

**CITY COUNCIL MEETING
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April 4, 2017**

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City of Dundee
City Council Meeting Minutes
April 4, 2017

Call to Order

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

Council and Staff Attendance

Present: Mayor David Russ; Councilors Jeannette Adlong, Storr Nelson, Ted Crawford, Doug Pugsley and Tim Weaver. Excused Absence: Councilor Kristen Svicarovich. Staff members: Rob Daykin, City Administrator; Peter Watts, City Attorney; Greg Reid, City Engineer; and Melissa Lemen, Administrative Assistant.

Public Attendance

Renata Wakeley, Community Development Director, Mid-Willamette Valley Council of Governments; Andy Parks, Leland Consulting Group (7:03 p.m.); Michael Humm, P.E., Kennedy/Jenks Consultants; Peter Steadman; Chong S. Park; Myrna Miller; Patrick Evenson, Columbia Empire Farms; Ruth Rogers; Craig Roggers; Rob & Kim Buckholtz; Sheila Bartlett; Doug Bartlett; Ken Howe; Karen Mzorek; Tim & Linda Stock; Gene Brookover; Nancy DeVerna; Don Webb; Pam Church; Jackson Holstein; Aaron Kendall; Scott Mattison; Steve Waddle, Promise Church & Promise Pantry; and at least two additional unnamed persons attended as well.

Agenda Changes

None.

Public Hearing: Dundee Urban Renewal Plan

Staff Report:

Mayor Russ introduced Renata Wakeley, Community Development Director, Mid-Willamette Valley Council of Governments (COG). Ms. Wakeley informed that she is here to present the final version of the Dundee Urban Renewal Plan based on recommendations from the Planning Commission. She advised that the Mid-Willamette Valley COG has been working with the Dundee Urban Renewal Advisory Committee, City Staff, and Andy Parks, Financial Consultant, Leland Consulting Group, on the Plan through several work sessions to develop the project priorities, goals, and mission statements of the Plans and subsequently worked on identifying projects for the Plan. Ms. Wakeley noted that included in the agenda packet, as well as on the City website, is the Dundee Urban Renewal Plan and accompanying Technical Report which includes the projects and estimated budgets to identify which projects could be eligible for urban renewal funds if established. Additionally, she referenced the map of the proposed urban renewal area found in Appendix A of the Plan.

Ms. Wakeley informed that once the Urban Renewal Advisory Committee had drafted the document, an open house and workshop presentation to the Planning Commission were held on February 15, 2017. Additionally, she informed that on March 15, 2017 the Dundee Planning Commission reviewed the draft Urban Renewal Plan, and recommended that the Council adopt the Plan as presented. Ms. Wakeley advised that, with assistance from City Staff and Mr. Parks, they met with the taxing districts on several different evenings. Ms. Wakeley informed that to date they have received no comments or concerns; they have appreciated the outreach that has

been done. She advised they've met with the school district, Chehalem Parks and Recreation District (CPRD), and met with the Yamhill County Commissioners last week. Notice was mailed to all property owners on March 20, 2017, stating that there was a hearing tonight which is a requirement of the state statutes prior to Plan adoption. Ms. Wakeley noted that in the Ordinance presented tonight there is the terminology that the declaration of blight must be made; any urban renewal district established in Oregon is required to do that by state statute. The purpose of the Plan, the Appendix, and the Technical Report as submitted is to identify that there are barriers to development, identify how the City has project proposals to address those barriers, and then to remove blight.

Mr. Parks reviewed projected future urban renewal levies in the Plan assuming a 3% growth rate as well as a 5% growth rate, as presented on pages 54-55 of the agenda packet. Mr. Parks noted that the numbers are fairly substantial in terms of getting to that higher growth rate; the higher the growth rate, the shorter in duration the district is and the greater return that ultimately the City and all of the other taxing jurisdictions would receive. Mayor Russ inquired as to what the payback timeframe would be for the taxing districts to regain their losses over the time of the district. Mr. Parks advised that the payback at 5% growth rate would be 8 years; the payback on a 3% growth rate would be 13 years.

