

**John Day City Council**  
**June 26, 2012**  
**7:00 PM**  
**Council Chambers**  
**AGENDA**

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF JUNE 12, 2012**
3. **APPEARANCE OF INTERESTED CITIZENS – At this time Mayor Lundbom will welcome the general public and ask if there is anything they would like to add to tonight’s agenda.**

**ACTION ITEMS:**

4. **DISCUSS REQUEST FROM RICHIE COLBETH TO RECONSIDER PRAYER & PLEDGE BEFORE COUNCIL MEETINGS**  
Attachments:
  - June 18, 2012 letter from Mr. Richie Colbeth
  - Minutes of the April 26, 2011 council meeting
5. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-683-07, A RESOLUTION ESTABLISHING WATER RATES, DEPOSITS, AND OTHER RELATED CHARGES**  
Attachments:
  - Resolution No. 12-683-07
  - Minutes of the March 20, 2012 Budget Committee Meeting
6. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-684-08, A RESOLUTION TO ESTABLISH SEWER SERVICE AND CONNECTION CHARGES**  
Attachment:
  - Resolution No. 12-684-08
7. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-685-09, A RESOLUTION TO ADOPT FISCAL YEAR 2012-2013 BUDGET**  
Attachments:
  - Resolution No. 12-685-09
  - Budget Worksheets showing revisions
  - Revised Budget for FY 2012-2013
8. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-686-10, A RESOLUTION TO APPROPRIATE FISCAL YEAR 2012-2013 BUDGET**  
Attachment:
  - Resolution No. 12-686-10

9. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-687-11, A RESOLUTION TO IMPOSE AND CATEGORIZE TAXES FOR FISCAL YEAR 2012-2013 BUDGET**

Attachment:

  - Resolution No. 12-687-11
10. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-688-12, VOLUNTEER WORKER'S COMPENSATION RESOLUTION FOR COVERAGE YEAR 2012-2013**

Attachment:

  - Resolution No. 12-688-12
11. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-689-13, A RESOLUTION TO TRANSFER APPROPRIATIONS BETWEEN CATEGORIES WITHIN THE WATER FUND IN THE FY 2011-2012 BUDGET**

Attachment:

  - Resolution No. 12-689-13
12. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-690-14, A RESOLUTION TO TRANSFER APPROPRIATIONS BETWEEN CATEGORIES WITHIN THE JOINT SEWER FUND IN THE FY 2011-2012 BUDGET**

Attachment:

  - Resolution No. 12-690-14
  -
13. **DISCUSS FOR ADOPTION RESOLUTION NO. 12-691-15, A RESOLUTION TO TRANSFER APPROPRIATIONS BETWEEN CATEGORIES WITHIN THE STREET FUND IN THE FY 2011-2012 BUDGET**

Attachment:

  - Resolution No. 12-691-15
14. **DISCUSS FOR SIGNATURE DISPATCH CONTRACT AGREEMENTS WITH GRANT COUNTY SHERIFF'S OFFICE AND GRANT COUNTY AMBULANCE FOR FY 2013**

Attachments:

  - Dispatch Agreements for the Sheriff's Office and Grant County Ambulance
15. **DISCUSS FOR SIGNATURE SPECIAL EVENT AGREEMENT WITH JIM BAY, D/B/A JOHN DAY FARMERS MARKET**

Attachment:

  - Special Event Agreement
16. **DISCUSS FOR SIGNATURE THE FIRST EXTENSION TO PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF JOHN DAY AND OSTER PROFESSIONAL GROUP**

Attachment:

  - First Extension to Professional Services Agreement between the City of John Day and Oster Professional Group
17. **DISCUSS RECOMMENDATION FROM THE CITIZENS ADVISORY COMMITTEE FOR THE NEW FIRE STATION**
18. **DISCUSS 2013 LEAGUE OF OREGON CITIES LEGISLATIVE PRIORITIES**

Attachments:

- Letter from LOC Legislative Director Craig Honeyman w/attachments

## **OTHER BUSINESS:**

### **19. OTHER BUSINESS AND UPCOMING MEETINGS**

Attachments:

- June 8, 2012 and June 15, 2012 issues of the LOC Bulletin

## **ADJOURN**

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss request from Richie Colbeth to reconsider prayer & pledge before council meetings

