

**In fact, statements in the Attachment 9 letter provide clear evidence to dispel the fear that the City intends to force annexation through formation of an island. The letter clearly states the City's intention regarding annexation of developed parcels that lie between the proposed development site and Driftwood Shores:**

*"Annexing this parcel would allow the City to expeditiously deal with the development proposal without the time consuming work of annexing long developed parcels that lie in between."*

**Comment:**

"A recently adopted City resolution states:

'Whereas, the City Council is concerned about the potential adverse environmental impact which may result from the number and age of private septic systems in the UGB...' (Annexation Policy, Resolution 8, Series 2008)

The City Council, even though they are aware of the limitations of the City's water resources, continue with annexation of properties which they cannot serve. The North Florence LID is a good example. It will require over 1.2 million gallons of water a day, and the City has NO plans on where they are going to obtain that water. (10) (11).

The County should not co-adopt the Plan until the City includes language clearly stating that the City will not force annexation of properties as explained in their Resolution."

**Staff Response:**

**The statement that the City Council "continue with annexation of properties which they cannot serve" is incorrect; and the capitalized statement in Attachment 10 is unrelated to the comments and is misleading. Please see Attachment G for a comprehensive, up-to-date analysis of City well field production.**

**The City provides water service to properties either directly or through Heceta Water District when the district indicates that it is willing and able to serve the properties. City policy related to the extension of water service to newly annexed properties is clearly spelled out in Attachment F, City Resolution No. 26, Series 2007, and more detailed information about water capacity and planning in the City is contained in the staff memos in Attachment F and in Attachment G.**

**The City is planning its utilities to serve properties within the UGB as they annex to the city as required by state law. The city has not declared a moratorium on development. Policy 1.a. in Chapter 14 of the Realization 2020 Plan states, “Conversion of lands within the UGB outside City limits shall be based on consideration of orderly, economic provision for public facilities and services.” Therefore, for every annexation, the city must show that it can provide public facilities and services in orderly and economic manner.**

**Attachment 10 is a statement made by one City Councilor to express an opinion. It was not formally acted upon by the City in any way.**

**Yes, the City is concerned about environmental impacts from septic systems within the urbanizable area. However, the city has clearly shown that it does not force annexations. Ms. Todd’s statements alleging the City’s intention to “force annexation” are not based on experience or reality; they are based on fear. The City has no history of forced annexation and there is no documentation stating the intention of the City to do so. Adopted City policy already clearly states that the City will not force annexation of properties. Reopening public debate on a comprehensive plan that has already been in place for six years is not a cost-effective approach to address these fears.**

## **Responses to Comments by Mia Nelson**

### **Comment:**

“I would like to expand on Ms. Todd’s Issue #1, the growth rate contained in the Florence plan. As she notes, one of the major components of the plan is the assumption that the city will experience a 3.3% annual growth rate. Ms. Todd has explained why this forecast is much higher than is reasonable, and suggests a reduction to a rate closer to 1%.

But the problem goes deeper than mere inaccuracy...”

### **Staff Response:**

**This statement is incorrect. As discussed in the detailed response to Ms. Todd, above, the projected growth rate in the Plan, 3% to the year 2025, is accurate and there is no statistical analysis available to support a growth rate of 1%, including safe harbor, as discussed below.**

**The 3% growth rate was adopted by the City and the County, and acknowledged by DLCDC. This forecast is based on an extension of past trends using simple regression analysis. This tool is used as the starting point for all population forecasting. The adopted forecast is not based on aspirations or**

**other methods, such as the land capacity model. It is the most commonly accepted statistical method for performing population forecasting that is available.**

**Comment:**

“As you hopefully know by now, given the recent goings-on at the Board level around population forecasting, at this point in time the county cannot legally adopt a comprehensive plan that contains any forecast for Florence. This is because of these changes to OAR 660-024-0030 that took effect in April 2007:

OAR 660-024-0030(1) “Counties must adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county consistent with statutory requirements for such forecasts under ORS 195.025 and 195.036. Cities must adopt a 20-year population forecast for the urban area consistent with the coordinated county forecast, except that a metropolitan service district must adopt and maintain a 20-year population forecast for the area within its jurisdiction. In adopting the coordinated forecast, local governments must follow applicable procedures and requirements in ORS 197.610 to 197.650 and must provide notice to all other local governments in the county. The adopted forecast must be included in the comprehensive plan or in a document referenced by the plan.”

“...I want to stress that it matters not that Florence has already adopted this forecast, since in the intervening years, the law has changed. The county’s action must proceed in accordance with current rules.”

**Staff Response:**

**These statements are incorrect, and, in fact, it would not be legal for Florence to use a growth rate that is different from 3%, because this is the rate that was adopted by Lane County, the City, and acknowledged by DLCDC. The 3% rate is consistent with OAR 660-024-0000, in any event, although this version of the OAR does not apply, because:**

- 1. OAR 660-024-0000(2) clearly states that the revised rule is not applicable;**
- 2. DLCDC supports this interpretation of OAR in the attached letter; and**
- 3. even the material submitted by Ms. Nelson disputes these contentions because the growth rate of 3% for Florence was adopted by Lane County in 2004.**

**OAR 660-024-0000(2), below, clearly states that the 2007 “rules in this division interpret Goal 14 as amended by Land Conservation and Development Commission (LCDC) on or after April 28, 2005, are not applicable to plan**

**amendments or land use decisions governed by previous versions of Goal 14 still in effect.”**

**The updated growth rate of 3% for 2025 was adopted by the City of Florence and Lane County in 2004, prior to the April 28, 2005 date. The City is not asking the County to co-adopt the growth rate or the UGB in this co-adoption process. This was already done in 2004 and it was done consistent with the Goal 14 and state statutes in effect at that time, consistent with OAR 660-024-0000(2).**

**“OAR 660-024-0000**

*Purpose and Applicability*

*(1) The rules in this division clarify procedures and requirements of Goal 14 regarding local government adoption or amendment of an urban growth boundary (UGB).*

*(2) The rules in this division interpret Goal 14 as amended by Land Conservation and Development Commission (LCDC) on or after April 28, 2005, and are not applicable to plan amendments or land use decisions governed by previous versions of Goal 14 still in effect.*

*Stat. Auth.: ORS 197.040, Other Auth. Statewide Planning Goal 14  
Stats. Implemented: ORS 195.015, 195.036, 197.295 - 197.314, 197.610 -  
197.650, 197.764 Hist.: LCDD 8-2006, f. 10-19-06, cert. ef. 4-5-07*

**The attached letter from Dave Perry, DLCD Field Representative for the Florence area clearly states:**

“In the absence of an adopted, coordinated population forecast from Lane County, we recognize that the city relied on the best information available to complete work under periodic review. The administrative rule on population forecasting became effective well after Florence’s work tasks were approved.

Lane County may co-adopt the Florence plan in its current form. Following any subsequent population forecasts adopted by Lane County, we would expect the city to use the new adopted population forecast in future planning work. Until that time, we do not expect the city or county to revisit the already approved periodic review work.”

**The 2025 population projection and growth rate in the Florence Realization 2020 Comprehensive Plan were acknowledged by DLCD and the growth rate was adopted by Lane County. They are not subject to the process the County is currently undertaking for projections to the year 2030 and beyond that have not been acknowledged by the State.**

**This is consistent with the spreadsheet from Mr. Moore that Ms. Nelson attached to her comments in support of her contention. Note that the spreadsheet attached to Ms. Nelson’s letter contains the following footnote:**

**“5. The adopted comprehensive plan populations may still not be able to be used if they were not adopted by the county.”**

**The Florence 3% growth rate was adopted by Lane County in 2004 when the county co-adopted the Florence UGB. In addition, this statement by Mr. Moore that the adopted comprehensive plan populations “may not” be able to be used is not as definitive as Ms. Nelson’s contentions. The most recent DLCD communication from Dave Perry specific to the Florence Plan is clear and unambiguous and this DLCD communication was coordinated internally with DLCD staff, including Mr. Moore.**

**Comment:**

“There is an alternate route that Florence could have taken that would have allowed this plan co-adoption to move forward, namely, the new Safe Harbor provisions in ORS 195.034. However, Florence did not choose this route. According to the attached spreadsheet I received recently from DLCD rep Ed Moore, the allowed 2030 Safe Harbor population for the Florence UGB is only 12,231 people. Using DLCD’s 2007 UGB population of 9,750, this represents only a 1% growth rate, nowhere close to the 3.3% rate being proposed by Florence.”

**Staff Response:**

**These statements are incorrect. There is no basis in any growth trend or population analysis, including safe harbor, to support a calculation of a 1% growth rate for Florence. In contrast, the 3% growth rate is consistent with safe harbor, although consistency is not required, as stated above.**

**The population projection in the Realization 2020 Plan for the year 2025, 15,600, is the same as what would be derived using the safe harbor approach in the 2007 OAR, because the current 2025 projection in the Plan “extends the current urban area forecast to a 20-year period commencing on the date determined under OAR 660-024-0040(2) by using the same growth trend for the urban area assumed in the county’s current adopted forecast.” The projection was derived using simple linear regression and a growth rate of 3%, which is the county’s current adopted forecast for Florence.**

*“OAR 660-024-0030 (3) As a safe harbor, if a coordinated population forecast was adopted by a county within the previous 10 years but does not provide a 20-year forecast for an urban area at the time a city initiates an evaluation or amendment of the UGB, a city and county may adopt an*

*updated forecast for the urban area consistent with this section. The updated forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:*

- (a) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule; and*
- (b) Extends the current urban area forecast to a 20-year period commencing on the date determined under OAR 660-024-0040(2) by using the same growth trend for the urban area assumed in the county's current adopted forecast.”*

**As stated above, the population forecast in the adopted Florence Realization 2020 Plan is an extension of past trends. It projects a growth rate of 3% to the year 2025. This projection is based on simple regression analysis, a standard statistical analysis tool used in population forecasting. This growth rate was co-adopted by Lane County and acknowledged by DLC.**

**Comment:**

“..The statute further provides that if the county takes action on a coordinated county forecast within that time, Florence will be barred from proceeding under Safe Harbor. Since the commissioners have indicated that it is their intent to do just that, the only realistic thing for Florence to do now is to pull its request for co-adoption, wait on the new coordinated county forecast, and spend the time addressing the many other deficiencies identified by Ms. Todd, any of which could lead to appeal, with all the needless expense and delay that typically entails.”

**Staff Response:**

**These statements are incorrect. While it is true that any decision by the Board of Commissioners, or any public body, is subject to appeal, the mere threat of an appeal is not a valid reason for a public body to take or decline to take a course of action, particularly when the facts in the record do not support the claims made by a potential litigant. As stated in the detailed responses, above, all “deficiencies” identified by Ms. Todd have been addressed. The remainder of the issues raised by Ms. Todd and Ms. Nelson have no basis in fact.**

**V. SUMMARY AND CONCLUSION**

In summary, the oral and written testimony submitted as comment on this co-adoption request present no compelling reasons why the County should not co-adopt the City Plans, while the City has presented a significant amount of information and material evidence to support co-adoption by the County.

Staff concludes that no Plan amendments are needed or warranted based on this review. Replacement pages are attached as an Addendum to Exhibits B and D that ensure the Plans co-adopted by Lane County are identical to the Plans adopted by the City.

**ATTACHMENTS:**

- A. University of Oregon, Department of Planning, Public Policy, and Management: “Calculating Growth Rates”
- B. Letter from Dave Perry, Department of Land Conservation and Development South Coast Field Representative, July 23, 2008
- C. Ordinance and Staff Memos Related to Heceta Water District Withdrawals
- D. Memos from GSI and Mike Miller Regarding Sewer Extension to Driftwood Shores
- E. Addendum to Exhibits B and D, Replacement Pages For Florence Realization 2020 Comprehensive Plan and Florence Transportation System Plan, July 7, 2008
- F. Florence City Council Resolution Stating Policy for Water Cooperation with Heceta Water District and Staff Memos related to water capacity and the provision of water to annexing properties.
- G. Well Field Production Testing Summary, GSI Water Solutions, Inc. June 19, 2008 Memo

## Attachment A

University of Oregon  
Department of Planning, Public Policy and Management

### Planning Analysis: Calculating Growth Rates

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#### Calculating Percent (Straight-Line) Growth Rates

The percent change from one period to another is calculated from the formula:

$$PR = \frac{(V_{Present} - V_{Past})}{V_{Past}} \times 100$$

Where:            PR = Percent Rate  
                       $V_{Present}$  = Present or Future Value  
                       $V_{Past}$  = Past or Present Value

The *annual* percentage growth rate is simply the percent growth divided by N, the number of years.

#### Example

In 1980, the population in Lane County was 250,000. This grew to 280,000 in 1990. What is the annual percentage growth rate for Lane County?

$V_{Present} = 280,000$   
 $V_{Past} = 250,000$      $N = 10$  Years

$$PR = \frac{\left( \frac{(280,000 - 250,000)}{250,000} \times 100 \right)}{10}$$

$$PR = \frac{\frac{30,000}{250,000} \times 100}{10}$$

$$PR = \frac{12}{10}$$

$$PR = 1.2\%$$



The population of Lane County grew 12 percent between 1980 and 1990 or at a rate of 1.2 percent annually.

## 2. Calculating Average Annual (Compound) Growth Rates

Another common method of calculating rates of change is the Average Annual or Compound Growth Rate (AAGR). AAGR works the same way that a typical savings account works. Interest is compounded for some period (usually daily or monthly) at a given rate. Here's how it works:

Let's say you had \$100 dollars and invested it in an account that paid 5 percent annually. The table below shows how your interest accumulates.

Year	0	1	2	3	4	5
Rate	\$100	+5%	+5%	+5%	+5%	+5%
Increase	NA	\$5	\$5	\$6	\$6	\$6
Amount	\$100	\$105	\$110	\$116	\$122	\$128

This can also be written algebraically as:

$$((((100 * (1.05) * 1.05) * 1.05) * 1.05) * 1.05)$$

- A. The formula to calculate future population given current population and a growth rate is:

$$Pop_{Future} = Pop_{Present} \times (1 + i)^n$$

Where:

Pop<sub>Present</sub> = Present Population

i = Growth Rate

n = Number of Periods

To calculate your future balance in the above example the formula would be:

$$\text{Future Value} = \$100 * (1.05)^5 = \$128$$

To perform this on a hand-held calculator take the following steps:

Press 1 + i (growth rate in decimal), the = (equals)

Press y<sup>x</sup>, then n (the number of periods) <- the compound growth factor

Press \* (times) then Pop<sub>Present</sub> <- the population at the end of n periods or on the calculator:

Press 1 + .05 = 1.05

Press y<sup>x</sup>, then 5 = 1.28

Press x 100 = \$127.6

B. The formula to calculate a growth rate given a beginning and ending population is:

$$Pop_{Future} = Pop_{Present} \times (1 + i)^n$$

Where:

Pop<sub>Future</sub> = Future Population

Pop<sub>Present</sub> = Present Population

i = Growth Rate (unknown)

n = Number of Years

You have to do a little algebraic manipulation to solve for *i*. Let's use the Lane County example from page 1 to illustrate how this works.

Pop<sub>Future</sub> = 280,000 (actually 1990)

Pop<sub>Present</sub> = 250,000 (actually 1980)

i = Growth Rate (????)

n = 10

Therefore:

$$280,000 = 250,000 \times (1 + i)^{10}$$

$$\frac{280,000}{250,000} = (1 + i)^{10}$$

$$1 + i = \sqrt[10]{\frac{280,000}{250,000}}$$

$$i = \sqrt[10]{1.12} - 1$$

$$= .011 \times 100$$

$$= 1.1\%$$

You can also use the RATE function in most spreadsheet applications to calculate compound growth rates. In Excel, the basic function is:

=RATE(nper, pmt, pv, fv, type, guess)

Applying the RATE function to the example on the previous page yields:

=RATE(10,,-250000,280000)

Excel returns the answer: 1.1%



**Oregon**

Theodore R. Kufongoski, Governor

*Attachment B*

**Department of Land Conservation and Development  
Oregon Coastal Management Program Field Office**

PO Box 451

Waldport, Oregon 97394-0451

(541) 270-3279

Web Address: <http://www.oregon.gov/LCD>

July 3, 2008

Stephanie Shultz, Planner  
Lane County Land Management  
125 E. 8<sup>th</sup> Ave.  
Eugene, OR 97401

Re: Co-adoption of City Plan by Lane County

Sandra,

We understand that the city of Florence has applied to Lane County for co-adoption of its comprehensive plan, as required by the city-county cooperative planning agreement. We also understand that the population forecast relied on by Florence during its periodic review updates over the past ten years has been called into question.

Attached please find a summary of the city's periodic review tasks. You will note that all tasks have been approved, except for updates to the coastal element that are currently in progress. The approved tasks were approved by the department. The department recognizes that, like every other city in Lane County, Florence previously relied on population forecasts that were not adopted by the county. In the absence of an adopted, coordinated population forecast from Lane County, we recognize that the city relied on the best information available to complete work under periodic review. The administrative rule on population forecasting became effective well after Florence's work tasks were approved.

Lane County may co-adopt the Florence plan in its current form. Following any subsequent population forecasts adopted by Lane County, we would expect the city to use the new adopted population forecast in future planning work. Until that time, we do not expect the city or county to revisit the already approved periodic review work.

If you have questions, or I if may be of assistance, please call.