City Administrator Daykin advised that an updated map of the boundaries was provided. He noted that there was a slight adjustment made as the legal description was prepared (which is also attached). The two more significant adjustments were reviewed (noted to be highlighted on the map), and other pertinent information regarding the map was also discussed. City Engineer, Greg Reid, was available to answer any questions pertaining to the map. C.A. Daykin pointed out that on page 58 of the agenda packet, Item 46. Installing Conduit for Future Undergrounding was presented at the joint meeting in January with the Advisory Committee in the amount of \$268,000. He advised that the City recently opened up bids and based on that new information would recommend that this amount be increased to \$350,000. Additionally, the amount of \$45,000 was attached to Project 41, construction of 300 feet of 12" pipe and catch basin to service property in the area of 4th Street and next to the railroad tracks.

Public Input:

Craig Roggers, 719 SW Carmen Heights Drive, Dundee, informed that he has resided in Dundee for 21 years and has watched the town grow slowly. He noted multiple local businesses that have moved in and/or made improvements and grown within Dundee over recent years. He expressed his opinion that in the end taxpayers will be footing some of the bill with regard to the Dundee Urban Renewal Plan. He pointed out that in his research of eighteen cities which have completed urban renewal projects; each has run into two problems. The first he described was with regard to City services; he noted the increased costs of City Services including police, City Hall, Public Works, etc., and noted that the Cities he observed ran out of funds. He discussed his concerns in detail. He noted that projected growth previously estimated from ten years ago has not yet been achieved in Dundee, and pointed out that even if Urban Renewal were to spur this on, increased residential development would bring about additional complications with shortages of funding which he discussed. Mr. Roggers pointed out that with increased commercial growth, more demand is placed on our police and fire services. He questioned how these increases will be paid for. Additionally, he pointed out his belief that the growth outside of the district will help to offset some of these costs, though in every example he reviewed each city had to come up with another means to pay for services.

Mr. Roggers discussed specific details relating to the addition of the gas tax in Dundee, as well as increased taxes for other utilities, and expressed his concern with regard to how those additional funds will be spent by the City. He shared his opinion that if businesses want to come to Dundee,

there needs to be a demand. He suggested that this is why some businesses thrive in Dundee while others do not. He expressed his concern that additional expenses will be spread out to the residents, as he has not been informed otherwise, and noted he would not be in favor of this Plan if that were the case.

Questions from Council:

Councilor Crawford questioned the public facility improvements (page 19) and inquired about why public restrooms have not been included in this section. Ms. Wakeley advised that because it's not listed does not mean that it's excluded as an option. She further explained that the project list included in the Appendix with the financial estimates are projects that could be funded; however, projects not included initially may be added as an amendment to the plan following a public hearing. She advised that an amendment could be done now if the Council were to all agree that a public restroom should be added as a current plan item with an estimated budget. She noted that with the work done with Planning Commission and the Urban Renewal Advisory Committee, public restrooms weren't part of previous discussions which is why it is not currently listed as a potential project. C. Crawford pointed out the importance of public restrooms in the downtown core, though potentially paid for in collaboration with Tourism promotion dollars as well; he would like to see it added as one of the projects.

Public Hearing closed at 7:20 p.m.

Deliberations:

Mayor Russ acknowledged the validity of Mr. Roggers comments. He expressed his belief that some of those costs are offset along the way by projects that the Urban Renewal Agency will do, which he explained in greater detail. C. Crawford pointed out that 30% of the transient lodging tax goes back into the general fund. He noted that if the City were to complete these enhancements and entice a hotel to come into the downtown core, that could potentially generate a substantial amount of tax revenue that could cover some of the forgone taxes lost to the City by freezing of the real market values (RMV), though he noted that it wouldn't make up for all of it.