Attachments:

- June 18, 2012 letter from Mr. Richie Colbeth
- Minutes of the April 26, 2011 council meeting

**BACKGROUND:**

Included in your council packets is a letter from Mr. Richie Colbeth requesting the John Day City Council to reconsider saying a prayer and the Pledge of Allegiance before each city council meeting. This was previously brought before the John Day City Council at the April 26, 2011 council meeting. The minutes to that meeting are attached; see Agenda Item No. 10.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-683-07, a Resolution establishing water rates, deposits, and other related charges

Attachments:

- Resolution No. 12-683-07
- Minutes of the March 20, 2012 Budget Committee Meeting

**BACKGROUND:**

During this year budget process, it was the consensus of the John Day Budget Committee to increase water rates by \$2.00 to the base rate for the first 4,000 gallons and to revisit the water rates again in January. The last time the City increased water rates was in fiscal year 2010-2011. We did not raise water rates last year as a result we did not keep up the cost of inflation or provide for adequate reserve funding, as such, it reflects in this year's proposed budget. We forget inflation is cumulative in that this year's inflation carries over to next year and so on. As a result we were only able to transfer \$11, 673 to the water replacement reserve fund in the proposed budget compared to the \$20,000 as in the current year's budget.

As we have a new Mayor and to help refresh the City Councilors memories; I have included the minutes of the March 20, 2012 Budget Committee Meeting. Here you can find the Budget Committee's discussion regarding utility rate increases during the budget meeting.

Resolution No. 12-683-07 is basically the same as last year's resolution; however, it increases the base rate from \$27 per month for the first 4,000 gallons of water usage to \$29 per month for the first 4,000 gallons of water usage.

**RECOMMENDATION:**

The John Day City Council adopts Resolution No. 12-683-07.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-684-08, a Resolution to establish Sewer Service and Connection Charges

Attachment:

- Resolution No. 12-684-08

**BACKGROUND:**

Basically this is the same discussion as in the previous agenda item only this time it is to raise sewer rates by \$3.00 per month. Sewer fund has the same issue with not keeping up with the cost of inflation as with the water fund. In the sewer fund we were only able to budget \$2,157 to the Sewer Collection Replacement Fund compared to the \$25,000 in the current year.

Resolution No. 12-684-08 raises sewer rates by \$3.00 per month as recommended by the John Day Budget Committee. The residential sewer rate will increase from the current \$34.00 per month to \$37.00 per month. The John Day Budget Committee suggested the John Day City Council revisit sewer rates again in January as previously discussed in the water resolution.

December 2011, the John Day City Council received the City's annual audit report from Mr. Bailey of Guyer & Associates. In the City's management letter Mr. Bailey identified issues during the City's annual audit that he recommended we consider. One of them was our rate structure for the sewer fund. The current rate structure causes the need for many customers to seek adjustments to their sewer bill during the irrigation season. Mr. Bailey suggested an alternative to the current method to base the customer's sewer rate on an average of the water usage during the winter months. This would be a time period which would exclude high irrigation water usage and reduce the need for customer adjustments.

In 2010 we changed our rate structure for the sewer based on water usage for the first 8,000 gallons of water used. Additional usage was charged at \$0.00250 per gallon of water usage for each gallon over 8,000 gallons. For commercial and industrial users that use City water for irrigation or other outside use, a letter of request need to be made to the City to waive sewer rates on the portion of water used for such purposes. This method created a lot of unhappy customers and the need for many sewer credit adjustments. Mr. Bailey's suggestion was well received as the winter water average is the rate structure the City used prior to 2010 and staff agreed this is the best method to figure sewer usage. Resolution No. 12-684-08 reflects Mr. Bailey's suggestion and goes back to how the City originally calculated sewer charges prior to the change in 2010.

**RECOMMENDATION:**

The John Day City Council adopts Resolution No. 12-684-08.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-685-09, a Resolution to Adopt Fiscal Year 2012-2013 Budget

Attachments:

- Resolution No. 12-685-09
- Budget Worksheets showing revisions
- Revised Budget for FY 2012-2013

**BACKGROUND:**

Attached is the revised budget for FY 2012-2013. There were two issues that needed to be revised in the proposed budget. You will find the recommended changes highlighted in yellow as follows:

Fire – Motor Pool Fund: Recommended changes are due to the purchase of a used command vehicle for the Fire Chief. The John Day City Council was informed that the City purchased a 2003 Chevrolet Tahoe at their April 24, 2012 council meeting.

