

**CITY COUNCIL MEETING
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**City of Dundee
City Council Meeting Minutes
May 17, 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, Jeannette Adlong, Kristen Svicarovich, Tim Weaver, Doug Pugsley, and Ted Crawford. Staff members: Rob Daykin, City Administrator; Shelby Rihala, City Attorney; Fire Chief John Stock; Clifton Heim, Firefighter.

Public and Presenter Attendance

Michael Humm, Kennedy/Jenks Consultants; Dean Kampfer, Waste Management; Mike Jeffries, Waste Management; Evan Burmester, Waste Management; Dave Huber, Waste Management; Brian Sherrard, Battalion Chief, Tualatin Valley Fire & Rescue; Jesse Herboldt; Isabella Herboldt; Ben Johnson; Andrea Johnson; Orelly Mendoza-Lucero.

Agenda Changes

Item 8.3, Dundee Bypass Bridge Aesthetics was deleted.
Item 8.4, Engine 31 Replacement, was added to Old Business.

Public Comment

None.

Public Hearing: Supplemental Budget

Mayor Russ called the hearing to order at 7:02 P.M. to consider the Supplemental Budget.

Staff Report:

C.A. Daykin reported since the budget is being increased by an amount greater than ten percent of a fund's total appropriation, a public hearing is required. The hearing was advertised, a copy of the information was published and made available at City Hall, and is provided in the agenda packet. He recommended asking for public comment, followed by closing the hearing. Action may be taken later in the meeting on the resolution (Agenda item 9.3).

Proponents:

None.

Opponents:

None.

The hearing was closed at 7:03 P.M.

Presentation: If I Were Mayor Contest Prize Awards

Mayor Russ asked Orelly Mendoza-Lucero and Isabella Herboldt to come forward. Mayor Russ explained the contest. Orelly Mendoza-Lucero won first place and Isabella Herboldt came in second. Awards and prizes were handed out. The first place poster will be going to the state competition.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items 7.1 City Council Minutes, May 3, 2016 and 7.2 OLCC Liquor License Application (Lange Winery). **Discussion:** It was clarified that the Lange Winery application is due to the business moving to the former Dapper Frog site. The motion passed unanimously.

Old Business

Scope of Work – Sewer Main Repairs

C.A. Daykin referred to the updated proposal and map e-mailed to the Council as an addendum to the agenda packet, and copies were provided. Michael Humm, Kennedy/Jenks Consultants, reported that the map provided was developed during the CCTV exploration of the sewer system and shows the locations of defects identified by that project. About 20,000 linear feet of sewer was reviewed. He reviewed the three types of repairs needed – defects along city mains, connections from private laterals, and utility bores. Manholes identified are those that were repaired at the time of the CCTV review. He provided pictorial examples of joint infiltration, defects at Y-connections (private laterals), and utility bores. Repairs will likely entail cutting and removing the damaged areas and replacing them with new pipe using repair band couplers. In the case of the utility bores, the utility conduit will be relocated, ideally below the main line. There is the possibility for a cost sharing plan between the three main responsible parties – the City, the property owners, and Frontier.

Discussion ensued on how to deal with the repairs on the private laterals. The damage seen with the private lateral connections was seen mainly at the Y-connections. However, the camera did not extend up into the lateral line. It is unknown what, if any, repairs may be needed to most of the lateral lines. There are a few exceptions where collapse or damage to the lateral line was visible at the connection point. Mayor Russ pointed out that working with homeowners to ensure that efforts are not duplicated and work is done properly if they have repairs made to their lateral line would be a good idea. The original plan for this project was to expand upon previous I&I identification data, with the view that a fairly widespread repair project would probably result. What was found instead is that the pipe is in relatively good condition, but there are smaller, more localized issues that can be remedied in a localized manner. The cost/benefit from this kind of project was questioned. It is possible that maybe another dozen locations could be identified by using CCTV on the remainder of the system. Humm stated that he does not believe that there is any one location with serious damage, so these types of repairs are what need to be taken care of. Chasing I&I can be challenging. It is difficult to estimate how much improvement in I&I will be made by repairs and it will take time to tell. Discussion ensued regarding the benefits and costs of waiting to find more repairs needed and taking care of them all at once, versus doing these repairs now and others as needed later. Some communities allot an amount for sewer repairs each year, making small repairs on an ongoing basis. However, a true cost/benefit analysis would be difficult to do. Estimated construction costs in total would be about \$200,000, or about \$65,000 apiece for the three responsible parties. The plan is to create three schedules of work with priorities, and identifying possibly reimbursable work. With the 12 identified private properties, the cost would be approximately \$5,000-6,000 each. There would be one contractor with three schedules. We want to move the city's portion forward to complete sewer main repairs prior to street overlays planned this summer, but currently we do not know what to tell homeowners regarding their responsibility.

