

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

August 22, 2017

COUCILORS PRESENT:

Paul Smith, Councilor
Steve Schuette, Council President
Ron Lundbom, Mayor
Gregg Haberly, Councilor
Lisa Weigum, Councilor
Donn Willey, Councilor
David Holland, Councilor

COUNCILORS ABSENT:

STAFF PRESENT:

Nicholas Green, City Manager
Valerie Maynard, ECC Director
Richard Gray, Police Chief
Monte Legg, Public Works Director

Matt Manitsas, Agribusiness Project Manager
Chantal DesJardin, City Secretary
Todd Berry, Public Works
Casey Myers, Public Works

GUESTS PRESENT:

Dale Rininger, John Day
Sherrie Rininger, John Day
Rylan Boggs, John Day

Dorothy Piazza, John Day
Katie Piazza, John Day
Byron Haberly, 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 all council members were present.

Agenda Item No. 2—Approval of City Council Minutes of August 8, and Aug 18, 2017

Councilor Holland corrected a spelling error in the minutes. **Councilor Holland moved to approve August 8 minutes, as amended. Councilor Schuette seconded and the motion passed unanimously.**

Councilor Haberly corrected a spelling error in the minutes. **Councilor Weigum moved to approve August 18 minutes, as amended. Councilor Haberly seconded and the motion passed unanimously.**

Agenda Item No. 3—Appearance of Interested Citizens

Mayor Lundbom welcomed visitors in the audience and inquired if everyone was in attendance for items on the agenda. City Manager Green introduced the new city employees. Chantal DesJardin started as the Executive Assistance/Secretary/Receptionist and Matt Manitsas as the Agribusiness Project Manager in Public Works, who will spearhead the Greenhouse project.

Councilor Weigum announced her resignation from the Council effective September 12. She stated she is relocating and will not be able to retain her seat due to residing outside the city limits.

Agenda Item No. 4—Eclipse After Action Review

City Manager Green highlighted the Industrial Park Eclipse Camping with a photo presentation. Monte Legg and the Public Works department organized the campsites at the Industrial Park and Oregon Pine. Both the properties were managed by Camp Hosts, Joey Kowing at the Industrial Park and Cindy Legg at Oregon Pine. Improvements to the Park included water and sewer for the RV's and port a potty's for the dry camp tents. Visitors and city staff cleaned up the sites very well, photos show almost no trace of the temporary campsites. The City held a booth down on First Street selling t-shirts, posters, and other merchandise. City Manager Green organized a world map to be framed and hung at City Hall; the map was set up at the booth all weekend for visitors to place pins in the locations they traveled from. Some of the locations included South Africa, Europe, Australia, various Pacific Islands, Bangladesh, South America, and Alaska.

The Emergency Operations Center (EOC) was set up in the John Day Fire Hall and spearheaded by Ted Williams, EOC Commander and Grant County Emergency Coordinator. City Manager Green brought his Boy Scout troop, John Day Troop 800, for a tour of the EOC. The center included representatives from ODOT who were monitoring traffic patterns, communications, and assessing alternate routes on local maps. The height of traffic was seen the morning after the eclipse. Traffic headed west through town was backed up approximately 8 miles and lasted nearly 5 hours.

City Manager Green showed a clip of KNDU, NBC affiliate out of Tri-Cities live broadcast up at the Industrial Park. They have a four part series capturing the visitors and eclipse out of John Day. Green noted the potential for future events using the Industrial Park, such as for a Regional BBQ Competition. The city will be sending Monte Legg to Battle of the Bones, a BBQ Competition, to do field research on how to host a qualifier for World Food Championship, as a reward for his hard work and dedication during the eclipse.

Mrs. Sherrie Rininger commented that the city did an awesome job managing the influx of visitors and that many visitors emphasized that they will be coming back.

City Manager Green explained that there are merchandise sales still happening but the tentative gross revenue for reservations and merchandise was \$73,266.20. There were some last minute expenses and unsold merchandise, but those expenses were accounted for in advance. Green noted that we will be giving thanks to the Oregon National Guard and officers from Pendleton and Phoenix who came to assist us. Dispatch also staffed extra personnel and received four times the previous year's call volume.

Agenda Item No. 5—Grant County Digital Network Coalition Overview

City Manager Green passed out a memo with a condensed explanation of how the city plans on deploying the broadband fiber optic network and a copy of the intergovernmental agreement for review. The agreement will have to be ratified by each party involved in the Network Coalition. He explained that the coalition would be organized like an asset holding company; they will receive state funds, set policy objectives, and issue contracts to firms for design, build, operations and maintenance of network. The Coalition will not employ staff, it is a governance structure that will receive and spend money, raise capital and issue contracts. It was structured so that if the venture dissolves, employee

considerations will not play a factor. Distribution will be based off of the assets and liabilities on the financial statement. The five initial parties to the ORS.190 Coalition could include John Day, Prairie City, Canyon City, Seneca, and the Grant County Court.

