

**CITY COUNCIL MEETING
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December 2, 2014**

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City of Dundee
City Council Meeting Minutes
December 2, 2014

Call to Order

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

Council and Staff Attendance

Present: Mayor Ted Crawford, Councilors Jeannette Adlong, Jennifer Munson (7:02 P.M.), Storr Nelson, Doug Pugsley, David Russ, and Tim Weaver. Staff members: Rob Daykin, City Administrator, Peter Watts, City Attorney, John Stock, Fire Chief, and Debra Manning, Assistant City Recorder.

Public Attendance

Fred Miller, Astound.

Agenda Changes:

Added item 8.3 Change Order 2 for the Eighth Street Waterline Relocation to New Business.

Public Comment:

None.

Presentation:

Highway 99W Fiber Optic Proposal

City Administrator Daykin noted that Astound wishes to establish a franchise with the City for placement of fiber in the Highway 99W right-of-way (ROW). They have been notified that new fiber located along Highway 99W would have to be undergrounded and that there will be room in the conduit to be placed under the new sidewalks constructed in the Transportation Enhancement project for additional utility lines.

Fred Miller, Astound, advised that they want a franchise agreement with the city. They started business as Black Rock Cable, in Bellingham, Washington, providing dark fiber (the ability to lease an entire strand of fiber for your own dedicated use). They were purchased by Wave Broadband. Dark fiber is not hackable. It can run video, voice, data and internet and will enhance cell service in the area. The proposed route will run from Eugene to the Canadian border. They focus on providing services to local governments, healthcare providers, school districts, and major employers. Miller noted an example how the availability of dark fiber spurred business expansion in another community and although it may not occur in Dundee; it could be another economic development resource. Astound representatives met with staff from the City of Newberg's IT department and determined that Newberg is not interested in a fiber connection to Dundee. Astound plans on connecting with existing cell phone towers. Their plan is to build a system with multiple loops in the Willamette Valley/Oregon Coast region. Their proposed route includes Highway 99W through Dundee. At a \$1 per foot; the fee would amount to an estimated \$5,600 per year. Miller indicated this is too high and wanted to discuss other options.

C. A. Daykin informed that in 2009 the Council adopted the Licensing and Utilities Right-of-way Ordinance and a resolution setting the minimum fees including the license fee for transmission lines of a \$1 per linear foot. This is the first test of this type of fee. Daykin suggested starting with a lower fee under a franchise arrangement with increases over the term of the agreement, if this dark fiber installation is of value to the community.

Miller noted they would not be collecting service revenue from customers in Dundee in the near future. They provide a trade for services fee in many communities such as in Tigard where they are helping replace a current fiber network. Forest Grove's franchise fee is based on a percentage of revenue. He suggested they could pay a proportion of the conduit cost for the utility undergrounding to be installed by the City or they could install it if they can be the first participant in the project. They have the option of building along a different route in Dundee to avoid the undergrounding requirement and the option of bypassing Dundee altogether. Astound is negotiating with the City of Amity to reduce their fees from \$20,000 to \$2,000; which can be further reduced by providing discounted services to the city. They can discount any of their regular services by 50% for the city and other local government entities. He suggested trading services with a fiber drop to City Hall to another location in the city.

Councilor Russ inquired if Astound will place a demarcation point in Dundee. Miller replied they would place one at the Fifth Street intersection for the school and City Hall.

C. A. Daykin clarified if Astound took another route through the city they would have to use the existing poles for fiber placement; the installation of new additional poles is prohibited. The franchise fee applies to all ROWs and highways in the city. He noted that the \$1 per foot fee is to accommodate a fair franchise fee for shorter distances. He suggested \$1 per foot for the first half mile and then a lesser amount per foot after the first half mile.

Miller stated they provide a dedicated commercial internet at 10 mgs for \$495 a month/\$250 a month with a 50% discount. The dark fiber lease rates would be \$1,400 to \$1,800 a month/\$700 to \$900 a month with a 50% discount to connect City Hall to another building in town. They could provide services in exchange for the run through the city.

Mayor Crawford inquired if they would build and maintain the network. Miller replied they would own it; they are leasing strands of fiber to the cell providers.

