

Cannon Beach looks at 40 percent water rate increase

Money would pay for system projects

By **BRENNA VISSER**
The Daily Astorian

CANNON BEACH — After months of deliberation, the public works committee will recommend to Cannon Beach city councilors a combined 40 percent increase for water and wastewater rates for next fiscal year.

It’s the same rate that was proposed earlier this year as a way to finance projects in the water and wastewater master plan. The 20-year plan is required by the state, and projects would focus on rehabbing or replacing a variety of systems, including brittle water lines and water storage tanks.

Approving the plan, which outlines roughly \$7 million in water infrastructure and \$2 million in wastewater priority-one projects, and the rate increase to fund it stalled in May after committee members raised concerns about how projects were prioritized and discrepancies within the rate study.

Since May, committee members worked with Public Works Director Jim Arndt to evaluate the benefits and drawbacks of funding the whole master plan versus just a percentage, different rate structures and payment phase-in options.

But ultimately, the majority of the committee voted to recommend a proposal Tuesday similar to the one made earlier this year, which will keep the city’s current rate structure and raise the average homeowner’s water bill from about \$50 a month to \$70 in the first year.

The committee will introduce its recommendation to the City Council at a work session Dec. 12.

“None of this is easy,” Arndt said. “We have needs in this town, and addressing them is going to hurt for awhile.”

Fixing the problem

Cannon Beach has not had a significant rate increase in 10 years. Because of this, the Public Works Department has not been able to fully cover operational costs without dipping into the general fund, according to both Arndt and his predecessor, Dan Grassick.

The sharp increase would allow critical projects to be steadily funded by ratepayers rather than relying on hotel and rental room tax revenue — which, when the economy is poor, can create funding instability for these projects.

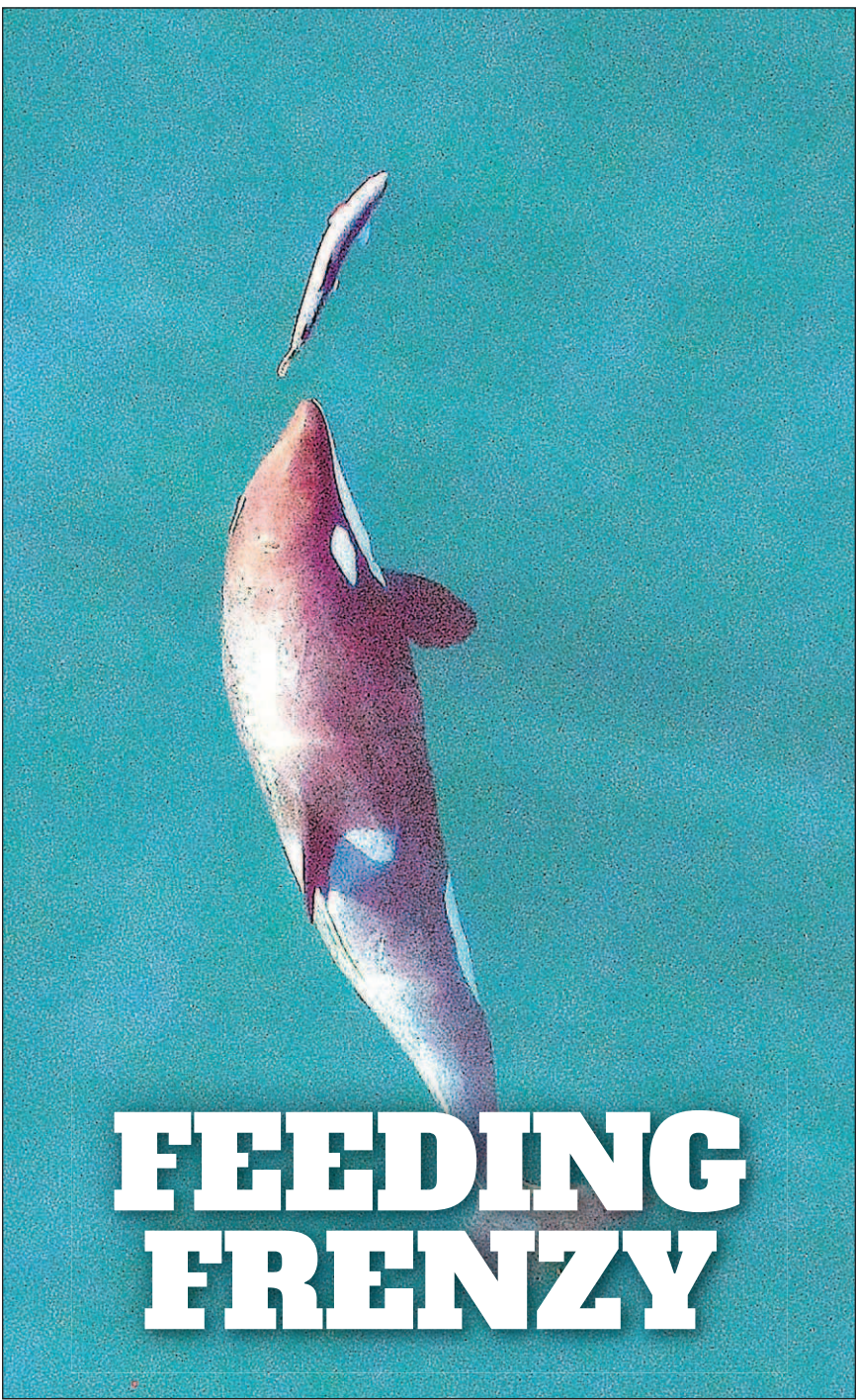
Financing 100 percent of these high-priority projects with rates would help the department catch up on projects, as well as reduce the impact on future maintenance costs, Arndt said. But doing this would require rates to raise closer to 60 percent.

