



City of Florence
A City in Motion

City of Florence Council Regular Session

Florence City Hall
250 Hwy 101
Florence, OR 97439
541-997-3437
www.ci.florence.or.us

- Meeting materials including information on each agenda item are published at least 24 hours prior to the meeting, and can be found of the City of Florence website at www.ci.florence.or.us/council.
- Items distributed during the meeting, meeting minutes, and a link to the meeting video are posted to the City's website at www.ci.florence.or.us/council as soon as practicable after the meeting.
- To be notified of City Council meetings via email, please contact City Recorder Kelli Weese at kelli.weese@ci.florence.or.us.

December 5, 2016

AGENDA

6:00 p.m.

Councilors:

Joe Henry, Mayor

Joshua Greene, Council President
Susy Lacer, Councilor

Ron Preisler, Council Vice-President
George Lyddon, Councilor

With 48 hour prior notice, an interpreter and/or TDY: 541-997-3437, can be provided for the hearing impaired.
Meeting is wheelchair accessible.

CALL TO ORDER – ROLL CALL – PLEDGE OF ALLEGIANCE

6:00 p.m.

INTRODUCTION

- Stephanie Shepard – Management Analyst

PROCLAMATION

- Certification of Election

1. APPROVAL OF AGENDA

Joe Henry
Mayor

2. PUBLIC COMMENTS

This is an opportunity for members of the audience to bring to the Council's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Joe Henry
Mayor

ACTION ITEMS

The Mayor will provide opportunity for the public to offer comments on action items after staff has given their report and if there is an applicant, after they have had an opportunity to speak.

3. MARIJUANA TAX CODE AMENDMENTS

Consider approval of **Ordinance No. 17, Series 2016**, an Ordinance updating procedures for collecting the voter approved retail tax on marijuana items and amending Title 3, Chapter 11 of the Florence City Code.

Kelli Weese
City Recorder

4. ARCHITECTURAL SERVICES CONTRACT FOR CITY HALL

Consider awarding the architectural services contract for the City Hall remodel and expansion to HGE, Inc. and authorizing the City Manager and City Project Manager to negotiate a contract.

Megan
Messmer
Project Manager

5. HWY 101 & 8TH STREET CROSSING

Consider awarding the contract to Johnson Rock Products, Inc. in the amount of \$59,032 in order to complete an 8-inch waterline crossing of Hwy 101 at 8th Street.

Mike Miller
Public Works Dir.

REPORT ITEMS

6. CITY MANAGER REPORT

Erin Reynolds
City Manager

7. CITY COUNCIL REPORTS

Joe Henry
Mayor

COUNCIL CALENDAR

All meetings are held at City Hall (250 Hwy 101, Florence Oregon) unless otherwise indicated

Date	Time	Description
December 7, 2016	10:00 a.m.	City Council Work Session <i>Tentative</i>
December 14, 2016	9:00 a.m.	City Council Year End Retreat <i>Driftwood Shores Resort 88416 1st Ave., Florence, OR</i>
December 19, 2016	5:00 p.m.	City Council Executive Session
	6:00 p.m.	City Council Regular Session
December 21, 2016	- - -	City Council Work Session <i>Canceled</i>
December 26, 2016	- - -	Christmas Holiday Observed <i>City Offices Closed</i>

PROCLAMATION

City of Florence

STATE OF OREGON)
COUNTY OF LANE)
CITY OF FLORENCE)

I, Joe Henry, Mayor of the City of Florence, Oregon, do hereby certify that in accordance with the laws of the State of Oregon, the City Recorder has canvassed the votes cast at the General Election held on November 8, 2016, and that the following number of votes were cast for the office of Mayor and City Councilor, and for the City of Florence Marijuana Tax.

BE IT CERTIFIED, that the total number of votes cast for the office of Mayor were:

Joe Henry	3,532
Write-In	125

BE IT CERTIFIED, that the total number of votes cast for the office of Councilor were:

Joshua Greene	2,862
Ron Preisler	2,692
Write-In	11

BE IT CERTIFIED, that the total number of votes cast for the City of Florence Marijuana Tax were:

Yes	3,528
No	1,345

The Official Lane County Abstract of Votes summarizing votes cast for the City of Florence is on file in the office of the City Recorder.

DATED and signed this 5th Day of December, 2016.

Joe Henry, Mayor

Kelli Weese, City Recorder



Statement of Votes Cast by Contests, Geography by Choice
Lane County, November 8, 2016 General Election
All Precincts, All Districts, All Contests
Official Final Results

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Florence Mayor (Vote for 1)

Precinct	Total Votes	Joe Henry	Write-in	Over Voted Ballots	Under Votes
Precinct 4601	3657	3532 96.58%	125 3.42%	0	1366
Total	3657	3532 96.58%	125 3.42%	0	1366



I certify that the votes recorded on this
abstract correctly summarize the tally of
votes cast at the election indicated.

Cheryl L. Betschart

Cheryl L. Betschart, County Clerk
Lane County, Oregon

Nov 25, 20 *16*

Statement of Votes Cast by Contests, Geography by Choice
Lane County, November 8, 2016 General Election
All Precincts, All Districts, All Contests
Official Final Results

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Florence Councilor (Vote for 2)

Precinct	Total Votes	Joshua Greene		Ron Preisler		Write-in		Write-in		Over Voted Ballots	Under Votes
Precinct 4601	5626	2862	50.87%	2692	47.85%	61	1.08%	11	0.20%	0	4420
Total	5626	2862	50.87%	2692	47.85%	61	1.08%	11	0.20%	0	4420



I certify that the votes recorded on this
abstract correctly summarize the tally of
votes cast at the election indicated.

Cheryl L. Betschart

Cheryl L. Betschart, County Clerk
Lane County, Oregon

Nov 25, 20*16*

Statement of Votes Cast by Contests, Geography by Choice
Lane County, November 8, 2016 General Election
All Precincts, All Districts, All Contests
Official Final Results

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20-251 Florence Marijuana Tax (Vote for 1)

Precinct	Total Votes	Yes	No	Over Voted Ballots	Under Votes
Precinct 4601	4873	3528 72.40%	1345 27.60%	0	150
Total	4873	3528 72.40%	1345 27.60%	0	150



I certify that the votes recorded on this
abstract correctly summarize the tally of
votes cast at the election indicated.

Cheryl L. Betschart

Cheryl L. Betschart, County Clerk
Lane County, Oregon

Nov 25, 2016

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 1

Meeting Date: December 5, 2016

Department: Mayor & Council

ITEM TITLE: APPROVAL OF AGENDA

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 2

Meeting Date: December 5, 2016

Department: Mayor & Council

ITEM TITLE: PUBLIC COMMENTS

DISCUSSION/ISSUE:

This is an opportunity for members of the audience to bring to the Council's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 3

Meeting Date: December 5, 2016
Department: Administration

ITEM TITLE: Marijuana Tax Code Amendments

DISCUSSION/ISSUE:

Marijuana Tax Measure Background

During the November 8, 2016 General Election, residents of the City of Florence passed Measure 20-251 concerning a City of Florence tax on recreational marijuana by 72.4% This measure allowed for the City to impose a tax on sales of marijuana items by recreational marijuana retailers located in the City of Florence.

