

John Day City Council
October 11, 2016
7:00 PM
Fire Station, 316 S. Canyon Blvd
AGENDA

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF SEPTEMBER 27, 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. **DISCUSS FOR SIGNATURE AGREEMENT BETWEEN THE CITY OF JOHN DAY AND THE GRANT COUNTY POLICE OFFICER'S ASSOCIATION**
5. **REVIEW AND DISCUSS CANYON CITY WATER & SEWER AGREEMENTS**
Attachment(s)
 - Summary of Sewer Expenditures from FY07 – FY16
 - Amendment No. 1 to First Amended and Restated IGA for Sewerage Services
 - Amendment No. 1 to First Amended and Restated Water Sale Agreement
6. **DISCUSS FOR SIGNATURE JOHN DAY WATER REUSE FEASIBILITY STUDY – WATER CONSERVATION, REUSE, AND STORAGE FEASIBILITY STUDY GRANT PROGRAM**

OTHER BUSINESS

7. **OTHER BUSINESS AND UPCOMING MEETINGS**
 - Dog ordinance update
 - Upcoming meetings
Attachment(s)
 - LOC bulletins

ADJOURN

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: October 11, 2016
SUBJECT: Agenda Item #4: Discuss for Signature Agreement between City of John Day and Grant County Police Officer's Association

DISCUSSION

The City of John Day entered into negotiations with the Grant County Police Officer's Association in February 2016 for the purpose bargaining the union contract that expired June 30, 2016. The City and the Union have reached an agreement and we are now ready to ratify the union contract.

Union attorney Becky Gallagher notified City Manager Green on Wednesday, September 28 that the Union had ratified the bargaining agreement. I will send you (via email) a copy of the agreement. A hard copy will be available at the City Council meeting.

To facilitate your review of the contract, the substantive changes are as follows:

1. Includes part time employees who regularly work not less than twenty (20) hours per week in the scope bargaining unit.
2. Includes "Wage Payback" clause under ORS 181A.620 requiring reimbursement of training expenses for employees who voluntarily leave City employment to work for another agency.
3. Increases employee leave bank donations to 40 hours per fiscal year, up from 24 hours.
4. Defines normal work period for part-time employees as not less than 80 hours per month. With the exception of the Funeral Leave benefit set forth in Article 15.11, part time employees shall accrue paid leave benefits at 50% of the accrual rate of full time employees.
5. Adds pattern of abuse clause allowing the City to require verification from a health care provider for any sick leave taken, regardless of whether the employee has been sick for more than three consecutive days.
6. Sets "Call Out Pay" clause at two (2) hour minimum or actual time worked for all call staff, whichever is greater.
7. Commits City to paying employee's 6% PERS contribution for the duration of the contract.
8. Increases employee wages 1% in FY16, 1.5% in FY17, and 2% in FY18.

RECOMMENDATION

The Administrative Committee has been involved in the negotiation process and has approved the above revisions. I recommend the John Day City Council allow Mayor Lundbom and City Manager Green to sign the 2016-2019 Agreement between the City of John Day, Oregon and the Grant County Police Officers Association.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: October 11, 2016
SUBJECT: Agenda Item #5: Review and Discuss Canyon City Water and Sewer Agreements

Attachment(s)

- Summary of Sewer Expenditures from FY07 – FY16
- Amendment No. 1 to First Amended and Restated IGA for Sewerage Services
- Amendment No. 1 to First Amended and Restated Water Sale Agreement

BACKGROUND

Canyon City's payments on their sewer bills for the first quarter of FY16 have been significantly lower than what was invoiced and what was budgeted for. The Public Works Committees for both cities met on February 22nd, 2016 to discuss and review the First Amended and Restated Water Agreement set to expire on June 30th. It was the consensus of both Public Works Committees to propose to their City Councils to revise the Agreement to reflect a special water rate for the Town of Canyon City to \$6.50/1,000 gallons, to continue to use the EDU-based formula for sewer service, and to bring back the recommendation to each of the City Councils in March. The new agreement however was never completed or signed by either Council. Based on the February negotiations, Canyon City was budgeted to pay a total of \$71,830 for sewer service in FY16. Their average annual payment over the past 10 years has been \$51,447.

