



DEPARTMENT OF PUBLIC WORKS
REQUEST FOR PROPOSALS

**QUALITY ASSURANCE / QUALITY CONTROL TEAM
MOUNT ASHLAND EXPANSION PROJECT**

PROJECT NO.: 2007-??

TYPE OF PROPOSAL: PROFESSIONAL SERVICES

PROPOSAL DUE DATE: **July 18, 2007, 1:30 PM**

TO RECEIVE A PROPOSAL CONTACT: Dawn Lamb, Administrative Assistant

**20 EAST MAIN STREET
ASHLAND OR 97520
541/488-5587**



TABLE OF CONTENTS

	<u>PAGE</u>
Advertisement	3
Concept	4
Background	4
Work Description	5
Scope of Work	5
Description of Consultant's Duties	6
Additional Consultant Responsibilities	6
City Responsibilities	6
Proposal Contents	7
Proposal Criteria	7
Proposal Evaluation and Selection	8
Contract and Terms	9
Contract	9
Contract Term	9
Appendix	10
Sample Contract	11
City of Ashland Living Wage Requirement	17

CITY OF ASHLAND
DEPARTMENT OF PUBLIC WORKS
QUALITY ASSURANCE / QUALITY CONTROL TEAM
MOUNT ASHLAND EXPANSION PROJECT

The City of Ashland, in partnership with Mount Ashland Association (MAA), requests professional services proposals from individual members to serve as an independent consultant team to provide additional quality controls during the Mount Ashland Ski Area expansion construction process. This team will provide specific oversight to **protect the water quality and quantity of the watershed and insure protection of forest health**. This additional oversight will be provided through the hiring of a team of three individuals to be a part of an integrated, professional, highly qualified Quality Assurance / Quality Control (QA/QC) Team to provide services that include but are not limited to the following:

1. site meetings, inspections and monitoring
2. review construction plans and work plans prior to implementation
3. develop priorities, processes or specific treatments for construction activities that stress erosion and sediment stability
4. recommend alternative site specific construction processes or preliminary restoration efforts to protect wetlands, vegetated slopes and to improve the soils retention on site
5. recommend environmental protection measures for routine and specialized construction activities
6. inspect construction and environmental control measures
7. assist with site specific improvements to overcome adverse environmental impacts and permit violations
8. provide regular stream monitoring for turbidity impacts as a result of construction erosion and lack of adequate sediment control
9. monitor erosion treatment areas to ensure the desired effects are happening
10. work directly with the City, MAA and contractors to recommend and require corrective action or remedial actions to eliminate or significantly reduce and control any negative impacts with respect to erosion and sediment control
11. conduct post-construction monitoring and recommendations for further remediation
12. develop and deliver written quarterly reports to the City, MAA and USFS.
13. attend council meetings (every other month) or other public meetings (quarterly)

QA/QC Team Authority:

1. Approval authority for implementation and control measures for erosion and sediment movement prevention.
2. Approval authority for on-site adaptive management to change the implementation process to improve environmental protection measures with respect to erosion and sediment controls.
3. Approval monitoring locations to better provide data with regard to site specific impacts relating to erosion and sediment controls.

Proposals must be received by 1:30 PM, **July 18, 2007**, in the City of Ashland Engineering Office located at 51 Winburn Way, Ashland OR 97520; **mailing address: 20 E. Main Street Ashland OR 97520.**

Proposal documents are available at the above address and all proposals must address the RFP format. Proposals are limited to 8 pages, excluding resumes and notices of transmittal. Consultant selection will be based upon weighted criteria as cited in this Request for Proposals.

Consultant is required to read the ORS 279 subchapter A and ORS 279 subchapter C. Contractor is also required to read City of Ashland's Public Contracting rules as found in the Ashland Municipal Code, Chapter 2.50, "Public Contracts." The City of Ashland reserves the right to reject any and all proposals, to waive formalities or to accept any proposal, which appears to serve the best interest of the City of Ashland.

To receive a proposal, contact Dawn Lamb, Administrative Assistant at 541/488-5587. For further information regarding the project expectations, contact Paula C. Brown, Public Works Director / City Engineer at 541/488-5587.

Paula C. Brown, PE
Public Works Director / City Engineer

CITY OF ASHLAND
DEPARTMENT OF PUBLIC WORKS

**QUALITY ASSURANCE / QUALITY CONTROL TEAM
MOUNT ASHLAND EXPANSION PROJECT**

The City of Ashland, in partnership with Mount Ashland Association (MAA), requests professional services proposals from individual members to serve as an independent consultant team to provide additional quality controls during the Mount Ashland Ski Area expansion construction process. This team will provide specific oversight to **protect the water quality and quantity of the watershed and insure protection of forest health**. This additional oversight will be provided through the hiring of a team of three individuals to be a part of an integrated, professional, highly qualified Quality Assurance / Quality Control (QA/QC) Team.

BACKGROUND

The Mount Ashland Ski Area (MASA) is a winter recreation area on Mt. Ashland in Federal Forest Service (USFS or FS) lands, within the purview of the Rogue River-Siskiyou National Forest (RR-SNF). The ski area was constructed in 1963. The City holds a Special Use Permit for the ski area and leases the operation of the ski area to Mt Ashland Association (MAA).

The City has had a long-standing relationship with the USFS, dating back to the original 1929 agreement. The City's primary interest is that the drainage basin created by Mt. Ashland serves as the municipal watershed and is the City's primary source of quality drinking water. Protection of the watershed is paramount for both the City and the Forest Service. The City has commented on several different processes regarding the ski area since the 1991 master plan decision to allow expansion within the ski area's special use permit sector.

On September 13, 2004, the USFS published the Record of Decision (ROD) for the most recent request for the Mt. Ashland Ski Area Expansion. The Final Environmental Impact Statement (FEIS) was issued concurrent with the ROD and documents the details of each of the alternatives considered for the expansion. In accordance with federal regulations, the FEIS is consistent with the National Environmental Protection Act (NEPA) and Congress' Council on Environmental Quality (CEQ) regulations.

Additional detail can be found in the Final Environmental Impact Statement and Record of Decision from the US Forest Service, Rogue River – Siskiyou National Forest web site:
<http://www.fs.fed.us/r6/rogue-siskiyou/projects/decision/mtashlandski/index.shtml>.

QA/QC TEAM CONCEPT

It is the ultimate responsibility of the US Forest Service to enforce the environmental controls in the Record of Decision (ROD). The City of Ashland and Mount Ashland Association (MAA) desire to ensure there are additional methods in place to specifically protect the water quality and quantity of the watershed. This additional oversight and quality controls during the construction process will be provided through the hiring

of a team of three individuals to be a part of an integrated, professional, highly qualified Quality Assurance / Quality Control (QA/QC) Team.

Industry QA/QC concepts are grounded in the aspect of managing uncertainty and risk. QA/QC ensures the project has technically sound controls to ensure environmental risk is defined and also has the means and responsibility to quickly correct potential impacts.

The primary focus of the QA/QC Team will be on overall forest eco-system health as that relates specifically to erosion and sediment control, mitigation, and restoration/remediation to minimize, if not eliminate, the negative impact on the water quality or quantity within Reeder Reservoir, the source of the City's drinking water supply. The QA/QC Team is designed to provide technical expertise in soils and hydrology as that relates to erosion, sediment and the protection of our water quality and quantity in the Ashland watershed. The focus would be to assess the processes and assure the processes outlined will meet the objectives, and to ensure the controls are in place to evaluate and change the conditions to meet the objectives. The goal is to better define the partnership and bridge the gap between the City and MAA to develop trust in the construction process.

The QA/QC Team of technical professionals would initially review the construction implementation or operations plan developed by MAA's construction and design consultants to develop the **QA/QC Team's Specific Work Plan**. The work plan would be developed within 20 days of the QA/QC Team development and would be approved jointly by the City and MAA. The work plan would include specific results expected from the Team, the process of obtaining those results, a plan for each team member's hours, their respective responsibilities for each construction task, how the team members will work together, how they will write performance specifications for the contractor, how they will require work product from the contractor and how they will report to the City and MAA. Although the actual construction work plan and construction contractor have not yet been fully identified, the elements are shown below. Additional detail can be found in the Final Environmental Impact Statement and Record of Decision from the US Forest Service, Rogue River – Siskiyou National Forest web site <http://www.fs.fed.us/r6/rogue-siskiyou/projects/decision/mtashlandski/index.shtml>.

MAA Work Plan Elements

Year One -

- Watershed Restoration Projects
- Timber Cutting and Removal

Year Two -

- Construction of Falstaff Road and Skiway R-18
- C-6 Lift Installation
- Construction of Moraine Lodge and Composting Restrooms
- Electrical Power to C-6 / Moraine Lodge
- Construction of Lower Bridge Crossing
- Construction of Limited Parking Expansion
- Sonnet Re-grading

Year Three -

- Construction of Additional Parking

QA/QC Team Goals:

1. The primary goal is to identify potential concerns with the construction process and define on-the-ground solutions to prevent increases to disturbances in water quality and water quantity of the City's water supply within the Ashland watershed.
2. Insure that construction activities proceed in a timely manner and have minimal or no negative impact with respect to erosion and sediment control, and that construction equipment and processes are completed without environmental impacts (spills, etc.).
3. Insure that recommended and required prevention and correction actions are taking place and are meeting the required effects to protect the water quality and quantity of Reeder Reservoir within the Ashland watershed. Accurately report the results of the monitoring.
4. Insure that pre-construction, construction, and post-construction impacts are measured to determine the extent of impacts with respect to erosion and sediment control, and if any corrective action or remedial actions are necessary.
5. Meet with MAA representatives and make recommendations to eliminate, reduce, and correct actual and potential negative impacts with respect to erosion and sediment control due to the construction activities.
6. Report quarterly to the Ashland City Council, Forest Service, and the MAA during the construction period.
7. Immediate reporting as necessary to identify and rectify construction activities and environmental protection.

WORK DESCRIPTION

- I. **Scope Of Work:** It is expected that a variety of options will be used to insure overall forest eco-system health and as that relates specifically to erosion and sediment control, mitigation, and restoration / remediation to minimize, if not eliminate, the negative impact on the water quality or quantity within Reeder Reservoir. The overall goal is to insure forest eco-system health and to fully protect the City's primary source of drinking water within the Ashland Watershed. The selected consultant team will provide professional services that include, but are not limited to:

A. QA/QC Team Duties and Responsibilities:

1. **QA/QC Team's Specific Work Plan:** Within the first 20 days after the team's selection, the QA/QC Team members will collectively develop the QA/QC Team's Specific Work Plan. The work plan will be approved jointly by the City and MAA. Once submitted, the work plan will be the basis of decision making for the QA/QC Team prior to formal approval by the City and MAA.

The work plan would include specific results expected from the Team, the process of obtaining those results, a plan for each team member's hours, their respective responsibilities for each construction task, how the team members will work together, how they will write performance specifications for the contractor, how they will require work product from the contractor and how they will report to the City and MAA.

The desire is to have the QA/QC Team formed prior to any construction activities including the Year One Watershed Restoration Projects and Timber Cutting and Removal process. As such, the QA/QC Team would be able to observe and help improve the impacts to the site.

In addition, the work plan will address the following expectations:

2. Each team member should plan to be available for at least weekly site meetings, and as often as twice a week for on site discussions and monitoring, especially during the construction period. Each team member should plan to be available within 24 hour notice to help with emergent decision making during the construction period so that the construction process is not unnecessarily delayed.
3. Review construction plans and MAA work plans prior to implementation to assure adequacy of environmental preservation, erosion, and sedimentation measures (includes the Stormwater NPDES permit requirements). Ideally, this review should happen during the plan development and prior to formal agency review so that any recommendations are included in the final submission for agency review.
4. Develop construction work activity priorities that stress protection of soils to ensure the site is stable with respect to erosion and sediment concerns prior to actual disturbance.
5. During construction, work with the contractor through adaptive management techniques to make site specific recommendations for improvements to soil movement resistance and to minimize water disturbances.
6. Recommend alternative site specific construction processes or preliminary restoration efforts for overall forest eco-system health to protect wetlands, vegetated slopes and to improve the soils retention on site.
7. During construction, work with the contractor through adaptive management techniques to make recommendations to correct site specific construction activities. Monitor, record and photo-document activities.
8. Recommend environmental protection measures with respect to routine construction activities and for construction vehicle/equipment fuel or related spills.
9. Inspect construction and environmental control measures to assure compliance with permits and agreed upon preservation measures. Although the various regulatory agencies have the responsibility to ensure compliance, the QA/QC Team should embrace the responsibility to provide advice for corrections and work with the MAA contractor for improvements. Assist with site specific improvements to overcome permit violations with regard to environmental impacts.
10. Photo-document and monitor East and West Forks of Ashland Creek in various locations upstream of Reeder Reservoir and at the edges of the ski area expansion for turbidity impacts with respect to construction impact due to erosion and sediment control. Recommend appropriate locations for additional or alternate monitoring locations.
11. Monitor other erosion treatment areas to ensure the desired effects of the "cure" are effective and further suggest/require improvements or corrective actions as necessary.
12. Develop long-term monitoring plan that will continue for a minimum of 5 years post-construction to ensure erosion and sediment control measures have and continue to maintain effectiveness.
13. During the construction periods, attend weekly QA/QC site meetings with the contractor(s). These meetings may include City and MAA staff.
14. Work directly with the City, MAA and contractors to recommend and require corrective action or remedial actions to eliminate or significantly reduce and control any negative impacts with respect

to erosion and sediment control. These recommendations would likely include site specific treatments and modifications to previously enacted site specific treatments to ensure the best possible control measures.

15. Develop a process and protocol for post-construction monitoring and recommendations for remediation to ensure correction to any soil erosion concerns that may have surfaced after construction and any weathering on site in the expansion areas.
16. Provide information on all recommendations and required measures to the City, MAA and USFS.
17. Develop and deliver written quarterly reports to the City, MAA and USFS.
18. During the construction periods, attend council meetings (every other month) or other public meetings (quarterly) to advise Council and the community.

B. QA/QC Team Authority:

1. Approval authority on the design of on-the-ground implementation and control measures for overall forest eco-system health and specifically erosion and sediment movement prevention.
2. Approval authority to change the implementation process for the contractor to improve environmental protection measures with respect to erosion and sediment controls.
3. Approval authority to change monitoring locations to better provide data with regard to site specific impacts relating to erosion and sediment controls.
4. Reporting authority related to on-the-ground implementation and control measures with respect to prevention of erosion and sediment movements.
5. Authority and responsibility to notify City, MAA, and USFS whenever potential permit violations are evident. (May be duplicative of regulatory responsibilities, but this effort should compliment corrections to enforcement actions, not enforce permit violations). Assist with site specific improvements to overcome permit violations with regard to environmental impacts.
6. Authority to immediately alert enforcement agencies (COE, NMFS, DSL, DEQ, EPA, etc.) if actual violations occur. Notification to City, MAA and USFS to occur concurrently. (May be duplicative of regulatory responsibilities, but this effort should compliment corrections to enforcement actions, not enforce permit violations). Assist with site specific improvements to overcome permit violations with regard to environmental impacts.

II. QA/QC Team Composition:

The City and MAA intend on hiring three individuals to become a part of the independent QA/QC Team. The City and MAA reserves the right to hire one individual or multiple individuals from one or more consulting firms. If the proposer is submitting individuals as a team, and would not consider individual hires from the proposed team, the proposer must make that explicitly clear.

- A. The QA/QC team should be an integrated yet independent team of 3 persons with individual technical specialties to coordinate with the City, MAA, and the Forest Service, and provide direction to the ski area expansion contractor. The QA/QC team should be formed prior to starting any construction.