C.A. Daykin stated that there are complications with the private land owners involved. What strikes him when looking at the map is the one location on 7th Street that was identified as needing repair due to the probable result of a city project. There is another location on 7th Street that might also be related to that same project. There are other sites identified, as well, that had street work done by the city in recent years. It could lead to questions regarding responsibility. He

does not know how street work might impact the specific lateral connections, or how one would determine the cause of any damage to those connections and, thus, responsibility. Normally, the first notice to a property owner states that the city has become aware of the I&I situation with that lateral connection and the property owner must submit a plan for corrective action within 30 days of receipt of the letter. Once the corrective action plan has been approved, the property owner has 90 days to implement the plan. This process needs to be meshed with the bidding process for the city's portion of the project. Discussion ensued. The possibility was mentioned that including the private laterals in the city's portion could be more cost effective and if the city could share in some of the cost then there might be less resistance from the property owners. The cost effectiveness of this idea was questioned. The cost for each lateral connection will vary on the method and depending on the amount of street/sidewalk repair required as a result. When questioned regarding the 7th Street locations, C.A. Daykin responded that the first location was identified early in the search for unusually high flows and was found to be a site where the new storm drainage line was placed over top of the older sewer line connection in conjunction with the widening of the street. Also, the locations on Edwards and near James Court are adjacent to a new sidewalk and curb installations with street widening. Those locations could benefit from a closer review of the CCTV footage. Humm said that there are alternative methods of repair that can be considered, such as trenchless in-line grouting methods. One bidder should be able to handle the joint infiltration and the main line repairs. It was pointed out that it should be determined prior to going to bid if the private laterals will be included and, if so, in what manner. Discussion ensued as to the appropriateness of the city taking responsibility for any of the damage that could be due to street work.

Humm showed examples of typical lateral damage, which appears to be simply the age-related wearing out of the installation or previous repair to the connection. How to provide costs to the property owners was discussed. C.A. Daykin stated that having the city take on the costs of the private laterals was considered. However, the city does not have the funds for that additional work. Additional funds could be borrowed, or the monies could be saved up and repairs done next year for that part of the project. The city's portion of the project and the franchisee's portion of the project should get underway sooner. Also, the damaged lateral on 7th street that is a major contributor to I&I really should be taken care of this summer, as well. The idea of starting the notification process for the property owners, but offering the opportunity to share cost with the City on a repair project next year and having the 90 day requirement waived was brought up. Budgetary considerations related to waiting until next year for part of the repairs were discussed. If the biosolids removal work is postponed this year, that amount could be allocated for these repairs. Details of the work needed on 7th Street were discussed, along with the need for additional CCTV next year, and what information could be provided to property owners to allow them to prepare for their part of the work to be done next year. Upon request, property owners could be provided with details on the repairs being done on 7th Street. Staff is requesting authorization for the scope of work and fee. The scope of work at this point includes the lines with utility bores, the lines with joint infiltration, and the two lateral connections on 7th Street. **The motion** was made to authorize the scope of work; which shall include includes the lines with utility bores, the lines with joint infiltration, and the two lateral connections on 7th Street; as discussed. **Discussion:** Exactly which repairs to include was discussed. **The motion** was seconded. The project, as currently defined, would cost about \$150,000. About \$60,000 would be reimbursable from the franchisee. C.A. Daykin said that there is about \$164,000 budgeted for this project in the next budget. Mr. Humm showed a flow projection graph, with the caveat that flow projections are very subjective and there is not much data to work with. It appears that the system is able to handle high water events better. **The motion** passed unanimously.

C.A. Daykin asked for clarification on the Council's desires regarding notification of property owners. The lateral connections will be looked at in more detail in an effort to determine root

cause of the damages, and the potential offering of incentives to property owners will be revisited once that step is completed. Mr. Humm will return to the June 7th meeting and will be ready to report back.