DISCUSSION

The City of John Day continued to invoice Canyon City in FY16 for the sewer service based on the EDU agreement reached in February, but the payments the City received were for less than the amount invoiced. City Manager Green met with Canyon City Recorder Corry Rider to discuss Canyon City's payments for the months of July, August, and September 2016. Mr. Rider informed City Manager Green that the Canyon City Council made a formal motion during their July City Council meeting to not pay the amount agreed upon during the February negotiations between the two City's public works committees. City Manager Green was present during the July City Council meeting but was excused before the motion was made and was unaware that it was an item on the agenda.

City Manager Green asked Mr. Rider why the City of John Day was not informed of this motion previously and why Canyon City chose not to communicate their decision to John Day. He also asked why the Canyon City Council chose to unilaterally determine what rate structure they would follow without consulting John Day as their service provider. He stated that the Council felt the negotiated rate was unfair and this was the way they chose to communicate it. He also explained that Canyon City chose to remove the contingency fund and the transfer to police, and to reset their rate from the 24.69% EDU rate to 15%. These changes will reduce their monthly payment by \$1,417 and would result in a \$17,005 budget deficit for FY16 were they to continue.

Part of the challenge with the current process may be the fluctuation in the rate structure. At times it is perceived to be in Canyon City's benefit (when based on population and flow rate), at times it is perceived to be in John Day's benefit (when based on EDUs). Discussing changes as a percentage rather than a whole dollar amount can also be misleading, as a percentage increase may be large but result in a nominal change in real payments. Figure 1 shows the actual share of the total cost (in dollars) between the two cities. Figure 2 shows the variation in Canyon City's real payments since FY07 (in dollars).

