

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

March 26, 2019

COUCILORS PRESENT:

Ron Lundbom, Mayor
Gregg Haberly, Councilor
Steve Schuette, Councilor
David Holland, Councilor
Paul Smith, Councilor
Shannon Adair, Councilor

COUNCILORS ABSENT:

Brandon Smith, Council President

STAFF PRESENT:

Nicholas Green, City Manager
Monte Legg, Public Works Director

Chantal DesJardin, Secretary
Aaron Lieuallen, Senior Project Manager

GUESTS PRESENT:

Zach Williams
Andy Day
Sherrie Rininger
Stephanie Williams
Dusty Williams
Louis Provencher
Kathy Smith
Rick Hanners, Blue Mountain Eagle
Logan Bagett, Elkhorn Media Group

Bob Pereira, John Day
Taci Philbrook, Prairie Fiber Fest
Ginger Shive Prairie City Fiber Fest
Hannah Hinman,
Elliot Sky,
Kenley Boss, John Day
Kim Randleas
Andy Day

Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the meeting to order at 6:00 pm, noting everyone was present except Councilor Brandon Smith who was absent and excused.

Agenda Item No. 2—Approval of Prior City Council Minutes

Councilor Holland moved to approve the city council work session minutes of February 8th, 2019. The motion was seconded by Councilor Adair and passed unanimously.

Councilor Adair moved to approve the city council minutes for March 12th, 2019. The motion was seconded by Councilor Schuette and passed unanimously.

Agenda Item No. 4—Consent Agenda – None

Councilor Schuette moved to approve the City Manager to issue a notice of intent to award to Blue Mountain Telecommunications and to sign the city's standard construction services agreement for \$55,743.21 as submitted. The motion was seconded by Councilor Haberly and passed unanimously.

Agenda Item No. 5—Executive Session

Mayor Lundbom read the notice included in the agenda memo.

Councilor Schuette moved to enter executive session pursuant to ORS 192.660(2)(e) at 6:03p.m. The motion was seconded by Councilor Paul Smith and passed unanimously.

Councilor Holland moved to leave executive session at 6:42p.m. The motion was seconded by Councilor Haberly and passed unanimously.

Agenda Item No. 3—Appearance of Interested Citizens

Mayor Lundbom called the city council meeting back into session at 6:55 p.m. and welcomed the audience.

Agenda Item No. 6—Evaluation & Notice of Intent to Award for Wastewater System Improvements—Engineering Services

City Manager Green reviewed the information presented in the agenda memo, noting the environmental consultant Nick Ducote and Clean Water Services will help the city, as objective voices, during the review of what is proposed by the consulting team.

Council discussed the proposal from Anderson Perry and asked about the phased approach. Green said we are in the process of evaluating how to phase the engineering and construction approach so that we can expedite the environmental review and permitting process for both the treatment facility and the future reclaimed water (purple pipe) network. Different permits apply to different portions of the project. We are trying to structure a package to allow us to begin construction of the facility itself and then work the purple pipe and peripheral components later in order to triage the scope, to focus on the essential things that must happen first, then the rest. The phasing affects both financing and environmental aspects of the project, in addition to design. If we get delayed as a result of permitting we need to make progress where we can until the permits are approved and we can move into final construction.

Councilor Holland moved to issue a notice of intent to award to Anderson Perry for the wastewater facility engineering and authorize the City Manager and Public Works Committee to negotiate pricing and delivery milestones on behalf of the city. The motion was seconded Councilor Adair and passed unanimously.

