

**CITY COUNCIL MEETING
TABLE OF CONTENTS FOR MINUTES
June 4, 2013**

Call to Order	2
Council and Staff Attendance	2
Public Attendance	2
Agenda Changes	2
Public Hearing: 2013-2014 City of Dundee Budget	2
Public Comment.....	2
Consent Agenda.....	3
Old Business	3
Fire Station Solar Energy Proposal	3
Recycled Water Study – Final Draft	4
Test Well Water Right.....	5
Well House Paving Quotes	6
Ordinance No. 519-2013, Business Licenses.....	6
New Business	7
Resolution No. 2013-05, State Shared Revenues	7
Council Concerns and Committee Reports.....	7
Mayor’s Report.....	7
City Administrator’s Report	7
Public Comment.....	8

City of Dundee
City Council Meeting Minutes
June 4, 2013

Call to Order

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

Council and Staff Attendance

Present: Mayor Crawford, Councilors Adlong, Pugsley, and Russ. Excused absence: Councilors Munson, Nelson, and Weaver. Staff members: Rob Daykin, City Administrator, and Steve Shropshire, City Attorney, John Stock, Fire Chief, Preston Van Meter, City Engineer, Michael Humm, City Engineer, and Debra Manning, Secretary.

Public Attendance

Larry Eaton, GSI Water Solutions, Inc., Dale Bernards, Stuart Lindquist, and Peter Greenburg, GGPV, LLC.

Agenda Changes

None.

Public Hearing: 2013-2014 City of Dundee Budget

Mayor Crawford called the hearing to order at 7:02 P.M. for the 2013-2014 City of Dundee Budget Hearing. City Administrator Daykin advised the budget before the Council was the approved by the Budget Committee with the hearing scheduled before the City Council. 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.

Public Comment:

None.

Mayor Crawford closed the Budget Hearing at 7:04 P.M.

Councilor Pugsley questioned the Unappropriated Ending Balance and Reserved for Future Expenditure (page 2) of \$904,000. C.A. Daykin noted the ending of year fund balances portrays expenditure of all the funds in the Equipment Reserve Fund, which is never expended. The budget also anticipates completion of multiple larger public works improvements in Street CIP and Water CIP funds. Adjustments can be made to the user fees in the future if the Council determines more is being expending than received. Staff recommends no changes to the utilities at this point. The General Fund includes a new transfer to the Fire Station Construction Fund which probably will not be used due to the excellent bids received on the project. Property tax revenues should show a little growth next year.

The motion was made and seconded to direct staff to prepare a resolution adopting the budget for the fiscal year beginning July 1, 2013 as approved by the Budget Committee for consideration at the June 18th meeting. **The motion** passed unanimously.

Public Comment

Stewart Lindquist expressed his concern with the proposed Bypass land acquisition and the Eighth Street access. ODOT has offered to purchase a large portion of both Linquist and Edwards' property (twenty acres from Lindquist and thirteen acres from Edwards). He advised

that the property owners do not support ODOT's planned Eight Street access; but they do support Fifth Street access. Lindquist suggested the city and the property owners address the issues with ODOT now before the start of construction restricts changes in the design.

Dale Bernards, Lindquist's consultant, advised ODOT is not responding to their requests for Fifth Street access from the Pamplin property.

Mayor Crawford stated the access off of Fifth Street is outside of the Urban Growth Boundary (UGB). Lindquist noted the plan considers addition of Pamplin property into the UGB. Crawford clarified a prerequisite to expanding the UGB is use of all buildable lands in the city. C. Pugsley stated that the Riverside Master Plan recognizes the Fifth Street alignment, which may not happen in the near future. ODOT is to align the overpass to allow the eventual connection to Fifth Street. Lindquist asked for the city to pursue an UGB expansion. He expressed concern that there is no benefit to the property owners without this access to their properties. C. Pugsley stated that the Council has reminded ODOT of the Riverside Master Plan addressing the alignment of the overpass to allow an eventual Fifth Street connection. An expansion of the UGB is unlikely with the current inventory of buildable lands in the city.

Mayor Crawford suggested Lindquist consider a land swap with Pamplin. The Mayor shared the Transportation System Plan (TSP) is in process of an update with input welcome from the public. He suggested initiating conversation with Pamplin on a potential land swap.

