

**John Day City Council
February 10, 2015
7:00 p.m.
Council Chambers
AGENDA**

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF JANUARY 27, 2015.**
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. **WASTEWATER TREATMENT FACILITY SITE VISIT UPDATE, BRETT MOORE OF ANDERSON PERRY & ASSOCIATES, INC.**
Attachment:
 - January 26, 2015 Memo from Brett Moore, P.E.
5. **APPROVE TERMS OF WASHINGTON FEDERAL PROPOSAL FOR FIRE STATION BONDS**
Attachments:
 - Electronic message and spreadsheet from Katie Schwab of Wedbush Securities
 - Electronic message from Gulgun Mersereau of Hawkins, Delafield & Wood LLP
 - Washington Federal’s Proposal
6. **DISCUSS ODOT ENHANCE GRANT APPLICATION**
Attachment:
 - Enhance Timeline for the 2018-2021 STIP

OTHER BUSINESS:

7. **OTHER BUSINESS AND UPCOMING MEETINGS**
Attachments:
 - LOC Bulletins
 - Government Ethics Commission SEI Notice

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TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: February 5, 2015

SUBJECT: Wastewater Treatment Facility Site Visit Update, Brett Moore of Anderson Perry & Associates, Inc.

Attachment:

- January 26, 2015 Memo from Brett Moore, P.E.

BACKGROUND:

Brett Moore P.E. of Anderson Perry & Associates will be present at this meeting to report to the City Council his findings and recommendations regarding improvements to our Wastewater Treatment Plant.

Attached is a memo from Mr. Moore's site visit on January 15, 2015. This memo gives background information regarding the City's permitting process, existing treatment plant conditions, short-term and long-term work items and a possible work plan.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: February 5, 2015

SUBJECT: Approve Terms of Washington Federal Proposal for Fire Station Bonds

Attachments:

- Electronic message and spreadsheet from Katie Schwab of Wedbush Securities
- Electronic message from Gulgun Mersereau of Hawkins, Delafield & Wood LLP
- Washington Federal's Proposal

BACKGROUND:

Katie Schwab of Wedbush requested proposals (RFP) to finance the John Day Fire Station from ten financial institutions. We received proposals from three banks: Bank of Eastern Oregon, Umpqua Bank and Washington Federal. Ms. Schwab stated financial institutions that did not submit proposals primarily responded that the issue was too small in size, too long in maturity or both.

The base that Wedbush Securities used in reviewing the proposals was from the February 16, 2014 letter they sent to the City and District that showed both a 15-year and a 20-year maturity. The City and Fire District opted to draft their ballot titles and campaign information based upon the 20-year maturity. The RFP requested amortization schedules based on both a 15 and 20 year maturity in the event current interest rates allow the City and the Fire District to consider a maturity shorter than 20 years.

I've attached a spreadsheet for the City and the Fire District that summarizes each of the proposals received. On January 29th, the Finance Team held a conference call with Katie Schwab of Wedbush Securities to review the proposals submitted. The results of that call were that the City and Fire District each will hold a meeting on February 10th to have each taxing district accept the terms of Washington Federal and both the City and the District would like to close as quickly as possible afterwards.

Washington Federal's proposal is attached, together with Wedbush Securities detailed numbers based on the proposal (these numbers may change based on any changes Washington Federal makes for the February 10th meeting). Interest rates quoted are indicative rates as of January 29, 2015. The Bank will index the interest rate on the Bond by using applicable Long Term Fixed Rate Advances rate as reported on the Federal Home Loan Bank of Seattle's website. The rate will be adjusted no more than 5 banking days prior to closing to reflect changes in the index from January 28, 2015 and the number of days until closing (language from attached proposal).

Ms. Schwab is working with Mark Farrell of Washington Federal. As soon as Washington Federal set their terms on Monday, they will send Wedbush Securities an amended term sheet so that Wedbush Securities can prepare a summary sheet and attach Washington Federal's term sheet to it for the City Council's review at our February 10, 2015 council meeting.

RECOMMENDATION:

The City and the Fire District 's authorizing resolutions in December delegated authority to staff to sell the bonds without further action by the governing body so long as the "terms are provided to the" governing body. Given that, Gulgun Mersereau of Hawkins, Delafield & Wood LLP (our bond counsel), does not think the City and the Fire District need to adopt another resolution (see attached email). Instead, they suggest the term sheet from Washington Federal be included in council/board packets and that staff seek a motion with language as follows:

The John Day City Council has been presented with the terms of the Washington Federal proposal to purchase the general obligation bond for the John Day Fire Station and the John Day City Council moves to approve those terms and to sell the bond to Washington Federal.

TO: John Day City Council

FROM: Peggy Gray, City Manager

DATE: February 5, 2015

SUBJECT: Discuss ODOT Enhance Grant Application
Attachment:
• Enhance Timeline for the 2018-2021 STIP

BACKGROUND:

Public Works Director David Holland and I met with Craig Sipp and Sean Maloney of ODOT on January 29th. We discussed the new collector from 3rd Street extension to 7th Street Complex. Both Craig and Sean thought it was a great project; Craig said this project would greatly enhance the City's street system and the community; however, they are seeking projects that strategically assist in enhancing the state's transportation system. While he said we can argue that this project would relieve some traffic off the state highway, he said it would be considered a weak argument.

Craig stated he believed that the City's sidewalk project from 2nd Street to 6th Street would fare very well. As this project would fill in the "gap" and complete our project (he said the state likes projects that actually complete the entire project); it is located on the state's highway system; and finally with the completion of these sidewalks we will have good, safe sidewalks directly to the Junior-Senior High School. I asked him if we could apply for the section from the intersection west to the Canyon Creek Bridge in the same application, he said yes, we could and encouraged us to do so.

With that said, Craig and Sean told us to apply for both projects. They didn't think the 7th Street project would fare well this application round; however, as you know, there are no guarantees for either applications. Craig said by applying for the 7th Street Project, it would get the project out there for future applications.

RECOMMENDATION:

I've attached the Enhance Grant application timeline; applications are due by August 3, 2015. The application is very complex and will require some engineering estimate costs. We have our costs for our sidewalk project from SW2nd Ave. to SW 6th Ave. from the previous Project Scoping Packet developed by Anderson Perry in June 2013; it shouldn't be too costly to update these numbers.

However, the project for the new collector street from 3rd Street Extension to 7th Street Complex (and new bridge); will require some engineering costs in order to complete the requirements of the application. Council will need to decide if they think applying for this project is worth the staff's time and engineering costs for a project that is not likely to be approved.

TO: John Day City Council
FROM: Peggy Gray, City Manager
DATE: February 5, 2015
SUBJECT: Other Business and Upcoming Meetings
Attachments:

- LOC Bulletins
- Government Ethics Commission SEI Notice

OTHER BUSINESS:

1. LOC Bulletins are included in your council packets.
2. Attached is an important notice from the Government Ethics Commission (OGC) explaining that ORS Chapter 244 requires certain public officials to file a Statement of Economic Interest (SEI) with the Oregon Government Ethics Commission by April 15 of each year. I have provided the OGC with a list of names of City Councilors and Planning Commissioners that are required to file the SEI form. The OGC will send your SEI forms directly to your home; it is up to each person to file their individual forms to the OGC. Please let me know if you have questions or need additional information.
3. Discuss setting a date and time to hold a special meeting for the purpose of an executive session.

UPCOMING MEETINGS:

February 16, 2015	City Hall Closed	President's Day
February 24, 2015	7:00 p.m. Council Chambers	Regular City Council meeting and Goal Setting session