

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

September 26, 2017

**COUCILORS PRESENT:**

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

**COUNCILORS ABSENT:**

**STAFF PRESENT:**

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

Matt Manitsas, Agribusiness Project Manager  
Chantal DesJardin, City Secretary

**GUESTS PRESENT:**

Dale Rininger, John Day  
Sherrie Rininger, John Day  
Bonnie Watt, JD Rents & Power Equip.  
Robert Watt, JD Rents & Power Equip.  
Logan Bagett, Elkhorn Media Group  
Hannah Hinman, John Day  
Elliot Sky, John Day

Bruce Ward, Sunrise Construction  
Jeremy Adair, 1188 Brewing Company  
Shannon Adair, 1188 Brewing Company  
Farrell Clark, Clark's Disposal  
Kahli Clark, Clark's Disposal  
Ashley Stevick, John Day  
Didgette McCracken, OSU

**Agenda Item No. 1—Open and Note Attendance**

The John Day City Council meeting opened at 7:00 p.m. Mayor Lundbom.

**Agenda Item No. 2—Approval of City Council Minutes of September 12, 2017**

**Councilor Smith moved to approve September 12th minutes, as amended. Motion was seconded by Councilor Willey and passed unanimously.**

**Agenda Item No. 3—Appearance of Interested Citizens**

Mayor Lundbom asked if the audience had any items they wished to be added to the agenda.

**Agenda Item No. 4—Appointment of New City Councilor**

City Manager Green invited the council to appoint a councilor to fill position #2 for the remaining 15 months of the term. The five applicants, all eligible, included: Ashley Stevick, Shannon Adair, Darin Toy, Chris Labhart, and Richard Colbeth. Mayor Lundbom noted that Ashley Stevick and Shannon Adair were the only applicants present at the council meeting. Shannon and Ashley introduced themselves to the

Council and gave further considerations for appointment. The council considered each applicant and discussed civic engagement, qualifications, diversity, and commitment. Councilor Willey motioned to appoint Shannon Adair to fill councilor position #2. Councilor Haberly seconded the motion and it passed unanimously. Mayor Lundbom encouraged the audience and applicants to apply at the end of 2018. Mayor Lundbom swore Councilor Adair into the council. City Manager Green clarified that Councilor Adair is assigned to the administrative committee with Mayor Lundbom and Councilor Schuette.

Council noted that Darin Toy expressed interest in the Budget Committee and Planning Commission. Councilor Schuette moved to appoint Dale Rininger and Darin Toy to the Planning Commission and Darin Toy to the Budget Committee. Councilor Holland seconded the motion and it passed unanimously.

Mayor Lundbom invited Ashley Stevick to apply for the Budget Committee. City Manager Green invited her to work with the city on the Housing Initiative and the Community Stakeholder group. Ashley Stevick accepted and expressed interest in being involved with the Innovation Gateway. Mayor Lundbom thanked everyone for their applications.

#### **Agenda Item No. 5—Innovation Gateway—Plan of Action & Milestones**

City Manager Green presented the Plan of Action and Milestones, a detailed calendar showing the milestones for each significant activity the city is engaged in. The intention is to provide a timeline for the council and their constituents and will be posted to the city website and used at council meetings to provide progress updates. There are currently 6 major initiatives, one with several sub initiatives. The State will award a contract to a full services team (engineering, architecture, and design) for the Transportation Growth Management Plan (TGM). The City will work with the State to determine the final Firm, from the 8-10 pre approved consultants, for the City to negotiate a contract with. Once the pieces are together, the State will award the contract and the City will work with the design firm for the next 18 months. The selection process should take about 4-5 months; the city has been working with the State Project Manager, who handles the administrative work. There will be a 4 month period of prep work before the team is on board; once on board the city will push them to complete the planning for the whole area in 12-15 months. This plan will affect the surrounding property owners, so the community will be involved in various outreach information sessions in which the city will solicit feedback from the community. During the 12-15 months, the city will be working on other projects, such as prepping the work site. Since it is difficult to predict some of the planning details without the TGM Team, City Manager Green suggests the city not pursue any property line adjustments or land exchanges at this time. Green invited the surrounding property owners currently present, to provide input. Farrell Clark noted that he was attending to find out further details on the planning timeline. Green displayed a map of the proposed extension of 7<sup>th</sup> street and the tentative planning for Oregon Pine. Green proposed that the city suggest annexing properties along the periphery of Oregon Pine. The city could approach those outside of city limits and ask them to voluntarily consent to annexation, in order to help clean up the city limits. The benefit to property owners would be a decrease in utility rate, which could potentially offset the increased cost of taxes to be within city limits. This is a project that could be part of prepping the work site.