Councilor Pugsley shared the long term plan for the Newberg School District is to not continue with the Dundee School. He supports a linear foot based fee until there is a customer base in the city to support a revenue based franchise fee. Daykin clarified the suggestion to have small scale/larger scale linear footage formulas to capture a minimum fee to cover maintenance of the franchises.

Miller would like to talk to the local wineries about providing service to them. He suggested a minimum of ten cents a foot; they would like to offset higher fees by providing services to the city or the school. They would not provide services to all the homes and businesses in the city.

C. Russ suggested Astound provide internet connection to three sites: City Hall, the Fire Station, and the Wastewater Treatment Plant. Miller suggested their payment of construction costs to the Wastewater Plant could be considered their franchise fee.

Councilor Nelson expressed concern to set a precedent; he cautioned providing a discounted rate now could make it difficult to argue for higher rates for another franchise later.

Councilor Adlong questioned their build out timeframe. Miller responded six to twelve months.

Consent Agenda

Correction to Council Attendance on page 2 to note Councilor Pugsley was absent. **The motion** was made and seconded to approve Consent Agenda item 6.1 City Council Minutes, November 18, 2014 as amended. **The motion** passed unanimously.

Old Business

Community Meeting Room Enhancements

The Ford Family Foundation is granting the City \$50,000 for the Community Meeting Room. The City has a \$20,000 match, which was not placed in this year's budget as it was determined at the time that it wouldn't be needed. This will need to be transferred from the General Fund. Staff intended the \$20,000 match to fund the room expansion and the outdoor benches. The grant helped pay for the kitchen access, case work, and it will also fund the furnishings and the electronic reader board. The proposal is to purchase the furnishings and then apply the remaining funds to the reader board. It is possible it will come in under budget as Chief Stock is considering different tables and chairs. This will include furnishings for the lobby and lounge style seating for the training room. The intent with the furnishings is to utilize the same tables and chairs for the Fire Department, City Council and community usage. The memo notes concerns from staff to hold ongoing Council meetings: with the lack of a good sound/recording system, setup and tear down, and the lack of internet connection and a copier to facilitate the City Administrator's needs prior to and during the meetings. Daykin inquired if the intent of the Council is to have their meetings at the Fire Hall on an as needed basis or on an ongoing basis. He suggested that changes could be made to the current Council Chambers to make the space more comfortable. The City also received \$5,000 from Newberg Charitable Organization for the audio visual equipment and will pursue the \$15,000 Waste Management grant this spring.

Noted Council comments:

- The Community Meeting Room is cold and large to heat for a small group
- Suggestion to purchase improvements in phases
- The Council Chambers' room size is conducive to discussions
- The current chambers is adequate for most meetings; joint Council/Planning Commission meetings, Public Hearings and controversial agendas could be addressed in the Community Meeting Room
- The lack of emergency escape access from the current Council Chambers
- The Community Meeting Room has escape exits; but you would be exposed accessing them during a situation
- Concealed cover could be added to the current Council Chambers
- Can't rely on the Fire Department staff for setup and tear down and there isn't enough city staff to cover this issue

C. Pugsley proposed bringing this back for discussion in a couple of months. C. A. Daykin relayed the current focus is to order tables and chairs for the Fire Department and the Community Meeting Room usage. The furniture depicted in the packet was originally proposed by a supplier used by Mackenzie for the grant application and was intended to be illustrative of the type of furnishings needed for both the Fire Department and the Community Meeting Room. Storage is a problem; the current storage room is occupied by tables and chairs used for the annual pancake feed fund raiser. Folding tables will work best for storage and for the department's needs.

C. Nelson shared that the 4-H group used the room a month ago. They filled it to capacity. He noted that replacing the tables in the storage room was a lot of work and that they take a lot of room. Chief Stock advised that nesting tables would not fit in the storage room as compactly. Twelve to eighteen training tables and three to four dozen stacking chairs could be stored in the storage room. Overflow items would have to be stored on the second floor; making their use a logistical problem.

