

**CITY COUNCIL MEETING  
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June 4, 2019**

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**City of Dundee  
City Council Meeting Minutes  
June 4, 2019**

**Call to Order**

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

**Council and Staff Attendance**

Present: Mayor David Russ; Council President Tim Weaver; Councilors Jeannette Adlong, Patrick Kelly; Ted Crawford and Storr Nelson. Absent: Councilor Kristen Svicarovich. Staff members: Rob Daykin, City Administrator; Tim Ramis, City Attorney; and Melissa Lemen, Administrative Assistant.

**Public Attendance**

Sean O'Day, Executive Director, Mid-Willamette Valley Council of Governments (MWVCOG) and Cathy Clark, Mayor of Keizer.

**Agenda Changes**

Additional agenda packet materials for Item 8.3 were provided to Council.

**Public Hearing: Budget for Fiscal Year 2019-2020**

Mayor Russ called the hearing to order at 7:02 P.M. to consider the budget for the fiscal year 2019-2020.

**Staff Report:**

C.A. Daykin pointed out that there are differences in the beginning fund balances for the next fiscal year as provided in the memo on page 1 of the agenda packet.

**Public Testimony:**

None.

**Questions from the Council:**

With regard to the Tourism Fund, C. Crawford discussed that he attended the Board meeting with Visit Newberg last night, and he explained that there was discussion about the formation of a contractual relationship to work with them on joint marketing; this could be a potential \$35,000 contract to utilize approximately 50% of the Tourism Fund which is typically used for marketing. C. Crawford inquired about whether or not the proposed budget would allow for this potential adjustment. He also explained that at this time it is not known when Visit Newberg would be ready to enter into a contract of this nature, and he noted that at this time they would likely continue with PDX DNA until such a time arose. C.A. Daykin referenced the Tourism Fund line item detail on page 40 of the agenda packet. He referenced line item 29, the \$35,000 proposed for marketing, and explained that this type of change would not necessarily require a budget change as the funds would still be used for the same purpose. Additional discussion ensued and C.A. Daykin pointed out that if the proposed \$35,000 were going to be exceeded, a budget transfer could be done as a potential strategy to offset that difference.

The hearing was closed at 7:05 P.M.

### **Resolution No. 2019-01, FY 2019-20 Budget Adoption**

A motion was made and seconded to adopt Resolution No. 2019-01, a resolution adopting the 2019-2020 fiscal year budget, appropriating funds and levying property taxes for the fiscal year 2019-2020. The motion passed unanimously.

### **Public Comment**

None.

### **Presentation: Sean O'Day, MMVCOG and Cathy Clark, Mayor of Keizer Mid-Willamette Homeless Initiative: Continuum of Care**

Sean O'Day, MMVCOG, introduced himself along with Cathy Clark, Mayor of Keizer and also the Chair of the Board of the MMVCOG. O'Day explained that Mayor Clark was one of the initial elected officials in the region who assembled a group to look at homelessness and develop a strategic plan to target the root causes of homelessness in the area; that strategic plan spurred the discussion about the creation of the Continuum of Care. O'Day explained that originally they were on the agenda to present about the concept known as the "Continuum of Care", and ask Council to adopt a resolution supporting the creation of a Tri-County Regional Continuum of Care. He explained that there has been an effort within the region to reestablish what is known as the "continuum of care", a federal designation which would allow the region to become eligible for and direct the use of Federal resources towards homelessness. O'Day discussed that the Yamhill County Commission voted to remain separate from that effort last week. O'Day led a detailed discussion regarding the fact that everyone within the mid-Willamette Valley region falls into a continuum of care organized for the rest of the State that are not otherwise part of a regional organization, the Rural Oregon Continuum of Care otherwise known as "the ROC". This effort was discussed in detail. O'Day pointed out that individual cities in Yamhill County are not allowed to elect to become part of the regional effort; there must be a contiguous geographical area.

