

**CITY COUNCIL MEETING  
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March 15, 2016**

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**City of Dundee**  
**City Council Meeting Minutes**  
**March 15, 2016**

**Call to Order**

Mayor Russ called the meeting to order at 7:00 P.M.

**Council and Staff Attendance**

Present: Mayor David Russ, Councilors Storr Nelson, Doug Pugsley, and Kristen Svcarovich.  
Excused Absence: Councilors Jeannette Adlong, Ted Crawford and Tim Weaver. Staff members: Rob Daykin, City Administrator, Shelby Rihala, City Attorney, Greg Reid, City Engineer, John Stock, Fire Chief, Brandan McGarr, Firefighter, and Debra Manning, Assistant City Recorder.

**Public Attendance**

David Ford, Scott Salsberry, Lee Odell, CH2M, Dave Huber, Waste Management, Dean Kampfer, Waste Management, Ayla Zahler, Allen Holstein, Argyle Winery, Jackson Holstein, and Aaron DeLong.

**Agenda Changes**

Item 7.4 Change Order Number 4 to the C-More Pipe contract was added to Old Business.

**Public Comment**

None.

**Presentation: Waste Management – Report on 2015 Operations**

Dave Huber and Dean Kampfer, Waste Management (WM), briefly updated operations: six staff were laid off when the paper mill closed, WM is now offering all in one recycling for commercial customers allowing all recyclables in one pickup container, they converted to front load trucks, and provided Service Delivery Optimization training to their employees. Councilor Pugsley asked if glass is included in the all in one recycle. Huber replied it is provided for commercial customers; separate from the all in one. WM's community involvement includes: the Chehalem Valley Chamber of Commerce, the Newberg Old Fashioned Festival, providing an Economic Development grant to the City of Dundee, the Newberg Downtown Coalition and Newberg Rotary. 450 acres of the Riverbend Landfill is being made available for community projects. The next Hazardous Household Waste Collection event is May 21 from 9:00 A.M. to 1:00 P.M. at the Newberg Transfer Station with no charge to Dundee residents. Kampfer advised that WM will be looking at a rate adjustment which will be brought back to the Council. Councilor Nelson inquired what is driving an increase noting that fuel costs are down. Kampfer stated equipment and labor costs and that they currently are not receiving any value from recycle materials. Nelson questioned the capacity difference between the old and new trucks. Huber stated the old trucks had a six ton capacity while the new trucks have a ten ton capacity (57,500 pounds total gross vehicle weight). Councilor Pugsley inquired if WM noted an increase in the requests to downsize to a smaller collection container after the last rate increase. Kampfer responded they did not notice. Pugsley asked WM to consider offering their customers the option to contract for a smaller bin with the notice of a rate increase.

**Consent Agenda**

**The motion** was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, March 1, 2016, 6.2 Financial Report Ending February 29, 2016, and 6.3 Fire Department 2015 Year-end Summary. **The motion** passed unanimously.

## Old Business

### Budget Committee Appointments

This item returns from the March 1st Council meeting with the request to interview the applicants who were not present at that meeting: Nick Jungwirth, Aaron DeLong, and David Ford.

There were no additional questions for Scott Salsberry who was present at the March 1st meeting. He shared that he is now the internal auditor for the local council of the Knights of Columbus.

Aaron DeLong relayed that he has twenty years of experience as an inventory controller and purchasing agent. He currently handles a fiscal plant budget of \$750,000. DeLong has previously applied for the Budget Committee. C. Pugsley asked what DeLong could contribute to a contentious meeting to help the committee work through issues. DeLong replied that a diplomatic solution should be able to be reached with the focus to produce a functional budget.

David Ford, was out of town during the March 1st Council meeting. He has been a Dundee resident for over two years, enjoys the community and wants to contribute. Ford has worked for large organizations managing large budgets and understands how to read financials and how budgeting operates. C. Pugsley asked what Ford could contribute to a contentious meeting to help the committee work through issues. Ford replied there is always contention working on budgets. He is a small business owner and serves on a couple of boards. He believes the best way to address contention is to ensure all perspectives are articulated and all views are listened to before working on a functional solution.

**The motion** was made and seconded to appoint Scott Salsberry to the Budget Committee with a term expiring December 31, 2018. Mayor Russ nominated David Ford to be appointed to the Budget Committee. **The Vote:** Mayor Russ-nay, C. Nelson-aye, C. Pugsley-aye, and C. Svicarovich-aye. **The motion** passed in favor three to one.