A motion was made and seconded to amend Other Improvements and Programs, to add Item 51, a public restroom at a cost of \$50,000 as a potential project. C. Nelson inquired as to where the \$50,000 amount originated from to which C. Crawford replied that this figure came about following discussions amongst the Tourism Committee, though he is thinking the total cost would be about \$200,000 to complete a public restroom facility. C.A. Daykin pointed out that it was not intended that Urban Renewal will pay 100% of the cost of all projects. C.A. Daykin explained that the amounts listed reflect the full cost of the improvements, though the value of these improvements greatly exceed the total amount of indebtedness that the City can actually take on. C.A. Daykin pointed out that if it is the desire of the Council to be consistent with the methodology, then it would be best to show the full cost of the public restroom, recognizing that Urban Renewal will not be paying for the full amount. C.A. Daykin advised that allowing \$250,000 is a reasonable estimate for a small public restroom facility. He indicated that additional research could be done between now and the next time a vote is taken on the Ordinance, as well as an update brought to City Council. C.A. Daykin reviewed that he did make a recommendation regarding Item 46, the conduit work which will be placed underneath the new sidewalks, of increasing this amount to the previously discussed \$350,000 amount. C. Nelson inquired as to what modification was being requested for Item 41. C.A. Daykin advised that Item 41 did not actually have a cost estimate at the time the project was proposed; it was a place holder and there wasn't really a detailed project description. C.A. Daykin advised that he and City Engineer Reid discussed it though they hadn't ascertained what kind of facility would be located there as it is not a facility that is currently in the Storm Drain Master Plan. It was noted that this Plan will be updated within the next twelve months. Additional discussion ensued pertaining to

this lot and C.A. Daykin noted that the easiest way to achieve storm water drainage to that lot, if needed, may be to bring it back to the public storm drain system on Fifth Street.

C. Adlong shared some examples of progress she's noted in Dundee, and suggested that things are doing pretty well right now. As she reviewed the list of projects in the Dundee Urban Renewal Plan, she noted them to mostly include street projects. She expressed her opinion that the Dundee Urban Renewal Plan may be supplementing growth that could potentially happen on its own. She shared her view that she's never been a proponent of doing that to help development just for development's sake. She advised that she was hoping for a more conservative Plan that would focus on the issues with the downtown area and specifically Highway 99W. Additionally, she pointed out her belief that there are a lot of things that could potentially go wrong with the Plan, and there could be financial repercussions if they don't go right. She stated that she doesn't feel that she has enough information about aspects of the Plan and voiced her specific questions and concerns in greater detail. C. Pugsley advised that he shares C. Adlong's concerns as well. He pointed out that transportation costs are \$15 million of the \$20 million within the project list. C. Pugsley discussed that the percent of assessed value within this Plan of the City is approximately 17%, which is \$43 million of assessed value within the Plan compared with approximately \$253 million outside the Plan area; more than 80% of the Dundee's assessed value will continue to be taxed at the regular increment. C. Pugsley pointed out that likely the properties that will develop within the Dundee Urban Renewal area will likely be higher assessed properties than a typical residence.

M. Russ shared his viewpoint that many of the projects listed are projects that the City will need to address at some point in the future and this is a means for accomplishing these tasks. He also pointed out that just because there are almost \$15 million listed in potential transportation projects doesn't mean that even \$5 million will be spent; this question can only be answered as things move forward. M. Russ stressed the importance of using the money not only for developments that come into Dundee, but for the benefit of the people of Dundee as well. Conversation ensued regarding the benefits and further details of some of the projects listed. M. Russ expressed his opinion that he feels a good amount of confidence that this is a strong Plan to help the City fund projects that couldn't otherwise be funded, while simultaneously making accomplishments that could spur development and increase the City tax base in the end.

The previous motion was amended and seconded to add Item 41, catch basin on 4th Street (page 57) in the amount of \$45,000, amend Item 46, installing conduit for future undergrounding (page 58), from \$268,000 to \$350,000, and the addition of Item 51, public restrooms, in the amount of \$250,000. **The motion** passed unanimously.

C. Crawford referred to page 42 of the Dundee Urban Renewal Plan. He pointed out that there are 45 tax lots within the Urban Renewal Area that have no assessed value on improvements, likely due to their small size and high cost of infrastructure and development. He noted that the larger lots have been developed. Additionally, he pointed out that Urban Renewal will reduce the number of undeveloped small lots and bring in better quality development to Dundee.

