

State set to survey possible developable mineral deposits

By HILLARY BORRUD
Capital Bureau

It could get easier for mining companies to find promising sites in southern and eastern Oregon, thanks to a new project the Oregon Department of Geology and Mineral Industries plans to start soon.

The agency will spend the next year evaluating which mineral deposits in southern and eastern Oregon counties would be most “economically developable,” under legislation that state lawmakers passed earlier this year. State mineral regulators will also include a list of all existing mineral inventories in the study, evaluate the cost to post mineral records online and recommend potential future mineral assessments.

House Bill 3089 set aside \$25,000 from the state general fund for the department to complete the study.

Richard Riggs, assistant director for the agency’s mineral land regulation and reclamation program, said the goal is to “do a mineral resources assessment in



Courtesy of Oregon Department of Geology and Mineral Industries
The Oregon Department of Geology and Mineral Industries will spend the next year studying the locations and economic viability of mineral deposits in eastern and southern Oregon, under a bill the Legislature passed earlier this year. One of the state’s existing gold mines is the Twin Lake Ranch site operated by Western Mine Development in Baker County.

those areas for things that could actually create jobs.”

Although the bill called for the agency to estimate the cost to post more records online, Riggs said employees might start that work as part of the study project.

Regulates mining and drilling

The Department of Geology and Mineral Industries regulates all mining and drilling in Oregon above the ordinary high-water line, and also researches landslides and other natural hazards.

Riggs said the state created the department in the 1930s to put people to work, so House Bill 3089 ties into the agency’s original mission.

“There’s gold mines all over Southern Oregon that operated up to World War II,” Riggs said. “I would assume there’s still gold in those mines ... They were shut down because of the war.”

The agency has an extensive collection of paper records on mineral deposits around Oregon, from talc and industrial metals to precious metals, but Riggs — who started working for the agency in February — said he did not know what portion of those have been posted online. By moving more of the records to the agency’s website, “we can have a single point for people to access, it will make it a lot easier for them,” Riggs said.

Lawmakers originally wanted the department to complete a full survey with field work, but it would have cost more than the Legislature was willing to pay this year, Riggs said.

“Unfortunately \$25,000 isn’t

a lot of money to go into the field and conduct in-depth studies, but for the information we do have we can dedicate some staff time to make sure that’s as organized as possible for people to use and access,” Riggs said.

Additional chores

Ali Ryan, a spokeswoman for the agency, wrote in an email that the agency has not yet set a timeline for the project, but employees must present the results to interim legislative committees by Sept. 15, 2016.

State Sen. Bill Hansell, R-Athena, said he was initially concerned whether the Department of Geology and Mineral Industries could handle the project because as a member of the Joint Committee On Ways and Means Sub-Committee On Natural Resources, he heard about “the various challenges they had budget wise, different shortfalls they were having, and the expenditure out of accounts that — as it turns out — they had to be repaid.”

The agency had to get help

from accounting employees at other state agencies to straighten out its finances earlier this year. When those employees discovered a revenue shortfall, the geology department asked for and received \$800,000 from the state Legislature to pay its bills through June.

“On the one hand we’re cutting back, we’re trying to make it more efficient,” Hansell said of the agency’s budget and staff. “On the other hand, we’re giving them additional chores to do and costing additional money to do it.”

In the end, however, Hansell decided to support House Bill 3089.

“I was assured by the department and also by some of the customers that would use this that this project would actually help them to become more efficient and help streamline their expenditures in some ways they would not without it,” Hansell said.

This story first appeared in the Oregon Capital Insider newsletter. To subscribe, go to oregoncapitalinsider.com.

