

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

**January 14, 2014**

**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  
David Holland, Public Works Director  
Valerie Luttrell, Dispatch Manager  
Ron Smith, John Day Fire Chief

**GUESTS PRESENT:**

Rob Batten, John Day Rural Fire Protection District  
Phil Gray, KJDY

**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.

**Agenda Item No. 2 – Approval of City Council Minutes of December 10, 2013**

The minutes of the December 10, 2013 adjourned meeting were included in the agenda packets and presented for the Council's approval. **Councilor Don Caldwell made a motion that the minutes of December 10, 2013 be approved as presented; Councilor Steve Schuette seconded the motion. The motion passed unanimously.**

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

Mayor Ron Lundbom welcomed 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.

**Agenda Item No. 4 – Discuss for Adoption Resolution No. 14-715-01, a Resolution Exercising the Power of Eminent Domain Exhibit D**

City Manager Gray reminded the City Council that in October, 2013 the John Day City Council adopted a resolution exercising the power of eminent domain pursuant to statues conferring authority and the Law of the State of Oregon. The City has a project that is federally funded known as US26 Main St. and Canyon Blvd. Sidewalks.

ODOT Right of Way Region 5 Tech Center Leslie Hasse has informed the City that they have four revisions to legal descriptions that need to be included in the resolution. The four descriptions (Exhibit A) are attached along with the resolution. These revisions have been negotiated with the property owners and have various reasons for the changes as follows:

- 7659009 is correcting the calls in the variable width table;
- 7659015 is increasing the temporary easement to allow concrete matching in the breezeway;
- 7659017 is increasing the temporary easement to move a utility;
- 7659018 is removing the permanent easement and increasing the size of the temporary easement.

City Manager Gray said ODOT completed their final ROW inspection on Thursday, January 9, 2014; they expect to start making offers to the property owners by the end of this month.

**Councilor Steve Schuette moved to adopt Resolution No. 14-715-01. Councilor Donn Willey seconded the motion; the motion passed unanimously.**

**Agenda Item No. 5 – Discuss and Accept Recommendation from the Citizens Advisory Committee for the new Fire Station regarding the selection of a Bond Counsel**

The City of John Day sent out solicitations for a qualified bond counsel to assist the City with the issuance of bonds to finance the capital construction of a new fire station to six firms on November 22, 2013. We received proposals from the following three firms:

- Hawkins Delafield & Wood LLP
- Orrick, Herrington & Sutcliffe LLP
- Sussman Shank LLP

On January 7, 2014 the Citizens Advisory Committee for the new fire station reviewed the proposals and picked the top two candidates being Hawkins Delafield & Wood LLP and Orrick, Herington & Sutcliffe LLP. It was the consensus of the Committee to conduct a telephone interview with the top two candidates on Thursday, January 9, 2014. The Committee selected Fire Chief Ron Smith, Rural Fire Board Chair Rob Batten and the city manager to conduct the telephone interviews. Rural Fire Board Chair Rob Batten was directed to call the references and clients of the two candidates. City Manager Gray and Rob Batten stated they would develop a list of interview questions for the two candidates.

Rural Fire District Chairman Rob Batten reported that both of the two firms interviewed could do a great job for the City; it basically came down to money. Mr. Batten stated both firm's reference checks were good; however, the firm of Hawkins Delafield & Wood were glowing.

Hawkins Delafield & Wood LLP proposal for fixed costs was \$17,000 per bond issue for sale in the public securities market; for bank placement \$12,000 per bond issue. An estimate of \$400 for out of

pocket expenses apply to both placements. Orrick, Herrington & Sutcliffe LLP proposed total bond counsel will not exceed \$21,500 for bond issue; they would discount the fee by \$2,500 for each issuer if they were engaged as bond counsel for both City and the Rural District reducing their cost to \$19,000 per bond issue.

Fire Chief Ron Smith noted that the fees are contingent upon a successful election and informed the Council that the cost of the fees can be included in the bond sale. Both firms stated they will work with us until we get the bond passed or we give up.

Based on the results of the interviews, reference checks and cost; the Fire Advisory Committee's recommendation is the firm of Hawkins Delafield & Wood LLP. Mr. Batten informed the Council that the Rural Fire Board met that day and voted to accept the Hawkins Delafield & Wood LLP proposal.

City Manager Gray stated in speaking with City Attorney Jeremy Green, if the Council decided to move forward with the selection of the bond counsel, he recommended that the Council vote to accept Hawkins, Delafield & Wood LLP as the number one choice and Orrick, Herrington & Sutcliffe LLP as the number two choice. The City will negotiate a contract with Hawkins Delafield & Wood LLP, if we can't agree to the terms of a contract, then the City could negotiate with the number two firm of Orrick, Herrington & Sutcliffe LLP.

**Councilor Doug Gochnour moved to accept the recommendation of the Fire Advisory Committee and select the firm of Hawkins, Delafield & Wood LLP as bond counsel with the number two choice being Orrick, Herrington & Sutcliffe LLP. Councilor Donn Willey seconded the motion, the motion passed unanimously.**

#### **Agenda Item No. 6 – Discuss and Appoint a Budget Officer**

City Manager Gray stated 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.

**Councilor Steve Schuette moved to appoint City Manager Peggy Gray as the budget officer for fiscal year 2014-2015. Councilor Donn Willey seconded the motion, the motion passed unanimously.**

#### **Agenda Item No. 7 – Reappoint Chris Cronin, Mike Cosgrove and Mike Miller to the John Day Budget Committee**

City Manager Gray informed the Council that Chris Cronin, Mike Cosgrove and Mike Miller's terms on the John Day Budget Committee expire on the 1<sup>st</sup> council meeting in January 2014. Chris Cronin, Mike Cosgrove and Mike Miller have agreed to serve another term to expire January 2017.