C.A. Daykin reported that two main contributors to I&I flows contributing from west side of the highway are from the two mobile home parks. Some repairs have been done by one of the mobile home parks, but more is needed. Efforts are underway, but the property owner is pushing back regarding the expense and the need to accomplish all of the repairs prior to winter flows. They are also trying to negotiate to what point repairs need to be done – complete elimination of I&I or just improvement. Staff has been maintaining the point of view that it is a violation and must be fixed. There is a possibility that the property owner may choose to come to the City Council and challenge the determination made by C.A. Daykin and the engineer. The I&I from that mobile home park is very significant, during about 9 months of the year the sewer flow out of the park exceeds the amount of potable water coming into the park. At one point last year, the out-flow exceeded the in-flow by 10 to 11 times.

Waste Management Rate Increase

Dave Huber, District Manager for Waste Management, introduced his colleagues – Mike Jeffries, pricing department; Evan Burmester; and Dean Kampfer, municipal marketing manager. Jeffries and Burmester reviewed the cost report and addressed some questions from the previous meeting, including the method used to calculate the rate adjustment to reach a 10% rate of return on revenue. Growth, so far in 2016 is a net decrease of four commercial and six residential customers. Since garbage service is not mandatory in Dundee, new home starts do not necessarily mean new customers. This is why it is difficult to project growth for the coming year. Calculations were done assuming about half the growth from last year to estimate the impact on costs. Based on those assumptions, the additional income from those new customers would change the rate request percentage to about 3.49 percent – not a significant change. Of the approximately 1,100 single family homes in Dundee, about 1,000 use garbage services. Growth projections and occupancy rates were discussed. In January of 2013, the mixed recycling sales rate was \$34.14 per ton. This year, we are paying \$20.09 per ton to get rid of it. Regarding an on-call service rate for those who only need service occasionally, that is already provided to Dundee customers. A rate comparison was shown. Dundee is comparable to their closest neighboring community – somewhat lower for residential (monthly rate for a 35 gallon container), a little higher for commercial (2 yard once a week service), and about the same for drop boxes. Waste Management affirmed their request for the 3.6 percent increase to be in effect on July 1st. Discussion of recycling additional materials ensued. **The motion** was made and seconded to approve the proposed 3.6 percent rate increase for Waste Management effective July 1, 2016. **The motion** passed unanimously. Staff will bring a resolution adopting the rate schedule at the next meeting.

New Business

Fire Department Dispatch Services IGA

Fire Chief Stock referred to the information provided in the agenda packet. Brian Sherrard, Battalion Chief, Tualatin Valley Fire & Rescue (TVF&R) is present to help answer questions. C.A. Daykin pointed out that in the modified agreement provided today, the legal department added item 6 on notification, but otherwise the agreement is mostly unchanged. Mayor Russ pointed out that he does not see a termination clause in the agreement as discussed in the memo. Stock noted WCCCA does not support voice command for the volunteer's pagers and had concerns of how this might affect volunteer responses. B.C. Sherrard explained that the agreement should prevent any interruptions in the operational efficiencies between the Newberg and Dundee Fire Departments. Being on the same dispatch system allows everyone to be

simultaneously notified, operating on the same channels, consistent notification of all the resources, and it streamlines the dispatch of resources from multiple agencies. TVF&R is planning to pay for the additional tower facility to be constructed on Chehalem Mountain to provide additional coverage for this area. The agreement is for one year (July 1, 2016 – June 30, 2017) with an option to terminate at the six month mark by either party. Stock said that we believe this will work. B.C. Sherrard said that all infrastructures will be in place and ready to go before July 1st. If there are challenges and changes that need to be made to make the system work better for everyone involved, those will be addressed immediately. The goal is to make the services better for all constituents in the region. The practicality and necessity of the 6 month termination period, as opposed to a shorter period, was discussed. B.C. Sherrard said that the typical agreement is a two-year agreement with a discussion at the one-year point as to whether to continue and possibly move towards annexing the jurisdiction into TV&R, or to unwind the agreement. Dundee would not be part of a typical two-year agreement, but this is a rolling one-year agreement with a six-month review. The agreement does state that, upon agreement of both parties, the agreement can be terminated. M. Russ suggested a commitment for 90 days with a one or two week window of opportunity to terminate the agreement, with the understanding that if the agreement is not terminated at that time the commitment is extended to the full length of the agreement. The question was raised of how to keep Newberg and Dundee connected if Dundee is not part of the agreement. Stock said that Newberg will be available to dispatch for Dundee at least through the trial period. It is not clear if Newberg will choose to align with the Tri-county area. Newberg PD will be retaining their current dispatch system and will continue to work with Dundee. The general emergency dispatch protocols will remain the same in any event. After discussion, consensus was to ask B.C. Sherrard to go back to request a shorter potential termination period. **The motion** was made and seconded to accept the agreement with Tualatin Valley Fire and Rescue with an amendment, per the Fire Chief's satisfaction, negotiated with the agency and reviewed by the city attorney. **The motion** passed unanimously.

