

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

December 11, 2018

COUCILORS PRESENT:

Ron Lundbom, Mayor
Steve Schuette, Council President
David Holland, Councilor
Paul Smith, Councilor
Brandon Smith, Councilor
Shannon Adair, Councilor

COUNCILORS ABSENT:

Gregg Haberly, Councilor

STAFF PRESENT:

Nicholas Green, City Manager
Monte Legg, Public Works Director
Anna Bass, Solutions CPAs (City Recorder)
Chantal DesJardin, Secretary

Matt Manitsas, Agribusiness Project Manager
Aaron Lieuallen, Senior Project Manager
Mike Durr, Police Chief

GUESTS PRESENT:

Rick Hanners, Blue Mountain Eagle
Logan Bagett, Elkhorn Media Group
Sherrie Rininger, etc.

Judy Schuette, John Day
Angie Jones, People Mover
Andy Day, John Day

Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the John Day City Council meeting to order at 7:00 pm, noting Councilor Haberly was absent and excused.

Agenda Item No. 2—Approval of City Council Minutes of December 4th, 2018

Councilor Paul Smith moved to approve the December 4th minutes as presented. The motion was seconded by Councilor Schuette and passed unanimously.

Agenda Item No. 3—Appearance of Interested Citizens

Mayor Lundbom welcomed the audience and asked if anyone had any items they wished to be added to the agenda. None were added.

Agenda Item No. 4—Angie Jones – People Mover Bus Route Planning

Angie Jones, Grant County Transportation District Coordinator explained the transit tax money is the payroll employee tax was put in to effect by the 2017 legislature. Some of the directives from that specifically include improvement of public transportation for low income individuals such as to help them get to work. The legislature also included a special mandate that requires public transportation to use 1% of their funds from the Statewide Transportation Improvement Fund on education transportation for grades 9-12, specifically. Everyone applying for the funds has to figure out how they

are going to incorporate public transportation and student transportation. She noted the district has already been included those kinds of transportation for a while. The Transportation District will be receiving the base rate, because of the small size of the county, at \$100,000 per year. The funds have to be applied for each year, like a grant, along with additional discretionary pots of money for needs such as additional vehicles or route and intercommunity connectivity, such as connecting John Day to Ontario. The first need the district found, through surveys and public input, was that residents needed cheaper transportation and more access. The district developed a deviated fixed route for John Day/Canyon City and Mt. Vernon/Prairie City. The John Day/Canyon City loop will operate every 45 minutes from 7am-6pm; there are 57 stops in that loop.

Ms. Jones displayed the routes included in the agenda memo. She added that some stops will be fluid because they are not sure where use will increase because the transportation will now be free. They currently have multiple locations they frequently visit but cannot exactly predict what additional locations will be utilized once there is no fare charge. The mandate of 1%, for the students, will be fulfilled by stopping at the different schools. Ms. Jones noted they already transport students from Grant Union to their jobs or job shadows. At Humbolt, they currently transport some kids but mostly adults. This stop will provide parents the possibility of access through transportation to the school, such as for parent-teacher conferences. She added that she is still working with ODOT on some of the highway stops to get approved. *Ms. Jones highlighted some of the highway stops.* For multiple stops along the highway they have gotten permission from property owners to pull over onto their property in order to avoid stopping on the highway. Mayor Lundbom asked if property owners were okay with cars being left on their property while they rode the bus. Ms. Jones noted you cannot park on the highway right of way but cannot speak for the property owners. She noted that business owners have not had an issue with their plans, Chester's is setting aside three parking spaces for them to stop at. Main Street is difficult to navigate but they will be stopping in front of True Value, in the Len's parking lot, in front of US Bank, at the Chamber of Commerce, and in front of the Warm Springs office. They are hoping to have the routes up in January but will continue working on the signs over the next few months.