The measure worked to adopt the tax implementation ordinance (Ordinance No. 10, Series 2016) which amended City Code Title 3, Chapter 11 to establish the process and procedures for implementation of the Marijuana tax. These amendments were adopted to allow the City the most flexibility with regard to how collection of the tax would be completed.

Purpose of proposed amendments

When the City drafted Ordinance No. 10, Series 2016 in July of this year, we were not able to coordinate with the Department of Revenue's timing in preparing its process for tax collection. As a result, we did not know the full extent of how much the Department of Revenue would be taking on to collect the tax. Since that time, the Department of Revenue has determined that it is capable of taking on all responsibilities for collection of the local tax

After discussions with Department of Revenue staff, they requested Cities make it more clear in their adopting ordinances that the City is authorizing the Department of Revenue to use all the state procedures, rather than the City procedures, for collecting the local tax. The proposed Ordinance No. 17, Series 2016 follows this advice from the Department of Revenue and amends Title 3, Chapter 11 to authorize the Department of Revenue to administer the local tax using the state's procedures. However, the ordinance leaves in place the local procedures should the City decide at some later point to start collecting the local tax on its own.

Adoption Timeline

Per City of Florence Charter, an ordinance will take effect 30 days after passage by the City Council (*January 4, 2017 should it be passed at the December 5th Council meeting*). This timeline is particularly important for tax collection concerns which involve issues of due process because the proposed ordinance includes a procedure for the Council to authorize the

tax collection by another agency and approve the use of the other agency's tax collection procedures. This approval is accomplished by resolution of the Council.

Establishing Resolution

Staff is currently in the process of reviewing a draft intergovernmental agreement (Attachment 2) with the Department of Revenue to collect the tax and expects to recommend City Council approval. Should the Council choose to adopt Ordinance No. 17, Series 2016, and once the Ordinance becomes effective (see above), Staff will bring to the Council a proposed resolution to establish the Department of Revenue as the City's marijuana tax collection agent. Although not a direct decision point for the City Council at the December 5th Council meeting, the proposed intergovernmental agreement is included in the meeting materials for reference and to ensure that we answer all Council questions concerning the collection of the tax, prior to finalization of the ordinance. Should this be completed, we anticipate the resolution establishing the intergovernmental agreement to come before the City Council as a consent agenda item at the January 9th City Council meeting.

FISCAL IMPACT:

Financial impacts of adoption of an ordinance consists of staff and attorney time to prepare and present to the City Council.

Since the ballot measure was approved by the voters, the City will begin to collecting taxes on recreational marijuana products in the City of Florence. Should the Council elect to establish the Oregon Department of Revenue as the City's taxing agent, the Department will seek to recover its costs to collect and transfer the local tax. These costs are outlined in the proposed intergovernmental agreement (Attachment 2) and are summarized as follows:

- Annual Administrative Services Fee equivalent to 60 hours of staff time, divided among the local governments in proportion to the number of Marijuana Taxpayers in each local government.
- Business Fee calculated as a percentage of the Department of Revenue's annual expenses for the administration of all marijuana taxes, with the total fee increasing in direct proportion to the number of local taxpayers. This shall not exceed 0.05% of total expenses for the department.
- Core Systems Replacement Fee of \$200 paid one time after execution of the proposed intergovernmental agreement.

Due to economies of scale, Staff believes the fees proposed by the Department of Revenue will be far lower than the potential costs of providing the same service with existing City resources.

Because of the inherent uncertainty in preparing estimated revenues for the recreational marijuana tax, the adopted FY 16/17 budget does not include estimates for revenue received from the Marijuana Sales Taxes. Revenue from recreational marijuana taxes is proposed to be distributed into the City of Florence general fund to be utilized for any city purpose approved by the City Council during its budget adoption.

RELEVANCE TO ADOPTED CITY WORK PLAN:

Goal 1 – City Service Delivery

Goal 5 – Financial & Organizational Sustainability

ALTERNATIVES:

1. Adopt Ordinance No. 17, Series 2016 as proposed
2. Amend Ordinance No. 17, Series 2016 and adopt as amended.
3. Request additional information for a future City Council meeting
4. Do not adopt Ordinance No. 17, Series 2016.

RECOMMENDATION:

Adopt Ordinance No. 17, Series 2016

AIS PREPARED BY: Kelli Weese, City Recorder

**CITY MANAGER'S
RECOMMENDATION:**

☒ Approve

☐ Disapprove

☐ Other

Comments:

ER Reynolds

ITEM'S ATTACHED:

Attachment 1 – Draft Ordinance No. 17, Series 2016

Attachment 2 – Draft Intergovernmental Agreement with the Oregon
Department of Revenue

*(Included for Reference - Set to be reviewed by the Council
after Ordinance effective date)*

Information on the City of Florence Recreational Marijuana Tax ballot
measure can be found on the City of Florence website at

<http://www.ci.florence.or.us/council/resolutions-2016> 'Resolution No.
16, Series 2016'

**CITY OF FLORENCE
ORDINANCE NO. 17, SERIES 2016**

**An Ordinance Updating Procedures for Collecting the Voter Approved Retail Tax
on Marijuana Items and Amending Title 3, Chapter 11 of the Florence City Code**

RECITALS:

1. Pursuant to ORS 475B.345, at the November 8, 2016 general election, the voters of the City of Florence approved a retail tax on marijuana items and adopted Title 3, Chapter 11 of the Florence City Code.
2. Pursuant to ORS 305.620, the Oregon Department of Revenue is authorized to collect and administer local marijuana taxes adopted under ORS 475B.345.
3. The City of Florence does not presently have the infrastructure and resources in place to efficiently collect and administer the local retail marijuana tax and there are circumstances where it could be more efficient and cost effective for the City to contract with another governmental agency to perform the tax collection and administration tasks under Title 3, Chapter 11 of the Florence City Code. The City wishes to ensure that the city can either administer its local marijuana tax if need be, but also ensure the flexibility to contract with another agency to administer the tax.
4. Provided the other governmental agency has sufficient procedural protections in place as part of its tax collection and administration processes, there are circumstances where it would be appropriate for the other governmental agency to collect the City's local tax pursuant to its collection procedures rather than using the City's collection and administrative procedures set out in Title 3, Chapter 11.

Based on these findings,

THE CITY OF FLORENCE ORDAINS AS FOLLOWS:

1. Title 3, Chapter 11 of the Florence City Code is amended to add a new Section 3-11-8 as shown in Exhibit A:

2. Severability: Any provision of this Ordinance which proves to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision of this Ordinance, and the remaining provisions of this Ordinance shall remain in full force and effect.
3. Effective date: This Ordinance shall take effect on the thirtieth day after adoption, as provided by the City Charter.

