

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

July 11, 2017

Adjourned Meeting

COUNCILORS PRESENT:

David Holland, Councilor
Steve Schuette, Council President
Gregg Haberly, Councilor
Ron Lundbom, Mayor
Donn Willey, Councilor

COUNCILORS ABSENT:

Paul Smith, Councilor
Lisa Weigum, Councilor

STAFF PRESENT:

Nicholas Green, City Manager
Monte Legg, Public Works Director
Aaron Lieuallen, Public Works Senior PM

Richard Gray, Chief of Police
Valerie Maynard, ECC Director

GUESTS PRESENT:

Dale Rininger, John Day
Sherrie Rininger, John Day
Logan Bagett, KJDY
Angie Jones, People Mover
Mike Barry, ODOT

Jeremy Adair, John Day
Shannon Adair, John Day
Ashley Stevick, John Day

Agenda Item No. 1 – Open and Note Attendance

The John Day City Council meeting opened at 7:00 p.m. Mayor Lundbom noted Councilor Weigum was absent.

Agenda Item No. 2 – Approval of City Council Minutes of June 13, 2017

The minutes of the June 13, 2017, City Council meeting were included in the agenda packets and were presented for the Council's approval. Councilor Holland identified that agenda item #6 minutes identified Councilor Smith as motioning and seconding, which is incorrect; and that the Option 3 will "not" require retaining walls instead of "will" as written in the minutes.

Councilor Schuette moved to adopt the minutes as revised. Councilor Willey seconded and the motion passed unanimously.

Agenda Item No. 3 – Appearance of Interested Citizens

Mayor Lundbom welcomed visitors in the audience.

Mayor Lundbom requested that Mike Barry, ODOT, present agenda item #6 first in order to allow him to return home.

Agenda Item No. 6 – Street Maintenance Presentation – ODOT

Mike Barry, Region 5 liaison for ODOT, gave a presentation to the council on best practices for maintaining streets. He discussed the impacts of water penetration and the principle causes of asphalt deterioration. Mr. Barry conducted a courtesy assessment of the city's streets and stated that the condition of most of our roads is fairly good compared to other rural communities he has visited. He advised that we adopt a "preservation" strategy to focus our limited street funding to ensure that our good quality roads are maintained before we replace failed streets, as the cost to maintain is significantly lower than the cost to replace. He said communities that adopt a "worst first" approach often lose their good quality roads because they are redirecting maintenance dollars toward replacement and in the interim the good roads deteriorate. Mr. Barry said the Southeast Area Transportation Commission (SEACT) will have more advisory influence in the future on how the special cities allotment (SCA) funding of \$50,000 is allocated – today it is under Mr. Barry's jurisdiction to determine which projects are funded. He described his process for reviewing and rating SCA applications and the matching requirement (10.27%) for using federal funds allocated to ODOT for various programs.

City Manager Green stated the SCA program has been beneficial for John Day, but the policy for SCA applications needs to be adjusted. At present, it requires over 50% of SCA funds to be expended before a city can reapply. For 4-5 year construction projects, SCA funds may not be expended until the final year, leaving a window of five years between applications even though the funding is obligated in year one. Mr. Barry said ODOT would review that request and Green said he would bring it up at the next SEACT meeting on July 24.

Mr. Barry stated the city has done a really good job of crack sealing and that our street asset is worth approximately \$500,000 per mile. With 13 miles of city streets, we have approximately \$6.5M in street assets at present.

Mr. Barry also discussed street improvements needed at 4th-5th-Canton and the need for engineering to address the stormwater management issues there. He said that the alligator cracking is down the center of the street, indicating that runoff has not been managed effectively and that the street will have to be re-engineered to address stormwater before it can be replaced. Because of water damage, the street cannot be saved or maintained through chip sealing.

Agenda Item No. 4 – Public Stimulus Request

City Manager Green announced our extensive lobbying efforts were successful and we were awarded a \$2.2M public stimulus package by the state legislature in House Bill 5006. An appropriation for \$1.836M will create a fiber optic extension from Prairie City to John Day and from John Day to Burns that will become a publicly owned middle-mile. Off of this middle mile the cities and county can build extensions to service each city with a publicly-owned broadband service or through some form of public private partnership. Green stated the Internet Task Force will convene to analyze options for the network design and we will implement a new intergovernmental agreement to provide the service.

Green said \$420,000 for the 9-1-1 funding will provide a two-year funding bridge to buy the City and county time to determine how to create a long-term financing strategy and viable path forward for 9-1-1. Options include insourcing another county, outsourcing our department, or if the county is successful at passing a local option levy we can retain the service for an additional five years. The funding will also allow us to lobby the state legislature in the 2019 biennium to increase the statewide 9-1-1 tax. This funding will save the City \$150,000 over the next two years and the County \$130,000. This is general fund revenue that can be used to fund much-needed capital improvement projects. Green said the advocacy from Senator Ferrioli and Representative Bentz was critical in the success of these measures.