C. Nelson pointed out that the list of projects in the Dundee Urban Renewal Plan is not necessarily the entire list of projects that will be completed; there are many unknowns moving forward. He noted that there will be controlled growth and this will be a good way to help fund some carefully reviewed projects in the downtown core. C. Nelson also pointed out the huge costs of transportation and utility projects for development, and suggested that urban renewal offers a way to assist with those costs. He stated that he is in favor of this plan, though is not in favor of unimpeded growth. It is his belief that urban renewal has a long-term benefit while

being a short-term issue for those outside of the District. He shared examples of cities he has visited which have accomplished great things within their urban renewal districts.

C. Weaver shared his opinion that slower, controlled growth is good, and that a good foundation for growth is essential. He shared his belief that as a City Council, they will create a solid foundation with good infrastructure for other development to come in.

C. Pugsley inquired as to whether or not any District has requested using tourism dollars for police expenses with success. City Attorney Watts explained that there is a State Statute which governs how transient lodging tax can be used unless there was a transient lodging tax in place prior to that. He informed that 70% of the funds must be used for tourism promotion and the other 30% can be used for general funds. He also noted that there have been cities that have tried to use the funds for road infrastructure and have not been successful, though something such as a public restroom may be a potential option. C. Crawford pointed out that some cities have used tourism dollars for parks if it can be justified.

M. Russ shared his viewpoint that the City of Dundee residents would only temporarily be reclaiming money already paid that would have gone to other taxing districts. He explained that through Urban Renewal, these funds could then potentially be used to benefit the citizens of Dundee who paid those dollars; these funds will stay local and help to make the City of Dundee better. C. Adlong pointed out that those other districts are providing benefits to the citizens of Dundee, which M. Russ confirmed and noted that they will continue to do. He also pointed out that this will not take away all of those tax dollars, only the increased amount over the coming years; they would have the budget they have today from the City of Dundee, just not an increased amount moving forward with the Urban Renewal Plan.

C.A. Daykin shared that the County Commissioners have voiced their support of the Dundee Urban Renewal Plan, and recognize this as an economic development tool for the City of Dundee and for the County. He noted that Carlton and McMinnville also have urban renewal programs in place. M. Russ noted that the Commissioners not only voiced their support of the Urban Renewal Plan, but also pointed out that what improves the City of Dundee improves the whole County, which they fully support.

C. Adlong pointed out that CPRD is in the midst of building their new swimming pool and this change in funding will affect them. She also voiced additional questions pertaining to the payback amount and other details relating to this. Detailed discussion ensued regarding this and Mr. Parks offered explanation as well. Mr. Parks pointed out that one thing that the State of Oregon hasn't done well from a financial standpoint is fund its roads; he noted that it is no surprise that 35% of projects listed are street-related. He also advised that urban renewal gives the City of Dundee the opportunity to provide some assistance in terms of gap funding to make it possible to have the street system work with the tourism and the growth that will occur with urban renewal. He pointed out that urban renewal is really just a funding tool to leverage these dollars to assist private sector investment that might otherwise not happen, or not happen the way it was desired to happen. Mr. Parks also pointed out that a downtown area is all about placement, and if the City is able to bring dollars to the table, the City will be able to have some impact on how things will be laid out in a variety of ways. M. Russ supported this point as he has heard from many citizens of Dundee that they would like to see things develop the way that the people of Dundee would like them to.

C. Pugsley expressed his support of the Dundee Urban Renewal Plan, and noted that the potential for the assessed value of the City outside of the urban development to continue to grow at a fast pace is very high. He also pointed out the importance that the County Commission offered their

support; they are an important taxing district. C. Pugsley pointed out that the City also hasn't heard negative input from the other taxing districts, which he noted to be a concern of his. He also voiced his support of the present City Council, specifically with regard to carefully managing available resources, which he believes they will continue to do.

C. Nelson addressed C. Adlong with regard to her concerns pertaining to growth and making sure that is very controlled. He pointed out that many of the lots in the Urban Renewal District are not huge lots which would likely develop into large projects. Though they could potentially be combined to do something bigger, there are many 10,000-20,000 SF lots that he believes urban renewal could help develop in a nice way. C. Adlong expressed her concern with regard to the larger size lots, as well as the amount of money that it would cost to improve the Fifth Street intersection that's included in the Plan. She also pointed out that the large lot on Ninth Street has already been purchased. She expressed concerns regarding the length of time it's going to take for the Plan to play out, as well as voiced concerns about who will hold seats on the future City Council as well as the position of City Administrator. C. Nelson pointed out that members of the City Council know the value and the importance of any future City Administrator to possess a strong financial background. M. Russ pointed out that Dundee has the strongest property values in the County. He shared his belief that as development is gained in the downtown area, the property values of the surrounding properties outside the district will increase even more. M. Russ noted that the Riverside District will also provide income as well.

