

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

August 9, 2016

Adjourned Meeting

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Paul Smith, Councilor
Louis Provencher, Councilor
Lisa Weigum, Councilor
Steve Schuette, Council President
Donn Willey, Councilor

COUNCILORS ABSENT:

Gregg Haberly, Councilor

STAFF PRESENT:

Nicholas Green, City Manager
Monte Legg, Acting Public Works Director
Valerie Luttrell, ECC Manager

GUESTS PRESENT:

Dan Graikowski
Dean Nodine
Howard Gieger
Marcia Gieger
Ken Boethin
Richie Colbeth

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 Councilor Haberly was absent and unexcused.

Agenda Item No. 2 – Approval of City Council Minutes of July 26, 2016

The minutes of the July 26, 2016 were included in the agenda packets and were presented for the Council's approval. Councilor Provencher requested the minutes be amended to note that the Council chose not to adopt a permitting process for the eclipse "at this time," and that it was he who reminded the council of the in-kind donation of gravel and not Councilor Smith as previously written.

Councilor Provencher moved to adopt the minutes with these amendments. Councilor Willey seconded and the motion passed unanimously.

Agenda Item No. 3 – Appearance of Interested Citizens

Mayor Lundbom welcomed the general public and asked if there is anything they would like to add to tonight's agenda.

Agenda Item No. 4 – Service Recognition Award for Dean Nodine

Mayor Lundbom presented a plaque to Dean Nodine for 23 years of service on the John Day Planning Commission.

Agenda Item No. 5 – Dan Graikowski Land Use Planning Decision

City Manager Green provided the Council and guests with a map of the Downtown District, highlighting two properties owned by Mr. Graikowski (tax lots 3700 and 3900 at the intersection of Bridge Street and First Street). City Manager Green stated that during conversation with Mr. Graikowski the previous week he requested a variance for the lot that fronts First Street because he has an interested buyer who wants to put a manufactured home on the lot. However, per the John Day development code, only residences that lawfully existed as of November 24th, 2005 are allowed within the Downtown District.

Mr. Graikowski addressed the Council and stated he spent a week trying to identify the individual who told him that his lots would be grandfathered in. He believed it may have been Mayor Bob Quinton or Roger Simonsen, he can't remember. He stated he made the mistake of not getting it in writing. Mr. Graikowski petitioned the Council to allow him to complete the sale with his interested buyer, but that he is willing to go through the Planning Commission if necessary.

Mayor Lundbom stated that in order to allow new residential development in this area, the City would have to go through the legislative process to rezone the lots and hold public hearings, and the City could face legal challenges from anyone who we may have turned down previously for residential use in the commercial zones. City Manager Green confirmed that was his understanding after speaking with the City's development firm.

Mr. Gieger, an employee of Mr. Graikowski at the time, stated he remembered discussion of this topic when the development code changes were being considered as well as at the time Mr. Graikowski's homes were being burned (as part of the City's 'burn to learn' program) prior to the development code being adopted. He also stated his belief that 98% of the lots in that area are currently residential.

Mayor Lundbom stated the City would be willing to look at the minutes of the meetings held at the time to see if there is documentation for these statements. He also stated that the City Council has previously looked at these lots as potential property acquisitions for the City. Mr. Graikowski said his lots were considered for the fire station but were rejected. Mayor Lundbom stated the City does not want to lose the commercial district, but he has not yet had the opportunity to discuss this with the full Council.

Councilor Provencher stated we need to look at the records going back to 2005. Mr. Graikowski stated he burned the homes in 2003. Councilor Smith stated that the area between Bridge Street and First Street is zoned commercial and there are no exemptions or conditional uses allowed in that zone. Planning Commissioner Ken Boethin stated that the November 24th 2005 date was selected because that was the date the City adopted the new development code, and that the 2010 update was related to the airport zone.

City Manager Green stated that the Downtown District was intended for a purpose, and that was to create economic growth downtown. He acknowledged that we have been in economic stagnation for two decades, so we haven't seen growth there, but that doesn't mean we won't see growth there in the future, and there are business owners who may come in and say 'I don't want to put an office complex next to a manufactured home. It's not the kind of curb appeal I'm looking for.' If we allow for residential, we are encroaching on that limited commercial space we have downtown. He further stated that another aspect of

this request that makes it problematic is that the grandfather provision only allows a home owner to rebuild on the original foundation, and would not allow for the square footage of a modern manufactured home. Mr. Graikowski stated that the original home had no foundation. City Manager Green stated that if the home would not occupy the same footprint, then you aren't just rezoning, you're rewriting the law.

