CITY COUNCIL MEETING
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City of Dundee
City Council Meeting Minutes
July 17, 2018

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

Council and Staff Attendance
Present: Mayor David Russ; Council President Kristen Svicarovich; Councilors Storr Nelson, Tim Weaver, Jeannette Adlong and Ted Crawford. Absent: Councilor Doug Pugsley. Staff members: Rob Daykin, City Administrator; Bill Monohan, City Attorney; Cheryl Caines, City Planner; Greg Reid, City Engineer; and Melissa Lemen, Administrative Assistant.

Public Attendance
None.

Agenda Changes
Item 7.2 Resolution 2018-14, regarding authorizing emergency procurement of services for entering into a contact with Porter Construction was added to Old Business.

Public Hearing: LURA 18-02, Code Amendment – Light Industrial Accessory Uses

Call for Declarations of Conflict or Bias by any members of this body: None

Objections to jurisdiction by any member of this body: None

Staff Report
Planner Caines reviewed the Staff Report. She discussed that in August of 2017 City Staff came to City Council and indicated that they had been approached several times by different industrial wine makers inquiring about having a retail outlet at their facilities. City Council gave direction on August 15, 2017 to have the Planning Commission draft standards which would allow these types of small retail outlets in industrial uses but also protect the industrial zones to ensure they stay industrial; allowing retail or restaurants in commercial zones only. Planner Caines reviewed that Planning Commission held three workshops to discuss the issues and concerns expressed by City Council as well as looked at other codes from different jurisdictions about how these types of uses were regulated in other areas. They also took into consideration some measurements that Staff obtained from different tasting rooms and retail outlets for industrial uses in Newberg, McMinnville and in Yamhill County. Industrial setbacks adjacent to residential zones and existing residential uses within the LI zone were also discussed, with additional clarification noted to be provided in the proposed code amendment as outlined in the Summary of Amendments.

Planner Caines discussed that this Code Amendment provides clear standards to ensure that retails outlets remain accessory to the primary industrial use, and thus the code amendments require that the floor area devoted to retail sales be no more than 15% of the floor area, up to a maximum of 1500 square feet. She also reviewed that with regard to outdoor space, it is required to be screened from adjoining uses in accordance with the screening and buffering standards in

the landscape chapter. In addition to the required industrial use parking; a retail outlet is required to provide additional off-street parking in accordance with the retail standards.

Planner Caines reviewed that opportunity was provided for citizens to be involved with the workshops where the Planning Commission discussed these proposals and amendments, as well as the Planning Commission public hearing and tonight's public hearing. She discussed that the proposed code amendments provide clear standards for industrial uses that want to have a retail outlet. She pointed out that this promotes the economic policies and goals of the City of Dundee as it allows these retail outlets to come in and for the industrial users to sell their wares while also protecting the surrounding uses by the required additional parking and the additional setbacks and screening.

Planner Caines discussed one additional amendment that the Planning Commission made at their Hearing back in June. She explained that they were concerned about the code language stating that wares made on site can be sold; there may be instances where other accessory items may be desired to be sold (such as t-shirts, logo glasses, etc.) and thus language was added to allow related items and merchandise be sold within that small retail outlet.

Public Testimony
No public testimony was provided and Mayor Russ therefore announced that public testimony was closed.

Staff Recommendation
Councilor Adlong praised Planning Commissions efforts and well thought out recommendations. She voiced her support of the amendments and adopting the ordinance.

Deliberation
Mayor Russ shared some thoughts and ideas to Council which he felt could affect the usability of the property long-term and, therefore, the value of the property as well. He voiced concerns with providing a larger 20 foot setback to adjacent grandfathered residential uses in addition to the 20 foot setback to adjacent residential zones, though he noted he is not sure how many properties this would affect. C. Nelson supported this concern as well. He discussed the benefits of a new buyer knowing up front about the possibility of pursuing modification and the value of knowing the information prior to purchasing the property.

