

**CITY COUNCIL MEETING
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September 19, 2017**

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**City of Dundee
City Council Meeting Minutes
September 19, 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 Kristen Svcarovich, Ted Crawford, Tim Weaver, Doug Pugsley, Jeannette Adlong; and Storr Nelson. Staff members: Rob Daykin, City Administrator; Shelby Rihala, City Attorney; and Melissa Lemen, Administrative Assistant.

Public Attendance

Noah Grodzin, Malissa Johnson and Sarah Blanchard, Verizon Wireless; and Doug Rux, Community Development Director, City of Newberg.

Agenda Changes

Addition: Item 6.2 Sludge Removal Bid Adjustment – Discussion

Public Comment

None.

Consent Agenda

The motion was made and seconded to approve Consent Agenda Item 5.1 City Council Minutes, September 5, 2017. **The motion** passed unanimously.

Old Business

Land Lease – Verizon Cell Tower

C.A. Daykin reviewed that at a prior City Council meeting that he and Shelby Rihala, City Attorney, presented the final draft of the lease that the two parties had negotiated. He pointed out that Council had discussed the process for obtaining permits. It was noted that in the lease itself that once the ground lease is executed Verizon would then have two years from that date to obtain all permits, otherwise the lease would terminate; it could terminate sooner at Verizon's option if it appears the site is no longer desired. C.A. Daykin suggested it would be appropriate to go ahead and authorize execution of the lease. He reviewed the basic terms of the lease as noted on his agenda report.

C. Crawford inquired as to whether it is known when this item will go before the Planning Commission again to which C.A. Daykin advised he does not. C.A. Daykin reviewed that at the previous Planning Commission meeting they deferred taking action until their September 20, 2017 meeting. He noted that the intent of their decision appeared to be to deny; there was no discussion of any kind of mitigation or conditions of approval. Planning Commission directed the Planner to provide the supporting findings. Verizon elected to withdraw their application. C.A. Daykin informed that his understanding from discussion with Verizon is that they intend to reapply following some modifications to the application. M. Russ inquired as to whether or not there was significant public input at that meeting. C.A. Daykin reviewed that Planning Commission heard from a number of different people and he reviewed some of the public concerns. Discussion ensued with regard to the events at the Planning Commission meeting.

C.A. Daykin reviewed additional details pertaining to the lease. He pointed out that there is a benefit for the City in moving forward with the lease because significant staff resources were expended negotiating the lease; by execution the City will recover some of those costs. If the permitting process fails or Verizon chooses to walk away, those monies will still be collected by the City.

Noah Grodzin approached Council and advised that though he does not have a formal presentation, he is present to discuss the lease and details pertaining to the hearing, as well as answer any questions. Mr. Grodzin reviewed that presently the lease is at \$2,500 per month; he asked the Council to consider negotiating the monthly lease amount down to \$2,000. Mr. Grodzin informed that the \$2,500 monthly amount is on the high end of their present leases. He also noted that the lease still requires approval from Verizon's upper management, and negotiating this monthly rate down some will help aid in gaining their approval. C. Crawford and C. Pugsley expressed that they are in favor of the \$2,500 monthly lease amount. M. Russ pointed out that negotiations on the monthly fee began at over \$3000 per month originally, and the price of \$2,500 had already been negotiated. C. Pugsley inquired as to how the \$2,500 per month amount compares to other similar sites in the Willamette Valley. Mr. Grodzin advised that he does not have an analysis available, but he believes it to be considered a higher amount, possibly in the top 5-10%. Additional discussion ensued. C.A. Daykin reviewed that Verizon had provided the \$2,500 per month initial offer to City Council. Mr. Grodzin pointed out that if the lease would have been signed back then it likely would have been approved at that time. The consensus of the Council was in favor of the \$2,500 monthly lease amount to remain the same. A **motion** was made and seconded to authorize the City Administrator to execute the land lease agreement with Verizon subject to final review and approval by the City Attorney. **The motion** passed unanimously.