City Manager green showed the audience the current flood plain maps and the updated survey completed by Mike Springer. He proposed that the greenhouse be placed in one of the areas, which the city is presenting to FEMA as an amended area, to be removed from the flood plain. This location is ideally located roughly 30 feet from the proposed direct consumer distribution shed, for excess produce. City Manager Green also showed the area that currently floods each year. He explained their current

hopes for it to become a manmade reservoir, to act as a holding cell for the reclaimed water. It could be developed as an aesthetic asset with fountains, walking paths, and streams to the river. There is room for a roughly 10 foot deep by 10 acre area for this water. The reservoir development is an example of the recreation component the city wants to incorporate into the Gateway, while maintaining the commercial benefit of the reclaimed water. These ideas will be presented to the planning firm, who will then assist the city with acquiring community feedback.

Councilor Smith asked for clarification on the initially proposed site for the greenhouse. Green showed the audience the site near the water treatment site, both being outside the flood plain. He explained that the initially proposed site does not currently have power and it is not beneficial for investors or visibility. Moving the initial greenhouse leaves room for additional greenhouses behind the river in the future.

Green explained the gateway presentation is a phased approach with Phase 1 being: bring power to the shop, construct parking, and the greenhouse; Phase 2 : the reclaimed water facility and roughing in of 7<sup>th</sup> street; Phase 3: decommission of current plant and redevelopment of the remainder of the Gateway. Councilor Schuette asked where the closest fresh water source would be for the greenhouse to use initially. Green clarified that the street improvement, to provide access to the greenhouse and shop, would include implementation of a water, sewer, and purple line along the street. Senior Project Manager Lieuallen is working on the power requirements for the load schedule, but it would likely include at least one transformer. Dale Rininger asked about public restrooms. Green clarified that the new shop has restrooms but there is room to build restrooms on to the planer shed.

Mayor Lundbom asked about the decommission of the mill. Green explained that the water did not recede as quickly as planned, so DR Johnson Lumber have been given an extension to October 23<sup>rd</sup> to clean up the mill. If it is not cleaned up by that date, the city will own everything present and keep their retainer of \$58,000 to pay for clean up.

Citizen Elliot Sky asked about a potential model of the greenhouse. City Manager Green showed present audience photos from the city projects page. (Can be found on the city website)

Mayor Lundbom requested if the design team could help with the decommission. Green does not foresee problems with distributing the machinery. Councilor Smith inquired about economic value of leaving the items, to be utilized similar to the Sumpter dredge for historical tourism. Green clarified for Mayor Lundbom that the building is structurally sound and the curb appeal is important to the vision.

City Manager Green explained that the contracts for Anderson Perry and Sustainable Water have been awarded and they started working on the new wastewater treatment facility this month. The local kickoff will be Nov. 13-17<sup>th</sup>; the 15<sup>th</sup> will be a First Stop. DEQ will be coming to explain the permitting and treatment requirements, so the city can vet what details to pay attention to during the feasibility study. In a year, at the One Stop, the city will decide what type of facility to acquire and collect financing proposals from various state and federal agencies that finance treatment plants. Sustainable Water should also present a proposal to privatize the facility. The Local Income Survey process has begun; PSU will come out in February to conduct the survey. By March or Late April, we will know whether we qualify for community development block grants. The land development includes the river trail system on the north side of the river, the extension of 7<sup>th</sup> street, and all of the water management. Water management includes the natural water runoff, reclaimed water, and distribution through the Gateway and to end users. At the next council meeting, there will be discussion of financing for the greenhouse with plans to have it open and harvesting by October 2018.