### Resolution No. 2016-02, Water Master Plan

Lee Odell, CH2M, was present to answer any questions on the plan. Changes include the population estimates, the Capital Improvement Program and additional language for the recycled water policy. The State approved the plan without any changes. C. Pugsley questioned the changes to the population. Daykin referred to packet page 38 with the population spreadsheet used as a basis for the changes to the population forecasts to better reflect a likely growth pattern for the Riverfront District, to allow for additional non-city water users, and a break down by pressure zones. The current population is 3,335, including both inside and outside water users; the twenty year projection is 5,135. **The motion** was made and seconded to approve Resolution No. 2016-02, a resolution adopting a new Water System Master Plan. **The motion** passed unanimously.

### Resolution No. 2016-03, Water SDC Methodology and Fee

The new methodology for the Water System Development charge and fees was compiled on the basis of the Water Master Plan Capital Improvement Plan. Based on the methodology used, this is the maximum amount we can impose as the fee; the Council can impose a lesser amount. Daykin referred to the letter handed out from the Home Builders Association of the Portland Metro area; who is asking to be involved in future changes. Councilor Svicarovich questioned the process to change the SDC rate in the future. Daykin stated the new methodology allows for incremental increases on July 1st of every year based on the Engineering News-Record index. New projects added to the Capital Improvement Plan that is used to modify the SDC fee would be an amendment to the plan with a hearing process. Recycled water is part of the SDC component; the person benefitting from a purple pipe/recycled water connection would pay the full SDC charge

on placement of a water meter. It is unknown but anticipated that the recycled water will have a separate meter with a separate meter charge dependent upon Council direction. Areas not benefiting from recycled water would have a reduced fee. The purpose of the fee is to pay for the pumping and storage facilities for the recycled water system. **The motion** was made and seconded to approve Resolution No. 2016-03, a resolution adopting a new methodology used to establish Water System Development Charges; adopting an updated Water System Development charge; repealing Resolution No. 98-12; and repealing Resolution No. 06-04. **The motion** passed unanimously.

### **Change Order Number 4 to the C-More Pipe Contract**

Public Works received an emergency call for a blockage in the sewer line from Third to Fourth Street along Highway 99W. City of Newberg crews were asked to assist with the work as Dundee's equipment could not handle the issue. The line was blocked with a lot of gravel, but a lot of clear flow was noted. Since C-More pipe is already working on manholes at the location it appears prudent to video inspect the line.

Mayor Russ inquired the status of the Waste Water Treatment Plant (WWTP). Daykin advised that we again violated the permit on Sunday. We are not having the opportunity to complete a clean in place with the high flows and the permeability on the membranes cleaned is not returning to where it should be. We are not keeping up with 750,000 gallons per day (gpd), even though the plant was designed for 1.1 million gpd. Rental pumps were ordered and used to bypass treatment basins to direct the flows to Lagoon 4 with chlorination. Lagoon 4 discharges to the Willamette River.

Change order number four is the completion of C-More's work; a total contract price of \$34,412. Alder Terrace received a high flow notice and were advised they need to complete a video inspection of their system to determine the system's issues. They have not responded. Engineer Humm has been requested to send them another notice and if they do not respond to it they will be billed at double rates on April 1st. The other trailer park also seems to have high flows. **The motion** was made and seconded to approve change order number 4 to C-More Pipe in the amount of \$1,860.00. **The motion** passed unanimously.

## **New Business**

### **Fire Station-Community Message Sign Proposals**

Chief Stock advised that there is a grant from the Ford Family Foundation and a donation from the Rotary Club for a reader board. Four companies were invited to respond to a request for a proposal with an objective to tie in the architect of the station with the monument sign/reader board. Three replies were received from Bu-Kai Design, Salem Sign Company, Inc, and Meyer Sign Company. The proposed site for the sign was amended to the planter in the front area. Fire Department volunteers were invited to provide feedback and advised they did not care for the submission from Bu-Kai Design. They support the submission from Meyer Sign Company with the cedar posts removed. Meyer's proposal took the building architecture into consideration. Stock does not like the painted plastic, internally lit signage denoting Dundee Fire & Rescue. They can change this to solid aluminum with only the cut out Dundee Fire & Rescue lettering lit and remove the cedar pillars while remaining close to the same budget. Councilor Nelson expressed concern that the reader board is too close to the ground on the proposals from Salem and Meyer Sign. C. Svicarovich inquired if we were utilizing all reader board area we are allowed. Daykin confirmed Meyer has the larger reader board size; 7.03 square feet. Svicarovich suggested exchanging positions between the reader board and the Dundee Fire & Rescue and allowing the Dundee Fire & Rescue to flow across the bottom width of the sign. After further discussion Chief Stock will request an amended proposal from Meyer Sign Company to return to the Council for further consideration.