- B. The key to a successful QA/QC Team is to ensure the right technical expertise is available to the team. The technical expertise is necessary for soils, soils stabilization, erosion and erosion controls, hydrology and water quality.
- C. It is the intent to hire three individuals with the best overall qualifications that represent a broad understanding of more than one area, but specific skills in one or more of the identified follow-on skill sets. The selection process will identify the qualities of each individual and determine how those qualities will best fit within the team's overall needs. Individual team members must have had demonstrated and documented prior work experiences in their requisite specialty field with valid references to substantiate prior experiences. It is desired not specifically required that the individuals be experienced with ski area expansion and or restoration processes.
- D. Individual Member Qualifications:
1. One Team Member with one of more of the following skills and work experience:
 - ▶ Forest Hydrology
 - ▶ Forest Ecology
 - ▶ Forest Engineering
 - ▶ Forest Eco-System and Habitat Management
 - ▶ Familiarity with the most current forest management practices and US Forest Service policies and practices
 - ▶ Forest Wetlands Mitigation and Impacts
 - ▶ Experience with developing and providing environmental monitoring / reporting of management activities in highly sensitive eco-system sites.
 2. One Team Member with one of more of the following skills and work experience:
 - ▶ Erosion and Sediment Control, could include CPESC or CPSWQ
 - ▶ Soils Bioengineering
 - ▶ Soils Stabilization
 - ▶ High elevation, erosive/granitic soils
 - ▶ Knowledge of the pedology and geomorphology of existing soils within the Ashland Watershed or extensive experience with the ability to define soil types, relationships and structure relative to soil erosiveness and soil movement types
 - ▶ Environmental Erosion Control Design and Field Applications
 - ▶ Experience with the affects of stream channelization, erosion, soil compaction and runoff as it pertains to erosion and site instability
 - ▶ Extensive experience with developing slope stabilization techniques and protocols of steep granitic soil sites
 - ▶ Experience with impacts due to road construction in steep forested areas and the ability to minimize negative impacts of necessary road drainage
 3. One Team Member with one of more of the following skills and work experience:
 - ▶ Hydrology
 - ▶ Engineering Hydrology
 - ▶ Stream Stability
 - ▶ Experience with developing stream monitoring protocols and methodologies
 - ▶ Knowledge of impacts to sub-surface stream hydrology and affects of soil piping

- ▶ Experience with sensitive stream hydrology, source water sustainability and protection of urban watershed and water supply
- ▶ Watershed Management

III. Description Of Consultant Duties:

- A. Understanding the Scope of Work: The consultant team members shall provide a basic understanding of their intent to follow the scope of work, detailed hourly cost(s) for the services to be performed, if different elements of work are charged at different rates, this must be specified clearly, general time frames based upon the understanding as written in the construction work plan, and any extraordinary issues related to the cost of services.
- B. The consultant team members shall research and prepare adequate materials for the project elements as described in the scope of work.
- C. Presentation Materials: The consultant team members shall prepare presentation materials for various public and informational meetings.
- D. Personnel, Materials & Equipment: The consultant team members shall be qualified and competent personnel and shall furnish all supplies, equipment, tools and incidentals required to accomplish the work. All materials and supplies shall be of good quality and suitable for the assigned work. If there are any materials or supplies that the consultant member needs to have furnished by the City or MAA, this must be specified clearly in the proposal response.
- E. Business License Required: The selected consultant team members must have a current City of Ashland business license prior to conducting any work for the City.
- F. Professional Responsibilities: The consultant team members shall perform the work using the standards of care, skill and diligence normally provided by a professional in the performance of such services in respect to similar work and shall comply with all applicable codes and standards.

IV. City Responsibilities: In the development and implementation of this project the City of Ashland will assume the following responsibilities:

- A. Provide a project manager and liaison.
- B. Provide timely reviews of consultant's technical reports or other submittals.
- C. Review time spent and coordinate payments to the QA/QC Team Members.

V. MAA Responsibilities: In the development and implementation of this project Mount Ashland Association will assume the following responsibilities:

- A. Provide a project manager and liaison.
- B. Provide timely reviews of consultant's technical reports or other submittals.
- C. Coordinate construction activities with respect to the authority given to the QA/QC Team.

PROPOSAL CONTENTS

Each individual team member shall **submit ten copies** of their proposal for consideration by the City. A committee will rate submitted proposals according to the criteria to determine which submittal best fits the needs of the City and MAA. The proposal shall address each of the following listed items and shall be organized in accordance with this section of the proposal.

Proposal shall include the following information:

Title of Project: **QUALITY ASSURANCE / QUALITY CONTROL TEAM
MOUNT ASHLAND EXPANSION PROJECT**

Proposer's Contact Information:

Name:

Title:

Address:

Phone & Fax Number:

DATE OF OPENING: 1:30 PM July 18th, 2007

PROPOSAL CRITERIA

Each proposal is limited to **no more than 8 pages** and shall contain the following information. Resumes may be attached as an appendix.

- ▶ Transmittal Sheet / Cover Letter
- ▶ Team member's scope of services as it relates to the QA/QC Team Duties and Responsibilities
- ▶ Team member's capabilities and resources (what does the member bring to the table and what additional resources would be required if any)
- ▶ Understanding of how the team has worked together in the past and / or how the team member's intend on working together on this project
- ▶ Identify and discuss any potential risks or barriers for an individual to become part of this unique independent yet coordinated team
- ▶ Proposed time commitments for each team member
- ▶ Commitment to developing the work plan within the 20 day timeframe
- ▶ Commitment to the three year project
- ▶ References (maximum of five recent references on similar projects)
- ▶ Cost of Services (hourly charges and any reimbursable requirements, travel, etc that are anticipated through the duration of this project)

See also, the following evaluation criteria for better understanding of the weighting and priority of each item.

PROPOSAL EVALUATION AND SELECTION

I. REVIEW

Proposals will be reviewed and evaluated by personnel from the City of Ashland and MAA. Each proposal will be evaluated on content quality and completeness as described in the preceding section. Interviews may be conducted with the top ranking firms if the City deems it necessary.

II. EVALUATION CRITERIA

Each proposal will be judged as a demonstration of the consultant's capabilities and understanding of the services requested. Selection of a consultant shall be made in accordance with ORS 279C.400-410 for public improvements. Evaluation will be as follows:

Criteria		Maximum Score
A.	Transmittal Sheet / Cover Letter	0
B.	Project Description and Understanding; Team member's ability to comply with stated QA/QC Team Duties and Responsibilities	20
C.	Team Member's Capabilities, Qualifications and Resources Required to Complete the Project	30
D.	Team Member's Proposed Time Commitments; Immediately and for the Duration of the Project	15
F.	Experience and References	20
G.	Cost of Services	15
TOTAL:		100

III. CITY RESERVATION

The City of Ashland reserve the right to waive irregularities or discrepancies in a proposal if the City determines that the waiver is in the best interest of the City.

IV. ADDENDA TO THE RFP

The provisions of this RFP cannot be modified by oral interpretations or statements. If inquiries or comments by offerors raise issues that require clarification by the City, or the City decides to revise any part of this RFP, addenda will be provided to all persons known to the contact person who have received or will subsequently receive the RFP. Receipt of addenda must be acknowledged by signing and returning it with the proposal.

V. PROTEST

Any prospective consultant who contends that the provisions of the RFP or any aspect of the procurement process will encourage favoritism in the award of the contract, or substantially diminish competition, must file a written protest to the RFP at least ten days prior to the date set for the opening of proposals. Failure to file a protest will be deemed a waiver of any claim by an offeror that the procurement process violates any provision of ORS subchapter 279A or subchapter 279C, Ashland Municipal Code Chapter 2.50, "Public Contracts," or Chapter 2.52, "Personal Service Contracts."

CONTRACT AND TERMS

I. CONTRACT

Each individual member of the proposed QA/QC Team will be expected to enter into a written contract in the form attached to this RFP in the Appendix.

The proposal should indicate acceptance of the City's contract provisions or suggest reasonable alternatives that do not substantially impair the City's rights under the contract.

If inclusion of any of the City's contract provisions will result in higher costs for the services, such costs must be specifically identified in the proposal.

Unconditional refusal to accept the contract provisions proposed by the City without offering acceptable alternatives may result in disqualification of the offeror or a less favorable evaluation of its proposal.

Proof of required insurance is made part of this contract. Acceptance is not complete unless and until proof of required insurance is submitted to the City.

II. CONTRACT TERM

It is anticipated the consultant team will be in place for the duration of the construction period. As such, this specific contract will be valid for three years (June 30, 2010) to include hourly costs and specific task costs as agreed upon.

This contract may be extended on an annual basis for three additional one year terms at annually negotiated costs to include hourly rates and/or task specific costs.

This contract may be amended to include post-construction monitoring and recommendations for remediation to ensure correction to any soil erosion concerns that may have surfaced after construction and any weathering on site in the expansion areas.

APPENDIX

ENGINEERING SERVICES CONTRACT

Consultant services contract made on the date specified below in Recital A between the City and Consultant as follows:

Recitals: A. The following information applies to this contract:	
CITY: CITY OF ASHLAND City Hall 20 E. Main St. Ashland, Oregon 97520 (541) 488-6002 FAX: (541) 488-5311	Consultant: Address: Telephone: FAX:
Date of this agreement:	¶ B: RFP date: Proposal date:
¶2.2. Contracting officer:	
¶2.4. Project:	
¶6. Consultant's representative:	
¶8.3. Maximum contract amount:	

B. On the date noted above, City issued a request for proposals (RFP) for consulting services needed by City for the project described above. Consultant submitted a proposal in response to the RFP on the date noted above.

C. After reviewing Consultant's proposal and proposals submitted by other offerors, City selected Consultant to provide the services covered by the RFP.

City and Consultant agree as follows:

1. Relationship between City and Consultant:

Consultant accepts the relationship of trust and confidence established between Consultant and City by this contract. Consultant covenants with the City to perform services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals of consultant's caliber in the locality of the project. Consultant further covenants to cooperate with City, City's representatives, contractors, and other interested parties in furthering the interests of City with respect to the project. In order to promote successful completion of the project in an expeditious and economical manner, Consultant shall provide professional consulting services for City in all phases of the project to which this contract applies, serve as City's professional consulting representative for the project, and give professional consultation and advice during the term of this contract. Consultant acknowledges that City is relying on consultant to provide professional consulting services in a manner that is consistent with the interests of City.

2. Definitions:

Generally words, terms and phrases used in this contract shall have the meaning ascribed to them in the construction industry, unless the context clearly indicates otherwise. As used in this contract:

2.1. "City" means the City of Ashland, Oregon.

- 2.2. "Contracting officer" means the person specified in Recital A above or that person's designee.
- 2.3. "Project" means the project described in Recital A.
- 2.4. "Work" or "Services" shall mean all labor, materials, plans, specifications, opinions, reports, and other consulting services and products which Consultant is required to provide under this contract.

3. Term: The term of this contract shall commence on the date specified in Recital A above and end on completion of all services required by this contract unless sooner terminated as provided in this contract.

4. Authority of Contracting Officer: The contracting officer shall have the authority to act on behalf of City in the administration and interpretation of this contract. The contracting officer shall have complete authority to authorize services, transmit instructions, receive information, interpret and define City's policies and make other decisions with respect to Consultant's services.

5. Consulting Services: Consultant shall provide services to City that are described in the RFP.

5.1. In connection with the services described in the RFP, Consultant shall:

5.1.1. Consult appropriate representatives of City to clarify and define City's requirements relative to the services.

5.1.2. Review available data relative to the services.

5.1.3. Identify data which is not available and is needed to fulfill the services, and act as City's representative in obtaining such data.

5.1.4. Prepare monthly progress reports to the contracting Officer on the status of services.

5.1.5. Cooperate with other consultants retained by City in the exchange of information needed for completion of the services and the project.

5.2. Consultant shall commence performance of services within five days after receiving written authorization from the contracting officer for work described in the RFP. Consultant shall perform the services as expeditiously as is consistent with professional skill and care and the orderly progress of the project. Upon request of City, Consultant shall submit for City's approval, a schedule for the performance of work elements described in the RFP. Each schedule shall include allowance for periods of time required for City's review and approval of Consultant's services. Each schedule, approved by City, shall become a part of this contract.

5.3. Consultant shall perform the services as an independent contractor in accordance with generally accepted standards in Consultant's profession. Consultant shall be responsible for the professional quality, technical accuracy and the coordination of all services performed by Consultant. Consultant shall, without additional compensation, correct or revise any error or deficiencies in the services that are caused by Consultant's negligence. City's review, approval, acceptance of, or payment for, any of the services shall not be construed to waive any of City's rights under this contract or of any cause of action arising out of Consultant's services. In the event of any breach of this contract by Consultant or negligent performance of any of the services, City's cause of action against Consultant shall not be deemed to accrue until City discovers such breach or negligence, or should have, with reasonable diligence, discovered such breach or negligence. The preceding sentence shall not be construed, however, to allow City to prosecute an action against Consultant beyond the maximum time limitation provided by Oregon law.

6. Assignment of Consultant's Personnel:

6.1. The services covered by this contract shall be rendered by, or under the supervision of the person specified in Recital A above, who shall act as Consultant's representative in all communications and transactions with City.

6.2. Consultant will endeavor to honor reasonable specific requests of City with regard to assignment of Consultant's employees to perform services if the requests are consistent with sound business and professional practices.

7. Responsibilities of City:

7.1. City will cooperate fully with Consultant to achieve the objectives of this contract.

7.2. City will provide information, documents, materials and services that are within the possession or control of City and are required by Consultant for performance of the services.

7.3. City will arrange for access to, and make all provisions for Consultant to enter upon, public and private property as required for Consultant to perform the services.

7.4. City will provide all permits necessary for completion of the project.

7.5. The contracting officer will act as liaison between City, Consultant, public agencies, and others involved in the project.

8. Payment:

8.1. City shall pay Consultant for services and reimburse Consultant for expenses incurred by Consultant in performance of services in accordance with a payment schedule to be submitted by Consultant and accepted by City. No reimbursement will be made for expenses that are not specifically itemized in this payment schedule without prior approval by the contracting officer.

8.2. Consultant shall submit monthly invoices to City for Consultant's services within ten days after the end of the month covered by the invoice.

8.3. Total payments under this contract or any amendments shall not exceed the sum specified in Recital A above.

9. Compliance with Law:

9.1. This contract will be governed by and construed in accordance with laws of the State of Oregon. Consultant shall promptly observe and comply with all present and future laws, orders, regulations, rules and ordinances of federal, state, City and city governments with respect to the services including, but not limited to, provisions of ORS 279C.505, 279C.515, 279C.520 and 279C.530.

9.2. Pursuant to ORS 279C.520(2) any person employed by Consultant who performs work under this contract shall be paid at least time and a half pay for all overtime in excess of 40 hours in any one week, except for persons who are excluded or exempt from overtime pay under ORS 653.010 to 653.261 or under 29 U.S.C. Sections 201 to 209.

9.3. Consultant is a "subject employer" as defined in ORS 656.005 and shall comply with ORS 656.017. Prior to commencing any work, Consultant shall certify to City that Consultant has workers' compensation coverage required by ORS Chapter 656. If Consultant is a carrier insured employer, Consultant shall provide City with a certificate of insurance. If Consultant is a self-insured employer, Consultant shall provide City with a certification from the Oregon Department of Insurance and Finance as evidence of Consultant's status.

9.4. If the amount of this contract is \$15,964.00 or more, Consultant is required to comply with chapter 3.12 of the Ashland Municipal Code by paying a living wage, as defined in this chapter, to all employees performing work under this contract and to any subcontractor who performs 50% or more of the service work under this contract. Consultant is also required to post the attached notice predominantly in areas where it will be seen by all employees.

10. Ownership of Documents:

All documents prepared by Consultant pursuant to this contract shall be the property of City. To the extent permitted by law, City shall, within the limits of the Oregon Tort Claims Act, defend, indemnify and hold harmless Consultant, its consultants, agents and employees against all damages, claims, expenses and losses arising out of any reuse of plans, specifications and other documents prepared by Consultant without prior written authorization of Consultant.

11. Records:

11.1. Consultant shall develop and maintain complete books of account and other records on the services which are adequate for evaluating Consultant's performance. Consultant shall maintain records in such a manner as to provide a clear distinction between the expenditures and revenues related to the project and the expenditures and revenues related to Consultant's other business.

