

**CITY COUNCIL MEETING  
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June 5, 2012**

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**City of Dundee  
City Council Meeting Minutes  
June 5, 2012**

**Call to Order**

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

**Agenda Changes**

None.

**Public Hearing: 2012-2013 City of Dundee Budget**

Mayor Crawford called the hearing to order at 7:01 P.M. for the 2012-2013 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. An additional request for funding was received from the Dundee Woman's Club for their Community Center project renovation. The remaining unappropriated balance in the State Shared Revenue fund is \$2,500. After the budget hearing, Council may direct staff to prepare a resolution adopting the budget for the fiscal year beginning July 1, 2012, as approved by the Budget Committee or as amended, for consideration at the June 19th meeting. 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 budget needs to be adopted by the end of June.

**Public Comment:**

None.

Mayor Crawford closed the Budget Hearing at 7:03 P.M.

The Mayor inquired if the financial information in the budget for the new Fire Hall was the same as for the bond measure. C.A. Daykin confirmed it was.

Councilor Munson supported a donation to the Dundee Woman's Club for the Community Center restoration project, suggesting a donation of \$2,500. Mayor Crawford proposed a donation of \$700. Munson shared the expectation that the benefit from the restoration project will be much greater than the benefit from the donation to Homeward Bound Pets. A facelift for the Community Center would benefit the City's downtown corridor and provide a community gathering place. Councilor Reddell shared that the Dundee Woman's Club hosted a successful community event on Saturday, June 9th, with a gathering of about a 100 people. Councilor Miller supported a donation for the Dundee Woman's Club restoration project. C.A. Daykin noted that the Council may direct staff to prepare a resolution to adopt the budget as approved by the Budget Committee. The Council can make changes prior to adopting the resolution at the next meeting, as long as it doesn't exceed the limits. Council directed staff to prepare the resolution and suggested a representative from the Dundee Woman's Club address the request at the June 19th meeting.

**Presentation:**

**Willamette Water Trail Partnership**

Rich Walsh, Willamette Water Trail Representative, presented a power point presentation and distributed a handout. The Willamette Water Trail is a trail on the water stretching two hundred miles from Eugene to Portland. In 1988, President Clinton designated the Willamette River as an American Heritage River. In 2001, the Mid Willamette River Connections (MWRC) was formed in the Salem/Keizer area encouraging use of the river with non-motorized vehicles. In 2003, the

Willamette River Legacy Plan provided support and with the first Memorandum of Understanding (MOU), the Salem Keizer Independence Partnership (SKIP), was established. The Salem/Keizer segment opened in 2005, followed in 2006 by the Eugene/Albany/Corvallis segment, and the final leg to Portland opened in 2007. The Willamette River is the fourteenth largest river by volume in the nation. The partnership: looks to protect private property, provide an inventory of lands, map the trail's amenities, host a website, provides signage, coordinate jurisdictions on the river, and provide funding benefits by partnering entities. Walsh clarified that the partnership is not against the use of motorized vehicles. They are looking for partnership from the cities bordering the Willamette River and asked support of the Council and appointment of a liaison to the meetings.

C. Reddell inquired how much of the trail is not navigable by motorized boats. Walsh replied there are significant areas of the upper river that are impassable due to gravel bars, in particular during the summer months.

Mayor Crawford inquired if the liaison can attend the meetings by phone. Walsh confirmed. Councilor Pugsley inquired the meeting schedule. Walsh replied the group meets twice a year, scheduling as they meet. They are looking to set their first formal meeting. Crawford shared information on the Chehalem Paddle Launch. He questioned State Park opportunities. Walsh noted the partnership can facilitate agreements with the State Parks to address issues such as storage of Chehalem Paddle Launch boats docked at state parks until they can be picked up and returned to Dundee. Crawford relayed the desire to involve the State to purchase and develop Ash Island.

C. Pugsley volunteered to be the City's liaison. **The motion** was made and seconded to authorize Mayor Crawford to execute the Memorandum of Understanding for the Willamette Water Trail Partnership and to authorize Councilor Pugsley to represent the City of Dundee. **The motion** passed unanimously.

### **Council and Staff Attendance**

Present: Mayor Crawford, Councilors Munson, Miller, Pugsley, and Reddell. Excused: Councilors Adlong and Nelson. Staff members: Rob Daykin, City Administrator, Justin Gericke, City Attorney, Dave Monson, City Engineer, Jessica Nunley, City Planner, Todd Miller, Public Works, and Debra Manning, Secretary.

