

John Day City Council
January 8, 2013
7:00 PM
Council Chambers
AGENDA

1. **OPEN AND NOTE ATTENDANCE**
2. **OATH OF OFFICE TO THE ELECTED COUNCILORS**
Attachments:
 - Chapter VI, Section 28 of the 1993 City of John Day Charter
 - Oath of Office – Doug Gochnour
 - Oath of Office – Steve Schuette
 - Oath of Office – Donn Willey
3. **APPROVAL OF CITY COUNCIL MINUTES OF DECEMBER 11, 2012**
4. **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:

5. **ACCEPT LETTER OF RESIGNATION FROM COUNCILOR CHRIS LABHART**
Attachment:
 - December 17, 2012 letter from Chris Labhart
6. **DISCUSS AND APPOINT COUNCIL PRESIDENT**
7. **STANDING COMMITTEE APPOINTMENTS**
Attachment:
 - Current Council Committee Listings
8. **REAPPOINT RON HASHER TO THE JOHN DAY BUDGET COMMITTEE AND DISCUSS VACANCIES ON THE JOHN DAY BUDGET COMMITTEE**
Attachment:
 - Current Budget Committee Roster
9. **DISCUSS AND APPOINT A BUDGET OFFICER**
Attachment:
 - FY 2013-2014 Budget Process Schedule
10. **DISCUSS SETTING A DATE FOR A COUNCIL GOAL SETTING WORK SESSION**
Attachments:

- Minutes of the January 24, 2012 Goal Setting Session
- Goal Setting - A Preparation Packet from the League of Oregon Cities

11. DISCUSS FOR ADOPTION RESOLUTION NO. 13-697-01, A RESOLUTION ESTABLISHING WATER RATES, DEPOSITS, AND OTHER RELATED CHARGES

Attachment:

- Resolution No. 13-697-01

12. DISCUSS FOR ADOPTION RESOLUTION NO. 13-698-02, A RESOLUTION TO ESTABLISH SEWER SERVICE AND CONNECTION CHARGES

Attachment:

- Resolution No. 13-698-02

OTHER BUSINESS:

13. OTHER BUSINESS AND UPCOMING MEETINGS

Attachments:

- December 21 and December 28, 2012 LOC Bulletins
- December 21, 2012 press release from Representative Cliff Bentz
- December 31, 2012 newsletter from Representative John Huffman

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TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Oath of Office to the Elected Councilors

Attachments:

- Chapter VI, Section 28 of the 1993 City of John Day Charter
- Oath of Office – Doug Gochnour
- Oath of Office – Steve Schuette
- Oath of Office – Donn Willey

BACKGROUND:

Chapter VI, Section 28 of the 1993 City of John Day Charter states before assuming city office, an officer shall take an oath or shall affirm that he or she will faithfully perform the duties of the office and support the constitution and laws of the United States and of the state of Oregon.

The Oath of Office will be given to the City Councilors elected on November 6, 2012; Councilors Doug Gochnour, Steve Schuette and Donn Willey. The Oath form will need to be signed in front of a notary, since the City no longer has a notary on staff, you will need to take your form to Oster Professional Group and have Barbara Hicks notarize it and bring it back to City Hall for filing.

OATH

STATE OF OREGON)

County of Grant) SS.

City of John Day)

I, Doug Gochnour being first duly sworn on oath say that I will faithfully and honestly discharge the duties of Councilor of the City of John Day and will support the laws and Constitution of this State and the United States to the best of my ability.

Doug Gochnour

Subscribed and sworn on this 8th day of January 2013.

State of Oregon, Grant County ss:

On this ____ day of January, 2013, personally appeared the above named Doug Gochnour, and acknowledged the foregoing instrument to be his voluntary act and deed.

(Seal)

Barbara Hicks
Notary Public for Oregon
My Commission Expires: 06-10-13

OATH

STATE OF OREGON)

County of Grant) SS.

City of John Day)

I, Steve Schuette being first duly sworn on oath say that I will faithfully and honestly discharge the duties of Councilor of the City of John Day and will support the laws and Constitution of this State and the United States to the best of my ability.

Steve Schuette

Subscribed and sworn on this 8th day of January 2013.

State of Oregon, Grant County ss:

On this ____ day of January, 2013, personally appeared the above named Steve Schuette, and acknowledged the foregoing instrument to be his voluntary act and deed.

