

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

November 18, 2014

Adjourned Meeting

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Paul Smith, Councilor
Don Caldwell, Councilor
Donn Willey, Councilor

COUNCILORS ABSENT:

Steve Schuette, Council President

STAFF PRESENT:

Peggy Gray, City Manager
David Holland, Public Works Director
Valerie Luttrell, Dispatch Manager

GUESTS PRESENT:

Gregg Haberly, 195 Ford Rd., John Day
Louis Provencher, 211 NW 4th, John Day
Anna Bass, OPG
Ansel Krutsinger, John Day
Judy Krutsinger, John Day

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 with the exception of Councilor Steve Schuette who was absent and excused.

Agenda Item No. 2 – Approval of City Council Minutes of October 28, 2014

The minutes of the October 28, 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 October 28, 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 – 7 p.m. Public Hearing on Proposed Supplemental Budget to Appropriate Expenditures for the Funds Received from Grant County SRS Funds

Mayor Lundbom asked for a motion to open the public hearing on the proposed supplemental budget to appropriate expenditures for the funds received from Grant County SRS funds.

Councilor Donn Willey moved to open the public hearing on the proposed supplemental budget to appropriate expenditures for the funds received from Grant County SRS funds. Councilor Don Caldwell seconded the motion, the motion passed unanimously. The public hearing opened at 7:01 p.m.

Louis Provencher questioned putting \$75,000 for the TE grant match; he understood we already had funds budgeted for that project. City Manager Gray explained we wanted the \$75,000 additional funds in case of project overruns. If we don't expend the funds, we will roll it over to the next budget year and put it toward our next sidewalk project match that is scheduled for construction in 2018. We had previously discussed saving each year for the sidewalk project (project begins at SW 6 Ave. to the Junior-Senior High School).

Councilor Paul Smith asked if the contingency (\$121,447) could be rolled over as well and could that money still be used as street maintenance. Anna Bass of Oster Professional stated that if something catastrophic happens it just requires a resolution of the council to transfer the funds from contingency to the street maintenance repair line item.

City Manager Gray stated we are proposing to put an additional \$25,000 into the street maintenance and repair line item due to the 3rd Street Bridge repairs that totaled approximately \$23,000. Public Works Dave Holland explained that originally he budgeted about \$12,000 for street repair and maintenance, we didn't know about the 3rd Street bridge issues at budget time. The bridge cost approximately \$23,000 in repairs which will cause him to be short on that line item. Public Works Director Dave Holland explained that any funds that we have left over will go into our net working capital for next year's budget and can be used anywhere within the Street Fund.

Proposed changes to the budget are as follows:

Street Fund:	Expenditure	Revenue
	<u>Increase</u>	<u>Increase</u>
Increase Street Repair/Maintenance	\$ 25,000	
Increase TE Grant Match	\$ 75,000	
Increase Contingency	<u>\$121,447</u>	
Total	\$221,447	
Revenue Increase		<u>\$221,447</u>
Total		\$221,447

Revised Street Fund Totals:

Resources:		Expenditures:	
	\$ 446,760	Personnel Services	\$ 105,999
		Materials & Services	\$ 83,088
		Capital Outlay	\$ 115,500
		Transfers	\$ 20,726
		Contingency	\$ 121,447
Revised Fund	\$ 446,760	Revised Fund Requirements	\$ 446,760

Mayor Lundbom asked if anyone had any further questions, there being none he asked for a motion to close the public hearing.

Councilor Donn Willey moved to close the public hearing on the supplemental budget. Councilor Don Caldwell seconded the motion, the motion passed unanimously. The public hearing was closed at 7:09 p.m.

Agenda Item No. 5 – Discuss for adoption Resolution No. 14-729-15, a Resolution to Adopt Supplemental Budget for Fiscal Year 2014-2015

Mayor Lundbom asked for a motion to adopt Resolution No. 14-729-15, a resolution to adopt supplemental budget for fiscal year 2014-2015.

Councilor Don Caldwell moved to adopt Resolution No. 14-729-15. Councilor Donn Willey seconded the motion, the motion passed unanimously.