Sincerely,

Dave Perry  
South Coast Regional Representative

cc: Sandra Belson, Florence Planning Director  
DLCD staff (DN, RH, BB, EM)

# City of Florence

## REVISED PERIODIC REVIEW WORK PROGRAM SUMMARY

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DLCD Field Representative:	Dave Perry	Phone: (541) 270-3279
DLCD Periodic Review Team Leader:	Dave Perry	Phone: (541) 270-3279
City of Florence Contact Person:	Sandra Belson	Phone: (541) 997-8237
Contact Person, Lane COG:	Stephanie Schulz	Phone: (541) 682-3958
Lane County Planning Director:	Kent Howe	Phone: (541) 687-3958
Date Work Program Approved by DLCD:	<del>November 3, 1995</del>	
Revised Work Program Approval Date:	March 20, 1997	
Final Work Program Completion Date:	<del>July 1, 1997</del>	
Revised Work Program Completion Date:	<del>July 1, 1998</del>	
	<b>Open</b>	

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### *Work program completions and revisions:*

Order # 000706, work task 5 approval, December 13, 1996;  
Order # 000742, work tasks 1 extension; March 20, 1997;  
Order # 000742, work tasks 2 extension; March 20, 1997;  
Order # 000742, work tasks 3 extension; March 20, 1997;  
Order # 000742, work tasks 4 extension; March 20, 1997;  
Order # 000742, work tasks 6 extension; March 20, 1997;  
Order # 000742, work tasks 7 extension; March 20, 1997;  
Order # 000742, work tasks 8 extension; March 20, 1997;  
Order # 001080, work task 3; approved; August 5, 1999;  
Order # 001389, work task 2; approved; May 2, 2002;  
Order # 001397, work task 7; approved; June 11, 2002;  
Order # 001436, work task 4; approved; February 24, 2003;  
Order # 001436, work task 8; approved; February 24, 2003;  
Order # 001667, work task 1; approved; July 11, 2005;  
Order # \_\_\_\_\_, work task 7; **Open; Due; June 30, 1997;**

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4	<b>Transportation Element</b>	<p>4.a address transportation system;                  4.b develop financing program for TSP;                  4.c coordinate with Lane County and review current PFP; and,                  4.d modify amendments to the UGB.  <b>APPROVED</b></p>	<p><del>Aug. 1, 96</del>  <del>Jan. 1, 98</del>  <b>Approved 2/24/2003</b>  <b>Order 001436</b></p>
5	<b>ESWD Study (Especially Suited for Water Development)</b>	<p>5.a project needs of ESWD land in Siuslaw Estuary;                  5.b determine if amendments are needed for Port of Siuslaw; and,                  5.c prepare plan amendments, as needed for consistency.  <b>APPROVED</b></p>	<p><del>Mar. 1, 96</del>  <b>Approved 12/13/1996</b>  <b>Order 000706</b></p>
6	<b>Coastal Element</b>	<p>6.a coordinate all subtasks with Lane Co;                  6.b review amendments to goals 16, 17, and 18; and,                  6.c review and amend plan and ordinances.</p>	<p><del>July 1, 96</del>  <b>Jun. 30, 1997</b></p>
7	<b>Natural Resources, Open Space and Recreation</b>	<p>7.a inventory all parks and recreational facilities and open space areas;                  7.b categorize parks and open spaces;                  7.c address shortages;                  7.d develop procedures for wetland protection measures;                  7.e inventory riparian area;                  7.f identify either goal 5 or goal 17 resources; and,                  7.g inventory sensitive fish/wildlife sites, wetlands and other goal 5 resources.  <b>APPROVED</b></p>	<p><del>Aug. 1, 96</del>  <del>Aug. 1, 97</del>                  Under Review                  2/14/02  <b>Approved 6/11/2002</b>  <b>Order 001397</b></p>
8	<b>Update plan, ordinance(s) and maps</b>	<p>8.a revise plan and maps; and,                  8.b codify ordinance amendments.  <b>APPROVED</b></p>	<p><del>July 1, 97</del>  <del>July 1, 98</del>  <b>Approved 2/24/2003</b>  <b>Order 001436</b></p>

**NOTES:**

*Subtasks 1.a* - Population projection may be extended beyond 2015 to provide a twenty year supply of lands on the date of adoption of the expanded urban growth boundary, if necessary to comply with SB 2709.

*Subtasks 3.a* - Coordination agreement with Heceta Water District will be coordinated with Task 2 on Public Facilities planning.

*Subtasks 4* - The Transportation element will meet the requirements of OAR 660-12 for the transportation systems planning (TSP) for a non-mpo city over 2,500 population, including:

- a determination of transportation needs;
- a road plan for arterials and collectors and functional road classification;
- a public transportation plan;
- a bicycle and pedestrian plan;
- an air, rail, water, and pipeline plan;
- policies on land use regulations for implementing the TSP as provided in OAR 660-12-045; and

*Subtasks 7.f*

*and 7.g* - on Goal 5 and Goal 17 resources will be coordinated with subtasks 1.b and 1.e and 1.j.2.

The dates listed above are established for the City of Florence to submit completed works tasks to DLCD (please note that subtasks may be submitted at different dates, these can be reviewed by seeing the attached work program chart). Agency/contacts are advised to contact Ken Hobson, City Manager, (503) 997-3437 if you are uncertain as to how you will be notified and involved at the local level. The city will provide you with notice of public hearings that affect your agency (contact Ken Hobson if you wish to be notified of hearings on work tasks).

DLCD will provide notice of any revisions of this work program approval order and summary to the affected agencies/contacts listed below for any revised work tasks. Those currently serving on the state periodic review assistance team will be notified of any revision to this order and summary. Contact Ken Hobson (503) 997-3437 if you wish to be notified of a completed work task not listed below for you name/agency. LCDC rules require that an objecting party participate at the local level orally or in writing during the local review process.

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**Federal and State Agencies, Special Districts, Affected Local Governments and Interest Groups Participating in Review:**

<i>Agency</i>	<i>Contact</i>	<i>Tasks/Subtasks</i>
Division of State Lands ( <i>DSL</i> )	John Lilly, Dana Fields	1.e, 7.d, 7.g
Dept. of Transportation ( <i>ODOT</i> )	Petter Russell	1, 4, 7
Dept. of Fish and Wildlife ( <i>ODFW</i> )	Patty Snow	1.e, 7
Dept. of Human Resources ( <i>DHR</i> ) (Drinking Water Program)	Dave Leland	2, 3
Water Resources Department ( <i>WRD</i> )	Rebecca Geisen	2
Lane Council of Governments ( <i>LCOG</i> )	Larry Ward	1.a-e, 1.i-l, 2.b, 3.a, 3.b, 4.d, 5.a-c, 6.a-c, 7.b, 7.d-f, 8.a-b
Dept. of Environmental Quality ( <i>DEQ</i> )	Roberta Young	2, 3
Army Corp of Engineers ( <i>COE</i> )	Teena Monical	7.d
Department of Forestry ( <i>DOF</i> )	Kevin Birch	3
Lane County Planning Department	Jim Mann	1, 1.a, 1.h, 1.k, 1.i, 2.b, 4.c, 5.a-c, 6.a-c
Port of Siulsaw	Port Manager	5
Siuslaw Rural Fire District	District Manager	3.b

Additional Comments:

Agencies and other groups are advised to monitor other subtasks related to that work task, particularly the adoption of needed amendments to the city's comprehensive plan and land use regulations.

Attached is the City of Florence's periodic review timeline, please see the dates regarding subtasks which show submittal dates to the department.

<j:pr/lcity/Florence/Rev wrk prg sum.doc>



**ATTACHMENT C**  
**ORDINANCE NO. 13, SERIES 2007**

AN ORDINANCE WITHDRAWING PROPERTIES ANNEXED INTO THE CITY FROM HECETA WATER DISTRICT.

WHEREAS, the City Council set Monday, November 19, 2007, at 7:00 p.m. in the Council Chambers of City Hall, 250 Hwy 101, Florence, Oregon, as the time and place of a public hearing to be held by the Council on the question of withdrawal of the properties described in Exhibit A, attached and made a part hereof, from the Heceta Water District; and

WHEREAS, notice of said hearing was duly posted in four public places in the City of Florence and published in The Siuslaw News, a newspaper of general circulation in the City of Florence, per ORS 222.524; and

WHEREAS, these properties were previously annexed into the City; and

WHEREAS, the City of Florence adopted Resolution No. 28, Series 2007 on October 22, 2007, stating its plans to withdraw all property within the North 101 Study Area from the District; and

WHEREAS, the City Council has carefully considered the testimony at the public hearing and determined that withdrawal of these properties from the District to be in the best interests of the City of Florence; now therefore

THE CITY OF FLORENCE ORDAINS AS FOLLOWS:

Section 1. The City Council hereby declares it to be in the best interest of the City to withdraw the hereinafter described properties, the legal descriptions of which are described in Exhibit A, which are attached and made a part hereof, from the Heceta Water District; and said properties are hereby withdrawn:

Map and Tax Lot Numbers: 18-12-11-00, TL 2400; 18-12-11-00, TL 2500; 18-12-14-24, TL 200; 18-12-14-20, TL 200; 18-12-14-20 TL 300; 18-12-14-20, TL 400; 18-12-14-20, TL 500; 18-12-14-20, TL 600; located east of US Highway 101 and north of Munsel Lake Road.

Section 2. This ordinance shall be effective 30 days after its passage by the Council, signature by the Mayor and posting by the City Recorder.

Section 3. Heceta Water District will continue to provide water service to those existing properties that are currently receiving water service from the District until such time that:

- a. The said property is redeveloped; or
- b. Water service from the City is readily available.

Section 4. Pursuant to ORS 222.520(2) and 222.528, the City of Florence does hereby assume the proportionate share of liabilities and indebtedness previously contracted by the HWD. From the effective date of this withdrawal, the withdrawn territory shall be free from all assessments and taxes levied thereafter by the district.

Section 5: Pursuant to ORS 222.465, the effective date of the withdrawal of this property from the Heceta Water District shall be July 1, 2008.

Passed by the Council this 19<sup>th</sup> day of November, 2007.

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**AGENDA ITEM SUMMARY****ITEM NO:****FLORENCE CITY COUNCIL**Meeting Date: October 8, 2007  
Department: Public Works

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**ITEM TITLE:** Update on Water Service to Spruce Street Extension Local Improvement District (LID) and Withdrawal of Territory from Heceta Water District.

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The question of water service to the North Florence LID Study area has been ongoing since 2004. Earlier this year the City Council approved a resolution stating that as new properties are annexed into the City the City would not withdraw that territory from the Heceta Water District. This resolution was an effort on the City's part to address concerns of Heceta Water District of potential reduction of their customer base. Heceta Water District, like the City, has a legal obligation to provide water service to those properties within their service areas.

At the last Intergovernmental Agreement meeting between Heceta Water District and the City, the Public Works department provided density calculations and corresponding water demands for the entire North Florence LID study area for Heceta's use in determining their capability to provide water service. At that time, Heceta stated that they would be able to provide the City with an answer as to whether or not they can provide water service to this area in September.

Due to statements made by Heceta Water District officials during the Fawn Ridge annexation, that Heceta may not have capacity to provide water service to this subdivision or other territories within the City, prompted the City to send written correspondence requesting an answer as to their capability. On October 1, 2007, the City received a letter from the Water District stating that at this time, they do not have capacity to provide water service to the Spruce Street Extension LID.

City staff anticipated this (that Heceta would not be able to provide water service) and requested the City Engineer to amend the Spruce Street Extension LID project three ways. First would be to amend the current design that was recently awarded so as to not connect to Heceta's water main within Munsel Lake Road. Second would be a change order to the contract to provide alternate methods for filling the new water main with potable water, flushing and testing of the new line. Third would be to change the water design in phase 2, which is the off-site portion of the stormwater improvements for the LID, to include a bore under Hwy 101; connection to the City water main; and extension of a new water main from Hwy 101 along Munsel Lake Road to the new Spruce Street alignment.

The City water line improvements, specially the bore under Hwy 101, are expensive. If the City is to provide service to the Spruce Street Extension LID, the City really needs to consider whether or not it wants to provide service to the entire North Florence LID Study area. This is especially true given the recent posturing of the Water District. The question is, does the City want to repeat what it is going through now with the Water District as to it's ability to provide water service to this area in the future, or does the City wish to make the commitment that it will withdraw the territory and provide service.

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**FISCAL IMPACT:** The bid from Ray Wells, Inc. is under budget from the engineers estimate. The savings from the Spruce Street Extension LID, phase 1, project may be sufficient to cover the additional expense of installing the City water system. The City water system

improvements, since they will have excess capacity, a portion of the installation costs would be eligible for System Development Charge contributions.

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**RECOMMENDATION:** Direct staff to prepare change orders to the contract with Ray Wells, Inc. in order to prepare for City water service to the Spruce Street Extension LID project; direct staff to proceed with design elements of a new water main and bore under Hwy 101 for inclusion with the off-site stormwater work; and prepare a resolution stating that the City withdraw the entire North Florence LID study area from Heceta Water District.

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**CITY MANAGER'S RECOMMENDATION:** Approve/Disapprove/Other

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**ITEMS UNDER SEPARATE COVER:**

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**AGENDA ITEM SUMMARY****ITEM NO:****FLORENCE CITY COUNCIL**Meeting Date: November 19, 2007  
Department: Public Works

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**ITEM TITLE:** Withdrawal of Territory from Heceta Water District

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**DISCUSSION/ISSUE:** During the last several years the City of Florence and Heceta Water District have had discussions relating to water service for an area known as the "North 101 Study Area". Generally speaking the "North 101 Study Area" encompasses properties on both sides of Hwy 101 from Munsel Lake Road to just north of Heceta Beach Road (see attached map for study area boundary).

Recently HWD was expressed concerns both verbally and in writing that HWD will not be able to supply water to its service area within the "North LID Study Area" once the properties develop to urban densities. In a letter dated September 27, 2007, from HWD Manager Scott Meyer, HWD stated that it would not object to the City's withdrawal of the properties within the Spruce Street Local Improvement District (LID) from HWD's service area.

On October 22, 2007, the City Council passed Resolution No. 26, Series 2007, whereby the City planned to withdraw all property within the "North 101 Study Area" from HWD's service territory. Due to issues surrounding existing properties that receive domestic water service from HWD within the "North 101 Study Area", staff is recommending that those properties east of Hwy 101 that are within the Spruce Street LID and within the City limits be withdrawn from HWD. In addition, there are approximately three domestic service connections to HWD within the Spruce Street LID area (the properties front Hwy 101). Although the properties will be withdrawn from HWD, HWD will continue to provide water service to these properties until such time that they are redeveloped.

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**FISCAL IMPACT:** Long Term Impact - The city will gain more water customers with development within the Spruce Street LID and areas of the "North 101 Study Area". The costs to provide water service will be covered by the LID assessments. At this time, the city's current water supply capacity is sufficient to meet the demand generated by those customers. However, the city needs to continue to explore and develop additional water supplies. System development charges collected from new development in the North 101 Study Area will go toward increasing the city's water supply and treatment system.

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**ALTERNATIVES:**

- None -- HWD has indicated that they cannot provide service
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**RECOMMENDATION:**

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**ITEMS UNDER SEPARATE COVER:** Map and Ordinance

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1. Hold a public hearing on withdrawal of service territory from HWD
2. Approve the Ordinance withdrawing properties east of Hwy 101, north of Munsel Lake Road, that are either within the Spruce Street LID or within the City Limits.
3. Direct staff to continue to work with HWD's staff to develop an Intergovernmental Agreement on how water areas will be provided service, including the potential of mutually beneficial sale of surplus water to each respective agency.