(Seal)

Barbara Hicks
Notary Public for Oregon
My Commission Expires: 06-10-13

OATH

STATE OF OREGON)

County of Grant) SS.

City of John Day)

I, Donn Willey being first duly sworn on oath say that I will faithfully and honestly discharge the duties of Councilor of the City of John Day and will support the laws and Constitution of this State and the United States to the best of my ability.

Donn Willey

Subscribed and sworn on this 8th day of January 2013.

State of Oregon, Grant County ss:

On this ____ day of January, 2013, personally appeared the above named Donn Willey, and acknowledged the foregoing instrument to be his voluntary act and deed.

(Seal)

Barbara Hicks
Notary Public for Oregon
My Commission Expires: 06-10-13

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Accept Letter of Resignation from Councilor Chris Labhart
Attachment:

- December 17, 2012 letter from Chris Labhart

BACKGROUND:

Attached is a letter from Councilor Chris Labhart submitting his resignation from the John Day City Council effective January 1, 2013. Chris replaced Ralph Hunter as John Day City Mayor on January 1, 1989 and has been on the John Day City Council for the past twenty-four (24) years.

RECOMMENDATION:

Chris Labhart's term expires December 31, 2014. Section 20 of the John Day City Charter stated a vacancy in the Council shall be filled by appointment by the majority of the Council. The appointee's term of office runs from the time of his or her qualifying for the office after the appointment and until expiration of the term of the predecessor who has left the office vacant. I recommend the John Day City Council accept Chris Labhart's resignation and advertise the vacant Councilor's position accepting applications.

TO: John Day City Council
FROM: Peggy Gray, City Manager
DATE: January 4, 2013
SUBJECT: Discuss and Appoint Council President

BACKGROUND:

Chapter IV, Section 17. Council President of the John Day City Charter states the following:

- (1) At its first meeting after this charter takes effect and its first meeting of each odd-numbered year, the council shall appoint a president from its councilors.
- (2) Except in voting on questions before the council, the President shall function as mayor when the mayor is;
 - (a) Absent from a council meeting, or
 - (b) Unable to function as mayor.

RECOMMENDATION:

Since this is our first meeting of an odd-numbered year, you will need to appoint a president from your council.

TO: John Day City Council
FROM: Peggy Gray, City Manager
DATE: January 4, 2013
SUBJECT: Standing Committee Appointments
Attachment:

- Current Council Committee Listings

BACKGROUND:

Title 1, Chapter 5, Section 2 of the John Day City Code states each odd-numbered year the Mayor shall appoint standing committees. At this time the Mayor would like to appoint the councilors to the following standing committees:

Public Safety Committee
Public Works Committee
Administrative Committee

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Reappoint Ron Hasher to the John Day Budget Committee and discuss Vacancies on the John Day Budget Committee

Attachment:

- Current Budget Committee Roster

BACKGROUND:

Ron Hasher's term on the John Day Budget Committee expires the 1st council meeting in January 2013. Mr. Hasher has agreed to serve another term to expire January 2016. We also have two other vacancies that have not been filled; an advertisement for these appointments has been on the City's web page since last year.

RECOMMENDATION:

The John Day City Council reappoints Ron Hasher to the John Day Budget Committee term to expire January 2016.

TO: John Day City Council
FROM: Peggy Gray, City Manager
DATE: January 4, 2013
SUBJECT: Discuss and Appoint a Budget Officer
Attachment:

- FY 2013-2014 Budget Process Schedule

BACKGROUND:

Oregon Budget Law requires taxing districts to appoint a budget officer each year. The John Day City Charter states the city manager shall prepare and transmit to the council an annual city budget.

RECOMMENDATION:

The John Day City Council appoints City Manager Peggy Gray as the budget officer for the fiscal year 2013-2014.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Discuss Setting a Date for a Council Goal Setting Work Session
Attachments:

- Minutes of the January 24, 2012 Goal Setting Session
- Goal Setting - A Preparation Packet from the League of Oregon Cities

BACKGROUND:

It has been a year since our last goal setting session. Once again I have the attached goal setting preparation packet on the League of Oregon Cities' website. I thought it might assist us through the goal setting process and make for a more efficient work session. Please read through the attached material and be prepared to discuss a possible date and time for this year's goal setting work session. Also attached are the minutes from last year's goal setting work session for your information and review.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Discuss for Adoption Resolution No. 13-697-01, a Resolution establishing water rates, deposits, and other related charges

