



THE CITY OF WHEELER

CITY MANAGER REPORT

June 18, 2024

LITIGATION:

- Botts Marsh LLC v. City of Wheeler – This case is currently in a litigation stay that was put in place for mediation but has been extended through July 5, 2024. The City met with the legal team on June 11th to discuss next steps for this case. The legal team has asked the City Council to make a formal decision regarding how to proceed. The City can request an additional stay of the case (but there is no guarantee the court will grant it) or alternatively the City can proceed with litigation. I'd like to ask the City Council to take a moment and decided which direction they would like to go.
- Richard Buchanan v. City of Wheeler – This case was in the discovery phase until June 10th. There have been no recent updates in this case, but the hard documents the City provided to the legal team for this case have all been returned to City Hall.

ADMINISTRATION:

- On May 22nd Phil and I met with FEMA to discuss our request for public assistance related to the Ice Storm Event in mid-January. We are hopeful that the City's water main break on Hall Street will qualify for some public assistance reimbursement. Phil and I have been working closely with FEMA on this as they require significant documentation from the City in order to process this claim. Rhenette Tobias of FEMA Public Assistance will be checking in with the City weekly as we work through the remainder of this process.
- On June 5th the City Council met for a workshop to discuss the intergovernmental agreement with Manzanita for the water distribution system. A joint meeting between the two cities is expected to be scheduled in the next month or two. Nancy Jones, Manzanita's Assistant City Recorder, can arrange that meeting once we know everyone's availabilities.
- June 15th was the 16th annual Wheeler Clean-up Day and it was an outstanding success! Two 30-cubic-yard dumpsters were filled to the brim with old wood, broken furniture, and more! One 40-cubic-yard dumpster was packed tight with metal items for recycling! And one trailer was stacked high with paint containers! A big thanks to Mary Leverette and the team of volunteers who made this event a success!
- Mayor Kemp reached out to Mayor Stock of Manzanita to inquire about running code enforcement citations through their municipal court (rather than starting this process through the Tillamook Justice Court). Mayor Stock is going to look into it further and have Manzanita reach out to Wheeler with details.
- The City has been actively engaging in the recruitment process for a new City Manager. City Council conducted interviews over the past few weeks and we have a candidate by the name of Mr. Wesley Wootten who will be considered for appointment this evening with an expected start date of Monday the 24th. If the City Council would desire to host an exit interview with me we can set that up as well. An Executive Session would allow

us to gather as a group but would require notice to be posted 4 days in advance. Alternatively, I can schedule individual meetings with any interested Councilors if that would be easier.

- Tomorrow is Juneteenth, a Federal, State, and County holiday. Councilor Stacks (as acting Mayor) has requested that we follow suit and close City Hall in observance of this holiday. We will reopen Thursday morning.

GRANTS & PROJECTS:

- Waterfront Restrooms –We have received an initial construction estimate from the engineers (\$137,000.00 including a 17% contingency) but it didn't include the paving of the ADA parking space. We are having that construction estimate updated now. Phil anticipating having this available for review at the July Council meeting and then putting it out to bid shortly after.
- Gervais Creek – Our application is now in the Environmental and Historic Preservation (EHP) Review. Janine Mayer of Oregon Emergency Management was told by FEMA that the EHP review is expected to take 1-2 years. Tim Gross of Civil West inquired about speeding up the process and has been working to supply FEMA with additional information. On May 13th Janine Mayer reached out to the City (and to Tim Gross) to notify us that FEMA has recommended the project become a phased project due to its complexities. In phase 1 we would have more time to develop the design, meet the EHP requirements, get the necessary permits, etc. Then when we are ready for the construction to begin, phase 2 would be dedicated to those activities. Mr. Gross determined that phasing the project *“wouldn't hurt anything and will help move things along,”* so that is the option we have decided on.

The Hazard Mitigation Grant Subapplication (submitted in November of 2022) indicates that this grant would cover 75% of the project cost and the City would bear the cost of the other 25% (\$346,750.00). If awarded the FEMA grant, the intended plan was to reach out to Business Oregon for assistance in securing the remaining funding.

