

**CITY COUNCIL MEETING
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January 3, 2012**

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City of Dundee
City Council Meeting Minutes
January 3, 2012

Call to Order

Mayor Crawford called the meeting to order at 7:00 PM.

Council and Staff Attendance

Present: Mayor Crawford, Councilors Adlong, Munson, Nelson, Pugsley, and Reddell. Excused: Councilor Miller. Staff members: Rob Daykin, City Administrator, Jim Bennett, City Attorney, Dave Monson, City Engineer, Jessica Nunley, City Planner, Alan Mustain, Public Works Supervisor, and Debra Manning, Assistant City Recorder.

Public Attendance

Jerry Fiedler, Ron Mock, Michelle Kropf, Larry Lewis, David Hinson, Michael Humm, Kennedy/Jenks, Joshua Knotts, Joshua Ferguson, and Rick Aster.

Agenda Changes:

Added to New Business: OLCC License Application, Daedalus Cellars, Co.

Public Comment:

Joshua Knotts, Newberg, and Joshua Ferguson asked for consideration for the addition of a drive thru for a coffee and waffle shop at 875 North Highway 99W. This would require a zoning amendment for the drive thru. Ferguson inquired of other possible properties for consideration. Mayor Crawford suggested an alternate site of the property south of the ARCO station. Knotts passed out a handout of the proposed business.

Consent Agenda

Amendment to page 4 of the City Council Minutes, December 6, 2011, Old Business, Transportation System Plan Update, 3rd bullet: ...a representative from the Edwards family, a representative from the Lindquist family, ... and a representative from the Dundee Civic Association. **The motion** was made and seconded to approve Consent Agenda items 5.1 City Council Minutes, December 6, 2011 and 5.2 Financial Report Ending November 30, 2011. **The motion** passed unanimously.

Old Business

WWTP Construction Project Status Report

Michael Humm, Kennedy/Jenks, updated the Wastewater Treatment Plant:

- Headworks: the foundation slab was poured mid-December and equipment is now being delivered to the site
- Operations building: the roof has been completed, work is continuing on the walls and windows
- MBR structure: 3 to 4 pours remain to complete the walls, the roof of the pipe gallery will be finished next
- Future expansion of the MBR treatment basin has been addressed with installation of water stops at the wall intersections, which will allow connection for future addition

Pay estimate number 6 for \$724,548 is under review and includes the concrete at the MBR and the Headworks (5 pours), mechanical piping, and roofing. The project is 35.19 % complete with \$3,312,199 requested to date.

Councilor Reddell questioned the number of pumps in the Headworks. Humm advised there are four pumps, two larger and two smaller, which can be replaced through access hatches. Full capacity can be maintained with one pump down, but two pumps are required for high flow. Reddell inquired the maximum population the plant could handle. Humm will determine and bring the information back to the Council.

Mayor Crawford inquired if the issue with cold temperatures had been resolved. Humm relayed they had concerns with concrete and rebar freezing during the cold weather. The issue was addressed with the subcontractor and it was determined that the pours, protected by blankets, are acceptable.

Planning Commission Appointments

Five applications were received for the four Planning Commission positions from Michelle Kropf, Larry Lewis, and the three incumbents: Ron Mock, Gerald Fiedler, and David Hinson. City Administrator Daykin reviewed the qualification requirements for the Planning Commission.

The motion was made and seconded to re-appoint Gerald Fiedler, Ron Mock, and David Hinson to the Planning Commission with terms expiring 12.31.2015. **The motion** passed unanimously.

The new applicants introduced themselves and were interviewed by the Council:

Michelle Kropf has been a resident of the area for ten years and co-owner of Red Hills Market. She has a medical background and is interested in building and property development and the community.

Larry Lewis has been a resident of Dundee for 3.5 years. Lewis is a marketing manager for a family business working out of his home. He wants to be more active in the community and encourage business and jobs in the area.