ACCUWEATHER® FORECAST FOR ASTORIA

Astoria 5-Day Forecast

Tonight
Mainly clear
57°

Tuesday
Partly sunny; breezy in the afternoon
71° 56°

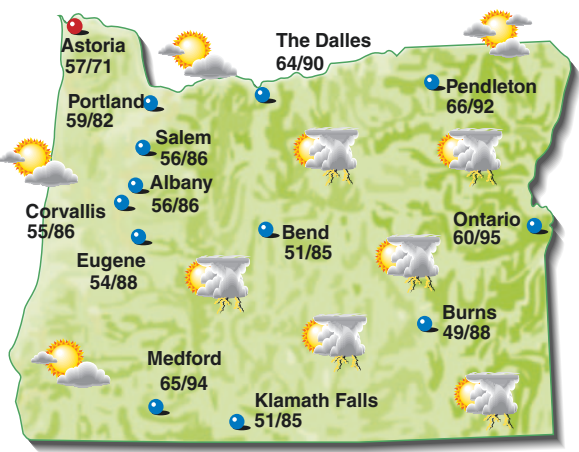
Thursday
Clouds breaking at times for some sunshine
72° 55°

Oregon Weather

Shown is tomorrow's weather. Temperatures are tonight's lows and tomorrow's highs

Wednesday
Partly sunny
71° 54°

Friday
Mostly sunny and beautiful
74° 56°



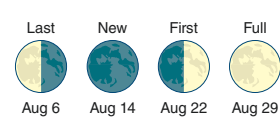
Forecasts and graphics provided by AccuWeather, Inc. ©2015

Almanac

Astoria through Sunday.
Temperatures
High 74°
Low 55°
Normal high 68°
Normal low 54°
Precipitation
Yesterday 0.00"
Month to date 0.00"
Normal month to date 0.05"
Year to date 27.78"
Normal year to date 36.99"

Sun and Moon

Sunset tonight 8:43 p.m.
Sunrise Tuesday 6:00 a.m.
Moonrise today 10:35 p.m.
Moonset today 10:08 a.m.



AccuWeather.com

Regional Cities

City	Today			Tues.		
	Hi	Lo	W	Hi	Lo	W
Baker City	86	50	t	88	50	t
Bend	84	51	t	85	46	t
Brookings	70	58	pc	71	57	pc
Eugene	90	54	pc	88	51	pc
Ilwaco	66	58	pc	66	58	pc
Klamath Falls	86	51	pc	85	51	pc
Medford	95	65	pc	94	63	pc
Newport	65	53	pc	65	51	pc
North Bend	66	55	pc	68	54	pc

City	Today			Tues.		
	Hi	Lo	W	Hi	Lo	W
Olympia	82	53	pc	79	52	pc
Pendleton	92	66	pc	92	61	pc
Portland	87	59	pc	82	57	pc
Roseburg	87	61	pc	91	59	pc
Salem	89	56	pc	86	53	pc
Seaside	68	58	pc	68	58	pc
Spokane	95	66	c	88	59	pc
Vancouver	86	58	pc	81	56	pc
Yakima	96	59	pc	94	56	pc

Under the Sky

Tonight's Sky: Spiral galaxy known as M51 is just below the star that marks the Big Dipper's handle.

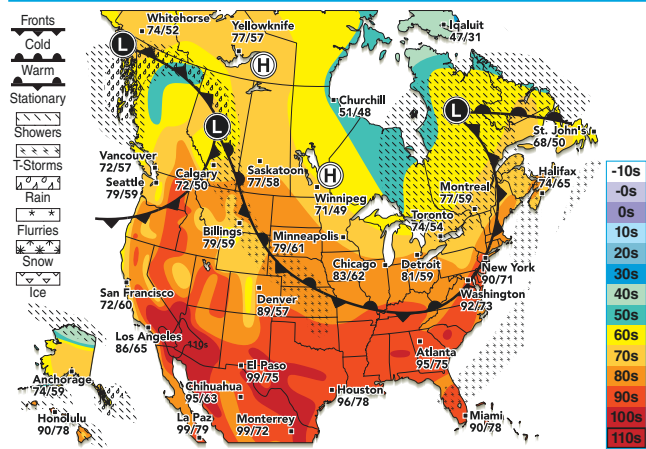
Tomorrow's Tides

Astoria / Port Docks			
Time	High	Time	Low
4:42 a.m.	8.2 ft.	11:03 a.m.	-0.6 ft.
5:24 p.m.	8.6 ft.	11:44 p.m.	0.4 ft.

