

**CITY COUNCIL MEETING
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November 6, 2012**

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City of Dundee
City Council Meeting Minutes
November 6, 2012

Call to Order

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

Council and Staff Attendance

Present: Mayor Crawford, Councilors Miller, Munson, Nelson, Pugsley, and Reddell. Excused absence: Councilor Adlong. Staff members: Rob Daykin, City Administrator and Debra Manning, Secretary.

Public Attendance

Tom Glogau, Grove Mueller & Swank, Inc., Sheryl Kelsh, Chehalem Valley Chamber of Commerce, Ashley Lippard, Ashley Lippard Designs, Krista McCallum, 237 Marketing, and Tim Weaver.

Agenda Changes:

Item 7.2 Memorandum of Agreement between the City and the Oregon State Historic Preservation Office was added to old business.

Public Comment:

None.

Presentation:

Review of City Audit

Tom Glogau, Grove Mueller and Swank, addressed the Annual Financial Report Year Ended June 30, 2012 with an informative handout:

- Net assets (rainy day funds): the benchmark is greater than 50%; the city is at 60%
- Amount of debt: the benchmark is less than 100%; a foreseen exceedance with the \$7 million for the WWTP
- Government change in net assets (who paid for city services; current or prior year recipients): the benchmark is 95% to 105%; the City is at 101% or paying as we go
- Change in net assets (overall financial condition): the benchmark is +/- 5%; the City is at -27.59%. The city expended more income than received, saved funds were used for the planned capital project and the remaining funds place the city in a stable financial position

The Auditor found the city conducts its affairs with good control and sound planning; making decisions to the public benefit.

City Administrator Daykin referred to page three of the audit report, Management's Discussion and Analysis, where he addressed the major economic factors in the community.

Councilor Pugsley inquired if the auditors review best practices to avoid fraud and address security. Glogau advised that is part of their requirements as auditors. They review the numbers generated to ensure they are correct and the process. They look to ensure that no one person handles all aspects of any transaction. The City conducts its fiscal affairs in regards to the State of Oregon statutes.

Councilor Nelson inquired if the amount of debt would affect the government change in net assets (who is paying for services) in 2013. Glogau replied that is difficult to answer as the amount of the city's debt is currently in the Enterprise (sewer) funds. The revenues from Enterprise Fund will be the source of debt repayment; whereas the Fire Station will be governmental debt paid by property taxes, etc. The debt percentage increase will be smaller in 2013. Nelson asked for next year's handout to include the 2011 statistics.

Glogau informed that next year's audit will likely be a single audit event. The audit will include a review of the federal requirements and how federal funds received by the city were spent in accordance to the requirements for the projects. C. A. Daykin noted there would be an additional fee to the auditor for the additional services.

Mayor Crawford questioned why the city does not track the capital assets. Glogau noted that the auditor is mandated to include the information on capital asset records in the audit report. The City of Dundee is on a cash basis; working with money being received and expended; which is allowable under Oregon law. Glogau supports the cash basis as preferable as the effort to track the assets is not offset by the benefit of the information received. The auditor recommends that the city ensures the asset is used for city purposes and that prudent care is used in the preservation of the asset. It was noted that the city maintains historical cost or depreciation records, page 46 of the report, for capital assets acquired after June 30, 2007.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items, 6.1 City Council Minutes, October 16, 2011 and 6.2 2013 Meeting Calendar. **The motion** passed unanimously.

Old Business

Tourism Committee Branding Project Report

Councilor Munson introduced Krista McCallum, 237 Marketing and Web, and Ashley Lippard, Ashley Lippard Design, consultants on the branding project with a recommendation for the Council.

Krista McCallum relayed that they would share the results of the community vote on a logo, reveal the brand recommendation and discuss the next steps for the project. The definition of a brand: a name, term, design, symbol or other feature that identifies a seller's goods or services/one community as distinct from those of other sellers/communities. Elements of a brand can include: name, logo, tagline, graphics, shapes, colors, etc. McCallum and Lippard worked with the committee completing a marketing survey and developing multiple logo concepts; which the committee narrowed to two logos for the community to vote on.

