

**John Day City Council**  
**October 24, 2017**  
**7:00 PM**  
**Fire Station, 316 S. Canyon Blvd**  
**AGENDA**

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF OCTOBER 10, 2017.**
3. **APPEARANCE OF INTERESTED CITIZENS** – At this time Mayor Lundbom will welcome the public and ask if there is anything they would like to add to tonight’s agenda.

**ACTION ITEMS**

4. **PUBLIC HEARING – I.T. LOGGING**
  - Affidavit of Public Hearing
  - Purchase and Sale Agreement – I.T. Logging
5. **PUBLIC HEARING – HUGH THOMPSON**
  - Affidavit of Public Hearing
  - Utility Map
  - Proposed Land Exchange – Hugh Thompson
6. **PUBLIC HEARING – SUPPLEMENTAL BUDGET**
  - Affidavit of Public Hearing
  - Supplemental Budget Summary
7. **RESOLUTION #17-775-11**
  - Resolution No. 17-775-11A Resolution To Adopt a Supplemental Budget Appropriating Grant Funds and Eclipse Revenue Unknown During the Budget Process.
8. **MAIN STREET REVITALIZATION**
  - Purchase and Sale Agreement – Weaver Main Street Building

**OTHER BUSINESS**

9. **OTHER BUSINESS AND UPCOMING MEETINGS**
  - Report on Oct 12-16 – Trip to Tucson (University of Arizona CEA Course)
  - Nov 13 – 17 – Sustainable Water Site Visit / First Stop with DEQ
  - Nov 14 – November Council Meeting (only one)
  - Dec 12 – December City Council Meeting (only one)

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** October 24, 2017

**SUBJECT:** Agenda Item #4: Public Hearing – I.T. Logging  
Attachment(s)

- Notice of Public Hearing
- Purchase and Sale Agreement

## **BACKGROUND**

In conjunction with the Oregon Pine property purchase, the City contemplated a property line adjustment with adjacent property owner I.T. Logging to ensure that the future wastewater treatment plant would not negatively affect the use of said property by its owners. A six-acre lot line adjustment was agreed upon to provide a buffer area between the City's future treatment plant and the private enterprise. The enclosed lot line adjustment describes the area to be sold.

## **DISCUSSION**

The City intends to sell the six-acre area for the purchase price of \$58,800.00 plus \$1,510 in surveying expenses incurred to prepare the transfer. A legal description of the lot line adjustment and a copy of the purchase and sale agreement are enclosed.

Mayor Lundbom should open the public hearing, review the property line adjustment, and ask if there is any feedback. Following feedback, Mayor Lundbom may close the public hearing.

## **RECOMMENDATION**

Council should motion to approve the lot line adjustment and authorize Mayor Lundbom to sign the purchase and sale agreement.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** October 24, 2017

**SUBJECT:** Agenda Item #5: Public Hearing – Hugh Thompson  
Attachment(s)

- Affidavit of Public Hearing
- Utility map
- Property Line Adjustment Application

## **BACKGROUND**

The City owned lot located at 13S31E26 tax lot 4000 is a 3.58-acre area adjacent to Ferguson Road and the intersection of SE Elm Street and Hillcrest Drive. The property houses two of the city's reservoirs. It includes a 10-inch city water main distribution line along the NE portion of the property. The water line crosses from the city-property onto the Thompson property as it approaches the intersection of Elm and Hillcrest (see utility map enclosed).

## **DISCUSSION**

The city property (tax lot 4000) is an irregular shape. A steep, triangular wedge extends north toward Elm and Hillcrest. This property was acquired by the city in order to extend water service north from the reservoirs. However, no easements have been identified for the portion of the water main that crosses the Thompson property, and a portion of the city lot that is accessible and useable by Thompson is not accessible to the City. The City has no other use for the land other than for a utility access corridor.

I recommend the city adjust its property line with Thompson through a quit-claim deed to be prepared by the city attorney. City will deed the triangular portion of the property (2,741 SF +/- parcel as described in enclosed application) to Thompson in exchange for a twenty-foot easement (ten feet on either side of the water main). Easement will include access to Thompson property for purposes of servicing the line and will ensure no structures are built to impair the utility corridor in the future.

The City has accepted the Property Line Adjustment application and the City Attorney is preparing the utility easement agreement and quit claim deed. City will exchange land for the easement in order to ensure future access to the property.

Mayor Lundbom should open the public hearing, review the property line adjustment, and ask if there is any feedback. Following feedback, Mayor Lundbom may close the public hearing.

