

**CITY OF JOHN DAY  
CITY COUNCIL MINUTES  
JOHN DAY, OREGON**

**June 26, 2012**

**Adjourned Meeting**

**COUNCILORS PRESENT:**

Ron Lundbom, Mayor  
Steve Schuette, Council President  
Donn Willey, Councilor  
Doug Gochmour, Councilor  
Don Caldwell, Councilor  
Gene Officer, Councilor  
Chris Labhart, Councilor

**COUNCILORS ABSENT:**

**STAFF PRESENT:**

Peggy Gray, City Manager  
Rich Tirico, Police Chief

**GUESTS PRESENT:**

Jack Grubbs, 411 SW Brent, John Day  
Carolyn Stout, 112 Lamford Drive, 210 NW Canton, John Day

**Agenda Item No. 1 – Open and Note Attendance**

The John Day City Council meeting opened at 7:02 p.m. Mayor Ron Lundbom noted that all Councilors were present.

**Agenda Item No. 2 – Approval of City Council Minutes of June 12, 2012**

The minutes of the June 12, 2012 adjourned meeting were included in the agenda packets and presented for the Council's approval. **Councilor Don Caldwell moved that the minutes of June 12, 2012 be approved as presented. Councilor Donn Willey seconded the motion, the motion passed unanimously.**

**Agenda Item No. 3 - Appearance of Interested Citizens**

Mayor Ron Lundbom thanked those in attendance and asked everyone to please sign in. He asked if there were any additional items that anyone would like to add to the agenda. There were none presented.

At this time Mayor Lundbom presented former City Councilor Jack Grubbs a plaque in appreciation for his 27 years of service to the City of John Day; Planning Commissioner from 1984 - 1993; John Day City Council from 1993 – 2011.

**Agenda Item No. 4 – Discuss request from Richie Colbeth to reconsider Prayer & Pledge before Council Meetings**

Mayor Lundbom introduced the next agenda item and asked City Manager Gray to give a background. City Manager Gray stated Mr. Colbeth made a request to the City Council in April 2011 asking the Council to say a prayer and the Pledge of Allegiance before each city council meeting; at that time the Council denied the request. Now that the City has a new Mayor, Mr. Colbeth is asking the City Council to reconsider his request for the City Council to say a prayer and the Pledge of Allegiance before each council meeting.

Mr. Colbeth letter of the request and the minutes of the April 26, 2011 council meeting were included in the council packets for the council's review and consideration.

Mayor Lundbom opened the floor for discussion among the City Council. Councilor Officer stated if you look through the minutes of the April 26, 2011 council meeting; everyone expressed their opinions. Councilor Officer stated there was a lot of thought that went into and stated he hasn't changed his opinion. Councilor Officer stated he thought the prayer and the pledge were two separate issues. He stated one he could live with; the other he can't.

Councilor Donn Willey stated he hasn't really changed his stance; he's fine with it either way. He was curious what the Council did back in the eighties and asked if the City Council ever said the Pledge of Allegiance or a prayer before a council meeting? Mayor Lundbom and former Councilor Jack Grubbs stated no, as far back as they could remember the Council did not and they didn't believe it was ever brought up.

Councilor Schuette stated either way is fine with him; Councilor Caldwell said he remained the same as last time as well as Councilor Labhart.

Councilor Doug Gochnour stated he thought a lot about it today and agreed with Councilor Officer that the prayer and the Pledge of Allegiance are two separate issues. He wouldn't object at all to the Pledge of Allegiance; however, prayer is a very personal and private thing for him and it's between him and his God.

Councilor Willey agreed but he stated even the Pledge of Allegiance can become tokenism; what is really behind it? What is the motive behind it, is it just to put on an appearance? He stated he struggled with that.

Councilor Gochnour stated we all (the City Council) swore to uphold the Constitution of the State of Oregon when we took office and unless somebody wants to say it's changed; it hasn't for him. Councilor Officer agreed.

Mayor Lundbom stated he was a poor person to ask about this, he stated he would say the Pledge of Allegiance but he didn't think that we need to say it and agreed that it becomes repetitious and it doesn't mean anything here every time.