Passed by the Council and approved by the Mayor this 5th day of December, 2016.

Joe Henry, Mayor

ATTEST:

Kelli Weese, City Recorder

Exhibit A
ORDINANCE NO. 17, SERIES 2016

[Change Directions are shown in Bold within Brackets]

[Title 3, Chapter 11 of the Florence City Code is amended to add a new Section 3-11-8 as follows:]

3-11-8: TAX COLLECTION BY ANOTHER AGENCY: Pursuant to an agreement with an Oregon government agency, the City Council may authorize the retail tax on marijuana items established by this Chapter to be collected and administered by the other government agency. In authorizing the other government agency to collect and administer the City's retail tax on marijuana items, the City Council shall authorize the agreement by resolution after making a finding that the tax collection procedures of the other government agency provide sufficient procedural protections for taxpayers. Upon adoption of the Council's resolution, and notwithstanding Section 3-11-5, 3-11-6, and 3-11-7, the tax collection and enforcement procedures of the other governmental agency shall govern the tax imposed under Section 3-11-2 as provided in the agreement.

MARIJUANA TAX COLLECTION AGREEMENT

This Marijuana Tax Collection Agreement (“Agreement”) is entered into between the State of Oregon, acting by and through its Department of Revenue (the “Department”) and the City of Florence (“City”), under the authority of ORS 305.620.

In consideration of the conditions and promises hereinafter contained, it is mutually agreed by the parties that the Department shall supervise and administer, according to the terms and conditions set forth in this Agreement, the Local Tax on sales of marijuana items by Marijuana Retailers authorized under ORS 475B.345 and approved by the voters of City.

(1) Definitions. As used in this Agreement the following terms have the meanings ascribed to them:

(a) “Confidential Information” means the information on Local Tax returns administered pursuant to ORS 305.620, any information in the reports required under Sections 8 and 9 of this Agreement from which information about a particular Local Taxpayer is discernable from the report due to a small number of Local Taxpayers in City or similar factors, and any other information exchanged between the Department and City related to this Agreement, that is confidential under ORS 314.835.

(b) “Fees” means collectively the Administrative Services Fee, the Business Fee and the Core Systems Replacement Fee described in Section 5 of this Agreement.

(c) “Local Government” means a city or county that has entered into a form of this agreement with the Department under the authority of ORS 305.620 for the Department to collect Local Taxes authorized under ORS 475B.345.

(d) “Local Tax” or “Local Taxes” means the Marijuana Tax imposed by City, together with any additional interest or penalties provided for by statute or the Department’s rules; it does not include any additional penalties or fees that City may assess against its Local Taxpayers.

(e) “Local Taxpayer” means a licensed Marijuana Retailer located in the taxing jurisdiction of City.

(f) “Marijuana Retailer” has the meaning given in ORS 475B.015.

(g) “Marijuana Tax” means the tax imposed on sales of marijuana items by Marijuana Retailers pursuant to ORS 475B.345.

(h) “Marijuana Taxpayer” means a licensed Marijuana Retailer that is subject to the Marijuana Tax imposed by a Local Government.

(i) “Ordinance” means the ordinance adopted by the governing body of City and approved by the voters of City on 11/8/2016, a copy of which is attached hereto as Exhibit B and by this reference incorporated herein.

(2) General Administration. The Department shall be responsible for all aspects of Local Tax administration, including, but not limited to, adopting administrative rules; auditing

returns; assessing deficiencies and collecting the Local Tax and penalties and interest under applicable statutes, including but not limited to ORS 305.265, ORS 305.220, and ORS 314.400; making refunds; holding conferences with Local Taxpayers; handling appeals to the Oregon Tax Court; issuing warrants for the collection of unpaid taxes; determining the minimum amount of Local Tax economically collectible; and taking any other action necessary to administer and collect the Local Taxes. The Department has adopted rules addressing the requirements for paying taxes with currency and other matters related to the taxation of marijuana under ORS chapter 475B. City understands and agrees that such rules will be applied to Local Taxpayers.

(3) Level of Service. In performing its duties, the Department may in its sole discretion determine what action shall be taken to enforce provisions of the law and to collect the Local Tax. In exercising its discretion, the Department shall provide a level of services that are comparable to the level of services it provides in the administration of the State of Oregon marijuana tax laws and the collection of such taxes owed to the State of Oregon. If the Department deems it necessary to vary substantially from this standard, the Department shall first notify City of the need and obtain City's consent. The Department shall provide all forms necessary for implementation of the Local Tax, including forms for Marijuana Tax returns, exemptions and refunds.

(4) Transfer of Taxes to City. Beginning at the end of the first full quarter after execution of this Agreement, the Department shall remit to City the amount of Local Taxes collected in the preceding quarter less amounts withheld to pay the Department's Fees and other costs as described in this Agreement within 60 days of the return due date for the quarter. The Department shall notify City if, because of inability to move funds electronically or otherwise through the banking system, a force majeure event described in Section 26 of this Agreement or other exigent circumstance, the Department is unable to transfer the Local Tax collected to City as provided in this Section. In that event, the Department shall provide an estimate, if possible, of when it expects to be able to transfer the Local Taxes collected to City. The Department may enter into an agreement with another state government agency to fulfill the requirements of this Section 4, provided that said government agency can comply with the requirements of this section.

(5) Costs. In order to recover its costs to collect and transfer the Local Tax as provided in this Agreement the Department shall be paid the following three fees:

(a) "Administrative Services Fee": Pays for the establishment and maintenance of financial systems needed to administer and distribute Local Taxes. The fee shall be calculated annually as a percentage of the equivalent of 60 hours of work conducted for the Department of Revenue by the Department of Administrative Services, divided among the Local Governments in proportion to the number of Marijuana Taxpayers in each Local Government.

(b) "Business Fee": Pays for the Local Tax administration activities set forth in this Agreement. The fee shall be calculated as a percentage of the Department's Business Division annual expenses for the administration of all marijuana taxes, with the total fee increasing in direct proportion to the number of Local Taxpayers. The total amount per Local Taxpayer billed

to City under the Business Fee shall not exceed 0.05 percent of the Department's Business Division expenses for the administration of all marijuana taxes;

(c) "Core Systems Replacement fee": Charged only one time after execution of this Agreement and calculated as a flat fee per Local Taxpayer. The total Core Systems Replacement Fee shall not exceed two hundred dollars (\$200.00) per Local Taxpayer in the first full quarter following execution of this Agreement.