Councilor Provencher stated the City needs to go back and research the original records to see if there is a request from Mr. Graikowski to allow his lots to be built residential. Councilor Smith concurred. City Manager Green stated he would go back and look through the 2005 minutes, however, it still does not address the fact that if a residential property is grandfathered in, it has to be built on the same footprint as the original home. Mayor Lundbom asked City Manager Green to do the research and report back in two weeks. Council Member Smith asked Council Members Willey and Schuette if they recollect any agreements with Mr. Graikowski in 2005. They both stated they remembered being involved in the process but could not recall whether there was an agreement.

Mayor Lundbom stated Mr. Graikowski's goal was to turn those lots into commercial properties after he burned the homes? Mr. Graikowski confirmed that was his original intent, that he had considered developing the block for a future City Hall, and that he had turned down a request from Safeway to build there, but that he was never approached by any other businesses. He had also looked at creating a Post Office there, but it would require congressional approval, and that he attempted to build apartments at one point but was unsuccessful. Planning Commissioner Boethin stated he cannot remember any discussion of this topic at the time, only that the City would grandfather in existing homes.

City Manager Green will research the minutes from the public hearings and City Council meetings associated with the 2005 development code update to see if he can find any reference to this topic.

Agenda Item No. 6 – Public Contracting Code Update

City Manager Green presented the new Public Contracting ordinance for Council review. He stated his intent was to not hire another full-time employee for the public works department, but to use the funding that had been appropriated for that position on professional services contracts for public works. He stated that as he was researching the city's public contracting code he realized the model rules for the State had been updated several times since the 2006 code for the City had been adopted. He asked City Attorney Jeremy Green to provide a draft update to the code for Council review (included in packet).

The new rules give the City Manager more latitude to expend public funds without having to go to the City Council. They increase the ceiling for requiring approval from the Council from \$10,000 to \$25,000. It also raises the minimum requirement for competitive procurements from \$5,000 to \$10,000. The City had a pump break at the Wastewater Treatment Facility that will be an \$8,000 repair. The new code will allow the City Manager to purchase the pump from a qualified vendor without having to get separate quotes or approval from the Council. City Manager Green stated this is a 15-page contracting code, so he wanted to provide it to the Council to review and ask questions, and he will go back to the City Attorney for answers if needed and will address them at the next council meeting.

Councilor Provencher noted that the language related to the Emergency Declaration on the signature page of the new code is overused by cities and counties, but he will go by the recommendation of the City Attorney. Councilor Smith stated the pump constitutes an emergency. City Manager Green said he would ask the City Attorney for clarification. Councilor Provencher also noted that the new ordinance does not have any language related to grants, which are not necessarily a procurement, but if we are a grantor

versus a grantee we may need to have it covered. He further noted that on Page 3 of Exhibit A, Small Procurements, the City Manager can designate another staff member with authority for procurements as we did in the previous sections. He also noted there is no section on appeals and that the advertising requirements don't mention a newspaper of record or radio station of record. He agreed that the intent to raise the amounts makes sense. Councilor Smith stated it also makes sense to him, but asked if we would still have a Public Works Director position. City Manager Green clarified that we are planning on having a Public Works Director, he was just not ready to make a decision on that immediately, which is why Monte is the Acting Director. The intent here is to not add another body to the public works department, but to contract for services on an as-needed basis.

Councilor Smith asked Acting Director Legg how he felt about using this approach. Director Legg said he agrees with the approach, especially for big jobs where we need additional help. Councilor Smith asked if we could use the contract funding for street repair and City Manager Green confirmed that we can. Councilor Provencher stated the City needs to monitor costs and that the labor costs associated with PERS, insurance and salaries have been escalating. Councilor Weigum asked what the cost savings would be, and City Manager Green said it would be about \$65,000 annually, which is money we could commit to contracts but could also hold in reserve. Mayor Lundbom said the funds could be used to hire a contractor to oversee the completion of the fire hall, for example. Councilor Provencher stated it could be used to build up a reserve fund. Councilor Schuette stated it could be used for additional labor if we need to replace a sewer line and we need to hire someone on a temporary basis. Councilor Weigum stated she thinks it's a great idea. Councilor Smith asked if it is in compliance with state law, and City Manager Green said that it is.

Mayor Lundbom asked if this would apply to the sale of the Industrial Park, but City Manager Green stated that is a separate issue and this code relates specifically to professional services contracts and public procurements. He further stated this is for the Council to review, and he will prepare it for adoption at a future council meeting after addressing the Council's questions.