11.2. Consultant's books and records shall be made available for inspection by City at reasonable times, to verify Consultant's compliance with this contract. City shall have the right to request an audit of Consultant's books and records by a certified public accountant retained by City.

12. Indemnification:

Consultant shall defend, indemnify and save City, its officers, agents, and employees harmless from any and all claims, actions, costs, judgments, damages or other expenses resulting from injury to any person (including injury resulting in death), or damage to property (including loss or destruction), of whatsoever nature arising out of or incident to the negligent performance of this contract by Consultant (including but not limited to, the negligent acts or omissions of Consultant's employees, agents, and others designated by Consultant to perform work or services attendant to this contract). Consultant shall not be held responsible for any claims, actions, costs, judgments, damages or other expenses, directly and proximately caused by the negligence of City.

13. Insurance:

13.1. Consultant shall, at its own expense, at all times during the term of this contract, maintain in force:

13.1.1. A comprehensive general liability policy including coverage for contractual liability for obligations assumed under this contract, blanket contractual liability, products and completed operations and owner's and contractor's protective insurance;

13.1.2. A professional errors and omissions liability policy; and

13.1.3. A comprehensive automobile liability policy including owned and non-owned automobiles.

13.2. The coverage under each liability insurance policy shall be equal to or greater than the limits for claims made under the Oregon Tort Claims Act with minimum coverage of \$500,000 per occurrence (combined single limit for bodily injury and property damage claims) or \$500,000 per occurrence for bodily injury and \$100,000 per occurrence for property damage.

13.3. Liability coverage shall be provided on an "occurrence" basis. "Claims made" coverage will not be acceptable, except for the coverage required by subsection 13.1.2.

13.4. Contractor shall submit certificates of insurance acceptable to the City with the signed contract prior to the commencement of any work under this agreement. Each certificate shall state that coverage afforded under the policy cannot be cancelled or reduced in coverage cannot be made until at least 30 days prior written notice has been given to City. A certificate which states merely that the issuing company "will endeavor to mail" written notice is unacceptable.

14. Default:

14.1. There shall be a default under this contract if either party fails to perform any act or obligation required by this contract within ten days after the other party gives written notice specifying the nature of the breach with reasonable particularity. If the breach specified in the notice is of such a nature that it cannot be completely cured within the ten day period, no default shall occur if the party receiving the notice begins performance of the act or obligation within the ten day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

14.2. Notwithstanding subsection 14.1, either party may declare a default by written notice to the other party, without allowing an opportunity to cure, if the other party repeatedly breaches the terms of this contract.

14.3. If a default occurs, the party injured by the default may elect to terminate this contract and pursue any equitable or legal rights and remedies available under Oregon law. All remedies shall be cumulative.

14.4. Any litigation arising out of this contract shall be conducted in Circuit Court of the State of Oregon for Jackson County.

15. Termination:

15.1 Mutual consent. This contract may be terminated at any time by mutual consent of both parties.

15.2 City's Convenience. This contract may be terminated at any time by City upon 30 days' notice in writing and delivered by certified mail or in person.

15.3 For Cause. City may terminate or modify this contract, in whole or in part, effective upon delivery of written notice to Contractor, or at such later date as may be established by City under any of the following conditions:

- a. If City funding from federal, state, county, or other sources is not obtained and continued at levels sufficient to allow for the purchase of the indicated quantity of services;
- b. If federal or state regulations or guidelines are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this contract or are no longer eligible for the funding proposed for payments authorized by this contract; or
- c. If any license or certificate required by law or regulation to be held by Contractor to provide the services required by this contract for any reason denied, revoked, suspended, or not renewed.

15.4 For Default or Breach.

a. Either City or Contractor may terminate this contract in the event of a breach of the contract by the other. Prior to such termination the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, or within such other period as the party giving notice may authorize or require, then the contract may be terminated at any time thereafter by a written notice of termination by the party giving notice.

b. Time is of the essence for Contractor's performance of each and every obligation and duty under this contract. City by written notice to Contractor of default or breach, may at any time terminate the whole or any part of this contract if Contractor fails to provide services called for by this contract within the time specified herein or in any extension thereof.

c. The rights and remedies of City provided in this subsection (15.4) are not exclusive and are in addition to any other rights and remedies provided by law or under this contract.

15.5 Obligation/Liability of Parties: Termination or modification of this contract pursuant to subsections 15.1, 15.2, 15.3 and 15.4 above shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination or modification. However, upon receiving a notice of termination (regardless whether such notice is given pursuant to subsections 15.1, 15.2, 15.3 and 15.4 of this section, Contractor shall immediately cease all activities under this contract, unless expressly directed otherwise by City in notice of termination. Further, upon termination, Contractor shall deliver to City all contract documents, information, works-in-progress and other property that are or would be deliverables had the contract been completed. City shall pay Contractor for work performed prior to the termination date if such work was performed in accordance with the Contract.

16. Funds Available and Authorized: City has sufficient funds currently available and authorized for expenditure to finance the costs of this contract within the City's fiscal year budget. Consultant understands and agrees that City's payment of amounts under this contract attributable to work performed after the last day of the current fiscal year is contingent on City appropriations, or other expenditure authority sufficient to allow City in the exercise of its reasonable administrative discretion, to continue to make payments under this contract. In the event City has insufficient appropriations, limitations or other expenditure authority, City may terminate this contract without penalty or liability to City, effective upon the delivery of written notice to Consultants, with no further liability to Consultants.

17. Notices:

Any notice required to be given under this contract or any notice required to be given by law shall be in writing and may be given by personal delivery or by registered or certified mail, or by any other manner prescribed by law.

17.1. Notices to City shall be addressed to the contracting officer at the address provided for the City in Recital A above.

17.2. Notices to Consultant shall be addressed to the Consultant's representative at the address provided for the Consultant in Recital A above.

18. Assignment:

City and Consultant and the respective successors, administrators, assigns and legal representatives of each are bound by this contract to the other party and to the partners, successors, administrators, assigns and legal representatives of the other party. Consultant shall not assign or subcontract Consultant's rights or obligations under this contract without prior written consent of City. Except as stated in this section, nothing in this contract shall be construed to give any rights or benefits to anyone other than City and Consultant.

19. Governing Law; Jurisdiction; Venue: This contract shall be governed and construed in accordance with the laws of the State of Oregon without resort to any jurisdiction's conflict of laws, rules or doctrines. Any claim, action, suit or proceeding (collectively, "the claim") between the City (and/or any other or department of the State of Oregon) and the Contractor that arises from or relates to this contract shall be brought and conducted solely and exclusively within the Circuit Court of Jackson County for the State of Oregon. If, however, the claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon filed in Jackson County, Oregon. Contractor, by the signature herein of its authorized representative, hereby consents to the *in personam* jurisdiction of said courts. In no event shall this section be construed as a waiver by City of any form of defense or immunity, based on the Eleventh Amendment to the United States Constitution, or otherwise, from any claim or from the jurisdiction.

20. **MERGER CLAUSE:** THIS CONTRACT AND ATTACHED EXHIBITS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY BOTH PARTIES. SUCH WAIVER, CONSENT, MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. CONTRACTOR, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT HE/SHE HAS READ THIS CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

21. Modification:

No modification of this contract shall be valid unless in writing and signed by the parties.

CONSULTANT

CITY OF ASHLAND

By: _____
Signature

By: _____
Lee Tuneberg
Finance Director

Printed Name

Its: _____

Fed ID# _____

REVIEWED AS TO FORM:

REVIEWED AS TO CONTENT:

By: _____
Legal Department Date: _____

By: _____
Department Head Date: _____

Coding: _____
(For City use only)

CERTIFICATIONS OF REPRESENTATION

Contractor, under penalty of perjury, certifies that:

- (a) The number shown on this form is its correct taxpayer ID (or is waiting for the number to be issued to it; and
- (b) Contractor is not subject to backup withholding because (i) it is exempt from backup withholding or (ii) it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified it that it is no longer subject to backup withholding. Contractor further represents and warrants to City that (a) it has the power and authority to enter into and perform the work, (b) the Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, and
- (c) The work under the Contract shall be performed in accordance with the highest professional standards, and
- (d) Contractor is qualified, professionally competent and duly licensed to perform the work. Contractor also certifies under penalty of perjury that its business is not in violation of any Oregon tax laws, and it is a corporation authorized to act on behalf of the entity designated above and authorized to do business in Oregon or is an independent contractor as defined in the contract documents, and has checked four or more of the following criteria:

_____ (1) I carry out the labor or services at a location separate from my residence or is in a specific portion of my residence, set aside as the location of the business.

_____ (2) Commercial advertising or business cards or a trade association membership are purchased for the business.

_____ (3) Telephone listing is used for the business separate from the personal residence listing.

_____ (4) Labor or services are performed only pursuant to written contracts.

_____ (5) Labor or services are performed for two or more different persons within a period of one year.

_____ (6) I assume financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission insurance or liability insurance relating to the labor or services to be provided.

Contractor

Date

City of Ashland LIVING WAGE

ALL employers described below must comply with City of Ashland laws regulating payment of a living wage.



\$11.44 per hour effective June 30, 2004
(Increases annually every June 30 by the Consumer Price Index)

Employees must be paid a living wage:

- For all hours worked under a service contract between their employer and the City of Ashland if the contract exceeds \$15,964 or more.
- For all hours worked in a month if the employee spends 50% or more of the

employee's time in that month working on a project or portion of business of their employer, if the employer has ten or more employees, and has received financial assistance for the project or business from the City of Ashland in excess of \$15,964.

- If their employer is the City of Ashland including the Parks and Recreation Department.

In calculating the living wage, employers may add the value of health care, retirement, 401K and IRS eligible cafeteria plans (including childcare) benefits to the amount of wages received by the employee.

For additional information:

Call the Ashland City Administrator's office at 541-488-6002 or write to the City Administrator, City Hall, 20 East Main Street, Ashland, OR 97520 or visit the city's website at www.ashland.or.us.

Notice to Employers: This notice must be posted predominantly in areas where it will be seen by all employees.



Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Social security number

OR

Employer identification number

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here

Signature of U.S. person ▶

Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Council Communication

Mt Ashland QA/QC Team and Advisory Group

Meeting Date: September 19, 2006

Department: Administration

Contributing Departments: Public Works

Approval: Martha Bennett

Estimated Time: 30 minutes

Primary Staff Contact: Martha Bennett

E-mail: bennettm@ashland.or.us

Secondary Staff Contact: Paula Brown

E-mail: brownp@ashland.or.us

Statement:

As discussed at your September 6, 2006 study session, this item briefs recommendations for the formation of the QA/QC Advisory Group and the options and recommendation for the QA/QC Team.

Staff Recommendation:

1. Council form and appoint members to the QA/QC Advisory Group
2. Council direct the Advisory Group to develop the "authority, duties and responsibilities" for not only the Advisory Group, but also the QA/QC Team (see attached reprint of the recommendations brought forward from the September 6th Study Session)
3. Council direct staff to move forward with the selected option for selecting the QA/QC Team
4. Council direct the QA/QC Advisory Group to work with staff to further develop the option and select the QA/QC Team based on direction from No. 3 above
5. Council direct staff to bring forward an agreement with MAA for the QA/QA Team as defined in No. 2 above

Background:

During the September 6, 2006 Study Session, staff clarified the general theory behind the QA/QC concept and asked for clarification for the formation of the actual technical Team and the oversight through the Advisory Group. Council will establish the QA/QC Team to provide technical oversight for additional requirements to specifically protect the water quality and quantity of the watershed. The QA/QC concept will help Council manage the risk and uncertainty with the ski area expansion, and provide additional quality controls through the construction process. As articulated in the Council's resolution, QA/QC ensures the project has technically sound controls to ensure environmental risk is defined and also has the means and responsibility to quickly correct potential impacts.

As stressed at the Study Session and in Council's Resolution 2005-35, the primary focus is on **erosion and sediment control, mitigation, and restoration/remediation** to minimize, if not eliminate, the negative impact on the water quality or quantity within Reeder Reservoir. The QA/QC Team will provide technical expertise in soils and hydrology as that relates to erosion, sediment and the protection of our water quality and quantity in the Ashland watershed. Council also asked that staff include the geomorphology of the specific soils on Mt Ashland and the wildland management. The focus of the QA/QC Team will be to assess the construction processes of the expansion and assure the processes outlined will meet the objectives, and to ensure the controls are in place to evaluate and change the conditions to meet the objectives. The goal is to better define the partnership and bridge the gap between the City and MAA to develop trust in the construction process.



Discussion:

QA/QC Advisory Team

It is recommended that the Council appoint a QA/QC Advisory Group that would perform the coordination between the City, MAA, and the Forest Service that is required by Council's resolution. Staff recommends this advisory group have the following membership:

- City Public Works Director as the staff lead to focus the QA/QC direction, remind the Team of the QA/QC goals for the process, prepare summary meeting notes, be responsible for administering the QA/QC Team's contract and make payment authorizations as necessary, etc.
- A City Council Liaison to ensure policy direction is being implemented and to report back to the City Council on an informal basis; gain Council approval for any changes in direction or policy goals, etc. It is recommended that Council appoint a member that has not openly expressed a strong opinion toward the expansion. Russ Silbiger, David Chapman or Alice Hardey are forwarded for consideration.
- One or two community ad-hoc members who are familiar with prior water quality concerns and City policies with regard to watershed protection as community oversight in the process. The following is a list of names that have been mentioned by council members or by the public: Jim McGinnis, Eric Dittmer, Susan Rust, Jim Moore. This is a very preliminary list, and none of these community members have been contacted for their input to the process.
- A Forest Service staff member as a federal partner to the process; identify Forest Service requirements, explain Forest Service processes and procedures for ROD implementation and permit compliance associated with the ROD; not advising City decision-making about implementation beyond the ROD. It is recommended that Council direct staff to contact the Forest Service to invite their participation as it is critical to the success of this process.
- One member from MAA Board and one member from MAA staff to inform the Advisory Group of the business and financial implications as a business partner to the process. This will meet the intent of Council's resolution that stresses the need for mutual agreement between the City and the MAA. It is recommended that Council direct staff to contact the MAA to invite their participation as it is critical to the success of this process.

QA/QC Team Options

At the Study Session (September 6th), Council debated the participation of the QA/QC Team. The attached spreadsheet lists four options and the pros and cons of each option.

1. Use Michael Hogan's team exclusively
2. Write a Request for Proposals for four individual team members
3. Write a Request for Proposals for four individual team members
4. Use Michael Hogan's team with the addition of one local member with hydrology-geomorphology background specific to Mt Ashland

In reviewing the options, staff recommends that council direct the implementation of Option 3 with the QA/QC Advisory Group participating in the development of the RFP criteria and then in the selection process.

Related City Policies:

City of Ashland Lease with Mt Ashland Association



Council Options:

This item is for council's discussion. Staff needs the Council's direction for the formation of the QA/QC Advisory Group and Council's selection of the desired option to move forward with hiring the QA/QC Team. Staff recommendations have been provided throughout this Council Communication and will be discussed at the meeting.

As always, council has the option to direct staff to either stop work on this process or bring a different concept back to council for further discussion.