Mayor Cathy Clark introduced herself and discussed in detail the evolution of the Mid-Willamette Homeless Initiative. She explained that the initiative was placed at the MMVCOG as they are able to receive Federal and State Funds (and be a fiscal agent), and they are also neutral; it made sense practically and on a perception level to place the initiative at the MMVCOG. M. Clark discussed concerns as well as a brief review of local assistance provided to the homeless population in her community, including funding through the ROC, which was not commensurate with the need or population. She explained that the Continuum of Care will allow services to be provided in a more targeted manner, provide data to ensure that quality of care is being delivered, and will allow them to qualify for additional funding over time. Additional detailed discussion ensued. M. Clark pointed out that over the last 15-18 months, 145 of their chronically homeless have been housed and received services, with approximately 135 of them still utilizing those services successfully. She pointed out that this has made a noticeable difference with regard to quality as well as in the reduction of suffering seen among the mentally ill in downtown Salem and their region. M. Clark explained that Marion and Polk counties are both moving forward with the Continuum of Care so that they can provide the level of service they recognize is necessary and do it in a way that's very accountable; they have metrics to show that the dollars are doing what they are supposed to do which is to actually serve the people with the greatest need. M. Clark encouraged the Council to become active players with their County Commissioners as their work moves forward.

C. Nelson inquired about Yamhill County's decision to decline participation, and whether by doing so the County is then excluded from Federal funding or would be gaining more control of the funding. O'Day explained that Yamhill County has chosen to remain covered by the ROC.

O'Day discussed State funding complexities, especially with regard to Yamhill County and in comparison with funding received for the homeless in other areas of the State. He also discussed the complexities in coordinating efforts to provide assistance to homeless, as well as the importance of how well a continuum can show that the work of the service providers is being coordinated within a region. Additional detailed discussion ensued regarding the evolution of efforts to provide aid to the homeless populations in both Marion and Polk counties; their collaborative efforts have provided greater coordination and more control. M. Clark provided additional information and discussed her hope that Marion County can be used as a model that will be used moving forward to bring that balance between the consolidation efficiencies and also sufficient local coordination to deliver results. O'Day discussed that Homeless Information Management System (HIMS) is a database which every Continuum of Care is required to maintain. He explained that the information obtained from this System can be used to determine the current state as well as reflect progress made. O'Day offered clarification that though the initiative this isn't a COG driven effort, they were asked to host the local government driven effort. He explained that the COG has been doing outreach within the region and helping to educate City Councils and County Commissions with their goal to gain a general statement of support. O'Day discussed their next steps for those who decide to participate. He also explained that whether or not things stay with the COG remains yet to be seen, and that even though Yamhill County has chosen not to join the Marion County/Polk County program for now, they could potentially do so in the future if they so decided.

## **Consent Agenda**

A **motion** was made and seconded to approve Consent Agenda Item 7.1 City Council Minutes, May 21, 2019. **The motion** passed unanimously.

## **Old Business**

### **Resolution No. 2019-02, Water Rates**

C. Adlong expressed concerns with regard to a high volume rural Tier 3 water customer. C.A. Daykin explained that the water is mainly being used for processing of berries and not for the prohibited use of irrigation. C. Adlong inquired as to whether an analysis has been done to find out how many rural customers are using Tier 3 amounts of water. C.A. Daykin informed that he reviewed the water users on Hagey Road. He explained that he found there to be 13 water accounts on Hagey Road, only one of which was using water in an amount which may be suspected as irrigation; the property has been recently sold and the owners may have been sprucing things up for the sale. C.A. Daykin surmised that likely most of the customers are not abusing water use though noted that the person under the hardship permit on Niedergerger is using a lot of water to maintain their landscape though is also paying the increased rate. C. Adlong suggested that perhaps the discussed Tier 3 high use water customer should have their own specific rate, while the remainder of the rural users should pay more for Tier 3 water (when they are obviously using it for irrigation). M. Russ inquired as to whether or not the City could contract rate an individual customer. C.A. Daykin explained that there might be an option where a rate class is created which differentiates between residential use and commercial use though he indicated that he is reluctant to pursue that due to fairness concerns. C. Atty Ramis explained that the rates must be set by Class which provides some principal of fairness and cost recovery involved. C. Nelson inquired as to whether this water customer is using a large enough quantity of water to support the addition of a Tier 4. Detailed discussion ensued and the rate information was reviewed in detail. C.A. Daykin discussed that apparently different rules were in place for the Neiderberger line before the City took it over in approximately 1989; whether or not the parameters, including irrigation, are grandfathered in for those on this line is unknown at this time. C.A. Daykin discussed that there are other avenues to pursue if Council feels there is a violation of the City's water use regulations. Additional discussion ensued. C. Adlong voiced support of the 30/60 format due to the fact that Tier 1 allows quite a large amount of water use,