Green explained that the network will be deployed in four phases; Phase Zero being the network design and financing. The city has the capital to pay for the 85 miles of the main fiber optic line but the capital could be used, in part, as match funding for federal grants such as the Community Connect Grant. The contract for the design will include the network design for each city's line deployment, whether that is fiber to the premise or wireless. Wireless can be used to save installation costs if used in small radius and still maintain bandwidth better than the current DSL and broadband systems. Wireless delivery in neighborhoods could be deployed quicker and still leave the option for direct lines to each home. Seneca would be the first city for deployment due to its ideal design. Phase One will connect the critical facilities to the main 85-mile line. Phase Two will deploy lines to the premises and come up with a business model, such as a public utility or a private-public partnership where a firm manages the network. These decisions will be made by the Coalition organized under ORS 190.

Councilor Willey requested clarification about whether a fiber optic line was already established from Burns to John Day and the negotiations City Manager Green has entered into with OTECC to install aerial fiber along their power poles. Green clarified that there is not an existing line to Burns and that OTECC has agreed to let us use their long-haul transmission lines that come into the John Day. Most of the line is over public land with one private property owner between Burns and Seneca. The City is aiming to be operational by October 2018

Councilor Willey asked what the \$1.8 million received from the state will be spent on. Green explained that the proposal was to spend the money to construct the 85-mile route. Essentially Phase Zero and Phase One, which would connect the hospital, police departments, city halls, county court, and schools. Willey asked if any of it would be used to create the IGA. Nick noted that there are legal costs associated with the IGA that the City will need to be reimbursed for these. They anticipate that some of the \$1.8 million will be set aside if they obtain the Community Connect Grant to be used for Phase Two deployment.

Mayor Lundbom inquired about when the application for the Community Connect Grant is due. Green replied that he will need to get an exact date but that it opens sometime around January or February of 2018.

Councilor Schuette asked how the money will be raised to connect the line from John Day to Prairie City. Green clarified that the 85-mile line is from Prairie to John Day to Burns. Though there are some issues getting the line to Prairie City, because the right of ways may not include telecommunication agreements, none of them are insurmountable.

City Manager Green noted that the front page of the packet was his summary of the agreement and the pages following were prepared by the city attorney. The Coalition will list John Day as the lead entity and use the City Hall address and we will be refunded for the startup costs. Green emphasized that the Coalition has to operate like any other public agency and that the agreement outlines all of the procedural rules and powers of its board. John Day will need to appoint a member representative on the Board of Directors, once the agreement has been ratified. The term of the agreement is indefinite but the contract must be reviewed annually, so as not to limit the Agreement. There are also procedures for dissolving the agreement or if a party were to leave or be withdrawn from the IGA. Green says the other cities are hoping to have the agreement adopted by September.

Agenda Item No. 6—Status Update on Treatment Plant Feasibility Studies

City Manager Green believes the final agreement with Sustainable Water will be signed within the week. There were no changes from agreement previously presented to the council, other than the agreement effective date. Green is waiting on the agreement from Anderson Perry, but the contracts are finished and should be signed before the next council meeting. Once the agreements are signed, a kickoff date will be scheduled and an internal meeting with City Staff, City Council, and the Engineers held. A first stop meeting will be with the city team, engineers, and DEQ in order to get all the DEQ requirements that need to be addressed. After a twelve month study period, a final proposal will be presented to DEQ and the financing agencies at a one stop meeting. This meeting will give us an idea of the offers and grants that determine our timeline and funding for the capital improvement. Sustainable Water could also decide at the end of the 12-months to invest in John Day and privatize the treatment plant. They would present terms to the city for a 40-year water purchase agreement, which includes the design, build, operation, and maintenance of the plant. Green discussed the uncertainty with privatizing wastewater treatment and potential increase in efficiency and cost savings in the private sector.

Toddy Berry asked what the private sector gains from a purchase agreement and if they can raise the sewer rate. Nick confirmed that we pay the company a fixed amount each month for 40 years and the city retains the water as an asset. A concern is if the company ceases to exist before 40 years and the agreement would need to include a stipulation that the plant would return to the city or not be sold without city approval. Some companies are interested in purchasing reclaimed water, the rate cannot be determined until after the study is completed. The study is expected to be finalized in 12 months and the deadline is in 18 months.

