

**CITY COUNCIL MEETING
TABLE OF CONTENTS FOR MINUTES
October 4, 2011**

Call to Order.....	2
Council and Staff Attendance.....	2
Public Attendance	2
Agenda Changes:.....	2
Public Comment:.....	2
Presentation:	2
Newberg-Dundee Bypass Phase 1	2
Consent Agenda.....	4
Old Business.....	4
WWTP Construction Project Status Report	4
Water Bill Appeal.....	5
Fortune Park Water SDC Appeal	5
Tourism Committee	6
Resolution No. 2011-18, 20-year Population Forecast	6
New Business	6
Resolution No. 2011-19, Administrative Service Fees	6
Letter of Support HR2698 – HRA VEBA Technical Fix	7
Council Concerns and Committee Reports.....	7
Mayor’s Report.....	7
City Administrator’s Report	7
Public Comment:.....	7

**City of Dundee
City Council Meeting Minutes
October 4, 2011**

Call to Order

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

Council and Staff Attendance

Present: Mayor Crawford, Councilors Adlong, Miller, Munson, Nelson, and Pugsley. Excused: Councilor Reddell. Staff members: Rob Daykin, City Administrator, Cindy Phillips, City Attorney, Brian Casey, Newberg/Dundee Police Department, and Debra Manning, Assistant City Recorder.

Public Attendance

Dave Morgan, News Lincoln County, Preston Van Meter, Kennedy/Jenks, Michael Humm, Kennedy/Jenks, Jim McMaster, Chehalem Park & Recreation District, Kelly Amador, ODOT, Stan Hutchens, Maryle Hutchens, Willetta Baker, Anh Vo, Alejandro Ferrer (junior), Alejandro Ferrer (senior), Sandy Landry, Phil Santucci, Barbara Morton, Sheri Fitzgerald, Vickie Harper, Gary Manning, and Tim Block.

Agenda Changes:

Item 6.3 OLCC Liquor License Application for South Stage Cellars, LLC was added to the Consent Agenda and item 8.2 Letter of Support HR 2698 – HRA VEBA Technical Fix to Representative Kurt Schrader was added to New Business.

Public Comment:

None.

Presentation:

Newberg-Dundee Bypass Phase 1

Kelly Amador, ODOT, informed all present that Phase I of the Newberg/Dundee Bypass would run from Neiderberger Road outside of Dundee to the connection at Newberg. Local street connection improvements are being made in Newberg to accommodate traffic flow onto the bypass. Originally the bypass was slated to run from Fulquartz Landing Road to Highway 219, with the loss of earmarks from the Federal government, the project was reconfigured to fit within the funding available. Instead of the connection at Fulquartz Landing Road, the bypass connection will be located within 1,000' south of the Neiderberger Road and Parks Drive intersection at Highway 99W.

Councilor Munson asked for Option A of the Dundee connection to be presented. Amador stated Option A was an opposite configuration to Option B. She noted Option A would send more noise toward the city, it would run through the storage facility, and it would take more of the farmland to the east. Amador advised that Option B would push the noise away from the city.

Mayor Crawford inquired the height of overpass. Amador replied seventeen feet or taller dependent on clearance for the railroad.

Councilor Pugsley questioned the additional funds needed for the Fulquartz Landing interchange. Amador replied \$30 to \$40 million and a larger structure. Pugsley asked why a smaller structure wouldn't work at Fulquartz Landing. Amador advised ODOT has not reviewed that option.

Pugsley relayed that Tim Potter, ODOT, advised that the Fulquartz Landing interchange could still be viable dependent on funds. Amador confirmed.

Councilor Adlong questioned the changes for Newberg's access to the bypass. Amador advised that the connection stops at Highway 219 in lieu of Rex Hill. Adlong clarified that the fund shortage affects Dundee, not Newberg. C. Munson inquired if the improvements for Newberg were in their Transportation System Plan (TSP) prior to the bypass planning. Amador confirmed. Munson asked if the \$192 million for the bypass would be used for those improvements. Amador replied they would since the bypass configuration affects the Newberg traffic flow.

Stan Hutchens asked if the Dundee connection is a temporary fixture. Amador replied yes, the timeframe for temporary is undefined. Hutchens asked if they would come back and take out what they put in. Amador advised it would depend upon construction of the original full bypass alignment.

Maryle Hutchens inquired why Parks Drive was not considered. Amador replied ODOT has not reviewed Parks Drive as an option.

