

**CITY COUNCIL MEETING
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August 15, 2017**

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City of Dundee
City Council Meeting Minutes
August 15, 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, Ted Crawford, Storr Nelson, Doug Pugsley, Kristen Svicarovich and Tim Weaver. Staff members: Rob Daykin, City Administrator; Shelby Rihala, Cheryl Caines, City Planner; and Melissa Lemen, Administrative Assistant.

Public Attendance

Clarence Campbell, 1038 SW Arrowhead Place, Dundee.

Agenda Changes

Agenda Item 6.2: Additional information was provided to Council members

Agenda Item 6.3: Wastewater Control Panel Electrical System Upgrade, Change Order #2

Agenda Item 7.1: Memo from the Mid-Willamette Valley Council of Governments provided to Council members.

Public Comment

Clarence Campbell, 1038 SW Arrowhead Place, Dundee, approached Council with questions regarding the present construction work being done on Highway 99W. He also requested confirmation of a possible rumor he heard pertaining to the addition of a large hotel in the area of a vacant lot in Dundee. M. Russ informed that the City has not yet received application for specific construction with regard to the property mentioned. Additional detailed discussion ensued. M. Russ informed that the Highway 99W construction schedule is posted on the City website. Mr. Campbell inquired about whether or not the overhead wires will be placed underground as part of this project. Discussion ensued regarding the fact that only the phone and cable lines will be placed in conduit underground; power lines will remain on poles already in place.

Consent Agenda

The motion was made and seconded to approve Consent Agenda Item 5.1 City Council Minutes, August 1, 2017, and Item 5.2 Financial Report Ending July 31, 2017. **The motion** passed unanimously.

Old Business

Land Lease – Verizon Cell Tower

C.A. Daykin introduced Newberg/Dundee City Planner, Cheryl Caines, to the Council, and noted that she has prepared the Staff Report and will be attending the Planning Commission meeting tomorrow night to present it. Ms. Caines discussed the planning criteria, including that the main focus is on mitigating any impacts being created, such as visual impacts. She noted that if there are other impacts that are expressed or found through the hearing, the Planning Commission could potentially place additional conditions on the proposal to mitigate those impacts and address those concerns. C. Nelson inquired as to whether the Planning Commission would have the leverage to potentially deny the tower to which Ms. Caines explained that if someone

approached them and could show that the impacts are not being mitigated this could potentially happen. C.A. Daykin pointed out that any decision could be appealed to the City Council. C. Nelson pointed out that approving the lease at this point, prior to the Planning Commission hearing, may not be the best course of action as the tower permit is not finalized yet. C.A. Rihala pointed out that Section 8 does indicate that the lease is contingent upon all permits being obtained as well as other approvals from all levels of government. If the Planning Commission were to deny the application, the lease would not go into effect. C. Crawford inquired about who would have the ability to appeal the decision to which C.A. Daykin informed that the applicant or the property owner would have that power. It was noted that the City is the co-applicant on the project as the City owns the property. C.A. Rihala pointed out that generally the City is not allowed to appeal its own decisions. Additional potential scenarios were discussed. C. Adlong pointed out that pictures of the potential tower site location being presented are not accurate and somewhat misleading as trees in the area have been cut down; the look of the tower in the proposed location would not be the same as it would have been with the trees in place. Ms. Caines advised that she will point this out at the Planning Commission presentation.

C. Weaver inquired as to what the primary objection to the cell tower is and the cause for the flyers being distributed. M. Russ pointed out that it's due to the aesthetics of the tower. Though this is a concern, M. Russ pointed out that there are areas of poor signal in Dundee and he stressed the importance of having good communication in our area for a variety of reasons. Additional discussion ensued.

C. Svicarovich pointed out that there are additional potential avenues Verizon could use to place a cell tower elsewhere; if a decision were made not to place the cell tower at the proposed location, it is likely that one would be placed elsewhere at some point. C. Weaver pointed out that during previous Council discussions it had been mentioned that having a cell tower located at a public service building seemed like the perfect place for the tower to be located; it did not seem out of place in such a location.

Discussion ensued with regard to where the revenue from such a cell tower would be distributed. C.A. Daykin informed that up to this point the presumption had been that it would be distributed to the general fund, which also supports the fire department. He explained that this would be an additional revenue source plus it would replace in the future what would otherwise be allocated to urban renewal with regard to the City property taxes.

