

**CITY COUNCIL MEETING
TABLE OF CONTENTS FOR MINUTES
November 4, 2014**

Call to Order	2
Council and Staff Attendance	2
Public Attendance	2
Agenda Changes:	2
Public Comment:	2
Presentation:	2
Agriculture Waste Pesticide Collection Event	2
Consent Agenda	3
Old Business	3
Storm Drainage System – Basin 3 Analysis	3
Ordinance No. 535-2014, Northwest Natural Gas Franchise	4
Ordinance No. 536-2014, Transient Room Tax	4
Baldwin Construction Contract-Change Order 9	5
New Business	5
Water Line Relocation Bids	5
Council Concerns and Committee Reports	5
Mayor’s Report	6
City Administrator’s Report	6
Public Comment:	6

City of Dundee
City Council Meeting Minutes
November 4, 2014

Call to Order

Mayor Crawford called the meeting to order at 7:02 P.M.

Council and Staff Attendance

Present: Mayor Ted Crawford, Councilors Jeannette Adlong, Storr Nelson, Doug Pugsley, David Russ, and Tim Weaver. Unexcused Absence: Jennifer Munson. Staff members: Rob Daykin, City Administrator, Peter Watts, City Attorney, Charles Eaton, City Engineer, and Debra Manning, Assistant City Recorder.

Public Attendance

Luke Westphal, Greater Yamhill Watershed Council, Ken Howell, Newberg-Dundee Police Department, and Stephanie Baxter, NW Natural Gas.

Agenda Changes:

Item 7.4 Baldwin Construction Contract-Change Order 9 was added to Old Business.

Public Comment:

Ken Howell, Newberg-Dundee Police Department, invited the Council to attend the Newberg-Dundee Police Citizens' Academy which will run on Tuesday evenings from 6:00 to 9:00 P.M. starting February 3rd to April 14th with one Saturday class. Some of the topics to be covered: the department's hiring process, the physical test, the K-9 team, Narcotics, Dispatch, Domestic Violence Response team, the Reserve program, traffic enforcement, school resource officers, Search and Seizure, criminal forensics. This will include some basic hands on training on handcuffing, control holds, tazer usage, and munitions. The Saturday class will be a reality based training day. The class goal is to educate the public about the Police Department.

Presentation:

Agriculture Waste Pesticide Collection Event

Luke Westphal, Greater Yamhill Watershed Council (GYWC), stated that they received a grant from the Department of Agriculture and Environmental Quality and solicited partners to present a free pesticide and container collection event targeting agriculture. The County collects household hazardous waste. Councilor Adlong asked for an explanation of the importance of the program. Westphal responded it helps growers comply with the law getting rid of unlabeled, old, leaky pesticides. There are no other available disposal resources for agricultural users. This is a statewide program and this is the first time Yamhill County has had a disposal site.

Westphal updated the Council on the plantings by the Harvey Creek Bridge with photos. He noted the horsetail plants are protecting the plantings from deer browse.

GYWC just applied for a \$250,000 grant from the State to research where the fish are located in the Yamhill watershed. The funds will allow a snorkel crew to locate the fish in the creeks and facilitate strategic planning. Adlong inquired if Dundee was represented on the map Westphal passed out. Westphal replied that the Chehalem Valley is a low priority for fish. The focus is on Salmon and Steelhead. Harvey Creek has Cutthroat trout. Mayor Crawford inquired about Chehalem Creek with embedded culverts which need to be removed. Westphal will investigate that issue further. Adlong expressed concern for kids placing dams on Harvey Creek. Westphal shared it is best to remove dams during the winter to clear the way for the upstream migration.

Westphal passed out information on upcoming events in the area and encouraged Council participation.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, October 21, 2014 and 6.2 2015 Meeting Calendar. **The motion** passed unanimously.

