

**CITY COUNCIL MEETING  
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June 16, 2020**

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**City of Dundee**  
**City Council Meeting Minutes**  
**June 16, 2020**

**Call to Order**

Due to Mayor Russ experiencing technical difficulties, Council President Tim Weaver called the meeting to order at 7:00 P.M. over ZOOM teleconferencing meeting platform.

**Council and Staff Attendance**

Attendance Via Zoom: Mayor David Russ; Councilors Tim Weaver, Storr Nelson, Kristen Svicarovich, Ted Crawford and Jeannette Adlong. Absent: Councilor Patrick Kelly. Staff Attendance via Zoom: Rob Daykin, City Administrator; Bill Monahan, City Attorney; Amy Hanifan, Interim Fire Chief; Chuck Simpson, Public Works Superintendent; and Melissa Lemen, Administrative Assistant.

**Public Attendance**

Attendance Via Zoom: Gary Eastlund, CIC ARM CRM, Risk Management Consultant, Hagan Hamilton; and Lael Alderman, PE, Principal Engineer, MurraySmith.

**Agenda Changes**

Agenda Item 7.3 Utility Accounts - Shut off Process was added to New Business.

**Public Comment**

None.

**Presentation: Gary Eastlund, Hagan Hamilton – Insurance Renewal**

Gary Eastlund, CIC ARM CRM, Risk Management Consultant, Hagan Hamilton, introduced himself and began his presentation. He reviewed the Insurance Programs Stewardship Report as provided on page 1 of the meeting agenda packet. Eastlund pointed out that the proposed annual contribution for the CIS property and liability coverage in the amount of \$52, 936 is very favorable and includes some increases in coverage as well. He discussed that the workers' compensation renewal has increased significantly from last year largely due to one claim that drove the experience modification factor up significantly and elevated the City of Dundee into the highest rate tier. He discussed that the initial quote received from CIS was \$56,817 though they later agreed to drop it down to the next lower tier which brought it down to \$50,862.

C. Nelson inquired about whether there are any other workers' compensation agencies which could be used. Eastlund explained that the City does have other options and is not required to have workers' compensation insurance with CIS. He discussed that an application has been submitted to SAIF, which would be the best alternative. Though SAIF has indicated that they are considering the application, Eastlund explained that he has not yet received a positive quote. He explained that he will continue to pursue that and if it does turn out to be an option, he will review the information with C.A. Daykin. It was noted that the City would need to make a decision about accepting the quote from CIS by the end of June. Eastlund explained that if the workers' compensation is removed from the CIS package, a package discount of approximately 7-8% will be lost, though if enough money were saved it could make up for that loss. Eastlund discussed the potential impacts to the modification factor moving forward resulting from the loss seen to this point. It was noted that SAIF uses the same experience modification factors as well. Discussion ensued.

C. Crawford inquired about whether one specific claim alone is responsible for the increased renewal. Eastlund briefly reviewed some of the impacting factors though noted he will need to complete additional research. C. Crawford inquired about whether the City has been satisfied with services provided by CIS. Regarding the liability insurance, C.A. Daykin explained that the City was a bit dismayed that CIS was not more proactive in assisting the City of Dundee in certain aspects of the recent tort claim investigation process. Eastlund noted that this is the first he's heard of a concern of this nature and explained that he is an advocate for the City in this regard. He offered to research and find out the status as well as trigger more action if indicated. C.A. Daykin will reach out to him tomorrow. Discussion ensued. Eastlund explained that if a favorable quote is received from SAIF, he will review it entirely to determine what the true savings would be. Council expressed interest in obtaining workers' compensation coverage from SAIF if the quote results in savings to the City. C.A. Daykin shared that in his opinion an overall reduction of 10% or greater would make changing to SAIF worth pursuing.

### **Consent Agenda**

**A motion** was made and seconded to approve Consent Agenda Item 5.1 City Council Minutes, June 2, 2020, and Item 5.2 Financial Report ending May 31, 2020. C. Crawford noted that revenues still appear good for water and sewer without a substantial drop off as a result of the pandemic. C.A. Daykin discussed that the sewer revenue is definitely lower; the water may be more seasonally adjusted though is probably down some as well. Brief discussion ensued. **The motion** passed unanimously.

### **Old Business**

#### **Water Treatment Plant Study – Lael Alderman, MurraySmith**

Lael Alderman, P.E., Principal Engineer, MurraySmith, provided an overview of their technical memorandum beginning on page 35 of the meeting agenda packet. He reviewed that the City's current ground water supply is not sufficient to accommodate the full development within the UGB. Alderman discussed the pros and cons of the river intake and Ranney collector systems. Though a desktop study provided by a geologist found there to be four potential sites which appear favorable for construction of a Ranney collector well, Alderman explained that in his experience it would cost an additional \$75,000-\$100,000 to hire them to do the explorations that are needed to provide information which would allow the City to feel confident about pursuing these options.

