

**CITY COUNCIL MEETING
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April 5, 2016**

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City of Dundee
City Council Meeting Minutes
April 5, 2016

Call to Order

Mayor Russ called the meeting to order at 7:01P.M.

Council and Staff Attendance

Present: Mayor David Russ, Councilors Jeannette Adlong, Ted Crawford, Storr Nelson, Doug Pugsley, Kristen Svicarovich and Tim Weaver (7:50 P.M.). Staff members: Rob Daykin, City Administrator, and Shelby Rihala, City Attorney, Greg Reid, City Engineer, John Stock, Fire Chief, Jessica Pelz, City Planner, and Debra Manning, Assistant City Recorder.

Public Attendance

Tom Burns, Chapter 24 Winery.

Agenda Changes

Item 13. Executive Session was removed from the agenda.

Public Hearing: City of Dundee – LURA 16-01, Development Code Amendment-Marijuana Facilities

Mayor Russ called the hearing to order at 7:02 P.M. to consider type IV Legislative Development Code amendments to add regulations for marijuana facilities.

Call for Declarations of Conflict or Bias by any members of this body:

None.

Objections to jurisdiction by any members of this body:

None.

Staff Report:

Planner Pelz reviewed the staff report. She noted the Oregon Liquor Control Commission (OLCC) is regulating recreational marijuana while the Oregon Health Authority is governing the medical program; both have administrative rules. The Planning Commission recommends that recreational and medical marijuana uses be combined into one marijuana facilities category. The city may adopt the time, place, and manner, specify allowed zones and any other regulations deemed necessary. The Planning Commission addressed the issues at a January workshop and a February hearing. Staff's original recommendation was to remove the regulation requiring dispensaries and retail facilities to be located 1000 feet from parks and to add a new requirement that dispensaries and retail facilities must be located on a lot or parcel with frontage along Highway 99W removing the possibility of a facility in the Riverfront Master Plan area. The restriction that retail and dispensary facilities must be at least 1,000 feet apart is also kept. The Planning Commission voted to keep the distance provision for parks. If the park restriction provision is removed a facility could be located at the old Riteway location at the northwest corner of Highway 99W and Ninth Street. If the Highway 99W regulation is not adopted then a facility could be placed in the commercial area of Ninth Street several hundred feet west of the highway. Pelz noted the new State law allows up to 1000 feet distance between a recreational facility and a school but you cannot require them to be more than 1000 feet between. Confinement of marijuana odors could be difficult to enforce, but complaints can be addressed

under the nuisance provision in the code. Councilor Crawford noted that an outside grow site could have problems complying with odors.

Councilor Nelson questioned if the placement of a park along the Highway 99W corridor near a preexisting marijuana facility. Pelz advised a park could be placed but an existing marijuana facility could not be made to relocate. City Administrator Daykin clarified the 1000 feet provision from Dundee Elementary School without the park restriction would limit the location of marijuana retail facilities north of First Street and in the vicinity of Eighth to Ninth streets on Highway 99W.

City Planner Pelz referred to the staff report with the recommendation from the Planning Commission to: 1) Consider the Planning Commission Order of Recommendation, 2) Consider public testimony, 3) Deliberate and make findings showing that the proposal is consistent with city and state policies, and 4) vote to adopt Ordinance No. 545-2016.

Proponents:

Tom Burns, Chapter 24 Winery, relayed he was approached by Chalice Farms to represent their interest in the proposed regulation. He was the Director of the Medical Marijuana program under the Oregon Health Authority and he worked for OLCC for nine months. The state regulation is a facility cannot be located closer than 1000 feet to a school. If a school locates next to an operating marijuana business; the business has two years to relocate. The city may impose regulations as long as it does not close down the ability of the marijuana business to function in the city. Burns supports the Planning Commission's recommendations. He noted the concerns expressed at the Planning Commission's hearing to allow placement of a facility in the old Riteway location in context to the location of the Fire Hall and its use for public events. The bloom from a marijuana plant produces an odor during harvest. C. Crawford asked for clarification if Burns was asked to advocate on behalf of Chalice Farms against a second dispensary. Burns advised they asked him to help move process through and determine if it would have an impact on them. Burns stated it will not have an impact on Chalice Farms. Councilor Pugsley inquired if Burns had an opinion on operational hours for the facilities. Pelz advised the hours of operation are covered by state law.