<u>Motor Pool – Fire</u>	<u>Approved by Budget Committee</u>	<u>Adopted by Council</u>	<u>Increase (decrease)</u>
66360 (050)	\$ 15,000	-0-	(\$15,000)
66370 (050)	\$ 17,480	\$22,280	\$ 4,800
40110 (110)	\$180,577	\$170,377	(\$10,200)

Dispatch – Formula error on Budget Committee approved budget discovered during the publication process. The \$450 transfer to Motor Pool was not included in the Department Total Expenditures & Contingency total. This required a reduction of the Equipment Replacement line item to create a balanced budget.

<u>9-11 Dispatch</u>	<u>Approved by Budget Committee</u>	<u>Adopted by Council</u>	<u>Increase (decrease)</u>
65090 (040)	\$11,830	\$11,380	(\$450)

**RECOMMENDATION:**

These recommended changes are in compliance with Oregon Budget Law. The John Day City Council has the authority to reduce the proposed budget without having to go back to the Budget Committee for their approval. I recommend the John Day City Council adopts Resolution No. 12-685-09.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-686-10, a Resolution to Appropriate Fiscal Year 2012-2013 Budget  
Attachment:  
• Resolution No. 12-686-10

**BACKGROUND:**

This resolution appropriates Fiscal Year 2012-2013 budget.

**RECOMMENDATION:**

The John Day City Council adopts Resolution No. 12-686-10.



**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-687-11, a Resolution to Impose and Categorize Taxes for Fiscal Year 2012-2013 Budget

Attachment:

- Resolution No. 12-687-11

**BACKGROUND:**

This resolution imposes and categorizes taxes for Fiscal Year 2012-2013 budget.

**RECOMMENDATION:**

The John Day City Council adopts Resolution No. 12-687-11.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-688-12, Volunteer Worker's Compensation Resolution for Coverage Year 2012-2013  
Attachment:  
• Resolution No. 12-688-12

**BACKGROUND:**

This resolution is required annually by City County Insurance Company (CIS) for workers' compensation coverage to provide for the class of volunteer workers listed on the City's Volunteer Roster for the John Day Volunteer Fire Department and the John Day Police Department Reserves. This resolution assumes a monthly wage of \$1,000 to be used for public safety volunteers.

**RECOMMENDATION:**

The John Day City Council adopts Resolution No. 12-688-12.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-689-13, a Resolution to Transfer Appropriations between Categories within the Water Fund in the FY 2011-2012 Budget

Attachment:

- Resolution No. 12-689-13

**BACKGROUND:**

Attached is Resolution No. 12-689-13 to transfer appropriations between categories within the Water Fund. The transfer of appropriation is needed to meet personnel services expenditures at the end of June.

**RECOMMENDATION:**

The John Day City Council Adopts Resolution No. 12-689-13.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-690-14, a Resolution to Transfer Appropriations between Categories within the Joint Sewer Fund in the FY 2011-2012 Budget

Attachment:

- Resolution No. 12-690-14

**BACKGROUND:**

Attached is Resolution No. 12-690-14 to transfer appropriations between categories within the Joint Sewer Fund. The transfer of appropriation is needed to meet personnel services expenditures at the end of June.

**RECOMMENDATION:**

The John Day City Council Adopts Resolution No. 12-690-14.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Adoption Resolution No. 12-691-15, a Resolution to Transfer Appropriations between Categories within the Street Fund in the FY 2011-2012 Budget

Attachment:

- Resolution No. 12-691-15

**BACKGROUND:**

Attached is Resolution No. 12-691-15 to transfer appropriations between categories within the Street Fund. The transfer of appropriation is needed to meet personnel services expenditures at the end of June.

**RECOMMENDATION:**

The John Day City Council Adopts Resolution No. 12-691-15.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Signature Dispatch Contract Agreements with Grant County Sheriff's Office and Grant County Ambulance for FY 2013

Attachments:

- Dispatch Agreements for the Sheriff's Office and Grant County Ambulance

**BACKGROUND:**

Included in your council packets are the dispatch agreements for the Sheriff's Office and Grant County Ambulance for FY 2013. These contracts are included in the FY 2013 budget.