Sludge Removal Bid Adjustment

C.A. Daykin reviewed that removal of the sludge from the WWTP commenced mid-last week, with hauling done on Saturday as well. The recent rain has brought the process to a standstill. He noted that the total amount of sludge removed up to this point is approximately 297,000 gallons, about 16% of what needs to be removed. C.A. Daykin informed that the reason he has asked for consideration of this adjustment is that in reviewing the budget, the City had more money coming into the sewer beginning fund balance than anticipated in the budget process, approximately \$16,000 more. C.A. Daykin asked Council for consideration of increasing the \$85,000 budget to \$100,000 to allow for more sludge removal. He noted that the \$85,000 budget would allow for removal of approximately 45% of sludge in storage at this time; increasing this amount to \$100,000 would allow for approximately 55% of stored sludge to be removed. C.A. Daykin noted that there will still be a considerable amount of sludge that will ultimately need to be removed in the future.

C.A. Daykin informed that on the first day hauling began he did receive a call from a very irate neighbor. Detailed discussion regarding additional details ensued. Though this neighbor suggested that someone had told her that the City of Dundee wasn't going to use that site and, therefore, she didn't need to attend the hearing, she was assured that this information did not come from the City. Additionally, it was noted that the neighbor made contact with the farmer who then made contact with Michael Humm and asked him to stop hauling. The farmer indicated that he lives in the community and would like to maintain good relations with the community. C.A. Daykin advised that the decision was made for the City to continue hauling. It was noted that WWTP Operator, Todd Miller, was present at the site on the first day of hauling and informed that there was very little odor from what had been laid down. Details pertaining to the contract with the property owner were reviewed. C.A. Daykin informed that the property owner

is required to provide 180 day notice prior to terminating the agreement. C.A. Daykin noted that at this time as much hauling as possible will be done. C. Pugsley inquired as to whether the DEQ provides an education program regarding solid waste management to the public. C.A. Daykin informed that DEQ attend the public hearings and they have the soil scientists present at the public hearings as well. He noted that they do a very good job for those who attend the hearing. Additional discussion ensued. In the future, the City may take a more proactive approach with regard to potential land use sites.

C. Svcarovich inquired about the previously discussed upfront capital costs involved with fencing, etc. C.A. Daykin pointed out that the City had to pay for the costs associated with the barrier fencing which has already been installed.

C. Weaver inquired as to how long the odor remains in the area following the land application. C.A. Daykin advised that they were told by the DEQ soil scientist that once the liquid evaporates, there would be no noticeable odor. At the time the biosolids were applied when they were wet, Todd Miller had noted the odor to be barely detectable. C.A. Daykin reviewed that it is known from OSU that this product has a very beneficial use for application on agricultural fields. The farmers do want it; it replaces chemical fertilizers. The consensus of the Council was to move forward with the increase in the sludge removal budget by \$16,000 to a total of \$100,000. C.A. Daykin informed that ultimately this may require a supplemental budget in order to make the change depending on how expenses turn out for the rest of the year.

C. Nelson inquired as to whether or not there is a plan to begin to do some legwork to try to find additional sites. C.A. Daykin indicated that he spoke with Michael Humm with regard to a long-term option. He briefly discussed several options with Mr. Humm and noted that City Council may want to revisit this issue. Discussion ensued regarding potential future options as well as how other cities in the county manage this issue.

New Business

Employee Handbook Update

C.A. Daykin reviewed that City Staff have begun the process of reviewing the Employee Handbook. Presently vacation time, sick leave, long-term disability and holiday leave hours are being reviewed.

Vacation: The comparison chart on page 29 was reviewed. It was noted that once Dundee city employees reach year 5-6 of employment, there isn't an increase in vacation accrual for ten years. C.A. Daykin reviewed the proposed addition of another five-year tier which would provide an interim between the 120 and 160 hours; the proposal is 144 hours for years 11-15 of employment. C.A. Daykin noted that this is in line with what other communities provide and also offers an additional incentive. Additional discussion ensued. The consensus of the Council was to support the proposed accrual of 144 hours for employees working years 6-10.