### **Public Attendance**

Rich Walsh, Willamette River Water Trail Representative, Michael Humm, Kennedy/Jenks, and Gary Manning, Planning Commissioner.

### **Consent Agenda**

C. Pugsley asked for item 7.2 OLCC Liquor License Application, Interrobang, LLC to be pulled from the Consent Agenda. **The motion** was made and seconded to approve Consent Agenda item 7.1 City Council Minutes, May 15, 2012. **The motion** passed unanimously. C. Miller inquired if an OLCC Liquor License application is approved by Newberg/Dundee Police Department. Manning confirmed they do not review them. Daykin advised that Council's response is a recommendation to the OLCC. C. Pugsley questioned if the person is involved in wholesaling or distributing from the location. Daykin clarified the application is a winery and the other is not applicable. **The motion** was made and seconded to approve Consent Agenda item 7.2 OLCC Liquor License Application, Interrobang, LLC. **The motion** passed unanimously.

## Old Business

### WWTP Construction Project Status Report

Michael Humm, Kennedy/Jenks updated the Wastewater Treatment Plant project:

- Headworks: completed: roof, exterior concrete, the hoist beam to lift the pumps from the wet well, fine screens, lights, and the interior walls; yet to be completed: site grading, installation of the odor scrubber, and application of the exterior stucco
- Headworks Electrical Building/Operations Building: installed: interior and exterior door glass work, ceiling tiles, and electrical panels; to be completed: the punch list for final occupancy and the final PGE electrical connection
- MBR structure: the process basins have been completed, but need to be cleaned and prepped prior to filling with waste water

C. Reddell questioned the number of membranes. Humm confirmed that five will be installed; a diffuser cassette has been placed in the last basin to keep solids from settling.

- Mechanical Building: five aeration blowers have been installed, which will provide air to the membrane and process basins
- Site work: the conduit trench has been installed. The weather is keeping work from progressing on the facultative sludge lagoons, which requires a dry subsurface to allow a layer of sand followed by a new liner

Pay estimate number #11 is \$1,023,134.70 and includes the blowers, membrane diffusers, site work, and the pipe gallery equipment. The project is 81.2% complete with \$7,616,174.66 expended to date.

The two utility water pumps have been found to be less efficient than required by Kennedy/Jenks resulting in increased power costs. This also affects the incentive from the Energy Trust of Oregon (ETO). Two options: 1) reject the equipment outright or 2) calculate the damages of the additional energy cost and the impact to the ETO incentive (a combined estimated cost of \$10,000). The contractor can reimburse the city for the losses or provide pumps that meet the specifications. It is expected that the contractor will use the installed pumps and pay the difference, a deductive credit change order.

The OVIVO representatives were onsite today and developed a punch list of items to be corrected. Equipment start up will occur this Thursday to the end of the month:

- Week of the 18th: electrical check out
- Week of the 25th: OVIVO will start up the membranes and proceed with testing
- Week of 7-1: wastewater will be brought in from McMinnville
- Week of 7-9: will switch to wastewater with a 30 day acceptance run with Todd Miller operating the plant

Work on the outfall swale will start Monday, the 11th, with the intent to be completed by the end of the WWTP project (the third week of September, before the rain starts).

C. Pugsley thanked Todd Miller, Public Works, for his work on the lab equipment acquisition, saving the city money.

### Well No. 3 Pump House Bids

City Engineer Monson advised ten companies were invited to bid on the Upland Pump house project through the intermediate acquisition process. Two bids were received and opened on May 29th from Keizer Excavating Company (the low bidder at \$170,410) and E&M Constructors, LLC (\$196,426.80). The Engineer's estimate including electrical was \$144,000 making the low bid appear to be \$36,000 high. Monson will meet with Keizer Excavating, Blazer Industries, Rick Inglin and City staff next week to reduce the project cost, with the expectation it will come in between \$130,000 to \$150,000. **The motion** was made and seconded to table decision of the

award until more information is presented at June 19th Council meeting. **The motion** passed unanimously.