Anh Vo advised that she owns a house on Parks Drive and has not been contacted by ODOT. She questioned where the proposed connection route will go relative to her back yard at the open house and no one could tell her. Amador would have to research the question.

C. Pugsley inquired the estimated traffic counts through Dundee once the bypass is completed. Amador will provide that information to the City Administrator. Mayor Crawford advised an estimated 40% drop in traffic, to an estimated 12,000 cars.

C. Adlong inquired the location of the city's bypass crossings to the Willamette River. Amador advised at Eighth Street and at Fulquartz Landing Road. Mayor Crawford is working with ODOT to add a bike and pedestrian path.

Brian Casey, Newberg/Dundee Police Chief, asked the access points to the bypass for emergency response. Amador replied just the two ends. Casey advised that would present a challenge for police response. Amador stated that final design may include changes to address emergency responses.

C. Munson asked what would preclude a Fulquartz interchange, other than funding. Amador replied historic properties and archeological issues. Councilor Nelson asked a cost estimate for the construction costs of Options A and B, where they depart from the original proposed alignment. He expressed concern for the cost of a temporary structure versus going with the original design. Amador advised that they could work on environmental issues when they have the Record of Decision (ROD). ODOT is on a timeline to get this to the Federal Highway Department by November 15th.

Stan Hutchins questioned the cost savings of Dundee connection options A and B versus the original plan to connect at Fulquartz Landing Road. Amador replied \$40 million.

Willetta Baker, residence on Highway 99W, asked why they wouldn't be able to access their property with the proposed design. Amador advised that there would not be access to the road at her property. Baker asked why ODOT is not widening Highway 99W. Amador replied it would have a detrimental effect to the downtown core of Dundee.

C. Nelson relayed appreciation that ODOT has tried to bring forward a buildable plan within the funding scope, but he expressed concern that the people affected by the changes have only a short period to add their input versus years for those along the original proposed route. C. Pugsley expressed concern that there had not been any formal public process to communicate the changes. Mayor Crawford relayed that Tim Potter was to have kept him informed on the status of the interchange, which didn't happen. He asked ODOT to move the bypass access farther away from Dundee with any Tiger 3 grant funds ODOT receives. Amador advised the Tiger grant applications are due October 30th, with notifications after the first of the year. Mayor Crawford also referred to \$20 million in modernization funds. Amador confirmed there are modernization funds and they are not just for Yamhill County. C. Pugsley asked ODOT to notify the Mayor and the City Administrator when the Tiger 3 grant is submitted and when the notification comes back.

C. Adlong inquired what will happen with the land use approval process. Amador replied that there are no known land use actions with this project, maybe through the east farmland at the edge of town. Land use actions will be worked on in the development of Phase 1.

Consent Agenda

The motion was made and seconded to approve the Consent Agenda items 6.1 City Council Minutes, September 20, 2011, 6.2 Department of Revenue Service Agreement, and 6.3 OLCC Liquor License Application, South Stage Cellars, LLC. **The motion** passed unanimously.

Old Business

WWTP Construction Project Status Report

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

- Headworks: the first pour (of 10 to 12 pours) has been completed, the walls will be formed next
- Operations building: currently is being framed, the roof trusses will be placed next
- MBR structure: rebar is being placed and the walls are being formed (18 concrete trucks for the first pour)
- Facultative Sludge Lagoon: the north and south cells are shaped, the discharge pipes have been installed, and the liner will be installed next
- Site piping installation is going well

Preston Van Meter, Kennedy/Jenks, advised that the base rock for the entry road has been applied to the site. The draft easement description for the outfall should be ready by the end of the week to allow a meeting with the Lindquist family in the near future. The outfall design should be ready to submit to DEQ by the end of the month with the expectation this work will be out to bid in February of 2012. The third contractor progress payment estimate is approximately \$480,000. The project is about 17% complete. Van Meter advised they are working on small change orders for additional site utilities for the recycled water system irrigation and for utilities to the future Public Works building.

Van Meter asked the Council's choice for building scheme colors and offered three options: 1) light gray roof with a red maroon door and tans for the building as in the original design, 2) light gray roof with a blue door and tan and a deeper blue for the building, 3) darker gray roof with a light gray door and darker clay and lighter tan for the building (similar to City Hall). The majority consensus of the Council was in favor of option three.

City Administrator Daykin addressed a concern with the water level in lagoon 1. Humm advised that lagoon 2 is back in operation and lagoon 1's level has dropped about four to five inches.