Question: Assuming a controversial land issue is before the commission. How would you reconcile your personal opinions and emotions should they be in conflict with the policies and regulations established by the Dundee Comprehensive Plan, Dundee Development Ordinance and the Dundee Public Works Design Standards? Are you comfortable making decisions that may be deemed unfavorable by some, perhaps even at odds with your own preferences?

Lewis: Would be a mediator and an advocate for compromise to move forward with what is best for the city, not his personal emotions.

Kropf: Would keep her emotions separate and would look to find an option which will fit.

Question: What prompted you to apply for the Planning Commission?

Kropf: Applied at the suggestion of the Mayor. She would like to make it easier for new businesses to make the city their home. She would be an active force for positive change to attract commerce to Dundee.

Lewis: Applied at the suggestion of the Mayor. He would like to contribute and participate with the city's growth.

Question: Would bring new ideas to the Planning Commission?

Lewis: Suggested a community center for children and he would look for ways to encourage business to relocate to Dundee.

Kropf: Would like to see cohesiveness in building colors and lighting among the businesses in the city.

Question: Do you subscribe to newspapers and are you registered to vote?

Lewis and Kropf affirmed both questions.

The motion was made and seconded to appoint Michelle Kropf to the Planning Commission with term expiring 12.31.2015. **The motion** passed unanimously.

Ordinance No. 508-2012, Bed & Breakfast

City Planner Nunley referred to the memo in the packet answering the questions from the December 6th meeting. Nunley clarified that motels are not a permitted use in the Central Business District (CBD) zone, but Bed & Breakfast Inns are. The Planning Commission's recommendation included removal of the Bed & Breakfast use from the CBD zone. The building code takes into consideration the building classification and occupancy. The Oregon Residential Specialty Code regulates houses/structures with five or fewer sleeping rooms and the Oregon Structural Specialty Code regulates houses/structures with more than five sleeping rooms and requires sprinklers. After further discussion the majority consensus was to keep Bed & Breakfast uses in the CBD zone until further review with the Development Code update. **The motion** was made and seconded to adopt Ordinance No. 508-2012, an ordinance amending the Dundee Development Ordinance to include a new definition and standards for Bed and Breakfast establishments in the residential zones, with an amendment to not delete Bed & Breakfasts from the CBD zone. **The motion** passed unanimously.

New Business

OLCC License Application, Daedalus Cellars Co.

The motion was made and seconded to approve the OLCC License Application for Daedalus Cellars Co. **The motion** passed unanimously.

Public Works Facility Concept Plan

Funds were included in the 2011/2012 budget for the future relocation of the Public Works shops at the Waste Water Treatment Plant (WWTP). Wallis Engineering provided the concept plan included in the packet. Staff noted that the project can come in less than the proposed budget.

Public Works Supervisor Mustain stressed the need to relocate the shop to the WWTP:

- To facilitate the learning curve (It was noted that Lafayette has their public works facilities at their treatment plant)
- To accommodate coverage of the WWTP by a small crew
- Out of room at the current shop site
- Current building roof leaks
- Have to move several pieces of equipment to access needed equipment
- The WWTP would be a secure area equipment storage
- The WWTP site has room for expansion
- Being onsite will help facilitate staff training for the WWTP operations
- Being onsite will facilitate backup of the WWTP operator

Mustain suggested accumulating funds over the next couple of years, the possibility of phasing improvements, and staff can do some of the work. He noted that at some point in the future the property shared by Fire and Public Works will either be sold or reconfigured for a new fire hall.

C. Pugsley inquired about combined a Public Works/Fire facility. Mustain advised that he is not aware of any. He noted the equipment is different for the two departments. C.A. Daykin advised that many cities opt to locate their Public Works facilities at their WWTP site, which allows for more efficient operations by a small staff sharing duties. Highway 99W is not a prime location for either appearance or usage for the equipment storage and maintenance shop.

Councilor Adlong expressed concerns for the appearance and size of the proposed Public Works facilities site. Mustain replied the building colors will match those of the treatment plant and will blend in with the WWTP facility.

