must also provide an estimate of the amount of time required of City staff involved in these activities.
- Specific plans for coordination and facilitation of Task Force activities.
- Specific plans for public presentations, public meetings, online, and other public engagement activities. The consultant will be responsible for the logistics for all public

involvement including preparation of content for the Project website and social media, preparation of materials, documentation, and analysis of input.

- Background, including date established, type of ownership, locations, and number of employees engaged in strategic planning initiatives.
- Summary of resources, capacity, and mission statement
- A list of key project personnel and subconsultants, and their qualifications.
- A list of DEI assessment projects you have completed in the last five years. Highlight any projects that were performed for municipalities.
- A list of public engagement projects you have completed in the last five years. Highlight any projects that were performed for municipalities.

Scoring Criteria

The city anticipates a 2-stage selection process.

1. Score proposal
2. Interview with finalists and final scoring

Proposals will be initially scored according to the weighted schedule below.

Experience performing comparable Municipal or Government projects of similar size and scope	20%
Understanding of project objectives, completeness, and presentation of the proposal, including examples of comparable projects.	40%
Qualifications of key personnel and subconsultants	20%
Capacity to accomplish outlined tasks within the timeframe specified	20%

Initial scoring will identify top group of finalists. Finalists will be invited to participate in interviews. The finalists will be notified of the time, place, and format of the interview. Based on the interview, the evaluation committee may revise their original scoring.

Written Proposals must be complete and no additions, deletions, or substitutions will be permitted during the interview. The evaluation committee will recommend award of a contract to the City Manager based on the highest scoring Proposal following interviews.

Proposers are not permitted to directly communicate with any member of the evaluation committee during the evaluation process. All communication will be facilitated through the City's designated representative.

In evaluation of the proposals and selecting a firm, the City reserves the right to the following nonexclusive list:

- To reject all bids/proposals not in compliance with all prescribed public procurement procedures and requirements.

- To reject any or all bids/proposals, for good cause, upon finding of the City that it is in the public interest to do so.
- To issue subsequent request for proposals, if needed.
- Not to award a contract for requested services.
- To waive any irregularities or informalities in any proposal.
- To accept the proposal that the City deems most beneficial to the public; and
- To negotiate with any applicant to further amend or refine the proposal.

Estimated RFQ Schedule

RFP Issued:	January 1, 2024
Final Date for Questions Related to RFP:	January 26, 2024
Proposal Deadline:	February 4, 2024 (4:00 PM PST)
Selection of Consultant by Project Team	Week of February 19, 2024
Contract Development:	Late February 2024
City Commission meeting – Final contract	Anticipated March 2024

*Exact dates are subject to change at the City's discretion.

Proposal Submittal Instructions

To continue getting updates on this project and receiving all notifications a person or company must register and add your individual name or company name to the Plan holder's list at <http://bids.orcity.org/>. All questions regarding this solicitation, must be submitted through the bid site. If you have website access concerns, please call Patrick Foiles, HR Director, at 503-496-1528.

Proposals shall be no longer than 15 pages, not including cover, and shall be printed on letter-size, double-sided pages. Six hard copies and one electronic (.pdf) copy (no larger than 8GB) of the proposal shall be submitted to:

Patrick Foiles, HR Director
 City of Oregon City
 625 Center Street
 Oregon City, OR 97045
 Please mark envelopes: "Oregon City DEI RFP"
 Electronically: pfoiles@orc.org with subject title "Oregon City DEI RFP"

Proposals must be received no later than 4:00 PM PST, February 4, 2024.

Late proposals will not be considered. There will be no formal bid opening. All proposals shall be effective for sixty (60) days following the deadline for submission of proposals. Material submitted by the proposer shall become the property of the City unless otherwise specified. All proposals may be reviewed and evaluated by any person at the discretion of the City. Proprietary information should be segregated and clearly identified so that it may be kept confidential. All other parts of the proposal are

public record after the selection process is completed.

The City reserves the right to reject any or all submittals for good cause, in the public interest, and is not liable for any costs incurred by the firms or individuals in the proposal preparation or presentation.

DRAFT

Oregon City DEI Framework

In 2022, Oregon City hired an independent consultant to conduct an internal assessment focused on diversity, equity, and inclusion (DEI) to determine strengths and weaknesses in aspects of our work that impact Oregon City staff. In 2023, we will continue our evolution by publicly committing to the importance of this effort and by launching future phases of work based on the priorities listed below.

Our DEI Commitment:

In Oregon City, we strive to be a place where all persons, regardless of race, ethnicity, sexual orientation, gender identity, age, religion, or ability feel safe, respected, and valued. We will work to ensure that all staff feel a sense of belonging and all city services and programs are equally available and accessible to everyone. We are committed to sustained improvement by doing the work necessary to achieve this goal.

Strategic Priority #1

Foster and sustain a feeling of belonging and inclusion for all Oregon City staff members.

