



November 2, 2012

Blair Henningsgaard
Attorney at Law
818 Commercial, Suite 301
P.O. Box 1030
Astoria, OR 97103

Re: *Determination Whether Project is Subject to Prevailing Wage Rate Law*
Project: Demolition of Waldorf Hotel in Astoria
Requested by: Blair Henningsgaard, Attorney at Law

Dear Mr. Henningsgaard:

On October 24, 2012, you submitted a request on behalf of the City of Astoria asking if the Prevailing Wage Rate law would apply to the proposed Demolition of the Waldorf Hotel at 1067 Duane Street in Astoria project ("project"). Sufficient information to make a determination was received on October 31, 2012, and therefore, the commissioner issues the following determination:

FINDINGS OF FACT:

1. The Waldorf Hotel was originally constructed in 1924 and is located at 1067 Duane Street in Astoria. It lies between the City Hall and the Public Library. The hotel is derelict and has been unoccupied for many years. The building is in violation of most of the City's dangerous building ordinances and is considered a public eyesore. The City of Astoria has tentatively agreed to purchase the property on the condition that the owners remove the building.
2. The Waldorf Hotel property is currently owned by Poulton Family Oregon, LLC, a private company. Poulton plans to sell the property to Groat Brothers, Inc., a foreign business company whose business is demolition and recycling of old buildings.

PORTLAND
800 NE Oregon St. Suite 1045
Portland, OR 97232-2180
(971) 673-0761
Fax (971) 673-0762

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1400 Executive Parkway, Suite 200
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3. The project consists of the demolition of the Waldorf Hotel. It is expected that the building will be removed to the ground level, which is approximately 12 feet below street level. The City expects to be left with essentially a hole in the ground.
4. The total project cost is estimated at \$80,000 to \$100,000. The current plan is for Groat Brothers to finance the demolition either through an existing line of credit or through a bank loan.
5. The City of Astoria plans to purchase the property, contingent on the removal of the building. The purchase price has not yet been agreed on, but the City may be willing to pay the equivalent of the demolition expense plus \$25,000. The purchase would take place after demolition has occurred.
6. The City's intention is to utilize the property as a public plaza or perhaps a space for expansion of its library facility. However, no agreements have yet been signed and the City has no funding for development at this time.

CONCLUSIONS OF LAW:

1. The proposed project does not meet the definition of "public works" under ORS 279C.800(6)(a)(A) because it is a project for demolition and not a project for construction, reconstruction, major renovation and/or painting. Likewise, it is not being carried on or contracted for by the City of Astoria. Nor will the project use any funds of a public agency.
2. The proposed project does not meet the definition of "public works" under ORS 279C.800(6)(a)(B) because it is a project for demolition and not a project for construction, reconstruction, major renovation and/or painting. Likewise, although the project is private, it will not use more than \$750,000 in funds of a public agency.

DETERMINATION:

Based on the foregoing, the Prevailing Wage Rate laws, ORS 279C.800 to ORS 279C.870, and OAR Chapter 839, Division 025, will not apply to the proposed Demolition of Waldorf Hotel in Astoria project.

This determination is based on the agency's file as of the date of this determination. The commissioner may make a different determination if any of the project information is incorrect, or if the project or project documents are modified or supplemented after the date of this determination.

REQUEST FOR A RECONSIDERATION:

After the commissioner issues a determination, the requestor or any public agency served with a copy of the determination may request that the commissioner reconsider the determination. A request for reconsideration must be submitted in writing to the Prevailing Wage Rate Unit, must include the reason or reasons for the request and any documents in support of the request, and must be received within 15 calendar days of the date the determination was mailed. A request for reconsideration does not toll the time period for requesting a contested case hearing on the determination.

RIGHT TO A HEARING:

The requestor and any person adversely affected or aggrieved by this determination are entitled to a hearing as provided by the Administrative Procedures Act (ORS 183.413 to 183.470) and ORS 279C.817. If you want a hearing, the Bureau of Labor and Industries, Wage and Hour Division, must receive your written request for hearing within 21 days from the date this notice was mailed. Hearing requests should be addressed and delivered to:

Administrator
Wage and Hour Division
Bureau of Labor and Industries
800 NE Oregon St., Suite 1045
Portland, OR 97232

If a written request for hearing is not received within this 21-day period, your right to a hearing shall be considered waived.

If you request a hearing, you will be notified of the date, time and place of the hearing. You have the right to be represented by legal counsel at a hearing. However, if you are a government agency, corporation, partnership, or unincorporated association, you must be represented by either legal counsel or an authorized representative. If you request a hearing, you will receive information on Contested Case Rights and Procedures before the hearing. After the hearing, an order confirming, modifying or reversing this determination will be issued. This determination shall remain in effect until the final order is issued.

If you request a hearing, but fail to appear at any scheduled hearing, you will have waived your right to hearing, and the commissioner may issue a final order by default. If the commissioner issues a final order by default, the agency file on this matter shall serve as the record for purposes of proving a prima facie case. You are not entitled to judicial review of this determination order unless you have made a timely request for a hearing.

Date: November 2, 2012

BRAD AVAKIAN, Commissioner
Bureau of Labor and Industries

Christine N. Hammond

CHRISTINE N. HAMMOND,
Administrator
Wage and Hour Division
Bureau of Labor and Industries

Certificate of Service

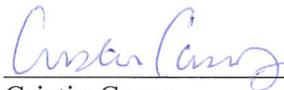
On November 2, 2012, I mailed the Prevailing Wage Rate Determination for the Demolition of Waldorf Hotel in Astoria project to the requestor, as follows:

Blair Henningsgaard
Attorney at Law
818 Commercial, Suite 301
P.O. Box 1030
Astoria, OR 97103

Certified Mail – Return Receipt Requested
Article #: 7012 1010 0001 2377 5777

Paul Benoit, City Manager
City of Astoria
City Hall
1095 Duane Street
Astoria, OR 97103

Certified Mail – Return Receipt Requested
Article #: 7012 1010 0001 2377 5760



Cristin Casey
Compliance Specialist
Wage and Hour Division
Bureau of Labor and Industries