With regard to the height of the proposed cell tower in Dundee, C. Crawford pointed out that Newberg has a cell tower which looks to be approximately 65 feet tall. He also informed that McMinnville has a tower placed at their fire department which looks to be taller than 95 feet. There may be value in knowing the actual heights of these two towers for comparison.

Detailed discussion ensued regarding potential options, and the consensus of the Council was to defer making a decision with regard to the lease until the final decision has been made by the Planning Commission. C. Adlong inquired about the proposed 2% annual increase in rental paid to the City by Verizon. C.A. Daykin pointed out that though 2% may seem low, Verizon would be charged a larger rental amount initially than comparable ground leases. He also pointed out that from a ground lease rental standpoint, the City will do very well.

C. Adlong inquired as to whom would be responsible for making decisions with regard to the aesthetics of the cell tower. C.A. Daykin advised that he previously heard the Council express their preference for a matte black paint for the tower. Ms. Caines informed that the color of the monopole piece was the only part needing addressed. C.A. Daykin described the site plan, including landscaping as well as secure fencing around the ground level of equipment, the details

of which were discussed. Ms. Caines pointed out that the fence is to be a six foot tall fence with five feet of landscaping on the south and east sides of the area. C. Adlong expressed her desire that the Council discuss the aesthetics of the cell tower again prior to a final decision being made. She also expressed the importance of planting a few trees on the back part near the site area in the back. Though it would take quite a long time for the trees to grow, it would offer somewhat of a buffer to the overall look of the area. M. Russ pointed out that this could potentially be part of the discussion at the next meeting when the Council reviews the Planning Commission decision.

Riverside Area TGM Code Assistance Grant Update

Cheryl Caines, Newberg/Dundee City Planner reviewed that the City requested a Code Assistance Grant from the Department of Land Conservation and Development (DLCD) in 2016 for the Riverside District. That request was accepted in April of 2017. She informed that presently they are working with the DLCD to complete the statement of work; a copy of this was provided to Council. She noted that consultants were interviewed on July 26th. A consultant was chosen though she cannot name them until the contract is signed and it made official as per the rules. She informed that they are working with DLCD and the consultant to finalize the scope. Ms. Caines discussed that the resolution is already in place that authorizes C.A. Daykin to sign the contract; it will likely get underway in early fall of this year. Ms. Caines discussed that it will take approximately fourteen months to complete the process, and noted that they have already inquired as to whether there is any way to speed up that process which they indicated they will assist with in any way they can. Ms. Caines discussed that the City will be responsible for the Public Involvement Plan, the details of which were reviewed. She explained that there will be a code committee which will be made up of agencies, and also noted that the City will be looking at writing a code to implement the district plan that was adopted. Additional details pertaining to this process were discussed. Ms. Caines noted that due to the fact that this is a Transportation Growth Management Grant, one of the requirements is that the City have someone on the Code Committee that have interest in alternative modes of transportation (bikes, walking, public transit) as the plan should involve not only streets but also multimodal streets for everyone. Ms. Caines informed that there will be a project web page and at least two community meetings where feedback from the community will be requested. Additionally, she informed that there will be public hearings with Planning Commission and City Council as well. Ms. Caines indicated that there would be regular updates to City Council throughout this process.

C. Crawford inquired about the budget. C.A. Daykin explained the rules of the grant, and that it is something that the State will be paying directly to the consultant; it does not pass through the City budget. The only costs that the City would incur would be the costs of setting up meetings, notices, and the City Planner's time for support.

Wastewater Control Panel Electrical System Upgrade – Change Order #2

C.A. Daykin explained that this change order is with regard to a piece of equipment that was not known to be defective and was found. He described that the change order involves the replacement of a large actuator, which explains the large cost increase. C.A. Daykin also pointed out that there is a \$2,500 charge in addition to expedite delivery within three weeks; it otherwise would have taken sixteen weeks. Additional detailed discussion ensued. C.A. Daykin explained that the situation was discussed with the insurance provider, including the \$2,500 extra charge for shipping, and noted that they are going to cover the costs at this point, less the \$1,000 deduction. He pointed out that the project is essentially completed; punch list items have been completed. C.A. Daykin informed that the City is processing their final payment, not including retainage, and then once the additional work is completed the retainage will also be released. **A motion** was made and seconded to accept Change Order #2 from Boede Construction dated August 7, 2017 for the additional amount of \$17,667.26. **The motion** passed unanimously.