**CITY MANAGER'S RECOMMENDATION:** Approve/Disapprove/Other

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**ITEMS UNDER SEPARATE COVER:** Map and Ordinance

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**AREA TO BE WITHDRAWN FROM HWD  
AS PART OF SPRUCE STREET LID  
CONSTRUCTION PROJECT  
(SHADED AREA)  
EXHIBIT A**

- Streets
- Flots-N
- Withdrawn from HWD
- NLID Study Area
- City Limits
- Urban Growth Boundry



18121100  
TL 2400  
40.4 ACRES

18121100  
TL 2500  
41.0 ACRES

18121420  
TL 400  
51 ACRES

18121420  
TL 200  
22.9 ACRES  
MORALES

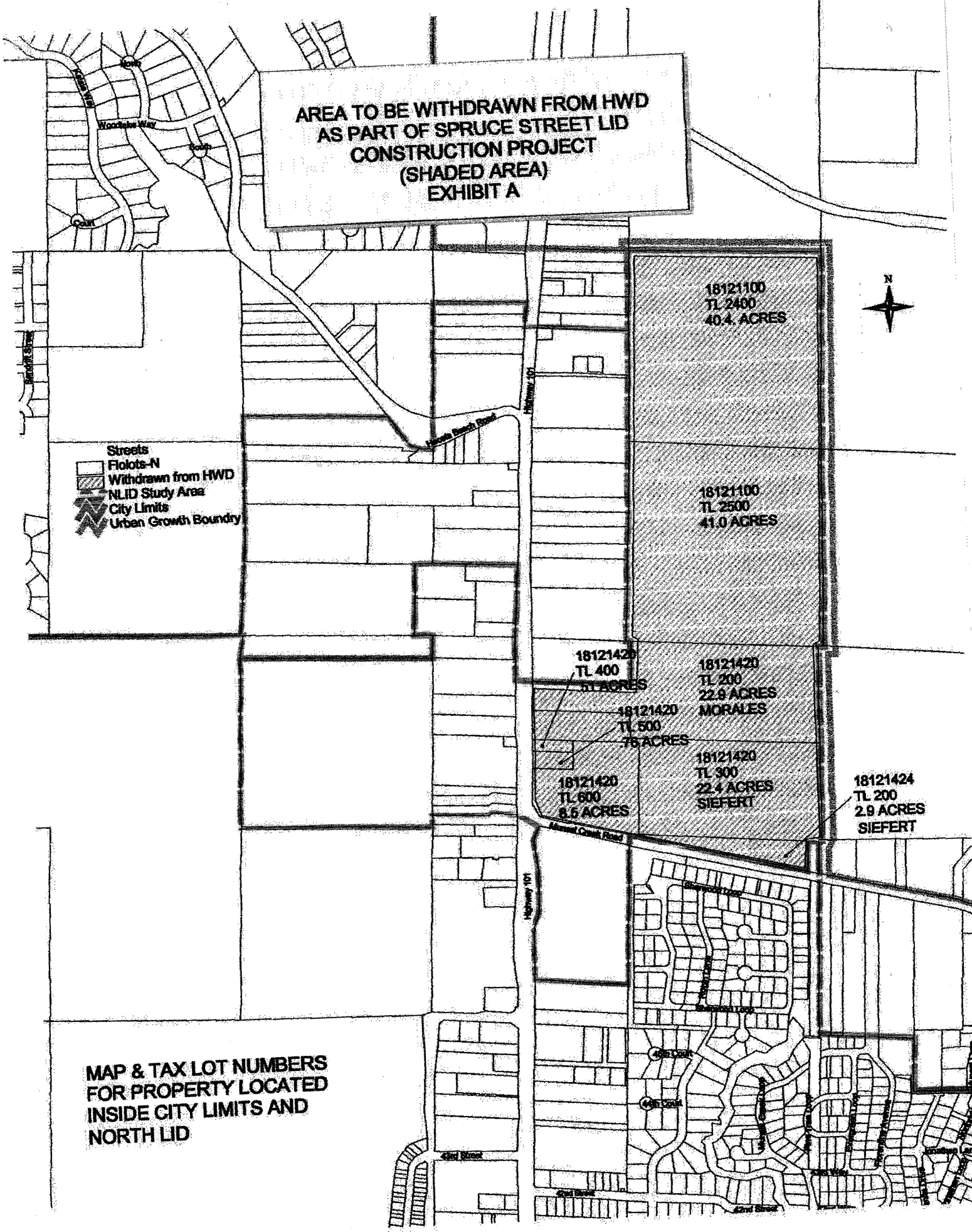
18121420  
TL 500  
76 ACRES

18121420  
TL 300  
22.4 ACRES  
SIEFERT

18121420  
TL 600  
8.5 ACRES

18121424  
TL 200  
2.9 ACRES  
SIEFERT

**MAP & TAX LOT NUMBERS  
FOR PROPERTY LOCATED  
INSIDE CITY LIMITS AND  
NORTH LID**





## ATTACHMENT D

### Memorandum

**To:** Mike Miller/City of Florence  
Bob Willoughby/City of Florence

**From:** David Livesay, RG

**Date:** June 19, 2008

**Re:** Driftwood Shores Evaluation

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At your request, GSI Water Solutions, Inc. (GSI), completed an evaluation of the potential environmental benefits resulting from the proposed annexation and rezoning of the Driftwood Shores Condominium (Driftwood Shores) property. The primary consideration of this evaluation is the proposed extension of a pressure sewer pipeline from the City of Florence (City) north to the Driftwood Shores property. Under the proposed plan, the pipeline would be placed in a trench excavated beneath Rhododendron Drive during the placement of a fiber optics cable. The opportunity to co-locate the sewer line and the fiber optics cable in the same trench is driving the timing of the annexation request. Following completion of the sewer extension, Driftwood Shores would be connected to the municipal wastewater treatment conveyance system, and the existing wastewater treatment plant (WWTP) at the condominiums would be decommissioned.

#### Summary of Findings

GSI has identified significant long-term environmental benefits related to the protection of groundwater and surface water quality associated with future conversions of hundreds of existing residential septic systems within the urban growth boundary (UGB) to the municipal system when the pressure sewer line is extended through this area. No long-term adverse impacts were identified. Short-term impacts would occur during the construction phase, related to noise and traffic control in the immediate vicinity of the project; however these would be short-lived and not permanent.

The environmental benefits can be described in the following manner:

- Consistency with groundwater protection goals set forth in the federal Sole Source Aquifer designation

- Decreased pollution loading to surface water as a result of increased treatment efficiency
- Decreased pollution loading to groundwater and improvement of groundwater quality through decreased use of onsite septic drain fields within the Urban Growth Boundary (UGB)

Each of these benefits is discussed below.

## **Groundwater Protection - EPA Sole Source Aquifer Designation**

In 1987, the U.S. Environmental Protection Agency (EPA) determined that groundwater directly supplies nearly 70 percent of the drinking water in the North Florence area and also partly recharges Clear Lake, the surface water source for drinking water. The amount supplied directly by groundwater will continue to increase as the City demand grows because the amount of surface water is constrained. Also from a management basis, locally available surface water cannot qualify as an alternative source because of the hydrologic connection between surface water and groundwater across the dunal surface. Because groundwater is the only feasible source of drinking water, EPA determined that contamination would create a significant hazard to public health and thus declared the North Florence Dunal Aquifer as a Sole Source Aquifer in October 1987, under the authority of the Safe Drinking Water Act. This is the only designated Sole Source Aquifer in Oregon. The designation primarily serves to alert local and state officials and citizens of the critical importance of this water source and the need to prevent its contamination.

The designated boundaries of the protected aquifer area are presented in Attachment A. The area encompasses the entire continuous body of sand located north of the Siuslaw River and east of the Pacific Ocean. The contact between the sand and the bedrock form the northern and eastern boundaries. The Driftwood Shores property and the areas within the UGB north of the Florence City Limits are within this designated area.

The EPA determined that rapid infiltration rates into the sand combined with a shallow water table make the North Florence Dunal Aquifer highly susceptible to contamination from surface activity. Possible sources of aquifer contamination identified by the EPA include septic tank effluent and other human activities, such as accidental surface spills, tank leaks, and improper pesticide and fertilizer use.

Protection of groundwater quality is an important management goal because of the sensitivity of the aquifer and the absence of a feasible surface water alternative. Extending the pressure sewer system throughout the entire length of the UGB, as proposed, strongly supports this goal because it provides a means for individual properties to connect to the municipal wastewater system and eliminate wastewater discharge from onsite septic systems, which are known to cause groundwater contamination.

## **Benefits to Surface Water**

The Association of Unit Owners of the Driftwood Shores Condominium currently discharges wastewater to the Siuslaw River under a National Pollutant Discharge Elimination System



(NPDES) permit, which expires in November 2008. The permit allows Driftwood Shores to discharge treated effluent from the WWTP year round. The current permit sets limits on the following pollutants: Five-day Biochemical Oxygen Demand (BOD5), Total Suspended Solids (TSS), and Fecal Coliform (FC) bacteria. The discharge also is regulated for pH and pollutant removal efficiency.

Treated wastewater is conveyed in an underground pipeline approximately 1 mile south to the jetty and is discharged into the Siuslaw River estuary at River Mile 0.2. The 10-inch-diameter outfall is submerged, except during very low minus tides. Discharge through this outfall is year-round.

The existing onsite treatment plant and pipeline are approximately 30 years old, and significant maintenance is required in the near future. The condition of the pipeline is unknown and there remains a potential for leaks and wastewater seepage onto beach areas. While there are no documented human health or environmental problems associated with this WWTP and pipeline, the Driftwood Shores owners are proponents of the proposed sewer extension because it would provide them with a reliable, safe, and cost-effective, long-term wastewater treatment option.

From a financial and liability perspective, connecting to the sewer extension would be a logical decision for the Driftwood Shores owners. The proposed extension project also would benefit the environment of the greater area by eliminating a point source pollutant discharge near the mouth of the Siuslaw River from an aging WWTP and pipeline. This system would be replaced by a new pressure sewer line and a state-of-art treatment process at the Florence WWTP, which would include ultraviolet disinfection to destroy bacteria before water is discharged to the Siuslaw River.

The typical volume of discharge from Driftwood Shores is approximately 29,000 gallons per day. This volume is less than 15 percent of the capacity of the proposed sewer line. Consequently there would be significant additional pipeline capacity to service residential connections within the UGB outside of the City Limits.

### **Benefits to Groundwater Quality**

As discussed above, the groundwater in the Florence area is highly vulnerable to surface contamination. Discontinuing the use of domestic septic systems and connecting to the municipal system is highly desirable for the protection of groundwater quality, which has been documented by EPA (EPA, 1987), and the Oregon Department of Human Services (DHS) and Oregon Department of Environmental Quality (DEQ) (DHS and DEQ, 2003).

The geology in the Florence area is comprised primarily of highly permeable dunal sands and a relatively shallow water table. Beneath much of the area, groundwater is typically encountered between 5 to 10 feet below the ground surface. This is a representative depth to groundwater beneath much of the UGB. Additionally, there is no low-permeability soil layer between the septic drain lines and groundwater that would sufficiently slow the downward percolation of septic effluent to allow degradation of nitrates and other chemicals before the wastewater reaches groundwater.

Currently, the households within the UGB are provided drinking water by the Heceta Water District, and residents are not drinking groundwater from onsite shallow wells. However, there

may be shallow wells (sand points) in the area used by residents for irrigation and other purposes that could result in human contact with potentially contaminated water. Additionally, shallow groundwater that receives septic discharge migrates and discharges to nearby creeks and lakes, or onto the beach, where human contact could occur.

As a conclusion to this memorandum, GSI has summarized several examples of groundwater contamination in Oregon resulting from septic discharge to groundwater. The purpose of these examples is to demonstrate this is not an isolated problem, and that the conditions in the Florence area are highly sensitive and similar to others in Oregon where septic drain fields have affected groundwater.

## **Examples of Groundwater Contamination Resulting from Septic Drain Fields in Oregon**

1. **La Pine, Oregon.** High concentrations of nitrate in shallow groundwater were discovered in the La Pine area in the early 1980s. Fertilizer use is minimal in the area and septic tank effluent was identified as the only important source of the contaminant. To address the issue, Deschutes County is proposing a local rule to require all new septic systems to be constructed with Best Available Technology to remove excess nitrate from the effluent. The estimated cost of retrofitting an existing system with this treatment technology is \$7,000.
2. **Southern Willamette Valley, Oregon.** During the past 20 years, the DEQ, Oregon Health Division (OHD), and Oregon State University (OSU) have conducted water quality studies in the Willamette Valley between Eugene and Corvallis. The studies showed a pattern of nitrate contamination in portions of the shallow aquifer and it was determined that the likely principal sources of contamination were household septic systems and agricultural practices. Based on the data collected to date, DEQ has concluded there is adequate justification to declare a Groundwater Management Area for selected parts of the area.
3. **Dunes City, Oregon.** The City of Dunes City has adopted an ordinance that places a moratorium on certain types of intensive land uses and setbacks from surface water features. This ordinance was a response to contaminants from septic drain fields affecting water quality in nearby surface waters.
4. **Gearhart, Oregon.** Groundwater nitrate contamination occurs in and around the City of Gearhart. Fecal coliform bacteria also were detected in more than half of the samples in a 1996 DEQ study. The potential source of the contamination has been identified as onsite septic systems in areas with permeable sandy soils.

## **References**

Aquifer-scale Controls on the Distribution of Nitrate and Ammonium in Groundwater near La Pine, Oregon. *Journal of Hydrology*, 333, 486-503. 2007.

DEQ. 2004. Southern Willamette Valley Groundwater Summary Report. Oregon Department of Environmental Quality. January 2004.

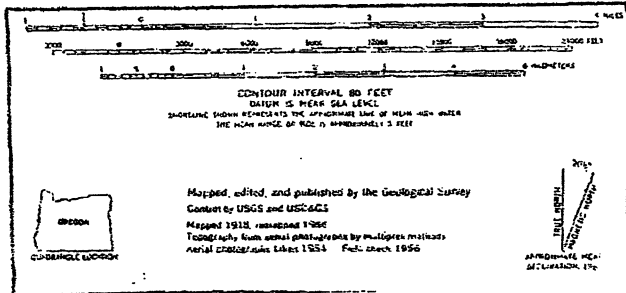
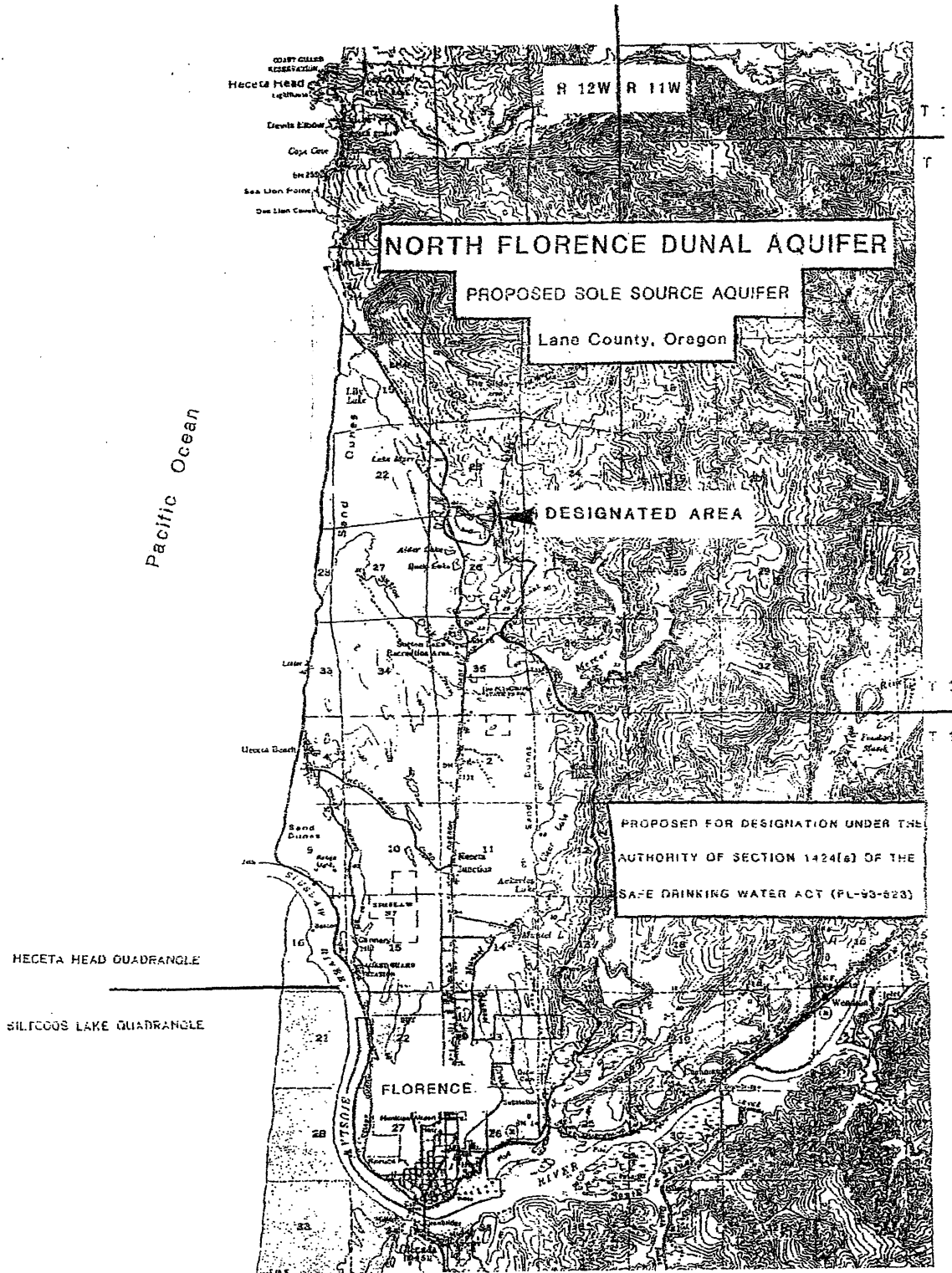
DEQ. 1997. Statewide groundwater monitoring program. Oregon Department of Environmental Quality

DHS and DEQ. 2003. Source Water Assessment Report, City of Florence, Oregon, Lane County PWS #4100299. Oregon Department of Human Services and Oregon Department of Environmental Quality. January 2003.

EPA. 1987. Resource Document for Consideration of the North Florence Dunal Aquifer a Sole Source Aquifer. U. S. Environmental Protection Agency (EPA). August 1987.

Ocean Shores Conservation Coalition Website. 2008. Dunes City Ordinance 181.  
<http://oregonshores.org/>

## Attachment A



## Memorandum

Date: June 30, 2008

To: Bob Willoughby, City Manager  
Sandra Belson, Community Development Director

From: Mike Miller, Public Works Director

Re: Sewer Extension to Driftwood Shores

Florence City Council is scheduled to hear testimony regarding the annexation request of Driftwood Shores in order for the City to provide sanitary sewer service. This memo will outline the reasons why such a request should be approved and how annexation of Driftwood Shores and subsequently providing sanitary sewer service is in the best interests of the public.

