

**CITY COUNCIL MEETING  
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May 17, 2011**

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**City of Dundee**  
**City Council Meeting Minutes**  
**May 17, 2011**

**Call to Order**

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

**Council and Staff Attendance**

Present: Mayor Crawford, Councilors Adlong, Miller, Munson, Nelson, Pugsley, and Reddell.  
Staff members: Rob Daykin, City Administrator, Cindy Phillips, City Attorney, and Debra Manning, Assistant City Recorder.

**Public Attendance**

Gary Allen, Newberg Graphic, Preston Van Meter, Kennedy/Jenks, Teresa Townsend, Jim Townsend, Chris Nagy, Fueled by Fine Wine Half-Marathon, and Gary Manning.

**Agenda Changes:**

None.

**Public Comment:**

Chris Nagy, Fueled by Fine Wine Half-Marathon, presented a proposed map for this year's run from Billick Park through: city neighborhoods, the Four Graces Vineyard, the Harvey Creek Trail, the Willakenzie, Lange and Erath vineyards and back to Billick Park by Neiderberger Road. The registration is expected to be about 1,200 runners. Permission was requested to use the Harvey Creek Trail. The group would invest race resources for trail improvements such as sod, wood chips, etc.

Councilor Munson questioned the placement of water stations. Nagy noted that there would be about eleven water stations in areas that will accommodate access for the runners.

Mayor Crawford inquired if the group was considering using the Harvey Creek Springs trail. Nagy replied they were considering use of the trail which would allow a connection to Torii Mor and Lange vineyards. The marathon has permission from Four Graces Vineyard for access through their vineyards. Crawford suggested a request to property owners along the route to contain their dogs during the half-marathon. Nagy relayed that members of the Dundee Hills Board had not been aware of the trails the City has to offer.

Councilor Adlong expressed concern for the safety of the runners and the preservation of the Harvey Creek trail. She suggested staff receive input from Bryan Nielsen, Champoeg State Park Manager, on the ramifications the half-marathon might have on the trail. Nielsen is a resident of Dundee and has provided assistance on trail maintenance. Councilor Pugsley inquired if there was still a log obstructing the trail. Nagy advised that removal of the log could be addressed by her group. She added that trail running is currently a popular trend. Donations from the race support the Dundee Community Association, the Dundee Wine Grower Association, and NW Newfoundland Rescue.

Councilor Reddell asked how to sign up as a volunteer. Nagy shared email addresses: [info@fueledbyfinewine.com](mailto:info@fueledbyfinewine.com) or [chrisn@fueledbyfinewine.com](mailto:chrisn@fueledbyfinewine.com).

Staff will contact Nielsen regarding the Harvey Creek Trail and the issue will return for discussion.

## **Consent Agenda**

The motion was made and seconded to approve Consent Agenda items 5.1 City Council Minutes, May 3, 2011 and 5.2 Financial Report Ending April 30, 2011. The motion passed unanimously.

## **Old Business**

### **Sewer Rate Review**

C.A. Daykin advised that Deb Galardi, consultant under contract with Kennedy/Jenks, helped establish a new sewer rate structure last year, differentiating for non-residential users based on their impact on the sewer system. The first phase of the new rate structure was adopted by the Council in August of 2010. The proposal is to continue the second year of the rate structure increases scheduled for August 1, 2011. After consideration of updated project costs and additional unanticipated costs, the analysis anticipates a possible 5% shortfall in service revenue. Galardi's recommendation is to continue monitoring revenues. There was a noted decrease in water use by some non-residential users. Restaurant owners were placed in the commercial medium category in lieu of the high category, a lower category assuming that grease trap requirements would be met. A change in grease trap regulations is pending. Staff recommends adoption of the proposed rates for August 1, 2011 and continued monitoring of income revenues and project costs.

Councilor Nelson noted that current customers are bearing the higher costs for the waste water treatment plant (WWTP). He asked if a portion of the additional costs are being included in the system development charges (SDCs). Daykin replied that SDCs will not be a significant source of revenue until development occurs. The City has to set rates to meet the debt obligations; with the net income at a 105% of the debt service. Daykin noted that updating the SDC methodology will be addressed this summer with Galardi Consulting. Once the draft SDC's are calculated, a public notice is issued to persons of record requesting such notice before enactment of the new SDCs. City Attorney Phillips advised the notice period is ninety days. Daykin stated there are two components to SDCs: 1) the reimbursement component for the excess capacity in the new system and 2) the future improvements component needed for increasing capacity.