Attachments:

1. Options for the QA/QC Team.
2. Initial thoughts on the "authority, duties and responsibilities" for not only the Advisory Group, but also the QA/QC Team (from the September 6, 2006 Study Session)



OPTIONS FOR QA/QC TEAM DEVELOPMENT

	1	2	3	4
	USE HOGAN'S TEAM EXCLUSIVELY	WRITE RFP FOR 4 INDIVIDUAL TEAM MEMBERS	WRITE RFP FOR A FIRM TO PROVIDE THE QA/QC TEAM	USE HOGAN'S TEAM WITH ONE ADDITIONAL LOCAL MEMBER (GEOMORPHOLOGY)
PROS	<ol style="list-style-type: none"> "Team" in place and can work together Team has expertise Team has experience on ski areas Minimal time required to establish contract (2 weeks) and implement program 	<ol style="list-style-type: none"> No perceived biases up front RFP can specify exact expertise for membership RFP can specify ski area experience with preference for Oregon or N. California sites 	<ol style="list-style-type: none"> No perceived biases up front RFP can specify exact expertise for membership RFP can specify ski area experience with preference for Oregon or N. California sites Team that is selected would likely have worked together in the past 	<ol style="list-style-type: none"> Would offer some diversity and a local perspective for the work on the mountain Team has expertise and could specify expertise for final member Team has experience on ski areas and could specify experience for final member
CONS	<ol style="list-style-type: none"> Perceived as being a MAA client and biased Hogan's team's experience is not on our mountain Hiring Hogan's team outright may not meet the Council's resolution for mutual agreement 	<ol style="list-style-type: none"> Likely that the members have not worked together and would have to develop as a team Time to get the RFP and contracts in place (2 weeks to write RFP; 30 days for RFP response; 2 weeks for selection and contracts) May or may not have direct experience on ski areas Risk of failure higher as members have no track record of working together as a team (easier to leave) 	<ol style="list-style-type: none"> Time to get the RFP and contracts in place (2 weeks to write RFP; 30 days for RFP response; 2 weeks for selection and contracts) Likely to have not had experience on our mountain 	<ol style="list-style-type: none"> Perceived as being MAA client and biased Hogan would have to accept the other team member Would take 2-3 weeks to search for a member and up to 2 weeks to settle on contract terms

City of Ashland, Oregon / City Council

City Council - Minutes

Tuesday, September 19, 2006

**MINUTES FOR THE REGULAR MEETING
ASHLAND CITY COUNCIL
September 19, 2006
Civic Center Council Chambers
1175 E. Main Street**

CALL TO ORDER

Mayor Morrison called the meeting to order at 7:05 p.m. in the Civic Center Council Chambers.

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ROLL CALL

Councilors Hardesty, Amarotico, Hartzell, Jackson, Silbiger and Chapman were present.

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MAYOR'S ANNOUNCEMENT OF BOARD AND COMMISSION VACANCIES

Mayor Morrison announced there are volunteer positions available on the Forest Lands and Bicycle & Pedestrian Commissions.

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APPROVAL OF MINUTES

The minutes of the Regular Council meeting of September 5, 2006 were approved with the following amendments: page 3 - She stated they the City ask this of small grantees and does not think there should be a double standard." "She also questioned whether the deliverables under the Methodology actions listed on Page 2..." Page 5 - "She also suggested the policies and procedures be adopted reviewed and adopted before they move forward..."

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SPECIAL PRESENTATIONS & AWARDS

1. Bicycle & Pedestrian Commission Annual Presentation.

Staff Liaison Derek Severson, Commissioners Tracy Harding, David Young and Paul Rostykus addressed the Council. Mr. Severson explained that the Bicycle & Pedestrian Commission consists of nine voting members, one who is a City Councilor, and four non-voting members. They meet the third Thursday of every month at 51 Winburn Way at 5:15 p.m. The Bicycle & Pedestrian Commission works to promote bicycling, walking and other non-motorized forms of transportation and presents bicycle safety education in local schools.

Commissioner Young spoke in memory of Carole Wheeldon and her contributions to bicycle and pedestrian safety in the City. He also stated that the 2006 Car Free Day would be dedicated in her honor. Commissioner Harding spoke regarding Car Free Day, scheduled for September 22, and provided an explanation of the day's activities. Commissioner Rostykus announced that the City of Ashland was recognized by the League of American Bicyclists as being a bicycle friendly community at their bronze level. He stated that the Commission has been working with the BTA (Bicycle Transportation Alliance) of Portland, the Traffic and Safety Commission, and the Parks Foundation to put on bicycle safety, riding skills, and bike maintenance classes in the middle and elementary schools.

-

2. Mayor's Proclamation of September 19 as "Ashland Car Free Day" was read aloud.

-

3. Report on Interagency Council on Homelessness (U.S. Department of Housing and Urban Development).

Paul Carlson from the US Interagency Council on Homelessness, from the Seattle HUD office, gave a report on the national effort to assist in the effort to end homelessness. The agency's responsibilities are three fold: 1) to coordinate the efforts of all the Federal agencies 2) to work on the State level 3) to work with local communities for the development of local plans to end homelessness. He gave some facts about the cost of homelessness: the cost of allowing a person to remain homeless is twice as much as the cost of housing and providing services. In other words, it costs \$44,000/year to allow a person to remain homeless and only \$20,000 to house them with expensive services. 10% of homeless, who are out there the longest, consume about 50% of the resources devoted to the issue. People who are homeless, or who have mental illness, typically stay in jail for twice as long as those who are not homeless - even for the same crime.

The effort to end homelessness has found the greatest success from permanent, sustainable housing. This is where communities assist people both to find permanent housing and to have assistance with the basics. Mr. Carlson is hopeful that Ashland will work with Jackson County to create a committee to develop a valley-wide plan.

4. Presentation from DEQ on P.M. 2.5 Emissions.

John Becker with the local Department of Environmental Quality returned to finish the discussion from the March 21, 2006 meeting regarding the proposed new federal air quality standards for fine particulate matter (PM 2.5). He encouraged a wood stove change out ordinance, as well as a residential open-burning ban. He gave updates on all the local cities and their progress.

Councilor Jackson confirmed that the reason for this request is that the requirements for air quality is about to be more restrictive, and so we are striving to have better air quality to stay in compliance for the future. Councilor Hartzell requested a template for both the woodstove and the open burning ordinances. Mr. Becker stated he would be happy to provide those. Councilor Chapman asked if it would be possible to end slash burning. Mr. Becker stated that this is a common request, but is unfortunately outside of DEQ's ability to control. Councilor Hartzell asked if it would be of any assistance to receive a letter from the City of Ashland requesting Federal funding to support DEQ for these projects. Mr. Becker stated that DEQ is planning on introducing legislation relating to these things, and one does contain a package for grant funding to local communities to help enforce these ordinances.

Councilors Hartzell/Jackson m/s to have staff return with woodstove change out and open burning ban ordinance information. Voice vote: All AYES. Motion passed.

Councilor Hartzell also requested that staff prepare a letter to the governor's office requesting funding for the restoration of the air quality program.

5. Mayor's Proclamation of September 30 as "First Nation's day" was read aloud.

CONSENT AGENDA

- 1. Minutes of Boards, Commissions, and Committees.**
- 2. Appointment of Jim Olney to the Bicycle & Pedestrian Commission.**
- 3. Approval of Public Contract Greater than \$75,000 - Electric Line Truck.**
- 4. RVTD Contract Approval.**

Council Hartzell requested that item number 4 be pulled for discussion.

Councilors Hartzell/Jackson m/s to approve items 1-3 of Consent Agenda. Voice Vote: all AYES. Motion passed.

Councilor Hartzell requested some clarification on the contract. Item 1.1 states that the contract will end on June 30, 2007, yet item 2.1 states that at the start of the new fiscal year, the program would automatically begin again. She would like clarity on if the contract will be automatically renewed, or the program. It was determined that the last sentence of 2.1 should be struck.

Councilor Hartzell requested the detailed ridership report, listed in 1.3, is given to each council member.

Councilor Silbiger asked that the City request that RVTD remove the signs for all the unused routes. Mrs. Bennett stated that this request had already been made. It was suggested that a letter be written to RVTD, from the Mayor, re-stating this request. Councilor Hartzell also requested that in the letter we ask for the times of the bus pick up is added to the posted information. Mrs. Seltzer stated that RVTD would be posting the route maps, including the times, in all bus shelters soon. Mayor Morrison agreed to write the letter regarding the request that incorrect signs are removed and correct signage be added.

Councilor Chapman wanted clarification on when it was determined that the City would be subsidizing Valley Lift \$15.54 per ride. Mrs. Seltzer reminded the Council that this was discussed and the "Proposed Costs to the City of Ashland for RVTD Extended Services" handout was in their packet for the June 28, 2006 meeting.

Councilor Hartzell requested that with the monthly ridership report we track whether or not we will be running out of funds before the end of the fiscal year, and if so, how will be handle this financially. She worried that this is an uncontrolled cost, and we could potentially be required to spend money we have not budgeted for. Councilor Silbiger stated that the control is when we run out of money, we stop the program. Councilor Hartzell is concerned that we could end up more heavily subsidizing Valley Lift and have less available for the regular riders. Councilor Silbiger reminded her that this was specifically the risk the Council took in June when choosing this plan.

Councilors Hartzell/Silbiger m/s to approve the contract with the first word of item 1.1 changed to "contract" and the last sentence deleted from item 2.1. DISCUSSION: Councilor Hardesty wanted to know if we were ever going to discuss this again in a study session. All agreed that this would be brought forward for further discussion at a later study session. **Roll Call VOTE: Hardesty, Amarotico, Hartzell, Jackson, Silbiger, Chapman, YES. Motion passed.**

PUBLIC HEARINGS

1. Settlement of a Property Ownership Dispute in Timberline Subdivision.

Paula Brown gave history of the dispute. The ownership of this property has never been established in records. The legal department recommended that staff deed the property to Joe and Ruth Jarvis in exchange for retaining bicycle and pedestrian, utility, storm drain, and slope and drainage easements. The property could not be developed, nor could a road be built there, due to the steepness. Councilor Hartzell requested clarification on as to whether or not we need to record something stating that no building could occur which will compromise the easements. Mrs. Brown stated that if we retain the easements we are requesting, that will be record enough to protect the property.

Mayor Morrison questioned information as to when this particular parcel fell off the tax maps. Mrs. Brown stated that it, most likely, was never on any tax record. The property was never truly deeded to the City and so was never part of the tax record. Mayor Morrison wanted to know if the Jarvis' were requesting the back taxes as well and what are the legalities of this regarding taxes. Mrs. Brown stated that if we were to do nothing, which would likely lead the Jarvis' to file a lawsuit, then this could become very messy.

Public Hearing Open: 9:17 pm

No public testimony given.

Public Hearing Closed: 9:18 pm

Councilors Chapman/Amarotico m/s to approve the deed, authorize the Mayor and the City Recorder to sign it, and direct staff to resolve the back-taxes issue. Voice Vote: Hardesty, Amarotico, Jackson, Silbiger, Chapman, YES, Hartzell, NO. Motion passed 5-1.

PUBLIC FORUM

Ambuja Rosen / showed a new poster of a permanently chained dog. She stated that an anti-tethering ordinance would have protected this dog. She stated that an ordinance would also protect those who would prefer to report abuse anonymously, and complained about the county's requirement for people reporting animal abuse to give contact information. She requested the council enact an anti-chaining ordinance.

Marilee Jenkinson / gave information regarding Lieutenant Ethren Watada, who is under court-martial in Fort Lewis Washington. She urged the council to approve a resolution telling Fort Lewis to stop the court-martial.

Tracy Harding / remind the council of the hikes which have been organized to tour the Mt. Ashland Expansion Area.

UNFINISHED BUSINESS

1.

Request to close Main and Lithia Way as part of First Nations Day.

Public Works Director. Paula Brown described the request for closures and the background as where the request comes from in regards to the closing of streets for First Nations Day celebration. The original request was to close one lane on Lithia and one lane on N. Main for the celebration. Later it was requested that both directions be closed or create two-way traffic on Lithia. Mrs. Brown stated that due to the difficulties with ODOT, the preference was not to have two-way traffic. She stated that they are applying to ODOT and working with the

Police Department to close one lane of traffic in each direction. However, if she gets instructions she can work with ODOT on closing both lanes.

Robert Brothers / Urged the Council to close both Main and Lithia Way for the sake of this celebration. He described the theatrical nature of this prayer celebration. He reminded us that just as we do not like to hear the sound of cars while in the theater, we do not want to have the sound of cars during this celebration. He stated that the amount of traffic on an average Saturday, the disturbance would not be too excessive.

Jim Young / Stated he is grateful for this new addition to the art community. He feels the more we can make the community connected to the art, the more they will seek to preserve and protect.

Ed Little Crow / Urged the council to close the streets. He stated he is from the Crow-Creek Indian Reservation and traveled from South Dakota for this celebration. He wanted to thank the council for their patience and tolerance and for taking the time to consider this request.

Thomas Doty / Urged the council to close the streets. Stated he wants this to be an opportunity for the Native Americans to tell their story. He feels that this is a sacred ceremony and should be given the same respect as any sacred church ceremony.

David West / Gave a quick history of the Native American alliance program and the history of the Native American people in the area. He hopes that we can have Ashland begin the return to this being a healing area and an active presence of Native peoples. He urged the Council to grant this request and to come and celebrate with the participants.

Agnes Baker Pilgrim / Stated her concerns over the maintenance of the sculpture. She is thankful for this sculpture, and believes it will help bring about healing between peoples.

Marko Bey / Urged the Council to close the streets.

Nick Frost / Urged the Council to close the streets. Stated that greater closure equals greater awareness.

Councilor Chapman supported full closure. Councilor Hartzell wanted to clarify that even on 4th of July we have two-way on Lithia Way. Mrs. Brown stated that even though this all-lane closure request is new, with the Council's recommendation she could go to ODOT easier. They can close Lithia from Oak to Helman and Main from Wimer to Oak for the hour of the celebration. Councilor Jackson supports the closure as well. She believes the financial expenditure will be greater due to the extra police assistance. Paula stated that with the amount of people we have for the current closure it probably will not add that much more staff time or expense.

Councilors Jackson/Chapman m/s to close N Main and Lithia, between Oak and Hersey for the time-period of the dedication on September 30, 2006. Discussion: Councilor Hartzell questioned whether the proposal put forward proposed that Mr. Haines share in the costs of this closure. Mrs. Bennett stated that the original estimate was \$1100, to be split 50/50 between Mr. Haines and the City. She stated that the Council does need to be prepared to pay for anything over that amount. Councilor Silbiger suggested that we maintain the 50/50 split, regardless of this new increase in costs.

Councilors Silbiger/Hartzell proposed an amendment that the costs of the street closure be shared 50/50 between the City and the Applicant. Voice Vote: All AYES. Amendment passed.

Voice Vote on Motion: all AYES. Motion passed.

2.

Follow up on September 6, 2006 Study Session on Mt Ashland QA/QC Team and Advisory Group. Public Works Director Paula Brown stated that at the September 6, 2006 study session staff was requested to bring this item back, so that Council could vote on their decision on how to proceed with the selection of the QA/QC advisory group and then the QA/QC team.

Councilor Chapman questioned if there were many firms who could fall into the RFP requirements. Mrs. Brown stated that there were many firms who have knowledge of other mountains, but not necessarily many who are familiar with Mt. Ashland. However, most teams typically will hire a consultant who has the expertise the City requires.

Councilor Jackson likes option #3 because she likes the idea of a group who has already a good working relationship. Confirmed that Staff wants a decision from Council on the members of the advisory group, so that the advisory group can then determine the details of the RFP. Mrs. Brown stated that is correct.

Councilor Hartzell prefers that the advisory team make a recommendation on the QA/QC team, but that Council make the final decision. She suggested that the advisory group have a few modifications; have at least one representative from the two sides of the current litigation (i.e. one or two from Mt. Ashland and one or two from the Sierra Club- as long as the numbers are even,) if Forrest Service is involved they should be a non-voting member. She is supportive of the idea of the advisory committee.

Councilor Hardesty wondered if having two council representatives on the advisory team, particularly as both Councilor Hartzell and Councilor Jackson are so familiar with the project.

Councilor Jackson stated that the advisory group represents the entire community and therefore requests that the members not be labeled either environmentalists or non-environmentalists. Councilor Hartzell stated that the reason she wanted one from each group, was that this is a particularly specialized issue, and so she requested people who are close to this issue be on the advisory group. She would prefer that those two groups determine whom they would prefer to send to the team.

Councilor Amarotico wanted clarification as to why the Council members on the advisory team should be voting members. In the term Quality Assurance / Quality Control, he is not sure how they can ring in on the science that the other members will be bringing into the meeting. It was determined that this is a topic for another discussion.

Eric Navickas/ stated that the absence of Mt Ashland in this discussion shows how little they care for the interests of the City. He believes that this is the time for the City to take this issue seriously, and have discussion with legal as to how to proceed.