### **Background:**

Driftwood Shores is a condominium resort located at the low point of the northwest wastewater collection basin outside of the City limits, but within the Urban Growth Boundary. In 1997, the City completed the Wastewater Facilities Plan (1997 Plan), prepared by Brown and Caldwell, which provided general guidance for sewerage of the properties within the Urban Growth Boundary. In the 1997 Plan, sewerage for the vicinity of Driftwood Shores was to be comprised of an extension of a trunk sewer along Heceta Beach Road to Highway 101 and then south into the existing City systems.

In 2000, Brown and Caldwell prepared an estimate of the remaining capacity within the City's existing wastewater collection system. This analysis revealed that the remaining capacity of the wastewater collection system in the Highway 101 corridor was limited and in general reaching capacity.

By 2003, the City recognizes that the pressure sewer main within Rhododendron Drive was failing from hydrogen sulfide corrosion of the asbestos cement pipe. The immediate need to replace this critical facility, which was not identified in the 1997 Plan, resulted in the consideration of alternate means of servicing the northwest and northeast wastewater collection basins within the UGB. Brown and Caldwell prepared cost estimates for an alternate trunk sewer alignment which would utilize the soon to be replaced pressure sewer main in Rhododendron Drive to serve the northwest and part of the northeast wastewater collection basins in lieu of the Highway 101 interceptor sewer main envisioned in the 1997 Plan.

In August 2006, the City Council authorized Kennedy Jenks to complete a modeling effort and analyze alternative means of increasing wastewater conveyance serving the north portion of the City and to replace the deteriorating pipes in Rhododendron Drive. The scope of work on the modeling effort was adjusted to refine the Rhododendron Drive pressure sewer main alternatives to accelerate the replacement of the deteriorating pressure sewer main and take advantage of the joint trench opportunity presented by the Alaska Communication System fiber optic cable project. The results of the Kennedy Jenks study have determined that the northwest wastewater collection basin, of which Driftwood Shores is located, can be best served by an extension of the Rhododendron pressure sewer main while the North Highway 101 basin (a sub-basin of the northeast wastewater collection basin) will be serviced by an interceptor in the general vicinity of the highway.

Currently the City has a contractor constructing the Rhododendron Sewer Force Main project from the wastewater treatment plant to the Siuslaw Village pump station. This replacement project is being constructed to not only replace the existing capacity of the deteriorating pressure sewer main, but will also have enough capacity to provide service to the ultimate service area which includes the UGB.

### **Sole Source Aquifer**

In 1987, the U.S. Environmental Protection Agency (EPA) determined that groundwater directly supplies nearly 70 percent of the drinking water in the North Florence area and also partly recharges Clear Lake, the surface water source for drinking water. The amount supplied directly by groundwater will continue to increase as the City demand grows because the amount of surface water is constrained. Also from a management basis, locally available surface water cannot qualify as an alternative source because of the hydrologic connection between surface water and groundwater across the dunal surface. Because groundwater is the only feasible source of drinking water, EPA determined that contamination would create a significant hazard to public health and thus declared the North Florence Dunal Aquifer as a Sole Source Aquifer in October 1987, under the authority of the Safe Drinking Water Act. This is the only designated Sole Source Aquifer in Oregon. The designation primarily serves to alert local and state officials and citizens of the critical importance of this water source and the need to prevent its contamination.

The EPA determined that rapid infiltration rates into the sand combined with a shallow water table make the North Florence Dunal Aquifer highly susceptible to contamination from surface activity. Possible sources of aquifer contamination identified by the EPA include septic tank effluent and other human activities, such as accidental surface spills, tank leaks, and improper pesticide and fertilizer use.

Protection of groundwater quality is an important management goal because of the sensitivity of the aquifer and the absence of a feasible surface water alternative. Only through the annexation of Driftwood Shores and extension of the pressure sewer system to a regional sewer pumping facility (also located at Driftwood Shores) make it feasible for the properties within the area (both developed and undeveloped) to annex and connect to sewer services. The extension of the pressure sewer system provides the only economical means for individual properties to connect to the municipal wastewater system and eliminate wastewater discharge from onsite septic systems, which may cause groundwater contamination.

### **Septic Systems**

Recently there is anecdotal evidence of septic system failure in the Heceta Beach area. According to staff inquiries to a local septage hauler, septic system replacements have been occurring in the vicinity of 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Streets. These properties are typically small lots,

vacation homes/rentals and are some of the oldest developed lots in the area. These properties use traditional septic disposal methods which allow rapid infiltration of septic effluent into the sand.

Septic drainfield failures or sewage backups may be more common than some people realize. According to the US EPA, in a brief article on septic system care, "if your septic tank failed, or you know someone whose did, you are not alone. As a homeowner, you are responsible for maintaining your septic system. Proper septic system maintenance will help keep your system from failing and will help maintain your investment in your home. Failing septic systems can contaminate the ground water that you or your neighbors drink and can pollute nearby rivers, lakes and coastal waters." - [Original text, U.S. EPA, editing/additions by author].

People normally seem to forget about their septic tank and drainfield until there are odors, slow drains, sewage backups, or sewage coming up in the yard - signs of a septic system problem. Typical pollutants in household wastewater are nitrogen, phosphorus, and disease causing bacteria and viruses. If a septic system is working properly, it will effectively remove most of these pollutants. Inadequately treated sewage from septic systems can be a cause of groundwater contamination. It poses a significant threat to water resources and human health because it can contaminate drinking water wells and cause diseases and infections in people and animals. Improperly treated sewage from septic systems that contaminates nearby surface waters also increases the chance of swimmers contracting a variety of infectious diseases. These range from eye and ear infections to acute gastrointestinal illness and diseases like hepatitis.

Fortunately, households within the UGB are provided drinking water by the Heceta Water District, and residents are not drinking groundwater from onsite shallow wells. However, there may be shallow wells (sand points) in the area used by residents for irrigation and other purposes that could result in human contact with potentially contaminated water. Due to the nature of our high groundwater conditions, untreated septic discharges can migrate and discharge to nearby creeks and lakes, or onto the beach, where human contact could occur.

According to US EPA guidance, homeowners should have a typical septic system inspected at least once every 3 years by a professional and the septic tank pumped as recommended by the inspector (generally every 3 to 5 years). Alternative systems with electrical float switches, pumps, or mechanical components need to be inspected more often, generally once a year. Since permitting is not required for septic system maintenance, there is no way of knowing whether or not septic systems are properly maintained or in working condition.

### **Driftwood Shores**

Driftwood Shores is ideally situated at the low point of the northwest wastewater collection basin. This will allow gravity sewers to be constructed in the future that will flow to the regional pumping facility at Driftwood Shores or depending upon topography the Fawn Ridge pumping stations.

The capacity being provided in the wastewater pipelines is planned to provide for the full service of the UGB area within the northwest collection system basin. The boundaries of which are shown in the attached map. Our capacity planning provides for the ultimate connection of all existing development, new development on existing vacant lots, and new subdivision of the larger remaining vacant parcels. At build-out, this collection system basin will have approximately 1838 equivalent dwelling units (single family homes). 36.5 % of this capacity is for the existing developed properties and the remaining 63.5% is for the existing residential lots and newly created lots. So, what does this mean? When the pressure sewer system and

regional pumping facility are operational, municipal wastewater service will become financially feasible for the remaining undeveloped parcels in the area to be annexed and to develop with sewer service at the full planned urban density instead of low densities with on-site septic disposal systems.

In the Fall of 2007, Driftwood Shores contacted the City to see if it were feasible to extend wastewater service to the resort project. They were interested due to the recent annexation of Fawn Ridge and the fact that their private sewer treatment facility had been in service for over 35 years and the plant has a scheduled life of 30 years. Shortly after that contact, Alaska Communication Systems contacted the City about siting a fiber optic cable landing facility in Florence. This is significant development in regards to providing wastewater service to the outlining UGB area. The installation of the fiber optic conduit between Driftwood Shores and the City limits happens to be in the same utility corridor as the proposed pressure sewer main(s). By sharing a joint trench (placing the fiber optic conduits on the bottom of the trench and installing the pressure sewer mains above the conduits) provides significant construction cost savings to the City. The cost savings is in excess of \$450,000.

Of more significant note is the cost to delay construction of these improvements. If the City was not able to participate in the sharing of a joint utility trench, the City would have been forced to place the pressure sewer main(s) under the paved section of Rhododendron Drive. Rhododendron Drive is already congested with other utilities. Existing water facilities are located on the western shoulder of the street and telecom facilities are on the east. The estimated cost to remove and replace the pavement is close to \$1 million, based on the loss of the \$450,000 in joint trench savings and \$500,000 in additional pavement costs. This estimate does not include an escalation factor for petroleum based products in the future, such as asphalt.

### **Conclusion**

Providing wastewater facilities to Driftwood Shores is the only economical means available to provide future wastewater service to the northwest wastewater collection basin. In fact, in order to provide pressure sewer lines of a size necessary to allow build-out of the UGB requires an anchor development such as Driftwood Shores to provide the sewer volumes necessary to maintain velocities in the pipe to avoid separation, disposition of the solids and creation of serious odor problems. These types of operating constraints make it infeasible to extend sewer service on a lot by lot basis.

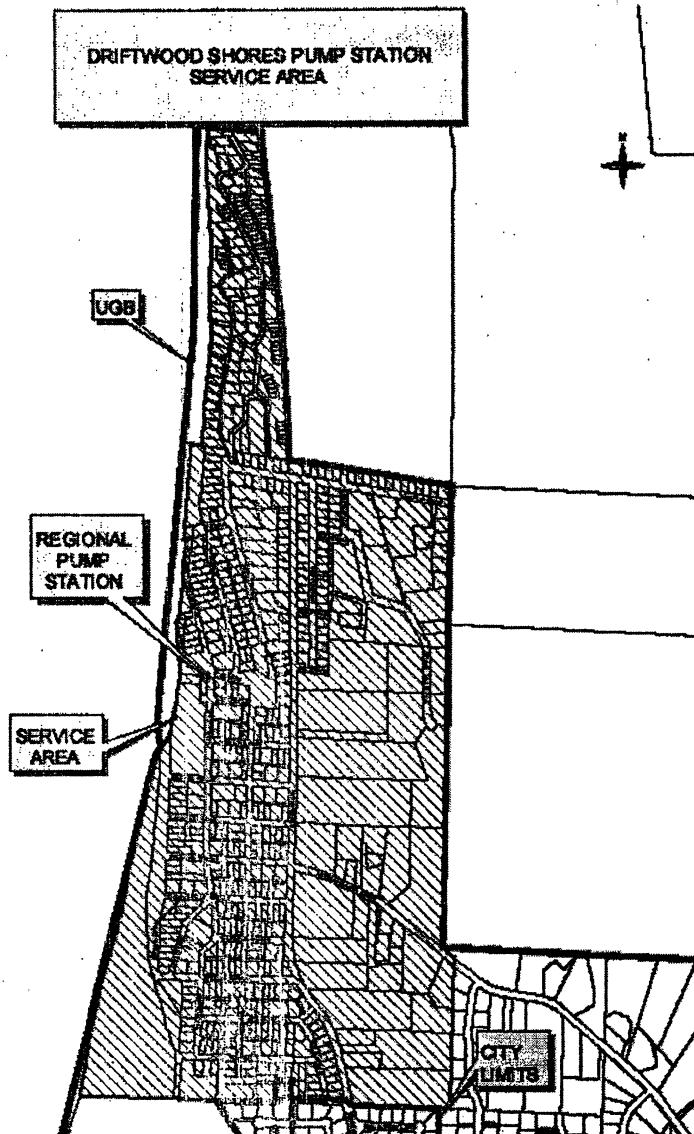
Extension of the pressure sewer line(s) to Driftwood Shores is the backbone of the sewer transmission lines back to the City wastewater treatment plant. By annexing Driftwood Shores and the corresponding construction of sanitary sewer facilities to provide service to Driftwood Shores is the only means of providing economical wastewater service to existing and future residences of the UGB. In addition, the construction of the regional pumping station at Driftwood Shores will open most of the westerly portions of the UGB to City sewer service.

The City has made and is making considerable investment in its wastewater system in order to provide sewer service to the UGB. Hydraulically, the City wastewater treatment plant currently has 63% of its capacity devoted to future development. This future development includes those properties outside the current City limits, but inside the UGB. The 63% capacity represents a community investment of \$7.2 million for the future. Couple this with the 60% surplus capacity being constructed in the Rhododendron Drive force main replacement project (from the wastewater treatment plant to Siuslaw Village pump station), the total investment thus far that the City has incurred to allow for sewer service outside the current City limits is \$7.65 million.



The City should be allowed to annex Driftwood Shores in order to begin the process of recouping the funds that the community has already spent.

Additionally, under the 1996 Amendments to the Safe Drinking Water Act, the City was required to complete a Source Water Assessment by 2003 (which it did). Under the Source Water Assessment Program, the City compiled an inventory of all actual and potential sources of pollution, rank the vulnerability of the drinking water source to the pollution and recommend protection efforts. As a City that relies upon a sole source aquifer to provide its citizens with high quality drinking water, impacts from land uses on properties both inside and outside the City can pose a threat to water quality. As the population grows and the City and UGB areas develop, groundwater protection in the form of septic system removal should be paramount to protecting our most precious natural resource.



## ATTACHMENT E

### ADDENDUM TO EXHIBITS B AND D Replacement Pages for Florence Realization 2020 Comprehensive Plan and Florence Transportation System Plan July 7, 2008

This Addendum contains replacement pages, attached, that remove text from the Florence Realization 2020 Comprehensive Plan (Exhibit B) and Florence Transportation System Plan (Exhibit D) because it refers to the 18<sup>th</sup> Street extension. These changes were adopted by the Florence City Council through Ordinance No. 14, Series 2003 and are now incorporated into the printed and digital files of these documents.

#### Text Removed

The following text was removed from these Plans, as noted below.

Removed this paragraph from the Comprehensive Plan, Page XIV-4:

*"An added benefit of this adjustment should be the public right-of-way gained for an east-west street within Florence providing a much-needed alternative connector between Highway 101 and North Fork Road. Such street right-of-way should be requested of the landowner for dedication as part of future annexation or subdivision approvals. The Transportation System Plan provides a detailed discussion of this improvement and possible public street alignment."*

Removed the italicized text below from the TSP, because it refers to the 18<sup>th</sup> Street extension, and renumber subsequent improvements in these sections, as necessary:

"1. *East-West Connection Highway 101 to North Fork Road. This connector may need to be construed in the future to mitigate congestion on Munsel Lake Road.*" (page 8)

"1. *East-West Extension (Highway 101 to Munsel Lake Road)*

*The development of an east-west collector street south of Ocean Dunes Golf Course will provide access to the heart of the community and provide an alternative access to the Spruce/Highway 126 and the Highway 101/Munsel Lake Road intersections. The proposed street will serve existing and anticipated residential development in the vicinity, as well as providing a secondary access for the proposed casino site. The location must be carefully chosen to avoid impacting the wetland area east of Willow Dunes and Creekside Pines."* (page 34)

3. **Potential Long Range Projects...**

- "East/West connection Highway 101/North Fork Road" (page 54)

Collector Facilities:

- "18th Street (Oak Street to Munsel Lake Road)" (page 50)

through this UGB expansion and annexation, thereby adding to residents' housing choices and further promoting the tourist and retirement industries upon which Florence depends for economic development.

During Periodic Review, consideration was given to including in the UGB the "Hatch Tract," an area adjacent to the southern edge of the Ocean Dunes UGB expansion area. This UGB expansion was not approved. This consideration was in response to the pending location of a casino in the area by the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians. According to the December 2001 U.S. Department of Interior Memorandum regarding the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians vs. Babbit, the location of the casino was outside City jurisdiction to decide. The City did proceed with a Comprehensive Plan amendment that would have allowed the extension of wastewater service to the casino outside the UGB, but that amendment was found by the Land Use Court of Appeals to be inconsistent with Statewide Planning Goals and was never finalized. The casino property on the "Hatch Tract" is not within the Florence UGB.

2. **Highway 126 Access Plan.** Several operational and safety concerns related to the existing side-street access points and high travel speeds are focused in the one mile segment of Highway 126 between North Fork Siuslaw Road and Highway 101. The right turn lane from Highway 101 to Highway 126 encourages relatively high speeds through the large radius corners on the northbound-eastbound and westbound-northbound movement.
  - Access Consolidation: Existing access points along Highway 126 would be consolidated, by gradual implementation of an access management strategy.
3. **Culvert Replacement.** The replacement of the Munsel Creek culvert should be designed to meet fish passage standards and to allow the Estuary Trail to pass under Highway 126 to connect to the Munsel Creek Bike Path.
4. **Improvements to the Highway 126/North Fork Road Intersection.** The development of the proposed casino on Native American lands adjacent to this intersection will require a traffic study funded by casino developers to identify needed improvements. Since this area is part of the East Gateway, the City will need to be involved in the negotiations on the eventual configuration of this intersection, and associated Highway 126 improvements.

### Other Local Street Improvements

1. **Rhododendron Drive Improvements.** As development and redevelopment occurs along Rhododendron, the street should be improved to full urban standards, including curbs, sidewalks and bike lanes. Left turn lanes should be added at Greentrees, 35<sup>th</sup>, 9th Streets and eventually at Heceta Beach Road, with corresponding left turn lanes installed on 35<sup>th</sup> and 9<sup>th</sup> Streets and Heceta Beach Road. Since Rhododendron Drive is also a scenic drive in that it abuts the river, and is bordered by mature growth shore pine and native rhododendrons, the intent is to preserve the street as a two-lane street in the same alignment, (except for the two recommended left turn lanes), maintaining as much of the existing vegetation as possible. For more specific management and design guidelines, refer to the *Rhododendron Drive Integrated Transportation Plan (RDITP)*, June 2007. The RDITP shall serve as the definitive document for improvements related to Rhododendron Drive.
2. **Pavement Management Plan.** This program, begun in 2000, will provide an annual plan for pavement maintenance and improvements, based on a system wide analysis of pavement conditions.
3. **Storm Drainage Improvements.** Storm drainage improvements are necessary as determined by the City's Stormwater Management Plan.