“We want to provide for and maintain this system sustainability,” Arndt said.

Most committee members agree there are parts of the system that have been neglected and need to be replaced, but are uncomfortable recommending a rate increase that would finance any more than 50 percent of water infrastructure projects and 75 percent of wastewater projects listed in the plan. Doing so still generates \$2.1 million and \$1.61 million for water and wastewater projects, respectively.

Most members have disagreements about what infrastructure projects should be considered as a No. 1 priority, so only providing partial funding encourages the city to prioritize projects and pursue alternative funding

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John Durban/NOAA Fisheries/Southwest Fisheries Science Center
In this photo from a drone, a young resident killer whale chases a Chinook salmon in the Salish Sea near San Juan Island, Washington.

Marine mammals are eating more salmon than humans do

By **KATIE FRANKOWICZ**
The Daily Astorian

As salmon populations rebound in marine mammal populations on the West Coast has come with unintended consequences for salmon. A new study found that a growing population of fish-eating killer whales, sea lions and harbor seals on the West Coast have feasted heavily on Chinook salmon runs in the last 40 years.

Their consumption of the fish — of which certain populations are listed as endangered and threatened — may now exceed the combined harvest by commercial and recreational fisheries, researchers say.

It’s a complex trade-off, fishery managers say. And many questions remain about what a growing predator population means for the fish and why, despite the feeding frenzy, the Southern Resident Killer Whale group in Washington state’s Puget Sound area continues to show few signs of recovery.

The study was a broad but “careful accounting exercise,” a first attempt to quantify marine mammal predation of Chinook salmon on the U.S. West Coast and up into British Columbia, Canada and Southeastern Alaska, said co-author Isaac Kaplan of the National Ocean and Atmospheric Administration’s Northwest Fisheries Science Center.

“The main story here is there are a lot of factors affecting salmon,” Kaplan said. “Those include dams and habitat (loss) and fishing and marine mammals. We know all of these things are a challenge to recovery for Chinook salmon populations.”

The researchers — a collaboration of federal, state and tribal scientists in the Pacific Northwest — used models to estimate that the yearly biomass of Chinook salmon consumed by sea lions, harbor seals and killer whales increased from 6,100 to 15,200 metric tons from 1975 to 2015, even while annual harvest by fisheries decreased from 16,400 to 9,600 metric tons.

