

**CITY COUNCIL MEETING
TABLE OF CONTENTS FOR MINUTES
November 19, 2013**

Call to Order	2
Council and Staff Attendance	2
Public Attendance	2
Agenda Changes:	2
Public Comment:	2
Presentation:	2
Review of City Audit	2
Consent Agenda	3
Old Business	3
Leak Adjustment Appeal	3
Utility Assistance Program	4
City Sign Landscape Proposal	4
New Business	5
IFA Technical Assistance Project	5
Resolution No. 2013-15, Administrative Fees	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 19, 2013

Call to Order

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

Council and Staff Attendance

Present: Mayor Crawford, Councilors Adlong, Nelson, Pugsley, Russ, and Weaver. Excused absence: Councilor Munson. Staff members: Rob Daykin, City Administrator, Peter Watts, City Attorney, and Debra Manning, Assistant City Recorder.

Public Attendance

Tom Glogau, Grove Mueller & Swank, P.C. and Ryan Pasquarella, Grove, Mueller & Swank, P.C.

Agenda Changes:

None

Public Comment:

None.

Presentation:

Review of City Audit

Ryan Pasquarella, Grove, Mueller & Swank, P.C., clarified the amended pages reflect a classification issue in the Equipment Reserve fund with expenditures; which incorrectly reflected expenditures in excess of appropriations.

Tom Glogau, Grove Mueller and Swank, P.C. addressed the Annual Financial Report Year Ended June 30, 2014 with an informative handout which addressed:

- Net assets (rainy day funds): the benchmark is greater than 50% with the city at 142% distorted by the funds in the Fire Station Construction fund, the city is stable
- Amount of debt: going into debt: the benchmark is less than 100% increase in new debt which the city exceeded with the WWTP project
- Government change in net assets (who paid for city services current or prior year recipients): the benchmark is 95% to 105% with the City at 142% distorted by the Fire Station Construction fund
- Change in net assets (overall financial condition): the benchmark is +/- 5% with the City at 97.46% which represents the unexpended funds for the Fire Station Construction

Councilor Nelson inquired if a five year trend could be presented to the Council. Glogau will email their spreadsheet to the City Administrator to accommodate the request. City Administrator Daykin noted that the city did not have debt prior to the WWTP project. Glogau clarified that debt financing of capital improvements is typical, but using debt for operations is a sign of concern. The City's debt is related to capital improvements.

Councilor Pugsley inquired if the report of the utility billing adjustments could be brought to the Council quarterly or accompany appeal requests. Daykin advised the concern was whether there was sufficient oversight over the adjustments processed by the Utility Clerk. The billing process includes the download and processing of the meter reads and manual readings; which include the nonresidential storm water fees (which is a fixed dollar amount based on the square footage

against the rate), leak credit adjustments, transfers between owner/tenant, and overbilling credits. The Office Manager will now review the utility billing adjustments report.

Councilor Russ expressed concern for the monthly storm water fees to create a situation where a customer with recurrent monthly storm water fees could have a problem which would be missed. Glogau stated any anomalies/exceptions needs to be appropriately monitored. Daykin noted the storm water fee is a predictable amount month after month; changes would be apparent.

The auditors completed Single Audit Act work, which was required due to the federal funds received for the WWTP improvements project. There was a disclosure on bank statements with the new procedural change for the Office Manager and the City Administrator to review journal entries with the monthly reports.

Mayor Crawford questioned Adjusting Journal Entry JE#3 for \$10,508. Daykin replied that represents bank fees charged by Key Bank for the interim financing on the fire station construction project, the bond anticipation note. The fees were booked by Key Bank against the loan, but the money was not actually received by the City and will have to be repaid with interest when the loan is paid.

The Mayor asked the resolution for verification of wages on public works projects. Daykin relayed the engineering consultant was hired to complete the verification process. The grant conditions require an employee to verify the consultant is actually doing the work. For the Fire Station project, which involves federal funds without Davis-Bacon wages applying, the certified payroll is being reviewed by the City Administrator with each pay request. Glogau added that the city is the grantee with the responsibility to ensure the consultant is doing his job. Pasquarella noted no violations were found.

Consent Agenda

Corrections to the 2014 Meeting Calendar: January 7th Council Meeting is on a Tuesday with the January 8th Parks Advisory Committee following on Wednesday. **The motion** was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, November 5, 2013, 6.2 Financial Report Ending October 31, 2013, and the 6.3 2014 Meeting Calendar as amended. **The motion** passed unanimously.