The Spruce Street/Highway 126 intersection currently operates at Level of Service (LOS) A and will continue to operate acceptably in year 2020 with the addition of the left turn lane on Highway 126 which is part of the safety project.

To mitigate the current safety and operational deficiencies along Highway 126 between North Fork Siuslaw Road and Highway 101, additional access management will become necessary. Several years ago, two options were studied, an 8th/9th Street one-way couplet, or consolidation of existing access points on the highway. The couplet is not supported locally. This TSP instead supports consolidation of access points.

**a. Access Consolidation**

Existing access points along Highway 126 would be consolidated, by gradual implementation of an access management strategy.

**3. Culvert Replacement**

At a future date, capacity improvements, together with the requirements for improved fish passage in Munsel Creek, will dictate the replacement of the Munsel Creek Culvert. The reconstruction may or may not include a culvert structure. However, the crossing structure must be designed to include the passage of the Siuslaw Estuary Trail under Highway 126 to connect to the Munsel Creek Bike/Ped Path and its planned extension to Munsel Lake.

**Other Local Street Improvements**

**1. Rhododendron Drive Improvements**

For specific management and design guidelines, refer to the *Rhododendron Drive Integrated Transportation Plan (RDITP)*, June 2007. The RDITP shall serve as the definitive document for improvements related to Rhododendron Drive.

Rhododendron Drive west of Greenwood Street is a paved rural section road with shoulders and drainage ditches. It serves several large subdivisions located off Rhododendron in the City, as well as a significant portion of the developed subdivisions in the UGB area outside the City. Rhododendron Drive is intersected by only two City streets, 9th Street, and 35th Street. Topography and the location of the airport have precluded any other east-west connections. As development, and redevelopment occurs along Rhododendron, the street

should be improved to include curbs, sidewalks and bike lanes, unless otherwise indicated in the RDITP. Left turn lanes should be added at Greentrees, 35th and 9th Streets on both Rhododendron Drive and the intersecting streets. Since Rhododendron Drive is also a scenic drive in that it abuts the river, and is bordered by mature growth shore pine and native rhododendrons, the intent is to preserve the street as a two-lane street in the same alignment, (except for the two recommended left turn lanes), maintaining as much of the existing vegetation as possible. Consideration should be given to routing sidewalks around significant groves of rhododendrons or mature trees where feasible. Street lighting is needed at 9th and 35th Streets, but should be carefully placed in other locations along the street so as not to detract from the night views along the river. The Rhododendron Drive/Heceta Beach Road intersection should also have left turn lanes on all legs of the intersection.

**2. Pavement Management Plan**

This program, begun in 2000, will provide an annual plan for pavement maintenance and improvements, based on a system wide analysis of pavement conditions.

**3. Storm Drainage Improvements**

Storm drainage improvements are necessary as determined by the City's *Stormwater Management Plan*.

**Signalization Improvements**

The traffic signal timing capability for the section of Highway 101 through the City of Florence was analyzed to determine the compatibility of needed intersection control improvements inside the city. Currently, there are four signalized intersections within the City of Florence, all of which are located along Highway 101 at: Rhododendron Drive, Highway 126, 21st Street and 35th Street. The primary factors considered by ODOT in determining the location of new traffic signals on state highways are signal warrants, safety, spacing, integration with crosswalks, and cost.

Proposed Signalization Improvements:

**1. 30th Street/Highway 101 Traffic Signal**

In 2006, the City adopted the Florence Pedestrian Study. This study recommended the signalization of 30<sup>th</sup> Street and Highway 101. City staff, consultants, the City's Street Improvement Task Force and the general public indicated that 30<sup>th</sup> Street is the more appropriate location for a traffic signal, and 30<sup>th</sup> Street provides greater connectivity and connections to the eastern neighborhoods.

money. The cost estimates are for planning purposes only. More precise estimates should be done by an engineer prior to budgeting.

- Gateway Projects (Highway 126, Siuslaw Bridge, and Highway 101 North)
- Extension of Munsel Lake Road west to Oak Street
- Installation of traffic signal at Munsel Lake Road/Highway 101, as warranted
- Extension of Spruce Street north of Munsel Lake Road contingent on development of adjacent properties
- Determination of acceptable solution to situation of rail trestle/Highway 126 flooding in Cushman
- Extension of Oak Street contingent on development of adjacent properties
- Kingwood/9th Street improvements
- Lighting of the Siuslaw River Bridge
- Implementation of subsequent stages of the Transit Plan
- Extension of bikelanes on Rhododendron to River overview area
- Construction of 12th Street bike/pedestrian path connecting Kingwood and Rhododendron
- Implement West 9th Street Area street network as adjacent lands develop
- Construct additional passing lanes on Highway 126
- Install Estuary Trail culvert under Highway 126
- Construct Quince Street improvements

### **3. Potential Long Range Projects**

These major projects will need to overcome some issues in order to be implemented. Planning and monitoring of the traffic situation needs to begin now for these to become a reality. The need for these projects will grow as traffic volumes increase. Each potential project will need additional analysis.

- Provide additional highway capacity across the Siuslaw River on Highway 101 in a way which preserves the Siuslaw River Bridge as part of the transportation network
- Construction of natural gas pipeline to Florence
- Heceta Beach Road Bike lanes
- Extension of Rhododendron bike lanes to Sutton Lake area
- Study of 12<sup>th</sup>/Highway 101 options

### **Maintenance Projects**

These projects are relatively minor projects that can be done within the next five years. Other maintenance projects may be needed within the twenty-year planning period, so there should be a periodic monitoring of the condition of the transportation system in order to identify future maintenance projects.



#### Collector Facilities:

- Greenwood Street
- 42nd Street (Spruce to Highway 101)
- 43rd Street (Oak Street to Highway 101)
- 30th Street (Oak Street to Spruce Street)
- 27th Street (Kingwood Street to Highway 101)
- 21st Street (Oak Street to Spruce Street)
- 15th Street (Kingwood Street to Highway 101)
- Maple Street (Highway 101 to Bay Street)
- Bay Street (Kingwood Street to Harbor Street)
- 46th Street (Spruce to Oak)
- Ninth Street
- Quince Street between Highways 101 and 126
- Oak Street, south of 35<sup>th</sup> Street
- Spruce Street, south of Munsel Lake Road

**Local Streets** The function of local streets is to provide local access to private dwellings and businesses. Local streets are characterized by two travel lanes. Local streets should primarily serve passenger cars, pedestrian, and bicycle modes of travel. Transit and heavy truck traffic should be discouraged from using local streets.

Generic cross-sections for two types of local streets have been provided, Type A and Type B (both with parking). Type A – for local streets serving very few adjacent lane uses, due to their discontinuous nature or short length; Type B – for local streets that serve a higher role in terms of neighborhood circulation.

**Scenic Drive** The classification of “scenic drive” is an overlay over a basic classification such as arterial, collector or local street. Scenic drives may exhibit traffic volumes and speeds in the range intended for the underlying classification, but the scenic quality of these routes should be emphasized. Therefore, cross-sections and other standards of the underlying classification may be modified in order to be consistent with promoting the scenic value of the street to motorists. For example, overall paved width of scenic drives may be less than required in the underlying classification in order to minimize visual impacts.

It is recommended that scenic drives, whatever their underlying classification, be characterized by:

- a total paved width of 34 feet, including 24 feet for two travel lanes and 10 feet for striped bike lanes
- sidewalks as appropriate for promoting the scenic value of the street

# Attachment F

## CITY OF FLORENCE RESOLUTION NO. 26, SERIES 2007


### CREATING A POLICY FOR WATER SERVICE COOPERATION WITH THE HECETA WATER DISTRICT AND REPEALING RESOLUTION NO. 3, SERIES 2007

- WHEREAS, the City of Florence and Heceta Water District (HWD) have been in discussion for some time regarding the delivery of water within the City's Urban Growth Boundary (UGB);
- WHEREAS, the City of Florence and the HWD are both developing rapidly and, because their service territories are beginning to overlap, it is agreed that complete cooperation is in the best interest of both entities and the community at large;
- WHEREAS, the City of Florence adopted Resolution No. 3, Series 2007 on March 19, 2007 which provides that the HWD would continue to provide water to their existing service area within the city's UGB;
- WHEREAS, the HWD has since expressed concerns both verbally and in writing that the District will not be able supply water to its service area once the properties develop to urban densities;
- WHEREAS, the HWD stated in a letter from District Manager Scott Meyer dated September 27, 2007, that it would not object to the city's withdrawing the area within the Spruce Street Local Improvement District (LID) from the District's boundaries;
- WHEREAS, the City of Florence has awarded a contract for construction of the public improvements to serve the Spruce Street LID;
- WHEREAS, to provide water service to the Spruce Street LID, the city must bore under Highway 101 to install a 12-inch water main and this line size will have ample capacity to supply water through a looped system to serve an urban level of development of all the properties within the entire North 101 Study Area;
- WHEREAS, for cost effectiveness and efficiency of service delivery, it makes sense that the city provide water service to all areas within the North 101 Study Area; and
- WHEREAS, the Council continues to believe that HWD can more effectively and efficiently serve other newly annexed areas (including Fawn Ridge East and West) outside of the North 101 Study Area within its existing service territory because of the capacity of its water source and existing infrastructure within the UGB;


NOW, THEREFORE, BE IT RESOLVED by the Florence City Council that:

- Section 1: The City of Florence plans to withdraw all property within the North 101 Study area from the HWD's territory.
- Section 2: If this new policy is incorporated into a signed intergovernmental agreement with HWD regarding annexation, withdrawal, and sale of water, the City will not withdraw property outside of the North 101 Study Area from HWD during the term of the agreement so long as the HWD continues to meet its obligation to provide water service to this area.
- Section 3: Staff is directed to review the City's Water Facilities Plan, and the City's Comprehensive Plan for consistency with this Resolution and shall bring back to the Council any Ordinances which may be necessary to fully implement this new policy which will be implemented upon execution of the intergovernmental agreement.
- Section 4: For city residents whose water service is provided by the HWD, the City will request that the HWD provide these water customers with a combined sewer/water/stormwater treatment billing on the same basis the City of Florence bills its existing customers combining water and city sewer and city stormwater charges in a single bill. HWD will be requested to collect the city's sewer/stormwater charges for these customers and forward the revenue to the City of Florence. HWD will also be requested to discontinue water service to these customers for any customer who fails to pay any legitimate portion of the combined bill, including the city's sewer/stormwater treatment charges on a combined bill. HWD may charge a nominal fee for the provision of this service, the details of which will be mutually agreed to in the intergovernmental agreement.
- Section 5: Resolution No. 3, Series 2007 is hereby repealed and replaced by this Resolution.
- Section 6: This Resolution becomes effective upon adoption.

PASSED BY THE FLORENCE CITY COUNCIL, this 22<sup>nd</sup> day of October, 2007.

  
\_\_\_\_\_  
Phil Brubaker, MAYOR

ATTEST:

  
\_\_\_\_\_  
Barbara Miller, CITY RECORDER

## Technical Memorandum

Date: May 27, 2007

To: Bob Willoughby, City Manager

From: Mike Miller, Public Works Director

Re: Water Availability for 2007 Peak Season

Recently the City has made the decision to not withdraw properties that are annexed to the City from Heceta Water District's service territory. However, recent events and discussions with Heceta Water District's board raised the issue of Heceta being able to provide both water and fire service at urban levels.

During a recent meeting with Heceta's negotiating team for a new IGA, it appears that Heceta may not be doing due diligence on their master planning efforts. The City recently completed a water demand forecast for the North 101 Study Area, including the Fawn Ridge project. In that analysis, the average daily demand (ADD) and max day demand (MDD) were projected to be 0.606 million gallons per day (mgd) and 1.02 mgd respectively.

The real question is: if Heceta cannot accommodate these ADD and MDD projections, will the City, given its current supply situation be able to provide ultimate water service to this area? Depending upon the absorption rate of both vacate lands within the existing corporate limits of Florence and timing of development, the City can provide a significant portion of the water supply needs.

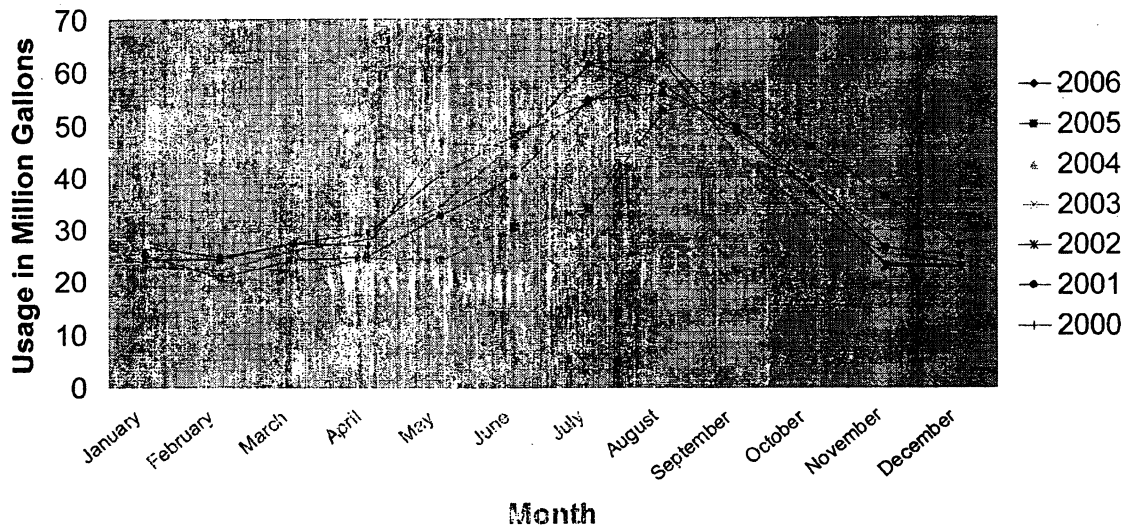
In reviewing our water production records, the City currently has approximately 1.0 mgd of surplus capacity. However, in order to supply this capacity, all of the wells and treatment must be operational. Natural events, such as drought could also reduce the available surplus capacity from the groundwater wells.

Running a water system this close to the edge is not recommended. Well pumps are mechanical devices and as mechanical devices they are known to break down at the most inconvenient times. The City has some time, but needs to move forward with developing a new wellfield so that there is redundancy, reliability and surplus capacity. Redundancy and reliability will be a question of funding in the future.

As we can see from the attached chart, the highest average MDD during the summer months occurred in August 2002 with 62.95 million gallons being used during the month. This represents a daily usage of 2.03 mgd during the peak season. The City's wellfield is currently capable of producing 3.0 mgd, which in this analysis would equate to a surplus of 0.97 mgd during peak season. Further analysis is recommended to review daily production records and daily storage volumes to see how storage and production are working with each other. In addition, an analysis of the City's committed capacity needs to take place, which will look at vacate developed lots (such as the Pacific View Industrial Site), what's in the queue for land use approval and those projects that have land use approval but have not started construction. This analysis will enable the City to better know if it has the existing capacity to provide service to new properties that want to be annexed.

Even though Florence is located on the Oregon Coast and experiences significant rainfall, the summer water demand numbers, as seen in the chart below, are influenced by weather patterns.

### Water Usage from 2000-2006



For example, in 2005 Florence experienced a wetter than normal spring and early summer. Water usage increased in August and actually peaked in September during 2005. During a typical year, water usage begins to increase in May, peaks either in July or August, and typically begins to fall off after the Labor Day weekend in September.

In summary, if HWD does not or will not provide service to the North LID Study Area or Fawn Ridge, the City can provide service in the short term. The City will need to immediately begin the process of acquiring new water rights and development of a new well field to provide long term service. The City should continue to explore the possibility of a wholesale purchase agreement with HWD for surplus water and potential partnership for a joint venture of developing HWD's Clear Lake to its fullest potential.

Technical Memorandum

Date: May 29, 2007

To: Bob Willoughby, City Manager

From: Mike Miller, Public Works Director

Re: North 101 Study Area - Water Demands for Area within Heceta Water District

Working with our Planning Staff, I have developed water demand estimates, both annual average daily demands and max day demands for the area known as the North 101 Study Area and the Fawn Ridge subdivision (West and East). Some of these properties are within the City Limits; others are outside the City Limits, but within the Urban Growth Boundary. The one thing that all of the properties have in common is that they are currently within the service area of Heceta Water District (HWD).

Until recently, as the City annexed properties that were within HWD, it withdrew the property so that the City would have jurisdiction and provide the water service. The City has now agreed that when properties are annexed into the City, it will not withdraw the service territory from HWD, and HWD is required to provide water service.

At a recent joint meeting between the HWD and City negotiation team for a new Intergovernmental Agreement (IGA), a HWD Board Member voiced their concern for HWD's ability to ultimately provide water service to this area. The primary concern is the prospect of the properties that are currently outside the City Limits becoming annexed to the City and receiving urban densities, thus requiring an urban level of service versus rural level of service. In addition, HWD is currently undergoing a master planning effort and is in need of the latest demand estimates from the City.