New Business

Development Code Amendment – Light Industrial Zone

Cheryl Caines, Newberg/Dundee City Planner, reviewed her memorandum dated August 8, 2017 with regard to potential code amendments for industrial uses and development standards. Ms. Caines also provided Council with a copy of a memo dated August 11, 2017 from the Mid-Willamette Valley Council of Governments. She reviewed that the memo reviews Senate Bill 1051, which includes some required code amendments, and what that means for the City of Dundee. She pointed out that one of the code amendments pertains to activities with regard to religious facilities. She explained that anywhere a religious facility is allowed the code will need to allow any activities that are typically associated with those types of developments/uses which include worship services, religion classes, weddings, funerals, meal programs, childcare, and detached housing for affordable housing units if in a residential zone. She reviewed that is a little different from what the code allows presently. Ms. Caines advised that she received this information only this week and would like to review the code to determine what specific changes need to be made in order to allow these changes which are effective immediately.

Ms. Caines reviewed a second legislative directive that applies to Dundee and communities over 2500 pertaining to Accessory Dwelling Units (ADU's). She reviewed that language will need to be included in Dundee code for zones that allow single family residential to also allow ADU's. Ms. Caines explained that this does not take effect until July 2018. She noted that presently ADU's are not permitted in the City of Dundee. Additional discussion ensued. C.A. Daykin pointed out that the bill does allow for the City to impose "reasonable restrictions" or "design guidelines". Ms. Caines noted that she will be drafting code and looking at other jurisdictions to see examples of what is being used elsewhere. Detailed discussion ensued regarding possible guidelines for ADU's in Dundee. Ms. Caines explained that this bill does allow for more affordable housing options. ADU's are allowed to be used as rentals.

Ms. Caines informed that zoning codes are typically written to separate uses that are different from one another to mitigate any impact that they have upon each other. She discussed that over the years it seems that more business are starting to incorporate more than one use. She discussed that it is becoming more and more difficult to put certain businesses into a use category. One example of such a business would be a small winery which also might have a tasting room/sales area. Similarly, breweries include the brewery area where beer is manufactured but then also may wish to have a place for eating and drinking so they can sell their products. Ms. Caines informed that presently in the City of Dundee small manufacturers are allowed in the community commercial zone and small retail wineries in the community commercial zone and the central business district. She pointed out that the City has been approached by at least three different business owners/developers who wish to discuss property in the light industrial zone which they would like to open a winery but also a tasting room, which presently is not permitted. She requested feedback from Council with regard to whether or not they would consider allowing those types of uses in the light industrial zone. If this is desired by Council, Ms. Caines noted that they would work with Planning Commission to come up with code which would then be brought back through the public hearing process. C. Nelson voiced his support of this. M. Russ voiced his concerns with allowing this type of growth in the light industrial zone which he noted could potentially delay growth in the central business district which is not yet built out. He pointed out that while it is necessary to maintain a balance in the growth in Dundee, it is his belief that the existing zoning partly does that. He also pointed out that though he is not necessarily in favor of limiting business, he does feel that it is important that businesses in the light industrial zone are doing some sort of manufacturing there; a warehouse only would not suffice. C. Nelson expressed his support of this and shared that he felt it would be more appealing in the light

industrial district to include a percentage of that area for retail and wine tasting rather than a truly industrial use.

C. Svicarovich raised the topic of parking and access along with the volume of people frequenting an industrial area which may not have necessarily been planned for that activity level. She expressed concerns about putting some controls on that to mitigate those potential challenges as they arise. Additional discussion ensued. M. Russ suggested the idea that businesses be required to meet retail parking standards for the amount of retail space that they have.