Agenda Item No. 5 – Traffic/Pedestrian Management – 2017 Eclipse

Green stated the City has fully sold the Industrial Park campsites and RV sites and most of the new RV sites created at Oregon Pine. Net of all expenses we should receive \$50,000 in profit for the event as general fund revenue for the City. However, with what the City has sold, what the fairgrounds has sold, and other public agencies, we know for certain John Day’s population will double during the weekend of the eclipse. What we do not know is how many people will come for day use, to stay with family, what the private sector has rented, and our hotel usage. It is reasonable to estimate about 10,000 people within the city limits, which is likely more people than John Day has ever had.

We have done a lot of contingency planning, but several decisions need to be made by the Council:

- 1) Recommending we close airport road and SW 4th Street to RV and truck access, not to cars, so they are not trying to negotiate the switchbacks.
- 2) Downtown parking restrictions – close main street and 395S similar to what we did this winter, no parking of any kind on downtown main street and south to about the fire station in order to keep the intersection clear.
- 3) Close SE 1st Ave except to emergency vehicles (no traffic or on-street parking)
- 4) Conical barrier along double yellow lines on 395 S from 1st Ave to intersection and US 26 W from intersection to SW Brent Street

Council discussed pros and cons to the proposals. Dale Rininger said that employees of the businesses on Main Street could park behind their building to ensure they have access to their worksites. Councilor Schuette requested that City Manager Green contact each affected business owner to inform them of these changes.

There was a consensus that a more conservative approach would be better initially. The restrictions can then be removed if they are not needed.

Agenda Item No. 7 - Wastewater Treatment Plant Feasibility Study Contracts

Green said the feasibility is fully funded and we are now in the new fiscal year. He asked Council to authorize him to award the contracts: \$40,000 to Anderson Perry and \$50,000 to Sustainable Water to authorize these vendors to begin their portion of the feasibility study. Anderson Perry’s scope concentrates on the treatment options and associated costs. Sustainable Water concentrates on beneficial water reuse options. There will be some overlap in the scope of work where collaboration is needed and the scope of work for both companies is enclosed in the packets.

Mayor Lundbom asked if our cost was still \$20,000. City Manager Green confirmed that our cost match on the grants was \$20,000, which pays half of Anderson Perry’s cost. The balance is covered by grants from the Infrastructure Finance Authority and Oregon Water Resources Department.

Councilor Willey moved to authorize the City Manager to award the \$40,000 professional services agreement to Anderson Perry as outlined in the enclosed statement of work, subject to final review and approval by the City Manager and City Attorney. Councilor Holland seconded and the motion passed unanimously.

Councilor Willey moved to authorize the City Manager to award the \$50,000 professional services agreement to Sustainable Water as outlined in the enclosed statement of work, subject to final review and approval by the City Manager and City Attorney. Councilor Schuette seconded and the motion passed unanimously.

Agenda Item #8: Emergency Declaration for Lost or Abandoned Dogs

Green said there are abandoned and lost dogs showing up from the Rainbow Family gathering and there are concerns about lost pets turning up after the eclipse. The Oregon Humane Society has offered to collect the animals but requires a city ordinance or emergency declaration first. Hope 4 Paws has offered to feed and care for the animals until the Humane Society can retrieve the animals. The City would be required to hold them for up to three days before they are surrendered to the Humane Society and Hope 4 Paws will furnish the kennels. The kennels will be placed in a shaded area on the west end of the treatment plant across from the percolation ponds.

Councilor Willey moved to have the City Council approve the emergency declaration for lost and abandoned dogs. Councilor Haberly seconded and the motion passed unanimously.

Agenda Item #9: Oregon Solutions Survey and FY17-18 Investment Priorities

City Manager Green stated the results of the Oregon Solutions / Oregon Kitchen Table survey are now complete and will be released to the public at the end of July. 68% of the respondents identified broadband as their top public investment priority, followed by the projects proposed for the Innovation Gateway, Recreation, and Housing. Green said the results mirrored the City's *Strategy for Growth*. Much of the survey feedback was expected but other comments were written in that were not anticipated, like the need for daycare and the desire for increased arts and cultural opportunities.

Green provided a list in the council packet of all projects proposed under each of these headings. He said he is working with the Parks and Recreation District to come up with a John Day-specific parks and recreation plan, including investing in a playground area that has features for kids aged 2-12. Green said he is also working on a housing incentive plan.

