

City Council Meeting Minutes

THURSDAY, MARCH 15, 2012

CITY HALL COUNCIL CHAMBERS

CITY OF COLUMBIA CITY, COLUMBIA COUNTY, OREGON

AGENDA ITEM 1 **CALL TO ORDER/ROLL CALL:**

CONVENED:

Mayor Young called the regular meeting to order at 6:00 p.m. Mayor Young led the flag salute.

COUNCIL MEMBERS PRESENT:

Mayor Cheryl A. Young
Councilor Sally Ann Marson
Councilor Shannon Fitzgibbons
Councilor Casey Wheeler

COUNCIL MEMBERS ABSENT:

Councilor Josh Fromm

ALSO PRESENT:

Michael McGlothlin, Chief of Police
Leahnette Rivers, City Administrator/Recorder

ATTORNEY PRESENT:

None

A quorum was present and due notice had been published.

AGENDA ITEM 2 **PUBLIC HEARINGS:**

None.

AGENDA ITEM 3 **CITIZEN INPUT:**

Brian Gard of Gard Communications presented information about Ambre Energy's Morrow Pacific Project. He distributed packets of information about the project to the Mayor, Council and staff. He said Gard Communications has been retained by Ambre Energy, an Australian company. He said Ambre Energy's US operations are headquartered in Salt Lake City, Utah. He said Gard Communications consists of a team of about 20 people based in Portland. He said they've been working in the northwest for more than 30 years and they've served clients such as Portland General Electric, Oregon Health and Science University, Oregon Department of Transportation and Triple A.

Mr. Gard said Ambre Energy owns 50% of two Powder River Basin coal mines in Montana and Wyoming, which produce low-sulfur clean coal. He said Ambre Energy is responsible for operating and marketing those mines. He said the Morrow Pacific Project involves transporting the coal from those mines by rail from Montana and Wyoming through Spokane, down to the Union Pacific yard outside of Hermiston, and then to the Port of Morrow. He said at the Port of Morrow, the coal would be transferred onto barges, which would carry the coal down to the Port of St. Helens' Port Westward dock. He said when the barges arrive at Port Westward, the coal will be removed from the barges and loaded

directly onto ocean going vessels that are panamax size. He said those ocean going vessels will take the coal to South Korea, Taiwan, and Japan. He said up until about five years ago, China used to export coal, but now China is growing so rapidly that it is importing all of the coal it can get, leaving other countries in the area with concerns about having enough resources for their own energy development.

Mr. Gard said a chemical sealant will be sprayed onto the coal when it is loaded into the rail cars. When it arrives at the Port of Morrow, it will be unloaded in a closed facility, loaded onto the barges through an enclosed facility, and transferred from the barges to the panamax vessels completely within an enclosed facility. He said all of the facilities have been designed to eliminate dust and spillage to the greatest extent possible, but it is possible that there may still be miniscule amounts of dust and spillage.

Mr. Gard said the Morrow Pacific Project will create 105 jobs - 25 in Morrow County, 25 in Columbia County, and 55 on the barges. He said the project will pay an average of \$850,000 per year in fees to the Port of St. Helens and another \$850,000 per year to the Port of Morrow on an annual basis. In addition, the project will generate approximately \$750,000 per year in property tax revenue for Columbia County, and another \$750,000 for Morrow County. He said in addition, the project will contribute approximately \$350,000 to the school districts within Columbia County, and \$350,000 to the school districts within Morrow County. He said he does not know how the school funds will be distributed - perhaps each community will develop a plan for the distribution amongst the schools.

Mr. Gard said the project will not take advantage of any of the tax breaks or tax incentives that are available to it. He said the total project investment is approximately \$150 million, which will consist of about \$25 million in Morrow County, \$45 million in Columbia County, and \$80 million in the construction of new barges. He said they are talking with Gunderson, Foss, and other local companies to be involved in constructing the new barges, tugs and loading facilities in both Morrow and Columbia counties.

Mr. Gard said last May they received an option agreement from the Port of Morrow, and in January they received a terminal service option agreement with the Port of St. Helens, and within the next few days they filed for their permits. He said the principal permit is with the Army Corps of Engineers and involves an environmental assessment, and they are currently within the public comment period for that permit.