### **Fire Station-Indoor Quality Testing Proposal**

Chief Stock relayed concerns for the health of the people working in and visiting the building. Testing would determine potential health hazards and help with litigation. He expressed concern for relocating the department, if required, while the issues are being fixed. Mayor Russ inquired if this has been discussed with our insurance representatives. This will be further considered in Executive Session. Daykin advised that recommendations will be made based on findings from the test. **The motion** was made and seconded to accept the proposal for indoor air quality testing from PBS Engineering & Environmental under the direction of Pinnell Busch, Inc. in the amount of \$2,585. **The motion** passed unanimously

### **Loan Refunding Options**

C. A. Daykin referred to the letter of interest from US Bank and the additional worksheet distributed to the Council. It appears there would be substantial savings for the City to take a seven year loan to refund the IFA Water/Wastewater Program loan (4.04%); there is a difference between the current seventeen year term and a consolidation to seven or ten years. This will require large payments from the Water Fund. The report shows an accelerated prepayment of the current IFA loan with a pay off in 7.5 years. The net difference between the two loan options is a \$45,000 savings going with US Bank. Daykin noted that trying to internally fund the Charles Street storm water improvements (\$51,000) and the Seventh to Eighth Street storm water improvements in the line across Highway 99W (\$130,000) is not going to work; especially if there is a desire to make accelerated payments on the IFA loan from the Water Fund. He suggested increasing the US Bank loan by \$200,000 to include both the Charles Street and Seventh to Eight Street projects. Loan documents will be brought back for consideration if Council accepts the proposal. The next step is for Bond Counsel to prepare a resolution and start the loan document process. There will not be any loan origination fee; the expectation is Dundee will establish a banking relationship with US Bank, including the rest of the City's banking services.

C. Nelson inquired if US Bank would be good with just the refinance of the IFA loan without the additional \$200,000. Daykin confirmed they would. **The motion** was made and seconded to direct the preparation of a resolution by Bond Counsel, Jim Shannon, authorizing the preparation of loan documents for a full faith and credit obligation of the City with US Bank for refunding of the IFA loan and potential other additional improvements. **The motion** passed unanimously. Staff will advise US Bank and Bond Counsel that we are interested and wait until the absent Council members have input at the April 5th meeting before moving forward.

### **Council Concerns and Committee Reports**

C. Svicarovich relayed that the Parkway Committee meeting is Thursday at 7:30 A.M. It appears that ODOT will not apply for the next federal TIGER grant; this could be discussed at the meeting. Mayor Russ and Councilor Svicarovich will attend to request that ODOT use the opportunity to apply; since this will be the third application with a better chance to get a grant along with the fact that the Newberg/Dundee Corridor is on the Fast Act as a high priority corridor. The Mayor advised that the agenda appears to look to direct the lobbying efforts to get the State to purchase right-of-way (ROW) in Newberg for the future extension of the Bypass to Rex Hill. Councilor Crawford contacted Mayor Olson McMinnville, and Commissioner Primozych, Yamhill County, and also tried to make contact with the Confederated Tribe of Grand Ronde regarding the need for a fix for the fishhook.

### **Mayor's Report**

None.

## City Administrator's Report

C. A. Daykin referred back to the overflow event at the WWTP noting that when time and flows allow staff will start investigating MBR 1 to determine why the permeability is not coming back. A crane may have to be rented to pull the MBR cassettes for better cleaning during low flows in the summer. It is unknown whether or not the life of the MBRs is being shortened from the high flows and there are no funds set aside for their future replacement. Mayor Russ asked if pumping from the basins to create enough space for equalization would allow the MBRs to be removed sooner. Daykin advised no. Yesterday the basin gained a foot in an hour when the system was shut down.

An email was received from Rick Stevens, hired by Stu Lindquist to help prepare the Riverside District Zone. Staff met with Stevens several times and Stevens met with civil engineer Larry Anderson representing the Edward's property. Updated information was presented to Mr. Lindquist and his partner Dale Bernards. We have been advised that Stevens and Lindquist have parted ways and the work for the Riverside District Zone is on hold.

## Public Comment

None.

The meeting was adjourned at 8:40 P.M.



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David Russ  
Mayor

Attest:



Debra L. Manning, MMC  
Assistant City Recorder