

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

September 9, 2014

Adjourned Meeting

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Steve Schuette, Council President
Paul Smith, Councilor
Don Caldwell, Councilor

COUNCILORS ABSENT:

Donn Willey, Councilor

STAFF PRESENT:

Peggy Gray, City Manager
David Holland, Public Works Director
Richard Gray, Police Chief
Ron Smith, Fire Chief
Valerie Luttrell, Dispatch Manager

GUESTS PRESENT:

Angela Speier, 347 Aldridge Dr. Keizer, OR
Phil Gray, KJDY
Gregg Haberly, 195 Ford Rd., John Day
Rob Batten, John Day Rural Fire Protection District
Jerry Daake, John Day Rural Fire Protection District
Peter Baer, Pinnacle Architecture
Jeremy Green, City Attorney via telephone

Agenda Item No. 1 – Open and Note Attendance

The John Day City Council meeting opened at 6:00 p.m. Mayor Ron Lundbom noted that all Councilors were present with the exception of Councilor Donn Willey who was not present.

Agenda Item No. 2 – Approval of City Council Minutes of August 26, 2014

The minutes of the August 26, 2014 adjourned meeting were included in the agenda packets and were presented for the Council's approval.

Councilor Don Caldwell made a motion that the minutes of August 26, 2014 be approved as presented; Councilor Paul Smith 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 – Public Hearing for the Purpose of Taking Comment on the Council’s Draft Findings for a Bidding Exemption, Authorizing Construction of a Fire Station by Means of a Construction Manager/General Contractor as a Pilot Project, and Authorizing Selection by Request for Proposals

City Attorney Jeremy Green stated, via speaker phone, this public hearing is to consider the passage of Resolution No. 14-728-14, which grants a bidding exemption, authorizing construction of a fire station by means of a Construction Manager/General Contractor (CM/GC) as a Pilot Project, and authorizing selection by request for proposals.

City Attorney Green stated essentially what we are trying to do is to create a procurement process that is likely going to save the City significant time and money by going through a procurement process other than the formal competitive bidding process that would normally be required in this type of project. By exempting this particular form of solicitation as a pilot project, we avoid the competitive bid process and put ourselves in a position to go through a standard request for proposals process.

City Attorney Green noted that in connection with Resolution No. 14-728-14; we have attached very detailed and comprehensive findings of fact. City Attorney Jeremy Green stated the findings are fairly explanatory and suggested the Mayor open the hearing for public comments with respect to the proposed bidding exemption, the City will need to respond to the public comments or questions to the best of our ability. If we receive minimal or no comments or questions; City Attorney Jeremy Green’s recommendation is to approve the resolution exempting this solicitation process as a pilot project and direct the city staff to move forward with the request for proposals.

Mayor Lundbom asked if the City Council had any questions or comments for City Attorney Jeremy Green, there were none presented. Mayor Lundbom asked if anyone in the audience had any questions or comments, there were none presented. At 6:05 p.m. Mayor Lundbom officially opened the public comment period on this resolution. He asked if anyone had any comments or questions, there were none present.

City Attorney Jeremy Green stated that since there are no comments, he recommended the public hearing be closed and move to the City Council for comments or questions.

Councilor Steve Schuette moved to close the public hearing. Councilor Don Caldwell seconded the motion, the motion passed unanimously. The public hearing was closed.

Mayor Lundbom stated Resolution No. 14-728-14, a resolution granting bidding exemption, authorizing construction of a fire station by means of a Construction Manager/General Contractor as a Pilot Project, and authorizing selection by request for proposals. Mayor Lundbom asked for a motion to approve Resolution No. 14-728-14.

Councilor Don Caldwell moved to adopt Resolution No. 14-728-14. Councilor Steve Schuette seconded the motion; the motion passed unanimously.

Mayor Lundbom asked City Manager Gray what is the next step. City Manager Gray stated we will develop the request for proposals and send them out to qualified contractors as soon as possible. Once the proposals are received, the Council will review the proposals and select a CM/GC for this project.

Architect Peter Baer of Pinnacle Architecture stated he would check with contractors to see if they are interested in the project. Mayor Lundbom wanted to know if we were the only pilot project going on, Mr. Baer stated there are different ways of approaching the project; since the City of John Day has never done a Construction Manager/General Contractor project, it was decided that the best fit would be to do this project as a pilot project as the City qualified for this type of approach. The Construction Manager/General Contractor is pretty common and has been done before; Peter stated he has a CM/GC project in Hermiston right now; WC Construction from Elgin is doing that project and Peter also has a residential project in Bend for the community college (\$16 million project) that is also a CM/GC project. This type of project provides the City to have more control over the costs; it actually brings the contractor on board so that we are all working together. Mayor Lundbom asked if these projects have worked out good, Mr. Baer responded yes they have. Mr. Baer stated this type of project doesn't really eliminate competition because we will go out for RFP, we will have the opportunity to interview the contractors to see their qualifications and get their feelings and not base your selection solely on price, which is a huge factor. All the subcontractors and suppliers underneath them will all be competitively bid. So everyone in the community has a chance to bid on supplies and materials, then the Council, as the owner, can look at those bids and decide which ones you want. Mr. Baer stated it gives the City a lot more control in the project.