Agenda Item No. 7— State of the City Address

City Manager Green explained that he would like to make a few remarks but open it up to discussion. His inspiration for the direction of conversation was the Roosevelts. He noted an excerpt from Teddy Roosevelt’s The Man in the Arena speech, specifically “the poorest way to face life is to face it with a sneer...A cynical habit of thought and speech, a readiness to criticize work which the critic himself never tries to perform, an intellectual aloofness which will not accept contact with life’s realities—all of these are marks, not...of superiority, but of weakness.” Green emphasized the political climate nationally and locally includes a lot of negativity, unsubstantiated and unfounded allegations and criticism; it has derailed public discourse about productive issues and tainted the interactions online and when speaking

about public policy. He stated that it has been a massive distraction from the real work that needs to be done in the country to rebuild rural infrastructure and create an equitable position for people like us. Green impressed that the lesson for our community is if we are to have a successful future, it has to be done together; it cannot be one agency leading and everyone following, it cannot be one agency forcing someone to do something they are unwilling to sustain, and we cannot denigrate ourselves and each other by getting into political name calling, false allegations, and making personal attacks on city councilors, city staff, and other elected officials in the county. Green pressed that it is embarrassing, uncalled for, and rude; he will not run a city that way. He intends to run a professional organization that does the hard things to rebuild our community. Green noted he is working harder for the city than he has for anyone else and recognized his staff by highlighting their level of commitment.

In the spirit of honesty, Green fact checked himself against the work he promised in his 2018 State of the City Address. He noted accomplishment on work towards staff reduction, compensation analysis and benefit package changes, the survey that attained CDBG eligibility for \$2.5 million in federal grants on the new wastewater treatment plant, loan consolidation to finish the Fire Hall, launching the housing development district, and financing preliminary engineering for the new wastewater treatment plant. He noted the city is behind his projected timeline for the greenhouse completion and opening of the new riverfront trail systems, but they are financed and in progress. He also noted they are on track for the Oregon Pine area development plan to be completed in June of 2019 as promised. Green committed that moving forward the city will continue to do what they say, the staff will execute but require guidance from the council and public on what they want and need. Green suggested that the council could have a better listening ear and the public a better communicating voice, as they work on significant capital improvement projects over the next few years. He emphasized that the council hired him not because of his ability to pay the bills and keep the lights on but to get these projects started and off the ground with a sustainable business model. The city needs more equity and less debt so they are aiming for 90/10 grants and only settling for 50/50 if the match can come from some other matching fund source. Green noted that his leadership style has been pace setting so far but needs to shift over the next few years towards stronger collaboration with community partners. The momentum has been built, but to avoid burning out city staff they will slow down a bit and focus efforts on consensus building with non-profits, local residents, private sector investment, and other public agencies. By syndicating risk, everyone shares risk and rewards rather than one entity taking on all the risk for shared rewards.

City Manager Green touched on ways that current state representatives are working in Salem, along with his work. He also briefed on Representative Finley's HB 2449, which would increase the 9-1-1 tax from \$0.75 to \$1.50 which is supported by just about every public official in eastern Oregon because most are having to pull out of their meager general funds to keep delivering essential emergency services. The increase would free up about \$40,000 from the city's general fund and about \$100,000 in the county's general fund, that is currently going towards bridging the finance gap. Green touched on progress and efforts moving forward to investment in housing, broadband, recreation, and community facilities and services. He noted it is important, considering their leadership terms are limited, to leave John Day in a stronger position than when they received it. He discussed some of the ways they can also address the "small things" and be responsive to the public in the day to day function but also asked for patience as they stretch thin to take on larger capital improvement projects. To conclude he stated he was very grateful to be the city manager, it is a very meaningful job and he loves working with the residents. Mayor Lundbom made several comments about Green's sacrifice and contributions to the city, noting that he feels the city is in the strongest position it has ever been during his lifetime.