The meet with OSU included local liaisons Didgette McCracken and Shanna Northway. OSU wants to partner with the city to: develop a new agricultural experiment station; pursue open campus options; and implement the broadband. They would like to make a joint proposal to the legislature for funding to expand the Gateway to include an academic component. Didgette McCracken noted that the meeting went great, the council and city was well represented, and a second meeting is to be held before the end of the year. Green added that OSU does not currently have an experiment station with controlled agriculture and hydroponics. This is a significant state level commitment and would bring the growth the city has been pursuing. Citizen Bruce Ward asked about the housing challenge for the people the partnership would bring. Green responded that there will be a need for more housing and diverse housing options. Green announced that he has bipartisan support for a bill to amend ORS 457. The goal is to have the housing incentive launched by July 2018.

The Community Development Block Grant is a huge federal funding opportunity, which is where Green is focusing his time, along with engaging agencies and private sector investors. Councilor Schuette asked about our eligibility for the grant if Canyon City does not qualify. Green had asked this question and a clear response was not given, which could mean an exception may be made. The Census reports John Day at 41% low to moderate income, which is based off of a small sample pool; for the grant 50% or more of the city must be low to moderate income. Non-respondents are reported as above median income. PSU has a low non-respondent rate they tolerate, which ensures a more accurate representation. Councilor Smith noted that Grant County has had one of the highest unemployment rates in the State for many years.

#### **Agenda Item No. 6—Grant County Digital Network Update**

City Manager Green reported that at OSU they met with Jon Dolan, who is leading the acquisition of the Statewide Network, a fiber optic network the state is acquiring for public use. OSU is leading this on behalf of the four research universities. One of these lines, being acquired this month, runs along Highway 20 to Burns. The city hopes to tie in to this line for our network, which would result in a publicly owned network from Salem to Boise that includes Grant County. It will give us a cost advantage and propel us forward as our long haul provider. The State funded the City to purchase 80 miles of line to attach to power poles and connect to OSU's network.

Green noted he had previously spoken to the council about the 2,000 square feet of the Fire Hall that is unfinished. The cost estimate by the construction team is \$291,000 to finish the building. He suggested the city could use the space, leased to the ORS 190, to use as the Cable Plant. The ORS could prepay at least a portion of the lease, which could be used as capital to finish the building. The Fire Station would be giving up a storage room and one office. Bruce Ward, Sunrise Construction Specialties LLC, asked if the city was committed to the original contractor. Green responded that they are not and they do not plan on using the original contractor to finish the building. Councilor Smith commented that it sounded like a good marriage. Mayor Lundbom asked how the line would reach Boise. Green clarified that it would reach Boise through Highway 20. Lundbom asked where the line went from Prairie City. Green noted that our private sector incumbent doesn't have a redundant self healing network, which is why we lost connectivity recently. He proposed that at his next meeting with them, he would suggest they tie their network into ours. The city would lease strands from the network to the providers, to buy capacity from the providers on Highway 20, in order to prevent loss of connectivity in the future. It could meet our needs and incentivize competition; everyone would have a redundant network, a win for residents, the city, and potentially the competitors. The city is waiting for Prairie City and the County Court to commit before the Coalition can be formally organized. The city could move forward if Prairie City

chooses not to join, but they need to make a decision soon. The County Court has not said no to the network but we need a yes before the Coalition can move forward.

