

**CITY COUNCIL MEETING
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June 3, 2014**

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City of Dundee
City Council Meeting Minutes
June 3, 2014

Call to Order

Mayor Crawford called the meeting to order at 7:04 P.M.

Council and Staff Attendance

Present: Mayor Ted Crawford, Councilors Jeannette Adlong, Jennifer Munson, Doug Pugsley, David Russ, and Tim Weaver. Excused: Councilor Storr Nelson. Staff members: Rob Daykin, City Administrator, John Stock, Fire Chief, Peter Watts, City Attorney, and Debra Manning, Assistant City Recorder.

Public Attendance

Ted Riffel, Dave Huber, Waste Management, Mike Jefferies, Waste Management, and Evan Burmester, Waste Management.

Agenda Changes

None.

Public Hearing: 2014-2015 City of Dundee Budget

Mayor Crawford called the hearing to order at 7:05 P.M. for the 2014-2015 City of Dundee Budget Hearing. City Administrator Daykin advised that the budget before the Council was approved by the Budget Committee with the hearing scheduled before the City Council. The Council can change the approved amounts up to \$5,000 in any given fund; any increases above that amount require an additional re-noticed public hearing. The City Administrator proposed two changes: 1) moving the purchase of utility billing software (staff is currently reviewing options) from the current budget to the next fiscal year's budget and 2) the removal of dog licensing revenue with the change of providers for dog control from the City of Newberg to Yamhill County.

Public Comment:

None.

Mayor Crawford questioned changes to the franchise fees and the transient room taxes. C.A. Daykin noted new revenue source funds, adopted after July 1st, can be appropriated through a supplemental budget or you can adopt the revenue source and not spend the funds. Crawford inquired if the public hearing requirement would be eliminated if the tax was raised and the funds were appropriated. Daykin replied an increase to an existing tax, such as the transient rental tax, which creates new revenue would require a supplemental budget to appropriate the new funds (an increase of under 10% of the appropriations within the fund would not require a public hearing). Mayor Crawford closed the Budget Hearing at 7:10 P.M.

Discussion:

Councilor Adlong questioned why the funding for the Promise Pantry was reduced and funds for the Community Suppers increased. Daykin noted Promise Pantry received two separate funding appropriations last year for the food bank and for the community garden; this year only the food bank is to be funded. Councilor Russ stated the number of community suppers was being increased, subject to funding, from twice a month to every week; therefore the need for additional funds. Councilor Weaver noted that no one from the Promise Pantry/Community Garden attended

the budget meetings to support their request. Adlong questioned funding a community supper over the food bank/community garden.

A resolution to adopt the budget with the identified changes will be brought to the June 17th Council meeting.

Public Comment

Ted Riffel, Dogwood Drive and Third Street right-of-way (ROW), informed the Council that he has been maintaining the ROW adjacent to his property for thirteen years. He requested the city replace his worn out 18 horsepower riding lawnmower. C.A. Daykin noted that the city has not mowed the ROW because the property owner has been completing the maintenance. The ROW has been identified by the Parks Advisory Committee for a future pathway improvement from the top of the hill to the bottom of the hill. The issue will be addressed as item 8.4 under New Business.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, May 20, 2014. **The motion** passed unanimously.

Old Business

Fire Station Project Update

Staff met with the Rural Development representatives to review Payment Application #11 for \$228,471.96. The project is 88% complete with a remaining unpaid contract balance of about \$454,000. Chief Stock noted that the interior of the building (less the bays) has been painted. Work is progressing on T-bar ceiling grids, lights, outlets, switches, cabinetry and the remaining exterior siding. The contractor expects a punch list of issues on the 17th with resolution of the issues by the move-in date on the 20th of June and site completion by July 25th. The rear concrete apron has been poured. A problem of soft soil conditions was discovered with the preparation for the front apron. GeoPacific Engineering recommends over excavating the area by one foot and proceeding, if this finds acceptable soil, with possible use of fabric and backfill at an estimated cost of \$8,000.