Several residents took the opportunity to provide feedback, questions, and concerns. Sherrie Rininger's topics of concern included the Weaver building status and the Merchant Association's list of priorities. Green noted they had some investors interested in buying the building and discussed what was needed to move forward. Kim Randleas also expressed concerns about parking and street cleaning. Regarding the gravel and dust in downtown, Director Legg explained that to be fiscally responsible, cleanup of the downtown is coordinated with ODOT each spring, which requires extensive man power and is expensive. Due to concerns of continued winter conditions they have not set an exact date in April. There was discussion about timing, city resources, and how the business owners could help facilitate preparations. It was noted that repainting was scheduled for summer of 2019 and they would work on potholes once weather permits. Mayor Lundbom commended them on their work throughout the winter to clear snow. Dusty and Stephanie Williams expressed concerns about neighborhood clean-up, not just downtown; he asked if there were ordinances that addressed those problems. Green explained the city has a good public nuisance ordinance but doesn't have a code enforcement officer; he suggested they could hire someone short term to go neighborhood by neighborhood to identify properties in violation of the nuisance ordinance. He noted that in the current enforcement action he is working on, the legal cost alone has been \$2,000, which is why only worst case scenarios have been addressed in the past. Louis Provencher commended Green on his work developing growth programs to stimulate housing development and economic opportunities. He asked for answers to questions about the greenhouse that had been posed to him; they were about heating, accommodating for snow in the bay connections, and a potential funding glitch. Staff explained that the greenhouse is heated with propane, the snow loads were calculated as part of the engineering as a requirement by the state, and there are gutters between bays. Green stated was a firm fixed price on the construction but labor cost has been a little higher than anticipated due to weather and material modifications. He discussed the calculated risk, benefits, and safety relief valve of the project, the fail forward is that we will be able to feed ourselves. Andy Day thanked Green and the city, specifically for snow plowing and cleanup which significantly affects his professional work. He asked about the cost to fix the pool, noting that some work has been done to replace parts over the past few years, since it is not a fact that it is no good anymore. He feels a professional should inspect and evaluate cost of renovation before they look into selling the property. He asked about any work done for grants for the swimming pool in addition to all the good work with grants on other projects. Elliot Sky asked about short term, summer to fall, prioritization of work on the city park and aspects of the trails systems. City Manager Green noted that they matched funds with the Parks and Rec District to get funds to finance a new playground and splash pad, the equipment is in John Day with a community build scheduled for April to construct the playground with the splashpad to follow in the summer. Regarding the trails, the city is waiting on a notice to proceed from the state, the trail through Davis creek has been mapped out on the ground, so they can put out bids for construction once they have approval. The rest of the trails are in a conundrum because path is dependent on the decision regarding rechanneling/restoration of the river. Hannah Hinman noted with the river restoration they could collaborate with local organizations and agencies who do river restoration such as the Tribes. Green noted they have been contacted and at the regional economic development summit a consortium of state and federal agencies will be brought in to discuss the project. They will evaluate various aspects, moving forward will depend on the city's ability to fund, permit, and achieve desired outcomes without harming downstream water users. There was discussion about the current condition of the river, along with impactful opportunities and benefit to restoration.

Agenda Item No. 8—Resolution No. 19-805-06, A Resolution of the City of John Day Authorizing City to Apply for a 2019 Oregon Parks and Recreation Department Local Government Grant for Purposes of Development of an Integrated Park System and Aquatic and Recreation Center in City; and Authorizing the Mayor to Sign the Application on Behalf of City

City Manager Green explained they had been approached by the state because one or more of their land acquisitions fell through, so they have money available this biennium that ends on June 30th. In executive session the council and Park and Rec board discussed whether they wanted to enter into formal negotiations with the state around a package deal that would allow the city to sell Gleason Park and Pool, with an option to continue to operate as they design and build the new facility. Green noted it is an opportunity to evaluate that option and see if it makes sense. The city has acquired land at the end of Canton Street for a new park and along with the steering committee, evaluated various options for location of a new pool. Those involved with the committee included representatives of the agencies that could directly help with financing the O&M of the new facility or would be impacted if a new aquatics district was proposed, because of state property tax laws the existing five agencies taxing within the city would see some financial impacts if a new district was created. They have narrowed down to a conceptual design they feel will meet the needs for the next 60 years to provide year-round recreation in the form of a seasonal outdoor pool and indoor gym space and aquatic support spaces. The gym space could be concurrent with the pool or built later in a phased approach. Green reviewed the core underlying infrastructure investments needed for Phase 1, which is the target of the grant application, included in the agenda memo. Since there has not been a commitment to build a pool, let alone design of a structure, a new facility is not part of the grant scope. Green noted he would like to discuss the scope of the grant, make sure it covers what the council would like, then talk about the pool option because the grant can be submitted without making a decision regarding the pool. He then reviewed the scope details included in the agenda memo. He reviewed the proposed location area on the map including potential site layout for the development and noted that even if the pool does not relocate to the location additional access and parking for the Seventh Street Complex is still a benefit. Green noted that it has been vetted through adjacent neighbors at a neighborhood meeting, where they provided good feedback about modifications.