Andy Bayless/ stated that he appreciated Paula and the City's work on this, but wanted to remind us that Michael Hogan works for ski areas, he is not necessarily a neutral person. He does not like items 1 or 4 in the council packet. He feels it is important that the Council retain over-site of the QA/QC team. It seems to him that Mt. Ashland has decided to stop working with the City.

Paul Copeland/ stated that the letter from Mt. Ashland seems to be pointing us in a new direction. He thinks that Paula and Martha have done their best to uphold the previous resolution, approved last November. Suggested that the RFP could be both for firms or individuals

Tom Dimitre / stated that options 1 or 4 are not acceptable, as Michael Hogan is not independent, as he works for Mt. Ashland Association, so 2 or 3 are acceptable. This it is important that the city re-iterate that Mt. Ashland.

Councilor Silbiger suggested that the group contained someone experienced in mediation. He thinks that the previously discussed advisory team is acceptable. He leans towards option 3 as a preference.

Councilor Jackson found her papers from two years ago, which included papers from three years ago, when there was a discussion in regards to the possibility of the advisory team, and sees today's action as putting that goal into action.

Councilor Hartzell does not want the Council to assume that a newly formed team cannot work together. She is supportive of sending out an RFP, but questions the term, "Firm" in option 3. She would prefer that the people responding to the proposal state exactly who is going to be working on this project to assure that we have people with some local specialty.

Councilor Hardesty cautioned the City not to select a firm, just because they work well together. She does not want the City to sacrifice expertise for the sake of finding an existing team.

Councilors Hartzell/Hardesty m/s that the advisory team be made up of the director of Public Works, and two liaisons from the City Council, two representatives from Mt. Ashland Association, two representatives from the environmental community, and a non-voting member from the Forest Service. DISCUSSION: Councilor Jackson stated she would like an amendment to the motion to change

"environmental representative" to "community at large representative". Councilor Hartzell stated that the purpose of this is to establish accountability in these decisions, and so the environmentalist group needs to be a part of that. Mayor Morrison stated that anyone who wants to enter into this group and pass Council approval would need to enter into it with a sense of trust and a willingness to work with the other side. **Roll Call Vote: Hardesty, Amarotico, Hartzell, Jackson, Silbiger, YES Chapman, NO. Motion passed 5-1.**

NEW AND MISCELLANEOUS BUSINESS

1. Discussion of City Charter Ballot Timeline.

Moved to the October 3, 2006 Agenda.

2. Contract to Lease the AFN Head End to Provide CATV Service.

Joe Franell gave history on the leasing of the AFN Head End and gave an overview of the RFP process. He clarified that Dan Nelson did not receive any preferential treatment, even though he is a current City of Ashland employee.

Councilor Jackson requested clarification on what channels would be included in the cable service. Mr. Franell stated that the exact channel line up has not yet been contracted, but part of the RFP was a requirement that relevant, local programming, such as RVTV, local stations, local access, etc..., be included.

Councilor Jackson was interested to note that Ashland Home Net will be paying both a monthly fee and a percent of the total income. Mr. Franell clarified that the monthly fee is the rental cost of the equipment and space and the revenue sharing is the City's attempt to share in any success Ashland Home Net may have with this product.

Art Bullock / requested that the letter he previously submitted to the council be included in the council packet. He also stated that the ISPs were given preferential treatment for bidding over those who are not ISPs. He does not believe that the process was open, legal or fair. Also stated that the legal opinion, which was stated to be in the council packet, today, was not included and therefore violates the fairness and openness rules. He asked that we not approve this contract.

Councilor Hartzell stated that we did receive the legal opinion just prior to the council meeting, but it is exempt from disclosure pursuant to ORS 192.502(9) under attorney/client privilege.

Councilor Silbiger pointed out the good effort the City went towards fairly contacting as many people as possible for the bid process.

Councilor Silbiger/Chapman m/s to approve contract with Ashland Home Net. Roll Call Vote: Hardesty, Amarotico, Jackson, Silbiger, Chapman, YES. Hartzell, NO. Motion passed 5-1.

ORDINANCES, RESOLUTIONS AND CONTRACTS

1. Second Reading of an ordinance titled, "An Ordinance Amending the Transient Occupancy Tax and the Food and Beverage Tax Provisions to Permit Fees to be Added if Delinquent Payments are Turned Over to a Collection Agency."

Councilors Jackson/Silbiger m/s to allow Councilor Amarotico to abstain from this vote. Voice Vote: all AYES. Motion passed.

Councilors Jackson/Silbiger m/s to approve Ordinance #2931. Roll Call Vote: Hardesty, Silbiger, Chapman, Hartzell and Jackson, YES. Amarotico, ABSTAIN. Motion passed 5-0-1.

Councilor Hartzel/Hardesty m/s to extend meeting until 10:30 pm. Voice Vote: all AYES. Motion passed.

2. First Reading by title only of an ordinance titled, "An Ordinance Amending the Ashland Municipal Code Relating to Adoption of the 2004 Oregon Fire Code."

Item moved to October 3, 2006 agenda.

OTHER BUSINESS FROM COUNCIL MEMBERS

1. Council action on Jackson County proposed Rural Zoning Actions.

Mayor Morrison stated that there is a draft letter in the packet to the County Commissioners. He stated that this letter was prompted by discussions he had with several council members who expressed concern with the County's decision to allow low density, non-urban development on non-resource lands in Jackson County. He felt it was a good idea for the Council to go on record as opposing this decision.

Councilor Jackson encouraged council to approve this letter, and thanked Councilor Silbiger for getting involved and being concerned about agricultural land use. Councilor Hartzell stated that, as we are not able to do the resolution regarding this issue, this is an important letter. Councilor Silbiger wanted to point out that there will be real costs to the City of Ashland, particularly with the additional costs of Fire and Rescue to all these houses. Councilor Jackson stated that, as most of these locations are to the east of Ashland, off HWY 66 and Dead Indian Memorial Road, and so all the extra traffic will be funneled through the southern I-5 interchange.

Art Bullock/ stated he appreciates that this is on the agenda, and reminded us that this is letter is exactly in the spirit of RPS. He also stated that even though this is County land, the costs of this action would fall on the City.

**Councilors Chapman/Amarotico m/s to approve the sending of this letter. Voice Vote: all AYES.
Motion passed.**

ADJOURNMENT

Meeting was adjourned at 10:33pm

Diana Shiplet, Executive Secretary

John W. Morrison, Mayor

End of Document - [Back to Top](#)

Council Communication

Study Session – Discussion of Mt Ashland

Meeting Date: September 6, 2006
Department: Administration
Contributing Departments: Public Works – Finance
Approval: Martha Bennett
Estimated Time: 2 hours

Primary Staff Contact: Martha Bennett
E-mail: bennetm@ashland.or.us
Secondary Staff Contact: Paula Brown
E-mail: brownp@ashland.or.us

Statement:

As discussed at your August 15, 2006 Regular Meeting, this study session has been scheduled to brief the Council on the status of the direction and requests you made of both staff and the Mt. Ashland Association (MAA) in Resolution 2005-35.

Staff Recommendation:

1. Council direct staff to bring forward an agreement with MAA for the QA/QA Team, with the terms that are proposed for your consideration on page 4 of Attachment 2.
2. Council initiate formation of the QA/QC Advisory Group
3. Council provide direction to staff as to how to receive more detailed information on the business plan. Should we request that MAA submit the document as confidential and schedule an Executive Session or should we hire an independent contractor to evaluate the business plan and submit a summary report to the City?
4. Council should direct staff to work with the Forest Service after the current litigation is completed to develop a revised list of activities and costs that would be required for restoration of the ski area both before and after expansion.
5. Council should provide direction to staff as to whether it wishes to appraise the existing assets of the MAA to ensure that the current lease requirements of \$200,000 are available. If the value of assets exceeds \$220,000 the City would pay 100% of the costs of this appraisal.

Background:

The City Council passed Resolution 2005-35 on September 8, 2005 (see attachment (1)). There were four primary elements to this resolution:

1. The City Council shall take reasonable steps to estimate the cost of removal and restoration, including the planned expansion area, in accordance, at a minimum, with the restoration standards specified by the Forest Service Environmental Assessment and Decision Notice of April 1992 (Alternative C).
2. The City of Ashland requested MAA provide a Business Plan.
3. The City Council shall cooperate with MAA to appoint a QA/QC team to oversee construction and protection of the watershed.
4. The City Council will make reasonable efforts to reach a mutual agreement with MAA to implement this resolution before future construction activities commence.



The discussion document included as attachment 2 addresses the first three of these items. The staff report discusses the QA/QC process first, followed by an analysis of the business plan and then the discussion of the removal and restoration costs.

Related City Policies:

City of Ashland Lease with Mt Ashland Association

Council Options:

This item is for discussion only. Council should give staff direction to return at a regular Council meeting with any items that require formal Council action.

Attachments:

1. Resolution 2005-35
2. Staff Report
3. Michael Hogan Resume and References
4. Business Plan and other correspondence submitted by Mr. Ashland Association on August 9, 2006.



RESOLUTION NO. 2005-35

**A RESOLUTION OF THE CITY OF ASHLAND IDENTIFYING CITY POLICY
RELATING TO THE CITY'S OBLIGATIONS AS THE PERMIT HOLDER FOR THE
MT. ASHLAND SKI AREA - AMENDED**

Recitals:

A. The City of Ashland holds the Special Use Permit (SUP) for the Mt. Ashland Ski Area (Forest Service Special Use Permit dated May 10, 1991).

B. The City of Ashland as the permit holder is ultimately responsible for compliance with the terms and conditions of the SUP (SUP Section VII.A).

C. The City of Ashland leases the ski area facilities to Mt. Ashland Association (Lease Agreement dated July 9, 1992). The Lease Agreement gives the City of Ashland the right to conduct inspections and investigations of ski area operations (Section 13.4).

D. Pursuant to the Lease Agreement, Mt. Ashland Association has agreed to assume responsibility for compliance with the Permit terms and conditions.

E. The City of Ashland places a high priority on the protection of the Ashland Municipal Watershed which originates in the ski area permit area.

F. The Special Use Permit, upon termination of the permit, requires removal of equipment and restoration of the Mt. Ashland Ski area (SUP section X.A).

G. The responsibility to restore the ski area and the ultimate maximum liability for restoration of the Mt. Ashland Ski is uncertain and contingent on policy and environmental standards that may be in effect at such future time that restoration is required.

H. The City of Ashland desires to prudently plan for and address responsibility for this contingent liability.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The City Council shall take reasonable steps to estimate the cost of removal and restoration, including the planned expansion area, in accordance, at a minimum, with the restoration standards specified by the Forest Service Environmental Assessment and Decision Notice of April 1992 (Alternative C). Reasonable steps shall include an initial inquiry of the US Forest Service for an estimate. If the US Forest Service is unable to or refuses to provide such estimate, the City will take such other reasonable steps as it determines prudent to estimate the costs of restoration. The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association regarding the maintenance of reserves, bonding, or other security to fund the estimated cost of the ski area restoration.

SECTION 2. The City of Ashland requests that Mt. Ashland Association provide a Business Plan showing capital expenditure and operating projections for the planned expansion. The City Council may retain an independent accounting firm to review the Business Plan. The requested Business Plan should include these elements:

- Projected construction expenditures for each year of the expansion build out.
- Projected sources of funds for financing the expansion for each year of the build out.
- Projected operating revenues and expenses reflecting historic skier visitation variability for at least a 10-year time frame during and after the expansion build out.
- Sources of funding for financing restoration/rehabilitation reserves.
- Sources of funding for financing the QA/QC team.

The City will request MAA to provide an annual update to the business plan until build out of the expansion has been completed.

SECTION 3. The City Council shall cooperate with Mt. Ashland Association to appoint a Quality Assurance/Quality Control team to oversee ski area construction and protection of the municipal watershed, substantially as described in the comments submitted by the City of Ashland to the Forest Service on October 7, 2003 (DEIS comments). Ideally, the QA/QC team should be an independent team of 2 to 4 persons specialized in soils and hydrology that coordinates with the City, MAA, and the Forest Service. The QA/QC team should be formed prior to construction to define strategies for erosion and sediment control, mitigation, and restoration/remediation. The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association to provide construction funding for the QA/QC team and to ensure that all future construction activities comply with the coordinated recommendations of the QA/QC team and the Forest Service.

SECTION 4. The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association to implement this resolution before future construction activities commence.

SECTION 5. This resolution takes effect upon signing by the Mayor.

This resolution was read by title only in accordance with Ashland Municipal Code Section 2.04.090 duly

PASSED and ADOPTED this 6th day of September, 2005:
Barbara Christensen, City Recorder

SIGNED and APPROVED this 8th day of September, 2005:
John W. Morrison, Mayor

Reviewed as to form:
Michael W. Franell, City Attorney

Quality Assurance / Quality Control (QA/QC)

In total, the resolution for the QA/QC portion states:

SECTION 3. The City Council shall cooperate with Mt. Ashland Association to appoint a Quality Assurance/Quality Control [QA/QC] team to oversee ski area construction and protection of the municipal watershed, substantially as described in the comments submitted by the City of Ashland to the Forest Service on October 7, 2003 (DEIS comments). Ideally, the QA/QC team should be an independent team of 2 to 4 persons specialized in soils and hydrology that coordinates with the City, MAA, and the Forest Service. The QA/QC team should be formed prior to construction to define strategies for erosion and sediment control, mitigation, and restoration/remediation. The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association to provide construction funding for the QA/QC team and to ensure that all future construction activities comply with the coordinated recommendations of the QA/QC team and the Forest Service. (emphasis added)

QA/QC Concept:

Although the Forest Service is required to enforce the environmental controls in the Record of Decision (ROD), the Council has asked to explore additional requirements to specifically protect the water quality and quantity of the watershed. The QA/QC concept was developed to help Council move forward with the expansion, yet maintain additional quality controls through the construction process.

Industry QA/QC concepts are grounded in the aspect of managing uncertainty and risk. As articulated in the Council's resolution, QA/QC ensures the project has technically sound controls to ensure environmental risk is defined and also has the means and responsibility to quickly correct potential impacts.

As council defined in their resolution, the primary focus would be on ***erosion and sediment control, mitigation, and restoration/remediation*** to minimize, if not eliminate, the negative impact on the water quality or quantity within Reeder Reservoir. The QA/QC Team is designed to provide technical expertise in soils and hydrology as that relates to erosion, sediment and the protection of our water quality and quantity in the Ashland watershed. The focus would be to assess the processes and assure the processes outlined will meet the objectives, and to ensure the controls are in place to evaluate and change the conditions to meet the objectives. The goal is to better define the partnership and bridge the gap between the City and MAA to develop trust in the construction process.

QA/QC Goals:

Prior to the implementation of the QA/QC Team, defining the goals of the team and the program is necessary. The Forest Service is responsible to ensure the environmental change and monitoring requirements of the ROD be followed and upheld. Some of the proposed goals of the QA/QC Team and program are specifically aimed at implementation requirements beyond the ROD.

Staff recommends the following goals for the QA/QC Team and program:

1. The primary goal is to identify potential concerns with the construction process and on-the-ground solutions to prevent increases in disturbance in water quality and water quantity of the City's water supply for Reeder Reservoir within the Ashland watershed.
2. Assure that construction activities proceed in a timely manner and have a minimum negative impact with respect to erosion and sediment control, and that construction equipment and processes are completed without environmental hazards (spills, etc.).

3. Assure that recommended and required prevention and correction actions are taking place and are meeting the required effects to protect the water quality and quantity of Reeder Reservoir within the Ashland watershed. Accurately report the results of the monitoring.
4. Assure that pre-construction, construction, and post-construction impacts are measured to determine the extent of impacts with respect to erosion and sediment control, and if any corrective action or remedial actions are necessary.
5. Meet with MAA and make recommendations to eliminate, reduce, and correct actual and potential negative impacts with respect to erosion and sediment control due to the construction activities.
6. Report quarterly to the Ashland City Council, Forest Service, and the MAA during the construction period.

