

John Day City Council
November 13, 2018
7:00 PM
Fire Station, 316 S. Canyon Blvd

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF OCTOBER 23, 2018.**
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 FOR CODE AMENDMENT AMD-18-03 DAVIS CREEK ANNEXATION**
Attachments:
 - Planning Commission Staff Report AMD-18-03 (Exhibit A. to Ordinance 18-175-05)
5. **ORDINANCE NO. 18-175-05, AN ORDINANCE ANNEXING APPROXIMATELY 6.1 ACRES OF LAND COMPRISING THE DAVIS CREEK SITE; AMENDING THE COMPREHENSIVE PLAN MAP AND ASSIGNING CITY ZONING DESIGNATIONS TO PROPERTIES WITHIN THE ANNEXED TERRITORY.**
Attachments:
 - Ordinance No. 18-175-05
6. **PUBLIC HEARING FOR CODE AMENDMENT AMD-18-04 OREGON PINE ANNEXATION**
Attachments:
 - Planning Commission Staff Report AMD-18-04 (Exhibit A. to Ordinance 18-176-06)
7. **ORDINANCE NO. 18-176-06, AN ORDINANCE ANNEXING APPROXIMATELY 51 ACRES OF LAND COMPRISING THE OREGON PINE SITE; AMENDING THE COMPREHENSIVE PLAN MAP AND ASSIGNING CITY ZONING DESIGNATIONS TO PROPERTIES WITHIN THE ANNEXED TERRITORY.**
Attachments:
 - Ordinance No. 18-176-06
8. **9-1-1 TENANT LEASE AGREEMENT**
Attachments:
 - Lease Agreement
9. **GREENHOUSE EXPANSION PROCESS**
Attachments:
 - Draft Resolution
 - Draft Notice of Special Procurement Approval
10. **UPDATE ON CAPITAL IMPROVEMENT PROJECTS & FINANCING**
Attachments:
 - Program Summary

- TGM Timeline

OTHER BUSINESS & UPCOMING MEETINGS

11. OTHER BUSINESS & UPCOMING MEETINGS

- Joint City Council / Advisory Committee Meeting / Public Hearing for CDBG application and supplemental budget – 6 P.M. on Dec. 4, Grant County Airport Conference Room
- City Council Meeting – 7 P.M. on Dec. 11, John Day Fire Hall – Audit Report & Rate Planning; Pool discussion moved to this date.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #4: Public Hearing for Code Amendment AMD-18-03 Davis Creek Annexation Attachment(s)

- Planning Commission Staff Report AMD-18-03 (Exhibit A. to Ordinance 18-175-05)

BACKGROUND

The John Day Planning Commission held a public hearing on October 23, 2018 to review AMD-18-03, a proposal of the City of John Day to annex the Davis Creek properties and adjoining cemetery property, which are currently islands within the city limits. I presented the enclosed report to the planning commission, and after the public hearing, the commission recommended the code amendment for approval without modifications.

As a Type IV Procedure (Legislative), annexations require a public hearing prior to adoption of the annexation ordinance. Notice of this hearing was published in the Blue Mountain Eagle on two consecutive dates (October 31 and November 7), as required by 2017 ORS 222.120 – Procedure for annexation without election.

PUBLIC HEARING PROCEDURE

1. Mayor Lundbom will request a motion to open the public hearing.
2. He will then ask if any member of the audience wishes to comment on the proposed amendment.
3. Mayor Lundbom will request a motion to close the public hearing.

At the end of the public hearing, council should review the relevant materials, evaluate compliance with applicable law, consider public testimony provided, and deliberate the matter fully.

RECOMMENDED MOTION

Upon satisfactory completion of the council's review, the following motion is recommended:

“I move to approve the Davis Creek annexation as described in the staff report and vote to dispense with submitting the question of annexation to the electors of the City.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #5: Ordinance No. 18-175-05, An Ordinance Annexing Approximately 6.1 Acres of Land Comprising the Davis Creek Site; Amending the Comprehensive Plan Map and Assigning City Zoning Designations to Properties within the Annexed Territory. Attachment(s)

- Ordinance 18-175-05

BACKGROUND

Ordinance No. 18-175-05 is the adopting ordinance to formally annex the Davis Creek sites into the city limits. The ordinance also amends the comprehensive plan map and assigns zoning designations to the properties upon annexation.

The ordinance is scheduled to take effect on January 1, 2019.

RECOMMENDED MOTIONS

1. "I move to have Mayor Lundbom read Ordinance No. 18-175-05 by title only."
2. "I move to adopt Ordinance No. 18-175-05, An Ordinance Annexing Approximately 6.1 Acres of Land Comprising the Davis Creek Site; Amending the Comprehensive Plan Map and Assigning City Zoning Designations to Properties within the Annexed Territory."