Councilor Brandon Smith asked if they will be down-selecting stops from the 57 to those used most often. Ms. Jones replied that they will probably keep all 57 because it is typical of public transportation to keep the distance between stops at two to four blocks. Smith also asked if there was a goal or reasonable assumption of the maximum distance someone might have to walk in order to reach a bus stop given the potential mobility of some users. Ms. Jones replied that the route was specifically created to be fixed-deviated because they anticipate some riders will need to be picked up at their homes and therefore require a deviation from the route. There will need to be a reservation for deviation of route for riders at least 24 hours in advance and there will be a cap on how many deviations a loop can accommodate, in order to keep on schedule. Ms. Jones stated they tried to match up their current user stops with the route and added additional stops to encourage others to utilize the service. The route from Mt. Vernon to Prairie City also unburdens parents by providing transportation for children who are currently, or in the future, attending a school not within their city. City Manager Green thanked Ms. Jones for all her work. Ms. Jones noted it is really exciting and they are looking forward to implementing several other plans for discretionary funds. Councilor Paul Smith asked about operation on Saturdays. Ms. Jones noted the deviated-fixed routes do not operate but the demand response will operate 9am-4pm; the fares do not pay the bills, so they cannot afford the fare free service on the weekend. Councilor Paul Smith noted it is definitely a needed service. City Manager Green noted Ms. Jones has been appointed to the National Rural Transportation Advisory Committee. She noted she was also appointed to Oregon Public Transportation Advisory Committee; the county has excellent representation. Mayor Lundbom asked if the service is free for those at Valley View. She noted people

calling for a ride to Chester's can get a deviation from the fixed route but situations such as group outings, due to the number, will need to be done through the demand response bus and will not be fare-free.

Agenda Item No. 5—ATV Use on State Highways

City Manager Green reviewed the information included in the agenda memo regarding SB 344 and noted they could submit an application through OPRD to designate a specific corridor from the community to recreation areas. If the application is approved by Oregon Transportation Commission the city could permit ATV use on it's highways. It is not intended to be a substitute for errands around town but it is intended to promote recreation and remove some of the artificial barriers that separate communities from nearby recreation trials. Green reviewed some of the application factors included in the agenda memo. He proposed, if the council is interested, that they submit the application as part of the Economic Development Strategy, which is looking at tourism and how to promote recreation in the area. He suggested they work with their community partners, such as the road authorities, to come up with a plan to submit jointly to the state. If submitted in early 2019, they would likely be the second application under the program. He noted that he did not intend to discuss specific proposals but introduce the process and divulge the council's thoughts. Councilors expressed support, noting there had not been issues with ATV's on city streets. Green noted Commissioner Hamsher voiced interest on behalf of Prairie City and Green feels there are areas within the County at large that would benefit. Green feels a joint application would carry more weight and they would use existing advisory committees. He added they would need to speak to ODOT and try to find the right balance.

There was a consensus from the council to proceed with facilitating a joint application.

Agenda Item No. 6— Discussion of Gleason Pool Replacement Options & Timeline

City Manager Green reviewed his memo to the council on Gleason Pool replacement options. He noted the various facilities, indoor and outdoor, they had reviewed concluding that an indoor facility did not appear to be financially feasible for Grant County. They are currently looking more closely at outdoor pools, where season length can be scaled to available revenue, in conjunction with an indoor recreation facility to address the lack of year-round recreation. He added that due to the interest rates when the hospital bond was initiated, along with some creative financing, they believe they could get \$9-10 million toward a new facility for the same taxes that are paid today, if the bond is issued countywide. He stated the committee is working on the organization side, the financing, and design options to find the right balance; they have talked through a timeline/process to create the organizational structure and are socializing facility options and will present them to the advisory committees. Green noted the organization would need to be established before or along with the building; it wouldn't make sense to bond a building without the organization to operate in place. They will do a deep dive of two different options, once a site is selected, for refined cost estimates to select the final option that will presented in the ballot measure. The centennial for the Oregon Parks and Recreation is in 2022; Green thinks it would be wonderful to open a Kam Wah Chung Interpretive Center on their centennial anniversary in conjunction with a new pool and rec center. Four generations of Grant County residents have benefited from the investment the City of John Day made in 1958; it is now time to pay it forward or come up with an alternative plan. There were questions and discussion between councilors and staff about the increase in cost with an indoor pool. It was noted that review of Madras' budget and audit reports were used for calculations, with increased labor playing a major role. Andy Day asked about the status of the sale for Kam Wah Chung and the research into the cost of maintaining operation of the current pool. He