**Councilor Gochnour moved we leave the issue on the table and move on. Councilor Officer seconded the motion; the motion passed unanimously.**

**Agenda Item No. 5 – Discuss for Adoption Resolution No. 12-683-07, a Resolution Establishing water rates, deposits, and other related billings**

Mayor Lundbom introduced Resolution No. 12-683-07, a resolution establishing water rates, deposits, and other related billings. City Manager Gray stated during this year's 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 water rates again in January and do a small rate increase when citizens aren't watering their lawns. City Manager explained the last time the City increased water rates was in fiscal year 2011; water rates were not raised in FY 2012. As a result we did not keep up with the cost of inflation or provide for adequate funding in our reserve account and it reflected in FY 2013 budget. She referred to the annual audit report the Council received in December 2011. The City's auditor stated in order to keep up with the cost of inflation; we needed to raise utility rates annually.

Included in the council packets were the minutes of the March 20, 2012 Budget Committee meeting showing the discussion on raising utility rates. City Manager Gray stated Resolution No. 12-683-07 is basically the same as last year's resolution; however, it increases the base rate from \$27/month for the first 4,000 gallons of water usage to \$29/month.

Councilor Willey stated the way he understood it for the last four years is that we are just playing catch up and that we are not breaking even. If you itemize that out there are salaries, maintenance, gas, oil etc. and all the things that it takes to keep the water system going. He stated he had some phone calls about this and tried to explain the fact that we are not breaking even. One of the comments of the caller was that he never remembered hearing that the water rates would be going up. Councilor Willey stated all the public hearings had been advertised, all the agendas, minutes are online. Councilor Willey stated how much more can we do to advertise it, we're not trying to pull the wool over anyone's eyes, we're not trying to do anything in secret. The meetings are open to the public all of the time, except for executive sessions and there were no executive sessions pertaining to this. Councilor Willey stated if found it challenging to explain all of this over the phone.

City Manager Gray stated the budget message and the minutes of the Budget Committee meeting are online, explaining the changes in the budget. The financial statement was published in the newspaper that explained the increase in the utility rates. She did note that in the future she will get a newsletter out earlier in the process when the Council is proposing a rate increase. Councilor Officer noted that an explanation explaining the reserve fund and what it can be used for could be beneficial.

Councilor Willey stated he thought maybe the rate increase could have been staved off by laying off some of the public works employees and did mention that we are faced at the next juncture of job loss. City Manager Gray stated our insurance company (CIS) is coming on Thursday to give a presentation to the city employees comparing a high deductible insurance plan to our current plan. Switching plans to a higher deductible will decrease the cost of insurance for the City; City Manager Gray also noted discussions of switching insurance plans have already begun with the union as our contract expires June 30, 2013.

Councilor Officer noted that a public works employee was retiring at the end of this month and he will not be replaced. He stated we can only do away with so much; we need to be able to operate. Councilor Schuette reminded everyone there are certain mandates, regulations that we have to comply to.

Councilor Willey stated there has been a lot of discussion on Facebook about this and it's a real challenge. Mayor Lundbom stated there has been two shops in town that have raised their rates; he's had 18 of his lines raised (price increases this year). The cost of doing business does go up; we might have some challenges selling this down the road.

Councilor Labhart stated his concern was if we raise the rates only \$15,000 was going into the reserve and \$31,000 is going into Motor Pool and he had a problem with that; if it went into reserve he thought people would go for it but \$31,000 is going into Motor Pool.

City Manager Gray stated the transfer to the Motor Pool was a Public Works Department recommendation. We buy all of our public works equipment used and now it's old and needs to be replaced. Councilor Willey agreed that its part of the public works infrastructure and it was discussed in the Budget Committee meeting.

**Councilor Gochnour moved to adopt Resolution No. 12-683-07. Councilor Labhart seconded the motion; the motion passed unanimously.**

**Agenda Item No. 6 – Discuss for Adoption Resolution No. 12-684-08, a Resolution to Establish sewer service and connection charges**

Mayor Lundbom introduced Resolution No. 12-684-08, a resolution to establish sewer service and connection charges. City Manager Gray stated this is basically the same issue as with the water rates where, again, we aren't keeping up with the cost of inflation. It was the consensus of the Budget Committee to increase sewer rates by \$3.00 to the base rate from \$34.00 per month to \$37.00 per month. We were only able to transfer \$2,157 to the Sewer Collection Replacement Fund for FY 2013 compared to \$25,000 in the current year. She also noted that the new sewer treatment plant still hangs over our heads and our sewer rates need to be at a certain rate before we can get USDA Rural Development funding in order to build the new treatment plant (could be up to \$56/month). At the Budget Committee meeting it was discussed to try to raise rates slowly; if we put it off then it would be a drastic increase all at one time. Councilor Labhart noted that is what happened in Prairie City.