Bernards asked if the zoning was in place for the Edwards property. Daykin replied the zoning is conditional on the services being in place. Bernards inquired if conditional zoning could be applied to the Lindquist property. Daykin relayed the approved Riverside Master Plan and changes to the Comprehensive Plan require additional facility planning for transportation, water and other services first. The next step to start applying the zoning has not been completed; including development of a water facility plan, a riverside parks plan, and development of commercial and industrial improvement standards. The Edwards zone change from agricultural to a mix of residential, commercial and light industrial was completed in 2008. The Dundee Comprehensive Plan changed in 2011 with adoption of the new Riverside Master Plan, which recommends further refinement to the land use pattern. Daykin noted that even with the zoning in place a subdivision application probably would not be approved until there is means to provide water service.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, May 21, 2013. **The motion** passed unanimously.

Old Business

Fire Station Solar Energy Proposal

C.A. Daykin introduced Peter Greenburg, PGPV, LLC, to address installation of a 10 kWh solar photovoltaic system on the roof of the new fire station. The system would help the city comply with the State's requirement to include solar energy technology, representing 1.5% of the contract price, with new public buildings. There would not be any upfront cost to the city. The proposer would install and maintain the system during the fifteen year term and the city would receive an annual benefit of \$1,000. There will be an agreement with PGE to finalize the arrangement.

Peter Greenburg, PGPV, LLC, shared the legislature enacted a four year program with PGE and Pacific Power with openings twice a year to apply for renewable energy systems and one more year left. The system has to be installed within a year. PGPV, LLC owns systems at the schools in

Newberg, Turner, Mt. Angel, Silverton, and Albany, and George Fox University. They own the systems, receive tax credits from them, and sell power to PGE.

The Mayor questioned the possibility of placing a system at the Waste Water Treatment Plant (WWTP). Greenburg suggested bidding on a hundred kWh system in October 2013. Councilor Adlong inquired where the system would be placed. Greenburg suggested between the WWTP and Lagoon 1 and by Lagoon 4. The system would be placed on ground level tracking frames; ranging in height from 18 inches to 8.5 feet.

C. Pugsley expressed concern to not have the system which was installed at Mabel Rush School. Greenburg advised that they are not installing that type of system anymore. Pugsley asked how much of the roof would be covered in panels for 10 kWh. Greenburg estimated 800 square feet.

C.A. Daykin advised that it would not be cost effective for the city to purchase its own system. Mayor Crawford suggested having solar power as a backup for emergencies. Greenburg advised the inverter shuts down when the power goes down. You would need a more expensive system including a different inverter and batteries; which he would not recommend due to expense and maintenance.

The motion was made and seconded to authorize the city attorney to prepare an agreement between the City of Dundee and PGPV for the installation and maintenance of a 10kWh photovoltaic system at the new fire station and to authorize the city administrator to return the agreement to the Council prior to signing. C. Pugsley asked for the agreement to include a flat, pleasing panel design and the proposed panel location. C. Adlong questioned the passive solar requirements for the station. Daykin stated that the station is not designed to meet the 1.5% requirement with passive solar energy only. **The motion** passed unanimously. The agreement will be brought to the June 18th meeting.

Recycled Water Study – Final Draft

City Engineer Humm presented the findings of the recycled water feasibility study; a draft has been submitted to both Oregon Water Resources Department (OWRD) and staff. The final draft is due to OWRD by the end of the month. The current supply is near or at capacity under current day at peak day demands. Development will place water demands we can't supply. The focus for recycled water usage is the future development on the riverside area for irrigation including parks and nature areas. Per Council's request toilet flushing was incorporated into the study data. Humm reviewed three consumption levels. Low usage projected a 10% capture rate in the development area, medium usage projected a 50% capture rate, and high usage.

City Engineer Van Meter advised if a recycled water program was pushed for all aspects, new development and in all park areas, it could displace the need for a water treatment facility. He stressed the difficulty of implementing such a program due to cost, public feedback, etc. The engineers support a reasonable, non-super aggressive, middle program. Humm advised a Portfolio approach would include conservation, removing water loss from the system (reducing from 20%+ to 10%), and looking at additional well capacity instead of a water treatment plant.

C. Pugsley inquired if the city could take a more aggressive approach down the road if required. Van Meter recommended addressing changes to the Development Standards now to allow this option. He cautioned it does not take much negative input to shut down a program. Engaging the community is an important next step; including developing and implementing associated regulations.

Mayor Crawford noted if the city doesn't have to build a water treatment plant; we still have valuable Willamette water rights. Van Meter stated they could be sold and transferred; but he recommended holding on to them. C.A. Daykin noted they were recently renewed and a Water Management Conservation Plan has been adopted. City Attorney Shropshire advised a long term extension was obtained for the city. OWRD would work with the city on a transfer to another entity.