C. Adlong asked for a rate comparison of the local communities. Staff will bring it back to the Council. The majority consensus was in agreement to continue with the rate plan and monitoring of income and project costs. A resolution will be brought to the Council to formally adopt the rate increase and customers will be notified in the July newsletter of the increase effective August 1st.

C. Munson questioned the source of water for the new winery being built outside of the city limits. Daykin advised they will not use city water for the winery. The house located on the property is a current rural water customer for the city and they have been informed the waterline is for domestic purposes only.

### **Material Testing RFP's**

Preston Van Meter, Kennedy/Jenks, advised that part of the bidding process is to have the city hire a materials testing firm for any testing required as part of the building permit process. The request for proposal asked for a summary of all anticipated tests, costs of the tests and mileage charges. Six proposals were received. The Engineer's recommendation is to award the Dundee WWTP Project Schedule A Special Inspection and Testing Services contract to ACS Testing as the lowest, most responsive bidder.

Councilor Pugsley inquired who oversees the project. Van Meter advised that there will be a job trailer on site with supervisors Michael Humm, Kennedy/Jenks, (three days a week) and City Engineer Monson (two days a week).

C. Munson inquired how the needed testing is determined. Van Meter replied specific points in the project will require testing: concrete pours, rebar inspections, soil testing, and asphalt testing. Anything requiring a test reported to the building officials will be provided by this firm. Munson inquired the estimated cost. Van Meter estimated \$50,000 for materials testing and special inspections contingent on the construction methodologies of the contractor.

C.A. Daykin advised that the contract was prepared by the City Attorney. C. Nelson questioned 16.2 as an exception to prevailing wages for the ten hours a day. City Attorney Phillips replied 16.2 is the hourly rate under public contracting statutes, it is the Oregon statute that implements the forty hour work week rule. Daykin clarified that this specifies they need to follow the state rules, the City has schedule of fees that will be paid to the contractor. Phillips stated the wording in 16.2 could be replaced with the wording from the statute; the contractor has to comply with the statute.

**The motion** was made and seconded to award the Dundee Wastewater Treatment Plant Project Schedule A Special Inspection and Testing Services contract to ACS Testing, Inc at an amount not to exceed \$50,000 and to authorize the City Administrator to sign the contract for special inspections and testing services with ACS Testing, Inc. **The motion** passed unanimously.

### **OWEB Small Grant Project Agreement**

The Greater Yamhill Watershed Council was awarded the grant for removal of the culvert in Harvey Creek and replacement with a pedestrian bridge. The City's obligation is \$3,500 cash and in-kind services provided by staff. The request is for Council's authorization for the City Administrator to sign the agreement as landowner to authorize crews to do the work on City property. The project's overall estimated cost is about \$19,000, which will be funded with an estimated \$10,000 grant through Oregon Watershed Enhancement Board, other cash donations, and in-kind services.

C. Adlong clarified contracted services is for the excavation work. Daykin added it also covers the engineering design for the bridge.

**The motion** was made and seconded to authorize the City Administrator to sign the Oregon Watershed Enhancement Board Small Grant Project Agreement for the Harvey Creek Restoration project. **The motion** passed unanimously.

## **New Business**

### **Block Party Request-Linden Lane**

Theresa Townsend informed the Council there are four graduates on their block, whom the families want to honor with a block party. Daykin stated the City of Dundee does not currently have an administrative procedure and only the City Council can authorize closure of city streets. **The motion** was made and seconded to approve the Block Party Application for the Linden Lane event on June 12, 2011. **The motion** passed unanimously.

### **Chehalem Paddle Launch Funding Request**

Councilor Adlong stated the Parks Advisory Committee received a request from Matt Compton and Jennifer Munson for funding for the Chehalem Paddle Launch. The Parks Advisory Committee supports the project and recommends the Council contribute a \$1,000 from the Parks fund. C. Pugsley advised the expected opening date is June 16th. The Mayor relayed that CPRD is considering a \$20,000 dock funded from separate grant monies. C. Pugsley added that funding could possibly come from the Confederated Tribes. **The motion** was made and seconded to

approve the donation of \$1,000 from the Parks fund to CPRD towards the formation of the Chehalem Paddle Launch. **The motion** passed unanimously.