Mayor Lundbom asked for clarification about whether our treatment plant is part of Sustainable Water's plan to provide 50 free plants across the nation. Green responded that Sustainable Water has not mentioned it, and that they are also waiting on the feasibility study before any discussion. Initial signs are good and DEQ has confidence that it is feasible. Councilor Paul Smith mentioned that it seemed to be a hot trend and the DEQ and League of Cities have both mentioned their interest.

Councilor Willey expressed concern about the sewer rate not going down, as was discussed early, if the treatment plant were to be privatized. Green responded that if the rates do not go down, the city could cover the operating expenses with the revenue from the controlled environment agriculture. If the sewer rate were to stay the same, an economic benefit to users could be realized from the revenue as an investment in community facilities and assets or a rebate to the customers.

Dorothy Piazza asked if the quality of the water includes higher levels of chlorine and other chemicals versus our current water supply. Mayor Lundbom clarified the water is not intended to be potable water. Green responded that the study specifies the acceptable levels of chemicals and minerals for the processed water. Ultraviolet irradiation is preferred over chlorination, so as not to add a chemical that is harmful to the plants in the greenhouse. UV is as effective in eradicating pathogens and there is an option for non-agricultural water being chlorinated. Downstream buyers may also have their own specifications for water standards. Green further clarified that our current potable water is chlorinated, so the water going into the treatment plant will contain trace amounts of chlorine.

Councilor Haberly asked if there has been any change in the different types of sewer inputs the new system can accept compared to our current one. Green responded that we need to be careful about inputting septic into the system that is costly to treat. The study will address different inputs and the

experts on the team can advise us about the varying costs to treat each input. Public Works Director Monte Legg explained that our current system cannot accept septic tank sludge because a tank is a treatment process in itself and contains ingredients that contradict the plant process. Green explained if we used hydroponics as part of the treatment process in addition to recipients of the reuse water, the inputs cannot be so harsh that they kill the plants. The current plan limits the amount of land use for the treatment plant to five acres so more property can be used for water reuse. Our current plant, including the ponds, is thirty acres. The new plant would need to have a cooling pond. Green would like to use a natural catchment on the south side of the river that typically floods, designed to be useful and aesthetically pleasing standing alone, for cooling.

City Manager Green announced that the city had been awarded the Transportation Growth Management Grant, which includes about \$200,000 in stimulus funds to be used for the Innovation Gateway Area Plan. The match price is about 10% so if the grant is 300,000, we are responsible for \$300 dollars. Green mentioned that contractors have already been reaching out to him, asking to be involved.

Mayor Lundbom asked if the city has ever accepted septic tanks into our treatment plant. Byron Haberly responded that the city did at one point accept septic tanks but he is not sure when that changed. He added that he did not think the new system would be able to accept septic tanks because the human waste is not all biodegradable or cost effective.

Action Item No. 7—Update on TGM Grant

City Manager Green had announced we were awarded the grant and a timeline will be included in the next council meeting. A commitment from the state will be issued after a statement of work is approved. The match of 10% can be in cash or in kind. Involved agency's time, spent collaborating on the project counts as money in kind.

[During the discussion of the TGM Grant, comments were interjected by some members of the audience in attendance at the meeting. These comments introduced agenda topics that were not submitted at the beginning of the council meeting when Mayor Lundbom asked if anyone wished to add topics to the agenda. Some comments were of a personal nature and directed at City staff. City Manager Green was not notified in advance and staff were neither given the opportunity to have the complaints addressed in Executive Session nor to respond to one resident, who left the building after making his statement. As a result, City Manager Green requested that the topic be tabled to give him the opportunity to address the concerns raised with the appropriate committees outside of a public meeting. Follow up meetings were held with the Public Works Committee and Public Safety Committee on Wednesday, September 6, in the City Manager's Office].

Action Item No. 8 – Other Business and Upcoming Meetings

City Manager Green discussed with the council the following upcoming meetings.

- Sep 12 – City Council Meeting - Housing Development Incentives (7PM)
- Sep 19 – Trip to Corvallis to meet with OSU to discuss Gateway & Broadband
- Sep 28-30 – League of Oregon Cities Annual Conference (City Manager speaking on Visioning, Strategic Planning and Goal Setting Processes: What Makes Them Successful)
- Sep 26 – City Council Meeting - Urban Renewal District (7PM)
- Oct 12-16 – Trip to Tucson (University of Arizona Controlled Environment Ag. Course)

- Oct 20 – Oregon Connections Telecommunications Conference – City Manager on panel discussion on Digital Divide


Adjourn

There being no further business before the Council, Councilor Willey moved to adjourn the meeting. Councilor Weigum seconded and the motion passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL SEPTEMBER 12, 2017



Mayor Ron Lundbom