The City Engineers recommend a portfolio approach to water management: increasing water conservation opportunities, reducing water loss, the riverside area water master plan, setting up pressure zones to reduce the high pressure in the lower end of town, addressing rules and standards, a rate study, a water SDC study, and engaging the public.

Lindquist suggested recycling storm water. Van Meter recommended against taking storm water into the Wastewater treatment system as it is damaging to the membranes and too costly to process. Pugsley supports incentives for new developments to treat their storm water and receive reduced storm water and SDC fees.

C.A. Daykin reiterated the need to develop a water facility plan for the riverside area and the concerns with pressure and storage under the current Water System Master Plan. He suggested an update of the City's Water System Master Plan including the recycle analysis in the near future.

Adlong asked for an example to increase water conservation. Van Meter suggested odd/even irrigation days. Adlong suggested a water rate study. It was noted that there are other incentive such as low flow shower heads.

Bernards stated that he owns a water company in Bend and from his experience it is difficult to engage users in conservation methods. Lindquist supported the program and educating the public. A scope of service will be brought back later this year for detailed work on the water facilities plan.

Test Well Water Right

Staff met with OWRD in May presenting information to address their concerns of water movement in the test well column. OWRD has requested that the city abandon the lower section of the well. The city is willing to accept their concerns.

Larry Eaton, GSI Water Solutions, Inc., advised the well was drilled in 2005 to 800 feet. A liner was installed from 210 feet to 800 feet; to maintain the walls of the well. The conservative 2005 pump test data revealed production capacity of 250 to 350 gpm for ninety days; suggested for peak summer usage. The temperature profile, completed by both GSI and OWRD, brought up concerns of multiple aquifers and the data showed some borehole flow. GSI argued that other reasons could be causing it. OWRD specified abandon the well by sealing it from 800 feet up to 560 feet and the water rights would be able to be used as additional points of appropriation for the test well.

C. Adlong inquired how the well would be sealed. Eaton replied the optimal solution would be to pull the liner and cement the lower portion of the hole. It is probable the liner will not be able to be removed; therefore the liner would be cut and cement grout added to seal it. This will require a variance. Schneider Drilling gave a rough planning estimate of \$20,000 for the project. Eaton estimated capacity after the abandonment at 200 gpm for ninety days, off and on during the summer peak season.

The Mayor questioned what it would take to develop a well in Falcon Crest Park. Eaton estimated a well developed from 400 to 500 feet might produce an estimated 200 gpm. He noted that old wells become encrusted; affecting production. Van Meter asked if redevelopment of existing wells was a consideration. Eaton would rather drill new wells than rehabilitate an existing well. Water rights for well 11 and well 12 (not currently being used) can be developed to 400 feet. OWRD is allowing development to 560 feet for the test well. There are excess rights available elsewhere in the city.

City Attorney Shropshire counseled the city has existing authorization for ground water usage that would be currently hard to obtain. He recommended adding the test well to the existing permits as a new location from which we can pull water under the existing permits. OWRD has concerns regarding long-term decline in the aquifers and would like to bring this area into regulation. They were approached to add the test well as an additional point of appropriation using the well part time with the downtime for recharging. The question now is how much production will be lost with grouting the bottom of the well. The city's options are to accept OWRD's offer or to follow up on their aggressive interpretation of comingling. Counsel recommends accepting the offer.

Eaton shared the well size determines the pump size; maximum pump size would be a 300 gpm submersible pump. He suggested dropping a temporary pump after the well is abandoned and working with the engineer to determine the best equipment for the well.

The City Attorney advised a letter is in hand from OWRD stating if the city grouts out the bottom section; we can move forward amending the water right with this as a new point of appropriation. We do not have assurance if we proceed and there is still evidence of comingling; that we won't have to repeat the process and seal up to the next depth. Counsel will approach OWRD's management for help to address the comingling issue with consideration for an accommodation for the future purple pipe recycling.

C. Adlong questioned OWRD's stand on use of river water. Eaton confirmed they want the city to go to the river as the permanent long-term supply.

Mayor Crawford suggested moving forward with a test well at Falcon Crest Park. Shropshire suggested waiting to determine how the issues with the current test well work out. Eaton reminded the Council that drilling a test well is expensive. Daykin estimated the cost for a new test well at this site to be \$100,000. Staff's recommendation is to delay abandonment of the well subject to further information from legal counsel.