FOR EXAMPLE, in a hypothetical with the following assumptions:

250 Marijuana Taxpayers

50 Local Taxpayers in the City of Mainville

2 Local Taxpayers in the City of Middletown

Business Division's Marijuana Expenses: \$500,000 per year

Hourly DAS rate: \$99/hour

The fees would be calculated as follows:

Administrative Services Fee = $(\$99/\text{hour} * 60 \text{ hours}) / 250 \text{ Marijuana Taxpayer} = \$23.76 \text{ per Local Taxpayer per year}$

Business Fee = $\$500,000 \text{ in marijuana expenses per year} * 0.05\% = \$250 \text{ per Local Taxpayer per year}$

Core Systems Replacement Fee = \$200 per Local Taxpayer, one time

City of Mainville, year 1: $(\$23.76 \text{ Administrative Services Fee} + \$250 \text{ Business Fee} + \$200 \text{ Core Systems Replacement Fee}) * 50 \text{ Local Taxpayers} = \$23,688 \text{ in costs}$

City of Mainville, subsequent years: $(\$23.76 \text{ Administrative Services Fee} + \$250 \text{ Business Fee}) * 50 \text{ Local Taxpayers} = \$13,688 \text{ in costs}$

City of Middletown, year 1: $(\$23.76 \text{ Administrative Services Fee} + \$250 \text{ Business Fee} + \$200 \text{ Core Systems Replacement Fee}) * 2 \text{ Local Taxpayers} = \947.52 in costs

City of Middletown, subsequent years: $(\$23.76 \text{ Administrative Services Fee} + \$250 \text{ Business Fee}) * 2 \text{ Local Taxpayers} = \547.52 in costs

(e) In addition to the Fees described above, the Department may withhold or invoice City for the Department's costs to administer extraordinary services not described in this Agreement related to the Local Tax; such extraordinary costs may include, without limitation, requests for audits from City that exceed the scope of the Department's normal audit procedures, requests for research or advice from the Department or the Oregon Department of Justice attorneys, or specially appointed counsel, regarding the Local Tax.

(f) If the Department determines that its costs cannot be covered by the maximum fees outlined in this Section 5, the Department will notify City of the amount by which the Department has determined the Fees must increase. If the Department and City do not agree upon a Fee increase and related amendment to this Agreement, then this Agreement may be terminated by either party in accordance with Section 16 of this Agreement.

(g) The Department shall not collect more in fees than its costs to administer the Local Tax, per ORS 305.620(5). It is using the above formula in the interests of producing its best estimate of costs.

(6) Withholding for Fees and Rebate. The Department shall withhold from the Local Taxes collected and each transfer to City an amount equal to four percent (4%) of the Local Taxes collected. In the first quarter of each calendar year the Department will reconcile the amounts withheld in the previous year with the total fees assessed, and provide such reconciliation in the Department's annual report described in Section 9 of this Agreement. If the amount withheld in a calendar year exceeds the amount of the Department's Fees, the Department will rebate the balance of the Local Taxes withheld to City by the end of the first quarter following the year of withholding. If the amount withheld does not cover the Department's Fees for the preceding year, the amount of the shortfall will be withheld from subsequent transfers of Local Taxes collected until the Department's Fees are fully paid, or in its discretion the Department may invoice City for the unpaid amount of the Department's Fees.

(7) Recovery of Overpayments. If the amount of Local Taxes paid to City under this Agreement, exceed the amount to which City is entitled, the Department may, after notifying City in writing, withhold from later payments due City under this Agreement, such amounts, over such periods of time, as are necessary to recover the amount of the overpayment.

(8) Department Quarterly Reports. Beginning with the first full calendar quarter after the execution of this Agreement and continuing each calendar quarter thereafter, within sixty (60) days after the due date for quarterly Local Tax returns, the Department shall provide City with a report indicating the amount of Local Taxes collected, any extraordinary costs assessed, the amount withheld under Section 6 of this Agreement and the cumulative amount of delinquent Local Taxes for each Marijuana Retailer in City's jurisdiction. The information in this report must be treated as potentially revealing Confidential Information, and shall be protected as described in Section 15. City should make all efforts to prevent Confidential Information from being released. The Department and City shall disclose any non-confidential information in a report when required to do so by law, including the Oregon Public Records Law, ORS 192.410 to 192.505.

(9) Department Annual Reports. In the first calendar quarter of each year, the Department shall make a written annual report of the preceding calendar year to City showing the total amount of Local Taxes collected, refunds paid, the expenses of administering and collecting the Local Tax, and other pertinent information. The report shall show the total amount withheld by the Department under Section 6 of this Agreement, and shall show the Department's expenses by its Fee categories. In such report, the Department shall also make recommendations

concerning changes in Local Tax Ordinances, procedures, policies, Local Tax administration and related matters, as the Department deems necessary and appropriate. The information in this report must be treated as potentially Confidential Information, and shall be protected as described in Section 15. City should make all efforts to prevent Confidential Information from being released. The Department and City shall disclose any non-confidential information in the report when required to do so by law, including the Oregon Public Records Law, ORS 192.410 to 192.505.

(10) City Reports. Within sixty (60) days of the effective date of this Agreement, City shall provide the Department with a list of Local Taxpayers in its jurisdiction and a list of zip code areas that are within its jurisdiction for purposes of imposing the Local Tax. City shall provide an updated list of Local Taxpayers to the Department each calendar quarter thereafter. City shall review all reports and reconciliations provided by the Department and promptly notify the Department of any perceived errors or omission in such reports.

(11) Records Maintenance and Access. Each party shall maintain its records relevant to this Agreement, the Local Taxes and Local Taxpayers for the period of time specified and in the manner required under the document retention and archiving requirements applicable to it that are established under ORS 192.005 to 192.170. Upon written request, each party may examine the records of the other party at a time and location that is convenient and without extra cost to the holder to the records; provided, however, any requests for records made in connection with litigation or other efforts to collect the Local Tax shall be immediately provided in the time and manner requested.

(12) Ordinance and Notification of Changes. Contemporaneous with the execution of this Agreement, City shall provide a copy of the Ordinance to Department for incorporation into this Agreement as Exhibit B. In order to insure consistency in administration of the Local Tax, each party shall notify the other of any change in the Ordinance and any state or local regulations or rulings interpreting the Local Tax or the Ordinance, any changes in rates or changes in the City's boundary at least ninety (90) days prior to the effective change, unless it is not legally possible to provide ninety (90) days' notice or both parties mutually agree to effect such changes in less than ninety (90) days. Each party shall notify the other of any change in administration of the Local Tax under this Agreement. The parties shall cooperate in amending the Ordinance or in seeking amendments to ORS 475B.345 or ORS 305.620 which they deem necessary.

(13) Information. The parties will cooperate in the exchange of information and making public announcements to facilitate effective administration of the Local Tax and maintain consistency in public announcements and information. Policy announcements, announcement of changes in the Ordinance, and all correspondence relating to public relations will be handled by City. The Department shall promptly notify City of any matter arising in the administration of the Marijuana Tax that would require any legislative change or affect City's policy, including any policy that relates to the amount of Local Tax collected. Nothing in this section shall prohibit the Department from conducting its own outreach activities to increase awareness and knowledge of local tax obligations.