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #6: Public Hearing for Code Amendment AMD-18-04 Oregon Pine Annexation Attachment(s)

- Planning Commission Staff Report AMD-18-04 (Exhibit A. to Ordinance 18-176-06)

BACKGROUND

The John Day Planning Commission held a public hearing on October 23, 2018 to review AMD-18-04, a proposal of the City of John Day to annex the Oregon Pine property and two adjoining properties that are currently outside the city limits. I presented the enclosed report to the planning commission, and after the public hearing, the commission recommended the code amendment for approval without modifications.

As a Type IV Procedure (Legislative), annexations require a public hearing prior to adoption of the annexation ordinance. Notice of this hearing was published in the Blue Mountain Eagle on two consecutive dates (October 31 and November 7), as required by 2017 ORS 222.120 – Procedure for annexation without election.

PUBLIC HEARING PROCEDURE

1. Mayor Lundbom will request a motion to open the public hearing.
2. He will then ask if any member of the audience wishes to comment on the proposed amendment.
3. Mayor Lundbom will request a motion to close the public hearing.

At the end of the public hearing, council should review the relevant materials, evaluate compliance with applicable law, consider public testimony provided, and deliberate the matter fully.

RECOMMENDED MOTION

Upon satisfactory completion of the council's review, the following motion is recommended:

“I move to approve the Oregon Pine annexation as described in the staff report and vote to dispense with submitting the question of annexation to the electors of the City.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #7: Ordinance No. 18-176-06, An Ordinance Annexing Approximately 51 Acres of Land Comprising the Oregon Pine Site; Amending the Comprehensive Plan Map and Assigning City Zoning Designations to Properties within the Annexed Territory. Attachment(s)

- Ordinance No. 18-176-06

BACKGROUND

Ordinance No. 18-176-06 is the adopting ordinance to formally annex the Oregon Pine site and surrounding properties into the city limits. The ordinance also amends the comprehensive plan map and assigns zoning designations to the properties upon annexation.

The ordinance is scheduled to take effect on January 1, 2019.

RECOMMENDED MOTIONS

1. "I move to have Mayor Lundbom read Ordinance No. 18-176-06 by title only."
2. "I move to adopt Ordinance No. 18-176-06, An Ordinance Annexing Approximately 51 Acres of Land Comprising the Oregon Pine Site; Amending the Comprehensive Plan Map and Assigning City Zoning Designations to Properties within the Annexed Territory."

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #8: 9-1-1 Tenant Lease Agreement
Attachment(s)

- Lease agreement

BACKGROUND

The 9-1-1 lease agreement for joint use of the fire hall has been drafted by the city's attorneys. The agreement will need to be approved by the city council and the Grant County Emergency Communications Agency. The terms of the lease agreement are consistent with prior memos I have provided to both agencies.

RECOMMENDED MOTION

"I move to authorize the city manager to sign the 9-1-1 lease agreement on behalf of the city."

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #9: Greenhouse Expansion Process
Attachment(s)

- Draft Resolution
- Draft Notice of Special Procurement Approval

BACKGROUND

The city has the option to acquire two additional greenhouse bays of 2,000 SF each at a reduced price (\$45/SF compared to \$61/SF for the first three bays). The cost savings result primarily from having a EuroMex delivery and construction oversight team already onsite to assemble the greenhouse. The cost of the additional bays could be funded by a loan from Business Oregon, which would require the city to complete an intake form and submit a new application. The city council would also need to adopt a resolution (draft enclosed) and publish a notice of special procurement (also enclosed). These could be completed for the December 4 council meeting and construction of the additional bays could begin on December 12. We have submitted the engineered plans to the county planning department for structural permitting. Plans were engineered for a five (5) bay greenhouse to allow for the expansion, if council chooses to proceed.

DISCUSSION

City staff will be meeting with OSU faculty and private hops distributors this month to develop a go-to-market strategy that will include an estimate of the yields we can reach with up to 4,000 SF of greenhouse space dedicated to hops production. Distributors are working on estimates for market pricing and market volatility for off-season hops as well as specific varieties that may be of interest to IPA brewers. The results of this analysis will be available for the city council to review at or prior to the December 4 council meeting.

We are not under any obligation to proceed with the additional bays, but if we anticipate expanding in the future, this is probably our best opportunity to do so. We will realize a significant cost savings on the equipment and will have competitive terms on the financing. The city can cover the capital cost of the expansion loan with monthly revenue of \$1,000. If the hops were not successful, we would likely be able to reach this target by expanding our fresh produce selection. OSU faculty are also looking into the option of using a portion of this space for commercial research opportunities.