Carolyn Stout's term also expire on the 1<sup>st</sup> council meeting in January 2014; City Manager Gray state she has left Carolyn a message asking her if she is interested in seeking another 3-year term but has not heard back from her.

**Councilor Steve Schuette moved to reappoint Chris Cronin, Mike Cosgrove and Mike Miller to the John Day Budget Committee with terms to expire 2017. Councilor Don Caldwell seconded the motion, the motion passed unanimously.**

It was noted that the first meeting of the Budget Committee has been scheduled for April 1, 2014.

**Agenda Item No. 8 – Discuss setting a Date for a Council Goal Setting Work Session**

City Manager Gray stated it has been a year since the City’s last goal setting session. Included in the packets were the minutes of the January 22, 2013 goal setting work session for the Council’s review.

City Manager Gray informed the City Council of last year’s goals as follows:

1. Continue working on the new fire station
2. Finalize the Enviro Board Contract
3. US26/Main/395 S. Canyon Blvd Street Sidewalk Beautification Project; Enhance Project sidewalks from Catholic Church to Grant Union Junior-Senior High School
4. Charolais Heights/NW Bridge Street Intersection Realignment
5. Continue to market the industrial park

Councilor Donn Willey suggested we take out number 2; revise the list and have the revisions for the next meeting. Councilor Paul Smith asked if we should add anything; Councilor Gene Officer stated we are in no position to take on another major project.

Councilor Paul Smith asked if the list is an annual list or are we looking out for five years. Councilor Donn Willey noted that these are short term goals. Councilor Paul Smith was concerned about the wastewater plant and thought it should be kept on the list. Public Works Director David Holland stated in 2010 the City developed a Wastewater Facilities Plan; City Manager Gray stated we should think about updating the plan and look at a lagoon system versus a mechanical treatment plant. Operation and maintenance on lagoon systems are more cost efficient than mechanical treatment plants. Land application was an issue; however, property status has changed on DR Johnson’s property and it might be feasible to take another look at it. Councilor Donn Willey suggested funding to update the Wastewater Facilities Plan be added to the list.

Public Works Director David Holland reminded the Council that we need to find another way to fund streets and funding for a new treatment plant as well as the sewer collections system. The County shared part of their Secured Rural School to the Grant County cities and schools this past year; however, the Council was informed that the money received was not budgeted for and will carry over for the next year to help balance the fund. Public Works Director David Holland stated the City received approximately \$75,000 from the County; but that is not even half of what the City previously received and not enough to run the street department.

After discussion the Council revised the list as follows and requested City Manager Gray to have this as an agenda item for further discussion for the January 28, 2014 council meeting:

1. Continue working on the new fire station
2. US26/Main 395 S. Canyon Blvd. Street Sidewalk Beautification Project; Enhance Project sidewalks from 6<sup>th</sup> Ave. to Grant Union-Junior High School
3. Charolais Heights/NW Bridge Street Intersection Realignment
4. Continue to market the industrial park
5. Seek funding to update the Wastewater Facilities Plan
6. Seek funding for city street maintenance

**Agenda Item No. 9 – Other Business and Upcoming Meetings**

1. LOC Bulletins were given to the City Council.
2. The December 2013 Statement of Revenue and Expenditure Budget to Actual reports were given to the John Day City Council.
3. Councilor Paul Smith stated he had a conversation with County Road Master Sue Horn stating she wanted to meet with the cities of Grant County after the small cities meeting on the January 16, 2014 to discuss the Secured Rural School funds.
4. Public Works Director David Holland updated the City Council regarding the survey completed by Benchmark Surveyors regarding the gravel lot east of City Hall. David presented the survey map that showed the City owns the gravel lot east of the City Hall's parking lot.
5. Dispatch Manager Valerie Luttrell gave the 2013 annual report for the John Day Dispatch Center and for the John Day Police Department as Police Chief Richard Gray was attending the Police Chief's Conference in Seaside as follows:
  - Dispatch
    - Total calls for service - 7,751 (Valerie explained that calls for service are calls that are entered into our computer system and does not include general phone calls)
    - The 7751 calls include the following:
      - ✓ 249 fires dispatched
      - ✓ 533 ambulance runs
      - ✓ 137 accidents
      - ✓ 6832 remaining calls were law enforcement or public assistance calls (Valerie noted that most were for law enforcement calls)
  - John Day Police Department
    - 3752 calls for service handled
    - 1098 traffic stops
    - 285 case files pulled
    - 97 citations issued
    - 143 arrests
6. Mayor Lundbom informed the City Council that Richard Gray was sworn in as John Day Police Chief on December 26, 2013.
7. Mayor Lundbom invited the City Councilor to attend the LOC Small Cities meeting hosted by the City of John Day on Thursday, January 16, 2014, 11 a.m. to 1:00 p.m. at City Hall.
8. City Manager Gray informed the Council that they will be interviewing four candidates for the vacant police position on Tuesday, January 28, 2014.

**Adjourn**

**There being no further business before the Council, Councilor Don Caldwell made a motion to adjourn the meeting. Councilor Donn Willey seconded the motion and the motion passed unanimously. The meeting was adjourned at 8:04 p.m.**

Respectfully Submitted:

Peggy Gray  
City Manager

ACCEPTED BY THE CITY COUNCIL, JANUARY 28, 2014.

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Mayor Ron Lundbom