(14) Limits and Conditions. To the extent limited by applicable provisions of Article XI of the Oregon Constitution or other governing law, and within the limits of the Oregon Tort Claims Act applicable respectively to the Department and City, each party shall indemnify the other for damage to life or property arising from their respective duties and obligations under this Agreement, provided neither party shall be required to indemnify the other for any such liability arising out of a party's own negligent or wrongful acts.

(15) Confidentiality.

(a) Confidential Information may be disclosed only to City as principal, by the Department as its agency, for purposes of carrying out the administration of the Local Tax imposed by City. Requests for Confidential Information shall be made by City by giving not less than ten (10) days' notice to the Department, stating the information desired, the purposes of the request, and the use to be made of such information. If the compilation of information is not feasible, the Department shall so advise City.

(b) ORS 314.840(3) requires that employees and representatives of City who receive Confidential Information must be advised in writing of the provisions of ORS 314.835 and 314.991(3), relating to the penalties for unlawful disclosure. Prior to being given access to Confidential Information, all City employees involved in the performance of this Agreement must review the DOR Secrecy Clause and sign the DOR Secrecy Laws Certificate (substantially in the form of Exhibit A, attached hereto and by this reference incorporated herein) certifying the employee understands the confidentiality laws and the penalties for violating them. Annually thereafter, (on or before a date specified by the Department), or upon request by the Department, such City employees must review and sign the latest versions of the Secrecy Clause and the Secrecy Laws Certificate. All signed Secrecy Laws Certificates must be immediately emailed to both the designated Department Authorized Representative (indicated below) and the Department's Disclosure Office (disclosure.office@oregon.gov). When the employee terminates employment with City, City will forward the certificate to the Department's Disclosure Officer indicating the employee is no longer employed by City. A listing of every person authorized to request and receive Confidential Information identified in this Agreement will be sent to the following designated representative:

John Galvin, Marijuana Tax Program Manager, marijuanatax.DOR@oregon.gov

(c) Upon request and pursuant to the instructions of DOR, City shall return or destroy all copies of Confidential Information provided by DOR to City, and City shall certify in writing the return or destruction of all such Confidential Information.

(d) The administrative rules implementing ORS 314.835 and ORS 314.840 as amended from time to time during the term of this Agreement, shall apply to this Agreement.

(16) Term. The term of this Agreement shall be from the date it is executed by all parties and until it is terminated by operation of law or by either party at its discretion upon at least ninety (90) days prior written notice. Prior to the termination date specified in written notice provided under this section or Section 17 below, City and the Department will continue to

perform their respective duties and obligations of under this Agreement. After the termination date, the Department will cease all collection and other activities under this Agreement, unless prior to the termination date the Department and City agree in writing that the Department may continue actions that are pending before the Oregon Tax Court or the Oregon Supreme Court, or are being collected after judgment or stipulation. In addition, after the termination date the Department will continue to remit to City any Local Taxes received by the Department, after deduction of the Department's actual costs, until all matters pending on the date of termination have been resolved or collected. The Department will administer the Local Tax for City for each calendar quarter commencing after this Agreement is executed; provided, however, if this Agreement is fully executed on or before the 15th day of the calendar quarter, the Department will administer the Local Tax for the quarter in which this Agreement is executed.

(17) Default and Remedies. A party shall be in default under this Agreement if it fails to perform any of its duties and obligations under this Agreement, and fails to cure such nonperformance within ninety (90) days after the other party provides written notice specifying the nature of the nonperformance. If the nonperforming party does not cure its nonperformance, or provide a satisfactory explanation to the other party of its performance under this Agreement, the other party may terminate this Agreement immediately or at a later date specified in written notice provided to the nonperforming party. In addition to termination of this Agreement, in the event of default by a nonperforming party, the other party may pursue any remedies available in law or equity, including an action for specific performance.

(18) Notices. All notices, documents, and information shall be sent as follows:

City of Florence

Oregon Department of Revenue
Marijuana Tax Program
PO Box 14630
Salem, OR 97309

(19) Amendments. The provisions of this Agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by both parties.

(20) Successors and Assigns. This Agreement shall be binding and inure to the benefit of the parties, their assigns, and successors.

(21) Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(22) Representations. Each party represents to the other that the making and performance of this Agreement: (a) have been duly authorized by its governing body or official, (b) does not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board or other administrative agency or any provision of any applicable local charter or other organizational document, and (c) do not and will not result in the

breach of, or constitute a default or require any consent under any other agreement or instrument to which the party is bound.

(23) Governing Law, Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively “Claim”) between the Department and City regarding the enforcement or interpretation of this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon. The parties understand and agree that any action brought to determine the amount of Local Tax owed by a Local Taxpayer, whether brought solely by the Department or in conjunction with City shall be brought solely in the Oregon Tax Court.

(24) Nonappropriation. The obligation of each party to perform its duties under this Agreement is conditioned upon the party receiving funding, appropriations, limitation, allotment, or other expenditure authority sufficient to allow the party, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, sections 7 or 10 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of each party.

(25) Survival. All rights and obligations of the parties under this Agreement will cease upon termination of the Agreement, other than the rights and obligations arising under Sections 14, 16 and 17, and those rights and obligations that by their express terms survive termination of this Agreement; provided, however, that termination of this Agreement will not prejudice any rights or obligations accruing to a party prior to termination.

(26) Force Majeure. Neither party is responsible for any failure to perform or any delay in performance of an obligation under this Agreement caused by fire, civil unrest, labor unrest, natural causes, or war, which is beyond that party’s reasonable control. Each party shall, however, make all reasonable efforts to remove or eliminate such cause of failure to perform or delay in performance and shall, upon the cessation of the cause, diligently pursue performance of its obligation under this Agreement.

(27) Counterparts. This Agreement may be executed in counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Agreement so executed constitutes an original.

(28) Merger. This Agreement and any exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements or presentations, oral or written, not specified herein regarding this Agreement.

Each party represents that this Agreement, when fully executed and delivered will constitute a legal, valid and binding obligation of the party in accordance with its terms, and that the person signing below is the authorized representative of the party with full power and authority to bind his/her principal to this Agreement.

Oregon Department of Revenue

Name/Title:

Signature:

Date signed:

City:

Name/Title:

Signature:

Date signed:

EXHIBIT A

DOR

SECURITY CLAUSE

and

SECURITY LAWS CERTIFICATE

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SECURITY CLAUSE

Taxpayer information is confidential and protected by Oregon law. Only authorized persons may have access to taxpayer information, or to secure buildings where taxpayer information is handled. Oregon law requires that you sign a Security Certificate before being allowed access to this confidential information or secure areas. By signing the certificate, you certify that you understand the confidentiality laws and the penalties for violating them.