M. Russ discussed that the City completed some test wells with the Ranney collector previously; he inquired about whether the new locations are that significantly different that they would work. Alderman discussed that from what he saw there was not a significant difference; he felt that the closer to the river and the band of where Fulquartz Landing takes a bend to the south by the river and up to the City of Newberg city limits seems fairly favorable. Alderman also pointed out that another potential benefit to the Ranney collector system is that the existing point of diversion would likely not need to be relocated. With regard to intake, M. Russ inquired about the fact that while the City has the right for 2.5 million gallons, the report from MurraySmith references 2 million gallons; would it be that much different for the river intake to add that capacity? Alderman discussed that if the City desired to take advantage of their full water right, it would likely incrementally only be another 10% in cost. M. Russ voiced support of utilizing the water right to the fullest.

C. Crawford inquired about whether additional costs for piping were calculated with regard to the river intake if it were located outside of the City limits. Alderman discussed this in detail and referenced Table 6 on page 48.

C. Nelson voiced support of utilizing the maximum water right of 2.5 million if this option is pursued. With regard to the location of the intake structure, C. Nelson inquired about whether there would be additional design required for placement in the active part of the main channel. Alderman discussed that the erosional difference shouldn't be that much different in this part of the river; there are extremely high flows which are historically experienced and in his opinion placing it out of the side channel provides opportunities to place the intake structure deeper in the river and potentially be subject to less variable flows.

C.A. Daykin pointed out that one of the rationales for locating the water treatment plant intake south of the city limits at the Fulquartz Road location is that if the City were going alone, the strategy would be to have the plant close to the intake structure to minimize the amount of piping for the treated water bringing it back to the city as it would be connected to new development that would come out to the plant. It was noted that the Fulquartz site is labeled as Site A on page 42. C. Nelson inquired about whether the development would be able to contribute to the piping from the water treatment plant to the development if Site A or Site B were utilized. C.A. Daykin discussed that this could be financed or developed in different ways, though if Site A or Site B were utilized, it could potentially be triangulated back to the bend in Fulquartz Road. Discussion ensued and C.A. Daykin pointed out that though making the connection from the water plant to the water treatment plant probably would not be a requirement of the developer, and those costs would be captured through SDCs.

C. Svicarovich asked for clarification with regard to the discussed water treatment plant and infrastructure and whether it would only be used for the new development at this point in time. She reviewed that the present City is being served by ground water and noted that this would be surface water. She inquired about whether the intent is to eventually convert everything over to surface water, as her impression has always been that the two types are not mixed. C.A. Daykin discussed that per the Water Master Plan, the concept was that the City would still maintain the groundwater wells for zones that are defined as the low pressure zone up through just east of Highway 99W; at some point east of Highway 99W or at Highway 99W the City would create a new Riverside pressure zone which would be fed by the river source. Though the two systems would be isolated there would still be the opportunity to move water from one zone to the other if there is a need to do so. In addition, Alderman discussed that if they did size the intake to the full 2.5 million this would be sufficient to supply the whole city if that were desired. He also noted that what they find in some of the communities that they have worked with is that though there is the intention of keeping separate systems, eventually they switch over to the water treatment plant source. He noted that two different pressure zones do provide the ultimate flexibility and noted that facilities can be built which can share that water, though it is not recommended that those two sources be blended.

C. Nelson inquired about whether there is any merit to having the water treatment plant more centrally located, perhaps near the WWTP, so that it can service both the Lindquist property and the Edwards property. C.A. Daykin discussed that while this is possible, a price would be paid for that privilege as the raw water line would need to be extended at a substantial cost. Discussion ensued.

Though it was noted that the City does not own the property to the south of the WWTP, M. Russ discussed some of the potential benefits of locating the facilities closer together. C.A. Daykin discussed previous consideration given to this option in the past. It was noted that the appendix information (attachments) for the Water Treatment Plant Study report are available on the City website.

### **Yamhill County Sale of Property to Dundee**

C.A. Daykin discussed that the County prepared a deed for the sale of the property; they accepted the City's bid. A **motion** was made and seconded to authorize the City Administrator to purchase Tax Lot R3325BC 03500 on behalf of the City of Dundee per the terms outlined in the June 6, 2020 letter from Yamhill County. **The motion** passed unanimously.

### **City Administrator Salary**

C.A. Daykin discussed that the amendment was prepared by the paralegal for C. Atty Tim Ramis; he reviewed it and it reflects discussions at a prior City Council meeting regarding an increase in compensation and vacation hours effective July 1, 2020. A **motion** was made and seconded to approve the Seventh Amended Employment Agreement between the City of Dundee and City Administrator Rob Day. **The motion** passed unanimously.