Old Business

Leak Adjustment Appeal

Gerald Fiedler declined to attend the meeting; he felt his letter was sufficient and preferred to withdraw his request. Council was asked their preference on the limitation of the number of leak adjustments to be provided. C. Russ supported limiting it to one a year; noting the city should not take the brunt of deferred maintenance. C. Nelson supported a second credit in a two year period with consideration for replacement of the line; noting it appeared to be the contractor's fault. City Attorney Watts suggested it is hard to fine tune code and or ordinance to fit all scenarios. The current rule is simple for staff to administer and people to understand. Allowance could be made for appeals for extraordinary circumstances, allowing a second adjustment within a year, to be brought to the Council. Daykin suggested the option of no limitation; the leak adjustment is for 50% of the excess water use and if they do not repair the leak they are paying for the additional uncredited water use. After discussion of the difficulty of determining credits for past leaks, C. Pugsley recommended not giving credit to past leaks if the policy is changed; but moving forward from this point. The majority consensus was for one leak adjustment per a one year period. Staff will bring back an ordinance to effect that change.

Utility Assistance Program

This issue was brought forward from the previous council meeting following a request by Kristie Jensen for a temporary reduction in water and sewer charges. The City has a discount program for low income household, with an estimated dozen accounts qualifying. There is no program to accommodate special hardship requests. C.A. Daykin found two cities that do have programs:

- Wood Village who uses donations from employees, the Council and the general public to fund one-time hardships, the funds are administered at the discretion of the finance director and the program is not generally advertised.
- Newberg provides \$9,000 a year with YCAP administering the payment vouchers to customers who are unable to pay their bill, subject to shut off, and meet qualifying criteria. Newberg also provides an additional \$5,000 to six non-profits for emergency relief to customers. The program is advertised and promoted by the City.

C.A. Daykin supports a third party administered program. He referred to a handout from YCAP with guidelines for Newberg's program. The Utility Clerk could refer cases to YCAP; in lieu of advertising the program on the website. He suggested guidelines for YCAP; with them having discretion in making the determination of need. In Ms. Jensen's case, she incurred medical costs, but did not qualify for the low-income discount program. Her consumption is typically under the minimum base allowance and she asked to be charged for her actual usage only for a six month period. Daykin suggested developing a policy with YCAP with funds in next year's budget through the state shared revenues. The city could also solicit donations through the city newsletter for the program. Councilor Weaver inquired of other local non-profits who could administer the program; such as Love Inc. Daykin noted Love Inc. has a \$50 payment cap and a requirement of attendance at a personal finance class; which may not be applicable for a one-time hardship event. He noted one negative for the YCAP program set up with Newberg is the applicant has to apply in person at McMinnville. Staff will look for other options to that requirement. C. Weaver will work with staff to develop the program. The policy will be brought back to the Council. The majority consensus was not set a precedent with an adjustment to the base charges as requested by Ms. Jensen.

City Sign Landscape Proposal

The budget for the sign project was \$25,000. An additional donation of \$5,000 was received from the Dundee Hills Winegrowers Association; which has not been fully appropriated. A supplemental budget amendment would allow the \$5,000 as an additional appropriation to the \$25,000. The contractor removed the fencing between the sign and Chan's during the improvements. The fencing was recycled from a taller chain link fence and was in very poor condition and unattractive. The contractor was asked to provide a quote for additional landscaping and a replacement fence that would serve as a better backdrop to the landscaped sign project, but through a misunderstanding had disposed of the fence material. The owner expressed concerns that without fencing, drivers parking their vehicles may have difficulty judging the edge of the pavement. The cost to replace the fence and complete the landscaping exceeds the resources for the project for this fiscal year.

Mayor Crawford inquired the estimate for the black vinyl fencing. Daykin relayed the estimate was \$3,600; the fencing is similar to the fencing at the cemetery reservoir. He stated there could be parts of projects in the Tourism fund which will not be completed and could provide additional funds to allow reconsidering the landscaping next spring. Another option is to replace the gap in the fence and the landscaping now and complete the rest of the fence next fiscal year.

After discussion of fence options, Council asked for other color options and confirmation of agreement on the improvements from the owners of Chan's. **The motion** was made and seconded to place to replace the entire fence with vinyl at \$3,527 and complete a supplemental budget adjustment; color to be determined. **The motion** passed unanimously. The Tourism Committee will determine the color of the fence.

C. Adlong expressed her dissatisfaction with the size of Dundee Hills AVA lettering on the sign and attaching the city to another entity. She wants to retain the old “Welcome to Dundee” sign. It was noted that other communities also identify with a specific aspect. The majority Council consensus was to relocate the old sign to the south entrance to town.

C. Adlong asked for PGE to shield the parking lot lights at Chan’s; which are not Dark Sky compliant. Staff will follow up.

New Business

IFA Technical Assistance Project

There is an opportunity to receive a \$20,000 grant from the State of Oregon Water/Wastewater Financing Program which would provide funds for an update of the Water Master Plan. The agreement will be brought back to the Council for approval. **The motion** was made and seconded to approve the application to the Water/Wastewater Financing Program and authorize the Mayor to sign. Nelson asked if it has been ten years since the last update. Daykin confirmed and added the intent to incorporate the recycled water program to the Master Plan. **The motion** passed unanimously.