City Manager Gray also noted she revised the resolution as per the recommendation from the city auditor regarding the current rate structure for the sewer based on water usage for the first 8,000 of water used; additional usage was charged at \$0.00250 per gallon of water usage for each gallon over 8,000 gallons. This method was adopted in 2010; for commercial and industrial users that used City water for irrigation, a letter of request was needed to be made to the City to waive sewer rates on the portion of water used for irrigation. This method created a lot of unhappy customers and the need for many sewer credit adjustments. Resolution No. 12-684-08 reflects the auditor's recommendation to base the customer's sewer rate on an average of the water usage during the winter months. This would be a period of time which would exclude high irrigation water usage and reduce the need for customer adjustments. This is the method the City used prior to 2010.

**Councilor Caldwell moved to adopt Resolution No. 12-684-08. Councilor Schuette seconded the motion; the motion passed unanimously.**

**Agenda Item No. 7 – Discuss for Adoption Resolution No. 12-685-09, a Resolution to Adopt Fiscal Year 2012-2013 Budget**

Mayor Lundbom introduced Resolution No. 12-685-09, a resolution to adopt Fiscal Year 2012-2013 budget. City Manager Gray stated there are two revisions in the proposed budget:

1. Fire – Motor Pool Fund: Recommended changes are due to the purchase of a used command vehicle for the Fire Chief. Fire Chief Smith purchased a 2003 Chevrolet Tahoe for his command vehicle in the amount of \$10,200. The \$10,200 expenditure needs to be included in the expenditures and show as a decrease in net working capital in the Motor Pool; we also had budgeted \$15,000 for a command vehicle in the proposed budget. As this expenditure is no longer necessary, we decreased that line item by \$15,000 which left \$4,800 that was placed in the Fire Chief's fire truck replacement fund. She referred the council to the yellow highlighted spreadsheets included in the council packets.
2. Dispatch – There was a formula error on the Budget Committee's approved budget that was discovered during the publication process. The \$450 transfer to the Motor Pool was not included in the department's expenditures & contingency total. In order to balance the budget we need to reduce the equipment replacement line item by \$450 to create a balanced budget.

Councilor Labhart confirmed that the Council has the authority to reduce the proposed budget without having to go back to the Budget Committee for their approval as per Oregon Budget Law.

**Councilor Labhart moved to adopt Resolution No. 12-685-09. Councilor Doug Gochnour seconded the motion; the motion passed unanimously.**

**Agenda Item No. 8 – Discuss for Adoption Resolution No. 12-686-10, a Resolution to Appropriate Fiscal Year 2012-2013 Budget**

Mayor Lundbom introduced Resolution No. 12-686-10, a resolution to appropriate Fiscal Year 2012-2013 Budget. City Manager Gray explained this resolution appropriates the budget by fund as per Oregon Budget Law. She explained this resolution dictates the amount the City can spend within the fund and appropriation category. We cannot exceed the appropriation amount without a resolution of the City Council to transfer the money from one appropriation category in a fund to another existing appropriation category in the same fund or in another fund.

**Councilor Willey moved to adopt Resolution No. 12-686-10; Councilor Caldwell seconded the motion.**

At this time Mayor Lundbom asked a member of the audience who was also a Budget Committee member, Carolyn Stout if she had any input or comments. Mrs. Stout stated she was faced with a lot of stuff like Councilor Willey with people calling. She stated the comments were mainly about the number of employees compared to history and the increase in cost of living; when everyone else is tightening their belts. She stated people had this notion or idea or concept that everyone should be working together, not some excel while others are stagnant.

Mayor Lundbom stated, with all due respect, that he thought it seemed like the government agencies, state agencies, teachers are all expecting a cost of living increase. He didn't know if it was union driven or just a way of keeping up. Every three years that's a 10% increase if you average it out and he liked to hear her input because he read her comments in the Budget Committee meeting minutes.

Mrs. Stout spoke about the Facebook comments that were placed on the Grant County Discussion's and Opinion's page; where are they all at? That's where I come back at them, are they all too busy (to be here)? But if they care enough to make a phone call; if they care enough to sit at the computer and enter it, but, she stated that she also had to ask if 20 of them were here; would it make a difference? She didn't think it would. Mayor Lundbom's response was that in his opinion it's too late at this point. If they wanted to say something; they needed say something back in April or whenever that was (the budget public hearing).