which was also supported by M. Russ, C. Nelson and C. Kelly as well. **A motion** was made and seconded to adopt Resolution No. 2019-02, a resolution setting water consumption rates and associated charges and repealing Resolution No. 2018-10. **The motion** passed unanimously.

C.A. Daykin offered that after 2019 year end, he could assemble a spreadsheet which shows the outside water users before and after the higher rates were adopted to see the effect.

### **Resolution No. 2019-03, Sewer Rates**

C.A. Daykin discussed that this resolution reflects the rates which were presented through the budget process. It was noted that the rate was increased by \$1.00, though this also provides some modification to the volume rate as well; the base rate for all services will be \$98.00 per month. **A motion** was made and seconded to adopt Resolution No. 2019-03, a resolution setting sewer rates and repealing Resolution No. 2018-06. C. Crawford pointed out that following the building of the Waste Water Treatment Plant, the City of Dundee had the second highest rate of water/sewer rates in the County though now has one of the lowest. **The motion** passed unanimously.

### **Street Paving Bids**

C.A. Daykin referenced the addendum materials and reviewed the agenda report and map provided. With regard to the spot repair work, he explained that these are areas where the structure is failing and slurry seals are planned for next year. Additional discussion ensued. It was noted that K&E is new in the business and though they bid last year, Brix Paving provided a more competitive bid at that time. C. Nelson expressed concern about receiving favorable pricing by going out for bid in July; construction schedules are filling up by that time which then pushes into potential weather related issues in September-October. C.A. Daykin discussed that City Engineer Reid was unable to attend the meeting tonight, though noted that feedback with regard to Seventh Street will be needed whether the work is done this year or next year. C.A. Daykin suggested that the City could put the work up for bid and see what bids are received; some resources would be expended in the process though the work could be put on hold if the decision was made not to award bid at this time. C. Nelson inquired as to whether or not consideration had been given with regard to when the best time during the year would be for construction to take place on Seventh Street. Discussion ensued with regard to the best timing for the project with consideration given for the school year and tourism season as well. C. Nelson voiced support of going out to bid early in order to have the work completed in May-June and pointed out that the City will likely receive better pricing for projects scheduled to be completed earlier than later in the season. Additional discussion ensued. C.A. Daykin asked Council to consider whether they would like to see the street paving project and the sidewalk construction combined as one project where an LID could potentially pay for part of the work, though he noted that a decision does not need to be made tonight. C.A. Daykin pointed out that the biggest issue with the sidewalk project is that the City doesn't have all of the right-of-way needed, though there are a lot of obstructions with landscaping as well. Some of the pros and cons of completing the two projects together were discussed. C. Weaver voiced support and noted the importance of completing the improvements on Seventh Street. C.A. Daykin discussed that there hasn't been a lot of preliminary work yet completed with regard to the sidewalk improvement project; work could begin on this and information provided to Council once current projects are scheduled out.