Agenda Item No. 7 – Primer on Capital Improvement Planning

City Manager Green presented this topic as a primer for the Council on the Capital Improvement Planning (CIP) process since the topic of capital improvement planning came up in the previous Council meeting but only four members were present. He stated that the last time the City had a comprehensive plan was in 1995, and he is unaware if the City ever had a capital improvement plan, which focuses just on those large investments that need to be made for public improvements. He stated this primer provides the Council with a high-level overview of what the CIP process is and how it works, and he put together a notional list of projects that have come up since he started or that were discussed in prior Council meetings. He said a CIP starts with a list of projects, a scope, definition, associated studies, and rough order of magnitude costs. This list, once complete, is then prioritized by the Council, and a capital improvements budget is built into the next budgeting cycle. The City then looks for funding opportunities and identifies when it is feasible to take on each project on the list.

Councilor Smith stated he thinks this is a great idea and is part of the Council's responsibility to constituents. He said it also provides justification and direction for money spent, and in the budget cycle helps identify the rates that need to be raised for things like the sewer system. He stated it shows a forward looking prioritization and should be pursued. Councilor Provencher concurred with Councilor Smith, but also noted that the 1995 Strategic Plan also needs to be updated to provide context for some of these investments. He stated the City-wide Beautification project and Downtown Main Street should be coupled with Downtown Revitalization projects because the term 'beautification' does not provide

sufficient justification for expenditures, nor does it help us compete for ODOT projects. He also commented on the floodplain mitigation project and the need to integrate that into the national hazard mitigation plan, which expires in 2019. He discussed the 3rd street to 7th street connection along Charolais Heights both in connection with the proposed school but also as a safety measure since we only have one bridge crossing the river there. He discussed several other projects that should be added to the list, as well as the need for the City to support the Parks & Recreation division in their pursuit of capital improvements such as the wellness center.

Mayor Lundbom asked if we should incorporate our goals from last year's goal-setting session. Councilor Schuette concurred that we should combine them. Councilor Provencher stated the goals should be tied to that 1995 plan, but the Mayor noted we did not consult that plan when we made the goals. Councilor Schuette noted that those goals were just listed and not prioritized. Councilor Smith stated we should add the Charolais Heights / ODF intersection to the list, and that we should work backward from that 20-year vision to help us prioritize. Mayor Lundbom asked for each council member to receive a copy of the 1995 plan along with last year's goals. Councilor Provencher stated we could do this without extra funding and that we should focus our plan on the City of John Day and not on the county as a whole.

City Manager Green pointed out that when he worked with his military clients he would do scenario-based strategic planning, where you look at a number of potential future outcomes rather than just the optimal outcome, which is what the 1995 plan did. It was based on a population growth rate of 2% annually, but the real growth rate has been -0.5% over the past twenty years. He recommended three scenarios: the optimal future, the status quo, and a scenario where we continue in moderate population decline. The Council could then determine in the future which path we are closest to and can adjust their planning accordingly. He stated the 1995 plan was based on an ideal scenario and we are a long way from what the 1995 vision hoped to accomplish.

Councilor Smith said that progressive cities have CIPs. He asked City Manager Green if the CIP is the same as the strategic plan or if they are different. City Manager Green stated that they are different, the CIP focuses just on your improvement projects, where the Strategic Plan is more comprehensive and also talks about vision, goals and other priorities and initiatives that don't necessarily constitute a public improvement. For example, if the City Council wanted to make it a priority to invest in digital innovation and information technology because that is not a component of our current economy (we are a natural-resource based, local retailer, Main Street city); if we wanted to include a digital component to create a more diversified economy, those are the types of things that would be discussed in the Strategic Plan. City Manager Green stated this is one reason he included Fiber-to-the-Home as a CIP project on the list. If we want to attract digital commuters who work for large corporations but want to live in a rural community where they know their neighbors, then we need to invest in broadband technology so that we can deliver 25-100 MBPS download speeds, as opposed to the 1.5-2 MPBS we currently have.

Mayor Lundbom stated there is a consensus that we should proceed with the CIP and include the goals and prior comprehensive plan in a future council session.

Agenda Item No. 8 – Eclipse 2017 Planning Update

City Manager Green provided an update on the City's eclipse planning process. He stated the Campnative.com website is up and running and will begin accepting reservations on August 21st, and there will be a 'Book Now' button on the Chamber's website. Councilor Smith asked for clarification on the \$50 one-time payment for the transient room tax. City Manager Green stated it would have been \$0.50 per night per lot, but to avoid having to calculate that for every lot, the Chamber opted for a one-time \$50 fee. Councilor Smith asked about coordination with Mike Slinkard, and City Manager Green stated he is

in contact with Mike and that every property owner in that area has been very supportive. He reported briefly on the latest meeting, which was held earlier in the day at the Canyon City Community Hall.