Mr. Baer explained that the big misconception is that some people will think that the City just went out and hired a general contractor without competing or comparing prices. People didn't understand that the City actually did get those other prices. Mr. Baer explained that if the City did go out for a competitive bid from the contractors based on the drawings, if you asked what did the electrician charge us, that's really none of your business and the contractor does not have to provide that information, all they have to provide is the service. Mr. Baer explained with that process, you don't know where the money is coming and going, with the CM/GC approach, it gives the City more control on the project.

Rob Batten, Chairman of the Rural Fire Board, stated he spoke with a Fire Chief from Marion County who built two fire stations. Mr. Batten stated on the second fire station, he used the CM/GC process and he stated it saved him a lot of money and really sped the process up for him.

Mayor Lundbom asked if any local contractors would be able to bid on this project. Mr. Baer stated yes, you might have a general contractor who now works out of his home but has done this type of work in the past, he could bid on the project and sub out all of the work.

At this time, Mayor Lundbom introduced Angela Speier of the League of Oregon Cities. Mayor Lundbom stated Angela is the Intergovernmental Relations Research Associate and is here for tomorrow's LOC City Hall Day. Mayor Lundbom encouraged the City Councilors to attend the event.

Agenda Item No. 5 – Discuss Canceling the September 23, 2014 City Council Meeting

City Manager Gray stated she will be on vacation beginning tomorrow for two weeks and will not be able to attend the September 23, 2014 city council meeting. She stated there were no pressing issues that she knew of coming up and requested that the Council consider canceling the September 23, 2014 regular City Council meeting.

Councilor Steve Schuette moved to cancel the September 23, 2014 unless an emergency comes up. Councilor Don Caldwell seconded the motion. The motion passed unanimously.

Agenda Item No. 6– Other Business and Upcoming Meetings

1. LOC Bulletins were given to the City Council.
2. Mayor Lundbom reminded the City Council of City Hall Day on September 10, 2014 at the Grant County Regional Airport beginning at 1 p.m.
3. Public Works Director David Holland gave the City Council an update on the Downtown Beautification Project. Iron Triangle broke ground today; they are beginning with the sidewalks on 1st Street. Then they will proceed by the old City Hall to the intersection; then cross over start down by the Catholic Church and work back up to the intersection, that will be the first phase of the project.
4. Police Chief Richard Gray updated the City Council regarding current police department activity, stated the Police Department is advertising for a new police officer, applications are due September 15, 2014.
5. Dispatch Manager Valerie Luttrell updated the Council regarding dispatch activities, stating the need for another reserve dispatcher.
6. Fire Chief Ron Smith updated the Council regarding the recent fire activity within the area. He reminded the Council there is still no burning allowed; we have to follow the state regulations for burning; stating it's still dry out there.
7. Councilor Paul Smith asked Angela Speier of the LOC how the legislative priorities that are going to be discussed at tomorrow's City Hall Day were selected. He stated he knew the Cities voted on the priorities, but wondered if the priorities that were selected were the ones that the majority of the city's that voted on. Ms. Speier responded by saying the first two property tax issues are the LOC Board's long-term priorities, so those are going to move forward and the cities did not vote on them this time. The Voter Control Referral and the Reset at Sale were the ones the City did not vote on; however, the third property tax issue reform issue "Change Property Tax Ratio" was the number one priority the majority of the cities voted on and then "Transportation Funding" came in next. Those all were voted on; water funding scored really high also; however, the Board decided that they are always going to fight for water funding and increasing the special public works fund and those types of grants; so they decided to move the mental health up on the priority list. Ms. Speier stated water funding and mental health were one vote away from each other. She informed the Council that the way the ballots get formed was through the Policy Committees. The League has eight Policy Committees that are made up of Mayors, City Managers, and city staff, whoever wants to be on the committee. Some of the committees are finance and taxation, transportation, water, energy, telecom, she said the ballots came from those committees; they select their priorities and then the cities vote on them.

Councilor Paul Smith stated he spoke with Louis and Janice Provencher and it appears that one of them may be interested in applying for the vacant city council position for filling a two year term that was vacated by Doug Gochnour. Councilor Paul Smith recommended that the Mayor or

another City Councilor follow up with them. Mayor Lundbom introduced Gregg Haberly who will be on the November ballot for a council position.

Adjourn

There being no further business before the Council, Councilor Don Caldwell made a motion to adjourn the meeting. Councilor Steve Schuette seconded the motion and the motion passed unanimously. The meeting was adjourned at 6:25 p.m.

Respectfully Submitted:

Peggy Gray
City Manager

ACCEPTED BY THE CITY COUNCIL, OCTOBER 28, 2014.

Mayor Ron Lundbom