Councilor Caldwell stated no one showed up the Budget Committee meeting and no one showed up for the public hearing on the budget. He asked the City Manager to clarify some of the misinformation that was posted on Facebook; the 10% increase in benefits and the 3% COLA increase.

City Manager Gray stated we proposed a 1.5% cost of living increase this year not 3% as posted on Facebook. She called Prairie City to see if they were doing a cost of living increase; they stated they were giving a 3.1% cost of living increase. City of Burns is giving a 2.5% cost of living increase. City Manager Gray also noted the City of John Day now contracts out the City Recorder position; while on Facebook it was posted "that while municipalities elsewhere are freezing wages and eliminating positions through private contracting, the City of John Day continues their absurd tax and spend policies."

Also on Facebook, it was stated the City was increasing employee benefits by 10%; the City budgeted for a 10% increase to cover the cost of the increase of the insurance premiums. City Manager Gray noted that we are currently having a conversation with the union and are looking at raising our insurance deductible hoping to lower our insurance cost for the City.

Councilor Willey stated our proposed budget is lower than last year's (except for the fire station); we have tightened our belts and stated Mrs. Stout has been involved in that process of cutting where we can. We're now faced with employee cuts; he also stated the union is an issue with him, especially a public safety union. It could be a tough thing down the road.

Councilor Labhart stated he thought we had the most transparent budget process we have ever had since he has been on this council. City Manager Gray stated we tried and then nobody came; Councilor Labhart agreed that we really tried because of what happened in the previous year. Councilor Willey stated and we're going to try again next year and hopefully get better and better.

City Manager Gray stated she appreciated having the Budget Committee at the table this year and felt the Budget Committee was more involved and we received good comments and had good discussion. Mrs. Stout agreed.

Councilor Labhart stated he doesn't use Facebook and has never looked at it and didn't care about it. He stated he thought that the biggest problem with today's society is that people don't want to talk to each other face to face or show up at meetings. Councilor Officer stated you can go on there and say whatever you want and you're not responsible.

Mayor Lundbom stated when people heard he got this slot (Mayor's position); they asked him "what are you going to do?" He told them to come see; he wants to see people down here. He echoed Chris saying there are never people here for constructive input for this type of thing; it's few and far between.

**At this time Mayor Lundbom stated there is a motion and a second on the floor, apologized for the interruption of the vote; however, he wanted to get Carolyn Stout on the record and called for the vote to adopt Resolution No. 12-686-10; the motion passed unanimously.**

**Agenda Item No. 9 – Discuss for Adoption Resolution No. 12-687-11, a Resolution to Impose and Categorize taxes for Fiscal Year 2012-2013 Budget**

Mayor Lundbom introduced Resolution No. 12-687-11, a resolution to impose and categorize taxes for Fiscal Year 2012-2013 budget. City Manager Gray stated this resolution imposes taxes provided for in the adopted budget at the rate of \$2.9915 per \$1,000 of assessed value for operations. The City needs to adopt this resolution in order for us to collect taxes for the Fiscal Year 2013.

**Councilor Caldwell moved to adopt Resolution No. 12-687-11. Councilor Willey seconded the motion; the motion passed unanimously.**

Mayor Lundbom asked what our tax rate was last year; City Manager Gray stated it was the same and explained the \$2.9915 is our permanent tax rate and we cannot levy for more unless we have voter approval. Using the fire station as an example, if the City goes out for a general obligation bond levy, that would be outside of the permanent tax rate and requires voter approval. The \$10 cap and compression on the taxing districts were also discussed.

**Agenda Item No. 10 – Discuss for Adoption Resolution No. 12-688-12, Volunteer Worker's Compensation Resolution for coverage year 2012-2013**

Mayor Lundbom introduced Resolution No. 12-688-12, Volunteer Worker's Compensation Resolution for coverage year 2012-2013. City Manager Gray stated this is a resolution required annually by our insurance company (CIS) to provide for worker's compensation coverage for the City's volunteers for the volunteer firefighters and the police department's reserve police officers.

Councilor Gochnour asked if it was limited to just that; what if he wanted to volunteer to sweep the city's streets, would he be covered? City Manager Gray stated under this resolution no he wouldn't be covered. She stated she has a call into the insurance company inquiring about covering city councilors but hasn't heard back yet. City Manager Gray stated this resolution assumes a monthly wage of \$1,000 to be used for public safety officers.