Composition:

QA/QC Team: As stated in the Council's resolution, "*Ideally, the QA/QC team should be an **independent team of 2 to 4 persons specialized in soils and hydrology that coordinates with the City, MAA, and the Forest Service. The QA/QC team should be formed prior to construction...***"

The key to a successful QA/QC Team is to ensure the right technical expertise is available to the team. The technical expertise is necessary for soils, soils stabilization, erosion and erosion controls, hydrology and water quality.

Public Works Director Paula Brown has met with MAA and with a representative of a firm they have hired to assist them with the initial steps toward the monitoring and site remediation options prior to construction. Michael Hogan (Integrated Environmental Restoration Services, resume and references attached as enclosure (3)) has developed a detailed monitoring program to initiate the pre-monitoring requirements that are in the ROD and that have been discussed previously. Michael Hogan is also looking at some of the site conditions with respect to initial planning for construction activities. Public Works Director Brown, Michael Hogan, MAA (staff and a board member), and two staff members from the Forest Service discussed his plan and purpose at this initial meeting.

Michael Hogan will be at the study session to represent his group, present information, give Council a snapshot of his prior work experience with environmental remediation projects, and will explain his approach with MAA with regard to monitoring and site specific conditions to the City Council.

Although MAA has proposed using Michael Hogan and his team as the QA/QC team, staff recommends that the Council appoint the QA/QC team members. Council may wish to consider jointly funding any work that consultants, including Michael Hogan, perform as part of QA/QC.

QA/QC Advisory Group: In addition to the technical QA/QC Team, staff recommends the Council assign a QA/QC Advisory Group that would perform the coordination between the City, MAA, and the Forest Service that is required by Council's resolution. Staff recommends this advisory group have the following membership:

- City Public Works Director as the primary lead to focus the QA/QC direction, remind the Team of the QA/QC goals for the process, prepare summary meeting notes, be responsible for administering the QA/QC Team's contract and make payment authorizations as necessary, etc.
- A City Council Liaison to ensure policy direction is being implemented and to report back to the City Council on an informal basis; gain Council approval for any changes in direction or policy goals, etc.
- One or two community ad-hoc members who are familiar with prior water quality concerns and City policies with regard to watershed protection as community oversight in the process.
- A Forest Service staff member as a federal partner to the process; identify Forest Service requirements, explain Forest Service processes and procedures for ROD implementation and permit compliance associated with the ROD; not advising City decision-making about implementation beyond the ROD.

- One to two members from MAA (staff and Board) to inform of the business and financial implications as a business partner to the process.

The QA/QC Advisory Group would meet with the QA/QC Team, MAA, and the US Forest Service on a monthly basis during the construction periods so that the City and each agency are aware of the direction and concerns of the QA/QC Team.

QA/QC Team Duties and Responsibilities:

1. Be available for weekly site meetings for as much as twice a week on site discussions and monitoring. Be available within a 24 hour notice to help with emergent decision making during the construction period.
2. Review construction plans and MAA work plans prior to any implementation to assure adequacy of environmental preservation, erosion, and sedimentation measures (includes the Stormwater NPDES permit requirements). The idea is to ensure this review happens during the plan development and prior to formal agency review so that any recommendations are included in the final submission for agency review.
3. Develop priorities for construction activities that stress protection of soils to ensure the site is stable with respect to erosion and sediment concerns prior to actual disturbance.
4. Recommend alternative site specific construction processes or preliminary restoration efforts to protect wetlands, vegetated slopes and to improve the soils retention on site. The issue with this is help correct site specific construction activities that are not working as well and to help define and implement better solutions to help the process move forward in conjunction with the regulatory agencies and with the MAA construction contractor.
5. Recommend environmental protection measures with respect to construction vehicle/equipment fuel or related spills. Same intent as described in #4.
6. Work with MAA to understand the financial impacts of their recommendations with regard to change orders to MAA's construction contract. Use the Advisory Group to assist in any disputes regarding the financial impacts and relative environmental impact should disputes arise.
7. Inspect construction and environmental control measures to assure compliance with permits and agreed upon preservation measures. Although the various regulatory agencies have the responsibility to ensure compliance, the QA/QC Team should embrace the responsibility to provide advice for corrections and work with the MAA contractor for improvements. Assist with site specific improvements to overcome permit violations with regard to environmental impacts.
8. Monitor East and West Forks of Ashland Creek in various locations upstream of Reeder Reservoir and at the edges of the ski are expansion for turbidity impacts with respect to construction impact due to erosion and sediment control.
9. Monitor other erosion treatment areas to ensure the desired effects of the "cure" are being enabled, and further suggest/require improvements to the corrective actions as necessary.
10. Work directly with the MAA and contractors to recommend and require corrective action or remedial actions to eliminate or significantly reduce and control any negative impacts with respect to erosion and sediment control. These recommendations would not only be the known Best Management Practices, but also site specific treatments and modifications to site specific treatments to ensure the best possible control measures.
11. Monitor recommended and required corrective actions and provide information to the QA/QC Advisory Group.
12. Conduct post-construction monitoring and recommendations for remediation to ensure correction to any soil erosion concerns that may have surfaced after construction and any weathering on site in the expansion areas.
13. Provide information on all recommendations and required measures to the QA/QC Advisory Group.
14. Develop and deliver formal quarterly reports to the City Council, MAA and USFS.

15. Attend council meetings (every other month) or other public meetings (quarterly) to advise Council and the community.

QA/QC Team Authority:

1. Approval authority on the design of on-the-ground implementation and control measures with respect to prevention of erosion and sediment movements.
2. Approval authority to change the implementation process for the contractor to improve environmental protection measures with respect to erosion and sediment controls.
3. Approval authority to change monitoring locations to better provide data with regard to site specific impacts relating to erosion and sediment controls.
4. Reporting authority related to on-the-ground implementation and control measures with respect to prevention of erosion and sediment movements.
5. Authority and responsibility to notify City, MAA, and USFS whenever potential permit violations are evident. (May be duplicative of regulatory responsibilities, but this effort should compliment corrections to enforcement actions, not enforce permit violations). Assist with site specific improvements to overcome permit violations with regard to environmental impacts.
6. Authority to alert enforcement agencies (COE, NMFS, DSL, DEQ, EPA, etc.) if actual violations occur. Notification to City, MAA and USFS to occur concurrently. (May be duplicative of regulatory responsibilities, but this effort should compliment corrections to enforcement actions, not enforce permit violations). Assist with site specific improvements to overcome permit violations with regard to environmental impacts.

QA/QC Advisory Group Authority:

1. The QA/QC Advisory Group recognizes the partnership for the expansion of the Ski Area and ensures that all of the entities have a forum for open discussion of any concerns with the construction process and it's affects on the environment.
2. This group is advisory ONLY and has no inspection or authority to require changes.
3. This group participates in the discussions with the technical QA/QC Team, but has no authority to override the QA/QC Team's direction to MAA or its contractors.
4. Assist in any dispute resolutions regarding the financial impacts and relative environmental impact should conflicts arise.
5. This group will report to its constituent group and will advise as to how its group would react.

Contract and Financing:

1. City and MAA share equally in the cost of the QA/QC Team
2. City and MAA equally contract for the QA/QC Team services
3. City or MAA or the QA/QC Team can sever the relationship with 30 days notice (will be a provision in the contract).
4. City's rep for the contract administration is the Public Works Director
5. City's financing will come from the Water Fund

If City Council concurs with these recommendations it is recommended that a memorandum between the parties be developed.

MAA Business Plan

SECTION 2. *The City of Ashland requests that Mt. Ashland Association provide a Business Plan showing capital expenditure and operating projections for the planned expansion. The City Council may retain an independent accounting firm to review the Business Plan. The requested Business Plan should include these elements:*

- *Projected construction expenditures for each year of the expansion build out.*
- *Projected sources of funds for financing the expansion for each year of the build out.*
- *Projected operating revenues and expenses reflecting historic skier visitation variability for at least a 10-year time frame during and after the expansion build out.*
- *Sources of funding for financing restoration/rehabilitation reserves.*
- *Sources of funding for financing the QA/QC team.*

The City will request MAA to provide an annual update to the business plan until build out of the expansion has been completed.

Discussion

At your September 6 work session, MAA will present this business plan.

Mount Ashland Association submitted the document included as Attachment 4 as their business plan on August 9. MAA acknowledged in the letter transmitting the business plan that the documents that they submitted did not meet the resolution's request for a ten year business plan. In their letter, MAA states that "The resolution requires a 10 year plan, but at this point Mt. Ashland is only committing to Phase One, and any subsequent additional phases will be done on an as needed basis. We will provide the City of Ashland with an additional business plan when we project the need for the next phase of construction."

Staff has reviewed the very general information in the documents submitted. Because they have included only summary information, we can draw only one major conclusion from the material. MAA assumes that 100% of the capital construction costs (of \$3.7 million) will be raised from donations and grants. They do not plan to have any operating revenue go towards construction, and do not plan to finance the construction. Hence, they have not included any refinancing or repayment costs in their expense projections.

The summary data presented by MAA shows that MAA will face an operating loss the first year after expansion, with significant growth in profits in years 2 and 3, as shown in the following table

	Projected Revenue	Projected Expenses	Profit/ (loss)
Year 1	\$346,000	\$398,500	(\$52,500)
Year 2	\$1,032,000	\$812,400	\$219,600
Year 3	\$1,720,000	\$939,200	\$780,800

Martha Bennett and Paula Brown met with Bill Little and Kim Clark of MAA on August 30, 2006. At that meeting, we told MAA that we do not believe that the business plan meets the criteria of the resolution in several ways. For example:

- The business plan does not include any detail about expenditures of revenues. We do not know even which major categories of expenses (e.g., personal services, utility costs, etc.) are changing. The same is true for revenues. Are revenues increasing from season pass sales, lift tickets, rentals, or other sources?
- No analysis of the existing operations or expenses is included. The materials submitted by MAA do not include any data of the financial status of the current operation. Although the City has prior financial reports (in other words, we could figure that out, at least up until the end of FY 2005), we would have expected to see the business projections for the entire MAA operation.
- The plan assumes a "straight-line" increase in visits without including any history. In other words, each ski season is different because the snow is different each year, but the materials submitted do not use historic data as a way to account for the potential variations in visits.

MAA has informed us that they do have a more detailed business plan. MAA states that they are concerned about releasing proprietary information because they do not wish to give information to their competitors. Staff believes that Council needs more detailed information to determine whether the expansion makes sense economically. Staff suggests two possible ways to accommodate MAA's desire to protect confidential information. Council could:

- Request that MAA submit a more complete business plan as a confidential document under (ORS XXXX). Council can then schedule an Executive Session to hear a presentation from MAA on the business plan as allowed by ORS 192.660. There is a risk to MAA that, if a public records request were made, it is possible that the City would need to release a document if it is not found to truly be confidential.
- Hire an independent financial consultant to review the more detailed business plan and develop a summary report, with findings for the City. The resolution states that the City has the right to retain an "auditor" to evaluate the business plan. Staff believes that rather than an auditor, we would need to retain someone who regularly reviews business plans, such as a loan officer, a grantor from a foundation, or a person who works to develop business plans (such as at SOU's small business development center). This person could review the details and provide an opinion to the Council.

Cost Estimates for Removal and Restoration

SECTION 1. *The City Council shall take reasonable steps to estimate the cost of removal and restoration, including the planned expansion area, in accordance, at a minimum, with the restoration standards specified by the Forest Service Environmental Assessment and Decision Notice of April 1992 (Alternative C). Reasonable steps shall include an initial inquiry of the US Forest Service for an estimate. If the US Forest Service is unable to or refuses to provide such estimate, the City will take such other reasonable steps as it determines prudent to estimate the costs of restoration. The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association regarding the maintenance of reserves, bonding, or other security to fund the estimated cost of the ski area restoration.*

Staff's review of Alternative C of the 1992 Environmental Assessment (EA) defines that alternative as "moderate level of restoration that would restore the ski area to a level that the Forest Service deems necessary to stabilize the site and keep erosion and mass wasting minimal." There are nearly four pages of mitigation measures defined for specific waterbars, berms, re-seeding, tree planting, culvert removal, etc. to be used in the restoration activities. The 1992 EA identifies 97,810 square feet of disturbed area in buildings, parking, lifts/terminals and roads. The relative cost (1992) to restore the site was estimated at \$133,000 to \$195,000. Today's costs assuming a 3% annual inflation (1.558) puts those estimates at \$210,000 to \$305,000. An appendix to the 1992 EA identified additional existing conditions at the ski area that "... require attention during restoration" but were not apparently included in the estimated costs.

The 2004 Final Environmental Impact Statement, Volume 3, Appendix F (November 2002 Status Report on the 1992 Mt. Ashland Ski Area Restoration Environmental Assessment Document Ten Years Later) clarified the word "restoration" to include statements in the 1994 Northwest Forest Plan " 'restoration' is typically a watershed goal where actions are identified to return watershed functions to previous and/or functional conditions. NWFP actions typically involve in-stream actions to restore conditions. This should not be confused with site 'reclamation', as was the intent of the 1992 plan."

The November 2002 Status Report reviewed the additional sites (35) annotated in the 1992 EA Appendix, which identified such items as areas of bare soils, erosion gullies, additional road surfaces, sewage system (installed in 1992 and replaced with a new Sequential Batch Reactor package plant in 1999) and the fuel tanks (which were removed in 1994 through DEQ permitting). Each of the sites was visited in October 2002, photographed and has its own assessment with the majority of the 35 sites requiring some level of additional restoration work. No cost estimates were provided in this assessment of restoration work and the majority of the recommendations included maintenance of waterbars, some revegetation, some erosion prevention, etc.

In a letter from the Rogue River National Forest to Mr. Merle Brooks (October 3, 1991), there was an estimate completed with regard to "...activities to 'restore the site' if the Mt Ashland ski area closes." As stated above, this is more along the lines of reclamation as defined in the NWFP. The costs were estimated at \$125,000 to \$175,000 for erosion control measures and an additional \$750,000 to dismantle buildings, towers, etc. Converting to 2006 dollars (3% inflation – factor 1.6047) this equates to \$200,600 to \$280,800 for stated erosion controls and \$1,203,500 for the fixed facilities.

Ed Olson (Interim Public Works Director) analyzed conditions specified in Alternative C and estimated \$300,000 to \$400,000 to complete the work (memo dated November 30, 2005).

Per Council's resolution, staff has discussed the need for an updated estimate from the Forest Service. The Forest Service's initial response (October 11, 2005) indicated "under the City's current agreement with the Mt. Ashland Association (MAA), the City requires MAA have \$200,000 available in 'readily available assets.' The

Forest Service believes that this amount would cover costs of dismantling and restoring the current ski area." The ROD requires "this amount will be proportionately adjusted to account for any increase in developed area. At this time, the Forest Service is awaiting the outcome of current litigation regarding the projects and activities authorized in the ROD. We are also awaiting an implementation schedule from MAA. The Forest Service will not provide a new estimate or restoration costs until after the litigation issue is decided..." Recent discussion between City staff and the Forest Service indicate the Forest Service will provide updated cost estimates once the judge rules and once the MAA work plan has been approved. Staff will continue that discussion with the Forest Service.

At this time, without a new assessment of the current ski area, and without the assistance from the Forest Service in implementation schedules for the MAA expansion area, there is no new accurate estimate for restoration. Review of the basis for prior estimates, and looking at the definition of restoration, it is felt that \$450,000 to \$500,000 will cover restoration work within the current site. Full reclamation efforts would be significantly more involved and cost more to implement.

Related Issues

As part of preparing this staff report, staff also looked at the terms of our lease agreement with MAA for restoration. This agreement requires a minimum of \$200,000 Liquidation Value of the assets to be held for restoration.