C. Crawford pointed out that with the Dundee Urban Renewal Plan and the resources gained from it, the City will be able to direct the type of businesses that may be desired for the downtown area. He also expressed his belief that if things are allowed to continue to develop as they have been, Dundee may be inundated with tasting rooms and wineries. He pointed out the importance of having a more diversified economic base for the downtown area, as well as a walkable enjoyable space. M. Russ noted that the amount of support provided to a business can vary from one type to another as the Urban Renewal Agency determines what projects to fund. C. Nelson pointed out that zoning won't be changed. He noted that urban renewal will help fund some growth and further discussion ensued regarding this process.

C.A. Daykin reviewed the fact that there was a map change, and asked for their consideration in accepting this map change as part of the document. He informed that C.E. Greg Reid is present to answer any questions with regard to the map change. **A motion** was made and seconded to accept the map change as presented by the City Administrator. **The motion** passed unanimously.

Dundee resident, Craig Roggers, expressed his opinion that he doesn't agree with the process by which projects are decided upon for the Urban Renewal District. He explained that he doesn't believe this is a fair process and discussed his feelings at length. C. Pugsley shared his belief in how the process works and then sought confirmation from Ms. Wakeley. Ms. Wakeley explained the process in detail by which any application for land use submitted is first subject to the City zoning codes. An applicant would then have the opportunity to come before the Urban Renewal Agency, in a public setting as City Council, to request the URA's support of their project based on it meeting the goals and strategies of the URA. Outside of the land use process, the decision would be left to the URA to determine whether they would participate; this would be at the discretion of the URA. Ms. Wakeley explained that the URA also would have the opportunity to set priorities based on their goals, which can also be further refined. Discussion ensued regarding additional details of this process. C. Nelson supported this and pointed out that the URA discussed setting goals as a way to promote projects. The goals of the Dundee Urban Renewal Plan were reviewed. M. Russ advised that there could be various levels of funding provided depending on how the project benefits the City of Dundee overall. C. Nelson expressed his opinion that funding for a project should be based on how the project fits in with the goals that

have been established. C. Pugsley reviewed his support of participating with a Council that is fair, and he advised will continue to be fair, in their analysis of projects based on the priorities within the URA goals and the land use laws which they operate under.

Ordinance No. 558-2017, Adoption of Urban Renewal Plan

A motion was made and seconded to adopt Ordinance No. 558-2017, an ordinance adopting an urban renewal plan for the City of Dundee and establishing the Dundee urban renewal area as amended. **The motion** passed 5:1, with Councilor Adlong voting nay.

C.A. Daykin informed that per City Charter a second vote to adopt Ordinance No. 558-2017 will be held at the next City Council meeting on April 18, 2017.

Public Comment

None.

Consent Agenda

The motion was made and seconded to approve Consent Agenda item 6.1 City Council Minutes, March 21, 2017. **The motion** passed unanimously.

Old Business

Bio-solids Plan Update

Michael Humm, P.E., Kennedy/Jenks Consultants (Kennedy/Jenks), provided a Bio-solids Plan Update presentation. Mr. Humm reviewed the path leading to where things are today as noted in his presentation. He informed that a Biosolids Master Plan was drafted which was submitted to the Oregon Department of Environmental Quality (DEQ). DEQ supplied comments back which have already been addressed and the plan resubmitted. Mr. Humm noted that DEQ could potentially comment on the Plan again but Kennedy/Jenks does not expect they will.

Mr. Humm reviewed that presently Kennedy/Jenks is working on site authorizations for the application of biosolids generated at the City of Dundee's wastewater treatment plant (WWTP). A site authorization must be developed between the City and the landowners to allow biosolids to be applied onto farmland. Mr. Humm explained that following obtaining the site authorizations, they would then solicit bids for haulers. He explained that the haulers would come into the WWTP, remove the biosolids and then apply them onto the properties that were approved by DEQ.