Ashley Lippard announced that option 1 (A keyhole/wine glass outline encompassing the red hills, green agricultural fields, and a blue river) was selected by the community. Committee members noted that the city is more than meets the eye to the right and the left off Highway 99W. The keyhole reflects a pinot noir glass shape distinct to the area or a crest for the Scottish history. Lippard presented proposed usages for the logo and a tagline: "Live here, Play here". Normally one logo would be recommended, but considering the concerns of the committee a sister logo was developed for a city logo versus the tourism logo. The city logo includes the same elements, but is encased in a leaf shape (removing the wine aspect and moving toward an earthy/neighborhood aspect) and would embody the "Live here"; while the tourism logo would embody "Play here". They compared the proposed logo with the neighboring logos and determined that the proposed logo is different, unique, modern, and it is easy to work with in either color or black and white.

McCallum stated that the shared core elements connect the two logos. The committee will consider where each logo applies, who can monitor usage of the two logos, and brand guidelines. C.A. Daykin stated that they would assist with a marketing plan to promote tourism. The city logo is not part of the promotional campaign.

The Mayor referenced the letter from Dundee Hills Winegrower's Association (DHWA) supporting the new logo and looking forward to findings ways to work with the Tourism Committee.

McCallum stressed that they do not want to confuse the audiences; to ensure that what they see makes sense. She noted the sister logos with the same core elements make sense.

C. Pugsley expressed concern that the script on "Play here" is similar to that used by the Oregon Lottery. Lippard advised that fonts can easily be changed.

Councilor Reddell noted the banner, on the proposed usages, does not include the script "City of Dundee". Lippard stated that can be adjusted. They do not plan to add "Oregon" for intrastate usage.

C. Pugsley suggested "of" needs to be a smaller font size.

McCallum and Lippard will address "locking up" (the use of two logos side-by-side) the sister logos (examples: Nike and Coke).

Sheryl Kelsh, Chehalem Chamber of Commerce, advised the committee recommended the one logo. She supports use of one logo as the simplest way to go.

C. Munson supports the use of the two logos using a different border other than the wine glass for the city's logo.

Lippard offered three options:

- Single wine glass logo
- Sister logos, wine glass logo for tourism and leaf for the city
- Wine glass logo for tourism and continued use of the current city logo.

C. Pugsley inquired an estimate of the cost and time involved to determine whether the sister logos will work together. McCallum advised it would be costly.

After further discussion the majority consensus was in agreement with the recommendation for sister logos. The next steps are finalization of the art work files and the brand guidelines, review of the project's scope, and reprioritizing to accomplish the goals: including a marketing plan, a promotional campaign, exterior signage, bypass branding and the tourism website.

Memo of Agreement (MOA) – Purple House

The national office for USDA Rural Development is deferring to the State of Oregon on the disposition of the purple house. State law requires public entities to evaluate historic buildings prior to moving or demolition. The MOA states the documentation of the photo survey and the site plan of property will be included with a narrative acceptable to the state. The City will be required to provide a temporary public display with information on the house at the new fire station. Once the agreement is signed, the building can be removed. Quotes have been received for asbestos abatement at \$1,600 and demolition of the building at \$4,200. The cost for the city's consultant's work on the MOA is estimated under \$1,500. An extension to the property exchange

agreement was received from the Bergstroms. The City Administrator asked for authorization to sign the MOA with the State Historic Preservation Office.

C. Nelson asked the significance of item III, the duration date of June 30, 2014. It appears to be the expected completion date of the fire station.

The motion was made and seconded to authorize the City Administrator to sign memorandum of agreement between the city of Dundee and the Oregon State Historic Preservation Office. **The motion** passed unanimously.