In addition, it was noted that the Fire Chief and other exempt positions (which do not earn overtime) oftentimes work in excess of 40 hours a week. Not only does the Fire Chief work extra hours, but it is also very difficult for him to get away. C.A. Daykin suggested potentially drafting up a policy that would allow the exempt employees (department directors only) some opportunity to buy down excess vacation time on an annual basis if desired. Detailed lengthy discussion ensued with regard to exempt employees (specifically the Fire Chief position) and the challenges faced with regard to using vacation time. Concern was expressed with regard to the need of employees taking their earned vacation time, as well as the difficulties in staffing while employees are out on vacation. C.A. Daykin pointed out that at one time there were three

lieutenants in the volunteer fire department; presently there is only one. Employee fire fighter Brandan McGarr was noted to have the ability to supervise and take command as well. C.A. Daykin also pointed out that the volunteers at the fire department are not staying with the Department long enough to reach lieutenant status. The importance of having supervisory staff present at all times was discussed, especially with regard to a major event or emergency. C. Weaver stressed the importance of taking care of our employees with regard to their allotted vacation time.

C. Adlong expressed concern that our maximum vacation accrual may be too low. C.A. Daykin acknowledged her concern but advised that he would prefer employees to take vacation hours off as they are accrued which also lessens that potential liability upon termination. He expressed interest in exempt director positions, if they are not able to take vacation, being allowed the opportunity to buy down up to 40 hours of vacation time per year. M. Russ shared his support of allowing employees to buy down up to one-third of their annual vacation accrual for the year. The consensus of the Council was to support this as well.

C.A. Daykin inquired whether or not Council would consider allowing negotiation of vacation accrual when recruiting employees in department head positions. Candidates for these positions oftentimes have a certain amount of municipal experience. For those employees, C.A. Daykin expressed support for the City Administrator to negotiate a different initial vacation accrual rate based on their qualified experience. M. Russ supported negotiating some upfront vacation as a sign-on bonus rather than setting the employee to a significantly higher tier. Discussion ensued. C.A. Daykin informed that presently under the Municipal Code the City Council has the authority to approve appointments to the Department Director positions. In this regard, C.A. Daykin further explained, that it could be written that determinations could also be made regarding their entry vacation adjustments.

Sick Time Accrual and Short & Long-term Disability: C.A. Daykin reviewed that City of Dundee employees accumulate sick time at 8 hours per month per employee, with a maximum of 960 hours of accrual. Detailed discussion ensued. In an effort to limit that liability and to recognize the limitations of the City budget, C.A. Daykin suggested that sick time accrual amount be lowered. He also suggested the option of the City purchasing a long-term disability program for employees to potentially help offset this reduction. Thus, at the end of 90 days of a qualified event, then the employee would receive direct benefit payments for the long-term disability. Discussion ensued. C.A. Daykin proposed reducing the accumulation of sick time to 600 hours, and providing a long-term disability plan. The proposed CIS Plan is a 60% plan with a maximum monthly benefit of \$3,600 per month. Additional details pertaining to the policy were discussed. C.A. Daykin reviewed that under the City's present donated leave option, an employee can elect to donate up to 216 hours to another employee who has already consumed all of their vacation and sick time for being off due to a qualified event. C.A. Daykin pointed out the potential liability for the City given this scenario. Lengthy discussion ensued. C. Pugsley voiced his support of lowering the sick time accrual to 600 hours. C. Nelson supported the present sick time accrual unless there is some type of a reward program for those not using their sick time over the course of the year. M. Russ inquired as to whether or not unused sick time is paid at the time of termination to which C.A. Daykin confirmed that it is not.