Initiatives:

- A** Design and implement an ongoing DEI Training Plan to enhance the skills, knowledge, and awareness of all City employees.
- B** Define the desired state of a culture of inclusion and belonging for City employees.
- C** Create a multi-cultural calendar that recognizes events and observances throughout the year.
- D** Examine the need, desire, and potential design of staff-driven employee resource groups.
- E** Solicit regular feedback from City employees on progress, successes, and development opportunities.

Strategic Priority #2

Strengthen approach to talent recruitment, selection, development, and retention.

Initiatives:

- A** Use innovative and consistent strategies to strengthen the employee recruitment process.
- B** Improve review and selection process to ensure equitable opportunity.
- C** Support employee and organization growth through career development opportunities and understanding the various needs of employees.
- D** Assess accessibility of marketing tools and employment materials.

Strategic Priority #3

Demonstrate individual and organization-wide commitment to DEI through communication, training, and accountability at all levels.

Initiatives:

- A** Develop and communicate the City's commitment and desired goal.
- B** Establish an internal DEI committee to support the design and implementation of the organization's work.
- C** Establish clear objectives and priorities that promote inclusion.
- D** Enhance DEI awareness through education and training for members of City boards and commissions.
- E** Hold leadership, City boards, and City committees accountable to incorporating DEI into strategies, resource allocation, and decision making.

Strategic Priority #4

Weave a culture of diversity, equity, and inclusion into the fabric of all external-facing work of Oregon City.

Initiative:

- A** Conduct a community DEI assessment that informs the development of an action plan.
- B** Establish a DEI Community Task Force that provides perspective on the resident experience and action plan progress.
- C** Engage the public on the personal, economic, and community benefits of the City's DEI program and opportunities for active contribution.
- D** Create opportunities for community members across generations and demographic lines to interact with each other and City leadership.
- E** Use a DEI progress report to demonstrate transparency of action plan, progress, and ongoing actions.

RESOLUTION NO. 23-10

**A RESOLUTION APPROVING OREGON CITY DIVERSITY, EQUITY, AND INCLUSION
COMMITMENT STATEMENT AND FRAMEWORK**

WHEREAS, the City Commission approved Resolution No. 20-19 declaring Oregon City's stance against racism, discrimination, and social injustices in our country and community, stating we are committed to creating an inclusive, welcoming, and equitable environment for every member of our community; and

WHEREAS, the City Commission established a 2021 Commission goal to Promote Diversity, Equity, and Inclusion for a safe, inclusive community and organization; and

WHEREAS, the City Commission recognizes that DEI work is a journey of constant learning, awareness, and improvement; and

WHEREAS, over the course of the last year, the Oregon City Community DEI Task Force met to learn and consider diversity, equity, and inclusion issues in Oregon City and worked to develop a set of proposed initiatives and strategies for the City to consider; and

WHEREAS, MGT Consulting performed an in-depth assessment of the City policies and practices and provided a detailed report identifying areas of improvement and outline future important initiatives; and

WHEREAS, in collaboration with Staff, MGT Consulting developed a Framework that will guide the efforts of the City in advancing DEI initiatives; and

NOW, THEREFORE, OREGON CITY RESOLVES:

Section 1. In Oregon City, we strive to be a place where all persons, regardless of race, ethnicity, sexual orientation, gender identity, age, religion, or ability feel safe, respected, and valued. We will work to ensure that all staff feel a sense of belonging and all city services and programs are equally available and accessible to everyone. We are committed to sustained improvement by doing the work necessary to achieve this goal.

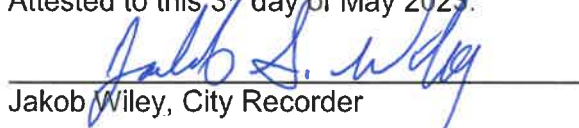
Section 2. The City of Oregon City DEI Framework (exhibit A) identifying principles and strategic priorities for Oregon City is approved by the City Commission.

Section 3. This resolution shall take effect immediately upon its adoption by the City Commission.

Approved and adopted at a regular meeting of the City Commission held on the 3th day of May 2023.


DENYSE C. MCGRIFF
Mayor

Attested to this 3rd day of May 2023:


Jakob Wiley, City Recorder

Approved as to legal sufficiency:


City Attorney

Exhibit A – Oregon City DEI Framework



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: City Commission
From: Human Resources Director Patrick Foiles

Agenda Date: 12/20/2023

SUBJECT:

City Manager Performance Evaluation, Salary Adjustment, and Merit Pay for Performance

BACKGROUND:

The City Manager's evaluation was conducted in executive session on December 6, 2023. The City Manager's employment agreement notes, based on that review, the City Commission may consider salary adjustments and/or a merit payment.

The Commission requested an opportunity to consider those actions during the next available Commission meeting.

OPTIONS:

1. Make a motion to increase the City Manager's base salary by a percentage of current base salary.
2. Make a motion to grant the City Manager a one-time merit payment based on a percentage of current annual salary.
3. Take no action.

BUDGET IMPACT:

Amount: \$
FY(s): FY 2023-24
Funding Source(s): General Fund