Resolution No. 2013-15, Administrative Fees

Changes include:

- Home Occupation License fee was eliminated; all are subject to \$45 business license fee
- Provides a separate non-refundable Peddler/Solicitor application fee
- Increases charges for CD digital copies to \$5

The motion was made and seconded to adopt Resolution No. 2013-15, a resolution establishing fees for certain administrative services and business licenses and repealing Resolution No. 2011-09. **The motion** passed unanimously.

Council Concerns and Committee Reports

The Parks Advisory Committee has invited the homeowners adjacent to the Viewmont Greenway to the December 4th meeting to discuss landscape treatments with the proposed park and trail project that are next to their property. A second meeting with the general community will be held about April on the updated project plan prior to going out to bid. C. Pugsley inquired where the public access points are. Daykin responded Laurel and Ione Streets, with none in between. The strip between Alpine and Ione Streets is gravel with limited usage. An option under consideration is to recycle the concrete sidewalk being removed from the Highway 99W project to use as bedding material for the path. The concern is the disturbance of the crusher’s operation on site. The alternate option is to haul material offsite for crushing and then haul back to the site at additional cost.

C. Russ referred to his email of November 8th regarding concerns on the bypass construction traffic and Edwards Drive. He visited the area and found two trucks stopped on the side of the street who waved him past. He asserted their weight causes damage to the street surface when they stop on the pavement. He supports their use of Parks Drive for entrance and exit. C. Nelson stated they need to exit at the Fifth Street light to obtain access to Highway 99W. Russ suggested use of the funds from the IGA with ODOT to pay for a flagger or a temporary signal at Parks Drive. C. Adlong questioned the turning radius on Parks Drive for the trucks. C.A. Daykin met with the contractor from LaDuke Construction, Police Chief Casey, and Public Works Supervisor Mustain to address speed and safety issues concerns with the truck traffic. After numerous police checks and conversations with local residents, the determination was made there have not been any safety or speeding violations. When they pull over to the side of the road they are performing safety checks before reentering the highway. They have placed rock to help offset the settling

issues where they have been parking just off of Edwards south of Eighth Street. The contractor expects to complete the Eighth Street work by the end of the month. Then work will focus on the bridge work over the ravine and the earthwork at Parks Drive will continue with heavy hauls through February. The contract completion date is April of 2014. The contractor is operating about twenty-one trucks to and from the gravel pit at Amity for the rock hauling and is limited by the logistics of loading the trucks efficiently and operating during daylight.

Staff met with Tim Potter, ODOT, Kelly Amador, ODOT, and Shane Ottosen, ODOT to discuss concerns with the use of Parks Drive as an access point for entering the highway. City Engineer Eaton noted Parks Drive is not wide enough for the construction trucks to pass each other. ODOT has restrictions on when they can flag; they cannot flag prior to 10AM; which would make the schedule longer. The portable signal light is not viable from a traffic standpoint. ODOT stated it would further jam the traffic at both entrances to the city and in Dundee. ODOT was invited to explain the next phase of construction and address Council concerns and will be in attendance at the December 3rd Council meeting.

The IGA has been reviewed. It initially specified provision of funds with an approval process regarding restoration of City streets to the pre-construction condition. ODOT has confirmed that they agree to provide the funds to the city upfront for use as determined by the City and the agreement is being corrected to reflect that.

C. Nelson asked for public notification of the December 3rd meeting. The Council expressed disappointment with ODOT's handling of public relations and the lack of updates. Daykin suggested requesting ODOT setup a meeting with the public.

Mayor's Report

None.

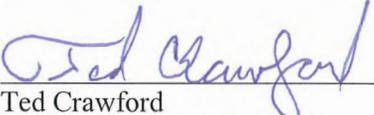
City Administrator's Report

The concrete pour, to complete the slab at the Fire Station, was delayed. It is scheduled for Wednesday morning. C. Nelson inquired if the substantial completion date has been modified. C.A. Daykin replied the schedule has not been modified; however, a five day request to the schedule is under review by the architect. Staff has asked for an update of the master schedule at the next weekly construction meeting. C. Pugsley asked the contractor's penalty for not meeting the dates. Daykin replied there are liquated damages that the city could assess.

Public Comment:

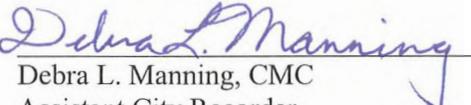
Councilor Russ announced that he is running for County Commissioner, position 1.

The meeting was adjourned at 9:13 PM.



Ted Crawford
Mayor

Attest:



Debra L. Manning, CMC
Assistant City Recorder