### **Agenda Item No. 7—Speed Limit Change**

City Manager Green reported that ODOT is recommending we wait until the new sidewalk is constructed to the High School. They provided a document stating that their traffic engineer thinks providing a marked crosswalk would make crossing less safe for pedestrians. Green met with the Public Works Committee and discussed purchasing another speedometer to be placed at the corner of the Fire Hall, to remind the public to slow down. It would be powered off the fire station. He noted that the council could choose to push ODOT to implement changes. Councilor Smith noted that the report stated that additional construction could further change the roadside culture. Mayor Lundbom added that the needed ADA requirements was a good point made by ODOT. Councilor Holland commented that the city has had numerous conflicts with ODOT regarding marked crosswalks within city limits, often resulting in the removal of crosswalks. ODOT's reasoning for limiting marked crosswalks is to herd pedestrians to the safest places to cross. Council agreed that it would be prudent to postpone a proposal until the sidewalk is finished.

### **Action Item No. 8—Other Business and Upcoming Meetings**

- Sept. 25-29—FY2016-17 Financial Audit by Guyer & Associates
- Sept. 28-30—LOC Annual Conference (City Manager speaking on Visioning, Strategic Planning and Goal Setting Processes: What Makes Them Successful)
- Oct. 12-16—Trip to Tucson (University of Arizona Controlled Environment Ag. Course)
- Oct. 20—Oregon Connections Telecommunications Conference—City Manager in panel on discussions on Digital Divide
- Oct. 24—Public Hearings for Budget Modifications and the Iron Triangle Land Sale
- Nov. 13-17—Sustainable Water Site Visit/First Stop with DEQ
- Nov. 14—November City Council Meeting (only one)
- Dec. 12—December City Council Meeting (only one)

### **Monte Legg, Public Works Directors Report on his attendance of the Battle of the Bones World Food Championship in Central Point, Oregon.**

Legg reported that it was a 3 day event with 17 teams competing. He met up with Mike Blake, Event Coordinator for the city. In addition to the barbeque, there was a brew fest, vendors, and music. He took Monte around and explained the logistics of the event. They reported that 30-35% of ticket sales are online, with the remaining of 800 tickets being sold within the first couple hours of the event. Blake volunteered to help the City of John Day put on an event, if they hosted him. Mayor Lundbom asked if you could easily join the Food Championship Circuit. Legg clarified that it took Central Point three years to be accepted into the circuit. Blake recommended that the startup year could be a loose competition with a People's Choice Award. Battle of the Bones has 102 sponsors, 89 vendors, and is a volunteer ran event. The city of Central Point owns the name "Battle of the Bones" and maintains a point value in the circuit. Four teams have made a loose commitment to attend John Day's Barbeque, Blues, and Brew Fest. City Manager Green proposed we hold the event in the Planer Shed at Oregon Pine in August 2018 as a Grand Opening for the Innovation Gateway. The greenhouse would be operational at this point and we could source the beef for the barbeque locally, such as at the Fair Auction, to further promote our community. Councilor Schuette asked about Eclipse Attendees who expressed in returning. Green

clarified that many expressed interest in returning for the one year anniversary. He suggested he could put together a formal proposal. Monte Legg noted that we now have the City RV Park to use.

Councilor Holland clarified that the storm drain removal, mentioned at the previous council meeting, was required to be removed because DEQ does not consider them as drain system but rather dry wells, an underground injection system. The City was given a grace period by DEQ to remove them, otherwise they would have been fined heavily.

Councilor Smith noted that the council packet included a list of the external funding achieved. He commended the city manager for his achievements in the last 12 months. He presented the OTECC Newsletter, which included an article by City Manager Green about Innovation Gateway, and noted that it was good public relations. Also in the newsletter is a manager's message, by Les Penning. He noted that Les's philosophy "that costs incurred to maintain systems can only be spread across members; therefore any growth helps stabilize rates". His philosophy of "looking to the future for success" sheds a positive light on the city's partnership with OTECC.

Councilor Adair presented some articles to the council regarding experimenting with hops. Councilor Smith noted that it sounded like a good conversation piece to talk to OSU for the Experimental Station.

Councilor Willey motioned to adjourn the meeting, seconded by Councilor Schuette, and passed unanimously.

Respectfully Submitted:

Nicholas Green

City Manager

ACCEPTED BY THE CITY COUNCIL OCTOBER 10, 2017



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Mayor Ron Lundbom