C. Adlong inquired as to whether the State requires the City to maintain specific percentages with regard to light industrial and commercial zoning. Ms. Caines confirmed that the City still does need to make sure that those properties are available. She pointed out that this is likely the reason that in areas that have placed code allowances there are restrictions in place also. Additionally, Ms. Caines noted that before moving forward she would like to check with the DLCDC to make sure that anything being done is not putting that balance in jeopardy. C. Adlong pointed out that light industrial zoning doesn't have the same requirements for things such as landscaping and screening or parking. She expressed her opinion of the importance of limiting blending of the zones. Additional thoughts and ideas with regard to this were discussed, and it was noted that many of these issues would be addressed during the process. C. Nelson pointed out that he would rather see a slightly more attractive building where people might want to go instead of a large warehouse with fencing in some of the light industrial areas. He stressed the importance of following the rules, but noted that this seems a potential way to assist in developing some light industrial lands that haven't yet been developed. M. Russ pointed out that while he doesn't wish to block growth; decisions regarding this type of growth should be made carefully.

A motion was made and seconded to initiate a Type V land use procedure to research and prepare an amendment to the Zoning Use Table allowing greater flexibility of uses in the Light Industrial Zone, including appropriate special use standards, and updates to lot and development standards for the Light Industrial Zone. **The motion** passed unanimously.

Council Concerns and Committee Reports

C. Svicarovich announced that she has accepted a position in the engineering department at the City of Newberg.

Mayor's Report

M. Russ noted that he has observed the river design being placed on the overpass area of the fishhook. He also has observed that most of the weeds have been removed from the sidewalks and gutter areas of Highway 99W. C. Weaver pointed out that several private businesses have also cut grass and weeds which is a big improvement.

City Administrator's Report

C.A. Daykin reviewed that the hearing from DEQ was held last Tuesday with regard to the Biosolids and noted that there was only one person who came to testify at the hearing. C.A. Daykin informed that himself along with a DEQ Hearings Officer, a soil scientist for DEQ, Michael Humm and Brooks Harrison with Kennedy/Jenks were present at the hearing. C.A. Daykin explained that there was an initial 20 minute presentation followed by a two-hour time period of addressing the concerns from the one individual present. Many questions were answered though he pointed out that she never did testify. She was informed by DEQ that the testimony portion involved making comments into a tape recorder. She opted to complete the written response to DEQ which has already been completed. C.A. Daykin explained that this person lives next to the Derrick property, which is the smaller property that is closer to Dundee as well as more cost effective for the City to use for biosolids land application. He discussed the

specific concerns made by this individual. C.A. Daykin advised that that comment period for the hearing ended last Friday and DEQ is responsible for taking all of the comments that came in and address them back to the people who provided those comments and for the record. He is unsure how long this process will take. It is his belief that DEQ is not going to place any extraordinary restrictions on the City to allow the property to be used. The Derrick property was noted to be absent of fencing while the other property is only partially fenced; it is a requirement that if Dundee land applies the Class B biosolids there must be a barrier from others coming onto the property for a period of at least one year post-application. C.A. Daykin explained that there has been discussion with the farmer and the contractor (Tribeca) with regard to the fence issue and how that will be handled. He informed that at this point the City is still negotiating with Tribeca for some more information on how to come up with the costs for the pumping. C.A. Daykin noted that he does expect to move forward on this process though he is waiting for the authorization from DEQ at this time.

C.A. Daykin informed that the radar speed limit light on Ninth Street has finally been installed and is now in operation. He noted that he inquired with the police department whether they could do another study in the future which could show whether there has been an overall reduction in speed with the placement of the display. M. Russ inquired as to why the location on Ninth Street was chosen as a site for the radar speed limit sign. C.A. Daykin advised that the police department was asked where the best location for the sign would be and the described site was selected. Additional detailed discussion ensued. C. Weaver praised the efforts involved in getting the sign placed.

C.A. Daykin informed that Mr. Wiltshire did fulfill all of the requirements so we did record the ordinance to vacate the parking lot and access easement previously discussed. He noted that unfortunately Mr. Wiltshire informed him that the sale of the property did fall through, but at least the property now is perhaps easier to market and sell with this change in the easements.

Public Comment

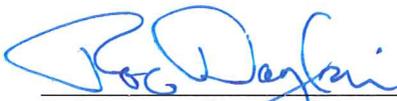
None.

The meeting was adjourned at 8:00 P.M.



David Russ, Mayor

Attest:



Rob Daykin, City Administrator/Recorder