**Councilor Schuette moved to adopt Resolution No. 12-688-12. Councilor Willey seconded the motion; the motion passed unanimously.**

**Agenda Item No. 11 – Discuss for Adoption Resolution No. 12-689-13, a Resolution to transfer Appropriations between categories within the Water Fund in the FY 2011-12 Budget**

Mayor Lundbom introduced Resolution No. 12-689-13, a resolution to transfer appropriations between categories within the Water Fund in FY 2011-2012 budget. City Manager Gray stated this resolution is needed to meet personnel service expenditures at the end of June. This resolution transfers \$2,000 from materials & services to personnel services in order to meet the June payroll projections.

**Councilor Gochnour moved to adopt Resolution No. 12-689-13. Councilor Labhart seconded the motion; the motion passed unanimously.**

**Agenda Item No. 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**

Mayor Lundbom introduced Resolution No. 12-690-14, a resolution to transfer appropriations between categories within the Joint Sewer Fund in the FY 2011-2012 budget. City Manager Gray stated this resolution is needed to meet personnel service expenditures at the end of June. This resolution transfers \$4,500 from material & services to personnel services in order to meet the June payroll projections.

Mayor Lundbom asked why this happens, City Manager Gray stated when we budget for the Public Works Department's personnel services we used a percentage of where we think the employees will be working in that department. It depends on what happens; if there is more snow plowing than what we anticipated, we could be over expended in the street personnel appropriation; water line or sewer line breaks could result in more money being expended than anticipated. We try to allow for those types of situations but we can't always predict where the employees are going to be working or what is going to happen during the budget process. We try to come as close as we can.

**Councilor Caldwell moved to adopt Resolution No. 12-690-14. Councilor Gochnour seconded the motion; the motion passed unanimously.**

**Agenda Item No. 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**

Mayor Lundbom introduced Resolution No. 12-691-15, a resolution to transfer appropriations between categories within the Street Fund in the FY 2011-2012 budget. City Manager Gray explained this resolution is need to meet personnel expenditures at the end of June. This resolution transfers \$2,000 from materials & services to personnel services in order to meet June payroll projections.

**Councilor Labhart moved to adopt Resolution No. 12-691-15. Councilor Willey seconded the motion; the motion passed unanimously.**

**Agenda Item No. 14 – Discuss for Signature Dispatch Contract Agreements with Grant County Sheriff's Office and Grant County Ambulance for FY 2013**

Mayor Lundbom opened the floor to discuss for signature Dispatch Contract Agreements with the Grant County Sheriff's Office and the Grant County Ambulance for FY 2013. City Manager Gray stated these are the dispatch contracts we use to provide dispatch services for the Grant County Sheriff's Office and the Grant County Ambulance. The Dispatch Center provides dispatch services, answers phone call etc for the Sheriff's Office as well as for the Grant County Ambulance. Police Chief Tirico stated they also dispatch for the Search and Rescue and the Posse.

City Manager Gray stated there is a 6% increase in cost from the current year that was budget driven; both the Sheriff's office and the Ambulance have been notified of the increase during the budget process.

**Councilor Labhart moved to allow the Mayor to sign the dispatch contracts for the Grant County Sheriff's Office and the Grant County Ambulance for FY 2013. Councilor Schuette seconded the motion; the motion passed unanimously.**



**Agenda Item No. 15 – Discuss for Signature Special Event Agreement with Jim Bay, d/b/a John Day Farmers Market**

Mayor Lundbom presented the Special Event Agreement with Jim Bay, d/b/a John Day Farmers Market to the City Council. City Manager Gray explained this is the third season for the John Day Farmers Market, each year we enter into an agreement with them. This year's event began June 16<sup>th</sup> and will be held each Saturday to October 20<sup>th</sup>, same location as in previous years at the City block of SW Brent Street between Sterling Bank and the Bank of Eastern Oregon. City Manager Gray informed the City Council that Mr. Bay has provided proof of insurance as required in the agreement.

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).

**Councilor Labhart moved to allow 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. Councilor Caldwell seconded the motion; the motion passed unanimously.**

**Agenda Item No. 16 – Discuss for Signature the First Extension to Professional Services Agreement between the City of John Day and Oster Professional Group**

Mayor Lundbom asked for Council discussion regarding extending the Professional Services Agreement between the City of John Day and Oster Professional Group. City Manager Gray stated we entered into an agreement with Oster Professional Group in November 2010 for them to perform the duties of the City Recorder’s position. The agreement expires June 30, 2012; 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.