In developing the water demand estimates, I examined the water production records (including water purchases from HWD) from 2000 to 2006 for the City of Florence. Using the certified population estimates from Portland State University and number of service connections, Florence averaged 2.29 citizens per service connection. During the study period of 2000 to 2006, Florence residents used an average daily demand (ADD) of 151.47 gallons of water per person per day. During the summer months the water usage, or max day demand (MMD), increased to 254.75 gallons per person per day. The ADD is down from 188 gallons per person per day, as reported in the 1998 City of Florence Water Facilities Plan, due to general public awareness of water conservation methods; tiered

water rates (inverted block rates); and new plumbing codes that require the usage of low flow fixtures. This type of reduction is typical of most water supply agencies.

In addition it should be noted that both calculations (ADD and MDD) include "unmetered" water losses, because we used production numbers and not billing data. Billing data was not used because of the limited history, only three years, and because Florence only bills every other month. Billing every other month distorts the timing of the peak and the quantity of the water used.

Within the North 101 Study Area that is within the HWD service territory, there is approximately 299 acres of raw land. Our Planning staff analyzed each tax lot within the North 101 Study Area and applied a 75% factor to develop net buildable acreage. The 75% factor accounts for roads, open space and greenways. The total net buildable acreage is 216.37 acres.

The study area (including the proposed Fawn Ridge subdivision) was further defined by the zoning designation from the City's Comprehensive Plan.

Comp Plan Des	Acreage	EDU's <sup>1</sup>	ADD <sup>2</sup>	MDD <sup>3</sup>
Single Family Residential <sup>4,5</sup>	94.71	634.79	220,187.26	370,322.2
Heceta Beach Neighborhood Cluster <sup>6</sup>	28.18	236.84	82,151.81	138,167.13
Service Industrial <sup>7</sup>	51.55	345.37	119,798.93	201,483.98
Mixed Use Commercial <sup>8</sup>	41.93	449.8	156,020.46	262,403.2
Fawn Ridge <sup>9</sup>	N/A	50	27,749.3	46,670.2
<b>Total</b>	<b>216.37</b>	<b>1,746.8</b>	<b>605,907.76</b>	<b>1,019,046.71</b>

The above table shows that the ADD of the North 101 Study Area, including Fawn Ridge (West and East) is 605,908 gallons and MDD is 1,019,047 gallons. Both ADD and MDD are rounded up to the nearest gallon.

Another consideration is fire flow demand for this area. Since some of the area could be considered "Highway Commercial", urban levels for fire service call for a minimum of 3,500 gallons per minute of water for a duration of 3 hours. This calculates to 630,000 gallons of emergency storage. HWD will need to review its potable water storage capabilities and determine if they have enough existing emergency and operational storage to accommodate this type of development.

Please note that timing of development and land absorption rates are not part of this analysis.

<sup>1</sup> Equivalent Dwelling Unit's

<sup>2</sup> #of EDU's x 2.29 (people per EDU) x 151.47 gallons equals Average Daily Demand (ADD)

<sup>3</sup> # of EDU's x 2.29 (people per EDU) x 254.75 gallons equals Max Day Demand (MDD)

<sup>4</sup> Low Density Residential equals 4.84 EDU's per acre

<sup>5</sup> Medium Density Residential equals 6.7 EDU's per acre

<sup>6</sup> 6,000 sq ft minimum lot size

<sup>7</sup> Due to various allowed uses, for calculation purposes used Medium Density Residential 6.7 EDU's per acre (worst case scenario)

<sup>8</sup> Used density calculations from Planning

<sup>9</sup> Fawn Ridge West and East

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**AGENDA ITEM SUMMARY****ITEM NO:****FLORENCE CITY COUNCIL**Meeting Date: 7/16/07  
Department: Public Works

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**ITEM TITLE:** North Hwy 101 Local Improvement District, Spruce Street Extension, construction phasing.

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**DISCUSSION/ISSUE:** The City established the North Highway 101 Local Improvement District (LID) to extend Spruce Street, including water, wastewater and stormwater infrastructure north of Munsel Lake Road. Engineering and bid documents are nearing completion and it is now appropriate to update Council on the project status; cost estimate and phasing of the project, including the commitment of the City to provide sewer service to those properties within the initial phase of the LID, Spruce Street Extension project.

As outlined in the attached memo from Scott Olson, PE, phase one of the project (bid schedules A and B) will consist of on-site construction activities. These include the Spruce Street extension, stormwater system, gravity sewer and water main construction. In addition, the sewer pump station, force main and gravity sewer along Highway 101 would be constructed.

Phase Two of the project consists of the off-site stormwater conveyance system from the intersection of Munsel Lake Road and Spruce Street to the outfall on Munsel Creek in the vicinity of 38<sup>th</sup> Street (bid schedule C).

Currently, the properties north of Munsel Lake Road are within the Heceta Water District's (HWD) service area. Earlier this spring, the City provided HWD with water usage estimates for these properties based on current and proposed zoning. A decision from HWD on whether or not they will provide service to this area is expected by September 1, 2007. If HWD decides that they cannot supply water to this area, the installation of a City water main from our distribution system along Highway 101 can be added to Phase Two of the project (included as an added alternative to bid schedule C).

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**FISCAL IMPACT:** The revised estimated cost for this project is \$2,497,106. Funding for this project is through LID assessments and System Development Charges for the stormwater system.

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**RECOMMENDATION:** Proceed with project and bid schedule as outlined in the Branch Engineering memo, including the commitment to provide sewer service to those properties within the initial phase of the LID, Spruce Street Extension project.**CITY MANAGER'S RECOMMENDATION:** Approve/Disapprove/Other



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**AGENDA ITEM SUMMARY****ITEM NO:****FLORENCE CITY COUNCIL**Meeting Date: October 22, 2007  
Department: Public Works

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**ITEM TITLE:** Resolution to begin the process of withdrawing territory from Heceta Water District.

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**DISCUSSION/ISSUE:** In a letter dated September 27, 2007, Heceta Water District (HWD) notified the City that they would not be able to provide water service to the Spruce Street Extension, Phase One Local Improvement District (LID). With this change in direction from HWD the City needs to address a couple of prior City Resolutions and begin the formal process of withdrawing a portion of HWD's service area from HWD.

In Resolution No. 6, Series 2006, states, among other things, that the "North LID" project is to be withdrawn from HWD, but be served by a new inter-tie between the City and HWD. In Resolution No. 3, Series 2007, states, among other things, that HWD can more effectively and efficiently serve the newly annexed areas within HWD's service territory, including the North LID area and that the prior resolution should be repealed and replaced. Resolution No. 3, Series 2007 also states that the City will not withdraw the North LID so long as HWD continues to meet its obligation to provide water service to this area.

Due to the statement in the September 27, 2007, letter from HWD, the City will be installing a new 12-inch water main under Hwy 101 to provide service to the Spruce Street Extension area. This line size, in addition to other looping opportunities in later phases, will have ample capacity to supply water to the properties within the entire "North 101 Study Area".

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**FISCAL IMPACT:** Immediate Impact - The estimated cost for boring under Highway 101 for the 12-inch water main is \$120,000. The difference between the bid estimate for the LID and the accepted bid is enough to cover this cost.

Long Term Impact - The city will gain more water customers with development within the Spruce Street LID and the entire North 101 Study Area. The cost to provide service will be covered by the rates paid by the water customers. At this time, the city's current water supply capacity is sufficient to meet the demand generated by these customers. However, the city needs to continue to explore and develop additional water supplies. System development charges collected from new development in the North 101 Study Area will go toward increasing the city's water supply and treatment system.

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**ALTERNATIVES:**

- None – HWD has indicated that they cannot provide service

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**RECOMMENDATION:**

1. Approve the attached Resolution.
2. Begin the formal process of withdrawing the "North 101 Study Area" from HWD.
3. Direct staff to work with HWD's staff to develop an Intergovernmental Agreement on how water areas will be provided service including the potential of mutually beneficial sale of surplus water to each respective agency.

**CITY MANAGER'S RECOMMENDATION:** Approve/Disapprove/Other



# Attachment G

Water Solutions, Inc.

TECHNICAL MEMORANDUM

## Well Field Production Testing Summary

PREPARED FOR: Mike Miller - City of Florence

PREPARED BY: Dave Livesay, RG - GSI Water Solutions, Inc.  
Ted Ressler, RG, CWRE - GSI Water Solutions, Inc.

DATE: June 19, 2008

### Introduction

This memorandum presents production data and observations collected from the City of Florence (City) well field by GSI Water Solutions, Inc. (GSI) as part of the Claim of Beneficial Use (COBU) preparation for City water right Permit G-15056. In addition to providing the information needed for the COBU, the production data also provided a means of assessing the performance and production potential of the water wells in the existing well field. The following sections provide a discussion of the well field performance and recommendations for increasing its production capacity.

### Current Well Field Capacity

The well field production capacity was initially assessed in August 2007; however, because the aquifer water level during this time of the year is generally low, the well field production capacity was reassessed in March 2008 when the aquifer water level was expected to be at its highest level. This allowed an evaluation of whether the water level in the aquifer affected the production capacity of the well field.

#### August and October 2007

All production wells (Wells 1-12) were initially operated simultaneously for a period of 5 minutes, yielding a combined production rate of 1885 gpm (4.2 cfs). Because the COBU for Permit G-15056 involved only Wells 8-12, the other wells (Wells 1-7) were subsequently turned off. Operation of Wells 8-12 continued for a 4-hour period, yielding an average combined production rate of 1084 gpm (2.4 cfs). Each well has a flow meter, which allowed the individual flow rate to be measured. The average flow rate measured during this test for each of Wells 8-12 is shown in Table 1 below.

**Table 1. Average flow rates of Wells 8--12 during August & October 2007.**

Well	Flow Rate (gpm)
8	188
9	239
10	170
11	189
12	289

It is important to note that during the 4 hours of pumping, the flow rate of each of these wells was either throttled wide-open to the maximum possible flow rate (Well 12 only) or pumped until the pumping water level was just above the pump intake. This is not the standard operating procedure, but was done to determine the maximum possible production rate of each well. Static water levels (pre-test) were not obtained for any of the wells prior to testing. However, a pump test of Well 12 was conducted by the City on October 9, 2007, during which a static water level, maximum production rate, and pumping water level for Well 12 were collected. The static water level prior to the pump test was 69.8 feet below the well flange and the water level during pumping was 129.5 feet below the well flange at a production rate of 290 gpm.

**March 2008**

The objective of the March 2008 test was to repeat the procedures in the earlier test to allow a comparison of results. The goal was to operate all production wells (Wells 1-12); however, Well 1 was found to be non-operational on the day of testing. Wells 2-12 were operated for a period of 25 minutes, yielding a combined production rate of 1839 gpm. Wells 2-7 were subsequently turned off and Wells 8-12 continued to be operated for an additional 35 minutes, yielding a maximum total instantaneous production rate of 980 gpm, which was approximately 100 gpm less than the previous rate when aquifer levels were lower. The individual average flow rate measured during this test for each of Wells 8-12 is shown in Table 2 below.

**Table 2. Average flow rates of Wells 8--12 during March 2008.**

Well	Flow Rate (gpm)
8	156
9	179
10	167
11	186
12	292

Note that during this testing period, Well 12 was again throttled wide-open to the maximum possible flow rate but Wells 8-11 were throttled back so that the pumping water level was maintained at the required pump submergence (approximately 10 feet). To protect the pumps, the pumping water level of Wells 8-11 were not lowered to the pump intakes, as was done in August 2007. This adjustment resulted in an approximate production decrease of 15-20 gpm from each well. If this additional production rate was included, the estimated combined production rate of Wells 8-12 would have been 1060

gpm, which is approximately the combined rate previously achieved in August 2007. Static water levels and pumping water levels were collected from Well 12 for comparison to the previous testing period. The water levels were found to be slightly higher than those found previously. The static water level was 62.1 feet below the well flange and the pumping water level was 119.5 feet below the well flange at a production rate of 292 gpm.

## Summary and Recommendations

The production capacity of the well field in the summer and fall (when the aquifer water level is generally lower) was essentially the same as during the spring (when the aquifer water level is generally higher), indicating that the aquifer transmissivity and available drawdown does not appear to significantly influence the production capacity of the current well field. Accordingly, the observed declines in well production capacity are likely related to screen clogging and not changes in aquifer conditions. The high iron content of the groundwater in the aquifer is a likely cause of well clogging.

Our recommendation is for the City to move forward with rehabilitating one of the well field production wells as a test case to assess the condition of the well and to determine how much production capacity can be regained through rehabilitation. The City obtained positive results from the rehabilitation of the City's Miller Park Well using impulse generation (Hydropuls®) technology (Kleinfelder, 2007). We recommend the City implement a similar rehabilitation effort on the well field production wells. We understand that Kleinfelder recently rehabilitated Well 7 using this technology. A review of the Well 7 rehabilitation report will allow us to refine our recommendations. To facilitate collection of adequate data and observations for assessing the rehabilitation effort, we recommend, at a minimum, the following information be collected:

- Complete a pre-rehabilitation short-term pumping test of the well (using the well's production pump) at the maximum possible production rate while maintaining the required pump submergence;
- Remove the production pump from the well, and complete a pre-rehabilitation video inspection;
- Implement impulse generation according to the guidelines and rehabilitation program established by Kleinfelder for this rehabilitation effort;
- Complete a post-rehabilitation video inspection; and
- Reinstall the production pump and complete a short-term pumping test of the well at the same production rate as the pre-rehabilitation pumping test. At the end of the pumping test, increase the production rate to the maximum rate possible while maintaining the required pump submergence.

If the rehabilitation of the test case production well is successful, we recommend that the City establish a rehabilitation program in which all of the wells are rehabilitated

periodically over time. After rehabilitation of the wells, the City should reassess the production capacity of the well field to determine if groundwater can be appropriated at the total rate allowed by the City's water rights. This total maximum rate is 2644 gpm (5.89 cfs), which is divided between the wells as follows: 1298 gpm (2.89 cfs) from wells 1-7; and 1348 gpm (3.0 cfs) from wells 8-12.

Even with rehabilitation, it is unlikely the City would be able to appropriate water at the above-described rates with existing wells 1-12. Therefore, we recommend that the City move forward with identifying a location and installing an additional production well (Well 13). This will not only provide for greater water production but will also provide redundancy in case of a well failure. Based on the overall better performance of Well 12 compared to the other production wells in the well field, we recommend drilling the additional production well toward the north end of the well field in the vicinity of Well 12 (see Figure 1).

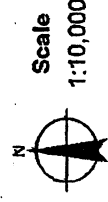
## References

Kleinfelder, Inc. 2007. Miller Park Well Rehabilitation. Memorandum prepared for City of Florence, dated August 13, 2007.

**FIGURE 1**  
**Recommended Location**  
**for Production Well 13**  
City of Florence

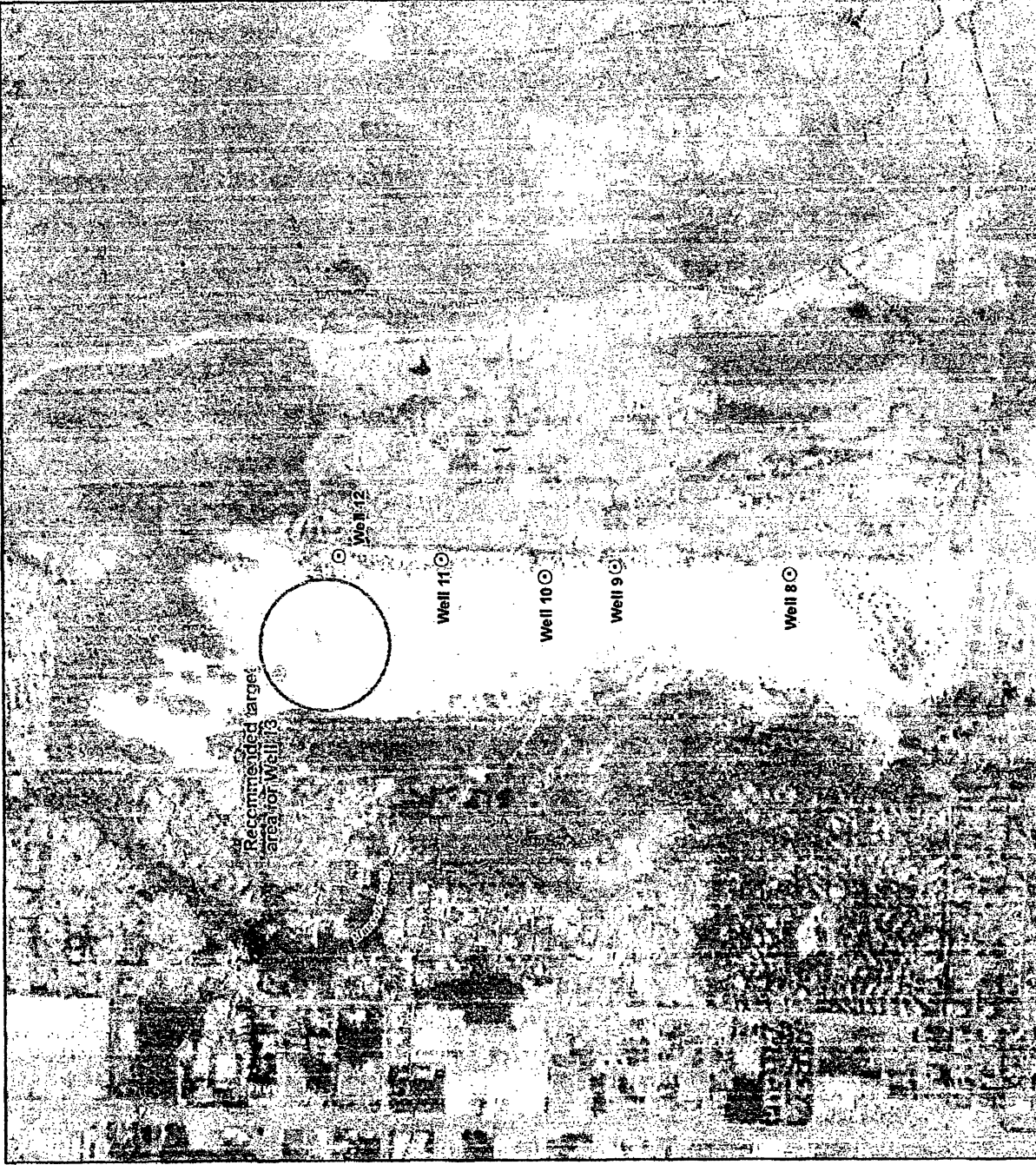
**LEGEND**

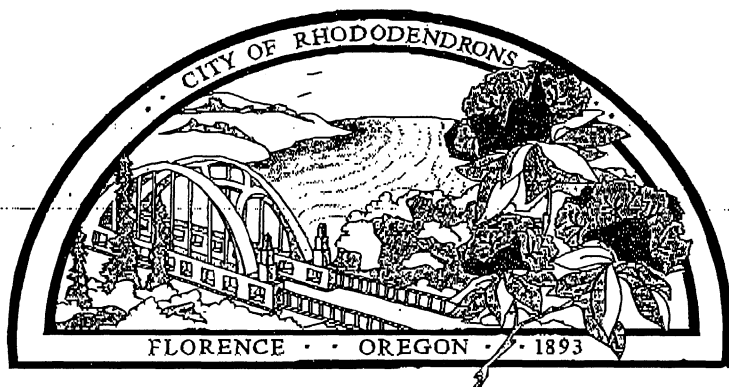
⊙ City Production Well



0 200 400 600 800  
Feet

**MAP NOTES:**  
Prepared: Oregon State Plane South  
Datum: NAD 83  
Date: January 23, 2009  
Data Source: City of Florence, Oregon Department of Public Works