Staff assumes that if the ski resort closed due to financial difficulties there would be no cash available and real (permit) property could not be liquidated to pay restoration costs. That leaves assets deemed improvements and personal property (i.e., equipment). Staff reviewed material from MAA to determine whether there is sufficient value in the equipment to cover the \$200,000 requirements. At this time, we do not know whether the liquidated value of the equipment covers the minimum amount required by the lease because we do not have expertise in the resale value of ski area equipment. For example, it will take an industry expert to assess the value of rope tows, chair lifts, snow cats, etc. to give a good estimate of what might be generated by a "fire sale" to meet restoration requirements.

Although the lease envisions restoration if MAA fails, staff assumes that it is possible that some other operator might take over if MAA ends, possibly removing the immediate need for restoration. If not, actual restoration requirements could take months to negotiate and fund and could be a larger amount if reclamation is required. The existing contract does not provide for changing how the restoration amount is calculated, including additional monies for reclamation.

If Council is concerned that the restoration costs of the existing ski area are under funded should the resort cease operation, then an appraisal of assets needs to be performed per the 1992 agreement. That would require hiring a professional to do the appraisal. If the liquidation value of eligible assets is 110% over the calculated amount per the contract (approximately \$300,000 at this time) then the city would pay for the review and have no leverage to require MAA to deposit money into a trust account. If the estimated liquidation value is less than \$330,000 (the 110% target) MAA would pay for the appraisal and the city could require cash be deposited in a trust account. An existing pool account managed by the city could serve in this fashion. Deposited monies would not be released until such time as MAA proved other assets with sufficient liquidation value are in place. Staff will pursue an appraisal at Council's direction.

A brief resume for Michael Hogan, MS
Integrated Environmental Restoration Services, Inc.

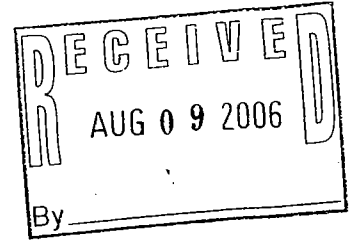
3/30/06

Michael Hogan is a soil scientist and restoration specialist who lives and works in the Lake Tahoe Basin. He holds a masters degree in soil science from UC Davis and a bachelor's degree in soils and hydrology from that same university. He is a principle of Integrated Environmental Restoration Services, Inc. (IERS), a consulting and contracting business dedicated to improving erosion control and restoration projects in the Sierra Nevada. Michael has worked on a number of projects focused on erosion control and restoration project innovation, improvement and information sharing. He developed the Caltrans Sediment Control Demonstration and Development program, authored the Revegetation Guidelines for Nevada Tahoe Bond Act erosion control projects, and has developed success criteria and monitoring protocols for Nevada State Lands, Caltrans, the Lahontan Regional Water Quality Control Board and a range of construction partners. He also pioneered the collaborative ski area – agency partnership, the California Alpine Resorts Environmental Cooperative (CAREC) with which he produced the Sediment Source Control Handbook. He focuses on small scale restoration projects, developmental projects and incorporates research into these projects wherever possible. He works with a broad range of entities on small and large projects, including Nevada and California counties, the California Conservation Corps, Caltrans, the State of Nevada, UC Davis, as well as private landowners, conservation organizations, and development partners. He and IERS have worked with the Lahontan Regional Water Quality Control Board, Truckee River Watershed Council and local developers to create BMP and SWPPP training and implementation that focuses on practical, functional and innovative solutions to short and long term BMPs. He is the President of the Tahoe Chapter of the California Native Plant Society and the past president and current board member/education chair of the California Society for Ecological Restoration (SERCAL).

Contacts-references for Michael Hogan

Name	Affiliation	Position	Phone
Harold Singer	Lahontan Regional Water Quality Control Board	Executive Officer	(530) 542-5412
Scott Ferguson	Lahontan Regional Water Quality Control Board	Division Head, Enforcement Division	(530) 542-5432
John Singlaub	Tahoe Regional Planning Agency	Executive Director	(775) 588-4547 x 253
Carl Hasty	Tahoe Regional Planning Agency	Deputy Director	(775) 588-4547 x236
Sue Norman	USFS- Lake Tahoe Basin Management Unit	Director- Monitoring and Adaptive Management Programs	(530) 543-2662
Gary Mitkiff	Mitkiff and Associates- Environmental Planning	President	(775) 588-1090
Peter Kratz	Placer County Public Works	Head-Tahoe Division/Assistant Director	(530) 581-6230
Paul Pettersen	Nichols Engineering	Partner/Head of Tahoe Erosion Control Division	(775) 329-4955 x120
Lisa Wallace	Truckee River Watershed Council	Executive Director	(530) 550-8760
Susan Clark	California Society for Ecological Restoration	Executive Director	(661) 634-9228
Joan Clayburg	Sierra Nevada Alliance	Executive Director	(530) 542-4546
Blaise Carrig	Heavenly Valley Resort	President	(775) 586-2311
John Freidrich	League to Save Lake Tahoe	Planning Director	(530) 541-5388
John Loomis	Northstar at Tahoe Resort	Operations Director	(530) 562-2213
Randy Southard	UC Davis	Associate Dean of Environmental Sciences	(530) 752-0233
Jim Culver	LSA Associates	Principle-retired/mentor	(206) 780-1587
Monica Finn	Caltrans	Biologist	(916) 799-6285
Michael Donahoe	Sierra Club-Tahoe Chapter	President	(775) 588-5466

Mt Ashland



August 8, 2006

Martha Bennett
City Administrator
City of Ashland Administration
20 E. Main Street
Ashland, OR 97520

Dear Martha,

In response to the City of Ashland Resolution No. 2005-35 the Mt. Ashland Association and the Mt. Ashland Ski Area respectfully submit the two enclosed documents in accordance to section 1 and section 2 of the resolution.

In response to section 1, the restoration standards, is our letter of agreement to abide by and provide for the restoration valuation, as established by the United States Forest Service of the Mt. Ashland Ski Area. In response to section 2 is the expansion business plan. This plan is for a five year projection as that encompasses the Phase One of our planned expansion project and clearly shows our ability to operate and cover all costs associated with the project. The resolution requests a ten year plan but at this point Mt. Ashland is only committing to Phase One and any subsequent additional phases will be done on an as needed basis. We will provide the City of Ashland with an additional business plan when we project the need for the next phase of construction.

Section 3 addresses the QA/QC Team and Mt. Ashland continues to work with city staff on this issue within their timeframe. Mt. Ashland has hired what we feel is an extremely qualified company, Integrated Environmental Restoration Services, to oversee all of our construction activities and mitigation/restoration projects and will make available to the City of Ashland and the general public all findings and recommendations. We have done this independently as we feel this is a perfect example of our willingness to go beyond the requirements as described in the approved expansion documents governing this project.

If you have any further questions please feel free to contact us at any time.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Clark".

Kim Clark
General Manager
Mt. Ashland
541-482-2897
kclark@mtashland.com

SKI ASHLAND

P.O. Box 220 · Ashland, OR 97520-0008 · Shipping Address: 693 Washington Street
Office: 541-482-2897 · Fax: 541-482-3644 · Snow Report: 541-482-2754 or 541-770-2754

Email: info@mtashland.com · web www.mtashland.com

**MT. ASHLAND SKI AREA
BUSINESS PLAN
EXPANSION PROJECT AS APPROVED BY
THE USFS RECORD OF DECISION
SEPTEMBER, 2004**

Prepared August 9, 2006

This business plan is for Phase 1 of the approved expansion plan as outlined below. Internally Mt. Ashland has applied a phasing plan to all approved improvements as detailed in the Record of Decision issued by the United States Forest Service on September, 2004. Initial phasing has been divided into three phases. Phase one is the backbone of all future development at Mt. Ashland. Subsequent phases will be based on the needs of our guests, positive cash flow analysis of the phases and adequate funding capabilities. Mt Ashland year-end financials for the fiscal year 2005/2006 will be available by October 2006 pending finalization of the independent review process.

Phase 1 Improvements- The following components are the major improvements contained in phase 1:

- Clearing and preparation of 16 trails in the C-6 expansion area (71 acres)
- Clearing and preparation on existing runs for flow and safety concerns (4 acres)
- Installation of one fixed grip triple chair – C-6 expansion area
- Addition of an interim lodge at the base area (app. 8000 sq ft)
- Addition of a warming hut (yurt type) lodge at the top of C-6
- Additional parking at the base area

Phase 1 financing- Mt. Ashland will be starting a capital fund-raising campaign with a goal of \$3,200,000.00 as soon as we receive the final approval for the project. Mt. Ashland has approximately \$500,000.00 on hand and in pre-committed funds from donors to start the project. We have recently hired a full time Development Director to lead our capital campaign. This person will be working with both individuals and Civic organizations who have pledged their time and support of the project.

Phase 1 Operational Revenue and Expense projections- Our operational cost to support the infrastructure of the project will increase our current budget by approximately 15%, including funding depreciation. Conservative estimates as low as 20% increase in revenue from new business will provide a net profit of \$390,000 per season using this past year's revenue per-skier-day amount. The USFS estimates that the project will increase usage by a minimum of 30%. With these numbers Mt. Ashland will be able to keep affordable winter recreation in our region for many years to come and the expansion will not contribute to increased consumer cost.

Phase 1 cost analysis-

Financing

Pre-committed funds	\$500,000.00
Capital campaign-year 1 &2	<u>\$3,200,000.00</u>
Subtotal=	\$3,700,000.00

Improvements

Mountain preparations (lifts and runs)	\$152,500.00
Buildings	\$870,000.00
Lifts	\$1,002,000.00
Parking and grading	\$785,000.00
Miscellaneous	\$52,500.00
Power	\$165,000.00
Roads	\$5,000.00
Watershed projects	\$10,000.00
Other related costs	\$285,000.00
Contingency fund	<u>\$373,000.00</u>
Subtotal=	\$3,700,000.00

Revenue projections (after COG)

Year 1 (10,000 additional visits)	\$346,000.00
Year 2 & 3 (15,000 additional visits per year)	\$1,032,000.00
Year 4 & 5 (25,000 additional visits per year)	<u>\$1,720,000.00</u>
Subtotal=	\$3,098,000.00

Expense projections

Year 1 (10,000 additional visits)	\$398,500.00
Year 2 & 3 (15,000 additional visits per year)	\$812,400.00
Year 4 & 5 (25,000 additional visits per year)	<u>\$939,200.00</u>
Subtotal=	\$2,150,100.00

TOTAL NET PROFIT AFTER 5 YEARS= \$947,900.00

Summary

This project is self-supporting financially and will add to the overall bottom line of Mt. Ashland Ski Area. This makes significant contributions in two distinct ways.

First it will provide a much needed terrain balance at the area enabling us to serve a larger, more diverse skiing and snowboarding population. This will keep more dollars in the Rouge valley instead of going out of state or the region. It will provide more jobs at Mt. Ashland during the slower winter months of the tourism year.

Secondly, and most importantly it will not add cost to the consumer for a day or season of recreating on Mt. Ashland as it would be self-sustaining in revenue versus expenses.

The bottom line is this is a great project that will open up the world of winter recreation to more of our residents and youth, and keep them returning for years

Mt Ashland

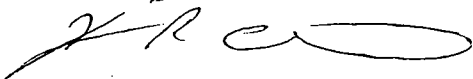
August 8, 2006

Martha Bennett
City Administrator
City of Ashland Administration
20 E. Main Street
Ashland, OR 97520

Dear Martha,

In accordance with the City of Ashland Resolution No. 2005-35, section 1 Mt. Ashland Association and Mt. Ashland Ski Area agree to fully work with the City Council and the United States Forest Service on the cost estimate for the removal and restoration, including the planned expansion area, of all improvements and impacts. This initial valuation will be provided by the United States Forest Service upon the outcome of the legal proceedings pending under advisement at this time. We agree to work with the Council to reach a mutual agreement regarding the maintenance of reserves, bonding, or other security to fund the estimated cost of the ski area restoration.

Sincerely,



Kim Clark
General Manager
Mt. Ashland
541-482-2897
kclark@mtashland.com

SKI ASHLAND

P.O. Box 220 · Ashland, OR 97520-0008 · Shipping Address: 693 Washington Street
Office: 541-482-2897 · Fax: 541-482-3644 · Snow Report: 541-482-2754 or 541-770-2754
Email: info@mtashland.com · web www.mtashland.com

City of Ashland, Oregon / City Council

City Council - Minutes

Wednesday, September 06, 2006

MINUTES FOR THE STUDY SESSION

ASHLAND CITY COUNCIL

September 6, 2006

Civic Center Council Chambers

1175 E. Main Street

CALL TO ORDER

Mayor Morrison called the Study Session to order at 5:15 p.m. in the Civic Center Council Chambers.

-

ROLL CALL

Councilors Silbiger, Hartzell, Amarotico, Hardesty, Jackson and Chapman were present.

-

1. Discussion of Mt. Ashland

City Administrator Martha Bennett noted two errors on the Council Communication: 1) the ORS reference should read ORS 192.502(4), and 2) Staff Recommendation #5 should have reflected the fact that the figures need to be adjusted for inflation.

Public Works Director Paula Brown presented conceptual ideas for the Quality Assurance/Quality Control (QA/QC) Team. She explained this team has to be the technical advisors and have authority to tell Mt. Ashland Association what needs to be changed during construction. She commented on the issues of erosion and sediment control and stated the team must address these issues before and during construction. Ms. Brown clarified the purpose of the QA/QC Team is help move construction activities along in an environmentally appropriate manner so there are no soil and erosion issues from a water quality and quantity standpoint. She stated this team needs to be involved in the planning for construction activities and will help to make assessments and changes as needed. Ms. Brown recommended the City and the Mt. Ashland Association share costs for the technical services of the QA/QC Team.

Ms. Brown clarified the project manager for the construction project is different than a QA/QC team. She also commented on the formation of an Advisory Group which would assist the City Council, Mt. Ashland Association, the Forest Service, and the community to provide input. She noted this element was missing from the role of the QA/QC Team. Ms. Brown clarified the Advisory Group would consist of one City staff member (Ms. Brown), a City Council liaison, a Mt. Ashland Association staff or board member, a Forest Service staff member, and one to two community members that have a water quality background and interest.

Bill Little of Mt. Ashland Association addressed the Council and introduced project manager Michael Hogan. Mr. Little clarified Mt. Ashland Association has not formally requested that Mr. Hogan be part of the QA/QC Team and clarified Mt. Ashland Association will utilize Mr. Hogan's services throughout this process.

Mayor Morrison briefly addressed the audience and explained the meeting process that will be utilized.

Mr. Hogan addressed the Council and delivered a slide show presentation which covered:

- Models/contexts for restoration and erosion.
- Three categories of function: hydrologic, nutrient cycling, and energy capture.
- Elements of repeatable success: process, practice, monitor, and feedback.
- Implementation testing and assumptions.
- Infiltration data and sediment yield.
- Variables for site stability.
- Success criteria.
- Process outline.
- IERS activities.

Mr. Hogan recommended the QA/QC Team members have ecological expertise and noted the importance of having clear goals. He also recommended the team be made of members that have a track record of working together and a level of trust and integrity along with expertise.

Council asked for clarification of Mr. Hogan's arrangement with Mt. Ashland Association. Mr. Hogan stated it has been on an "as we go" basis. He clarified he was hired to get ahead of some of the baseline monitoring and has been asked to assist with the planning stage and perhaps provide oversight for implementation. Mr. Hogan commented on the need to establish specifications for restoration and erosion control and stated this needs to be integrated into the engineering elements of the whole process. He recommended the QA/QC Team be brought together early on and stated this team and the planning team will need to work as an integral unit from the beginning.

Council briefly discussed the meeting process they wanted to follow and it was suggested that another meeting may be necessary to work out all the details.

Council asked for Mr. Hogan's opinion on what would happen with restoration if the ski area was no longer being utilized. Mr. Hogan stated he sees potential through this project for a general improvement of the overall water quality in the watershed. He stated most of the ski runs to be cut will only have the trees taken off and equipment is not to be placed on most of the slopes. He stated when this happens, nature does not leave a void and the overstory will open, the shrubs will respond, and it mimics a forest opening. He stated the soil will still be intact and functioning and you see a different vegetation succession. He added the areas of concern are the long traverse that goes to the bottom of the new lift and the grating near the top of one of the beginner runs. He explained the plan he will bring forward if asked will be to bring those areas to a functional state that will be as stable and as able to infiltrate water as the native areas, with the exception of the surface of the run itself.