### **Street Projects Funding**

An updated Street Maintenance Plan (SMP) was presented at the May 15th Council meeting. The Street fund usually provides \$20,000 for surface maintenance activities, such as surface, crack, and slurry seals, which appears to be adequate funding for the next five to seven years. Large projects, including overlays, are funded from the Street CIP fund. Recommended overlay treatments for that time period total an estimated \$752,000 and do not include additional work, such as widening, curbs, or sidewalks, only preservation of the existing street surface. The City's resources cannot keep up with street maintenance. The question to Council is do you want to identify additional resources. Options include (pages 72-73): gas tax increase (after January 2, 2014), a street lighting utility fee, increase the PGE franchise fee (will appear as a city tax on the PGE bills), dedicate a portion of the State Revenue Sharing fund, a local improvement district (LID), an Urban Renewal district (requires voter approval), debt financing, local option tax levy (requires a collection of streets that the voters would fund). The Small Cities Allotment (SCA) grant applications are due by August 1st; the project needs to be defined by resolution. Daykin recommended resubmitting Dogwood Drive. He expressed his concern to add additional revenue for the SMP program. The suggestion is to start out with initial steps that would not affect ratepayers, possibly dedicating a portion of the State Shared Revenue funds and then adding other revenue sources and monitoring progress. The City's anticipated share of the Bypass Phase 1 local match will reduce resources for local street maintenance.

Monson stated from his experience, it is unlikely a city can fully fund pavement management from the State gas tax alone, noting that street lights and street sweeping are also paid from the tax.

C. Reddell questioned if this meant that the available funds would fund less than 50% of the proposed projects. Daykin confirmed and suggested trying options and reviewing their effectiveness. Streets which are not maintained in a timely manner are more expensive to recondition. A chip seal program could extend the life surface of the structure for seven to ten years at a lower cost.

Funds have been held for the subdivision off of Namitz Court to complete frontage improvements against Third Street. They were postponed with the understanding that the grade of Third Street would be modified to meet ODOT's requirements at Highway 99W. It appears that ODOT does not have concerns; therefore if an opportunity opens with street surface work in the vicinity, the project will be completed.

Crawford suggested considering debt financing for large projects combining existing streets and proposed new streets under the Transportation System Plan.

C.A. Daykin inquired direction for the SCA project application. The majority consensus was in favor of reapplying for Dogwood Drive.

## **New Business**

### **Temporary Uses/Limitations on Use**

City Planner Nunley relayed a request for direction from the Planning Commission on two issues regarding limitations on use in the C and CBD zones:

- 1) a restaurant wants to move into a small building, with the intent of walk-in/take-out food and outdoor seating for patrons in nice weather. The problem is he can't have outdoor seating if there is no indoor seating.

2) outdoor cooking is prohibited, the restaurant is a BBQ and would cook outdoors, and other restaurants in the city are already cooking outdoors.

Do the current limitations on uses in the C and CBD zones still fit for existing and prospective business in Dundee and is it Council's intent to prohibit outdoor cooking in those zones. There is an issue with the duration of temporary uses; the language states no more than ninety consecutive days in a calendar year. Can they be permitted for eighty-nine days, leave and come back for another eighty-nine days, this would not exceed ninety consecutive days or is the intent to be on the lot for ninety consecutive days per calendar year. Nunley inquired if: 1) temporary uses should be allowed to reapply for another ninety day period in same year, provided they do not exceed ninety consecutive days at a time, 2) should temporary uses be permitted only once a year, 3) should provisions for long term temporary merchants be considered. Nunley advised several possible actions, including 1) not making any changes to the current Code language, 2) making an interpretation regarding temporary uses, and 3) initiating a change to the Development Code to specifically address these issues.

Crawford asked how to interpret outdoor cooking, noting that both Ponzi and Red Hills Market cook outdoors. Daykin noted the language says "all business service, processing and merchandise shall be conducted wholly within an enclosed building". Nunley asked if the Council could pass a motion to temporarily allow outdoor cooking while the Planning Commission revisits possible code changes. C.A. Daykin noted that the Council addressed a similar process two years ago for plant sales. The resolution agreed to not strictly enforce the particular provision for a set time limit to allow the code change process to be completed.

Planning Commissioner Manning clarified that the Planning Commission wanted input from the Council on the "indoor issue". The Mayor asked if the Council approved of counter type food facilities. The majority consensus was in agreement. Daykin noted previously the Council passed a resolution with direction to the Planning Commission. The majority consensus was in favor of allowing: outdoor cooking, only outdoor seating, screened outdoor storage, and a resolution allowing ninety days non-enforcement. Daykin noted staff will issue building permits on the basis of the building permit meeting code. Staff will make it clear if the code doesn't change at the end of the process, enforcement may be addressed for violators to the limitation on outdoor activities. The Council directed the Planning Commission to clarify the "ninety day" language and long-term temporary merchants and staff to prepare a resolution to initiate the Development Code changes.

