

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

December 10, 2013

Adjourned Meeting

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Steve Schuette, Council President
Gene Officer, Councilor
Don Caldwell, Councilor
Donn Willey, Councilor
Paul Smith, Councilor
Doug Gochnour, Councilor

COUNCILORS ABSENT:

STAFF PRESENT:

Peggy Gray, City Manager

GUESTS PRESENT:

Anna Bass, Oster Professional Group

Agenda Item No. 1 – Open and Note Attendance

The John Day City Council meeting opened at 7:00 p.m. Mayor Ron Lundbom noted that all Councilors were present.

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

Councilor Donn Willey moved to enter into executive session under ORS 192.660 (2) (f), to consider information or records that are exempt by law from public inspection. Councilor Don Caldwell seconded the motion. The Motion passed unanimously.

At this time Mayor Lundbom stated the City of John Day will now 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) for this session, 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.

Those attending the executive session included Mayor Lundbom; Councilors Schuette, Willey, Gochnour, Smith, Officer, and Caldwell and City Manager Gray. City Attorney Jeremy Green attended the executive session via telephone.

Councilor Doug Gochnour made a motion to move out of executive session and enter into regular session; Councilor Steve Schuette seconded the motion, the motion passed unanimously. The John Day City Council moved out of executive session at 6:44 p.m.

Agenda Item No. 2 – Approval of City Council Minutes of November 12, 2013 and November 19, 2013

The minutes of the November 12, 2013 and November 19, 2013 adjourned meetings were included in the agenda packets and presented for the Council's approval. **Councilor Doug Gochnour made a motion that the minutes of November 12, 2013 and November 19, 2013 be approved as presented; Councilor Donn Willey seconded the motion. The motion passed unanimously.**

Agenda Item No. 3 - Appearance of Interested Citizens

There were no citizens present in the audience.

Agenda Item No. 4 – Discuss authorizing city manager to move forward with settlement of wage claim

Mayor Lundbom asked for a motion as per the discussion in executive session. **Councilor Steve Schuette moved to authorize the city manager to move forward with resolving outstanding wage issues with our police officers consistent with the amounts as discussed in executive session and authorize the city manager to sign necessary documents resolving the issue. Councilor Donn Willey seconded the motion, the motion passed unanimously.**

Agenda Item No. 5 – Discuss for adoption Resolution No. 13-712-16, a resolution to declare account uncollectible

Resolution No. 13-712-16, a resolution to declare an account uncollectible was included in the council packet. This resolution declares account number 018100-6 as uncollectible and takes the account off the books as accounts receivable.

Councilor Don Caldwell moved to adopt Resolution No. 13-712-16. Councilor Donn Willey seconded the motion; the motion passed unanimously.

Agenda Item No. 6 – Discuss for adoption Resolution No. 13-713-17, a resolution to establish water rates, deposits, and other related charges

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. City Manager Gray included a spreadsheet in the council packets 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.

Councilor Paul Smith reminded the council that our long-term vision is to raise the utility rates annually in order to keep up with the cost of inflation; be able to put money into our reserves and to pay off more of the long-term loans. Councilor Doug Gochnour noted even with the annual raises, we haven't been able to put much into our reserves.

Councilor Smith reminded the City Manager to notify and continue to educate the public on why the City needs to raise water and sewer rates annually.

Councilor Steve Schuette made a motion to adopt Resolution No. 13-713-17. Councilor Don Caldwell seconded the motion, the motion passed unanimously.

Agenda Item No. 7 – Discuss for adoption Resolution No. 13-714-18, a resolution to establish sewer service and connection charges

City Manager Gray stated 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.

Councilor Doug Gochnour moved to adopt Resolution No. 13-713-18. Councilor Donn Willey seconded the motion; the motion passed unanimously.

Agenda Item No. 8 – Other Business and Upcoming Meetings

1. LOC Bulletins were given to the City Council.
2. The City Council received an invitation to the annual Light Up a Life from Blue Mountain Hospice.
3. The City Council was informed that solicitation for a qualified bond counsel was sent out on November 22, 2013. Deadline for proposals is December 31, 2013.
4. The City Council was invited to the City's annual Christmas potluck on Friday, December 20, 2013 at noon.

5. The November 2013 Statement of Revenue and Expenditure Budget to Actual Reports were given to the John Day City Council.
6. The City Council was reminded that the December 24, 2013 regular City Council meeting was canceled due to the Christmas holiday. The next meeting of the John Day City Council will be held on Tuesday, January 14, 2014.
7. Councilor Paul Smith gave kudos to our Public Works Department for all their efforts in fixing a broken water line and responding to frozen pipes during the cold weather.

Adjourn

There being no further business before the Council, Councilor Donn Willey made a motion to adjourn the meeting. Councilor Don Caldwell seconded the motion and the motion passed unanimously. The meeting was adjourned at 7:03 p.m.

Respectfully Submitted:

Peggy Gray
City Manager

ACCEPTED BY THE CITY COUNCIL, JANUARY 14, 2014.

Mayor Ron Lundbom