*Attachment 4b.*

# City of Florence

City Manager's Office

250 Highway 101  
Florence, OR 97439-7628

Voice/TDD: (541) 997-3437  
FAX: (541) 997-6814

June 9, 2008

Lane County Planning Commission  
Lane County, Oregon

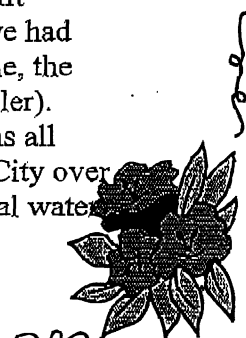
RE: City of Florence Realization 2020 Comprehensive Plan

Dear Commissioners,

You received a letter dated April 15, 2008 from the Heceta Water District (HWD) in opposition to co-adoption of the Realization 2020 Comprehensive Plan. This letter responds to the HWD letter and is offered to help you understand the potential outcome of the co-adoption process and where we are in the IGA negotiations with the HWD. The letter from the HWD is correct in stating that their service area includes the City's UGB. They are also correct that despite years of effort, the HWD and the City have not been successful in agreeing to a formal urban service agreement that meets the requirements of ORS 195.060. We also agree that having such an IGA is important and will be beneficial to all involved.

To that end, we have been negotiating in good faith with the HWD since I came to Florence more than a year ago. A negotiating team was appointed by the City which included the Mayor, the President of the Council, and the City Manager. We obviously gave these negotiations a very high level of importance and wanted to get it done as quickly as possible. We took a draft IGA prepared by the HWD and made only a few changes. We met several times with them over a period of many months and seemed from our perspective to be near an agreement. Last fall, an election occurred that changed the makeup of the HWD Board.

At one of our meetings after this election, they withdrew their original draft agreement (citing these board changes) and rescinded any tentative agreements we had reached up to that time and handed us an entirely new proposal. At this same time, the City had just hired a new and very experienced Public Works Director (Mike Miller). The City representatives told the HWD that if they wanted to start the negotiations all over again, we would prefer to turn the review and negotiations on behalf of the City over to Mike Miller because of his previous experience. He has managed both a special water district in Beaverton (like the HWD) and the City of Bend water system. He has



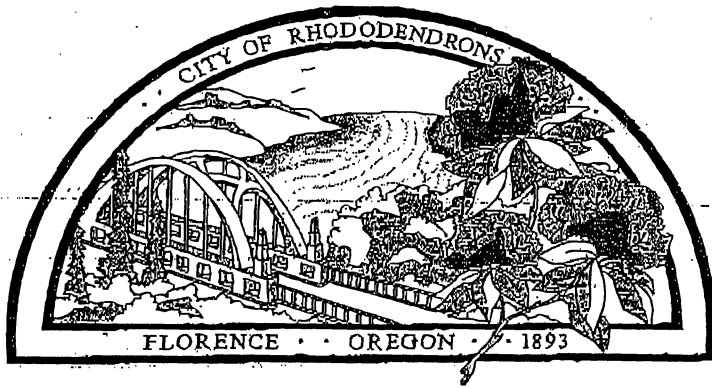


successfully negotiated similar IGA's in these previous jobs. We felt that we could minimize the "politics" at the elected official level that have been stalling these negotiations for years if we let the staff at the HWD and the City negotiate a draft which could then be taken to the respective governing bodies for approval.

Mike has needed some time to get up to speed on the City's water system and the HWD operations. He has also been very busy with a number of very large construction projects currently underway in Florence. This week, he finished his review of the HWD proposal and has prepared the City's counter-proposal. Once again, we have made only a few changes to the HWD draft. This week, Mike delivered to the Manager at the HWD a cover letter and our proposed changes to their draft. A copy of both is attached. We are prepared to move forward very quickly to finalize an IGA with the District. That has always been and remains a high priority for the City. We look forward to the HWD's response to our proposal and a quick resolution to these negotiations.

Very truly yours,

*Jacqui M. Mayon for Robert S. Willoughby*  
Robert S. Willoughby  
City Manager



# City of Florence

## Public Works Department

250 Hwy 101 North  
Florence, Oregon 97439  
Public Works: (541) 997-4106  
FAX: (541) 902-1333

June 4, 2008

Scott Meyer, District Manager  
Heceta Water District  
87845 Hwy 101  
Florence, OR 97439

Re: Draft IGA between Heceta Water and City of Florence

Dear Scott:

First, thank you for your patience on getting our draft version of the IGA back to you.

The new draft is a result of our review of the November 2007 draft IGA and addresses the City's concerns and views. As you review the new draft, it is formatted differently from the District's original version, but does have the key components for the agreement. Although the length of the new draft IGA is same, it is streamlined to address the pertinent issues at hand. The agreement includes: recitals; sale of surplus water; restrictions on District supply; maintenance and distribution (new section); annexation and withdrawal; and notice.

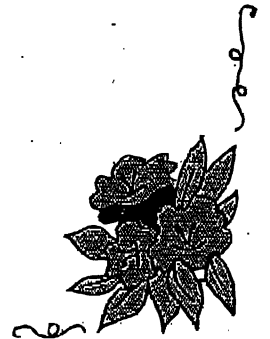
Please review and provide comments back to me.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Miller", is written over a horizontal line.

Mike Miller  
Public Works Director

CC: Bob Willoughby, City Manager  
Sandra Belson, Community Development Director.



## AGREEMENT

### RECITALS:

City of Florence is an Oregon municipal corporation under the 1988 Florence Charter. Subject to this Charter, the City of Florence has all the powers that the constitutions, statutes, and common law of the United States and of the State of Oregon expressly or impliedly grant or allow municipalities as though the Charter specifically enumerated each of those powers. Among other things, the City may sell and dispose of its water for domestic, recreational, industrial, and public use and for irrigation and other purposes within and without its boundaries. [ORS 225.020.]

Heceta Water District is a domestic water supply district under the laws of the State of Oregon. The purpose of the District is to supply potable water to the people of the District, to develop, maintain and improve the District water system, and to arrange for financing of the District's activities. Among other things, the District may sell for any use any surplus water over and above the domestic needs of its inhabitants to other local governments, including the City. [ORS 64.110, 264.210.]

Part of the area of the District lies within the boundaries of the City. Oregon law provides that if a part less than the entire area of District becomes incorporated as or annexed to the City in accordance with law, the City may cause that part to be withdrawn from District in the manner set forth in ORS 222.120 or at any time after such incorporation or annexation in the manner set forth in ORS 222.524. Until so withdrawn, the part of such a district incorporated or annexed into the City continues to be a part of District. ORS 222.520. In the past, the City did cause part of area to be withdrawn from District. The City has no present intention to withdraw other parts of the District's

service area within the current Urban Growth Boundary as those areas are annexed to the City. The District is aware that the City's intention could change if, and only by way of example, the City Council finds that a danger to public health exists because of conditions within the District's service area within the City limits or annexed areas and that such conditions can be removed or alleviated by sanitary, water or other facilities ordinarily provided by incorporated cities; or (2) the District is unable to supply water for the domestic needs of or the fire protection for the inhabitants of that portion of the District's service area that is within or annexed into the City; or (3) the District is unable to provide adequate domestic water service to inhabitants of that portion of the District's service area that is within or annexed into the City at reasonable rates; or (4) the District is unable to provide "urban levels of service" for water service, including "urban levels of service" for fire protection. The phrase "danger to public health" is defined in ORS 222.850(4). [ORS 195.005 "urban service"]

The City and District may enter into a written agreement with each other for the performance of any or all functions and activities that the City and District, and their officers or agencies have authority to perform. The District may enter into intergovernmental agreements to supply, furnish and sell surplus water on such terms and conditions and at such rates as the board of commissioners considers advisable. [ORS 264.310.]

NOW THEREFORE, and in consideration of the terms and conditions of this agreement, the parties agree as follows:

**1. Sales of Surplus Water**

1.1 District will sell its surplus supply of water to the City at such rates as the District establishes from time to time. City will buy surplus water from District to the extent the following requirements are met: (a) the water complies with the requirements of OAR Ch. 333, Division 61; (b) the quality of the water is comparable to the average quality of City's water; (c) City has a reasonable demand for the water, and the demand is consistent with City's conservation plan or program; and (d) the rates for the water are reasonable in terms of (i) the City's capital and operating expenses to transmit and distribute the water, (ii) the rates the City receives for the water from its customers, and (iii) the City's capital and operating expenses of obtaining, transmitting, and distributing alternative supplies of water.

1.2 District, in its sole discretion, may immediately cancel this agreement to sell water whenever no surplus supply of water exists over and above any and all demands of its domestic users. The Hecker Water District Manager is the person authorized by the District to determine when no surplus supply of water exists over and above any and all demands of domestic users. ORS 264.310: "Any contract entered into by a district with persons other than domestic users shall provide for immediate cancellation whenever no surplus supply of water exists over and above any and all demands of domestic users." The Florence Public Works Director is the person authorized by City to determine whether the requirements listed in Section 1.1 are met. District may, but is not obligated to, provide advance notice to City of its determination to cancel this agreement to sell water. City may, but is not obligated to, provide advance notice to District of its determination that the requirements listed in Section 1.1 are not met.

1.3 The City will sell its surplus supply of water to District at such rates as City establishes from time to time. District will buy surplus water from City to the extent the following requirements are met: (a) the water complies with the requirements of OAR Ch. 333, Division 61; (b) the quality of the water is comparable to the average quality of District's water; (c) District has a reasonable demand for the water, and which is consistent with District's conservation plan or program; and (d) the rates for the water are reasonable in terms of (i) the District's capital and operating expenses to transmit and distribute the water, (ii) the rates the District receives for the water from its customers, and (iii) the District's capital and operating expenses of obtaining, transmitting, and distributing alternative supplies of water.

1.4 The City, in its sole discretion, may immediately cancel this agreement to sell water whenever no surplus supply of water exists over and above any and all demands of City's customers. The Florence Public Works Director is the person authorized by the City to determine when no surplus supply of water exists over and above any and all demands of the City's customers. The Heceta Water District Manager is the person authorized by District to determine whether the requirements listed in Section 1.3 are met. The City may, but is not obligated to, provide advance notice to District of its determination to cancel this agreement to sell water. The District may, but is not obligated to, provide advance notice to City of its determination that the requirements listed in Section 1.3 are not met.

1.5 The Heceta Water District Manager has the sole discretion to determine how much, what days, and during what time of those days water will be delivered to City, in order to ensure that the District has a safe, adequate, and reliable supply of water to

meet the demands of its domestic users. The Florence Public Works Director has the sole discretion to determine how much, what days, and during what time of those days water will be delivered to the District, in order to ensure that the City has a safe, adequate, and reliable supply of water to meet the demands of City's customers. The Heceta Water District Manager and Florence Public Works Director will make a reasonable good faith effort to communicate with each other about their expected supply and demand so the City and the District can each operate their systems to provide a safe, adequate, and reliable supply of water to meet the demands of City's customers and District's domestic users. The meter connecting the two water systems will be calibrated annually, with the cost of that procedure to be shared equally between the District and the City.

1.6 Each party will comply with the requirements of any federal and state statutes, rules, regulations, orders, water rights, and permits that apply or relate to its rights or obligations under this agreement.

1.7 The sale and delivery of surplus water to the City under this agreement shall be subject to all policies, rules, regulations, and ordinances of the District, as amended from time to time, including, without limitation, those policies, rules, regulations, and ordinances pertaining to suspension, termination and/or disconnection of service for failure to pay water charges, failure to abide by the District's cross-connection control ordinance, and/or failure to abide by other policies, rules, regulations, and ordinances of the District, as amended from time to time. The sale and delivery by the City of surplus water to the District under this agreement shall be subject to all policies, rules, regulations, and ordinances of the City, as amended from time to time, including, without limitation, those policies, rules, regulations, and ordinances pertaining to

suspension, termination and/or disconnection of service for failure to pay water charges, failure to abide by the City's cross-connection control ordinance, and/or failure to abide by other policies, rules, regulations, and ordinances of the City, as amended from time to time.

1.8 The rates for surplus water to be sold by the District will be set by the District Board of Commissioners in accordance with ORS ch. 264 and District's rules and regulations. [ORS 264.310, .312] The rates for surplus water to be sold by the City shall be fixed by the City Council by resolution and may, in like manner, be amended or altered from time to time, at the discretion of the City Council. [FCC Section 9-2-5-6]

1.9 No party can assign its rights or delegate its obligations under this agreement to sell water without the written consent of the other party.

1.10 The initial term of this agreement to sell water will expire ten (10) years from the date of this agreement. This agreement shall automatically be extended for terms of five (5) years, unless either party notifies the other of their desire to cancel or change the agreement at least sixty (60) days before the end of the initial term.

1.11 If a party fails to perform an obligation under this agreement to sell water, the other party will give written notice of the breach. If the party then fails to perform the obligation within 30 days of the notice, the other party may cancel the agreement to sell water. If a party cancels the agreement to sell water pursuant to this Section; (a) all obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives; (b) the canceling party also retains any remedy for breach of the whole contract or any unperformed balance; and (c) the party who failed to perform is liable for the cost of disconnecting the two water systems.



1.12 Upon the expiration or cancellation of this agreement to sell water, the two water systems shall be disconnected. Except as provided in Section 1.11, the cost of the disconnection will be shared equally between District and City.

## 2. Restrictions on District Supply

2.1 This agreement to sell surplus water does not create any obligation on the part of either party to increase its capacity to supply, transmit, or distribute water. The District has constructed a new water filtration plant and in connection with that plant, it will use an easement (the County Easement) across property owned by Lane County. Pursuant to the terms of the County Easement, except in the case of water emergencies, the District may not withdraw more than 1,000,000 gallons of water per day (1 mgd) from Clear Lake, which is currently the District's sole source for water. The District also uses an easement (the Jones Easement) across property owned by Aaron U. Jones (Jones) that limits the amount of water that may be transmitted across the Jones Easement to 1 mgd. As a consequence of the District's capacity to supply, transmit, and distribute water is currently limited by the limitations in the County Easement and the Jones Easement. The District's capacity to supply, transmit, and distribute water is also currently limited by the availability of water from Clear Lake and the capacity of District's facilities and infrastructure.

2.2 City may, at its option, seek to increase the amount of surplus water available for sale to the City by obtaining, in advance, the written consents of Lane County and Jones (or his successor in interest) to increase the amount of water withdrawn from Clear Lake and transmitted by the District to an amount in excess of 1 mgd. Such consents must be in a form acceptable to the District. The cost of obtaining any such

consents, including attorney fees, consultant fees, or research fees, shall be paid equally by the City and the District. Notwithstanding any consents to increase the amount of water withdrawn from Clear Lake and transmitted as provided in this paragraph, the District's capacity to supply, transmit, and distribute surplus water available for sale to the City will continue to be limited by the capacity of the District's water system.

Nothing contained in this agreement shall be construed as any limitation on the District to produce water. Nothing contained in this agreement shall be construed as any limitation on the District's right to seek, at its own expense, such approvals or consents as are necessary to allow the District to withdraw more than 1 mgd from Clear Lake or to transmit more than 1 mgd across the Jones Easement.