Mr. Humm reviewed a summary of the Biosolids Management Plan as noted in his presentation. He noted that based on the biosolids on-hand at the WWTP, Kennedy/Jenks is targeting a gross acreage of 350 acres. He explained that with the inclusion of the required setbacks, 350 acres is the amount of land they are looking at when evaluating farm property. C. Nelson inquired as to what the range of setbacks. Mr. Humm explained that setbacks include 10 feet from a property line, 10 feet from an unpaved road, 50 feet from waterways, and 200 feet from domestic wells.

Mr. Humm noted that throughout this process they have been engaging with a particular farmer who is active in the area. He advised that they've also been working with a number of haulers to identify properties as well. Mr. Humm explained that they initially identified eight potential sites which were sprinkled across the area. Several factors, including proximity to the WWTP as well as farming practices, were used in determining which sites were most preferred. He also noted that they met with the DEQ Biosolids Manager to evaluate some of the sites. Through the described process, four sites were identified which met the targeted acreage size. Mr. Humm noted that Kenney/Jenks is ready to move forward with site authorization for developing the

licensing agreements between the land owner and the City, which will allow access to apply the biosolids. Mr. Humm advised that Kennedy/Jenks does have a sample agreement that has gone through legal counsel review and is in draft form. He noted that as this becomes finalized it can then be presented to the landowners and develop the agreements in-hand so that they can move forward with bidding the hauling work. Mr. Humm next reviewed additional details pertaining to the proposed project schedule. C. Nelson inquired as to what the typical length of an agreement would be. Mr. Humm acknowledged the amount of work involved in getting to this point, and noted they have requested a longer duration in the Agreement of 10 years that would have an automatic rollover for another 10 years if there is no issue. C.A. Daykin referred the Council to the Draft of the Agreement which was provided to them. Mr. Humm pointed out that a ten year cycle will allow two applications. He noted that the Management Plan itself identified that this is the targeted application concept that the City prefers moving forward, though there is flexibility if the City preferred to target less material more often; this could be done and he noted that may have some benefits from a farming practice standpoint. Additionally, Mr. Humm pointed out that the application of biosolids is beneficial to farmers, and potentially eliminates the expense of commercial fertilizers. C. Nelson inquired as to what the approximate number of cubic yards of material is being discussed to which Mr. Humm informed is 1.5 million gallons (350 dry tons) of material. Mr. Humm explained that the material is hauled in liquid form and is applied wet. Discussion ensued pertaining to additional details of this process.

C. Weaver inquired about the transportation aspect and how this will affect the citizens of Dundee. Mr. Humm informed that the typical tanker truck hauls about 6000 gallons; they had proposed to run two tanker trucks two or three round trips a day for a period of about fifteen days. This process would repeat once every five years; the initial ten year period would cover three events.

Mr. Humm informed that initially the scope of this project was for a single site authorization. He informed that there has been some additional effort on their side to develop the additional sites and putting together the described package. In addition, he advised that Kennedy/Jenks will lead the agreement work and coordinate with the land owners. Mr. Humm discussed additional details pertaining to Phase 1 within Scope of Services described on page 78. It was emphasized that the Agreement is between the City and the land owner, even though the land may be leased by a third party farmer. C. Crawford pointed out that it may be beneficial to the City to require that long-term leases are in place with regard to the land. Mr. Humm informed that this term is not currently being used though he noted that it is something they can work with legal counsel to incorporate. C. Pugsley inquired as to whether the proposed budget of \$26,300 is inclusive of the full project duration. Mr. Humm reviewed the items included within the Scope of Services, and noted that the \$26,300 does not include the hauling costs. Conversation ensued and C. Pugsley inquired as to whether this cost falls within the City waste water budget to which C.A. Daykin confirmed. C.A. Daykin also explained that it is anticipated that the WWTP will not likely drain the entire FSL South. In order to stay within budget not all material will be hauled out, but enough so that material collected in the North FSL can be transported to the South, thus allowing the North to be the equalization base.