C. Crawford inquired about potential improvements to Alder Street between Seventh and Ninth Streets. C.A. Daykin discussed that the new improvement end near where Eighth Street would be; further down the properties on both sides have construction deferral agreements for street improvements including sidewalks and undergrounding of overhead utilities. He explained that he planned on discussing this in more detail at a later Council meeting when discussion will take place with regard to the City's next selection of a Special City Allotment Grant. C.A. Daykin

also noted that he had planned to combine the Alder Street improvement along with the Ninth Street improvement into one project. Additional discussion ensued. The consensus of Council was not to move forward with the soliciting bids for the Seventh Street work this year. A **motion** was made and seconded to award the 2019 Street Projects to K&E for a contract priced of \$186,803.50. C.A. Daykin noted that a change order to the contract will need to be negotiated and brought back to Council at a future meeting. **The motion** passed unanimously.

## **New Business**

### **Outside Water Request**

C.A. Daykin reviewed the detailed information contained in his agenda report beginning on page 97. It was noted that there is now a better notification process in place; C.A. Daykin is receiving notifications now from the County on a regular basis. He also voiced support that he would consider the request an expansion of an existing use and requested Council's formal approval of the expanded use for the hardship. C.A. Daykin informed that he spoke with the property owners today. He explained that their request for the installation of a second meter was requested so that the City could read and bill the hardship account separately. C.A. Daykin pointed out to the property owners that they could install their own meter on their own service line in order to complete their own billing which they indicated that they will pursue. C.A. Daykin pointed out that should the hardship go away, under the rules of the County, then the dwelling unit must be removed. Additional discussion ensued with regard to the rules of hardship situations. C. Crawford inquired as to whether or not water use for a hardship situation includes use beyond domestic use. C.A. Daykin discussed that in 1989 the City Council adopted a policy which prohibits irrigation for outside water users. C. Crawford noted that the discussed property does have a large green lawn. C.A. Daykin pointed out that the agreement predates the prohibition on irrigation established in 1989. C. Atty Ramis discussed his belief that the grandfathering laws which are effect in Oregon affect land use directly. C.A. Daykin discussed that the property owner is paying higher rates, and supported the completion of a review of all outside water users next May. Detailed discussion ensued with regard to the process of approval for outside water requests moving forward; before Yamhill County planning approves a hardship scenario, they will have on file that City Council approval will be required for the water use. Discussion ensued. A **motion** was made and seconded to authorize an extension of City water through the existing meter serving 20925 NE Niederberger Road to a temporary dwelling located on the same parcel permitted as a hardship dwelling by Yamhill County. **The motion** passed unanimously.

### **Resolution No. 2019-04, State Shared Revenue**

A **motion** was made and seconded to adopt Resolution No. 2019-04, a resolution declaring the City's election to receive State Revenues. **The motion** passed unanimously.

### **Resolution No. 2019-05, Municipal Services Certification**

A **motion** was made and seconded to adopt Resolution No. 2019-05, a resolution certifying the municipal services provided by the City of Dundee. **The motion** passed unanimously.

### **Resolution No. 2019-06, Salary Schedule**

A **motion** was made and seconded to adopt Resolution No. 2019-06, a resolution establishing employee compensation ranges and the HRA VEBA contribution amount for fiscal year 2019-20. **The motion** passed unanimously.

## **Council Concerns and Committee Reports**

C. Crawford inquired about the property near Billick Park on Third Street which has placed a new permitted large structure. He inquired about the potential of the structure being considered an Accessory Dwelling Unit (ADU). C.A. Daykin explained that though the City has not had

specific discussion with the property owner, they have not applied for a plumbing permit and without that could not be considered an ADU. Discussion ensued and C.A. Daykin noted that the property owner is an artist and to his knowledge the structure was built for a studio.

C. Crawford discussed that the PERS bill was passed by the legislature, and included the \$100 million to fund the auxiliary account, though he is not sure whether or not it has yet been signed by the Governor. C.A. Daykin discussed that he will follow up with PERS and find out what their schedule is. Brief discussion ensued and C.A. Daykin noted that given the rules that were in place, Dundee wouldn't be in the first tier but will be in the second tier once that is made available.