Opponents:

None.

Deliberations:

Mayor Russ recalled the Council previously adopted the 1000 foot limit to a park to exclude the Highway 99W and Ninth Street location; also the Council had decided not to exclude a facility in the riverside district. Councilor Adlong supports consistent regulations throughout the city and opposed keeping facilities on Highway 99W. C. Pugsley asked if parks will need to be redefined since trails and greenways are not parks. Pelz replied the ordinance could be amended to add a "park" definition. Daykin clarified that a facility could be placed in other commercial zones along Ninth Street if the Highway 99W clause is eliminated and the park buffer is retained. The Planning Commission does not support location of a facility in this area. C. Crawford expressed his support to restrict the locations to Highway 99W, noting that the Council could amend that restriction in the future. After further discussion C.A. Daykin suggested adding verbiage for parks subject to Dundee Municipal Code 17.203.130.

Mayor Russ questioned the ability to see product from the public right-of-way (ROW). Rihala referred to state regulations that all items be kept in a safe or vault after hours. The hearing was closed at 8:05 P.M.

Ordinance No. 545-2016, Regulations for Marijuana Facilities

The motion was made and seconded to adopt Ordinance No. 545-2016, an ordinance amending the Dundee Development Code to add regulations for marijuana facilities deleting item “3 Must be located on a lot or parcel with frontage along Oregon Highway 99W”, delete “Marijuana or marijuana product shall not be visible from the public right-of-way.” from item 5, and add verbiage “park subject to the requirements of Dundee Municipal Code 17.203.130”. **The motion** passed unanimously.

Public Comment

None.

Consent Agenda

The motion was made and seconded to approve Consent Agenda items 6.1 City Council Minutes, March 15, 2016 and 6.2 OLCC Application, Quailhurst Vineyard Estate. **The motion** passed unanimously.

Old Business

Fire Station-Community Message Sign

Fire Chief Stock noted the updated proposal from Meyer Sign Company raised the sign from eight to sixteen inches and an additional five inches for the reader board, a total of twenty-one inches. The Fire Department supports the proposal. The logo will be illuminated after dark, similar to the “Station 3” on the front of the building. **The motion** was made and seconded to award the Fire Station sign proposal to Meyer Sign Company in the amount of \$23,486. **The motion** passed unanimously. C. Crawford inquired if a plaque noting Rotary’s donation will be placed. Chief will follow up the issue. The volunteers served nearly 750 at Sunday’s Pancake Breakfast.

Loan Refunding Options

This was presented at the March 15th meeting; but the Council continued discussion to allow absent members input on the issue. The IFA loan at 4.04% interest will be refunded with a loan through US Bank at 2.54% over seven years. US Bank is willing to loan additional funds for other projects: placement a new storm water main across the highway from Seventh to Eighth streets (associated with Phase 1 of the TE project and originally budgeted \$100,000 to be paid with a loan from the Water Fund), repairs at Charles Street (\$50,000 estimate), and an estimated \$75,000 of I & I improvements (previous plan to use a \$600,000 DEQ loan which is requiring additional engineering and environmental reviews). The Mayor inquired if using an interfund loan from the Water fund for the additional work would place a strain on the Water Fund. Daykin confirmed it would. C. Crawford questioned if the loan payments are due twice a year. Daykin confirmed. Rate increases for sewer and storm water will be recommended to cover increased costs and the loan costs. **The motion** was made and seconded to direct the preparation of a resolution by Bond Counsel, Jim Shannon, authorizing the preparation of loan documents for a full faith and credit obligation of the City with U.S. Bank in the amount of \$970,000. **The motion** passed unanimously.

Tenth Street Project Change Order No. 2

The Mayor expressed his support for the amended change order costs negotiated by the City Engineer and inquired the completion date for the project. Reid updated sidewalks will be poured on Wednesday. The contractor will still have to complete the re-patch of the highway, including the excavation of the buried concrete slabs. This is expected to be completed at night during the first part of next week. **The motion** was made and seconded to approve Change Order #2 at a cost of \$16,113 for the existing storm line fix costs. **The motion** passed unanimously. Reid noted

item 30-Added 1' manhole sections is still under negotiation and will be brought to the Council when resolved.

C. Pugsley inquired if this will help with storm water issues further upstream. Reid replied it will not help at Seventh Street, but will help locally once the ditch is cleaned out. Public Works crews will be addressing the ditch.