Water Bill Appeal

The appeal returns from the September 20th meeting, for Council to address the large amount of water usage on the March billing for Mr. Ferrer. The water use was 13,602 cubic feet, about 19 times the 718 cubic feet billed in March 2010, resulting in \$1,322.15 in billed charges. No Leak was found and it is unknown where the water went. The meter was tested and found to be working properly. C.A. Daykin referred to a similar recent situation at a different location where an outdoor faucet leaked, the water did not enter the sewer system, and the Council authorized a sewer credit for the excess use. If the Council finds that: 1) there was not a leak involved and 2) no excess water entered the sewer system, then it would be consistent to offer an adjustment to the sewer charges.

Alejandro Ferrer, junior, advised he did notice water pooling along the sidewalk. Alejandro Ferrer, senior, advised it was a rainy month and they didn't notice or find any leaks.

C. Pugsley asked if it was possible a hose was left on for a few days. Ferrer replied it was not likely. Pugsley advised that both Pacific Power and North West Natural Gas would hold the consumer responsible for high billings.

C.A. Daykin restated that there was no understanding where the water went; staff did not find evidence of a leak. If there was an internal leak of that size, you would likely hear it, or see it, and turn it off. The most likely explanation is external water use, which did not enter the sewer system. If Council finds the most likely explanation is that the water did not go through the sewer system, then a credit on the excess sewer charges is appropriate.

C. Munson asked if there was any time when someone wasn't home. Ferrer advised that he is home all of the time since he is out of work. **The motion** was made and seconded to reverse the extraordinary sewer charges incurred in the March 2011 billing by \$795.29 based on the following findings: 1) The high water use for the March 2011 bill was not likely due to a leak; and 2) the water recorded above the normal use did not likely go into the sewer system. **The motion** passed unanimously.

Fortune Park Water SDC Appeal

Chehalem Park and Recreation District (CPRD) is requesting a reduction in the System Development Charge (SDC) of \$14,149 for the connection of a 2-inch water meter at Fortune Park. The water SDC is addressed in the memo in the packet. The original resolution adopting the water SDC in 1989 indicated irrigation meters are to pay the full cost based on meter size with no sewer SDC. Fortune Park is to have an irrigation (seasonal) meter and a second meter for a water fountain, with the SDC on the original two inch meter. Daykin checked with the City of Newberg and they do not offer a credit on irrigation meters for SDCs.

Jim McMaster, Chehalem Park & Recreation District, relayed that they are trying to keep the total park cost down for the citizens and they are asking the City to work together to lessen the SDC charge.

The Mayor inquired the total cost for the Fortune Park. McMaster replied just over \$100,000. C. Munson asked what CPRD had budgeted for the SDC charge. McMaster advised it cost \$2,000 for the meter installation and they were required to add the drinking fountain at over \$2,500.

C. Pugsley asked if the 2-inch meter was needed for irrigation. McMaster replied for irrigation, the drinking fountain, and possible future park expansion.

C. Nelson suggested a way to forego some of the cost now and levy the remaining SDC charge when the park is expanded. He suggested reducing the SDC fee to the equivalent of a 1.5-inch meter size with the caveat to levy the full 2-inch meter SDC fee when the park is expanded.

C. Pugsley inquired regarding the seasonality issue. McMaster stated the drinking fountain will be shut off during the winter. C. Nelson relayed the argument that since it is seasonal it is used more during the period it is available.

C.A. Daykin suggested the possibility of placing a note on the property file to add the additional fee if CPRD brings a plumbing permit to extend the irrigation system. City Attorney Phillips suggested an agreement recorded against the western portion of the property. Mayor Crawford clarified that property would require a zone change and a new Master Plan to expand the park use. McMaster noted that CPRD is waiting on the update to the Dundee Transportation Plan prior to recording the partition of the property. The majority consensus was to allow the discount. Nelson suggested placing a letter in the file to try and recoup the SDC funds later.

The motion was made and seconded to authorize a discount to CPRD's water SDC for the 2-inch irrigation meter in the amount of \$3,549 (the difference between \$14,194 for a 2-inch and \$10,645 for a 1.5-inch) for the Fortune Park. **The vote:** Mayor Crawford-aye, Councilors Adlong-aye, Miller-aye, Munson-aye, Nelson-nay (noted Nelson wanted a letter in the file to collect the discounted amount if the park is extended), and Pugsley-aye. **The motion** passed five to one.