## **RECOMMENDATION**

Council should motion to approve the lot line adjustment, quit claim deed, and authorize Mayor Lundbom to sign the land exchange and utility easement agreement upon completion and review by the City Manager and the City Attorney.

**TO:** John Day City Council  
**FROM:** Nicholas Green, City Manager  
**DATE:** October 24, 2017  
**SUBJECT:** Agenda Item #6: Supplemental Budget Public Hearing  
Attachment(s)

- Affidavit of Public Hearing
- Supplemental Budget Summary

## **BACKGROUND**

The enclosed budget supplement includes the following changes to the FY17-18 budget. All expenditures and revenue are in the General Fund.

## **DISCUSSION**

The supplemental budget accounts for increased eclipse-related expenditures and additional revenue received from eclipse reservations and merchandise not budgeted for in the FY17-18 budget. The supplement also includes costs and revenue associated with the acquisition and renovation of the Main Street building.

### Expenditures:

- Increases personnel expenditures by \$4,000 due to eclipse-related labor
- Increases materials and services expenditures by \$15,000
- Adds property tax expenditures for Main Street building by \$1,200
- Adds \$300,000 for: purchase (\$100K); and interior renovation (\$200K) of Main Street building
- Adds debt service of \$14,400 (\$7,810 principal + \$6,590 interest) for loan on interior renovation

### Revenue:

- Adds \$15,600 in rental income from Main Street building
- Adds \$100,000 in grant proceeds from Main Street Revitalization grant
- Adds \$200,000 in debt proceeds from loan on interior renovation
- Adds \$19,000 in additional revenue from eclipse reservations and merchandise

The interior renovation revenue and expenditures have been budgeted for in anticipation that work on the Main Street building revitalization will commence during this fiscal year. This topic will be discussed in the next agenda item.

Mayor Lundbom should open the public hearing, review the supplemental budget, and ask if there is any feedback. Following feedback, Mayor Lundbom may close the public hearing.

## **RECOMMENDATION**

Council should motion to approve the supplemental budget.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** October 24, 2017

**SUBJECT:** Agenda Item #7: Resolution 17-775-11, A Resolution to Adopt a Supplemental Budget Appropriating Grant Funds and Eclipse Revenue Unknown During the Budget Process.  
Attachment(s)  
• Resolution 17-775-11

**RECOMMENDATION**

Council should move to approve Resolution 17-775-11, A Resolution to Adopt a Supplemental Budget Appropriating Grant Funds and Eclipse Revenue Unknown During the Budget Process.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** October 24, 2017

**SUBJECT:** Agenda Item #8: Main Street Revitalization  
Attachment(s)

- Purchase and Sale Agreement – Weaver Main Street Building

## **BACKGROUND**

The city was awarded \$100,000 from the Oregon Main Street Network to purchase the Weaver building located at 131 W. Main Street in John Day. The enclosed purchase and sale agreement was prepared by the City Attorney to finalize the acquisition.

## **DISCUSSION**

The sale agreement includes the following:

- Description of property to be acquired
- Purchase price \$100,000 plus closing costs
- Retention of existing commercial leases (four leases to H&R Block, Karen Barntish, Etc. and Naturally Yours LLC)
- Due Diligence; Estoppel Certificates; Tenant Leases; and disclosures

City intends to sign and close on the property on November 1, 2017. This timeline is subject to new lease agreements and vacation of the property by the residential tenant. City has up to 30 days from agreement signing to close on the purchase.

DRAFT Purchase and Sale Agreement enclosed will be updated to include exact closings costs, estoppel certificates and list of building conditions prior to closing.

- Closing costs estimated to be: \$450 escrow; \$450 title; \$117 recording; \$6,000 realty fee; \$2,522.37 taxes (from closing through June 30, 2018).
- Two of four estoppel certificates received; pending the final two from Seller
- List of building conditions includes all conditions identified in the Oregon State Fire Marshall Notice of Inspection No. DSF201705091410.

## **RECOMMENDATION**

Council should motion to authorize Mayor Lundbom to sign the purchase and sale agreement subject to final revision and approval by the City Manager and City Attorney.

**TO:** John Day City Council  
**FROM:** Nicholas Green, City Manager  
**DATE:** October 24, 2017  
**SUBJECT:** Agenda Item #9: Other Business  
Attachment(s)

- LOC Bulletins

**OTHER BUSINESS**

- Report on Controlled Environment Agriculture course

**UPCOMING MEETINGS**

- Nov 14 – November Council Meeting (only one)
- Dec 12 – December City Council Meeting (only one)