National Cities

City	Today			Tues.		
	Hi	Lo	W	Hi	Lo	W
Atlanta	92	71	pc	95	75	s
Boston	88	72	pc	87	68	c
Chicago	82	60	s	83	62	pc
Denver	86	58	t	89	57	t
Des Moines	83	66	pc	82	68	pc
Detroit	83	60	pc	81	59	pc
El Paso	96	73	t	99	75	s
Fairbanks	72	53	pc	78	58	pc
Honolulu	90	77	pc	90	78	pc
Indianapolis	86	62	pc	84	64	pc
Kansas City	87	70	pc	84	67	t
Las Vegas	106	79	s	106	80	s
Los Angeles	84	66	pc	86	65	pc
Memphis	96	76	s	98	78	pc
Miami	89	77	c	90	78	pc
Nashville	95	73	pc	95	73	pc
New Orleans	93	78	pc	91	77	pc
New York	90	75	s	90	71	pc
Oklahoma City	90	70	pc	92	72	t
Philadelphia	92	75	pc	90	70	pc
St. Louis	91	73	pc	88	73	t
Salt Lake City	79	64	t	90	68	pc
San Francisco	71	61	pc	72	60	pc
Seattle	82	59	pc	79	59	pc
Washington, DC	95	77	pc	92	73	pc

Tomorrow's National Weather



Shown are noon positions of weather systems and precipitation. Temperature bands are highs for the day. Forecast high/low temperatures are given for selected cities.
Weather (W): s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice.

Lower returns mean higher PERS contributions

By PETER WONG
Capital Bureau

A lower assumed rate of return on investments will result in higher future contributions by state and local governments to Oregon’s public-pension system and slightly smaller payments to workers hired before 1996 who retire after Dec. 1.

The decision Friday by the Public Employees Retirement System board also starts the process by its actuarial firm to calculate what those employer contribution rates will be in the 2017-19 budget cycle. Preliminary numbers, known as “advisory rates,” will be released later this year. The PERS board will approve the actual rates in fall 2016.

Several factors are involved in the calculations, but the assumed rate of return is key.

The board settled on an assumed rate of return of 7.5 percent, down a notch from the 7.75 percent rate of the past two years. For the 24 years before then, the rate was 8 percent. Oregon has had an assumed rate since the 1970s, when it began investing in what is now a retirement fund of almost \$71 billion as of June.

Court ruling influences rates

Government employers already face higher contribution rates as a result of an April decision by the Oregon Supreme Court, which ruled that lawmakers could not pare cost-of-living increases to retirees retroactively. The Legislature did so in 2013 as part of an attempt to reduce the system’s future liability over the next 20 to 30 years.

Milliman, the Seattle actu-

arial firm contracted by PERS, projects the average rate increase for school districts at 5.3 percentage points of total payroll for workers hired before August 2003; for all other governments, 3.8 percentage points, and for coverage of the post-August 2003 workers, one-tenth of a percentage point.

The projected increases will apply in the next budget cycle. Rates for the current two-year cycle, which began in July, were set in fall 2014 before the Supreme Court heard legal challenges to the 2013 changes.

With the approval of a lower assumed rate of return, the PERS board is likely to “collar” contribution rates so that overall increases are spread over several budget cycles, instead of all at once.

Investment earnings, contributions

About 73 cents of every dollar Oregon pays out in public pensions comes from investment earnings. Most of the rest comes from contributions by the 925 employer members of PERS, which covers about 95 percent of Oregon’s public employees.

There are roughly 130,000 retirees.

The change in the assumed rate was not unexpected, although the board chose the highest of three scenarios.

Milliman had projected scenarios of 6.99 percent, 7.32 percent and 7.45 percent. Milliman’s was the lowest; Callan, the San Francisco firm that advises the Oregon Investment Council, was the highest.