C. Weaver referenced a published story in the News Register and discussed that it appears Ste. Michelle Winery has withdrawn some or all of their permits for the proposed large facility in the County. Discussion ensued with regard to concerns about County infrastructure not being able to support such a large facility, as well as the impacts of increased traffic on local roads. C.A. Daykin discussed that moving forward the County will provide the City with requests for comments for those applications within 3 miles of the City limits.

C. Adlong discussed that she and C.A. Daykin attended the recent Chehalem Park & Recreation District (CPRD) Board meeting to discuss the need for the financing plan for the infrastructure for the Riverside area. She explained that they seemed to be in support of that concept and of the City working together with them to coordinate efforts to make a plan which could be agreed upon by all. C.A. Daykin discussed that he did have a discussion with the City Atty regarding the elements of a Development Plan; C. Atty Ramis will provide an outline of the main issues. It was noted that the next step is a meeting with the property owners and CPRD to begin discussions and negotiations.

## **Mayor's Report**

None.

## **City Administrator's Report**

A letter was provided to Council. C.A. Daykin discussed that he has invited Gary Eastlund, CIC ARM CRM, Risk Management Consultant, Hagan Hamilton, to attend the next Council meeting to provide an overview presentation. He encouraged Council to email any questions they would like to ask and he will forward them onto Eastlund prior to the meeting. C.A. Daykin clarified that Eastlund is the City's agent that was selected by the City.

C.A. Daykin discussed and that he and City Engineer Reid had a meeting with ODOT officials and managers with regard to the Highway Improvements Project. He explained that Friday was the last day for submitting comments on the draft design acceptance package. C.A. Daykin also explained that the project will not be a 2020 project; now ODOT is looking at it to be a 2021 project. He detailed the process by which ODOT went through the design acceptance package to identify the needs in terms of additional acquisitions/easements; an ODOT team next addresses those needs which they indicated would take a year to sort through the Federal rules and thus delay the project. C.A. Daykin explained that ODOT provided the funding Agreement for the City to do its share of the lights. He discussed that he did receive a call from DKS last week who informed him that the light option that City Council selected in 2012 had been discontinued. He informed DKS that Council has selected Westbrook Option B which they indicated would work. Though the exact timeline was not known, C.A. Daykin explained that the DKS design team is working on getting the plans and specifications for the City's portion of the work.

M. Russ inquired as to whether the cinder blocks for the flags will remain in place until July 4<sup>th</sup>. C.A. Daykin noted that they were still in place as well though suggested that Chief Stock would have an answer to this question. The cinder blocks were noted to be an obstruction and a potential trip hazard.

C.A. Daykin informed that due to the consultant having a conflict, the Riverside Code Amendment Hearing has been rescheduled for the July 2, 2019 meeting. It was noted that the original 2011 Plan and the Code Amendments recommended by the Planning Commission have been provided to Council. He encouraged Council to submit any questions to him prior to the Hearing so that the consultant can address them beforehand. C.A. Daykin explained that they did describe to the consultant the meeting that was had in which Council did highlight and discuss the conversion of the mixed use lands to residential only; there had been a variety of responses from the City Council on the issue. He noted that the consultant was asked to be more prepared to address that issue.

C.A. Daykin discussed that a woman who said she was representing the Dundee Community Committee came to City Hall yesterday and requested a banner sign be placed at the location off Second Street promoting the Newberg Farmer's Market. It was noted that this is an ongoing weekly event and which could result in the banner remaining in place until the Farmer's Market no longer operates. He requested Council's input with regard to the request. Discussion ensued with regard to the pros and cons of having the banner in place long-term. It was noted that there would be no fee charged for hanging the banner. Concern was expressed that other organizations may have banners they wish to hang in that location over the summer as well. The consensus of the Council was to hang the banner for 30 days.

### **Public Comment**

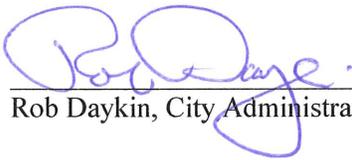
None.

The meeting was adjourned at 8:25 P.M.



David Russ, Mayor

Attest:



Rob Daykin, City Administrator/Recorder