New Business

Engineering Services Contract

City Engineer Monson will be retiring and Wallis Engineering advised they would not be in a position to continue to provide the same level of service to Dundee. The procurement process for a new engineer was discussed with the City Attorney with the determination that we do not need to issue a request for proposals. C.A. Daykin supported the relationship with Kennedy/Jenks on the WWTP and suggested them for consideration and the use of Amity's City Engineer, a former ODOT engineer, for street projects. The City of Amity will contract with us for engineering services at an hourly rate of \$75 per hour. The current rate with Wallis Engineering is \$105; Kennedy/Jenks will be higher. Kennedy/Jenks will negotiate a different hourly rate from what we paid for the WWTP project. Daykin asked for authorization to negotiate a contract for engineering services with Kennedy/Jenks and an IGA for engineering services with Amity's City engineer. Large projects involving more than \$100,000 in engineering fees would go through a request for proposal (RFP) process. The majority consensus was to approve the City Administrator to negotiate the agreements.

Tourism Committee Appointment

Mayor Crawford proposed appointment of Daniel Mondok, Executive Chef at Paulee, for the vacant seat on the Tourism Committee and reappointment of Jennifer Munson, Nancy Ponzi, and Jennifer Sitter. **The motion** was made and seconded to accept the Mayor's appointments to the Tourism Committee. **The motion** passed unanimously. Mayor Crawford noted that the Dundee Hills AVA showed interest in the committee and have been invited to attend the meetings.

Resolution No. 2012-17, Temporary Use-Wine Tasting/Sales

This is the biannual request for approval for a wine tasting event in the light industrial zone at the Bag Connection, 459 SW 9th Street. **The motion** was made and seconded to approve Resolution No. 2012-17, a resolution approving a temporary wine tasting and wine sales event on November 17th and 18th of 2012 in the Light Industrial (LI) zone located at the Bag Connection, 459 SW 9th Street, Tax Lot 3326DD-00900. C. Nelson inquired if any complaints have been received. Daykin responded none have been received. **The motion** passed unanimously.

Council Concerns and Committee Reports

None.

Mayor's Report

A meeting was held with ODOT to discuss Bypass concerns regarding traffic flow and the fishhook. ODT advised the capacity on the McMinnville side will be in good shape, but the Dundee side is expected to fail in ten to fifteen years as disillusioned drivers will use Highway 99W through Dundee to avoid the backup at the Bypass access in Newberg. The Bypass capacity is 35,000 vehicles a day, but ODOT expects actual usage of 23,000 to 25,000 vehicles a day with the access difficulties. Senator George wants to eliminate the left hand turn at the light and use a

merge from McMinnville. Crawford noted that the entities matching funds on the project are asking for an accounting of the usage of funds for the project to help ensure that earmarked funds stay with the project.

City Administrator's Report

C.A. Daykin inquired if the Council wants to host the annual Employee Recognition Event on December 18th in lieu of the second meeting in December as in previous years. The majority consensus was in agreement and for a return of the chili cook-off. C. Pugsley will help plan the event. Mayor Crawford offered the suggestion of a change of location for the event such as the Hyland Winery. The majority consensus was to keep it at City Hall. He suggested a future event to honor the volunteers, such as a dinner. The majority consensus was in agreement.

An update on TRIM, the electronic record management program: a year ago there was an issue with the trust relationship connection between the City's server and the TRIM server. Chaves Consulting, the subcontractor, and the City's IT, Blackpoint IT Services, collaborated to reach a solution: a dedicated PC/server was purchased. This was expected to place us in the same position with access to TRIM as the other entities on the State's contracts. We recently discovered that we do not have access to the WebDrawer, which supplies outside access, for the public and employees off the city's network, to city records. Chaves Consulting advised we need an upgrade to our server with newer software at an estimated cost of \$14,000. Our server is three years old, is handling new accounting software very slowly and we are looking to purchase new utility software. Daykin asked for consideration to add this to the upcoming 2013/2014 budget. Council would like a presentation from Blackpoint IT Services.

Public Comment:

None.

The meeting was adjourned at 8:51 P.M.


Ted Crawford
Mayor

Attest:


Debra L. Manning, CMC
Assistant City Recorder