A motion was made and seconded to accept Kennedy/Jenks Consultants Proposal No. P15043, City of Dundee Biosolids Additional Site Authorizations and Engineering Services, not to exceed a price of \$26,300. **The motion** passed unanimously.

A motion was made and seconded to authorize the city administrator to execute the License Agreement for Utilization of City of Dundee Bio-solids agreement pending final review by the city attorney. **The motion** passed unanimously.

C. Nelson expressed interest in knowing what other lease agreements the proposed properties are under presently. C.A. Watts advised that upon his review, the Agreement is noted to be binding on heirs and assigns; this means that if the property owners were to sell their property, the Agreement would continue to be in effect. C.A. Watts advised that if a change in operator is desired, this can only be done with the City's approval. He also explained that there would be a couple of points where the City could weigh in with regard to those decisions if need be. C. Nelson inquired as to what the penalty is if there is a breach in agreement. C.A. Watt advised that a penalty clause should be added to the Agreement which he will discuss this further with Shelby Rihala.

Mr. Humm informed that following the Agreement, there would be a public notification as well as public notification through DEQ. He explained that if there are more than ten responders to those notifications, a public hearing would be required. Mr. Humm reported that in his experience there is not typically a public hearing required, and he is hopeful for the process to go smoothly. Mr. Humm pointed out that though there are four separate properties involved, only one farmer is involved who leases all of the farmland, and is also noted to lease thousands of additional acres. Mr. Humm noted that there are a number of sites potentially available as back-up in the case of any unforeseen issues.

Sidewalk/Streetscape Project Bids

C.A. Daykin informed that additional information has been provided to Council for tonight's meeting; C.E. Reid provided a recap of the bid tabs as well as information regarding the prior work that was completed in the 10th Street area. C.E. Reid reviewed that four bids were received for the Highway 99W Phase A Improvements. K&E was identified as the most aggressive bidder at a cost of \$2,048,570.50, which was \$135,000 less than the other three bidders. C.E. Reid noted that prices were higher than anticipated; the curb work and the franchise undergrounding work in particular came in higher than originally anticipated. C.E. Reid pointed out that although the low bid exceeds the Preservation budget funds, Tony Snyder, ODOT, has indicated that he will request additional State funds to supplement the shortfall, though it may take some time until the City knows if they will contribute the additional \$67,000. Discussion ensued regarding additional details pertaining to the inclusive work of the Preservation budget. Of note, C.E. Reid informed that the City offered to split the cost with ODOT of the 36 inch pipe that will be placed along the railroad tracks from 11th Street to 12th Street because that pipe bid at twice the anticipated budget; the oversizing of that pipe is for the City infrastructure and for the City's benefit. It was noted that ODOT had a very positive reaction to the City offering their support of this to aid in keeping the project whole.

C.E. Reid advised that Bike/Ped was also another funding source from ODOT. The bids came in really competitive on those priced items, and actually came in under bid primarily because of mobilization, traffic control, and some other items coming in under what was anticipated as well. C.E. noted that there is additional Bike/Ped money that could be diverted to reduce the LID costs; some of the Bike/Ped money could be used to reduce the amount that the public would need to pay towards the project. Another choice could be to use the additional Bike/Ped fund dollars and discuss with ODOT helping fund some of the undergrounding work; though this has only briefly been discussed with ODOT, C.E. Reid believes it to be viable option and a detailed discussion ensued regarding this. M. Russ pointed out that discussions have been taking place with ODOT over the last couple of years with regard to this project, and with this delay has come an increase in project costs. Additional conversation ensued regarding previous discussions with ODOT pertaining to the project. **A motion** was made and seconded to award the Highway 99W Phase A Improvements project to the lowest, responsive bidder, K&E Excavation. **The motion** passed unanimously.

C.A. Daykin initiated a brief discussion with regard to ODOT and the \$480,000 bike/pedestrian grant. He inquired as to how Council would like this money to be spent. Potential options discussed included checking to see if some of the money could be used for assisting with the undergrounding of overhead utilities with conduits, or possibly offsetting some of the increased costs being seen with the LID assessments to the private property owners; a combination of both options was noted to be a possibility as well. The consensus of the Council was to use the funds to offset some of the increased costs being seen with the LID assessments.