Councilor Provencher reported on the public meeting last Friday, which included scientists from the UC Berkeley. They demonstrated the size of the earth in relation to the sun, and that the total eclipse is one of the only times that scientists can study certain phenomenon on the sun. They estimated that 20-30,000 people could travel to Oregon to view the eclipse. He also stated that the glasses are for before and after the eclipse, but not during the two minutes of the total eclipse itself, which few people have discussed, and that the City could have some glasses custom made for the event. City Manager Green stated he would prefer to let the Chamber do this so that we can focus on procuring items that will have some value after the eclipse. Councilor Provencher stated an eclipse also results in a micro-climate change and there are books for educators and individuals looking for more information. Mayor Lundbom thanked Councilor Provencher for attending on behalf of the City.

Agenda Item No. 9 – Other Items

Cowboy Chapel Chaplain Ritchie petitioned the Council to say the Pledge of Allegiance to the Flag and a short non-sectarian prayer prior to deliberations. He stated this is the third time he has petitioned the Council. His letter to the City Manager was included in the Council packet. He brought a flag and said he would provide a flag for the pledge, and also read a statement from the Supreme Court that stated it is not a violation of separation of church and state clauses if the Council prays, and that the Council can hire a chaplain to say the prayer. He stated his belief that most of the people in John Day are patriotic and religious and it would be a good thing to do this. He also referenced the County Court, which says the pledge and prays at their meetings. He stated his belief that a pledge and prayer would set a positive tone for the John Day City Council meetings, and asked the Council to consider his petition.

Councilor Smith asked for clarification about the prayers said at the Courthouse and asked if we have a flag available in City Hall. Councilor Provencher asked for clarification from Mayor Lundbom on what the previous discussions were. Mayor Lundbom clarified that he was willing to listen to the other Council members, but his comment at the time was that Councilmember Willey is one of the most religious people he knows, but he prefers to keep it a private matter. Councilmember Weigum said that she does not feel there is a need to do this before Council meetings, but that does not mean she doesn't love this country or appreciate our troops, and certainly doesn't mean she doesn't appreciate God. Mayor Lundbom stated he feels like it trivializes it if we do it every time. Councilmember Schuette concurred, saying he is also patriotic and prays at his house, but he is not sure this is the place for it. Councilmember Willey stated he comes to meetings having prayed for wisdom that we will understand the issues and keep our perspective that we are here to represent constituents' viewpoints, but he questioned what the pledge and prayer would do to validate or bring about wisdom or unity to what the Council does here. He stated he would not be offended if we were to do either of those things, but he does not want them to become rote and routine and trivialized. He stated he keeps it private because his approach has been to do this himself before meetings. Councilmember Smith commented that there are many times when he has said the pledge in public meetings and that he would like to have a flag in our meetings and say the pledge. He stated he is divided on the prayers. Councilmember Provencher said to Chaplain Richie that he takes exception to the Chaplain's letter and statements he made in it that were accusatory in nature, and that the letter should have been rewritten. He also asked Chaplain Richie when the last time was he attended a Council meeting, because it is usually just the Council and City Staff that are present. He asked how this would benefit the residents of John Day. Finally he stated his belief that some people don't remember the sacrifices that are made on behalf of the country, but he does not know that saying the pledge and prayer are sufficient to address this. Given that it is typically only staff at meetings, he doesn't see the need. Mayor Lundbom stated that since there was not a consensus, the Council will not move to adopt this proposal.

Mayor Lundbom asked for staffing updates, and City Manager Green discussed upcoming events, including the OTEC energy conservation for wastewater treatment facilities meeting and his projected travel to Huntington to view the cannabis production farms and how that city is managing its policies. Acting Director Legg discussed requests to stripe the airport road in preparation for the eclipse, and City Manager Green mentioned that there was a request in the paper for striping on Valley View Drive. Director Legg mentioned the county has a large bill pending just for striping, but the City may be able to do something in conjunction with them to get a reduced price. Councilmember Weigum mentioned that a constituent asked if the City could recycle its wastewater to be used for irrigation of the 7th Street Park.

Adjourn

There being no further business before the Council, Councilor Weigum made a motion to adjourn the meeting. Councilor Provencher seconded and the motion passed unanimously. The meeting was adjourned at 8:37 p.m.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL, AUGUST 23RD, 2016

Mayor Ron Lundbom