### **Resolution No. 2020-09, Budget Adoption**

C.A. Daykin reviewed that the Budget Hearing was held on June 16, 2020 and there was no input that was received from the general public. A **motion** was made and seconded to adopt Resolution No. 2020-09, a resolution adopting the 2020-2021 Fiscal Year Budget, appropriating funds and levying property taxes for the fiscal year 2020-2021. **The motion** passed unanimously.

## **New Business**

### **Resolution No. 2020-10, Budget Transfers**

C.A. Daykin provided a correction on page 92 of the agenda packet. He requested that the information under Water Fund be changed to reflect a decrease in Materials & Services to \$3,000 (instead of \$4,000) and an increase to the Transfer to General Fund to \$2,000 (instead of \$1,000). He explained that this will ensure that he has sufficient appropriation to transfer money based on higher than expected revenue returns on the Water Fund than he originally forecasted. A **motion** was made and seconded to pass Resolution No. 2020-10, a resolution transferring budget line item amounts within a fund or between funds for fiscal year 2019-2020 with the changes made to the Water Fund (increasing the transfer to general fund to \$2000 and decreasing the Materials & Services Internal Admin Charge to \$3,000). **The motion** passed unanimously.

### **Resolution No. 2020-11, Employee Handbook Amendment**

C.A. Daykin reviewed details of the proposed amendment to the handbook, as discussed in his agenda report on page 93. Interim Fire Chief Amy Hanifan was in attendance to provide any clarification or answer questions as well. C.A. Daykin explained the policy clarifies if firefighters are not permitted to leave the premises during their meal break, then that time will be compensated. Also, the amendment allows for an alternate overtime rule permitted by State law for departments with fewer than four paid firefighters. Additionally, with true callback time events, what has been being done under the current rules is that only the actual time that fire fighters are performing is being recorded; moving forward the fire fighters who are called back after a shift will receive a minimum of 2 hours of pay, as is similarly provided to Public Works Staff after hours. C.A. Daykin offered clarification that the net change to the budget will be approximately \$8,349 more than has been budgeted. He also discussed that the proposed change of the one-hour meal break to 30 minutes will reduce the firefighter staff from a 9-hour workday to an 8.5-hour workday which will create operational challenges. C.A. Daykin explained that if it were brought back to a full 9-hour (30 minutes of paid time and 8.5 hours paid shift) shift for three firefighters there would be an increase in the cost overbudget of \$20,149. Hanifan reviewed the current schedule for the fire department employees and indicated that they are typically at the station for a 9-hour shift. She discussed that the volunteers are very active in the evenings and on weekends, though unfortunately there is an approximate 12-hour time period during the day between about 6:00 am until about 6:00 pm when there are not enough volunteers in town to staff

an engine. Hanifan discussed that presently the fire department staff start at tiered start times throughout the day to try to help bridge that gap; in her time at the station she has also tried to bridge that gap both in the morning and the evening. Discussion ensued and she explained that if fire department staff are not present during the difficult to staff times Dundee would have a difficult time being able to respond to an emergency appropriately.

C. Nelson inquired about the average call back times for public works and fire department staff. C.A. Daykin explained that upon quick analysis his estimate for the actual hours paid to fire department staff (with the 2-hour minimum applied) would double the number of paid hours in a typical year. Though, C.A. Daykin indicated that he cannot provide actual data for public works at this time, it is his belief that their callbacks are less frequent.

Chief Hanifan explained that one of their staff members does operate in an duty officer role and helps to cover nights and weekends in a leadership role. She discussed that the other two staff members really wouldn't be responding back unless it's something like a larger alarm or perhaps a second alarm fire and they were close; sometimes there are also late calls which could cause them to stay a little later and fall into the callback situation as well. C. Weaver inquired about whether a 2-hour callback allowance is adequate to which Chief Hanifan voiced support of and noted to be consistent with the other agencies in the county. A **motion** was made and seconded to adopt Resolution No. 2020-011, a resolution amending the Employee Handbook. **The motion** passed unanimously.

C.A. Daykin raised the topic about City Council making a future decision about contributing \$400,000 or \$300,000 into the PERS EIS. There will be future discussion and he inquired about whether the City Council would like to include in that discussion potentially increasing some sort of revenue stream to support the Fire Department to get back to a full 9-hour shift for the Department employees. Support was voiced for future discussion.