The Mayor inquired if we were over budget. Daykin replied that we are not over budget.

Waste Management-Annual Report & Rate Review

Dave Huber, District Manager, Waste Management (WM), introduced Mike Jefferies, Pricing Manager, WM, and Evan Burmester, Pricing Analyst, WM. They presented their annual report with a power point presentation. WM provides residential services, consisting of weekly garbage and every other week recycling and yard debris curbside pickup, for 953 customers in the city. WM services forty-two commercial customers and one permanent and six temporary industrial customers (wine producers). They are completing a residential reroute with a change of pickup days from Friday to Tuesday. The last Friday pickup will be June 13th; with the first Tuesday pickup on the 17th. There will be three notifications to the customers.

At the Council's direction WM added two additional yard debris collections on Saturday May 3rd and May 17th. There was good usage on both pickup days with 21% of the customer base serviced. The projected cost to add this service for two days in the spring is \$3 per customer annually or \$.25 per customer per month. For two additional days of pickups in both spring and fall the cost would be \$.50 per customer per month. C.A. Daykin suggested the next step is to survey the customers to determine if they were aware of the service, how they used the service,

etc. He noted 80% of customers will be paying for services used by 20% of the customers on top of the pending rate increase.

Councilor Pugsley clarified there are not funds budgeted in the next fiscal year for yard debris disposal. Daykin confirmed. He inquired if the additional pickup could be completed on a weekday; avoiding overtime for WM employees. Huber replied they would have to review that option; it would be operationally challenging. Daykin asked if additional yard debris pickups could be added at a later date, such as January. Huber confirmed and suggested starting the program in January; to have it funded for a full year.

Evan Burmester reviewed the cost report included in both the packet and the presentation. The last rate increase in Dundee was August 1, 2011. The recycling material sales market rates are still low and are not expected to change in the next eighteen months. It was noted that glass recycling is not profitable. A large percentage of the glass WM collects is crushed and used for road bases. C.A. Daykin questioned the 2011 operational costs. Huber relayed this included equipment purchases after the acquisition of the Newberg business, to bring that business up to WM standards. The requested 4.61% increase in rates will bring them to a 10% return on revenue to cover additional costs related to disposal, labor, and maintenance costs. The new rates will be effective August 1st.

Councilor Weaver questioned what other communities are seeing a rate increase. Jefferies replied: Washington County, Yamhill County, and the cities of Tigard and Beaverton. The City of Newberg's customers had a rate increase last year.

Councilor Russ asked if WM can bill customers using yard debris pickup services separately. Jefferies noted the rate would be extremely high (estimated \$14 a pickup); without the cost spread over the customer base. Daykin recommended surveying the customers, determining if this is something to be continued, reviewing the potential cost increase, and make any rate adjustment effective January 2015. He reminded the Council that the option is available to the customer for a second roll cart for yard debris at \$4 a month annually.

C.A. Daykin confirmed the majority consensus to approve the rate increase at the June 17th Council meeting. Customer input will be solicited on the special Saturday pickup via an electronic survey. Information on the survey can be included in the next city newsletter. C. Adlong would like to see a program implemented this fall. Huber shared that information about the survey can also be added to the rate change letter to be mailed to the customers. Adlong suggested including a question in the survey asking what month in the spring and the fall would the customers prefer the additional debris pickup to be scheduled. A draft of the survey will be brought for Council review at the June 17th meeting.

YCAP Memorandum of Understanding

The memorandum between the City and YCAP allows YCAP to make the decision that a hardship exists and to approve use of a voucher for assistance to a Dundee utility customer. Hardships will cover rare unexpected financial events beyond the control of the customer; such as an extended illness in the family. City staff will make the referrals to YCAP. Staff does not expect a lot of cases. The voucher document will be updated. **The motion** was made and seconded to approve the Memorandum of Understanding between the City of Dundee and Yamhill Community Action Partnership (YCAP). **The motion** passed unanimously.

