

**John Day City Council**  
**March 8, 2016**  
**7:00 PM**  
**Council Chambers**  
**AGENDA**

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF FEBRUARY 23, 2016**
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. **INTRODUCTION OF THE CITY’S NEW WASTEWATER TREATMENT PLANT OPERATOR OREN WYSS**
5. **DISCUSS AND APPROVE RECOMMENDATION FROM THE PUBLIC WORKS COMMITTEE**  
Attachments:
  - Minutes of the February 22, 2016 Joint Public Works Committee meeting with the Town of Canyon City
  - Town of Canyon City Water Usage 2011 to 2015 Spreadsheet
  - Water Utility Expense Analysis for City of John Day
  - Sewer Utility Expense Analysis for City of John Day
6. **DISCUSS CITY MANAGER’S ANNUAL EVALUATION**  
Attachment:
  - City Manager Evaluation Form

**OTHER BUSINESS:**

7. **OTHER BUSINESS AND UPCOMING MEETINGS**  
Attachments:
  - LOC Bulletins
  - 18-21 Enhance STIP Projects 150% list

**ADJOURN**

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** March 4, 2016

**SUBJECT:** Introduction of the City's new Wastewater Treatment Plant Operator Oren Wyss

**BACKGROUND:**

Public Works Director Lance Woodcock will introduce the City of John Day's new Wastewater Treatment Plant Operator Oren Wyss to the John Day City Council.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** March 4, 2016

**SUBJECT:** Discuss and Approve Recommendation from the Public Works Committee Attachments:

- Minutes of the February 22, 2016 Joint Public Works Committee meeting with the Town of Canyon City
- Town of Canyon City Water Usage 2011 to 2015 Spreadsheet
- Water Utility Expense Analysis for City of John Day
- Sewer Utility Expense Analysis for City of John Day

**BACKGROUND:**

The five-year intergovernmental agreements for water and sewer services between the City of John Day and the Town of Canyon City are due to expire this year. The Public Works Committees of both cities met on February 22, 2016 to discuss the terms of the agreement.

For your review I have included the minutes of the February 22<sup>nd</sup> meeting as well as spreadsheets to justify the recommendation of the Public Works Committee.

Water Sale Agreement – On January 1, 2016 the City of John Day raised their bulk water rate to \$10 per 1,000 gallons of water from \$4.70/1,000. The Town of Canyon City purchases water based upon the City's bulk water rate, as such, the rate the City was charging them to purchase water was more than what their residents were paying and they did not think that was fair.

We presented a spreadsheet showing their water usage for the past five years and the cost difference between what has been paid; the rate at \$10 per 1,000 gallons and the rate at \$6.50 per 1,000 gallons of water. We informed Canyon City that it wasn't the John Day City Council's intent to cause harm to Canyon City and the bulk water rate was increased mainly due to the fires this past summer and the need to keep up with the cost of producing the water. We presented Canyon City with a spreadsheet showing the cost of producing the water at \$5.33 per 1,000 gallons in 2015. We informed Canyon City that our Council thought \$6.50/1,000 gallons would be a fair cost to charge Canyon City.

After discussion it was the consensus of both Public Works Committees to propose to their City Councils to revise the Agreement between the two cities to reflect a special water rate for the Town of Canyon City to \$6.50/1,000.

Sewer Agreement – The Town of Canyon City requested going back to using the flow meters and base their percentage on flows rather than on EDUs (Equivalent Dwelling Units). As you can read in the minutes, we explained that when we based their percentage on flows, we did not figure the cost of treating the effluent and that caused the City of John Day residents to pay more because Canyon City was paying less. It was explained that we only based Canyon City's flow on the percentage of the budget; we did not take into consideration the cost of treating the effluent.

We provided Canyon City with the sewer utility analysis spreadsheet showing them the actual cost to the City of John Day for treating all the effluent that goes through our treatment plant. For 2015 it cost \$9.26/1,000 gallons, Canyon City questioned the \$9.26 was not a fair number because John Day uses more water, it included transfers, debt service etc. Our response was we had to take those costs into consideration because that is what it costs John Day to run the treatment plant. We informed Canyon City that using the percentage of flows at 11% with the cost of treating the effluent; it would be approximately \$7,000 more than using the EDU formula.

We explained that using the EDU formula takes into account that John Day uses more water than Canyon City and using the EDU formula makes the cost lower for Canyon City as they are only paying for their percentage of EDUs not the total cost of treating the effluent.

After discussion it was the consensus of both committees to continue to use the EDU based formula and bring back the recommendation to our councils.

**RECOMMENDATION:**

I recommend the John Day City Council authorize City Manager Gray to work with City Attorney Jeremy Green to review and amend the Water Sale Agreement and the Intergovernmental Agreement for Sewerage Service with the Town of Canyon City based upon the recommendations of the John Day Public Works Committee.

**TO:** John Day City Council

**FROM:** Peggy Gray, City Manager

**DATE:** March 4, 2016

**SUBJECT:** Discuss City Manager's Annual Evaluation  
Attachment:  
• City Manager Evaluation Form

**BACKGROUND:**

According to my contract the City Council shall review and evaluate my performance at least once annually in advance of the adoption of the annual operating budget but no later than March 31<sup>st</sup> of each year. Attached is a copy of the evaluation form used in the past.

**RECOMMENDATION:**

Staff recommends the John Day City Council sets a date to complete the City Manager's annual evaluation before March 31, 2016.

**TO:** John Day City Council  
**FROM:** Peggy Gray, City Manager  
**DATE:** March 4, 2016  
**SUBJECT:** Other Business and Upcoming Meetings  
Attachments:

- LOC Bulletins
- 18-21 Enhance STIP Projects 150% list

**OTHER BUSINESS:**

1. LOC Bulletins are included in your council packets.
2. On February 24<sup>th</sup> Public Work Director Lance Woodcock and I met with the Army Corps of Engineers, DLCD, Canyon City, and Grant County to discuss the flood study that the Army Corps of Engineers completed in December of 2014. The information provided to us can be used to support a request to FEMA for an official map revision. There are several options we can choose; however, for any of us to educate our councils was a concern due to the nature of the flood study. We have asked the Army Corps to come back and speak with our local government officials in a joint meeting with the cities and the counties. We felt an evening meeting would be best and we are considering the evening of April 27<sup>th</sup> or 28<sup>th</sup>. Please check your calendars to see if either of those dates will work for you.
3. Included in your council packets is the 18-21 Enhance STIP Projects List. The City of John Day made the 150% list for our Main Street Phase 2 Improvements Project. There will be a meeting of the NEACT and the SEACT on Thursday, March 3<sup>rd</sup> to approve the 150% list.
4. Last week I sent a link to a League of Oregon City training video. The video explains the role of the City Council, the City Manager and the City Staff. I hope everyone had a chance to review the video.

**UPCOMING MEETINGS:**

March 8, 2016	10:00 a.m. John Day Council Chambers	John Day Fire Station OAC meeting
March 10, 2016	9:30 – 11:00 a.m. Ambulance Classroom	County Emergency Preparedness Meeting
March 15, 2016	City Manager applications due	
March 22, 2016	7:00 p.m. Council Chambers	Regular City Council meeting