Attachment:

- Resolution No. 13-697-01

BACKGROUND:

Auditor Kent Bailey of Guyer & Associates gave his annual audit report to the John Day City Council at our December 11, 2012 council meeting, minutes included in this council packet. Mr. Bailey stressed the importance of keeping up with the cost of inflation and the need to provide for adequate reserve funding for our water and sewer infrastructure. Mr. Bailey reported both of the City's proprietary funds had a combined net loss in 2012, the City lost \$35,000 in 2012 and lost \$26,000 in the prior year; what that says is that we didn't take in enough money to replace the assets we were out.

Mr. Bailey stated the Council could look at the current CPI as a way of raising utility rates or another way would be to look at the operating expenses. This year the operating expense was \$935,668 and the prior year they were \$901,833 which is an increase of \$33,835 or 3.7%. Mr. Bailey stated that if we wanted to keep revenues up, we should look at a 3.7% rate increase. Another way would be to look at your loss for the year was \$35,109 and that loss is 3.5% of the revenue. He stated he would pick a number around 3.5% to cover our expenses as they stand today.

At our March 2012 Budget Committee meeting, the Council and the Budget Committee had a long discussion about raising utility rates and whether to raise rates annually or wait a couple of years. It was decided that the Council should raise water rates in July 2012 and then annually beginning January 2013 in order to keep up with the cost of inflation and to provide for adequate reserve funding. In July 2012 we raised water rates by \$2.00 and sewer rates by \$3.00; we now propose to raise water rates by \$1.50. Currently the base rate for the first 4,000 gallons of water is \$29.00; with this rate increase it would be \$30.50 or a 4.92% increase. This is above the recommended amount Mr. Bailey suggested to keep our revenues up; however, the City's PERS rate will increase July 2013 as reported in Mr. Bailey's audit report. Mr. Bailey stated if you want to look forward instead of looking in the rearview mirror, this is something you will need to consider when you look at your utility rates increase to help cover these costs. The July 2012 rate increase and the January 2013 rate increase will help cover some of these cost increases.

RECOMMENDATION:

The John Day City Council adopts Resolution No. 13-697-01.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: January 4, 2013

SUBJECT: Discuss for Adoption Resolution No. 13-698-02, a Resolution to Establish Sewer Service and Connection Charges

Attachment:

- Resolution No. 13-698-02

BACKGROUND:

Basically this is the same discussion as in the previous agenda item only this time it is to raise sewer rates by \$1.50 per month. Sewer fund as the same issue with not keeping up with the cost of inflation as with the water fund; we propose raising the sewer rate by \$1.50 making the base rate for residential sewer at \$38.50. This is a 3.90% increase from the July rate of \$37.00.

RECOMMENDATION:

The John Day City Council adopts Resolution No. 13-698-02.

TO: John Day City Council
FROM: Peggy Gray, City Manager
DATE: January 4, 2013
SUBJECT: Other Business and Upcoming Meetings
Attachments:

- December 21 and December 28, 2012 LOC Bulletins
- December 21, 2012 press release from Representative Cliff Bentz
- December 31, 2012 newsletter from Representative John Huffman

OTHER BUSINESS:

1. The December 21, 2012 and December 28, 2012 LOC Bulletins are included in your council packets.
2. Representative Cliff Bentz's December 21, 2012 press release announcing his 2013 Legislative Committee assignments is attached for your information.
3. Representative John Huffman's December 31, 2012 newsletter is attached for your information and review.
4. The resolution to order the building located at 405 SE Hillcrest Road will be presented to the John Day City Council at the January 22, 2013 council meeting. Staff is working with City Attorney Jeremy Green on the Statement of Work to describe the work that will be done in order to remove or abate the building.
5. The November 2012 Statement of Revenue and Expenditure Budget to Actual Reports are included in your council packet.
6. Police Chief Rich Tirico and Dispatch Supervisor Valerie Luttrell will give the City Council a report on the activities of their respective departments for the 2012 calendar year at this council meeting.

UPCOMING MEETINGS:

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| January 9, 2013 | 5:30 p.m. Interpretative Center | Friends of Kam Wah Chung Board meeting |
| January 22, 2013 | 7:00 p.m. | Regular City Council meeting |