Agenda Item No. 6 – Interview Louis Provencher for Vacant City Councilor Position to Expire December 31, 2016

Mayor Lundbom introduced Louis Provencher, candidate for the council position that was vacated by Doug Gochnour. The City Council interviewed Mr. Provencher using six prepared questions.

Mr. Provencher stated he is retired from the U.S. Forest Service, has lived in the City of John Day for 24 years and is a member of the John Day Budget Committee. He feels he can provide a positive influence as well as a positive impact as part of the Council in trying to meet the goals of the City of John Day. Mr. Provencher cited his trainings and leadership throughout his years with the U.S. Forest Service and the military. He stated he would like to see John Day succeed in meeting its goals and objectives and maybe be involved in helping updating the strategic plan.

Upon a successful interview Mayor Lundbom asked for a motion to appoint Louis Provencher to the John Day City Council with a term to expire December 31, 2016.

Councilor Don Willey moved to appoint Louis Provencher to the John Day City Council with a term to expire December 31, 2016. Councilor Don Caldwell seconded the motion, the motion passed unanimously.

At this time Mayor Lundbom administered the Oath of Office to Mr. Provencher.

Agenda Item No. 7 – Discuss for Adoption Resolution No. 14-732-18, a resolution of the City of John Day accepting a Deed of Dedication from Ansel J. Krutsinger and Judy E. Krutsinger, Co-Trustees of the Krutsinger Revocable Trust U/T/A dated May 22, 2008, of certain real property located in the City of John Day

City Manager Gray reminded the City Council that we discussed adopting a resolution accepting a Deed of Dedication from Ansel and Judy Krutsinger at our October 28, 2014 council meeting, City Manager Gray informed the City Council that Ansel and Judy Krutsinger wish to donate approximately 4+ acres of land to the City of John Day. The property is located directly below the City's reservoir located by the airport. We discussed that the City's utilities run through this property and it will be easier for our Public Works employees to work on any future utility maintenance issues. High pressure water lines caused some erosion with the waterline break last winter. If someone had purchased that lot and built a house, the City would have been responsible for the damage to their property. Having ownership of the property could keep us out of some potential future liability issues.

Ansel Krutsinger stated there were two motives for the property donation to the City. Mr. Krutsinger stated that due to the water issue that occurred; there was some question as to whether someone could get that lot financed. Mr. Krutsinger stated because of that risk, it seemed that the lot became less viable. He also informed the Council that the lot could also be used as an alternative access to the water reservoir if that was ever needed. He explained that he and Judy discussed it and thought that if that lot could be beneficial to the City, we would donate it to the City. Mr. Krutsinger stated this transaction would also be beneficial to them as they would be able to take a tax deduction for the donation of the property to the City.

City Manager Gray presented a revised final copy of the Land Donation Agreement and explained the revisions to the Council. She explained that City Attorney Jeremy Green removed three Special Exceptions from Section 2 of the Land Donation Agreement. In particular, he removed Special Exception Nos.: 13, 18, and 19. These exceptions all pertained to the City of John Day and did not need to be identified under Section 2. City Attorney Jeremy Green also included Ansel & Judy's address and identified the Grantee's use of the property to be for "operation of its water and sewer utilities and/or other public benefits and/or purposes. Manager Gray noted the Land Donation Agreement was dated November 18, 2014.

Councilor Louis Provencher asked if the City ever decided to dispose of the property, are there any restrictions. City Manager Gray stated she did not believe so, she stated the property could be subdivided if the Council wanted to. The property is 4+ acres; the minimum lot requirement for that district is 10,000 sq. ft. for a legal lot. However, it is on a hill and it would be hard to build on. Mr. Krutsinger stated there is a little flat spot that could be made into a lot. City Manager Gray stated that Ansel and Judy had an appraisal on the property and a copy was available for anyone wishing to review it.

Mayor Lundbom asked the Council if anyone had any further questions. There being none, Mayor Lundbom asked for a motion of the Council to adopt Resolution No. 14-732-18.

Councilor Donn Willey made a motion to adopt Resolution No. 14-732-18. Councilor Don Caldwell seconded the motion, the motion passed unanimously.