M. Russ expressed concern with regard to parking requirements in looking to the long-term future of the property. He suggested that a lesser amount, such as two-thirds of the commercial number of required parking spaces, might be a better requirement as opposed to the full amount. Potential parking requirement options were discussed in detail. C. Svicarovich voiced concern that parking can be a challenge, especially when it is being allocated for in areas where it was not necessarily intended. C. Crawford discussed the area near Wine by Joe as an example of an industrial area with a tasting room which hosts events; parking in this area is very congested in the streets at times. M. Russ discussed that most areas affected are not developed yet and suggested that developing these areas with more parking to address those needs would likely be beneficial.

M. Russ expressed concern with regard to the welding shop and blacksmith requirements of being conducted wholly within a building as shown on the zoning table on page 8. He noted that these types of businesses may need to conduct activities outdoors and shouldn't be limited to indoors. Additional Councilors expressed support of this as well and discussion ensued. C.A. Daykin pointed out that with regard to Table 17.202.020, there is a second type of defined use which includes welding shops and blacksmith conducted partially within a building that could potentially be included and eligible for the retail amendment if Council desired. C.A. Daykin and

Planner Caines explained that though Planning Commission hadn't opted to select this use from the table as part of their recommendation, it is available if Council would like to add it as well.

A motion was made and seconded to amended the proposed text amendment, deleting the 20 foot setback to adjacent residential uses by striking the portion of paragraph C., line three "or properties developed with a residential use" from 17.202.070 Site and building design standards in industrial zones, as well as amending Table 17.202.020 to include the partial outdoor operations of welding shops and blacksmith operations. **The motion** passed unanimously.

Ordinance No. 565-2018, Light Industrial Zone Accessory Use Standards

A motion was made and seconded to adopt Ordinance No. 565-2018, Light Industrial Zone Accessory Use Standards, with the amended exhibit A and B previously voted upon. **The motion** passed unanimously.

Public Comment

None

Consent Agenda

The motion was made and seconded to approve Consent Agenda Item 6.1 City Council Minutes, June 19, 2018 and Item 6.2 City Council Minutes, July 3, 2018. **The motion** passed unanimously.

Old Business

Resolution No. 2018-13, 2019 SCA Grant Application

C.A. Daykin reviewed that cost estimates were previously provided though since that time he and C.E. Reid have discussed trying to keep projects as close as possible to the maximum grant amount of $100,000 in an effort not to expend too much City funds trying to make a project work; that money is needed in other areas of the road system as well. C.A. Daykin discussed that since that time he has also received some new additional information regarding the new rules for the program. He explained that there does not appear to be a limit on the number of applications made, though a City will only receive a maximum of two grants if they have the funding available and if the City applications are ranked high enough to receive funding for those projects. C.A. Daykin suggested submitting the three previously discussed projects including Red Hills Drive, Charles Street and the alternative of Walnut Street; but emphasized the importance of identifying the key project at the top of the list for the City of Dundee. He reviewed that the Charles Street project had previously been placed at the top of the list. Additional details pertaining to the Charles Street project were discussed, and C.A. Daykin suggested the City present Charles Street as a project without any additional options. C.A. Daykin pointed out that preliminary estimate for Red Hills Drive was over $160,000, well beyond the $100,000 grant. Truncating the project to include Ninth Street up about halfway to where the street starts curving which would cost approximately $86,000. Regarding the truncated Red Hills Project ($86,000) as well as the Walnut Street project ($84,000), C.A. Daykin suggested adding these two options that were identified as a safety improvement at Neiderberger Road and an overlay to Thirteenth Street in order to each to bring them to up over $100,000. Additional detailed discussion ensued regarding the new recommendations. Council discussed the different potential scenarios of projects and received input from C.E. Reid as well.

C. Adlong expressed concern with regard to a deep ditch on Upland Drive (just before Red Hills Drive) on the right-hand side, as well as deep ditches on the upper portion of Red Hills Drive near the curve at the top; the streets were noted to be narrow in these areas as well. Detailed discussion ensued and C.A. Daykin explained that the proposed ditch work on Neiderberger Road is in a higher traffic area with pedestrian use as well; it poses a safety issue in this area. C. Nelson acknowledged concern for the additional ditches noted as well and suggested that gathering cost information for these add-on projects would be helpful.