City Engineer Monson clarified that the site was already cleared, grubbed, and would occupy less than one acre. He confirmed that the shops will be done with the compatible color scheme to match the Operations building. Monson stated the \$50 per square foot building cost is a conservative estimate and noted there are many ways to reduce the cost of the project. There are issues at the existing facility which make it difficult for the crew to operate efficiently. The shop would need to be insulated to allow minimal heating, 50 degrees allows elimination of moisture to help preserve the vehicles, equipment, stored materials and chemicals.

C. Pugsley inquired if the building site could be relocated further east. Mustain noted that is the area needed for expansion of the WWTP. C. Adlong expressed concern to maintain the habitat for the safety of the turtles. Monson shared that Elizabeth Ruther, Oregon Department of Fish and Wildlife Habitat Biologist, will be brought back to work on the turtle habitat.

Mayor Crawford suggested reviewing solar panels for the building. He noted the option where the solar company leases the space.

C. Reddell inquired the lowest cost estimate for the project. Monson responded a basic facility for \$350,000. C. Pugsley asked what that would include. Monson replied a building on a concrete pad with utilities facilities, no bathroom or hazmat shower, and minimal paving. Engineer Humm supported the need to have hazmat eye wash/shower facility at the shop building for safety purposes as the facility in the WWTP is too far for adequate coverage.

Mustain shared a cost estimate from November 2011 for a 60 foot by 156 foot, erected, steel, insulated building at less than \$80,000. Public Works crews can contribute labor to the project for site preparation and other improvements.

Monson suggested refining the concept design taking into consideration updated building costs, the needs of the staff, and what staff can contribute to the project to further define the cost.

C. Reddell expressed concern for the funding needed and that it didn't appear that phasing would be appropriate as most of the cost is upfront. Mustain shared his view of phasing as completion of the slab and the basic insulated building followed by further improvements in phases. C. Reddell expressed concern for the small staff to address more work contributing labor to the project. Mustain relayed the expectation there will be opportunities for small amounts of time, where the crew can address the project during slower times such as the winter season. Reddell asked for an updated proposal. Monson will bring back an estimate and a scope of work. Reddell expressed concern for expenditure of funds at WWTP, the proposed fire hall, and a Public Works shop, while noting that we haven't addressed the drinking water issue.

C. Adlong inquired the amount of funds currently earmarked for the facility. C.A. Daykin advised \$72,000 from the current budget cycle was inserted as a placeholder with the intent to increase the amount for the next budget. He recommended a possible internal finance option.

C. Reddell inquired the origin of the funds for the concept design of \$2,000. Daykin replied they would be funded from the engineering services line items.

C. Pugsley inquired about the internal financing. Daykin gave an example of an inter-fund loan, where the water fund has ample funds for immediate needs and the funds are lent to another fund

to complete the project and paid back with appropriate interest. The revised design concept and scope of work will be brought back to the Council.

ODOT 99W Speed Zone Recommendation

In 2013 ODOT will repave Highway 99W and the existing crosswalks located at uncontrolled intersections on the highway will have to be permitted as a new application. They advised that lowering speed limit below 35 mph will assist in the crosswalk permitting. ODOT completed a speed zone study for the cities of Newberg and Dundee in November of 2011. They offered two options: 1) change the speed limit through Dundee from 35 to 30 or 2) change the section from Fourth to Eleventh streets from 35 to 25 mph. After discussion with the Police and Fire chiefs, staff is recommending 30 mph through Dundee. Staff would like to justify a crosswalk in the vicinity of First or Second streets in the future. Council may accept the recommendation, contest the recommendation, or request further consideration of the speed zone investigator.

C. Pugsley inquired the boundaries for the speed zone. Daykin advised the City limits. The majority consensus was in favor of the recommendation for 30 mph for Highway 99W through Dundee. C. Pugsley noted that the City will have to push aggressively for crosswalk placement. Engineer Monson will address placement of a pedestrian facility near First Street with the pending regional trail system at the upcoming Transportation Enhancement grant meeting in Salem. Daykin advised that once ODOT receives notice that the City concurs with the recommendation, they will issue a final speed zone order and change the signs.

