



ERICK BENDEL PHOTO

As a result of flooding caused by the city's water line rupture in early January, the brick walkway on the west side of Douglas and Karen Hadley's house has partially fallen into the skirting. An estimate of damages to the house and yard, along with travel expenses and lost rental income, is \$15,000 and growing.

## House owners seek reimbursement after city water line ruptures

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The structure now sags in places, producing faint cracks in the paint and ceiling where the house has started to settle.

Meanwhile, "the yard is a mess" and "part of the garden got washed out," Douglas Hadley said.

The Hadleys' homeowners insurance may cover some of the structural damage, like the compromised posts, but that "still leaves a lot of other damage," he said.

### 'Matter of principle'

Factoring in the money spent from travel expenses and lost rental income, the Hadleys estimate the total financial impact is approximately \$15,000 and growing.

Yet the city's insurance company, Citycounty Insurance Services (CIS), which is headquartered in Salem, has told the Hadleys that the company will not pay for any of that amount.

"We're in continuing conversation with them," he said. "Up to now, they have not provided any coverage."

The city itself is no longer part of the conversation, City Attorney Tammy Herdener said.

"CIS may not want to involve the city," she said, adding that, if there's a settlement, it will happen between the property owners and CIS.

The Hadleys are awaiting a formal estimate from their insurance investigator.

Herdener said that "it's not out of the ordinary" for cities to have tort and property damage claims filed against them. Cannon Beach averages about two claims a year, she said. "Sometimes less, sometimes more, sometimes none."

Because it is an active claim, representatives from CIS were not allowed to comment. Grassick declined to speak on the record regarding the case, and City Manager Brant Kucera could not be reached for comment.

The Hadleys have retained a lawyer. "It's become a matter of principle to some extent, because we feel that the city is responsible for some damage," Douglas Hadley said. "Their infrastructure failed."

# Council weighing water options

## Water service violates city's comprehensive land-use plan

By Erick Bengel  
Cannon Beach Gazette

The City Council is considering whether to modify its comprehensive plan to allow water and sewer service outside the existing city limits and urban growth boundary after the city accidentally provided the service to one property owner — in violation of the city's comprehensive plan — and then denying it to another.

In early 2014, Cleve and Marilyn Rooper used their retirement savings to buy a lot on Elkwood Mountain Road, east of U.S. Highway 101, above the tsunami inundation zone and just outside the urban growth boundary. The urban growth boundary indicates where the city can extend urban services — such as water — to areas beyond the city limits. It is approved by the state Department of Land Conservation and Development.

Before they made the purchase, the Roopers checked with the city to see if water service was available on the lot, and the city assured them that it was, Cleve Rooper said.

"Within a couple of weeks, the city said it screwed up, the deal's off," he said. "We were very disappointed and asked the city to reconsider."

In July 2014, Cleve Rooper sent a letter to the

city "complaining about our circumstances," he said. A month later, Interim City Manager Jennie Messmer responded with a letter that formalized "the fact that they were not going to make the water available, and that they'll continue to discuss the water and try to find a solution," Rooper said.

However, three years ago, "through a process that is not well documented," said Public Works Director Dan Grassick, the city hooked up an adjacent prop-

erty by a former water district that was grandfathered into the city's water system and receives city water, a staff report said.

### Options

At the City Council's Feb. 10 work session, Grassick laid out some options for the City Council to consider.

One option is to maintain the status quo by allowing the Browns' property to continue receiving water service as exceptions to the

without annexing the territory, the council will have to amend the comprehensive plan to allow water service within the urban growth boundary but outside the city limits, Grassick said.

A staff report prepared by Grassick and city Planning Director Mark Barnes says statewide planning rules allow cities to provide water to rural areas outside their boundaries, and they cite Astoria, Seaside and Warrenton all serving water to customers "outside of their city limits and (urban growth boundaries)."

The city is working toward an "appropriate solution for the situation that we're presented with," which is a conflict between the comprehensive plan and where the city currently serves water, Grassick added after the work session.

For now, the city can continue to provide water outside the urban growth boundary, as long as it's actively preparing amendments to the comprehensive plan that will address the conflict, Herdener said.