expressed concern for such a large investment without knowing the cost to continue operating the current pool. While he supports tourism, he feels that having a place for kids to go in the summer is more important for the community. Green explained that, under any scenario, the city does not currently have the revenue to operate and maintain Gleason pool and would need a local option levy for operations and probably a bond for replacement. Councilor Holland noted that it is important to consider that if the city takes over the full operating burden of maintaining a county-wide service, it will be wholly on the residents of John Day. Currently, the Parks and Recreation District is able to tax residents of John Day and Canyon City but the residents of those cities are providing services, such as the pool and 7th street complex, for the whole county. The choices then become: close the pool; place the burden solely on the residents of John Day to operate, maintain, and replace; or leverage the funds from the sale to boost success for a new organization structure to build a new pool that will last another 60 years. It was clarified through discussion that non-district residents pay a higher fee to use the pool but the costs are still not completely recovered. It was also established that previously, when the city maintained the pool, there were local option levies to the residents of John Day for many years to keep the pool open. Andy Day stated he understands the burden on John Day residents, he is willing to pay more money for the kids in the community to have somewhere to swim rather than have them cause hate and discontent somewhere else—they need something to do. Councilor Adair noted he had a valid question—what it would cost to fix the current pool we have and why is the city selling—other community members will be asking; it is important to be prepared to answer. She also emphasized the importance, for growth, to have both community facilities and venues that bring external revenue into the community. Andy Day expressed concern about increased operating cost for a new pool, noting that good maintenance is vital. Councilor Brandon Smith added that discussions were not just among city councilors rather recommendations were coming up from the advisory committees that comprise of people from all over the county. They were good questions and the council is still at an information gathering stage. There were additional comments about community members not being informed about what is going on with the pool; several people stated that the pool has been difficult to maintain and in a state of disrepair for over four decades. Senior Project Manager Lieuallen noted that trying to incorporate year-round indoor recreation, not necessarily a pool, is an attainable option due to the lower operating cost; they haven't yet vetted all the indoor recreation opportunities. There was additional discussion about the concerns of operating cost, noting that revenue from pool patrons is down in part due to the population decline. Green emphasized it is choice for the voters, it is a long-term investment that will not be financed unless the voters choose to. Andy Day again encouraged the city to investigate the cost of refurbishing the existing pool. Green noted they have already invested \$20,000 looking into new pool options, he would not like to waste money buying 5-10 years, when the opportunity cost includes a million dollars and a massive investment by the state that would be foregone if we keep Gleason. Councilor Paul Smith noted the intention was never to waste money on the continuously failing pool and stressed the value of the economic dollars to come into the community via the interpretive center. Green reviewed the tax district comparison included in the agenda memo; he stated if the county financed a three-million-dollar bond for the baseline pool option, it would reduce taxes imposed by 60% and still provide a pool. Andy Day also asked about the park component at a new location. Green noted one option is the 7th Street Complex, which co-locates recreation facilities, but acknowledged that a location such as the north side of Oregon Pine would require time and capital investment in landscaping. He added that the baseline option is within the strike zone for the estimated operations and maintenance but since the current pool is already losing money on the existing tax base, it would have to be broadened. Green noted there is a lot of socializing and vetting that needs to take place, they are about four months into a process that will likely take 18 months, and the county court or a voter initiative will have to refer a bond to the county. Councilors made comments about the prudence of finally presenting a viable option for a new pool, acknowledging that a brief analysis of why