This applies to everyone with access to taxpayer information, including:

- Department of Revenue employees
- Employees of other government agencies
- Vendors and contractors
- Business partners

Penalties for unauthorized disclosure of state tax information

- **Income tax***—Class C felony; up to \$125,000 fine; up to five years imprisonment; dismissal from state employment; no public office for five years. [ORS 314.991(2)]
- **Inheritance tax**—Class C felony; up to \$125,000 fine; up to five years imprisonment; dismissal from state employment; no public office for five years. [ORS 118.990(3)]
- **Industrial property tax**—Up to \$10,000 fine; up to one year imprisonment. [ORS 308.990(5)]
- **Timber tax**—Up to \$5,000 fine; dismissal from state employment. (ORS 321.686)
- **Employment Department**—May result in dismissal from state employment, or other discipline. [ORS 657.665(6)]

* These provisions also apply to transient lodging tax (ORS 320.330), cigarette tax (ORS 323.403), tobacco products tax (ORS 323.595), emergency communications tax (ORS 403.230), oil and gas production tax (ORS 324.170), hazardous substances tax (ORS 453.410), and petroleum products tax (ORS 465.124).

Penalties for unauthorized disclosure of federal tax information

- **IRC Sect. 7213**—Felony; up to \$5,000 fine; imprisonment of up to five years; cost of prosecution, damages**.
- **IRC Sect. 7213A**—Up to \$1,000 fine; imprisonment of up to one year; cost of prosecution, damages**.

** Damages may include \$1,000 per act, actual damages, punitive damages, cost of legal action, attorney fees. See Section 7431.

Instructions

Please read the following laws. They explain the types of information that are confidential. If you have questions during your employment or performance of duties, ask your supervisor or a Disclosure officer before accessing or disclosing information.

After reading this information, fill out the last page and return it to the Department of Revenue. Keep the other pages for your records.

Oregon Income Tax Laws

ORS 314.835

(1) Except as otherwise specifically provided in rules adopted under ORS 305.193 or in other law, it shall be unlawful for the Department of Revenue or any officer or employee of the department to divulge or make known in any manner the amount of income, expense, deduction, exclusion or credit or any particulars set forth or disclosed in any report or return required in the administration of ORS 310.630 to 310.706, required in the administration of any local tax pursuant to ORS 305.620, or required under a law imposing a tax upon or measured by net income. It shall be unlawful for any person or entity to whom information is disclosed or given by the department pursuant to ORS 314.840 (2) or any other provision of state law to divulge or use such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena or judicial order shall be issued compelling the department or any of its officers or employees, or any person who has acquired information pursuant to ORS 314.840 (2) or any other provision of state law to divulge or make known the amount of income, expense, deduction, exclusion or credit or any particulars set forth or disclosed in any report or return except where the taxpayer's liability for income tax is to be adjudicated by the court from which such process issues.

(2) As used in this section:

(a) "Officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or any former officer, employee or person, or an authorized representative of such former officer, employee or person.

(b) "Particulars" includes, but is not limited to, a taxpayer's name, address, telephone number, Social Security number, employer identification number or other taxpayer identification number and the amount of refund claimed by or granted to a taxpayer.

ORS 314.991

(2) Violation of ORS 314.835 is a Class C felony. If the offender is an officer or employee of the state the offender shall be dismissed from office and shall be incapable of holding any public office in this state for a period of five years thereafter.

Applicability to other tax programs

The above provisions of ORS 314, concerning the confidentiality of returns and penalties, also apply to:

• Transient lodging tax	ORS 320.330
• Cigarette tax	ORS 323.403
• Tobacco products tax	ORS 323.595
• Emergency communications tax	ORS 403.230
• Oil and gas production tax	ORS 324.170
• Hazardous substances tax	ORS 453.410
• Petroleum products tax	ORS 465.124

Oregon Inheritance Tax Laws

ORS 118.525

(1) It shall be unlawful for the Department of Revenue or any of its officers or employees to divulge or make known in any manner any particulars disclosed in any return or supporting data required under this chapter. Except for executors or beneficiaries and their authorized representatives, it shall be unlawful for any person or entity who has acquired information pursuant to subsections (3) and (4) of this section to divulge or make known such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena or judicial order shall be issued compelling the department, or its officers or employees, or persons described in subsections (3) and (4) of this section, to divulge or make known any particulars disclosed in any such return or supporting data except where the liability for inheritance taxes is to be adjudicated by the Oregon Tax Court. Nothing in this section shall prohibit the publication of statistics so classified as to prevent the identification of particulars in any return or supporting data covered by this section.

(2) As used in this section:

(a) "Officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or former officer, employee or person, or an authorized representative of such former officer, employee or person.

(b) "Particulars" includes, but is not limited to, a taxpayer's name, address, telephone number, Social Security number and the amount of refund claimed by or granted to a taxpayer.

ORS 118.990

(3) Violation of ORS 118.525 is a Class C felony. If the offender is an officer or employee of the state the offender shall be dismissed from office and shall be incapable of holding any public office in this state for a period of five years thereafter.

Oregon Property Tax Laws

ORS 308.290

(11)(a) All returns filed under the provisions of this section and ORS 308.525 and 308.810 are confidential records of the Department of Revenue or the county assessor's office in which the returns are filed or of the office to which the returns are forwarded under paragraph (b) of this subsection.

ORS 308.413

(1) Any information furnished to the county assessor or to the Department of Revenue under ORS 308.411 which is obtained upon the condition that it be kept confidential shall be confidential records of the office in which the information is kept, except as follows:

(a) All information furnished to the county assessor shall be available to the department and all information furnished to the department shall be available to the county assessor.

(b) All information furnished to the county assessor or department shall be available to any reviewing authority in any subsequent appeal.

(c) The department may publish statistics based on the information furnished if the statistics are so classified as to prevent the identification of the particular industrial plant.

(2) The Department of Revenue shall make rules governing the confidentiality of information under this section.

(3) Each officer or employee of the Department of Revenue or the office of the county assessor to whom disclosure or access of the information made confidential under subsection (1) of this section is given, prior to beginning employment or the performance of duties involving such disclosure, shall be advised in writing of the provisions of this section and ORS 308.990 (5) relating to penalties for the violation of this section, and shall as a condition of employment or performance of duties execute a certificate for the department or the assessor in a form prescribed by the department, stating in substance that the person has read this section and ORS 308.990 (5), that these sections have been explained to the person and that the person is aware of the penalties for violation of this section.

ORS 308.990

(5) Subject to ORS 153.022, any willful violation of ORS 308.413 or of any rules adopted under ORS 308.413 is punishable, upon conviction, by a fine not exceeding \$10,000, or by imprisonment in the county jail for not more than one year, or by both.