Engine 31 Replacement

Fire Chief Stock said that the auction was extended by 24 hours and the reserve amount may have been reduced. We are currently high bid, but have not 'tripped' the reserve. Their Chief feels that the reserve will be reached. It appears we will have to buy from the auction site, which will require payment of a ten percent buyer's fee, so of the \$100,000 approved by the Council only about \$90,000 is available to bid. He is requesting at least \$10,000 more to help with the process of this purchase. There are two and a half days remaining on the auction. The current low bid on transportation of the Engine from Houston to Dundee is \$5,400. Volunteers are interested in helping with the transportation costs. There is interest on the auction from a broker and another fire department. The chief and a fire fighter have gone down to see and drive the engine in question. It is a ten year old engine that is in good condition. A new, equivalent engine would cost approximately \$330,000. **The motion** was made and seconded to increase the appropriation for replacement of Engine 31 from \$100,000 to \$110,000, the additional funds to be used towards bidding and closing costs for the apparatus from the City of Cloverdale, Texas. **Discussion:** If the bid goes higher, the fee will be higher, also. **The motion** was amended to change the additional appropriation from \$10,000 to \$11,000. **The amended motion** passed unanimously.

Sale of Surplus Equipment

C.A. Daykin referred to the list provided of equipment identified by the Public Works Department as surplus – not useful, not used, or not needed due to other options. He went over the list briefly. **The motion** was made and seconded to authorize sale of the listed items to the highest bidders. **Discussion:** The chipper will be replaced by renting heavier duty equipment once a sufficient amount of matter is accumulated. The bucket truck will go away fairly soon. If needed a tow-behind unit can be rented. **The motion** passed unanimously.

Resolution No. 2016-08, Supplemental Budget

C.A. Daykin stated that this resolution approves the Supplemental Budget, which was provided in the agenda packet. There are three main issues: reappropriating the unexpected balance of fire construction funds, Water CIP loan refunding proceeds appropriations, and sewer fund appropriations related to the extraordinary repairs needed on the control panels. **The motion** was made and seconded to approve Resolution No. 2016-08, Supplemental Budget, as presented. **The motion** passed unanimously.

City Administrator Salary

This is the fifth amendment to the current employment agreement and would change the salary, effective July 1st, to the amount the City Council discussed at the evaluation meeting on April 19, 2016. This was not included in the budget that was prepared and approved. There will be additional information provided at the June meeting where the budget will be considered to aid the Council in making any desired changes to the budget. **The motion** was made and seconded to approve the fifth amendment to the current employment agreement, changing the City Administrator's salary to \$83,000, effective July 1, 2016. **Discussion:** The salary amount stated does not include any benefits. **The motion** passed unanimously.

Council Concerns and Committee Reports

C. Crawford discussed the Façade Improvement Program being facilitated by the Tourism Committee. An architect was hired to do some renderings, but the Committee was not impressed. He remade the drawings, and they were still not impressed. A different architect may be consulted, however, that would lead to additional costs. The property owner is concerned if the site improvements would be cost effective in case he needs to change his business plan due to the impact of the bypass when it is in place. He will be attending the next Committee meeting. It was asked if there is a plan to bring the property's lighting into conformance with the City's lighting ordinance. Any new lighting will be required to conform to the ordinance. The goal is to come up with something that is better looking, but will still meet the needs of most any business that is located at that site.

C. Crawford also mentioned that he has found that there are eight vacation rentals in the City that are listed on VRBO.com, and only some are registered. C.A. Daykin confirmed that six are registered, one is in the process of registering, and the other has been notified to register.

C. Crawford reported that he is involved in the Riverbend Stewardship Project. Waste Management is trying to work with the community to determine what will happen with the property around the landfill. There was a recent tour of the landfill. They use hawks and falcons to control the birds on site, like some of the vineyards are doing. Every night a layer of soil is put over the day's deposit of garbage. They have purchased the RV park next to the landfill. Apparently, that site will be used for staging their equipment. There may be conflict with the County over the changing use of the RV park property, which is the best site for a trailhead to the adjacent County property.