### **Resolution No. 2011-06, Budget Transfers**

The resolution amends the current year budget by transferring, within the same fund, appropriations between different categories. In the Water, Sewer and Storm funds, workers compensation rates were higher than anticipated and an unexpected change occurred in dependent status for an employee. In the Water Fund there was unanticipated work, which included looking at the City's water capacity, installation of monitoring devices, and associated costs for a pump which failed. **The motion** was made and seconded to adopt Resolution No. 2011-06, a resolution transferring budget line item amounts within a department or fund for fiscal year 2010-2011. **The motion** passed unanimously.

### **Resolution No. 2011-07, Supplemental Budget**

C.A. Daykin advised notice of the Supplemental budget was posted in the Graphic. Two funds were identified where appropriations would be exceeded and the additional resources were identified (this was unanticipated at the time of the budget): the Tourism fund received private contributions for the banner project (allowing more banners than anticipated to be installed) and Water CIP addresses the unanticipated Laurel Street waterline project, which will be covered with a higher beginning fund balance from funds from the Upland Dive waterline project and an increase in transfers from the Water fund. **The motion** was made and seconded to adopt Resolution No. 2011-07, a resolution adopting a supplemental budget for fiscal year 2010-2011. Pugsley inquired if notice was published in Graphic within the five day requirement. Daykin confirmed. **The motion** passed unanimously.

## **Council Concerns and Committee Reports**

None.

## **Mayor's Report**

Mayor Crawford advised that bike/pedestrian funds from Yamhill County will not be available for a trail on Worden Hill from the City limits to Crabtree Park due to the anticipated cost of the project. They will consider placement of a half mile trail from the end of Ninth Street to Fairview to allow a trail to loop to the Harvey Creek Trail. C. Pugsley inquired which side of the road the trail would be placed on. Crawford advised the north side. He relayed that Mike Ragsdale, CPRD, suggested the formation of a trail district to promote trails in the area and create a local trail system.

The Chehalem Paddle Launch received a \$10,000 grant from Yamhill County.

The City of Lafayette is addressing their water shortage by aquifer recharging, pumping water into the wells during the winter. They have formed a Water Resource Committee; the next scheduled meeting is Monday at 6:00 P.M.

Councilor Miller advised that Lafayette has asked to be included in McMinnville's Willamette water right project.

May 18th is the Transportation Enhancement Committee's meeting to consider the TE grants.

## **City Administrator's Report**

Settlement funds have been received from CBIC for the Eighth Street project. The project will be included as part of the overlay projects the city is currently addressing.

Staff met with Planners Pelz, Bierley and Jessica Nunley. Nunley will be Dundee's Planner starting the first of the fiscal year and will attend the Riverside Master Plan meeting scheduled for Wednesday evening. She will come to the Council in June for discussions on the Code Assistance grant application.

Daykin met with City Attorney Ramis, Rod Grinberg (representing Lindquist), Mary Dorman, Angelo Group, and Jessica Cain (representing the Edwards) for an update on the Riverside Master Plan. A second meeting has been scheduled for May 24 to address items which will not be completed with the Riverside Master Plan and to identify the future actions necessary to apply the Riverside District zone to their properties.

The crack seal contractor will be working on identified city streets this Wednesday.

The Cemetery reservoir will be offline Wednesday for its one-year inspection and installation of a missing part.

The yard debris bins are being well used. The bins have been relocated to: 1) the Upland Reservoir site and 2) Maple and Eighth streets. C. Adlong asked if there have been any illegal burns. Daykin stated he has not received any illegal burn reports from Chief Stock. Chief Stock has been approached by a property owner off of Ninth Street with blighted filbert trees. The Mayor noted that Ruth Rogers had received permission to burn debris from her blighted filbert trees.

**Public Comment:**

None.

The meeting was adjourned at 8:28 PM.



Ted Crawford  
Mayor

Attest:



Debra L. Manning, CMC  
Assistant City Recorder