On behalf of the City of John Day, Mayor Lundbom thanked Mr. & Mrs. Krutsinger for their generous donation. Mr. Krutsinger stated he thought this transaction will serve both them and the City well.

Agenda Item No. 8 – Other Business and Upcoming Meetings

1. LOC Bulletins were given to the City Council.
2. The City Manager's Quarterly Staff Report was included in the council packets. Councilor Donn Willey was disappointed that the draft of the Nuisance Ordinance was delayed because of the City of Madras pushing their nuisance ordinance back until later this winter for budgetary and priority based reasons. As we were going to piggyback off of Madras's draft, he was concerned because of a dangerous tree by his neighbor's house and winter isn't over. City Manager Gray stated she would ask Jeremy where he is at in Madras's draft and get back to the Council.

Mayor Lundbom had a question regarding the Wastewater Facilities Plan; Public Works Director Dave Holland updated the City Council regarding the history of the development of our Wastewater Facilities Plan and other alternatives that could be considered.

Mayor Lundbom asked what is the next step since ballot Measure 91 passed, any new developments from Jeremy. City Manager Gray stated the City's next step is to develop and implement, time, place and manner restrictions on all marijuana activity, as well as strong and effective enforcement mechanisms as soon as possible. Councilor Paul Smith distributed a white paper entitled "Measure 91: What it Means for Local Governments" produced by the League of Oregon Cities to the City Council giving guidelines for city and county governments. He encouraged the Council to read the document in order for us to be better prepared.

3. City Manager Gray informed the Council that the bore under Hwy 395 to the new fire station was unsuccessful. Public Works Director David Holland said when they came to the centerline they would hit something and it would force their drill rig to start coming to the surface, they couldn't stay deep. They tried different angles and approaches with the same thing happening. City Manager Gray stated it cost the City \$2,000 as that was the guaranteed cost that we agreed upon for them to attempt the bore. Public Works Director David Holland informed the Council that he was informed by Ron Burgess of Oregon Telephone that much bigger drill machines and drill heads are available and they would be able to bore across the highway and be more successful. Once construction begins on the new fire station, we can contract with a different company.
4. Public Works Director David Holland updated the City Council about the downtown sidewalk project. Iron Triangle will continue the project once the ground thaws and they are still hopeful to get the project completed, working late and weekends but are at the mercy of the weather.
5. Public Works Director David Holland updated the City Council about the City's snowplowing policy.
6. City Manager Gray stated she heard that the County employees are asking the County Court to close the courthouse at noon the day before the Thanksgiving and Christmas holidays. She asked the Council if they would consider allowing the City employees to go home at noon the day

before the Thanksgiving and Christmas holidays. After discussion it was the consensus of the City Council to allow the City employees to go home at noon the day before the Thanksgiving and Christmas holidays.

7. Councilor Paul Smith asked when the City Council would be discussing raising the water and sewer rates. City Manager Gray stated we usually implement the new water and sewer rates in January of each year. She said she tries to place the action item for the discussion on the December council meeting each year in order to have the rates effective January 1st and give the citizens notice of the council action in December. She suggested we discuss the rates at our next city council meeting and have Phil announce the discussion on the radio prior to the council meeting in order for the public to be informed. She reminded the Council that they agreed to raise the water/sewer rates annually; she stated our auditor does a great job explaining why we need to raise the rates on an annual basis. She stated she would call our auditor Kent Bailey and give him a heads up that we want to discuss this at the December 9th council meeting.
8. Councilor Louis Provencher stated the Forest Service is looking for new location and he thought someone should speak with the Forest Service to see if they might be interested in locating at the Industrial Park. He stated the Forest Services lease is up and they are looking at all their options. City Manager Gray stated it wouldn't create jobs however, it would retain jobs. Louis suggested speaking with the Forest Supervisor or the Forest Ranger. Louis also asked about training opportunities for elected officials with the League of Oregon Cities.

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 8:22 p.m.

Respectfully Submitted:

Peggy Gray
City Manager

ACCEPTED BY THE CITY COUNCIL, DECEMBER 9, 2014.

Mayor Ron Lundbom