Decorative Sidewalk Tiles

Engineer Reid stated he originally considered placement of the decorative sidewalk tiles with the base of the hills toward the highway on both sides. Engineer Eaton suggested starting at the intersection, placing it as you should see it, next one placed with the base of the hills towards the highway, followed by the third tile placed towards the next intersection. Council concurred with that approach.

Dundee's Local Government Dinner

Five restaurants were invited to respond to a Request for Proposal for catering services for the Local Government Dinner on August 18th. One response was received from Red Hills Provincial Dining. Communication was received after the bid date from Babica Hen. Councilor Nelson asked to extend the offer to bid to Babica Hen, if they do not respond the proposal from Red Hills Provincial will be accepted. **The motion** was made and seconded to accept the proposal from Red Hills Provincial Dining to cater the Local Government Dinner unless a proposal is received from Babica Hen, which would be brought to the Council. **The motion** passed unanimously.

New Business

Chehalem Valley Vision Update

The Chehalem Valley Future Focus Committee is hosting a dinner for elected officials on Thursday, April 14th at the Chehalem Cultural Center. A PowerPoint presentation will highlight each of the involved entity's information followed by small group discussions on the vision with a final group wrap up. Daykin will provide a Dundee report identifying the five main changes which have occurred since this was plan was implemented and the five main future concerns dealing with city. He requested Council's top five in each category. He added a couple changes: local gas tax adopted and a street maintenance plan (updated in 2012).

Changes since the report's preparation in 2004:

1. Collaboration: IGA with the City of Newberg-Police Services and the New Fire Station with Dundee Rural Fire District
2. Livability: Riverside District Master Plan and Dundee Parks and Open Space Plan
3. Infrastructure: Wastewater Treatment Facility, 400,000 Gal. Reservoir, and Well No. 13
4. Economic Development: Transient tax (estimated \$60,000 for 2016) for tourism promotion including vacation rentals

Issues and Challenges:

1. Future of Billick-Dundee School Park
2. Future water supply collaboration with the City of Newberg
3. Collaborate with CPRD in the implementation of the Dundee Parks and Open Space Plan and the Dundee Riverside Master Plan including the acquisition of Ash Island
4. Urban renewal including developing bicycle tourist/public parking facilities
5. Collaboration with the Chehalem Chamber of Commerce, City of Newberg, Travel Yamhill, Travel Oregon and Yamhill County on Economic Development/Tourism

Things to remove from the list: The Fire Station repair issues and unexplained water loss.

Things to add to the list: Collaborate with other entities regarding Total Maximum Daily Loads (TMDL) to improve waterways, Dundee's updated Water Rights, Façade Improvement Grant

program, and the planting of the Viewmont Greenway with the students from Dundee Elementary School.

Council Concerns and Committee Reports

C. Crawford updated that Tourism Committee was not impressed with the Architect's renderings received for the Façade Improvement Grant program. They reflected minor improvements to the buildings. Committee members will meet with him to ask for better renderings. The property owners will not have to pay for the renderings; only their portion of the improvements.

Dundee has been nominated by USA Today as a top ten weekend designation spot.

The Harvey Creek Trail was cited in the Portland monthly magazine.

Mayor's Report

The Parkway Committee discussed applying for a Fast Act grant to purchase ROW on the Newberg side of the Bypass instead of applying for the federal TIGER grant for a fix for the fishhook and decided to apply for the Fast Act grant.

Mayor Russ presented a Certificate of Appreciation for ten years of service to the City to Assistant City Recorder Manning. Assistant City Recorder Manning has accepted a position with the City of Tigard.

City Administrator's Report

Six building permits were received for the Locust Street development between Seventh and Eighth streets and a request for a preapplication meeting for a twelve lot subdivision on the three acres at Seventh and Alder streets.

Engineer Reid completed the estimates for the next phase of the TE project work. We are waiting for the meeting with the funding agencies and city staff. Eaton's cost estimates from last March have changed with updated quantity units and pricing changes. Staff is waiting on ODOT to determine funding prior to the release of bid requests. The Local Improvement District (LID) has seen an estimated cost increase with the property assessments. Certain improvements will be affected by the increased costs and available funding.

Public Comment

None.

The meeting was adjourned at 9:27 P. M.



David Russ
Mayor

Attest:



Rob Daykin
City Administrator/Recorder