RECOMMENDATION

I recommend we proceed with the intake form application to Business Oregon. This will initiate the financing process but does not commit the city to expanding. We can then evaluate the results of the market analysis and decide at the December 4 council meeting if we wish to proceed. We can also publish notice of the direct award procedures and draft a contract agreement for the expansion. If we decide we are not ready to proceed, this work product will still be available for future use. If we choose to proceed, we will have done the paperwork necessary to begin construction on December 12 and take advantage of the cost savings from the on-site delivery team.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: November 13, 2018

SUBJECT: Agenda Item #10: Update on Capital Improvement Projects and Financing Attachment(s)

- Program Summary
- TGM Timeline

BACKGROUND

We currently have 15 active capital improvement and community development programs, several of which have multiple projects. A summary of each project is enclosed in the packets. This memo provides a brief update on the status of each program.

PROGRAM SUMMARY

1. *Annexations.* Annexations were planned to incorporate areas of the city that are already fully serviced by city utilities. Two annexations were completed tonight. Two additional annexations are planned – one for the area south of the city (to Canyon City limits) and one that incorporates the remaining properties west of the city that have already been given access to city water, sewer and street utilities.
2. *Fire Hall Tenant Improvements.* The T.I. work on the fire hall is nearly complete. The 9-1-1 consoles are scheduled to be installed in mid-January. The camera system for the building and the telecommunications equipment installations for the 9-1-1 center are also ongoing and will be completed prior to the move.
3. *911 Transition.* The city has provided formal notification to the Grant County Peace Officers Association that the transition of the 911 dispatchers to the Grant County Emergency Communications Agency will take effect at 12:00:00 a.m. on January 1, 2019. Because this is a transfer of employment, the transfer is governed by ORS 236.605, et seq., which outlines the cities responsibilities and the receiving agency's responsibilities regarding the transfer. The City will need to pass a supplemental budget on December 4 to adjust the appropriations in Fund 32 (911 Fund) to complete the fund transfer to the new agency. Intergovernmental agreements have been signed and delivered by all participating agencies except the rural fire protection districts, who are still in the process of adopting under the special district procedures.
4. *New City Shop.* We are installing security cameras and a security system at the new shop at Oregon Pine. We are also running cost estimates on a fence to enclose the public works equipment and improve the property line between Oregon Pine and the adjoining properties on the east. We are also creating an application and findings that will allow us to make lot line adjustments with adjoining property owners to allow them to expand their businesses.
5. *Old City Hall Demo.* The old city hall is scheduled for demolition in November. We will then prepare a lot line adjustment application with zoning change for OTEC to create a pocket park at that location that will allow them to maintain service access to the substation.
6. *Greenhouse/Farmer's Market.* The greenhouse materials are scheduled for delivery the week of November 12-17. Public works is trenching the water and sewer lines for the location. We expect at least one response to the request for construction services, which closes on Nov. 9. Staff will evaluate the proposal(s) and will have a negotiated agreement for council approval on December 4.