### Hope for resolution

Cleve Rooper said that he and his wife have not retained a lawyer and don't wish to pursue any legal action against the city.

"Our hope is that the city will be able to find some way to accommodate the need that we have and, ultimately, that we resolve this," he said.

The Browns declined to speak with the Gazette. City Manager Brant Kucera could not be reached for comment.

**'Within a couple of weeks, the city said it screwed up, the deal's off. We were very disappointed and asked the city to reconsider.'**

Cleve Rooper

erty, also outside the urban growth boundary, with water and sewer service. The service was connected prior to Grassick's employment with the city and also before the arrival of City Manager Brant Kucera.

The property is owned by Mike Brown and his wife, Egrane Brown. Mike Brown works for the city's public works department. The Browns paid to bring the pipes and other infrastructure to their property.

The Browns recently received a letter from the city notifying them that the city may disconnect their water service within three years. Their property is one of two outside the urban growth boundary that currently receives water; the other property was once served

comprehensive plan. City Attorney Tammy Herdener urged the council not to go this route: "It's like breaking your own rule, your own law," she said.

Another is to amend the comprehensive plan to allow water service to properties outside the urban growth boundary. The properties would have to form their own water district to meet Oregon Health Authority drinking water standards, and service would be provided by a single master meter at the boundary line, according to a staff report.

A third option is to adjust the urban growth boundary to incorporate existing properties that, like the Browns' property, are currently served with water. If the council decides to do this

## Presentation to focus on 'Lives in Transition'

Those interested in continuing their education are invited to learn about "Lives in Transition" at 1 p.m. March 7, in the Seaside Public Library, 1131 Broadway.

Clatsop Community College instructor Shelly Alford

will discuss the "Lives in Transition" program, which is designed to assist displaced homemakers, single parents, dislocated workers and first-generation college students. Participants can acquire greater academic

confidence while working to become economically self-sufficient.

The college offers two college classes, staff support and opportunities to develop personal resources based on an individual

plan to acquire skills for employment, vocational or career goals.

For more information, call 503-738-6742 or visit [www.seasidelibrary.org](http://www.seasidelibrary.org) and [www.facebook.com/seasidepubliclibrary](http://www.facebook.com/seasidepubliclibrary)

# MUNICIPAL MEMO

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**FOR YOUR INFORMATION**  
MAYOR: Sam Steidel  
COUNCILORS: Wendy Higgins, Melissa Cadwallader, Mike Benefield & George Vetter  
CITY MANAGER: Brant Kucera

## MEETINGS MARCH 2015

3	City Council Regular Meeting	7:00 p.m.
10	City Council Work Session	5:30 p.m.
19	Design Review Board	6:00 p.m.
26	Planning Commission	6:00 p.m.

### CITY COUNCIL REGULAR MEETING, February 3, 2015

- Adopted Ordinance 15-01, for the Purpose of the City of Cannon Beach, Oregon Requesting that the City be Annexed into the Clatsop County Oregon State University 4H and Extension Service Special District;
- Discussed the South Wind Master Plan, which will be revised and brought back for Council approval at a future Council meeting;
- City Planner presented an update summarizing the progresas of an OWEB grant application.

### CITY COUNCIL SPECIAL MEETING AND WORK SESSION February 10, 2015

- Tentatively approved (with conditions) pending final findings of fact, the Nicholson request for 1) ZC 14-01, Zone Map Amendment, 2) PD 14-01, Preliminary Approval of a Planned Development and 3) V 14-01, Variance to Slope Density Requirements with regards to property at 532 North Laurel Street;
- Kris Peterson, Finance Director (NowCFO) presented the 2nd quarter (ending 12/31/14) FY 2014-15 budget to actual financial report;
- Dan Grassick, Public Works Director presented

the OTAK engineering water capacity outside city limits report for Council discussion.

### EXECUTIVE DEPARTMENT

- The City Manager, Councilor Cadwallader and City Recorder attended an Oregon Budget Law workshop held in Tillamook on February 10th;
- The first City Potluck of the year was held Thursday, February 12th, at the Chamber of Commerce Community Hall. The next potluck will be held in April in honor of Earth Day;
- Work continues at City Hall to remedy an on-going plumbing problem;
- Work to remodel the employee kitchen is continuing.