Mr. Gard spent the next 45 minutes responding to questions from the Mayor, Council, staff, and members of the audience about the Morrow Pacific Project and Ambre Energy. Mr. Gard noted that additional information may be found on the website for the project - www.morrowpacific.com.

Patrick Trapp, Executive Director for the Port of St. Helens mentioned that a public survey about the coal projects may be accessed on the Port's website at www.portsh.org. He discussed the coal projects at length with the Mayor and City Council.

AGENDA ITEM 4

COUNCIL REPORTS:

4.1 Parks Committee: No report.

4.2 Water Source and Development Committee: No report.

4.3 Street Committee: Chair Wheeler said Committee Members will be conducting a street inventory.

4.4 Sewer Committee: Leahnette said the City Engineer and Public Works crew will be measuring sewer flows in various manholes throughout the City in an effort to identify high amounts of inflow and infiltration (I&I). She said their investigations will begin tonight at 11 p.m. and continue until approximately 5 a.m.

4.5 Audit Committee: No report.

4.6 Hazard Mitigation Planning Group: No report.

4.7 Other Reports: Councilor Wheeler said he attended the LOC small cities meeting for our region today.

AGENDA ITEM 5 CONSENT AGENDA:

5.1 Minutes of the Regular City Council Meeting of March 1, 2012.

5.2 Financial Report for the period ending February 29, 2012.

5.3 Bills paid with check number 16145 through 16474 during the month of February 2012.

5.4 Monthly written report from the Chief of Police.

5.5 Written report from the City Administrator/Recorder.

MOVED (WHEELER), SECONDED (MARSON), AND CARRIED UNANIMOUSLY BY ROLL CALL VOTE TO APPROVE THE CONSENT AGENDA.

AGENDA ITEM 6 UNFINISHED BUSINESS:

None.

AGENDA ITEM 7 NEW BUSINESS:

7.1 "F" Street and First Street Improvements: Request from Janine Salisbury, Business Manager for the St. Helens School District, that the Council accept the street and sidewalk improvements on "F" and First Streets.

The Council reviewed an e-mailed message from Janine Salisbury, Business Manager for the St. Helens School District, dated March 9, 2012, requesting the Council accept the street and sidewalk improvement on "F" and First Streets as recently constructed by the School District.

Leahnette said the improvements have passed the City's inspection, everything is in order, and the City Engineer recommends the Council accept the improvements.

MOVED (WHEELER), SECONDED (MARSON) AND CARRIED UNANIMOUSLY TO ACCEPT THE IMPROVEMENTS ON "F" AND FIRST STREETS FROM THE SCHOOL DISTRICT.

7.2 Council Bill No. 12-629; Resolution No. 12-1041-R: A Resolution waving an election relating to the annexation of unincorporated territory surrounded by city territory to the City of Columbia City.

MOVED (WHEELER), SECONDED (MARSON) AND CARRIED UNANIMOUSLY TO ADOPT COUNCIL BILL NO. 12-629.

7.3 Council Bill No. 12-630: A Resolution adopting a Code of Conduct for the City Council of the City of Columbia City, Oregon.

It was the consensus of the Council that this Resolution be tabled until the next meeting to allow time for further review.

7.4 First reading of Council Bill No. 12-631: An Ordinance annexing property to the City of Columbia City and re-zoning annexed property.

The Council completed the first reading of Council Bill No. 12-631.

7.5 First reading of Council Bill No. 12-632: An Ordinance annexing property to the City of Columbia City and re-zoning annexed property.

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The Council completed the first reading of Council Bill No. 12-632.

AGENDA ITEM 8 OTHER BUSINESS:

City County Quarterly Meeting: Councilor Wheeler mentioned that the next City County Quarterly Meeting will be held in Rainier on April 3, 2012.

CIS Members Award: Leahnette presented Mayor Young and the Council with a plaque from City County Insurance Services for 30 years of continuous membership in the CIS Property/Casualty Trust - 1982-2012.

AGENDA ITEM 9 ADJOURNMENT:

There being no further business to come before the Council, the meeting adjourned at 7:34 p.m.

APPROVED:

Cheryl A. Young
Mayor

ATTEST:

Leahnette Rivers
City Administrator/Recorder