**RECOMMENDATION:**

The John Day City Council allows Mayor Lundbom to sign the dispatch contracts for the Grant County Sheriff's Office and the Grant County Ambulance for FY 2013.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Signature Special Event Agreement with Jim Bay, d/b/a John Day Farmers Market  
Attachment:  
• Special Event Agreement

**BACKGROUND:**

The Farmers Market began their third season on June 16, 2012. Included in your council packet is the revised version of the Farmers Market Special Event Agreement for the Council's consideration. The major revisions of the agreement are as follows:

- ORS 648.007 provides that no person shall carry on, conduct, or transact business under an assumed business name in a county where the business is located unless the person has registered the assumed business name. Jim Bay has registered the name of the John Day Farmers Market with the Oregon Secretary of State as the authorized representative. As such, the agreement has been revised so that only Mr. Bay has been made a party to the agreement with City of John Day; previously the entire Board of Directors was listed.
- City attorney Jeremy Green, included language in the agreement that provides the City the ability to "extend" the term of the agreement by obtaining the City's prior written consent, which consent the City may condition and/or withhold in its sole discretion (see last sentence under 1. Permission).

**RECOMMENDATION:**

Mr. Bay has reviewed and signed the Special Event Agreement. The event began June 16, 2012 and will be held each Saturday to October 20, 2012. The event will be held at the same location as in previous years at the City block of SW Brent Street between Sterling Bank and the Bank of Eastern Oregon. Mr. Bay has provided the proof of insurance as required in the agreement.

This event has become very popular with community and draws people not only from within the county but as well as from the surrounding counties to downtown John Day. I recommend the John Day City Council allows City Manager Gray to sign the Special Event Agreement between the City of John Day and Jim Bay, d/b/a John Day Farmers Market.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss for Signature the First Extension to Professional Services Agreement between the City of John Day and Oster Professional Group

Attachment:

- First Extension to Professional Services Agreement between the City of John Day and Oster Professional Group

**BACKGROUND:**

In November 2010, the City of John Day entered into an agreement with Oster Professional Group to perform the duties of the City's City Recorder. The Agreement expires June 30, 2012. Under Section 4.1 Term of Agreement it states the Agreement may be extended for one or more additional terms of one year each upon the parties' mutual written agreement not less than ninety (90) days prior to the expiration of the applicable term.

I have spoken with Bob Armstrong of Oster Professional Group asking him if he is interested in renewing the contract with the City of John Day. Mr. Armstrong responded stating that they had discussed this matter and do not see any reason to change the agreement and from their perspective, they would very much like to see the contract renewed effective July 1, 2012.

The services provided by Oster Professional Group have been consistent with my expectations and I hope the John Day City Council agrees. Anna Bass and Amy Walker have been great to work with; reports are timely and are available to answer any questions or concerns. I appreciate the administration staff and their adaption to the new process, losing a full time position in the office has been difficult at times; however Tammy and Julie transitioned smoothly with no complaints.

I contacted city attorney Jeremy Green asking him to prepare an extension to the current agreement for one year beginning July 1, 2012 which you will find in your council packets.

**RECOMMENDATION:**

The John Day City Council allows City Manager Gray to sign the First Extension to Professional Services Agreement extension between the City of John Day and Oster Professional Group.



**TO:** John Day City Council  
**FROM:** Peggy Gray, City Manager  
**DATE:** June 22, 2012  
**SUBJECT:** Discuss Recommendation from the Citizens Advisory Committee for the new Fire Station

**BACKGROUND:**

The City received four proposals for the Fundraising and Capital Campaign Advisory Services for the construction of a new fire station. The Selection Panel interviewed the top three candidates on June 13, 2012. The Selection Panel met with the members of the Citizens Advisory Committee on Thursday, June 21<sup>st</sup> to discuss their recommendation with them.

The Selection Panel discussed the interview process with the Citizens Advisory Committee and stated all of the interviews were good and it was a very difficult choice. However, the Selection Panel felt Stan Foster of PARC Resources was the best fit for our community and recommended Stan Foster of PARC, Bend, OR to provide Fundraising and Capital Campaign Advisory Services for the construction of a new fire station.