Well House Paving Quotes

Quotes were solicited from Baker Rock, Signature Paving and Brix Paving Northwest for paving the parking area for Well House 3 at the Upland Reservoir, which was pulled from the construction contract for better pricing, and to extend the pavement at the Alder Street Well House to better accommodate Public Work's maintenance vehicles. **The motion** was made and seconded to accept the bid from Signature Paving in the amount of \$9,982.40 for combined paving work at the Upland Well House and Well House No. 10. C. Adlong expressed concern to not pave areas slated for plantings. **The motion** passed unanimously.

Ordinance No. 519-2013, Business Licenses

The exemption and definition for telecommuter was added from direction given at the May 21st meeting. **The motion** was made and seconded to adopt Ordinance No. 519-2013, an ordinance relating to business licenses and amending the Dundee Municipal Code. After further discussion of people working from their homes; it was noted instances not meeting the exemptions would be

complaint driven and addressed by the City Administrator. **The motion** passed unanimously. A resolution updating the fee structure will be returned to the Council.

New Business

Resolution No. 2013-05, State Shared Revenues

The City Administrator advised that State law requires adoption of the resolution to receive state revenue sharing funds. **The motion** was made and seconded to approve Resolution No. 2013-05, a resolution declaring the City's election to receive State revenues. **The motion** passed unanimously.

Council Concerns and Committee Reports

Councilor Russ referred to the request from Engineer Eaton to return suggestions for names for the new streets on the riverside: Shuck, Parrett, Sander, and Filbert Way/Crest. C. Adlong supported Susanna Jones Shuck and Red Electric Way. Mayor Crawford suggested Livengood. This will be on the agenda for the June 18th meeting.

C.A. Daykin advised staff met with Tim Potter and Kelly Amador, ODOT, discussing the alignment of the street and explaining the need to smooth the configuration back to Edwards Drive via Eighth Street. ODOT finally agreed that the street could be designed toward this. Staff needs to address the issue with the Edward's family.

C. Adlong advised a design for planting the Upland reservoir has been completed. She expressed concern to plant the site now, before the donated plantings from the Dundee Garden Club die. Daykin confirmed water is available to the site. The city will purchase the trees, soil amendments and Public Works staff will install the retaining wall.

Mayor's Report

The Tourism Committee is working on a die cast of the tourism logo to place in the Fueled by Fine Wine Half Marathon swag bags.

TIGER V grant update: ODOT added the Bypass to the top projects in the state for the grant funding. The amount requested to fix the fishhook, with no left turn at the light and four lanes through the dip, was \$37.4 million and \$2.5 million was requested for a trail along the Bypass ROW from Highway 219 to Eighth Street in Dundee.

The Grand Ronde Tribe does not approve of the City's endorsement for the land purchase in their tribal area by the Confederated Tribes of Warm Springs.

City Administrator's Report

The ODOT meeting also discussed the sidewalk issue on the Fulquartz Bridge. Eaton determined the parkway collector configuration in the Riverside Master Plan will fit the bridge configuration. ODOT will install a twelve foot wide pedestrian sidewalk on one side and a bike lane on the opposite side.

The City Engineers, Kennedy Jenks, are working on three projects: 1) complete issues with the Public Works shops (moving the orientation of the building), 2) in process of dewatering lagoon 2 and waiting for approval to decommission part of Lagoon 1, and 3) the Eighth Street water line relocation project. ODOT intends to place wick drains at east end of the Eighth Street waterline relocation project. The city will not be able to continue the water line, at this time, because the wick drains will destroy it. The current customer will have a temporary connection. The twelve inch line will have to be installed at later date. ODOT's option is a jack and bore method at an

estimated \$500,000; they will reimburse the cost. The city is asking for the temporary easement to be changed to a permanent easement, a less expensive route. The first phase of the project will go out to bid on Monday, June 10th. The notice to proceed is ODOT's financial promise to reimburse the city for the cost of the project.

Staff is working on compliance for accessibility to the second floor of the Fire Station. Information is being compiled from other fire departments with new stations and how they addressed this issue to be submitted to our Building Official.

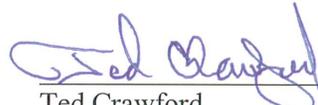
The city received concurrence from Rural Development on the bid award for the Fire Station project. Notice of intent to award the contract for the new Fire Station to Baldwin General Contracting was sent out Monday to the bidders. The seven day appeal period will end on Monday, June 10th.

Ground breaking for the new Fire Station is scheduled for 7:00 PM on Monday, June 10th.

Public Comment

None.

The meeting was adjourned at 10:11 PM.



Ted Crawford
Mayor

Attest:


Debra L. Manning, CMC
Assistant City Recorder