Mr. Armstrong of Oster Professional Group stated he would like to see the contract renewed effective July 1, 2012. City Manager Gray stated she has been very pleased with their service and renewing the contract will save the City money by not having to pay employee benefits. She also noted that Oster Professional Group is not raising their rates for the next year.

Councilor Officer stated it’s not only the savings but we’ve got qualified people who are on top of it; basically we have a CPA on staff.

**Councilor Willey moved to allow City Manager Gray to sign the First Extension to Professional Services Agreement between the City of John Day and Oster Professional Group. Councilor Schuette seconded the motion; the motion passed unanimously.**

**Agenda Item No. 17 – Discuss Recommendation from the Citizen’s Advisory Committee for the new fire station**

Mayor Lundbom opened the floor for discussion to consider the recommendation from the Citizen’s Advisory Committee in regards to the new fire station. Councilor Willey, council representative to the Citizen’s Advisory Committee, gave a background to the City Council stating the City sent out a Request for Proposal (RFP) seeking proposals for a Fundraising and Capital Campaign Advisory Services for the construction of a new fire station. The City received four proposals and the interview panel interviewed the top three consultants.

After the interviews the interview committee decided to choose PARC Resources, Councilor Willey stated the committee felt PARC understood us best, they have worked in the area and live close to our area. He stated the Cadillac would have been Mike Westby of Vancouver; however, he was very impressive, but about twice as much money plus a travel issue. Councilor Willey thought PARC was a good fit for us and affordable.

PARC Resources proposed schedule of work outlines the activities, timeframe and costs. They have 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 described is \$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.

**Councilor Willey moved to allow City Manager Gray to negotiate a contract with Stan Foster of PARC Resources for Fundraising and Capital Campaign Advisory Services. Councilor Caldwell seconded the motion; the motion passed unanimously.**

**Agenda Item No. 18 – Discuss 2013 League of Oregon Cities Legislative Priorities**

This item was tabled until the July 10, 2012 council meeting.

**Agenda Item No. 19 – Other Business and Upcoming Meetings**

1. League of Oregon Cities bulletins were included in the council packets. City Manager Gray informed the Council that the League of Oregon Cities Annual Conference will be held in Salem this year with registration opening July 3rd. The Conference is scheduled for September 27 -29<sup>th</sup>.
2. City Manager Gray informed the City Council she had received the signed property line adjustment from Jack and Sunne Russell; Jim and Tootie Cernazanu are currently out of town, they will review the application once they are back in town.
3. Councilor Willey informed the City Manager he would be absent for the July 10, 2012 council meeting.
4. City Manager Gray informed and invited the City Council to attend the meeting on Thursday with the insurance representative to learn about the high deductible insurance plan.
5. Jack Grubbs asked to be recognized by the City Council. He wanted to give his input regarding the first action item on the agenda (Agenda Item No. 4); he understood the City Council already made a decision not to do the Pledge of Allegiance or pray before a council meeting and it had already been decided upon in 2011. He suggested not tabling the item, he stated it is irritating to keep tabling something so somebody might bring it up again; if you've already voted on it in 2011 not to do it, bring it out, vote on it but don't leave it hanging because it will come back and eat you like a canker. If you're not going to do it, say no.

**Mayor Lundbom asked to review Agenda Item No. 4; Councilor Gochnour moved to put Agenda Item No. 4 back on the floor for discussion. Councilor Officer seconded the motion; the motion passed unanimously.**

**Councilor Labhart made a motion to go with the Council's 2011 decision that this City Council does not say the Pledge of Allegiance or a prayer before a city council meeting. Councilor Willey seconded the motion; the motion passed unanimously.**

6. Councilor Labhart would like the consensus of the Council to send ODOT a letter supporting Bruce Ward's access permit request for ingress and egress to the Valerie Johnson property (West Highway). He is trying to open it up for RV and truck parking on the lot next to McDonald's and stated ODOT has not signed off on the permit. It was the consensus of the City Council to have City Manager Gray check with Bruce Ward and if he is still having issues with ODOT regarding the ingress and egress permit, she was instructed to send a letter of support to ODOT.

**Adjourn**

There being no further business before the Council, Councilor Donn Willey made a motion to adjourn the meeting. Councilor Steve Schuette seconded the motion and the motion passed unanimously. The meeting was adjourned at 8:00 p.m.

Respectfully Submitted:

Peggy Gray  
City Manager

ACCEPTED BY THE CITY COUNCIL, JULY 10, 2012

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Mayor Ron Lundbom