Tom Sutton and Jim Spell, members of the Citizens Fire Committee stated they felt hiring a consultant was the best direction to take and agreed with the Selection Panel's decision to recommend Stan Foster of PARC Resources to the John Day City Council.

**RECOMMENDATION:**

Mr. Foster's proposed schedule of work outlines the activities, timeframe and costs. He has proposed a twenty-four (24) month process with extensive local meetings, monthly conference calls, written reports, and an aggressive grant strategy that would result in 8-10 actual grant applications submitted on behalf of the project. In addition, PARC Resources offers capital campaign services for a local fund-raising effort by the community to seek private donations as part of this campaign strategy. This support includes development of a feasibility study, a capital campaign plan, development of a "case for support", local campaign strategy, and training for volunteer fund-raisers in the John Day region. Their not-to-exceed price for completing this work as describes if \$41,658; their hourly billable rate is \$99 per hour. The current bid includes all associated travel and printing costs for interim reports and grant application submittals. Their bid includes providing electronic versions of all materials provided under the contract as well as a hard copy of each grant submitted on behalf of the project. All meetings and presentations are included in the budget, so no additional costs are expected unless the City of John Day requests additional services from PARC Resources.

The cost of Mr. Foster's services will be split between the City of John Day and the John Day Rural Fire Protection District. For the Fiscal Year 2012-2013 budget the City of John Day has \$10,000 for Architectural/Engineering Services in the General Fund and \$22,280 in the Fire Department's Motor Pool Fund that can be transferred to the General Fund as necessary.

Fire Chief Ron Smith will meet with the John Day Rural Fire Protection District's Board as soon as possible to receive their approval and commitment to this project. Fire Chief Smith stated the Rural District has the funds to assist with the project.

The Citizens Advisory Committee has done their homework; they have checked references and believe this is the right direction for the City and the Rural Fire Protection District to take. I recommend the John Day City Council allows City Manager Gray to negotiate a contract with Stan Foster of PARC Resources for Fundraising and Capital Campaign Advisory Services.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** June 22, 2012

**SUBJECT:** Discuss 2013 League of Oregon Cities Legislative Priorities  
Attachments:

- Letter from LOC Legislative Director Craig Honeyman w/attachments

**BACKGROUND:**

For the past three months, eight policy committees have worked to identify and propose specific action as part of the League of Oregon Cities effort to develop a pro-active legislative agenda for the 2013 session. They have identified 19 legislative objectives as set forth in the attached ballot and legislative recommendation materials.

The LOC Board of Directors has made long term commitments to two issues critical to cities: revenue and land use reform. As a result of their designation as top legislative priorities on an ongoing basis neither of these issues appears on the enclosed ballot.

Each city is being asked to review the recommendations of the policy committees and provide input to the LOC Board of Directors as it prepares to adopt the League's 2013 legislative agenda. The League is asking us to review the proposals and discuss them with staff and return the ballot indicating the top four issues that our city council would like to see the League focus on in the 2013 session. The deadline for response is July 31, 2012. The board of directors will then review the results of the survey, along with the recommendations of the policy committees and determine the League's 2013 legislative agenda.

**RECOMMENDATION:**

Please review the enclosed materials; city staff will be prepared to answer any questions you may have.

**TO:** John Day City Council  
**FROM:** Peggy Gray, City Manager  
**DATE:** June 22, 2012  
**SUBJECT:** Other Business and Upcoming Meetings  
Attachments:

- June 8, 2012 and June 15, 2012 issues of the LOC Bulletin

**OTHER BUSINESS:**

1. Attached are the June 8<sup>th</sup> and 15<sup>th</sup> issues of the LOC Bulletin for your information and review.
2. Update on lot line adjustments for City encroachment issues: The applications and the preliminary plat for the property line adjustments are completed. I have mailed the Russell's application packet to them in Idaho for signatures. The Cernazanu's are currently out of town, I spoke with Jim and they will be in to review the materials as soon as they can.

**UPCOMING MEETINGS:**

June 28, 2012	10:30 a.m. Council Chambers	CIS will be here to discuss insurance plans with city employees
July 10, 2012	7 p.m.	Regular City Council meeting