Mr. Hogan commented on the term "capital". He stated to go forward the money will have to be capitalized correctly; however this term is also used in terms of restoration and refers to organic matter and functional elements. He stated there are ways to keep the ecological capital without spending a lot of money and involves careful, upfront planning and internal cycling of materials.

Mr. Little stated he hopes they have adequately demonstrated that Mt. Ashland Association is truly concerned about quality and are willing to make the investment to do the best job possible. He shared his concerns that this process will become more political than scientific and requested the City and Mt. Ashland Association work together to develop the guidelines.

Ms. Brown suggested that Mr. Hogan be a part of the QA/QC Team and recommended that candidates be identified within the next two weeks. Council was asked to forward their recommendations for the composition of the QA/QC Team and Advisory Team to Ms. Brown.

MAA Business Plan

City Administrator Martha Bennett relayed Mt. Ashland Association's concern about releasing proprietary data about their operations to competitors. Ms. Bennett proposed two ideas to deal with this issue that would provide the City the level of detail necessary to analyze the summary data provided in the business plan.

Idea 1: According to ORS 192.502(4), Mt. Ashland Association can submit documents to the City in confidence and the City can keep those documents confidential. However, there is some risk that someone would request this information from the City and the District Attorney would end up determining whether the City must release the information.

Idea 2: The City could bring in an outside expert to meet with Mt. Ashland Association in confidence, review the business plan, and issue a summary report to the City.

Mt. Ashland Association board member Joan Thorndyke addressed the Council. She stated in terms of the business plan, they are going to follow their legal counsel's advice. She stated the Association has submitted an abbreviated form of the business plan and at this time the abbreviated version is as much as they can provide. Ms. Thorndyke stated the business plan will not be provided until Judge Panner has ruled on the pending court case and their legal counsel has permitted them to release this information. Mr. Little added Mt. Ashland Association's legal counsel has strongly advised against them releasing any additional financial information to the City while there is pending litigation and appeals, and has stated the information contained in the detailed plan could be used in the current litigation and it is against their best interest to release this information to the City.

Council asked Mr. Little if the independent review option was possible and he stated he would discuss this option with their legal counsel.

Council commented on the two options presented by Ms. Bennett. Some concern was expressed with option one and the City's inability to guarantee the documents confidentiality. In regards to the second option, statement was made that the summary report from the outside expert might not respond to all of the Council's questions and the City would have to carefully articulate what they want included in the summary report. Comment was made that the City and community need assurance that they will be protected if things don't go right on the mountain. Additional comment was made requesting assurance from Mt. Ashland Association that they will not cut down trees until there is adequate funding to complete the job.

Ms. Thorndyke noted Mt. Ashland Association intends on discussing the issue of climate change with the City. Mr. Hogan made assessment that over a period of thirty years, the forest could restore itself.

It was questioned why Mt. Ashland Association would proceed with cutting down trees until all of the legal and financial questions have been resolved. Mr. Little stated their responsibility is to protect the interests of their stakeholders and to provide recreation services. He stated it would be irresponsible for them to make a commitment on how they will proceed without knowing how Judge Tanner will rule, how the Forest Service will respond, and how their legal counsel will advise. He stated they need to be prepared for all contingencies and assured the Council they would not act without first talking with the City.

Staff was asked to clarify why the City would have an interest in the timber, but not the trees. City Attorney Mike Franell explained the City has given permission to Mt. Ashland Association to use the resource on the mountain, but has retained ownership of the permit property and the equipment under the lease. Because the lease specifically names equipment separately from the permit property, he believes there is a financial interest on the part of the City in both the equipment and the timber, but we have signed away the interest in the use of the land as long as it is in accordance with the lease.

Comment was made voicing support for the independent auditor to review the Mt. Ashland Association's business plan and to report back to the Council. Additional comment was made requesting the QA/QC Team be in place before trees as cut.

Cost Estimate for Removal and Restoration

Ms. Brown stated the adjusted cost for restoration is \$400,000-\$500,000 and explained how she obtained this figure and determined the definition of "restoration". She noted the reclamation costs would go well beyond this figure and clarified any change in the definition of restoration would have to come from the Forest Service. Ms. Brown stated that City staff is not qualified to verify the value of the liquid assets on the mountain and the City would need to hire someone to perform this appraisal. She added cost for this service would be approximately \$10,000.

Ms. Brown clarified the difference between reclamation and restoration and stated reclamation is putting the land back as if there was never any ski area.

Ms. Bennett questioned whether Council wanted staff to pursue the liquid asset appraisal. She clarified if the value of the assets are less than the \$294,000 figure, staff require Mt. Ashland Association to securing the balance. If the assets are greater than 10% of \$294,000, the City would be responsible for paying for the appraisal.

Mr. Little questioned if Mt. Ashland Association should submit a summary of their assets from their accountant as a preliminary document.

Administrative Services & Finance Lee Tuneberg Finance Director explained Mt. Ashland Association could submit a listing of assets, however the City is interested in liquidation value. He explained the provision for obtaining the appraisal, which is outlined in the lease agreement, and recommended the City hire an appraiser who is familiar with the ski industry.

Council reached consensus to have staff move forward with the liquid assets appraisal.

Councilor Hartzell left the meeting at 7:40 p.m.

Paul Copeland/462 Jennifer Street/Disagreed with the statement made that cutting timber would not cause disturbance. Mr. Copeland stated in order to have usable ski runs there will be need to be some blasting after the timber falling is complete. He stated Mt. Ashland Association has grossly minimized what the ground

disturbance will be and noted local experts have indicated the timber would never grow back due to the type of soil and because it is an alpine area.

Bryan Holley/324 Liberty Street/Stated the City is being "zoomed" by Mt. Ashland Association. He voiced his objections to the reasons Mt. Ashland Association gave for not releasing their business plan and stated if they won't provide this information, this City should pull their permit. Ms. Holley stated 100% of the community needs good quality drinking water, however only a small portion skis. He stated most of the people in town are opposed to the expansion and stated they are being held hostage by a small minority. He questioned who Mr. Little was referring to by "stakeholders" and stated former mayor Alan DeBoer should have recused himself from the previous decisions that were made.

Chris Uhtoff/78 Fourth Street/Stated he is a skier who loves skiing at Mt. Ashland and does not feel Mt. Ashland Association is representing the skiing community very well. He stated they have double the price of ski passes and it is now one of the most unaffordable ski areas on the west coast. Mr. Uhtoff stated Mt. Ashland has the greatest potential by being a small, affordable ski area that services the community and claimed the Association does not want to share their business plan because they do not want the City to know how much they spend on administration.

Mat Marr/31 Union Street/Commented on Ms. Thorndyke's statement that they need to talk about climate change and stated he completely agrees. Mr. Marr submitted a study done by Oregon State University titled "Mapping At-Risk Snow in the Pacific Northwest" into the public record. He stated the ski industry in the northwest is doomed and within the next 35 years the number of warm snow winters at Mt. Ashland will increase from 7% to 42%. He stated these types of winters are what forced the previous ski area out of business and commented on the City's need for water. Mr. Marr requested the City not give their written consent until Mt. Ashland Association has met the terms of the agreement and stated the trees on the expansion site are second generation spruce trees and will not be the first trees to sprout when the site begins to re-grow.

Nick Frost/224 Third Street/Voiced his distress by the Council's unwillingness to acknowledge that they are in a bind. He stated the City is liable if the plan fails, and stated they are unable to make an informed decision without the Association's business plan. Mr. Frost commented on the combative attitude being displayed and requested Mt. Ashland Association cooperate with the Council and work to find a solution that will bring unity to Ashland.

Eric Navickas/363 ½ Iowa Street/Stated the majority of this community is clearly opposed to this development proposal. He noted the City's Comprehensive Plan clearly states the City should oppose developments in the municipal watershed or any project that would have adverse affects on the watershed. Mr. Navickas noted he hiked the expansion area today and ran into Mr. Hogan and his crew who were performing a rain water study. They told him they were seeing a lot of sediment coming off of areas that had been impacted by the current development. He stated this is work that should have been done ten years ago and commented on the poor condition of this area. As one of the litigants in the current court case, Mr. Navickas stated there is no way they the financial plan could be used in court against Mt. Ashland Association.

Linda Richards/245 East Nevada Street/Commented on her work with one of the previous appeals and the Forest Service's response. She stated there have been extensive predictions made on what will happen with climate change and stated recreation needs must be challenged in order to protect the City's water. She asked the Council to think of the future and how much our children will need that watershed.

Jim Steitz/357 Vista Street #5/Stated the ski resort operators have a very acute skill for picking very bad places to expand. He stated they claim to be good stewards, but have picked some very vulnerable and rich areas to go into. Mr. Steitz stated the Association is suppose to be operating this resort for the public, but are doing things that are not in the City's best interest, like withholding information. He stated they are not suppose to be working on their own behalf, and believes the "stakeholders" they refer to are the members of the board.

Councilors Silbiger and Amarotico left the meeting at 8:05 p.m.

Tom Dimitre/901 Beach Street/Asked the Council to make sure Mt. Ashland Association complies with agreement and ensure they have raised the adequate amount of money before they are allowed to proceed with the expansion. As a taxpayer of the City of Ashland, he requested the Council protect the citizens from this liability.

Tom Rose/430 Wiley Street/Statement detailing how MAA has failed to meet the goals of Resolution 2005-35 was read into the public record.

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ADJOURNMENT

Meeting adjourned at 8:11 p.m.

Barbara Christensen, City Recorder
John W. Morrison, Mayor

End of Document - [Back to Top](#)

May 25, 2007

Martha Bennett
City Administrator
City of Ashland
20 E. Main St.
Ashland, OR 97520

Re: Mt. Ashland QA/QC

Dear Martha:

As you know, the City Council passed a motion on September 19, 2006 that set in place a process for a QA/QC Advisory Group and a QA/QC team. Since that time, over eight months ago, neither group has been formed. As you will recall, our names were submitted to the City as volunteer citizens from the environmental community to be on the QA/QC Advisory Group.

This is an important issue because the Mt. Ashland Association (MAA) has submitted project documents to the Forest Service through the City. As you will recall, Resolution 2005-35 states the following:

SECTION 3. The City Council shall cooperate with Mt. Ashland Association to appoint a Quality Assurance/Quality Control team to oversee ski area construction and protection of the municipal watershed, substantially as described in the comments submitted by the City of Ashland to the Forest Service on October 7, 2003 (DEIS comments). Ideally, the QA/QC team should be an independent team of 2 to 4 persons specialized in soils and hydrology that coordinates with the City, MAA, and the Forest Service. *The QA/QC team should be formed prior to construction to define strategies for erosion and sediment control, mitigation, and restoration/remediation.* The City Council will make reasonable efforts to reach a mutual agreement with Mt. Ashland Association to provide construction funding for the QA/QC team and to ensure that all future construction activities comply with the coordinated recommendations of the QA/QC team and the Forest Service. (Emphasis added)

The City Council at the September 19, 2006 Council meeting, agreed that the QA/QC Team should ~~be~~ review project documents prior to being passed on to the Forest Service.

According to the Quality Assurance/Quality Control document submitted to the Council on September 19, 2006, QA/QC Team Duties and Responsibilities #2: *Review construction plans and MAA work plans prior to any implementation* to assure adequacy of environmental preservation, erosion, and sedimentation measures (includes the Stormwater NPDES permit requirements). *The idea is to ensure this review happens during the plan development and prior to formal agency review so that any recommendations are included in the final submission for agency review.* (Emphasis added)

Therefore we are concerned that documents are now being passed along to the Forest Service, without being reviewed by a QA/QC Team. We would appreciate it if you would ensure that documents are not forwarded to the Forest Service before they are reviewed by the QA/QC team. As you know, the approval of the Council included a QA/QC Advisory Group that would be involved in the development of a RFP for QA/QC Team members. Certainly a QA./QC Advisory Group must be formed prior to the issuance of the RFP for QA/QC Team members. Once the QA/QC Team is up and running, then documents can be reviewed by the City prior to passing them along to the Forest Service.

The MAA has, apparently, decided not to participate in the QA/QC process. Nevertheless, the City must forge ahead with creating the QA/QC Advisory Group and the QA/QC Team.

Thank you very much.

Sincerely,



Paul Copeland, 482-5937

Lesley Adams, 488-5789

cc. Mayor Morrison and City Council members

**Requested changes to letter to June 19 USFS:
Cate Hartzell, June 19, 2007**

Paragraph 4: The City remains gravely concerned that the Forest Service has not developed a thorough list of restoration activities for the entire existing and expanded ski area, nor an estimate of the restoration cost of the existing area. Absent this information, we believe that the surety bond of \$200,000 is not adequate guarantee of restoration.

Add to paragraph 2: After sentence 1: We request that the USFS provides us with the reference to the contract language that would take effect in the event that the improvement activity is deemed by the courts to be inadequate.

Paragraph 1: line 4 should read “subleasee”

Requested changes to letter to QA/QC RFP:

Page 6, Paragraph 2: The primary purpose outlined in this paragraph (and throughout the RFP) needs to specifically include the protection of the waterways that deliver the water. The language hints but doesn't clearly state that our interest is ensuring against the kind of collapse of waterways that occurred in the 1997 flood, and presumably past floods.

Page 7: Change #2: Eliminate here and elsewhere the task of insuring that construction activities proceed in a timely manner. That should not be the job of the QA/QC team. New #: “Endeavor to perform responsibilities in a manner that allows the overall project to remain on schedule. Monitor implementation activities for minimal to no negative impact with respect to erosion... processes are completed without environmental impacts (spills, soil compaction beyond that approved).”

P8: Item 2. “Site meetings at least weekly and as often as twice a week on site, especially during the construction period.” I would like a second opinion on this requirement, the cost implications and why it would be required during non-construction time.

P8, #10: photo documentation is limited to outside the project area “at the edges’ and in #11 “other erosion treatment areas.” I see no reason to limit the scope of the workplan this way if the goal is to address problems with waterway integrity.

P8, #13: We require all specialists on QAC team to attend weekly meetings during construction. Cost implications should be considered now, before we get the price tag. We should invite the RFP to address the issue of monitoring the project.

P8, #14 and P9, Section B 1.-4. , P10, II. B.: are examples of where forest ecosystem and hydrology is left out.

P10, C. Sentence 2: typo “fit”

P10, C. REMOVE: “It is desired, not specifically required that the individuals be experienced with ski area expansion and/or restoration processes.” This experience is

provided by MAA contractors and the USFS, it enters bias into the selection process, and is not needed to obtain objective oversight of the project.

P11, III.E.: Is this a legal requirement?

P11: IV. City Responsibilities A. Clarify in this and V.A. that this is one person “project manager/liaison,” not two people.

P13.I. REMOVE: “Proposals will be reviewed and evaluated by personnel from the city of Ashland and MAA.” This goes against everything that has ever been discussed on selection.

P13.II. Criteria chart: I would like to get opinions from specialists on this weighting.

Tasks related to QAC Team	Staff memo	Proposed by Hartzell
Review of proposals	Review & evaluation by city staff and MAA (p13)	QAC Advisory Team review and provide assessment
Selection of QAC Team members	Jointly by City and MAA (p7); proposed team from staff	CC & MAA
Approval of work plan	?	Reviewed and recommended by Advisory Committee
Ongoing oversight of QAC Team		Advisory Committee with checkins with CC/MAA
Decision on how QAC team will report to City Council and MAA	QAC Team	CC & MAA establish minimum requirements; QAC Team propjoses within plan with approval y CC/MAA

QAC= QA/QC Team; CC = City Council

	Criteria	Maximum Score
A.	Project Description: Degree to which proposal responds to RFP Duties and Responsibilities Time commitments Interdisciplinary interface with other team members	30
B.	Respondent's: Qualifications, capabilities Experience in this terrain or similar	50