The consensus of Council is to combine the ditch excavation work on Red Hills Road with the ditch work on Niederberger Road, and add the paving work on Thirteenth Street to the Walnut Avenue paving project. **A motion** was made and seconded to adopt Resolution No. 2018-13, a resolution relating to the 2019 Special City Allotment Program. **The motion** passed unanimously.

Resolution No. 2018-14 Declaring Emergency Procurement

C.A. Daykin reviewed that at the previous City Council meeting Council had authorized the Letter of Intent to enter into a contract with Porter Construction for the fire station roof repairs in order to allow Porter to secure the work in their schedule based on bid provided in the mediation process. In addition to starting the submittal process for building permit and other preliminary activities, Porter Construction wants to start on some limited amount of work in order to complete the project prior to the start of the wet season. C.A. Daykin discussed the additional process the City will go through to meet state law due to the sole source procurement. He explained that the City must advertise and hold a public hearing prior to entering into an agreement with the contractor for this larger project. C.A. Daykin discussed that the August 7 public hearing notice and findings supporting this action were recently prepared by the City Attorney. Once the public hearing takes place and if Council elects to move forward, a resolution will need to be adopted to designate this contractor in a sole source manner. C.A. Daykin discussed that Porter Construction have talked with the Building Official; they have indicated that they have seen the preliminary set of plans and have authorized Porter Construction to go ahead and commence work pending the condition that the final plans are reviewed and approved. Due to Porter Constructions' eagerness to begin work, a resolution has been presented to Council which would allow the City to enter into an interim contract to do a limited amount of work until such a time the City enters into a full contract.

Discussion ensued with regard to what the City's potential liability to Porter Construction could be, as well as details pertaining to when the settlement will come through. C.A. Daykin explained that the Settlement Agreement is to be presented at the August 7 City Council meeting. He noted that the City Attorney said he's confident that all parties are on board and that there is not going to be an issue, though confirmed that if for whatever reason the settlement does not happen, the City is obligated to pay the contractor for the amount of work completed from other funds of the City. The public hearing on August 7 will provide opportunity for any person that may protest the idea of moving forward with sole source procurement with Porter Construction; following the Hearing Council will make their decision. C.A. Monohan explained that if there are objections and Council finds that the objections make sense and the sole source is not adopted, there will be delays and the possibility of choosing someone else to complete the job. In contrast, the upside of moving forward in this process now provides the opportunity to get the project moving forward so that timelines will be met and the cost figures to complete the project, assuming that the findings will be adequate for Council to adopt the sole source. C.A. Daykin reviewed details pertaining to the work that Porter Construction would like to begin now; once a contract can be entered into they would ramp up their work schedule. The earliest date a contract could be entered into would be August 12, 2018, five days following the hearing and selection of Porter Construction. If allowed to move forward now, C.A. Monohan discussed that Porter

Construction would be provided limits which will be controlled by the Building Official who will have direction as to what those limitations are that Council is willing to accept. C.A. Daykin noted that Porter Construction wishes to complete approximately $47,000 of the project during this interim period. **A motion** was made and seconded to adopt Resolution No. 2018-14, a resolution of the City Council of the City of Dundee, Oregon, acting as the local contract review board, adopting findings in support of and authorizing an emergency procurement of services for the demolition, SIPS preparation, roof overframing and miscellaneous related work for Fire Station #3 repair. **The motion** passed unanimously.

New Business

Riverside Sewer Collection System Study

C.A. Daykin reviewed that the proposed Study by Kennedy/Jenks Consultants will help define size of pipe for the anticipated flows, as well as depth so that when one developer puts in pipe it will be able to service other properties in the Riverside Master Plan area. Detailed discussion ensued with regard to the process of completing the Study. C. Svicarovich discussed that there are areas of the existing collection system that have limited capacity to serve the expansion areas; knowing the costs of the necessary system improvements will benefit the City as well as the developers. C.A. Daykin provided clarification with regard to the existing main on Edwards; he will discuss with the consultant that new development in the Riverside area will not be using that line due to its limited capacity. C.A. Daykin discussed that the original 2008 Facility Plan discussed the need for separated systems to serve the Riverside area. **A motion** was made and seconded to accept the proposal for engineering services from Kennedy/Jenks Consultants for the completion of a sewer collection study for the Riverside area. **The motion** passed unanimously.