Old Business

Storm Drainage System – Basin 3 Analysis

Kennedy/Jenks was contracted to update storm water flow information in Basins 2 and 3 to determine changes since the current Westech storm drain master plan was completed in 2006. A review of Basin 3 addresses complaints of localized flooding in the Fir Court and Charles Street areas. Many of the projects listed in the master plan have not been completed due to lack of funds. The master plan needs to be reviewed to determine if the projects are appropriate and there are concerns that some of the facilities have been oversized. Also the System Development Charges (SDC) needs to be updated.

City Engineer Eaton stated the intent is to select an alternative to address Basin 3 and prepare a capital improvement plan update of the storm water sections. Basins 1, 2 and 3 would be impacted. Four areas within Basin 3 were identified to have deficiencies (page 18 of the packet). He noted number 2 is on the farm field outside of the Urban Growth Boundary (UGB), number 3 is downstream of the Fir Court issue, and number 4 is downstream of the Charles Street issue. The viable options are 1 or 1B. The other two options include substantial improvements outside of the city limits and the UGB. The full costs of the four options were estimated between \$348,000 and \$372,000. Improvements to section A (\$20,000 estimated cost) and sections L-O (\$50,000 estimated cost) are in all of the options. The improvement at section A involves redirecting the water from crossing Eleventh Street west of the Fir Court subdivision to the storm water line on Eleventh Street. The improvement for sections L-O represents the replacement of the 15 inch storm sewer with a 24 inch storm sewer on the south part of Myrtle Street and extending the new 24 inch storm sewer across Neiderberger Road. City Administrator Daykin advised that Kennedy/Jenks used Westech's numbers and applied a cost index to update to today's pricing. Eaton also reviewed the L-O section using his estimating software and suggested an estimated budget of \$40,000 for that section. L-M is a critical link which is backing up because it can't get through the existing sized pipe.

C. Adlong asked if the developer incorrectly sized the piping when the subdivision on Charles Street and Myrtle Street was built (in the late 1960's). Eaton replied that the development was at the bottom end of the storm water flow and the developer may have guessed the flow amount from the land above before that land was built out. The new storm water ordinance requires analysis of the effects on the system of a new development within a quarter mile up and down stream.

Discussion followed on SDCs. City Attorney Watts noted the SDC covers the cost of a unit onto the system. There is a large range of SDC amounts from city to city. Daykin stated the SDC amounts depend on the existing infrastructure of the community and the improvements needed to accommodate growth. He advised that the storm water master plan was completed in 2006. The storm water SDC methodology was established in 1998 and was never updated. Watts asserted the SDC provides financial incentives to developers to get creative, possibly by use of a water garden to keep rainwater out of the system, etc.

Engineer Eaton shared the current code requires the developer to upgrade their entire system or place a detention system if the downstream system can't handle the flow. Developers may receive

a credit to their SDC's for completing improvements identified in the master plan. Daykin stated part of the cost for Option 1 could be paid by future development along Alder Street; I through J (page 19). The update was looking for an easy fix for the complaints received; but current capital funds are committed to storm drainage system improvements associated with the Viewmont Greenway Park project and the Transportation Enhancement project along Highway 99W.

Councilor Russ questioned whether Option 1 or 1B would have the longer lasting impact. Eaton suggested 1B, noting that changes to the existing pipelines along Alder Street impacts Basin 4.

Councilor Nelson asked for confirmation for the estimated cost of improvements L- O at \$50,000. Eaton confirmed a minimum \$50,000. Nelson suggested Option 1 could be phased easier than 1B. Eaton confirmed that improvements could be completed from Thirteenth Street to the ditch in Alder Street, and not install the 48 inch pipe at this point. Nelson suggested completing L-O in the short term. Eaton recommended addressing A after L-O.