Tourism Committee

This returns from Council's request for a Tourism Committee appointed by the Council. C.A. Daykin referred to the information provided in the packet. He noted it might be hard to recruit and retain seven members and suggested starting with five and increasing to seven when needed. Daykin asked if the duties listed were the Council's expectations for the committee.

The Mayor questioned having three members who are residents of the city. C. Pugsley noted that the Council has had a preference for committee members to be residents. C. Nelson inquired if a committee of five would be: 1 City Councilor, 1 member from the tourism industry, one Chehalem Valley Chamber board member, and 2 at-large; residents of the city. C. Munson suggested a minimum of five members not to exceed seven members. Daykin advised it would be administratively difficult with the requirements for the different positions. City Attorney Phillips recommended that a quorum be based on the number of the occupied positions. Mayor Crawford suggested a change of wording from "members" to "positions". City Attorney Phillips supported "positions". After further discussion as to the size of the committee, the majority consensus was for a committee of seven positions. The ordinance will be brought to the next meeting.

Resolution No. 2011-18, 20-year Population Forecast

The resolution relay's the Council's request for the 2031 population to reflect a population of 5,926 from the City's most recent planning process for the Riverside Master Plan in lieu of the original forecast of 6,351 derived from the Dundee Wastewater Facility Plan. **The motion** was made and seconded to approve Resolution No. 2011-18, a resolution requesting that the Yamhill County Commissioners adopt a year 2031 population figure of 5,926 for Dundee. **The motion** passed unanimously.

New Business

Resolution No. 2011-19, Administrative Service Fees

This resolution is a request from staff to affirm records request charges, which have not been previously included in the current administrative service fee resolution and to add a new fee of

\$10 for checks returned from the bank for stopped payment. **The motion** was made and seconded to approve Resolution No. 2011-19, a resolution establishing fees for certain administrative services and business licenses and repealing Resolution No. 2007-16. **The motion** passed unanimously.

Letter of Support HR2698 – HRA VEBA Technical Fix

The City provides a VEBA HRA account for city employees. In 2006, the IRS determined an employee, with the VEBA benefit, who passes away without a spouse or dependent would lose their accumulated benefits, they could not name another beneficiary. There was a legislative fix for similar public retirement system plans, but private plans were not included. The letter supports this request to Representative Schrader. **The motion** was made and seconded to authorize the Mayor to sign the letter of support for HB 2698 - HRAVEBA technical fix to Representative Kurt Schrader. **The motion** passed unanimously.

Council Concerns and Committee Reports

There is a Parks Advisory Committee meeting Wednesday night at 7 P.M. on the Viewmont Greenway with the public invited to give their input.

Mayor's Report

Newberg Councilor Bart Rierson was selected for a Fitness and Leadership award from the Oregon Governor's Council on Physical Fitness and Sports for his work on the Chehalem Paddle Launch. He was nominated by Mayor Andrews, City of Newberg, and Mayor Crawford

Newberg/Dundee Police Officer Rasmussen was recognized with a proclamation from the Newberg City Council for his response to the recent domestic dispute in Dundee.

The Harvey Creek culvert has been removed and preparation for installation of the footbridge is progressing.

The City did not get the branding grant from the Oregon Tourism Commission.

City Administrator's Report

The annual audit report for the fiscal year ending June 30, 2011 was distributed to the Council. The Auditor will be in attendance at the next Council meeting.

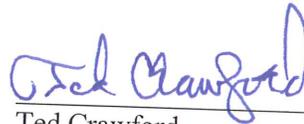
The Water reservoir recoating project is about complete, with the expectation to start filling the reservoir on Wednesday followed by testing prior to placing it online. Lead was found in the interior paint removed from the reservoir. The material is currently being stored on the site pending disposal directions from the Department of Environmental Quality (DEQ) at an estimated cost of \$8,000 to \$10,000.

The Code Assistance grant was received which will facilitate the completion of the Development Code update with Scott Siegel.

Public Comment:

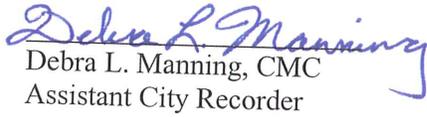
Gary Manning thanked the Council for relaying the concerns on the Bypass to the ODOT representative. He expressed concern that once ODOT places a fixture it is not temporary, it is permanent and that this proposal might not be the best answer for Dundee and the surrounding community.

The meeting was adjourned at 9:07 PM.



Ted Crawford
Mayor

Attest:



Debra L. Manning, CMC
Assistant City Recorder