Bond Counsel Agreement

The basic agreement for bond counsel services is included in the packet, similar to the agreement for the interim financing for the WWTP, with the difference that the fee will be decided when the project financing is decided and payment is contingent on the issuance of the bonds. The Staff is asking Council to formalize the relationship with bond counsel. Councilor Nelson asked for a comparison of the fees to the interim financing fees. Daykin replied the fee for the interim financing of the WWTP project was \$12,500; the fee for the fire station financing is estimated between \$15,000 and \$20,000, depending upon whether the City uses interim financing during the construction phase or not. **The motion** was made and seconded to approve the professional services agreement between the City of Dundee and Mersereau Shannon LLP and authorize the City Administrator to sign the agreement. **The motion** passed unanimously.

Frontier Communications-Revocation of Franchise Termination

In March of 2011 Frontier Communications advised their intent to terminate their cable franchise agreement with the City of Dundee. After reconsideration they have asked to formally revoke their earlier termination letter. Staff is asking for authorization for the City Administrator to sign the letter of agreement regarding the revocation of the franchise termination notice from Frontier. **The motion** was made and seconded to authorize the City Administrator to sign the Letter of Agreement regarding the revocation of the franchise termination notice from Frontier Communications Northwest Inc. **The motion** passed unanimously.

Council Concerns and Committee Reports

C. Reddell inquired if the city has an Emergency Preparedness Plan in place. The City currently does not. Daykin advised the City is under the County's plan at this time; they have received a grant and will work with the city in the future to develop a plan more specific to Dundee.

Mayor's Report

The final Environmental Impact Statement (EIS) for the Newberg/Dundee Bypass should be reviewed soon with a Record of Decision (ROD) expected in March.

The Mayors of Dundee, McMinnville, and Newberg and Mike Ragsdale, Chehalem Parks and Recreation Department (CPRD) thanked the Confederated Tribes of Grand Ronde for their contribution to the Bypass at their Tribal Council meeting in December.

A meeting is scheduled on January 18th with the Trust for Public Lands and CPRD to discuss placing a bond measure for the Chehalem Heritage Trail on the November ballot.

City Administrator's Report

Nancy Boyer, Mid-Willamette Valley Council of Governments will host a goal setting session on January 17th at 6:00 P.M. A sign-up sheet was passed to arrange for telephone interviews prior to the meeting.

The property under consideration for the WWTP outfall was appraised by Craig Zell on December 28th. Staff should have the appraisal report around mid-January.

Staff will meeting with representatives from ODOT on January 17th to review survey data detailing the existing improvements and right-of-ways (ROW) on the Highway 99W corridor and to consider street lighting options including LED technology.

Councilor Munson asked if the center lane on Highway 99W across from the ARCO station and First Street could be turned into a no left turn lane for southbound traffic. Previous studies were noted, which addressed left turns out of the station, where ODOT responded in the negative. Staff can address it again with ODOT. City Attorney Bennett suggested reviewing the conditions and the renewal time of ARCO's permit to access the highway.

Public Comment:

None.

Executive Session:

The City Council entered Executive Session at 9:32 P.M. in accordance with ORS 192.660 (2) (f) to consider information or records that are exempt by law from public inspection and ORS 192.660 (2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions. Executive Session ended at 10:30 P.M. and the Council reconvened.

C.A. Daykin met with representatives of USDA Rural Development who have a Community Facilities loan program (Federal funds at 3.75% interest, forty-year term and no prepayment penalty). Staff can bring information for two financing options for the Fire Hall at the February 7th meeting: 1) a Community Facilities loan and 2) a general obligation bond. Council was asked if they want a detailed analysis from a financial advisor, at an estimated cost of \$1,000. The majority consensus was to get the financial advisor's input.

The meeting was adjourned at 10:35 PM.

A handwritten signature in blue ink, appearing to read "Ted Crawford", written over a horizontal line.

Ted Crawford
Mayor

Attest:

A handwritten signature in blue ink, appearing to read "Debra L. Manning", written over a horizontal line.

Debra L. Manning, CMC
Assistant City Recorder