California’s pension system reduced its assumed rate from

7.75 percent to 7.5 percent in 2012.

According to a recent survey by the National Association of State Retirement Administrators, about a third of the 126 statewide retirement systems it surveyed still retain an 8 percent rate. But since the financial-markets crash in 2008, the mean has dropped to 7.68 percent, and the median — the point at which half the systems are above and half below — is equal to Oregon’s former rate at 7.75 percent.

The assumed rate also is used to credit annual earnings of public employees hired before Jan. 1, 1996, otherwise known as Tier 1. If employees in that group retire by Dec. 1 of this year, the 7.75 percent rate will still apply. Those who retire afterward will be subject to the 7.5 percent rate, which takes effect on Jan. 1.

‘Just not right’

Under an example offered by the PERS staff, someone who retires on March 1, 2016 — after the lower rate takes effect — will earn the same pension benefit as someone who retires by Dec. 1 of this year. Before Friday’s meeting, two employees filed comments urging the board not to change the current rate.

“Having to work six extra months just to get to where you would have been before is just not right,” said Tammy Noeske of Salem.

“Oregonians who work in government are weary of all the recent changes that keep moving the goal line for retirement,” said Doug Crumme of Corvallis.

The Capital Bureau is a collaboration between EO Media Group and Pamplin Media Group.

Lotteries

OREGON
Sunday's Pick 4:
1 p.m.: 5-9-1-2
4 p.m.: 1-9-4-2
7 p.m.: 2-9-8-2
10 p.m.: 4-2-6-2
Saturday's Megabucks: 4-13-29-35-38-48
Estimated jackpot: \$5.4 million.
Saturday's Powerball: 7-13-24-49-57, Powerball: 15
Estimated jackpot: \$110 million.
Saturday's Pick 4:
1 p.m.: 8-3-8-4
4 p.m.: 8-0-9-3

7 p.m.: 1-9-6-3
10 p.m.: 1-6-9-3
Friday's Pick 4:
1 p.m.: 5-3-1-3
4 p.m.: 4-8-8-7
7 p.m.: 7-5-8-7
10 p.m.: 9-3-5-4
WASHINGTON
Sunday's Daily Game: 9-9-9
Sunday's Keno: 07-08-09-25-30-35-37-41-42-46-49-51-53-61-64-68-70-71-73-76
Saturday's Match 4: 14-18-19-23
Saturday's Daily Game: 5-3-8
Saturday's Hit 5: 06-18-26-29-32

Estimated jackpot: \$100,000
Saturday's Keno: 08-12-18-23-25-28-34-36-49-52-57-60-64-66-71-72-73-74-75-76
Saturday's Lotto: 03-12-19-22-44-48
Estimated jackpot: \$1.6 million
Saturday's Match 4: 01-13-17-20
Friday's Daily Game: 1-0-1
Friday's Keno: 06-08-21-22-26-27-28-29-37-41-43-44-45-47-50-53-59-72-76-78
Friday's Match 4: 01-06-20-24
Friday's Mega Millions: 8-32-33-40-46, Mega Ball: 10

Public meetings

MONDAY
Astoria City Council, 5:30 p.m., work session, 7 p.m., regular meeting, City Hall, 1095 Duane St.
Knappa School Board, 5:30 p.m., work session, Knappa High School library, 41535 Old U.S. Highway 30.
Youngs River Lewis & Clark Water District Board,

6 p.m., 34583 U.S. Highway 101 Business.
TUESDAY
Port of Astoria, 5 p.m., workshop, old Port offices, 422 Gateway Ave.
Astoria School Board retreat, 5:30 p.m., CMH Field, 1800 Williamsport Road.
Miles Crossing Sani-

tary Sewer District Board, 6 p.m., 34583 U.S. Highway 101 Business.
Seaside Planning Commission, 7 p.m., City Hall Council Chambers, 989 Broadway, Seaside.
Cannon Beach City Council, 6 p.m., City Hall, 163 E. Gower St., Cannon Beach.

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