C. Svicarovich reported that it looks like there is a good likelihood of our Measure 36-180, Dundee Charter Amendment, passing. At last look, it was at a 90 percent approval.

C. Adlong asked if there will be a Parks Committee meeting. C.A. Daykin stated that there will be one in June to go over the remaining elements to be completed in the Viewmont Greenway Park project.

The fence along the vineyard property was discussed. It may be necessary to invest in some tree landscaping along there to mitigate the appearance of the fence. The current ending location of

the fence is to accommodate the City's request relating to the street connection along that property line. The property owner has not agreed to the request from the City as to limiting the location of the fence next to Viewmont Greenway Park. The fence is a deer fence, and appears to be electrified. Since it is on the border of a public park, is there a liability to the City? The property is not inside the City. However, the nature of the fence may need to be looked into.

Mayor's Report

M. Russ asked the Councilors for clarification about the irrigation rate starting point. It was his understanding that it would apply to April this year, however, bills did not come out reflecting that. Is it possible to correct this? C.A. Daykin referred to the Resolution that was passed with the rates going into effect on August 1st, which is the traditional date for these rates. The rate change information will be included in the next newsletter that will be published prior to August 1st. The winter average cap for sewer charges is determined using data from November, December and January and uses the average to determine the sewer rate. Currently, the cap goes into effect in May, but will go into effect in April under the new rate structure. Some of the Councilors had thought the intent was that the April irrigation for this year would not be counted against property owners. C.A. Daykin stated that this was not his intent and he apologizes if that is what came across. What he recalls indicating was that he does not know what effect changing from May to April would have on overall revenue estimates and surmised it may not have much of an effect. In response to the question, C.A. Daykin said that attempting to retroactively refund those property owners whose billings may have exceeded the cap in April would be possible, but would be require a huge amount of administrative work. Some Councilors were under the impression that previous discussions were regarding rate changes that would be taking effect for 2016-17, not for the current year.

M. Russ asked about the repairs taking place at the Dundee Community Center. C.A. Daykin will cover that in his report.

There was a letter from Planner Jessica Pelz to stakeholders about zoning in the Riverside district. Are all the stakeholders ready to move on that now? C.A. Daykin responded that they are not. How much more effort would it take if it was done in smaller chunks rather than the whole thing at once? Daykin explained that the efforts currently being made are necessary for the owners to move forward with the next application phase. What needs to happen is the development of a Riverside District zone with design standards that also address how to implement the master plan for each sub-area. The Riverside Master Plan requires a master plan for each sub-area concurrent with putting the zoning in effect. Once this is in the Code, property owners and developers can come forward with applications for zone changes and the master plans. It's a legislative process that was initiated by the City after one of the owners agreed to hire a qualified planner to assist in the preparation of the Code amendment. However, work was not completed and the planner informed staff that he was no longer involved. A consultant with the firm that developed the master plan in 2011 has been contacted by staff to discuss next steps to complete the Code amendment and provide an estimate of cost. Unless the other stakeholders are willing to put forth the funds needed to pay for the project, the City will need to wait until July when TGM (code assistance) grant funds become available. The cost estimate has not been received as yet. M. Russ reported that one of the main property owners involved in this project asked for, and received a meeting with him. M. Russ reported that Stu Lindquist would like to apply the existing zoning for part of his property and not provide a master plan. M. Russ noted it would be ideal if this project could move forward along faster so that development and construction can begin in that area.

City Administrator's Report

C.A. Daykin stated that the permit submitted to ODOT for the Phase I TE project is undergoing review by ODOT and we hope to have notice of their comments by the end of this week. The funding issue is not resolved and staff is working on that.

Regarding the Community Center, there was a blockage in the sink and a plumber came out and determined that the sewer line was severed from their sink leading towards 99W. PW employees were sent out to investigate the situation and determined that the two inch sewer line jogs around the highway side of the building before connecting into their sewer lateral connection south of the building. It appears that when the new ten inch water line was installed, it was laid over the sewer lateral and in the course of excavating had encountered a buried cleanout and the sewer line to the building was compromised. City crews repaired the line, and the City will reimburse the Women's Club for the cost of the plumber. The contractor was not aware of the line, and the City did not disclose it on the plans or in the field.

Public Comment

None.

The meeting was adjourned at 9:48 P.M.



David Russ
Mayor

Attest:



Rob Daykin
City Administrator/Recorder