C.A. Daykin reviewed that the City has three Tier 1 PERS employees who would be eligible upon termination to convert one-half of their accumulated sick hours into a value that is used to calculate their final average salary, thus extending their retirement benefit. It was noted that this only applies to these three employees and only if they opted to take the formula method as opposed to the money match method (in which case it wouldn't apply). He pointed out that his thought was to allow those employees who have already accumulated over 600 hours of sick time

to maintain those hours, though once used down below the decided upon maximum amount of sick hours, no new hours will be added above the established limit. C. Weaver shared that he does not know of anyone who has taken the formula option and had half of their sick time factored in. Pros and cons regarding sick time accumulation were discussed at length. C. Adlong pointed out that long-term disability can be difficult to qualify for during times when it may be needed and is not a guaranteed benefit. Cost details of the long-term disability plan were reviewed as noted in the agenda report. C. Crawford voiced his support of offering a long-term disability program to City employees, especially given the fact that Dundee is one of only three cities in the county who do not already offer this. C.A. Daykin reviewed short-term disability this is an optional benefit for employees where it can be individually opted into through CIS or through AFLAC. The employee is required to pay the premium cost for short-term disability. The consensus of the Council was to move forward with the present sick time accrual of 960 hours, and not add the long-term disability benefit at this time.

Holidays: Briefly reviewed. No changes to this schedule were recommended.

Council Concerns and Committee Reports

C. Crawford requested a report with regard to present City job descriptions, including Step raises provided, which were developed a few years ago. He explained that he would like to know how successful this has been and what the current status for all employees is. C.A. Daykin explained that the step raises have been provided to employees as part of the annual evaluation process. C. Crawford would like to review the progress for employees since the program was implemented approximately five years ago. C.A. Daykin advised that he has informed employees that the City is looking at re-addressing that salary schedule as job descriptions will be updated again. Additional discussion ensued regarding a potential change in a fire department position, as well as the importance of making sure the WWTP operator position remains competitive in case recruitment for that position is required. C.A. Daykin advised that he will put together the information requested in comparison to other similar cities as well.

C. Svcarovich reviewed that the "Play On The Bypass" event is scheduled for Saturday, September 23, 2017. She inquired as to whether other Council members will attend. Discussion ensued with regard to the details of the event and it was noted that there will not be a booth/table set up for the City at the event.

Mayor's Report

None.

City Administrator's Report

C.A. Daykin provided Council with a copy of an email he received today from Aroun Xaybanha from Portland General Electric with regard to the Decorative Street Light Conversion Program. He reviewed that on September 27, 2017 PGE will be installing the test site on Scotsman Court (a Town & Country light was selected to be converted to the LED variety). He informed Ms. Xaybanha that Council was in favor of moving forward with the conversion of the acorn lights as soon as they can begin this process; she had thought Council had wanted to wait until the completion of the test site was done. It was noted that the replacement process will take a couple of months by the time parts are ordered and received, though C.A. Daykin pointed out that the net annual cost increase for the conversion is about \$940.00 per year, a little less than previously reported. However, when the conversion of the Town & Country lights is complete there will be a reduction of approximately \$600 per year, resulting in a net annual increase of \$340 per year to fully convert the remaining decorative lights to comply with City standards.

C.A. Daykin advised that the crack seal program will begin next Monday (September 25th) and will be completed in approximately two days. He informed that City Staff will work with the contractor to ensure that correct coverage is applied for the critical streets.

C.A. Daykin discussed the Serve Day event that took place on September 13, 2017. He reviewed some of the projects completed including the plantings in front of Dundee Elementary school, clean-up at City Hall, and gravel work on the Harvey Creek Trail.

C.A. Daykin informed that CPRD should be completing additional areas of plantings along Highway 99W soon.

Public Comment

None.

The meeting was adjourned at 8:12 P.M.



David Russ, Mayor

Attest:

Rob Daykin, City Administrator/Recorder