C. Nelson requested a COVID-19 update for Yamhill County. Chief Hanifan discussed that though she does not have the true numbers as of today, she explained that the Department is still in full swing of wearing PPE and of being very cautious of their social distancing. She discussed that the firefighters are back to training in person though are also being cautious. She discussed that Union County has seen quite a spike in cases over the past couple of days and stressed the importance of continuing to use safe practices locally. Chief Hanifan discussed that Phase 2 seems to be going well so far. C. Svicarovich inquired about whether the Department will be responding to summer wildland fires this season given the current pandemic. Chief Hanifan discussed that there is a good potential for this to occur as there are 4-5 firefighters that are prepared to be able to respond. Discussion ensued and Chief Hanifan explained that the State is approaching this season cautiously.

#### **Utility Accounts – Shutoff Process**

C.A. Daykin discussed that Melody Osborne prepared 39 payment agreements for utility customers who were 2+ months behind on their bill; these were sent out in the form of a letter advising them that their account had been placed on a payment plan (terms provided). He explained that thus far this approach seems to be working well for these 39 customer accounts. In addition, he explained that there are 25 accounts which would be scheduled for a 24-hour door hanger notice. C.A. Daykin discussed that there is an extra week in this month which provides additional flexibility. He reviewed some potential options with Council and discussion ensued. C. Svicarovich discussed that the Regional Water Providers Consortium in the metro area is still under a no shut off policy which she also voiced support of as well. The consensus of Council was to move forward with placing doorhanger notices without charging a fee; customers could

then contact City Staff to discuss payment arrangements. For those that do not respond to the door hanger, Staff will make additional contact attempts.

C. Svcarovich inquired about the financial impacts to the City with regard to not collecting the utility billing fees which are being waived. C.A. Daykin explained that other than the delayed collection of revenue that's due to the City, the big concern is that there may be a large amount of money due by a particular customer and somehow there's a change in ownership status (of the account) and the City has not already taken measures to shut the water off, and then a new customer has come in. The only way for the City to move forward with these accounts is to seek it through collections effort. C.A. Daykin offered to provide information to Council which shows what would have been expected in revenue and what was actually received.

### **Council Concerns and Committee Reports**

C. Crawford inquired about whether Council members have the option of attending the Planning Commission meeting tomorrow night though C.A. Daykin suggested they not attend nor engage in discussion with those who may wish to; there is the possibility that the decision could be appealed to the City Council. Brief discussion ensued and C. Atty Monahan provided additional guidance about potential ex parte contact.

### **Mayor's Report**

M. Russ briefly discussed that he received a letter from a concerned resident who voiced their support of the Newberg-Dundee police department and did not support any type of defunding in any way.

### **City Administrator's Report**

C.A. Daykin reviewed that during the budget process someone raised the question regarding the status of the City loans and whether or not they could be refunded. He explained that he approached a public financing firm (Piper Sandler) and discussed this with them; he provided them with copies of City loan documents. C.A. Daykin explained that of all of the loans they indicated that the only one viable from their perspective is the refunding of the loan with DEQ for the WWTP; though they also encouraged that a better rate may be provided by DEQ than the traditional public refunding type of process. Discussion ensued and C.A. Daykin explained that he did contact DEQ and ultimately there may be some possibilities though he is awaiting a call back to confirm that. Detailed discussion ensued regarding the lengthy process this may entail, though the extremely low rates are very appealing. C.A. Daykin will provide information to Council as it becomes available.

C.A. Daykin discussed that he received notification yesterday by the Oregon Transportation Infrastructure Fund that the final draw on the loan for the 2013 loan for the ODOT Bypass Project took place; the City has now dispersed all of the funds from that original loan and the City will begin to pay interest on that additional installment moving forward.

C.A. Daykin discussed that with regard to the Fire Study, the consultants are requesting that all of the agencies be represented at a meeting to be conducted on July 1 to go through some of the draft findings and solicit additional input. He indicated that he will be attending that and instead of Interim Chief Amy Hanifan attending, he has asked Councilor Weaver to attend; they will report back to City Council. C.A. Daykin explained that once the study is wrapped up, there will be an opportunity for a full reporting back to the elected officials.

C.A. Daykin voiced that he is not aware of any City conducting seated meetings at this point in time. M. Russ voiced support of the present format though indicated he would like to resume the traditional meeting process as soon as it is feasible. The consensus of Council was to continue

with Zoom meetings for the time being. M. Russ voiced support of police presence at future seated City Council meetings which C. Weaver indicated support of as well.

Chuck Simpson, Public Works Superintendent, explained that they will finally receive their new pick-up truck tomorrow. He also discussed that one of the fire department volunteers was hired as a seasonal public works employee for the summer.

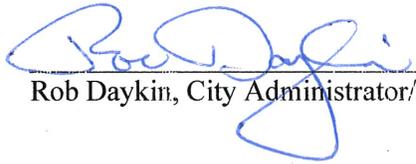
The meeting was adjourned at 8:29 P.M.



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David Russ, Mayor

Attest:



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Rob Daykin, City Administrator/Recorder