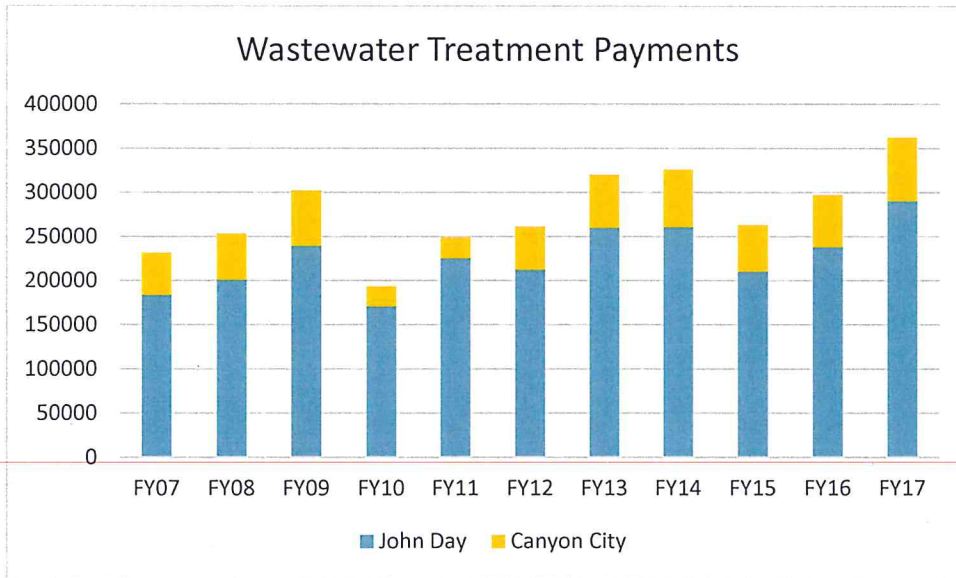


Figure 1. FY07-FY17 Payments - John Day and Canyon City

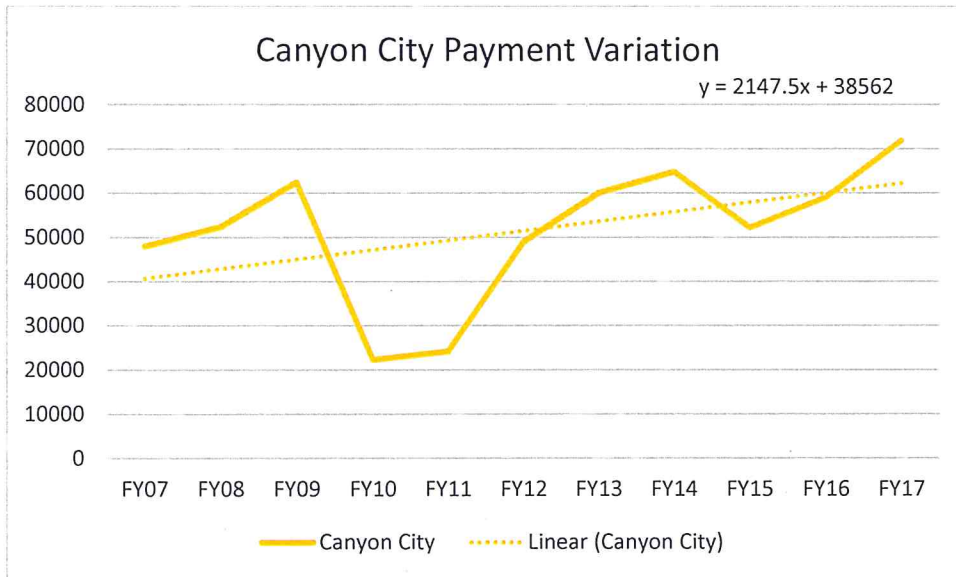


Figure 2. Payment Variation FY07-FY17 -- Canyon City

As shown by the trendline in Figure 2, on average Canyon City's payments have increased by \$2,147 annually over the 11-year period. However, the large fluctuations from year to year mask this trend. It is also difficult for any municipality to adjust to large fluctuations in expenditure from year to year.

Options for resolution:

- 1) John Day can enforce the February agreement as it stands (status quo). As the service recipient, Canyon City's motion is not binding on John Day.
- 2) John Day can reduce the \$50,000 planned expenditure for digester cleanout in this year, returning Canyon City and John Day's payments to near their FY16 levels.
- 3) John Day can offer Canyon City a fixed rate of \$51,447 (10-year average cost) with an annual increase of \$2,147 to provide Canyon City with more accurate planning guidance.

NEXT STEPS

City Manager Green contacted the city attorney and received the amendments included in the packet. These agreements continue the water rate and EDU formula discussed during the February meetings. They also require Canyon City to bring their payments current upon signing the agreement. City Manager Green is scheduled to meet with the Canyon City Council on October 18th to review and discuss John Day's position on this issue.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: October 11, 2016
SUBJECT: Agenda Item #6: Other Business

Attachment(s)

- LOC Bulletins

OTHER BUSINESS

1. Dog Ordinance

City Manager Green is expecting a draft ordinance from the city attorney. If received by the night of the Council meeting he will bring a copy. He also went on Coffee Time to advertise the need for greater personal enforcement and adherence to the law by dog owners.

2. Additional items as required by Council

UPCOMING MEETINGS

1. 10/18/16 – City Manager Green scheduled to attend Canyon City Council Meeting
2. 10/19/16 – Oregon Solutions Presentation, 7 AM no host breakfast, The Outpost
3. 10/20/16 – LOC Region 8 Small Cities Meeting, 11 AM -1:30PM, Huntington VFW
4. 10/20/16 – Special Meeting with Senator Ferrioli to discuss 911 Dispatch Funding, 6 PM, John Day Fire Hall