Forestland Tax Laws

ORS 321.682

(1) Except as otherwise specifically provided by law, it shall be unlawful for the Department of Revenue or any officer or employee of the department to divulge or make known in any manner the amount of the tax or any particulars set forth or disclosed in any report or return required to be filed under ORS 321.045 or 321.741 or any appraisal data collected to make determinations of specially assessed value of forestland pursuant to ORS 321.201 to 321.222. It shall be unlawful for any person or entity to whom information is disclosed or given by the department pursuant to ORS 321.684 (2) or any other provision of state law to divulge or use such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena

150-800-033 (Rev. 2-11)

or judicial order shall be issued compelling the department or any of its officers or employees, or any person who has acquired information pursuant to ORS 321.684 (2) or any other provision of state law, to divulge or make known the amount of tax or any particulars set forth or disclosed in any report or return except where the taxpayer's liability for timber tax is to be adjudicated by the court from which such process issues.

(2) As used in this section, "officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or any former officer, employee or person, or an authorized representative of such former officer, employee or person.

ORS 321.686

Violation of ORS 321.682 is subject to a fine not exceeding \$5,000 or, if committed by an officer or employee of the state, dismissal or removal from office or employment, or both fine and dismissal or removal from office or employment.

Oregon Employment Department Laws

ORS 657.665

(4) The Employment Department may: ... (i) Disclose information to the Department of Revenue for the purpose of performing its duties under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Revenue in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the department. The Department of Revenue may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Revenue.

(6) Any person or any officer or employee of an entity to whom information is disclosed by the Employment Department under this section who divulges or uses the information for any purpose other than that specified in the provision of law or agreement authorizing the use or disclosure may be disqualified from performing any service under contract or disqualified from holding any appointment or employment with the state agency that engaged or employed that person, officer or employee. The Employment Department may immediately cancel or modify any information sharing agreement with an entity when a person or an officer or employee of that entity discloses confidential information, other than as specified in law or agreement.

3



SECRECY LAWS CERTIFICATE

Required by ORS 314.840(3), ORS 118.525(6),
ORS 308.413(3), ORS 321.684

I have read the laws prohibiting disclosure of confidential information for the tax programs below.

The laws have been explained to me.

I have been furnished with a copy of the laws.

I understand Oregon's disclosure laws and the penalties for violating them.

Income tax	ORS 314.835; ORS 314.991(2)
Inheritance tax	ORS 118.525(1); ORS 118.990(3)
Industrial property tax	ORS 308.290(11); ORS 308.413; ORS 308.990(5)
Forestland tax	ORS 321.682; ORS 321.686
Employment Department tax	ORS 657.665(4)(i) and (6)
Transient lodging tax	ORS 320.330
Cigarette tax	ORS 323.403
Tobacco products tax	ORS 323.595
Emergency communications tax	ORS 403.230
Oil and gas production tax	ORS 324.170
Hazardous substances tax	ORS 453.410
Petroleum products tax	ORS 465.124
Federal tax laws	IRC Sections 7213, 7213A, 7431

VENDORS, CONTRACTORS, BUSINESS PARTNERS

PRINT your full name	Business telephone number
Print full name of business or organization for which you are acting in an official capacity	
Address of business or organization	SSN (Collection agency employees only)
What is the nature of your business?	Duration of contract or visit
Revenue contact	Area where you'll be working
Signature	Date
X	

REVENUE EMPLOYEES

PRINT your full name	Date
Signature	
X	

AGENCY USE

☐

In Compliance

☐

Not in Compliance

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 4

Meeting Date: December 5, 2016

Department: City Manager's Office

ITEM TITLE: City Hall Architectural Services Selection

DISCUSSION/ISSUE:

During November 2016, the City solicited proposals from experienced and qualified architectural firms, licensed in the State of Oregon, to perform architectural services and related professional services (design, engineering & project management) for the remodel and expansion of City Hall. The City received two proposals which were then scored and ranked according to the criteria contained in the Request for Qualifications/Proposals.

The results of the selection committee scoring, which was comprised of three (3) City staff members, is as follows (the firm with the highest score to be selected):

<u>Architect Firm</u>	<u>Score</u>
HGE, Inc.	271
RSA	213

The City Hall capital project will remodel the existing interior of the current facility, both the main floor and the basement, and add additional square footage to the west side of the building to provide for a new City Council Chambers. The design will encompass the following:

- Improved customer service with a single/multi-purpose area for customer interactions.
- Improved safety and security for staff and visitors; reduction of building access points.
- Building accessibility and ADA requirements.
- Improved workspace flow for staff with internal connectivity.
- Improved internal and external meeting spaces.
- Centralized records retention system.
- Updated City Council Chambers with modern technologies.
- Coordination in updates and replacements of items that are currently on the list as maintenance items, i.e. carpeting, siding repair, doorways, etc.

Staff has reviewed the qualifications of HGE, Inc., Architects, Engineers and Planners, and has in addition contacted previous project owners. The City's experience working with HGE, Inc. in the past has been favorable. The general results of the reference checks from previous project owners will be outlined at the City Council meeting.

If Council concurs with the staff recommendation to accept the architectural qualifications from HGE, Inc., the next step will be for the City Manager Project Manager to negotiate a contract that will include preliminary concepts with a budget estimate. If these prove favorable, then staff will return to Council for approval of a contract. If they are not favorable and negotiations fail, then the next highest scorer will be contacted. This process is part of both Oregon and Federal Regulations regarding solicitation for architectural and engineering services.

FISCAL IMPACT:

Since this is the first step in a two-part process, a fee schedule for services has not been established. Once a favorable contract is negotiated, including fees for services, staff will bring the contract back to Council for approval. During the FY17 budget process the City budgeted \$150,000 for professional services for the City Hall project, which includes the Justice Center Round Room.

The adopted FY 2016-17 budget includes funding for the remodel and expansion of City Hall. The projected project cost for this project is approximately \$1.9 million.

RELEVANCE TO ADOPTED COUNCIL GOALS:

The remodel and expansion of City Hall meets the 2016 Council Goal 5: Financial & Organizational Sustainability. Sustain and improve the City's financial position, City-wide policies, and the infrastructure networks to support current and future needs.

ALTERNATIVES:

1. Award architectural services contract to HGE, Inc.
2. Award the architectural services contract to another qualified company.
3. Reject the received proposals and repost the RFQ for architectural services.

RECOMMENDATION:

Staff recommends that the City Council accept the architectural qualifications from HGE, Inc. and authorize the City Manager and City Project Manager to negotiate a contract.

AIS PREPARED BY: Megan Messmer, City Project Manager

**CITY MANAGER'S
RECOMMENDATION:**

Approve

☐ Disapprove

☐ Other

Comments:

ER Reynolds

ITEMS ATTACHED:

None

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 5

Meeting Date: December 5, 2016

Department: Public Works

ITEM TITLE: Accept the low bid as submitted by Johnson Rock Products, Inc. for the Hwy 101 and 8th Street Waterline Crossing Project.