While recovery efforts on the West Coast have boosted the numbers of

wild salmon, researchers found the increased predation could be taking a toll and “masking the success of coast-wide recovery efforts.”

“We’re trying to understand all the threats that salmon face throughout their range,” said Eric Ward, a co-author and statistician (biology) with NOAA. “These fish have huge migrations. Fish from the Salish Sea or the Oregon Coast and Washington Coast migrate all the way up to Alaska and throughout that whole range they are vulnerable to predation.”

The study purposefully focused on predation by certain recovering marine mammal populations, said study lead Brandon Chasco, an Oregon State University post-doctoral student.

The study confirmed what communities near the mouth of the Columbia River already know — sea lions and sea lions eat a lot of salmon. The researchers estimated that California sea lions ate 46,000 adult Chinook salmon in 2015, while Stellar sea lions consumed 47,000. Harbor seals ate considerably less, an estimated 1,000 adult Chinook salmon.

“What we don’t know is if these marine mammals are effective and if they’ve taken the fish out of the mouths of other predators,” Chasco said. “Or, if it’s being stacked on top of bird consumption, stacked on top of fish consumption and the density of salmon overall is lower.”

“We just don’t know that yet,” he added, “and I don’t know when we’re going to know that.”

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Judge limits hotel damages against Port

Potential legal bill now less than \$1 million

By **EDWARD STRATTON**
The Daily Astorian

The Port of Astoria’s potential legal bill over the Astoria Riverwalk Inn has been reduced from \$4 million to less than \$1 million.

Clatsop County Circuit Court Judge Dawn McIntosh granted a motion Monday by the Port to limit Param Hotel Corp.’s damages on claims of fraud against the agency to \$682,800.

That is in addition to more than \$200,000 for awarded to Param over the Port’s breach of contract.

Param and its owner, Ganesh Sonpatki, had been trying since 2014 to take over operation of the Riverwalk Inn from heavily indebted former operator Brad Smithart in exchange for paying his debts to the city, Port, county and other government entities. The Port Commission voted in 2015 to have staff transfer the lease, but the deal fell apart.

After the Port installed locally connected company Astoria Hospitality Ventures as the short-term operator, Param sued the Port for breach of contract and fraud, arguing the agency had unfairly misled the company and broken the previous agreement to transfer the lease. Executive Director Jim Knight was named a co-defendant in the lawsuit, but later had a separate fraud claim against him dismissed.

A jury last month awarded Param \$202,430 in economic damages for a breach of contract claim and nearly \$3.8 million on the claims of fraud. The Port’s attorney, Luke Reese, argued that the claims of fraud are subject to caps under the Oregon Tort Claims Act. The act is meant to protect public bodies from massive payouts after a wrongful act, other than a breach of contract, that results in damages or injunctions.

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Gov. Brown directs OHA to preserve kids’ insurance program

By **CLAIRE WITHYCOMBE**
Capital Bureau

SALEM — Oregon Gov. Kate Brown has directed the state’s health agency to guarantee coverage for children and pregnant women covered by a federal program that’s in limbo.

Oregon is one of three states that will run out of federal funding for the Children’s Health Insurance Program, or CHIP, in December, according to OHA. Up to half of the states will be out of federal money by February.

Brown directed OHA to maintain coverage of groups covered by CHIP for the first four months of 2018. That would cost the state about \$35 million.

About 121,000 kids and 1,700 pregnant women are covered by the program in Oregon.

CHIP generally enjoys broad political support, but Congress is now well past its Sept. 30 deadline to reauthorize funding for the program.

But Oregon officials expect Congress to reauthorize the funding and to pay the state back.

“While this additional cost was not in the Oregon Health Authority’s legislatively approved budget, we can manage this on a short-term basis because it is early in the biennium,” OHA Director Pat Allen wrote in a Nov. 17 letter to Brown. “We will spend more of our appropriated state funds earlier to make up for lost federal funds.”

Allen added that if Congress does not reauthorize CHIP funding or doesn’t fund it retroactively, the lost funding would “cause a hole in the OHA budget” that would have to be reconciled in 2018.

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