#### **Ordinance No. 511-2012, PGE Franchise Extension**

PGE is working on a new franchise with the city and has asked for a ninety day extension to the current franchise to complete the process. **The motion** was made and seconded to adopt Ordinance No. 511-2012, an ordinance extending the franchise granted to Portland General Electric Company. **The motion** passed unanimously.

#### **Resolution No. 2012-04 Transfer FY 2011-2012 Budgeted Appropriations**

Adopted budgeted appropriations may not be exceeded; however State law allows adjustments to budgeted appropriations to accommodate unforeseen circumstances. The proposed resolution will transfer appropriations within a fund from one area to another to ensure a category is not exceeded. Also, the transfer of \$20,000 from the General Fund Reserve to the Equipment Reserve fund for future fire department apparatus replacement was discussed previously with the Budget Committee should the ending fund balance is greater than expected. **The motion** was made and seconded to approve Resolution No. 2012-04, a resolution transferring budget line item amounts within a department or fund for fiscal year 2011-2012. **The motion** passed unanimously.

### **Resolution No. 2012-05 State Revenue Sharing**

The City Administrator advised that state law requires adoption of the resolution to receive state revenue sharing funds, representing a share of the state liquor excise tax distributed to cities. **The motion** was made and seconded to approve Resolution No. 2012-05, a resolution declaring the City's election to receive state revenues. **The motion** passed unanimously.

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

C. Munson advised that the theme and ideas from the branding workshop have been refined.

C. Miller informed that the Yamhill County Transit Committee has selected First Transportation to manage the county bus system, a contract is under formation. A representative from YCTA will come to a future Council meeting to update and address concerns.

C. Pugsley expressed concern for the Ninth Street/Worden Hill bike path to have raised reflectors. The Mayor advised the County is not planning on installing them. Pugsley noted that traffic is already encroaching on the path.

### **Mayor's Report**

The Newberg/Dundee Bypass Environmental Impact Statement's (EIS) thirty day period received minor comments and the Record of Decision (ROD) is expected at anytime. The McMinnville Council approved the Bypass local match formula.

ODOT is having right-of-way (ROW) access issues with the Lindquist family. ODOT had to approach the court system for access to complete geotechnical work on the property. The Edwards family is working with ODOT.

The playground equipment has not been installed at the Fortune Park. Don Clements, Chehalem Park and Recreation, will facilitate the completion of the street construction deferral agreement this week.

The Paddle Launch opens this weekend and has added three stand-up paddle boards.

### **City Administrator's Report**

Staff addressed concerns with ODOT on the bus stops on highway 99W at both Ninth and Tenth street intersections. There appears to be possible opportunities to incorporate bus pullouts at the southern end of the Highway 99W improvements. Staff will meet with YCTA to determine the busses' needs.

A leak was detected in the city's water distribution system, on the rural water line to Fox Farm Road; through a comparison of the water sold versus the water produced for 2011 (a follow-up to work on the City's Water Conservation Plan for DHS). An analysis of the first four months of 2012 showed 30% of the water produced was not billed to customers. A leak detection service has been engaged and staff will continue monitoring the system.

City crews will start work on pothole repairs on Eighth Street as soon as the weather permits.

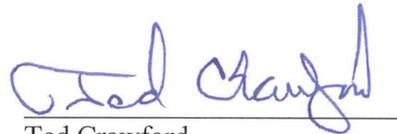
### **Public Comment**

Planning Commissioner Manning thanked the Council for the direction to the Planning Commission.

Assistant City Recorder Manning updated the Council on her attendance at the International Institute of Municipal Clerks (IIMC) Conference in Portland (for the first time), hosted by the Oregon Association of Municipal Recorders. She received a scholarship to attend the conference, with classes everyday from Saturday to Thursday. Clerks attended from all over the U.S. and many foreign countries. Manning met Kenny McKaig, city clerk from Dundee, Scotland and President of Society of Local Authority Lawyers and Administrators in Scotland (SOLAR). He was given a tour of Dundee, including City Hall and the WWTP, with the help of Public Works Supervisor Mustain and Planning Commissioner Manning.

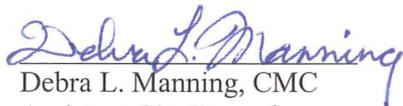
**Executive Session:**

The City Council entered Executive Session at 9:50 P.M. in accordance with ORS 192.660 (2) (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions. Executive Session ended at 10:50 P.M. and the Council did not reconvene.



Ted Crawford  
Mayor

Attest:



Debra L. Manning, CMC  
Assistant City Recorder