C. A. Daykin reminded the Council of \$3 million of other storm system projects which could be a higher priority than the current discussion. The complaint from Charles Street could be caused in part by water backing up the Neiderberger ditch which was previously maintained by the County. Public Works crews have cleared out the ditch. The issues under discussion are expensive to fix and currently there are no funds available to address them with. Staff will work to update the capital improvement plan in the future. Daykin noted the storm water fee was adopted in 1998 at \$5 a month and is still \$5 a month. The fee funds maintenance activities and excess funds are allocated to the Capital Projects Fund. Some of those funds will go to the repayment of the loans for the Highway 99W project and the Public Works building. The Mayor suggested addressing Myrtle Street issues next year. Engineer Eaton will bring back more information on all the basins in the spring of 2015.

Ordinance No. 535-2014, Northwest Natural Gas Franchise

C. A. Daykin introduced Stephanie Baxter, NW Natural Gas. A listing of the differences of this franchise agreement from the previous agreement was noted on page 31 of the packet. Two major differences are: 1) the move to a quarterly remittance of the franchise fee in lieu of an annual remittance and 2) an increase of the franchise fee to 5%. Daykin stressed the need for the additional revenue for the Street CIP Fund. Council did approve an increase in the PGE franchise fee to 5% earlier this year. The amount on the bill would show as a City of Dundee fee. The funds will have the same restrictions on their use for the Street CIP Fund as the PGE franchise funds have. Daykin noted the Council has the option to adopt the ordinance with the fee increase or to take Alternate B which would not increase the fee at this time, but would allow a future Council to authorize the fee increase with a sixty-day notice. C. Nelson questioned the amount of the additional monthly fee increase. Baxter replied for an average residence \$1.50 a month/\$20 annual. **The motion** was made and seconded to adopt Ordinance No. 535-2014, an ordinance granting a non-exclusive gas utility franchise to Northwest Natural Gas Company, and fixing terms, conditions and compensation of such franchise, with the deletion of Alternative (b) provision for Section 12. Daykin stressed that even with the adoption of the franchise fee increase; we will still need additional revenue for the projects the Council wants to address from the Street CIP Fund. **The motion** passed unanimously.

Ordinance No. 536-2014, Transient Room Tax

The two collectors of the transient room tax have been notified that the proposal to increase the tax from 7% to 10% would be addressed at this meeting. A request was received to negotiate with Airbnb to collect the fee on behalf of all the transient room rentals in the city and remit one check to the city. As there are currently three registered hotels; with only two operating; it doesn't appear that this needs to be addressed at this point in time. The current program requires the

operator to register, report, collect and pay the fee to the city. The Planning Commission has a Public Hearing scheduled for November 19th to allow residential vacation rentals. **The motion** was made and seconded to adopt Ordinance No. 536-2014, an ordinance relating to transient room tax and amending Chapter 3.04 of the Dundee Municipal Code. **The motion** passed unanimously. C. A. Daykin informed the Council that the ordinance had not been noticed a week prior to the meeting and would be brought back to the November 18th meeting for the second reading. The change will be effective January 1, 2015.

Baldwin Construction Contract-Change Order 9

The change order, distributed to the Council, covers four main cost items including the cost to Baldwin Construction for the ten day delay to the project as a result of the discovery of the underground fuel tanks. This cost was negotiated down to \$4,094, about half of the original request. An invoice for additional work in the highway (CPR 90) for \$5,351 covers relocating catch basins, the addition of a new, required catch basin and piping which was not in the original plan. The date for completion of the building that may be used for any liquidated damage claim against Baldwin Construction, of April 28th, has not changed. There are three outstanding issues which will be brought before the Council on another change order:

- one dealing with an increase on interior signs (currently disputed)
- the directed labor for the time and materials costs to Mealue Excavating, Inc. for undergrounding of the utility conduits underneath the sidewalk (waiting on their information)
- a credit on the incomplete flooring (currently under negotiation)

C. Nelson questioned 1) if the RT Hoe and Dump truck actually worked for eight hours and 2) the Administration fee of \$200 on Mealue's invoice for \$4,764. Eaton advised that was the excavation to remove the existing catch basin and install two new catch basins, which had to be redone due to a change in location of a waterline and the administration fee for the owner's time.