2.3 Any withdrawal from Clear Lake in excess of 1 mgd (a) will be implemented in five-year stages, increasing the withdrawal in increments of 500,000 gpd in each stage; (b) will be based upon scientific studies, conducted and/or updated every five years, indicating that such withdrawal will not cause or contribute to a change in the Lake's current status as oligotrophic (meaning that Clear Lake is lacking in plant nutrients such as phosphates, nitrates, and organic matter, and consequently having few plants and a large amount of dissolved oxygen throughout); (c) will be contingent upon District Manager's being consulted and involved at all stages of the studies; and (d) will not be implemented if such withdrawal would cause or contribute to a change in the Lake's current status as oligotrophic.

### **3. Maintenance/Distribution**

3.1 The City and District do not anticipate any events in the foreseeable future that would necessitate maintenance, rehabilitation or replacement beyond the financial

reach of each other. Each agency will continue to be responsible for providing the financial revenue stream through rates and charges and to accrue adequate reserves to meet foreseeable major maintenance needs.

3.2 The City and District agree to maintain and participate in Oregon Water/Wastewater Agency Response Network (ORWARN) in order to efficiently share and exchange equipment and services during emergency situations.

3.3 The City and District agree to provide one another copies of as-builts of existing and new facilities and other types of water system maps for the purposes of facilitating planning, engineering and design of other utilities or structures that may connect, intersect or be built in proximity to City facilities. The City agrees to incorporate such mapping into its GIS mapping system of utilities and other facilities. The City and District agree to develop and maintain, commencing on-going, up to date GIS mapping system showing facilities of each water provider within the Florence Urban Service Area. The Florence Urban Service Area is defined as the current City Limits and Urban Growth Boundary.

#### **4. Annexation and Withdrawal**

The City has established a policy concerning annexations of properties within the Urban Growth Area, Resolution 8 Series 2008, which states that the City will not extend water or sewer service outside the City limits (an "extraterritorial sewer service extension") unless and until the property is annexed. Unless required to do so by state law (e.g. an annexation required by the Department of Environmental Quality due to a health hazard), the City will only annex property when requested to do so by a property owner. For every annexation request, the City will send a referral to Lane County and the

District asking for comment on the annexation. The City will consider their comments in any action taken on the annexation request. For every annexation request, the aforementioned policies and recommendations of the Florence Comprehensive Plan will be applied.

4.2 Part of the area of the District lies within the boundaries of the City. Oregon law provides that if a part less than the entire area of District becomes incorporated as or annexed to the City in accordance with law, the City may cause that part to be withdrawn from District in the manner set forth in ORS 222.120 or at any time after such incorporation or annexation in the manner set forth in ORS 222.134. Until so withdrawn, the part of such a district incorporated or annexed into the City continues to be a part of District. ORS 222.520. In the past, the City did cause part of area to be withdrawn from District. The City has no present intention to withdraw other parts of the District's service area within the current Urban Growth Boundary as those areas are annexed to the City. The District is aware that the City's intention could change if, and only by way of example, the City Council finds that a danger to public health exists because of conditions within the District's service area within the City limits or annexed areas and that such conditions can be removed or alleviated by sanitary, water or other facilities ordinarily provided by incorporated cities; or (2) the District is unable to supply water for the domestic needs of or the fire protection for the inhabitants of that portion of the District's service area that is within or annexed into the City; or (3) the District is unable to provide adequate domestic water service to inhabitants of that portion of the District's service area that is within or annexed into the City at reasonable rates; or (4) the District is unable to provide "urban levels of service" for water service, including "urban

levels of service” for fire protection. The phrase “danger to public health” is defined in ORS 222.850(4). [ORS 195.165 “urban services”]

4.3 Notwithstanding in Section 4.1 of this agreement, the District and City shall continue to work together to adjust District boundaries as appropriate to improve the cost-effectiveness and efficiency of providing service.

4.4 The area of the District and City known as the North Florence LID may be withdrawn from the District upon annexation to the City.

4.5 In the event that the entire service area of the District is annexed in the future, the District shall be dissolved. No attempt shall be made to maintain the District by delaying annexation of a token portion of the District.

4.6 None of the parties waives its right to contest a major or minor boundary change by either party on the issue of the appropriate service provider for the area encompassed by the boundary change except when the party has expressly waived that right as to a described service area in an agreement executed subsequent to this agreement.

## 5. Notices

Any notices required or permitted to be given under the terms of this agreement, or by law, shall be in writing and may be given by personal delivery or certified mail; directed to the parties at the following addresses, or such other address as any party may designate in writing prior to the time of the giving of such notice, or in any other manner authorized by law:

Heceta Water District  
87845 Hwy 101  
Florence, Oregon 97439

City of Florence  
250 Hwy. 101  
Florence, Oregon 97439

**6. Effective Date**

The effective date of this agreement shall be the date it is fully executed by both parties.

**HECETA WATER DISTRICT**

**CITY OF FLORENCE**

By: \_\_\_\_\_  
Robert V. Hursh, Chairperson

By: \_\_\_\_\_  
Phil Brubaker, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**DRAFT**

CITY OF FLORENCE  
RESOLUTION NO. 26, SERIES 2007

CREATING A POLICY FOR WATER SERVICE COOPERATION WITH THE HECETA  
WATER DISTRICT AND REPEALING RESOLUTION NO. 3, SERIES 2007

WHEREAS, the City of Florence and Heceta Water District (HWD) have been in discussion for some time regarding the delivery of water within the City's Urban Growth Boundary (UGB);

WHEREAS, the City of Florence and the HWD are both developing rapidly and, because their service territories are beginning to overlap, it is agreed that complete cooperation is in the best interest of both entities and the community at large;

WHEREAS, the City of Florence adopted Resolution No. 3, Series 2007 on March 19, 2007 which provides that the HWD would continue to provide water to their existing service area within the city's UGB;

WHEREAS, the HWD has since expressed concerns both verbally and in writing that the District will not be able supply water to its service area once the properties develop to urban densities;

WHEREAS, the HWD stated in a letter from District Manager Scott Meyer dated September 27, 2007, that it would not object to the city's withdrawing the area within the Spruce Street Local Improvement District (LID) from the District's boundaries;

WHEREAS, the City of Florence has awarded a contract for construction of the public improvements to serve the Spruce Street LID;

WHEREAS, to provide water service to the Spruce Street LID, the city must bore under Highway 101 to install a 12-inch water main and this line size will have ample capacity to supply water through a looped system to serve an urban level of development of all the properties within the entire North 101 Study Area;


WHEREAS, for cost effectiveness and efficiency of service delivery, it makes sense that the city provide water service to all areas within the North 101 Study Area; and

WHEREAS, the Council continues to believe that HWD can more effectively and efficiently serve other newly annexed areas (including Fawn Ridge East and West) outside of the North 101 Study Area within its existing service territory because of the capacity of its water source and existing infrastructure within the UGB;


NOW, THEREFORE, BE IT RESOLVED by the Florence City Council that:

- Section 1: The City of Florence plans to withdraw all property within the North 101 Study area from the HWD's territory.
- Section 2: If this new policy is incorporated into a signed intergovernmental agreement with HWD regarding annexation, withdrawal, and sale of water, the City will not withdraw property outside of the North 101 Study Area from HWD during the term of the agreement so long as the HWD continues to meet its obligation to provide water service to this area.
- Section 3: Staff is directed to review the City's Water Facilities Plan, and the City's Comprehensive Plan for consistency with this Resolution and shall bring back to the Council any Ordinances which may be necessary to fully implement this new policy which will be implemented upon execution of the intergovernmental agreement.
- Section 4: For city residents whose water service is provided by the HWD, the City will request that the HWD provide these water customers with a combined sewer/water/stormwater treatment billing on the same basis the City of Florence bills its existing customers combining water and city sewer and city stormwater charges in a single bill. HWD will be requested to collect the city's sewer/stormwater charges for these customers and forward the revenue to the City of Florence. HWD will also be requested to discontinue water service to these customers for any customer who fails to pay any legitimate portion of the combined bill, including the city's sewer/stormwater treatment charges on a combined bill. HWD may charge a nominal fee for the provision of this service, the details of which will be mutually agreed to in the intergovernmental agreement.
- Section 5: Resolution No. 3, Series 2007 is hereby repealed and replaced by this Resolution.
- Section 6: This Resolution becomes effective upon adoption.

PASSED BY THE FLORENCE CITY COUNCIL, this 22<sup>nd</sup> day of October, 2007.

  
\_\_\_\_\_  
Phil Brubaker, MAYOR

ATTEST:

  
\_\_\_\_\_  
Barbara Miller, CITY RECORDER



RECD JUL 09 2008



Oregon

Theodore R. Kulongoski., Governor

Department of Land Conservation and Development  
Oregon Coastal Management Program Field Office

PO Box 451

Waldport, Oregon 97394-0451

(541) 270-3279

Web Address: <http://www.oregon.gov/LCD>

July 2, 2008

ATTACHMENT 5

Stephanie Shultz, Planner  
Lane County Land Management  
125 E. 8<sup>th</sup> Ave.  
Eugene, OR 97401

Re: Co-adoption of City Plan by Lane County

Sandra,

We understand that the city of Florence has applied to Lane County for co-adoption of its comprehensive plan, as required by the city-county cooperative planning agreement. We also understand that the population forecast relied on by Florence during its periodic review updates over the past ten years has been called into question.

Attached please find a summary of the city's periodic review tasks. You will note that all tasks have been approved, except for updates to the coastal element that are currently in progress. The approved tasks are acknowledged by the department. The department recognizes that, like every other city in Lane County, Florence previously relied on population forecasts prepared by the Lane Council of Governments. We also recognize that those forecasts were not "coordinated" and were not adopted by the county in accordance with OAR 660-024-0030 and ORS 197.035. In the absence of a coordinated population forecast from Lane County, we recognize that the city relied on the best information available to complete work under periodic review.

Lane County may co-adopt the Florence plan in its current form. Following any subsequent population forecasts coordinated by Lane County, we would expect the city to use the new adopted population forecast in future planning work. Until that time, we do not expect the city to revisit its periodic review work. Those tasks were prepared with the best available information at the time and that good faith effort by the City of Florence is acknowledged by DLCD.

If you have questions, or I if may be of assistance, please call.

Sincerely,

Dave Perry  
South Coast Regional Representative

Cc: Sandra Belson, Planning Director  
DLCD staff (DN, RH, BB, EM)

# City of Florence

## REVISED PERIODIC REVIEW WORK PROGRAM SUMMARY

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DLCD Field Representative: Dave Perry Phone: (541) 270-3279

DLCD Periodic Review Team Leader: Dave Perry Phone: (541) 270-3279

City of Florence Contact Person: Sandra Belson Phone: (541) 997-8237

Contact Person, Lane COG: Stephanie Schulz Phone: (541) 682-3958

Lane County Planning Director: Kent Howe Phone: (541) 687-3958

Date Work Program Approved by DLCD: ~~November 3, 1995~~

Revised Work Program Approval Date: March 20, 1997

Final Work Program Completion Date: ~~July 1, 1997~~

Revised Work Program Completion Date: ~~July 1, 1998~~

**Open**

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### ***Work program completions and revisions:***

Order # 000706, work task 5 approval, December 13, 1996;

Order # 000742, work tasks 1 extension; March 20, 1997;

Order # 000742, work tasks 2 extension; March 20, 1997;

Order # 000742, work tasks 3 extension; March 20, 1997;

Order # 000742, work tasks 4 extension; March 20, 1997;

Order # 000742, work tasks 6 extension; March 20, 1997;

Order # 000742, work tasks 7 extension; March 20, 1997;

Order # 000742, work tasks 8 extension; March 20, 1997;

Order # 001080, work task 3; approved; August 5, 1999;

Order # 001389, work task 2; approved; May 2, 2002;

Order # 001397, work task 7; approved; June 11, 2002;

Order # 001436, work task 4; approved; February 24, 2003;

Order # 001436, work task 8; approved; February 24, 2003;

Order # 001667, work task 1; approved; July 11, 2005;

**Order # \_\_\_\_\_, work task 7; Open; Due; June 30, 1997;**

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4	<b>Transportation Element</b>	<p>4.a address transportation system;                  4.b develop financing program for TSP;                  4.c coordinate with Lane County and review current PFP; and,                  4.d modify amendments to the UGB.</p> <p style="text-align: right;"><b><u>APPROVED</u></b></p>	<p>Aug. 1, 96                  Jan. 1, 98  <b>Approved 2/24/2003                  Order 001436</b></p>
5	<b>ESWD Study (Especially Suited for Water Development)</b>	<p>5.a project needs of ESWD land in Siuslaw Estuary;                  5.b determine if amendments are needed for Port of Siuslaw; and,                  5.c prepare plan amendments, as needed for consistency.</p> <p style="text-align: right;"><b><u>APPROVED</u></b></p>	<p>Mar. 1, 96  <b>Approved 12/13/1996                  Order 000706</b></p>
6	<b>Coastal Element</b>	<p>6.a coordinate all subtasks with Lane Co;                  6.b review amendments to goals 16, 17, and 18; and,                  6.c review and amend plan and ordinances.</p>	<p>July 1, 96  <b>Jun. 30, 1997</b></p>
7	<b>Natural Resources, Open Space and Recreation</b>	<p>7.a inventory all parks and recreational facilities and open space areas;                  7.b categorize parks and open spaces;                  7.c address shortages;                  7.d develop procedures for wetland protection measures;                  7.e inventory riparian area;                  7.f identify either goal 5 or goal 17 resources; and,                  7.g inventory sensitive fish/wildlife sites, wetlands and other goal 5 resources.</p> <p style="text-align: right;"><b><u>APPROVED</u></b></p>	<p>Aug. 1, 96                  Aug. 1, 97                  Under Review                  2/14/02  <b>Approved 6/11/2002                  Order 001397</b></p>
8	<b>Update plan, ordinance(s) and maps</b>	<p>8.a revise plan and maps; and,                  8.b codify ordinance amendments.</p> <p style="text-align: right;"><b><u>APPROVED</u></b></p>	<p>July 1, 97                  July 1, 98  <b>Approved 2/24/2003                  Order 001436</b></p>

**NOTES:**

*Subtasks 1.a* - Population projection may be extended beyond 2015 to provide a twenty year supply of lands on the date of adoption of the expanded urban growth boundary, if necessary to comply with SB 2709.

*Subtasks 3.a* - Coordination agreement with Heceta Water District will be coordinated with Task 2 on Public Facilities planning.

*Subtasks 4* - The Transportation element will meet the requirements of OAR 660-12 for the transportation systems planning (TSP) for a non-mpo city over 2,500 population, including:

- a determination of transportation needs;
- a road plan for arterials and collectors and functional road classification;
- a public transportation plan;
- a bicycle and pedestrian plan;
- an air, rail, water, and pipeline plan;
- policies on land use regulations for implementing the TSP as provided in OAR 660-12-045; and

*Subtasks 7.f*

*and 7.g* - on Goal 5 and Goal 17 resources will be coordinated with subtasks 1.b and 1.e and 1.j.2.

The dates listed above are established for the City of Florence to submit completed works tasks to DLCD (please note that subtasks may be submitted at different dates, these can be reviewed by seeing the attached work program chart). Agency/contacts are advised to contact Ken Hobson, City Manager, (503) 997-3437 if you are uncertain as to how you will be notified and involved at the local level. The city will provide you with notice of public hearings that affect your agency (contact Ken Hobson if you wish to be notified of hearings on work tasks).

DLCD will provide notice of any revisions of this work program approval order and summary to the affected agencies/contacts listed below for any revised work tasks. Those currently serving on the state periodic review assistance team will be notified of any revision to this order and summary. Contact Ken Hobson (503) 997-3437 if you wish to be notified of a completed work task not listed below for you name/agency. LCDC rules require that an objecting party participate at the local level orally or in writing during the local review process.

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**Federal and State Agencies, Special Districts, Affected Local Governments and Interest Groups Participating in Review:**

<i>Agency</i>	<i>Contact</i>	<i>Tasks/Subtasks</i>
Division of State Lands ( <i>DSL</i> )	John Lilly, Dana Fields	1.e, 7.d, 7.g
Dept. of Transportation ( <i>ODOT</i> )	Petter Russell	1, 4, 7
Dept. of Fish and Wildlife ( <i>ODFW</i> )	Patty Snow	1.e, 7
Dept. of Human Resources ( <i>DHR</i> ) (Drinking Water Program)	Dave Leland	2, 3
Water Resources Department ( <i>WRD</i> )	Rebecca Geisen	2
Lane Council of Governments ( <i>LCOG</i> )	Larry Ward	1.a-e, 1.i-1, 2.b, 3.a, 3.b, 4.d, 5.a-c, 6.a-c, 7.b, 7.d-f, 8.a-b
Dept. of Environmental Quality ( <i>DEQ</i> )	Roberta Young	2, 3
Army Corp of Engineers ( <i>COE</i> )	Teena Monical	7.d
Department of Forestry ( <i>DOF</i> )	Kevin Birch	3
Lane County Planning Department	Jim Mann	1, 1.a, 1.h, 1.k, 1.i, 2.b, 4.c, 5.a-c, 6.a-c
Port of Siulsaw	Port Manager	5
Siuslaw Rural Fire District	District Manager	3.b

Additional Comments:

Agencies and other groups are advised to monitor other subtasks related to that work task, particularly the adoption of needed amendments to the city's comprehensive plan and land use regulations.

Attached is the City of Florence's periodic review timeline, please see the dates regarding subtasks which show submittal dates to the department.

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