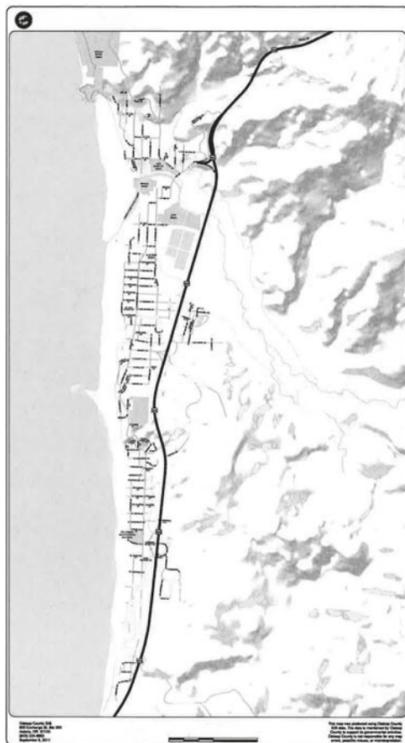
### DESIGN REVIEW BOARD

- At their February 19, 2015 meeting, the DRB discussed:

- DRB 14-15, Vito Cerelli Application for Modifica-

tion to Schooner's Cove Inn at 188 N Larch, for the addition of a two level elevator for ADA accessibility. Approved

**PLANNING COMMISSION** - Scheduled to meet February 26th, 2015.



### NOTICE OF VACANCIES

#### CITY COMMISSIONS, BOARDS & COMMITTEES

The City of Cannon Beach is seeking applications for the following vacancies:

#### EMERGENCY PREPAREDNESS COMMITTEE (EPREP): ONE (1) vacancy to fill a four-year term.

The primary responsibility of the Emergency Preparedness Committee is to plan emergency response on a city-wide basis and make recommendations to the City Council. The Emergency Preparedness Committee holds its regular meetings on the last Friday of each month at 10:00 a.m. and may schedule work sessions as needed.

#### TOURISM AND ARTS COMMISSION (TAC): TWO (2) vacancies to fill four-year terms.

The seven-member Tourism and Arts Commission develops grant guidelines and procedures and distributes and accounts for the monies in the "Tourism and Arts Fund" which are to be used by local non-profit groups to promote tourism and the arts in Cannon Beach. Each member shall have experience in one or more of the following areas: public relations, marketing, advertising, tourism, lodging, promotions, events promotion art, and/or publicity. The Tourism and Arts Commission holds its meetings as needed.

To be eligible to serve on a City committee, applicants must have resided within the city or its urban growth boundary during the one year immediately preceding appointment; or at the time of appointment, shall have owned real property located within the city or its urban growth boundary for at least one year immediately preceding appointment.

Note: Tourism and Arts Commission applicants are not required to reside in Cannon Beach and are eligible if he or she has worked, at least part-time, within the City of Cannon Beach for at least one year immediately preceding appointment.

Applications are available at City Hall, 163 E. Gower Street, Cannon Beach, by email addressed to [riggs@ci.cannon-beach.or.us](mailto:riggs@ci.cannon-beach.or.us) or on-line at [www.ci.cannon-beach.or.us](http://www.ci.cannon-beach.or.us). Applications should be returned to Colleen Riggs, City Recorder, Cannon Beach City Hall, and P.O. Box 368, Cannon Beach, OR 97110. For more information, please contact Colleen Riggs by email or phone at (503) 436-8052.

### Community Grants

Community Grants Applications will be available at Cannon Beach City Hall or online at [www.ci.cannon-beach.or.us](http://www.ci.cannon-beach.or.us) beginning February 23, 2015. Community Grants are available for Non-profit organizations providing programs/projects in arts, educational, recreational, environmental, community, or social services in Cannon Beach.

### Tourism & Arts Fund Grants

Tourism and Arts Fund Grant Applications will be available at Cannon Beach City Hall or online at [www.ci.cannon-beach.or.us](http://www.ci.cannon-beach.or.us) beginning March 2, 2015. Non-profit organizations providing programs/projects that further tourism and the arts in Cannon Beach are invited to apply. All applications must be received at City Hall by 2:00 pm, Friday, May 1, 2015.