C.A. Daykin noted the use of funds needs to substantially comply with the terms of the grant application and a final report will be provided to the Ford Family Foundation at the end of the project. Stock advised that there is storage room for four nesting tables with modesty panels. He questioned the possibility of purchasing racks to facilitate storage. City Attorney Watts counseled the grant was for a Community room for the primary use of the Fire Department; with the secondary use for the community. The Foundation would be reasonable with fluctuation in pricing of the furnishings and understand the need for racks. The city would need to seek permission from them for use of the funds for purposes outside of that room. Daykin noted the old folding chairs are in bad condition and new ones could be used for the pancake feed event. Stock advised that the padded chairs in the brochure shared with the Council are \$130 each and the folding tables are \$250 each, which is far less expensive than the flip-top style nesting table on casters. He will research the issues further and bring back a broader plan factoring in the Council needs and replacing the older folding chairs. Daykin offered that the old chairs could be stored in the new Public Works Shop. An eight foot table would accommodate three people and with the addition of corner units the full Council would be accommodated. The Council consensus was in agreement with the proposed layout on page 16. Staff will bring back quotes for the Council's consideration.

Resolution No. 2014-19, Community Meeting Room Policy

The resolution was drafted from examples from other communities and input from the City Attorney. The Council was asked if the policy is too restrictive. City Attorney Watts noted that the primary purpose of the facility is a fire station. He suggested testing the policy and adding further limitations as needed; noting it is easier to give than to take away. He cautioned that we cannot restrict speech.

C. Russ questioned: 1) consideration of room usage for educational purposes, 2) use of alcoholic beverages and the City hosting another Local Government Dinner in the facility with a wine bar, and 3) and authority for the Chief to cancel room use for an emergency under Cancelling Privileges of the policy. City Attorney Watts advised that most educational users would fall under either the non-profit organization or government agency. Daykin replied use of alcohol is permitted only if an OLCC license for its use is approved; noting that the Council approves OLCC licenses.

Councilor Munson questioned the need to be specific on which Chamber of Commerce. Watts replied the original consideration was for 501(c)(3) and 501(c)(6) organizations; which would allow super PACs. He recommended starting with the non-profit charitable organizations and the local Chamber of Commerce. The Mayor inquired about the Dundee Hills Wine Growers Association. Watts confirmed they would be included as a 501(c)(6). He noted that there will be times/days when the Fire Department will not want a meeting scheduled in the room. It was also noted that there are meetings which would not be open for general public attendance; such as the Girl Scouts.

Councilor Weaver drew attention to the need to address marijuana usage in food products. Staff recommended amending Rules for Use, item 7 to "Use of alcoholic beverages or other controlled substances regulated by the OLCC".... and the addition of item 7 under Canceling Privileges to address the Chief's need to use the facility for emergency purposes.

C. Adlong suggested language for 501(c)(3) instead of the broad label of non-profit organizations, which could include political groups and churches, etc. Watts advised language of "charitable 501(c)(3) organizations or local business leagues"; that would cover service organizations such as Rotary and the Girl Scouts.

C. Russ inquired if charging for use of the room affects the City's liability insurance. Watts will review the issue.

After further discussion C. A. Daykin suggested considering further modification at a later date. **The motion** was made and seconded to approve Resolution No. 2014-19, a resolution adopting a policy on the use of the Fire Station Training/Community Meeting Room with changes of eligibility with language reflecting 501(c)(3) charitable organizations and local business leagues, amending Rules for Use: item 7 "Use of alcoholic beverages or other OLCC regulated substances...", and adding item 7 to Canceling Privileges "The Fire Chief or other Fire personnel has unlimited authority to cancel at any time without prior notice". **The motion** passed unanimously.

New Business

StreamlineWest Engineering Services Agreement

Earlier this year Greg Reid assisted the City with the sidewalk/streetscape project as an employee of the City of Amity at the same rate of pay as the City Engineer. The work with Amity was limited to 600 hours for the calendar year. City Engineer Eaton is asking approval to contract with Reid's company, Streamline West Engineering, for his assistance with the Highway 99W project due to the increase in development activity and the City Engineer's work load. Reid will be contracted at the same hourly rate of \$75 for a not to exceed amount of \$11,250. **The motion** was made and seconded to approve the contract for engineering services with StreamlineWest Engineering LLC to assist with the Highway 99W sidewalk/streetscape project under the supervision of the City Engineer for a not to exceed amount of \$11,250. C. Nelson questioned if there was any monetary threshold for direct contracting. The City Attorney replied the City is good as long as the contract is with a separate firm, registered through the State; not the individual. Nelson questioned the threshold to go to bid for engineering services. Watts replied for a personal services contract, if required for Federal or State funding, the threshold is \$150,000. **The motion** passed unanimously.