the city is not looking into costs to maintain the current pool is important to present to the public. There was a review of the steering committee members, representatives from the County, School District #3, Parks and Recreation, Swim Team, and Hospital; Anna Bass suggested they consider including a representative from Prairie City and Mt. Vernon. Green agreed and noted the Project Advisory Committee also has representatives from throughout the county. He added that the city is trying to provide funds from the sale, since no money has been saved to date by any organization, and the Parks and Recreation District might also be contributing land for the pool. He added one thing they discussed was having the public agencies, as many as possible, to commit to buying annual memberships for their staff; it would get secure program revenue and provide a great benefit to employees and their families. Agencies can budget and indirectly offset the costs; Green also suggested offsetting the capital costs with local labor, which is how everyone worked together to build the first pool before all the regulations. Councilor Holland asked if the operations and maintenance cost is so high because it includes a savings account fund for the replacement of the pool. Green said there needs to be a percentage set aside for replacement, so future generations can have a better conversation; a pot of money to draw on for replacement or major maintenance will reduce the burden on taxpayers by not concentrating all the cost upfront. The question of year-round utilization was discussed, with several people stating an indoor recreation space would be used by themselves and others regularly, if available. Senior Project Manager Lieuallen noted the design for the space and programs have to touch the different user segments. Councilors noted that it is important to consider the opportunities and that some activities have not been taking place, simply because the space was not available, not for lack of interest. There was discussion about the bonding capacity and difference in current taxes depending on who presented the bond. Other options for financing the operations and maintenance were also discussed including an increase in membership fees, which can also cause a disincentive of use by concentrating too much cost on a smaller user base. Anna Bass noted that it has been established that the community is low income and residents potentially could not continue use with an increase in fees. Councilor Paul Smith again encouraged that they thoroughly explain the degradation of the current pool and the importance of the interpretive center. Staff explained the intention has always been to present an option within the current taxes but they are working to find creative solutions to the operations and maintenance conundrum, which is why the MOU for staff memberships is being socialized. There was discussion about involving the cities and whole county because the costs have exceeded the capacity of any individual organization.

Agenda Item No. 7—Other Business & Upcoming Meetings

City Manager Green gave an update on broadband, noting they are working with USDA and congressional staffers to get a better understanding of why the city's application was not funded; they will do a FOIA requested for funded applications. The USDA representative for our area stated to Green people rarely win on their first at bat. Green also gave an overview of the agenda for the December Grant County Digital board meeting, which will be broadcasted live on Facebook. He noted the funding available was \$30 million for this grant but with a stronger application they hope to be more competitive applying for the \$660 million available next year. There was discussion about bureaucracy and Green noted the state has not asked for the funds from House Bill 5006 back—they understand it is an important project and will take time.

Agribusiness Project Manager Matt Manitsas presented the greenhouse grow plan including layout of the bays and plant variety list. He also reviewed the included plant variety counts and projected yields based on the current sales by Chester's. City Manager Green noted they are still clarifying information for the state on the structural permit but lining up the labor component, so they can start once the

permit is approved. Green noted it is a pilot facility, they are identifying things to look out for next time; they did not anticipate so many contractual challenges, but they are making progress. There was discussion between Manitsas and councilors to clarify data presented on the presented graphs about yields. They also discussed the intentional layout of the headhouse; by isolating a showroom/tour area, they maintain the controlled environment in the rest of the bay to allow for expanded growing area. There was additional discussion about harvest timelines and scaling production to match local grocery sales.

City Manager Green noted work had started on the Weaver building and the agreement with the state for the grant funds has been signed. Mayor Lundbom reviewed the remaining upcoming meetings. Green noted Walker Macy has requested councilors provide feedback to some questions to help guide their work and discussion on the Innovation Gateway. There was discussion about the committee work with the consultants, noting the consultants will be presenting quarterly at the council meetings. There was additional clarification on the transportation changes by Angie Jones. Mayor Lundbom invited everyone to the Chamber of Commerce Friday at 5:30pm for a tree lighting ceremony. He checked in with the department heads and reminded everyone about the city Christmas party.

Adjourn

There being no further business before the council, Councilor Schuette moved to adjourn the meeting at 8:46PM. The motion was seconded by Councilor Brandon Smith and passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL ON JANUARY 8, 2019



Ron Lundbom, Mayor