

**John Day City Council
December 10, 2013
6:00 PM
Council Chambers
AGENDA**

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF NOVEMBER 12, 2013 AND NOVEMBER 19, 2013**
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. **ENTER INTO EXECUTIVE SESSION UNDER ORS 192.660 (2) (f), TO CONSIDER INFORMATION OR RECORDS THAT ARE EXEMPT BY LAW FROM PUBLIC INSPECTION**
5. **DISCUSS FOR ADOPTION RESOLUTION NO. 13-712-16, A RESOLUTION TO DECLARE ACCOUNT UNCOLLECTIBLE AND TAKE OFF THE BOOKS AS RECEIVABLE**
Attachment:
 - Resolution No. 13-712-16
6. **DISCUSS FOR ADOPTION RESOLUTION NO. 13-713-17, A RESOLUTION ESTABLISHING WATER RATES, DEPOSITS, AND OTHER RELATED CHARGES**
Attachments:
 - Resolution No. 13-713-17
 - Water Fund - Statement of Expenditures 7/1/2012 – 6/30/2013
7. **DISCUSS FOR ADOPTION RESOLUTION NO. 13-714-18, A RESOLUTION TO ESTABLISH SEWER SERVICE AND CONNECTION CHARGES**
Attachment:
 - Resolution No. 13-714-18

OTHER BUSINESS:

8. **OTHER BUSINESS AND UPCOMING MEETINGS**
Attachments:

- November 15, 2013 and November 22, 2013 LOC Bulletins
- Invitation from Blue Mountain Hospice
- Solicitation for Bond Counsel w/contact information
- City Annual Christmas Potluck Flyer

ADJOURN

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: December 6, 2013

SUBJECT: Enter into Executive Session under ORS 192.660 (2) (f), to consider information or records that are exempt by law from public inspection

BACKGROUND:

The City of John Day will meet in executive session to consider information or records that are exempt by law from public inspection. The executive session is held pursuant to ORS 192.660(2) (f), which allows the Council to meet in executive session to consider information or records that are exempt by law from public inspection.

Please be advised that the executive session is closed to the public. In accordance with applicable Oregon law, representatives of the news media are permitted to attend the executive session. However, the media is prohibited from disclosing any information discussed in the executive session, except to state the general subject of the session as previously announced.

All discussions in the executive session are confidential and those present may not disclose any information discussed in the executive session. The executive session will not be held for the purpose of taking any final action or making any final decision.

At this time Mayor Lundbom will ask for a motion from the Council to move into executive session under ORS 192.660(2) (f).

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: December 6, 2013

SUBJECT: Discuss for Adoption Resolution No. 13-712-16, a resolution to declare account uncollectible and take off the books as receivable

Attachment:

- Resolution No. 13-712-16

BACKGROUND:

Resolution No. 13-712-16 is a resolution to declare account uncollectible and take it off the books as a receivable and turns it over to the collection agency.

RECOMMENDATION:

The John Day City Council adopts Resolution No. 13-712-16, a resolution to declare account uncollectible and take off the books as receivable.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: December 6, 2013

SUBJECT: Discuss for Adoption Resolution No. 13-713-17, a resolution establishing water rates, deposits, and other related charges

Attachments:

- Resolution No. 13-713-17
- Water Fund - Statement of Expenditures 7/1/2012 – 6/30/2013

BACKGROUND:

The John Day City Council received the audit report at the November 12, 2013 council meeting. Auditor Kent Bailey of Guyer & Associates explained the positive impact of raising the water and sewer rates a year ago. This year the City was in the black by \$33,992; the previous year the City was in the red by \$33,526.

The City lost revenue on the government side; however on the business activity side, the City gained revenue because we were able to raise revenue to counter balance and this is what the Council has to think about when we get ready to do the budget next year for 2014-2015. Mr. Bailey stated we need to think about what we can do to adjust our revenues up and try to control expenses.

Revenues increased by \$65,659 primarily due to the rate increase enacted last year. This was a 6.7% increase. This fiscal year the City was able to pay an additional \$10,000 toward the principal on each of our water and sewer loans with the State of Oregon and transfer \$69,700 to the Water Replacement Reserve Fund and \$29,038 to the Sewer Collection Replacement Fund.

Expenditures increased by \$2,141 or .2%. As you can see we are trying to keep expenses down, there will be no cost of living increase this year and the City is changing health plans to a high deductible plan with a Health Savings Account.

Last year the Council decided to raise rates annually in order to keep up with the cost of inflation and to provide for adequate reserve funding. Attached is a spreadsheet showing the cost to produce water per thousand gallon at \$4.81; currently the City charges \$4.59 per 1,000/gallon for bulk water. The City produced less water last year which increased the cost of production per thousand; and the City budgeted for two more employees in FY 2013 due to the retirements of John Robison and Kenny Stevens. For these reasons, staff recommends raising the bulk water to \$4.70 per 1,000 gallons and raise water rates by \$1.00 to the base rate for the first 4,000 gallons of water. This would raise the base rate to \$31.50 per month; which is a 3.28% increase in the monthly water rate effective January 1, 2014.

RECOMMENDATION:

The John Day City Council adopts Resolution No. 13-713-17.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: December 6, 2013

SUBJECT: Discuss for Adoption Resolution No. 13-714-18, a resolution to establish sewer service and connection charges

Attachment:

- Resolution No. 13-714-18

BACKGROUND:

This is the same discussion as in the previous agenda item; only this time it is to recommend a \$1.00 increase in the monthly sewer rates. This is to keep up with the cost of inflation; be able to put more into the sewer reserve funds; and to pay more on the principal for the infrastructure loans. This will raise the sewer base rate to \$39.50; which is a 2.60% increase in the monthly sewer rate effective January 1, 2014.

RECOMMENDATION:

The John Day City Council adopts Resolution No. 13-714-18.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: December 6, 2013

SUBJECT: Other Business and Upcoming Meetings

Attachments:

- November 15, 2013 and November 22, 2013 LOC Bulletins
- Invitation from Blue Mountain Hospice
- Solicitation for Bond Counsel w/contact information
- City Annual Christmas Potluck Flyer

OTHER BUSINESS:

1. Attached is the November 15, 2013 and November 22, 2013 LOC Bulletins for your information and review.
2. Attached is an invitation to the Annual Light Up a Life from Blue Mountain Hospice.
3. On November 22, 2013 I sent out the attached solicitation for a qualified bond counsel to assist the City with the issuance of bonds to finance the capital construction of a new fire station. Also attached are the names of the people/firms that I sent the solicitation to. The deadline for proposals is December 31st at 3 p.m.
4. The Annual City of John Day Christmas Potluck is Friday, December 20, 2013 at noon. All City Councilors are invited to attend.

UPCOMING MEETINGS AND EVENTS:

December 20, 2013	Noon Council Chambers	City employees Christmas Potluck
December 24, 2013	7:00 p.m. Council Chambers	Regular City Council Canceled due to Christmas holiday
December 25, 2013	Christmas Holiday	City Hall Closed
January 14, 2014	7:00 p.m. Council Chambers	Regular City Council meeting