New Business

City Utility Rates Review

A replacement page 85 for the packet was distributed correcting the ranges at the bottom of the page noting the effect of the recommended water rate change. The Rate Review Committee discussed a variety of rate issues:

- **Water:** there has not been an increase in water rates for a number of years. The adjustment is proposed as an incentive for conservation. The volume of water included in the base amount of water will be decreased from 667 cu. ft. to 550 cu. ft. (will match the sewer base), the base charge is reduced by \$2.00 to reflect the change, and a new high usage tier water rate above 2750 cu. ft. of .0435 was added. Page 85 shows a summer water usage range with irrigation; highlighting the difference between the current and the proposed rates. Daykin noted the increase for higher volumes is modest and suggested trying the proposed rate amendment to determine the effect of the changes on water revenue; which will be more dependent on the volume charges. We still need enough revenue to pay for the system and water related projects. Residential and non-residential customers are treated the same; with charges based on meter size and volume of water use. The intent is to get water customers to conserve; especially during the summer when the water demand is at its highest. Approximately 85% of water use is residential customers. Daykin stated since nonresidential uses do not have same pattern of water use as residential customers, consideration could be extended to nonresidential customers by not charging the high volume rate or extending a larger volume allowance with the base for larger meters. He recommended waiting to determine the effect of the changes and the majority Council consensus agreed.
- **Sewer:** The rate consultant confirmed that the city's adopted three phase rate structure, with increases 2010 through 2012, would not provide all of the revenue needed as actual construction cost of the new wastewater treatment facilities required more DEQ loans than originally estimated. 5% additional revenue is needed. The operations cost for the new wastewater facility and the Inflow and Infiltration (I&I) into the sewer system are both higher than anticipated in the rate study. The Rate Review Committee proposed a \$3.50 per month increase to the I&I component bringing the base charge to \$17.64 per account. The committee is reviewing: 1) adding more examples to the customer classes and 2) the current incentive for restaurants who install a city sanctioned grease trap to receive a discounted rate. The regulation passed by the city last fall is contrary to 2013 State rules; which clarify the decision for grease trap sizing for a business is determined by the building official. We will have to change our code to comply with State rules which pre-empts the City and consider a different incentive in the rates as data from grease trap installation in other cities is not showing the desired reduction in the strength of the effluent (BOD and TSS). Staff is researching options on the grease trap issue.
- **Storm:** the Committee recommends nonresidential accounts with less than 3000 sq. ft. of impervious surface area pay the minimum \$5 rate. The charge was previously based on the (estimated) impervious area.

Resolutions adopting the changes will be returned to the next Council meeting. Customer using the base amount will see a \$1.50 increase in their monthly bill.

Pump Repair Quotes

Well number 5 has a short in the power feed to the submerged pump. Most of the expense with pumps repairs is incurred when the pump is pulled. This quote covers pump replacement (since the pump is at its end of life), preparation work for the addition of telemetry, and work to bring the leased (private) well up to city standards. Quotes were solicited from three providers. One quote was received from Schneider Water Services. Staff recommends accepting the quote. It is dependent on additional materials needed. **The motion** was made and seconded to direct staff to

accept the quote from Schneider Water Services estimated at \$8,669.20 for repair of the pump at well no. 5. **The motion** passed unanimously.

Resolution No. 2014-06, State Shared Revenues

The State requires a resolution from the city noting that the city elects to receive state revenues. **The motion** was made and seconded to approve Resolution No. 2014-06, a resolution declaring the City's election to receive State revenues. **The motion** passed unanimously.

Ted Riffel's Lawn Mower Request

City Attorney Watts expressed concern to determine if the city can comply with the Mr. Riffel's request. Mr. Riffel is doing the ROW maintenance voluntarily and he is expecting remuneration in the form of a mower in exchange for his services. He is not tax exempt. C.A. Daykin noted Riffel is treating the ROW as an extension of his yard and is voluntarily maintaining it. We don't remunerate citizens for maintaining unimproved, abutting portions of ROWs. If he didn't do it, the city would address the tall grass in the ROWs to city standards. The city has not provided lawnmowers to him in the past. His driveway improvements are overextended into the ROW, without a permit, and they could be subject to modification when the city improves the ROW. The majority consensus was not in favor of providing a lawn mower to Mr. Riffel.