DISCUSSION/ISSUE:

Public Works completed a solicitation to complete an 8-inch waterline crossing of Hwy 101 at 8th Street, Project #WA03-16, in order to provide fire flows to the Maple Street area. The bid results are as follows:

<u>Bidder</u>	<u>Amount</u>
Johnson Rock Products, Inc.	\$59,032.00
Ray Wells, Inc.	\$68,428.00
Laskey Clifton Corporation	\$122,993.87

This project includes all labor, equipment and materials necessary for the waterline crossing of Hwy 101 at 8th Street. The project includes 145 lineal feet (LF) of 8-inch PVC water main; one fire hydrant; connection to the existing 10-inch asbestos cement water line in Hwy 101; and 64 square yards of 8-inch depth asphalt cement trench patch. Due to the location of this project, which is in close proximity to the intersection of Hwy 101 and Hwy 126, the work will be completed at night as required by the right-of-way construction permit from ODOT.

This project is part of the City's larger Hwy 101 – Maple to Quince waterline replacement project that is slated for construction in FY18 (construction in fall of 2017). The timeline for the waterline crossing of Hwy 101 at 8th Street was accelerated in order to provide needed fire flows to the Options Counseling Center project that will begin construction soon. The Options Counseling Center project will extend a new 8-inch water main from Maple Street along 8th Street and connect to the new 8-inch water main that will be constructed as part of project to be awarded this evening.

The Contractor that has submitted the lowest qualified bid, Johnson Rock Products, Inc., has completed similar projects with very good results. Public Works has verified, in accordance with ORS 279C.375, that the Contractor has had no disciplinary action by the Construction Contractor's Board (CCB); nor is the Contractor listed on the Oregon Bureau of Labor and Industries (BOLI) ineligible list or the Federal Excluded Parties List System (EPLS).

FISCAL IMPACT:

Johnson Rock Products, Inc. was the responsive low bidder that can perform the work. Funding for this project is included in the FY 2017 Water capital improvement budget and is fully funded.

RELEVANCE TO ADOPTED COUNCIL GOALS:

- City Service Delivery – improving, maintaining and enhancing our infrastructure as feasible.
 - Livability & Quality of Life – being responsive to our community's needs with efficient, effective and sustainable service delivery.
 - Financial & Organizational Sustainability – constructing infrastructure that supports current and future needs.
-

ALTERNATIVES:

1. Award contract to Johnson Rock Products, Inc.
 2. Do not award bid.
 3. Reject bids and re-scope the project.
-

RECOMMENDATION:

Staff recommends that the City Council accept the proposal from Johnson Rock Products, Inc. and authorize the City Manager to proceed with a construction contract.

AIS PREPARED BY: Mike Miller, Public Works Director

**CITY MANAGER'S
RECOMMENDATION:**

Approve

☐ Disapprove☐ Other

Comments:

ITEMS ATTACHED: None

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

ITEM NO: 6

Meeting Date: December 5, 2016

Department: City Manager

ITEM TITLE: CITY MANAGER REPORT

AGENDA ITEM SUMMARY
FLORENCE CITY COUNCIL

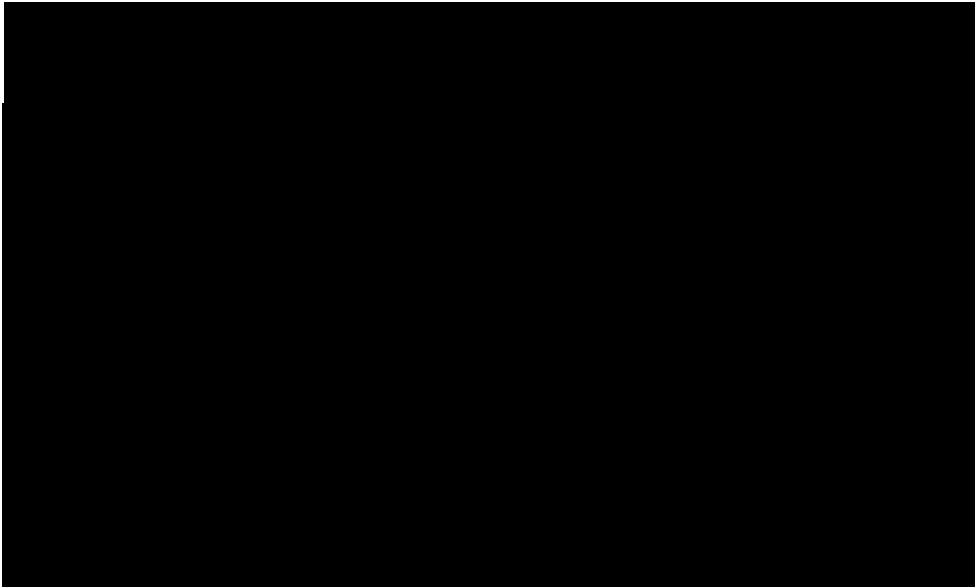
ITEM NO: 7

Meeting Date: December 5, 2016

Department: City Council

ITEM TITLE: CITY COUNCIL REPORTS

Florence City Council Calendar - 2016



December					
M	Tu	W	Th	F	Sa/Su
			1	2	3 & 4
5 - City Coun. Mtg	6	7 - City Coun. Wrk Sn - Tentative	8	9	10 & 11
12	13	14 - City Coun. Retreat	15	16	17 & 18
19 - City Coun. Mtg	20	21 - City Coun. Wrk Sn - Cancelled	22	23	24 & 25
26 Christ. Obser.	27	28	29	30	31

Florence City Council Calendar - 2017

January

M	Tu	W	Th	F	Sa/Su
2 New Years Observed Council Meeting Rescheduled	3	4 Council Work Session Rescheduled	5	6	7 & 8
9 Council Meeting	10	11 Council Work Session - <i>Tentative</i>	12	13	14 & 15
16 Martin L. King Jr. Day Holiday Council Meeting Rescheduled	17	18 Council Work Session Rescheduled	19	20	21 & 22
23 Council Meeting	24	25 Council Work Session - <i>Tentative</i>	26	27	28 & 29
30 State of the City	31				

February

M	Tu	W	Th	F	Sa/Su
		1	2	3	4 & 5
6 Council Meeting	7	8 Council Work Session - <i>Tentative</i>	9	10	11 & 12
13	14	15	16	17	18 & 19
20 Presidents Day Holiday Council Meeting Rescheduled	21	22 Council Work Session - Canceled	23	24	25 & 26
27 Council Meeting - <i>Tentative</i>	28				

March

M	Tu	W	Th	F	Sa/Su
		1	2	3	4 & 5
6 Council Meeting	7	8 Council Work Session - <i>Tentative</i>	9	10	11 & 12
13	14	15	16	17	18 & 19
20 Council Meeting	21	22 Council Work Session - <i>Tentative</i>	23	24	25 & 26
27	28	29	30	31	

April

M	Tu	W	Th	F	Sa/Su
					1 & 2
3 Council Meeting	4	5 Council Work Session - Canceled	6	7	8 & 9
10	11	12	13	14	15 & 16
17 Council Meeting	18	19 Council Work Session - <i>Tentative</i>	20	21	22 & 23
24	25	26	27	28	29 & 30