Resolution No. 2014-20, Election Results

The resolution ratifies the November 4th election results. **The motion** was made and seconded to approve Resolution No. 2014-20, a resolution ratifying the November 4, 2014 election results. **The motion** passed unanimously.

Eighth Street Waterline Project Change Order

ODOT is reimbursing the City 100% of the costs for the Eighth Street waterline relocation project. This project represents Phase 2 of the Bypass project utility conflict work completed last year, which was deferred due to the installation of wick drains for the bridge ramp fill. The contractor, completing the trenchless installation, determined there was a greater than anticipated conflict with the underground utilities. Instead of approaching the project from the west to the east; they need to approach it from the east to the west. This will place the work in the existing gravel roadway increasing the cost of the project. The estimated cost increase is \$11,000. Authority was requested for the City Administrator to sign the change order request contingent upon MSA's review and ODOT's approval. **The motion** was made and seconded to authorize the City Administrator to sign Change Order 2 in the amount of \$11,901.44. **The motion** passed unanimously. Daykin advised that Change Order number 1 is still in process; it will be a credit.

Council Concerns and Committee Reports

C. Adlong asked for an update on Chapter 24 Vineyards, southeast corner of Highway 99W and Fifth Street, bringing their outdoor lighting into compliance with the City's lighting regulation. Daykin advised that the owner was notified and they have placed lower wattage bulbs covered by

a film material. The output has been measured and now meets the requirements of the regulation. Adlong expressed concern that the lights extend downward underneath in violation of the ordinance. Daykin replied they have made modifications to qualify for partially shielded lights. They measured both the lumens to qualify for the partially shielded limit and foot-candle measurements to ensure compliance with the minimum lighting requirement for the parking and sidewalk areas. Adlong expressed concern with the continuing lighting issues at the 12th and Maple Wine Company and a partially shielded light at Chan's Restaurant. Daykin advised that staff has not received a positive response for the legal nonconforming lights from the 12th and Maple Wine Company. They have been notified they will have to conform in seven years.

Mayor's Report

The beams for the Bypass bridges at Parks Drive, Fulquartz Landing Road, and Eighth Street and Edwards Road could start arriving in the city next week. Completion is expected about March/April.

The tree, in bad shape, by the "Welcome to Dundee" sign has been removed by ODOT.

City Administrator's Report

Forty-eight banners, for twenty-four poles, have been ordered to replace the existing ones. Photocopies of the banners were distributed to the Council. They are expected to arrive this week. Public Works Staff will be involved in placing the banners; which takes an estimated fifteen to twenty minutes per pole and requires traffic control. The banner locations were reviewed. There are not enough banners to cover the areas on both sides of Fourth Street. Daykin queried since The Black Family Winery requested removal of the banner next to them; should the other banner outside the city near the ARCO station be removed and the two banners placed in the Fourth Street area. The majority consensus supported repositioning the two banners in the Fourth Street area.

The First Street landscape improvements came in at \$6,000 with a late billing from Aspen Creek for \$3,000 for their work on the project; which included: project design, trees, ground covers, grasses, and placement of the basalt rock. Other plants were purchased through the Newberg Horticulture Program for \$2,000. Brian Stewart donated his time and the city paid for soil amendments and irrigation supplies.

The slab work has been completed for the Public Works building. The contractor is suggesting consideration for a standing seam roof (like the metal roof on the Fire Station) instead of the screw down panel (called for in the design). The Council majority consensus was to request a quote.

Public Comment:

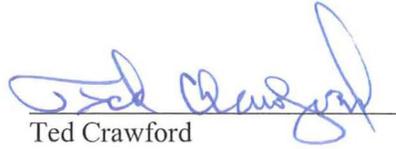
None.

Executive Session:

The City Council entered Executive Session at 9:23 P.M. in accordance with ORS 192.660 (2) (h) to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. Executive Session ended at 9:40 P.M. and the Council reconvened at 9:40 P.M.

Baldwin Contract

The motion was made and seconded to authorize the City Administrator to sign the final settlement agreement with Baldwin General Contracting working with the City Attorney on the final wording. **The motion** passed unanimously. The meeting was adjourned at 9:43P.M.



Ted Crawford
Mayor

Attest:



Debra L. Manning, MMC
Assistant City Recorder