- Asbestos Concrete Water Lines – On March 7th the city submitted the formal application for a Safe Drinking Water Loan that is to update approximately 3,200 feet of asbestos concrete water lines within the water distribution system. Oregon Health Authority reached out to the City on May 29th to begin the Capacity Assessment Review. Phil was able to coordinate with Manzanita to get the answers to their questions and has returned those to OHA. We are waiting to hear back on next steps.
- Hemlock Street –The City was awarded a \$20K Technical Assistance Grant via Business Oregon. We have also applied for a forgivable Planning Loan from the Clean Water State Revolving Fund (CWSRF) to fund the Geotech and engineering reports required for repairing Hemlock Street. The DEQ has submitted an Intended Use Plan to the Environmental Protection Agency and currently they have sufficient funds to award funding to all projects estimated ready to proceed on the IUP this year, however, in the event they don't have enough funds to finance all projects, funding will be awarded based on priority scoring (and Wheeler is tied for last place). The public comment period for the

Intended Use Plan ended June 7th, 2024. The DEQ intended to address any public comments and finalize the Intended Use Plan with acceptance by the EPA by June 14th, 2024. The program staff will notify the City once the Intended Use Plan has been finalized and we are waiting to hear from them.

- Connex Containers & Snowplow – The Office of Resilience and Emergency Management offered a Resilience Hub and Network Grant. The City applied for two of the Type 5 Deployable Resilience Hubs each containing one 20-foot conex box full of emergency supplies, as well as a new Public Works work truck with snowplow attachment. Awardees will be notified by June 30th, 2024.
- SCADA System – The Bureau of Reclamation offered a WaterSmart Small Scale Efficiency grant however our application was denied because the “*replacement of malfunctioning components of an existing facility with the same components*” is an ineligible use for these funds. Phil and I met with grant staff on June 6th and learned that SCADA systems only qualify if they have new water conservation abilities that the existing system doesn’t have even if it were functioning perfectly. This grant is open on a revolving basis, and the next deadline is July 9th, followed by a deadline in January 2025. Two things to consider:
 - 1.) Per our meeting on June 6th, SCADA systems are “rarely” awarded this grant. The grant narrative would have to specifically spell out how there are new water conservation features in the system that didn’t exist before.
 - 2.) If Wheeler resubmits, we likely won’t hear results until winter 2024 (and ideally a new SCADA system would be in place prior to the next storm season). The City’s last quote for a new system was \$32,273.60 (in February 2024).
- Small Cities Allotment Grant – This funding opportunity will be open through the end of August this year. I reached out to Civil West on May 22nd and again on June 7th in an attempt to set up a meeting to discuss this project but haven’t been able to connect with them yet. In 2022, the Civil West cost estimates were:
 - \$ 164,143.00 – Overlay and Paving (including 20% contingency)
 - \$ 284,246.40 – Stormwater Improvements (including 20% contingency)
 - \$ 736,428.60 – Water System Upgrades (including 20% contingency)
 - \$1,184,818.00 – Total (including 20% contingency)

The total amount listed above is what the City applied for last year even though the water system upgrades don’t qualify for this funding. Last year’s application narrative didn’t reference the water system upgrades, but instead referenced the following stormwater and paving work: *additional storm drain inlets, basins, PVC piping, a 48" drop manhole, crowning the road, resurfacing the existing pavement on Penn from Highway 101 to River View St, paving over the gravel on Penn from River View St to (undeveloped) 3rd Street, and adding a bike-pedestrian path 10' wide painted directly onto the pavement to "mark that vehicles are to share the road and be aware of bikes and pedestrians."*

Wheeler is in the process of securing a SDWRLF loan for the water system improvements (as they aren't covered by the Small Cities Allotment Program). For the SCA grant, Wheeler only needs to apply for the stormwater and paving upgrades. These upgrades alone cost nearly \$450,000.00 in the 2022 estimates.

Civil West's scope of services in July of 2022 for the Pennsylvania Ave upgrades included providing the City with a Preliminary Engineering Report that was supposed to include recommendations "*on how to adjust the project if cost estimates exceed the grant value. This report will be prepared so that the City can submit a comprehensive SCA application.*" Unfortunately I have confirmed that this report was never written.

I also reached out to Deanna Edgar of ODOT to inquire about phasing this project, as the maximum grant award is only for \$250,000.00. Her concern is that applications have to be used on streets that are "*inadequate for the capacity they serve or are in a condition detrimental to safety.*" It would be unlikely for work that doesn't include resurfacing the pavement to score high enough to qualify for this funding, so it is in the City's best interest to continue applying for the entire project (meaning stormwater upgrades *and* resurfacing) rather than take a phased approach.

Curran-McLeod engineering is working on the restroom design for Waterfront Park. They submit 3-4 SCA grants a year on behalf of their clients and are very familiar with this process. We've reached out to them to see what it would cost to have them prepare the SCA grant on Wheeler's behalf.