7. *Comprehensive Economic Development Strategy (CEDS)*. Two firms provided responses to the request for competitive quotes on the CEDS solicitation, ECONorthwest and the Center for Sustainable Infrastructure. City staff are reviewing the proposals and will begin negotiations with the selected firm. Council may choose to participate in the evaluation process or could simply review staff's recommendations. Intent is to award an agreement on December 4. The Economic Opportunities Analysis (EOA) component of the work is currently underway and the first advisory committee for the EOA will be held in early December.
8. *Innovation Gateway Area Plan*. The Transportation Growth Management (TGM) intergovernmental agreement and work order contract have been signed and the city received its notice to proceed on November 5. A pre-kickoff call was held on November 7. A draft schedule for the community engagement process is enclosed. Three advisory committee meetings and open houses will be held throughout the process. A formal kickoff will take place within the next two weeks.
9. *Pool/Recreation Center/Kam Wah Chung Heritage Site*. The Planning Commission approved the City and OPRD's request to rezone the current city park and surrounding publicly-owned properties as Park Reserve at their October 23 meeting. Councilman Hunsaker is still working on options for the pool based on our anticipated budget. We have also contracted with Opsis Architecture to develop options for an indoor recreation space adjacent to the pool. They are defining program options for the types of rec spaces we could incorporate that would allow us to have year-round recreational opportunities. Opsis will also advise us on the best location for the facility. The steering committee felt this adjustment was important to include to show the full range of options, prices and amenities to council and the public. The steering committee and city staff have done extension work on the options with the consultants and should be prepared to present the results at the December 4 council meeting. We are working within a budget that would allow the capital cost of the facility to be bond-funded at or near our current tax rates (after the expiration of the hospital bond). The operating costs for the facility will vary depending on the size and types of amenities included and will be reviewed along with the capital costs.
10. *City Parks & Trails*. The Planning Commission approved the City's request to rezone the proposed Hill Family Park area as Park Reserve. This change is now effective. The trail system that connects this park to Kam Wah Chung and the Innovation Gateway was funded through the RTP grant. Walker Macy and the TGM-team will lead the design of this system. Park amenities and the location of the trail system will be discussed during open house events and the public hearings for the TGM Area Plan, with the first meeting scheduled for January 8, 2019.
11. *Wastewater Treatment Facility*. Anderson Perry is estimating the cost of the wastewater treatment plant engineering at \$320,000, with another \$50,000 for environmental review and permitting. We estimate an additional \$26,500 will be needed for legal, surveying and administrative expenses. We will apply for \$366,500 in community development block grant (CDBG) funds and the balance of \$30,000 will be paid from our sewer fund. A public hearing on December 4 will appropriate this funding and is required for the CDBG application. Work will begin in January and proceed through June, at which point the city will apply for the construction grants. A technical memorandum is being prepared for DEQ to accompany the wastewater facilities plan update (already submitted). The tech memo will describe our recommended water reuse option and on-site studies completed by the city's soil and water engineers since the facility plan was submitted.
12. *Broadband*. No news on the USDA community connect grant. The Grant County Digital board held a meeting with Congressman Walden where we spoke with USDA representatives. They provided general information about the current and planned programs under the \$660M appropriation from congress but did not provide specific timelines on the award announcement. We have completed construction drawings for two laterals spurs within John Day and have

plans for two additional spurs that would improve both wireline and wireless internet access for our residents. One of these laterals will serve the Innovation Gateway and future treatment plant as well as planned developments in and around this area.

13. *Main Street Revitalization.* City is still waiting on a decision on the DEQ brownfield grant for the Weaver building. We expect to receive a notice to proceed in November and have contractors lined up to perform the abatement work. The downtown merchants met with Councilor Adair on Nov 1 for their second meeting. They discussed several ideas for downtown improvements and have provided a prioritized list to the city. We are addressing several “quick wins” on this list now. We will place the longer-term initiations on the agenda for a future council discussion. We’re seeing positive momentum from this group and it’s exciting to see them engaged in improving the look of downtown. At their December meeting, we will present the pathway to apply for “Exploring Downtown” within the Oregon Main Street Program. Exploring Downtown is for communities just starting out and who want to use the Main Street Approach® to downtown revitalization. Emphasis at this level is building a strong organizational base to support long-term efforts.
14. *Housing Incentive Program (Urban Renewal Area).* Bylaws will be presented to the council acting as urban renewal agency in February. Several new housing applications are expected this spring. The League of Oregon Cities is doing an article on housing that will feature John Day.
15. *Street Improvement Projects.* ODOT submitted the Safe Routes to Schools grant application in October to complete the U.S. 395S sidewalk project. The City was awarded \$850,000 in grant funding from ODOT for this project. The safe routes to schools funding, if approved, will be enough to complete the project. Applications will be reviewed and scored now through January. In February, the Oregon Transportation Commission will make a final determination on the awards. The City also has special city allotment applications for \$100,000 each that will be determined in January; one for the Charolais Heights intersection improvements and the other for the Government Road connector to Valley View Drive. Canton street improvements are complete, and we anticipate paving next spring. The TGM team will develop design options and recommendations for the 7th Street extension to Patterson Bridge Road and riverfront trails. We are also working on structural improvements and re-decking in order to open the Oregon Pine bridge.

NEXT STEPS

I will provide another comprehensive update on these projects at our state of the city address in March. If council would like to request any item to be discussed in more detail at this or a future meeting please do so.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: November 13, 2018
SUBJECT: Agenda Item #11: Other Business and Upcoming Meetings
Attachment(s)

- LOC Bulletins

OTHER BUSINESS

- Report on Oct. 24 Public Hearing for FEMA Floodplain Map
- Staff reports – Police, Fire, 9-1-1, Public Works

UPCOMING MEETINGS

- Joint City Council / Advisory Committee Meeting/Public Hearing for CDBG application and supplemental budget – 6 P.M. on Dec. 4, Grant County Airport Conference Room
- City Council Meeting – Dec. 11, John Day Fire Hall – Rate Planning & Audit Report/Pool Discussion