He asked Council to consider having study session on specific topics and that we do the first one around the commercial-scale greenhouses at the Innovation Gateway. He suggested we analyze the options for running a greenhouse on freshwater to test design parameters and determine how much produce we can grow as a lessons learned opportunity before we switch to a reclaimed water facility. He said a greenhouse on the order of 5,000-6,000 square feet could operate for 2-3 years on fresh water and help establish a local market prior to the treatment plant construction, which would accelerate the growth and deployment of larger greenhouses once we have the reclaimed water.

Green said the details can be discussed during a study session, but he likes the idea of leading with this investment because it creates jobs and makes money. Councilor Willey asked how we bring the concept forward to the residents. Green said we could have a study session as a public meeting and the only topic would be the greenhouses. We would present the analysis and the research we have done and the public could attend. Any decisions would then be presented at the next council meeting for approval.

There was a consensus from the Council to hold a study session on August 1 to review options for investing in controlled environment agriculture.

Agenda Item #10: Other Business

Main Street Revitalization Grant. Green said he has received the first bid for the “gut and stuff” of the Weaver building. The estimate was approximately \$130,000. Green said the owners are still willing to sell to the city for \$100,000 (the cost of the grant) plus closing costs. The initial restoration to remove the interior walls and debris and make it fire safe is \$130,000. The rental income from the building would

cover this cost over a 5-6 year period. The challenge would be raising enough money to restore the building after that.

Green said he is in discussions with impact investors, one of whom is offering loans at 3-5% interest, which is good but will still be a challenge to meet based on the rental income from the current tenants. He said we need to consider that factor, but we also need to consider what will happen if we do not buy and the building continues to deteriorate.

1188 Funding Request. Shannon Adair discussed 1188's renovation and business expansion plans. She said they are discovering issues with the structure – changes that were made that have to be corrected and done right that would not have been discovered until they started gutting it and removing floors and the false ceiling. She said on the new building they purchased there is also an 8" gap between buildings that creates a fire code issue and problems with getting their building permit approved by the State. She said they are being very proactive and doing everything by the book, but they could be short on funding to complete the renovation. She has submitted a funding request to the City for a gap-financing loan from the Community Development Fund. Green said that is an option for the fund and it is perfectly legal, but we have not yet discussed how to expend that funding and when. He would need to work with a loan officer and the city attorney to vet any contracts we enter into if council wishes to pursue this option.

Mayor Lundbom asked if Shannon had contacted Sally Bartlett, she said she had and explained the options they were looking at. Mayor Lundbom suggested she contact Sally and see if they can get funding there first, but council would be willing to consider a micro-loan if the other options do not work out. Green suggested local crowdsourcing for the expansion as another alternative.

Kam Wah Chung Sign Placement. Jerry Franklin submitted a request to the Planning Commission which was approved to place a 29-foot sign of a dragon and a tiger to advertise for the Kam Wah Chung museum. He is asking of the City can accept the easement for the corner where the sign will be placed until the Oregon State Parks and Recreation department can accept the easement, at which point we will extinguish the easement. We would act as an intermediary because our process for accepting an easement is faster and does not require as many approvals. **Council consented to accept the temporary easement.**

Land Partition. Green stated the Planning Commission approved the land partition for property west of town to accommodate a new hotel. The partition has also been approved by the County.

Tractor Purchase. Green said the City-owned tractor (1971 Ford) is failing. It is overheating and has been in use for almost fifty years. Public Works Director Monte Legg has received three vendor quotes for tractors to replace it, two from John Deere for two different models and an LS tractor quote. The John Deere options were \$57,000 for the higher horsepower one or \$41,000 for the lower horsepower. The LS tractor quote was \$37,800. Green said we have budgeted for vehicle expenditures in our motor pool fund but he needs council authorization to expend more than \$25,000. We are currently using Public Works Director Legg's personal tractor to prepare the industrial park campsites for the eclipse.

Councilor Willey stated he likes the idea of buying local and Mayor Lundbom said the Airport has been very happy with their LS tractor. Public Works Director Legg stated we have compatible attachments for the LS tractor because it is compatible with Bobcat implements the City already owns.

Councilor Willey moved to purchase the LS tractor from John Day Polaris. Councilor Schuette seconded and the motion passed unanimously.

Adjourn

There being no further business before the Council, Councilor Schuette moved to adjourn the meeting. Councilor Willey seconded and the session was adjourned at 9:09 p.m.

Respectfully Submitted:

Nicholas Green

City Manager

ACCEPTED BY THE CITY COUNCIL AUGUST 8, 2017



Mayor Ron Lundbom