Bypass Hwy 99W Bridge Name

M. Russ informed that he previously misunderstood that the bridge in question to be named was actually the bridge over Chehalem Creek and not the overpass in Dundee which had been previously discussed. Conversation ensued regarding the Council's thoughts and ideas as they related to potentially naming the new bridges/overpasses in the Dundee area. The consensus of the Council was to leave the overpass in Dundee unnamed at this time.

Budget Committee Appointments

The motion was made and seconded to appoint Shannon Stueckle to complete the unexpired term on the Budget Committee ending December 31, 2017. **The motion** passed unanimously.

New Business

Noise Variance Request – Fueled by Fine Wine Half Marathon

Councilor Crawford noted that this is the eighth year for the half marathon event. C. Nelson inquired as to how many complaints have been received in C.A. Daykin's tenure. C.A. Daykin responded that he has never received a complaint regarding the sound system. C. Adlong pointed out that she believes parking to be the biggest issue when the marathon is held in Dundee. Brief discussion ensued regarding details pertaining to the event. **A motion** was made and seconded to grant a noise variance for the Fueled by Fine Wine Half Marathon as requested. **The motion** passed unanimously.

Council Concerns and Committee Reports

C. Crawford reviewed that he attended the recent CPRD Board meeting where the Edwards' property was discussed. He informed that the Board was unanimous in urging Don Clements to work with their attorney to do what is necessary to open up the discussed property for use by CPRD, whether it requires a more formal licensing agreement for use of the property or actually acquiring the property. C. Crawford is hopeful that they will come to an agreement to purchase the property. He advised that Don Clements indicated that eventually CPRD would like to purchase the full 80 acres. C. Crawford explained that for now it would be ideal for them to swap the 5 acres because it has value. He also suggested that there may be potential for the City to help in the future if there were interest. Additional discussion ensued regarding the property. C. Adlong pointed out that presently the gate is locked and the paddle launch area is not accessible. C. Crawford is hopeful that it will be accessible again soon. He advised that this puts in question the Paddle, Bike & Run event currently being planned. He informed that a decision will need to be made soon as to whether he will eliminate the paddle portion of the event and just include the bike and run elements. C. Crawford indicated that he is still working with ODOT on setting a date when they will allow people to run on the bypass, though he is hopeful it will be scheduled for the end of September or early October.

C. Pugsley inquired about the potential conservation purchase of the land along the Harvey Creek Trail. M. Russ reviewed that he had received a call from the listing agent, asking if the City was still interested in a potential conservation easement or even a purchase of that portion of the land.

M. Russ informed that he notified the agent that the City would potentially be interested in pursuing that following the Council discussion at the March 21, 2017 meeting, though more information would be needed before a decision could be made. He noted that since that time he has received a call from another agent representing a buyer that is potentially looking at that property. The agent told him that the buyer would be in contact with him but M. Russ noted he has not heard from them at this point.

Mayor's Report

None.

City Administrator's Report

C.A. Daykin informed that the City did advertise for bids for the control panel repair project at the WWTP. He advised those bids are to be brought in on April 26, 2017, so an award could be done at the first meeting in May. C.A. Daykin noted that there will be a phone conference call with the City team this Thursday regarding the legal issues and responsibility for this repair work ultimately. Brief discussion ensued regarding additional details pertaining to the repair work. C.A. Daykin also noted that the City's insurance company will be funding this up front and will sort out who is responsible for the work at a later date.

C. Crawford inquired as to when a schedule will be available for the Transportation Enhancement & Streetscape project. C.E. Reid advised that it will likely be a few weeks before a schedule will be available, and is hopeful they could potentially have 25% of the project completed by the end of June. C.A. Daykin informed that once they are able to have a Pre-Con meeting, a construction schedule will be able to be identified. Once the work areas are known, advance notice will be given to the adjacent property owners.

Public Comment

Mr. Rogers asked for clarification regarding whether only adjacent property owners would be noticed, or business owners as well, of the work schedule discussed above. C.A. Daykin confirmed that business owners would be noticed of the work schedule as well.

The meeting was adjourned at 8:52 P.M.



David Russ, Mayor

Attest:



Rob Daykin, City Administrator/Recorder