Council Concerns and Committee Reports

The Parks Advisory Committee will meet tomorrow, Wednesday, regarding the Viewmont Greenway Park project. Councilor Munson suggested the meeting be noticed on Facebook. Kimberly Felton has resigned from the Committee.

Scot Ragsdale has resigned from the Planning Commission.

The property owner adjacent to the Viewmont Greenway on Carmel Circle has asked for the city not to cut the blackberries in the ROW. They want them for screening. They were notified that this is the normal maintenance and also of the pending improvements for the Viewmont Greenway.

Mayor's Report

ODOT is under pressure from the Willamette & Pacific Railroad to have the City give up an at-grade railroad crossing in exchange for permission for a crossing over the railroad tracks. Daykin noted the City of Dundee is a different jurisdiction and they can't force the issue on us for an ODOT project outside of our city limits. He noted there is a difference between ODOT, dealing with the Bypass, and ODOT Rail, dealing with the railroad. The feedback he has received from ODOT is it is not a big issue. The Mayor suggested lining up political forces to get the railroad representatives to back down.

The Transportation Enhancement meeting was attended by the lighting consultant; who was able to receive clarification on responsibility of the phases of the projects between the City and ODOT and his role in the project. Staff has had questions on placement of the power feeds into the conduit; this should be resolved in the next couple of weeks and the plans forwarded to ODOT for formal review. The intent is to go to bid this summer for our Phase 1 of the project. Mayor Crawford referred to concerns to engage a third party to address issues with the Eleventh Street intersection and the failure of ODOT's storm water system. ODOT wants to address the issue themselves. Daykin noted that ODOT will also connect a storm water line on the east side from Parks to Eleventh/Twelfth streets. We are waiting on their plans to see how it affects our improvements. The work can be retrofitted later. Daykin relayed that the city will not have the recycled concrete material for the bedding of the Viewmont Greenway Park trail with the delay in the sidewalk project. The plan is to replace it with crushed rock. The concrete material crushing

was included in the funding for Phase 1 of the project and will now free up funds for the underground conduit.

The Mayor attended a meeting with representatives from the Collins Foundation, on behalf of the Dundee Community Center, regarding an application for a \$40,000 grant. The big foundations want to see half of the million dollar project raised by fundraising prior to granting funds for the restoration. The architect and engineers supported the building as a good building to restore for a focal point of the community.

The City received an Early Bird Rotary grant for \$5,000 for the new Fire Station meeting room.

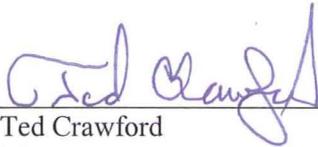
City Administrator's Report

Staff's intent is to have the PGE franchise agreement on the agenda for the June 17th Council meeting. There are concerns regarding undergrounding the utility lines through Dundee. If the current Comcast and Frontier utility lines can be undergrounded with the sidewalk improvement project; the city does not want to see PGE lease usage of their poles with the 35,000 volt lines to other utilities. PGE responded it is their poles and it would be revenue for them. City Attorney Watts is waiting on further communication from PGE. He noted it could be addressed in the franchise agreement for any new provider, but he supports PGE signing off on the issue. Daykin shared interest from a fiber optic firm, Astound Cable, who wants to place cable along the Highway 99W corridor. Watts noted that the company will not disclose to other cities they have contacted what services they intend to provide. They want franchise agreements without project disclosure.

Public Comment

None.

The meeting was adjourned at 9:36 P.M.



Ted Crawford
Mayor

Attest:


Debra L. Manning, CMC
Assistant City Recorder