Council Concerns and Committee Reports

C. Crawford discussed that Red Hills Market has substantially expanded their outdoor seating in such a way that it has eliminated additional parking in their lot. He expressed concern about the parking and congestion issues in the nearby surrounding areas. C.A. Daykin acknowledged their unique use and that the parking area is undersized for that use. C. Crawford inquired about what could be done to help remedy the parking issue and inquired as to whether there could be an option to come together with the Ponzi's to pave the parking lot across the street. M. Russ discussed that he spoke with a representative of the owner this week who indicated that they were very interested in keeping that parking area, developing it and having it be community parking. M. Russ indicated that he directed this person to speak with the City Administrator regarding potentially working with the Urban Renewal Agency on some level with regard to the parking lot. Additional discussion ensued and C. Crawford pointed out that this area could also potentially be a good location for a public restroom facility.

C. Nelson shared that he has heard complaints voiced with regard to Unique Auto on Third Street. He explained that residents have noted car transporters dropping vehicles off on a couple of occasions. It was noted that the property owner has many cars on the property; the business is also listed with the DMV as an auto sales facility. C.A. Daykin confirmed that the property is still operating as a home occupation, which is much more restrictive than a commercial use. The large number of cars on the property was discussed. The consensus of Council was to provide a 30 day notice to the property owner to either comply with the City Code requirements for a commercial business or remove the cars from the property.

C. Svicarovich inquired concrete blocks seen off the sidewalks at various locations on Highway 99W. C.A. Daykin explained that the Dundee Volunteer Fire Fighters had placed those to support flags; they were left in place for future use. He advised that he and C.E. Reid will plan to meet with Fire Chief Stock regarding the blocks to see if a more permanent better solution can be found. C.E. Reid discussed that placing holes in the sidewalk for this use was noted to have

previously been considered though this was not elected due to the fact that maintaining them would be difficult. C.A. Daykin suggested that a separate permanent device along the backside of the sidewalk might be a good option and easier to maintain.

Mayor's Report

None.

City Administrator's Report

C.A. Daykin reviewed the Council previously accepted $930,000 for the settlement of repairs to the fire station building. C.A. Daykin noted that concern was expressed about the $10,000 which had been held back from a prior settlement agreement and Baldwin suggested that paying $920,000 would suffice. C.A. Daykin reviewed that $930,000 has been agreed upon per the direction of the mediator and replaces the prior settlement. C.A. Daykin that the City will receive an additional $50,000 from Mackenzie which brings the total to $980,000 that the City will receive.

C.A. Daykin discussed that Todd Miller, WWTP Superintendent, will be retiring at the end of July after over thirty years of service, including many years as a volunteer for the Dundee Fire Department as well. City employees will be hosting a farewell brunch for Miller on July 31, 2018 from 8:30 a.m. to 10:00 a.m. at the Dundee Fire Station. Dundee City Hall will be closed during this time so that all employees can attend. Council members were also invited to attend.

C.A. Daykin reviewed that with regard to the street maintenance schedule; the slurry seal will take place on July 20 and paving in the week of July 30 to August 3. Brix Paving will also commence work earlier than originally scheduled and will begin paving projects July 30 and work through August 3, 2018.

C.A. Daykin informed that tomorrow he and C.E. Reid will meet with Alvin Sholblom, the new ODOT project manager replacing Tony Snyder, and noted that they have a lot of issues to discuss. C.A. Daykin explained that Tony Snyder has relocated and is now the ODOT Area 1 Manager.

C.A. Daykin noted that with regard to the Methodist Church property/Alder Hill Estates subdivision, it looks like there is a new developer interested in moving ahead and is doing due diligence at this time and are at the point of obtaining permits to actually move ahead and complete the infrastructure improvements.

Public Comment

None.

The meeting was adjourned at 8:10 P.M.

David Russ, Mayor

Attest:

Rob Daykin, City Administrator/Recorder