Several residents asked clarifying questions about how the scope and plans are anticipating future development in the area to ensure no work has to be modified or redone to facilitate projects the city is anticipating. Green addressed each of these concerns in turn explanation some of the thought process behind decisions and those portions that have multiple avenues of implementation depending on future decisions. He noted that city land acquisitions and the district's land acquisitions qualify as the cash match for the grant and therefore additional cash funds would not be needed if the grant was awarded.

Several residents had questions and concerns about the timing, operations and maintenance costs, along with bond amount. Staff and councilors discussed their thoughts behind the decisions they have made and noted they are still vetting some of the options with steering committees. They believe a solution can be reached that combines an agreement with the state, leveraging those funds for additional external funding, and using those to match a bond amount. There are multiple options for finding sustainable sources of revenue for the operations, maintenance, and replacement that would require the community to work together. If an agreement is reached with the state for the sale of the existing pool, it would include provisions for a claw-back if the bond fails and commitment to allow operation of the pool until the new one is constructed. Residents urged a professional assessment of the condition of the existing pool. Councilors and staff noted that it is going to be a significant cost, that will not give adequate information to make long range decisions and felt it would not be an efficient use of funds. It was noted that they would continue working to have a feasible operations and maintenance plan, to be available when the bond goes out in the fall. Council thanked residents for their feedback and input, noting they would like to see more of it. Some residents expressed concern that the council only receives negative feedback and wanted to impress upon the council that if residents attend council

meetings and go to the source to get facts, they will find that the city government is doing a thorough job of examining projects before making decisions that they feel are in the best interest of John Day residents. Green reiterated that they are doing their part and need the community to work together.

Councilor Adair moved to approve Resolution No 19-805-06, A Resolution of City of John Day Authorizing City to Apply for A 2019 Oregon Parks and Recreation Department Local Government Grant for Purposes of Development of an Integrated Park System and Aquatic and Recreation Center in City; and Authorizing the Mayor to Sign the Application on Behalf of City. The motion was seconded by Councilor Holland and passed unanimously.

Councilor Schuette moved to enter into negotiations with the State of Oregon for the sale of City Park and Gleason Pool and appoint Nicolas Green as the city negotiator. The motion was seconded by Councilor Holland and passed unanimously.

Green reviewed the timeline and process the City and Park and Rec District will go through as they negotiate whether to sell the properties before bringing the proposal back to the community.

Agenda Item No. 9—Other Business & Upcoming Meetings

Taci Philbrook and Ginger Shive with Prairie City Fiber Fest updated the council on their work organizing a festival in Prairie City. Citing their interest so far, and concerns that they are running out of lodging in Prairie City, they wanted to let the council know they may be seeing effects on their lodging, restaurants, and stores. They are expecting additional traffic from around those in eastern Oregon making a day trip. They can't rightly guess how many will come this first year, but their spaces are all filling up with vendors and lodgers. City Manager Green noted the city could open the Industrial Park as a safety relief valve if other accommodations in the county became full.

Mayor Lundbom reviewed the upcoming meetings and reminded councilors about the SEI. Councilor Smith informed Director Legg about a plugged grate under the 3rd Street Bridge. Councilor Schuette noted he would be absent for the next meeting. Sherrie Rininger added that First Friday kicks off again on April 5th.


Adjourn

There being no further business before the council, Councilor Schuette moved to adjourn the meeting at 9:17p.m. The motion was seconded by Councilor Holland and passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL ON APRIL 23, 2019



Ron Lundbom, Mayor