The motion was made and seconded to approve Change Order No. 9 in the amount of \$11,214.00 to the contract with Baldwin General Contracting Inc. for the Fire Station construction project. **The motion** passed unanimously. Daykin shared that all the landscaping will be complete in a week to ten days.

New Business

Water Line Relocation Bids

Good bids were received for the Eighth Street Waterline Relocation with K & E Excavating the low bidder at \$243,442. Staff recommended awarding the project to K & E Excavating. This work will be reimbursed by ODOT. **The motion** was made and seconded to award the bid for the Eighth Street Waterline Relocation Phase 2 Project to K & E Excavating in the amount of \$243,442. **The motion** passed unanimously.

Council Concerns and Committee Reports

It was noted that the plants for the Viewmont Greenway project are small. Pete Siderius, Newberg High School Horticulture Program, and Bryan Stewart, Chehalem Park and Recreation Department, have been staging the plants. Dundee Elementary students, under the supervision of High School students and helpers will plant on Wednesday morning. Some erosion in the drainage ditch has occurred. There is consideration for additional rock dams in the affected areas. Larger plants and trees will be planted next spring.

Mayor's Report

Mayor Crawford attended a Yamhill Soil and Water Conservation District visioning meeting to discuss favorite local places to consider for conservation efforts. He suggested Ash Island and areas west of Dundee. There is substantial interest in re-establishing oak savannas and in water shed management. Crawford advised of the existence of a state trail, accessible near the city of Gaston, over the coastal range.

The Ninth Street walking trail is covered with debris and needs to be cleared. The ditch is getting eroded. Daykin stated that Public Works crews have placed rock dams up Red Hills Drive to slow the water flow. The Mayor suggested the possibility of a work day for the Parks Advisory Committee members or County work crews to clear the walking path.

The Bypass construction is nearing Chehalem Creek. ODOT is chipping the trees in the ROW to use as a base for the construction traffic. The pile driving is nearly complete at Fulquartz Landing and at Eighth Street.

The "Welcome to Dundee sign" area has been planted.

Argyle Winery is planning a \$3 to \$4 million dollar renovation of their Dundee facility to include a hospitality center with an estimated capacity of 100 to 200 people.

City Administrator's Report

The auditor's will be present at the November 18th meeting to review the audit report which was distributed to the Council. There is a deficiency in the year-end budget for the Fire Station Construction Project where the appropriation in Materials and Services category was exceeded. There wasn't time after receipt of the costs to convene a special meeting of the City Council to take action prior to the end of the fiscal year.

The solid waste letter of authorization has been forwarded to the Department of Environmental Quality (DEQ) reporting on how the city will deal with the contaminated soils from the Fire Station project stored at the Wastewater Treatment Plant and the land farm plan. A reply is expected in a couple of weeks whether or not DEQ will approve the plan. The test reports from the additional site investigation work have not been received; after which a finalized report will be forwarded to DEQ.

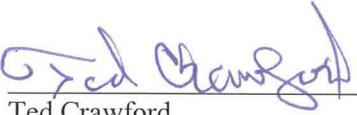
The City Administrator, City Engineer and the Public Works Supervisor met with Daniel Fey, Four Graces Vineyard, to discuss the City's possible use of their well and the City's Water Master Plan process. He will exchange information with his superiors to determine further interest.

A report on property taxes was distributed updating the Council noting that the property tax assessed values came in higher than estimated, resulting in about \$14,600 more in property tax revenue than estimated in the current year's budget. This additional revenue will cover about half of the cost of the new part-time firefighter position added to the budget this year. Yamhill County Assessor's Office was contacted to try to determine where the increased assessed value occurred in order to improve on future forecasting. Also, the estimated collection rate was increased from 91% to 92% reflecting the actual rate for the prior year.

Public Comment:

None.

The meeting was adjourned at 8:57 P.M.


Ted Crawford
Mayor

Attest:


Debra L. Manning, MMC
Assistant City Recorder