

John Day City Council

August 13, 2019

7:00 PM

John Day Fire Hall, 316 S. Canyon Blvd., John Day

- 1. OPEN AND NOTE ATTENDANCE**
- 2. APPROVAL OF PRIOR CITY COUNCIL MINUTES**
- 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.

CONSENT AGENDA

- 4. ITEMS FOR APPROVAL ON CONSENT AGENDA**

Attachments:

- None

ACTION ITEMS

- 5. CITY COUNCIL APPOINTMENTS**

Attachments:

- None

- 6. RESOLUTION NO. 19-820-21 – A RESOLUTION OF CITY OF JOHN DAY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN CITY**

Attachments:

- Resolution No. 19-820-21 (Watt)

- 7. PUBLIC HEARING FOR RESOLUTION NO. 19-821-22 -- A RESOLUTION OF CITY OF JOHN DAY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN CITY**

Attachments:

- Resolution No. 19-821-22 (Bruce)

- 8. PUBLIC HEARING FOR RESOLUTION NO. 19-822-23 -- A RESOLUTION OF CITY OF JOHN DAY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN CITY**

Attachments:

- Resolution No. 19-822-23 (McNeil)

- 9. PUBLIC HEARING FOR RESOLUTION NO. 19-823-24 -- A RESOLUTION OF CITY OF JOHN DAY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN CITY**

Attachments:

- Resolution No. 19-823-24 (Cates)

10. PUBLIC HEARING FOR RESOLUTION NO. 19-821-25 -- A RESOLUTION OF CITY OF JOHN DAY APPROVING THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN CITY

Attachments:

- Resolution No. 19-824-25 (Giffin)

11. HEART OF GRANT COUNTY

Attachments:

- None

12. WASTEWATER TREATMENT PLANT UPDATE

Attachments:

- None

13. TGM AREA PLAN UPDATE & BROWNFIELD REDEVELOPMENT FUND

Attachments:

- Tech memo #7

OTHER BUSINESS & UPCOMING MEETINGS

14. OTHER BUSINESS & UPCOMING MEETINGS

- August 27 – Joint City Council/Planning Commission/PAC & TAC Study Session, 5:00 P.M. @ Fire Hall
- August 27 – City Council Meeting, 7:00 P.M. @ Fire Hall
- August 29 – Oregon ReConnect Broadband Workshop, Madras
- September 10 – City Council Meeting, 7:00 P.M. @ Fire Hall
- September 13 – FEMA Risk MAP meeting (time TBD)
- September 23-26 – WEFTEC Conference, Chicago
- September 24 – No Council Meeting
- September 26-28 – LOC Annual Conference
- October 8 – City Council Meeting – Public Hearing for adoption of TGM Area Plan & Code Amendments
- October 20-21 – Oregon Infrastructure Summit, Salem
- October 22 – City Council Meeting
- October 24-25 – Oregon Chapter of the American Planning Association (OAPA) Annual Planning Conference, Eugene

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: August 13, 2019
SUBJECT: Agenda Item #4: Items for Approval on Consent Agenda
Attachment(s)

- None

BACKGROUND

We have no items to review and approve on the consent agenda.

Item 1) N/A

Recommended Action: N/A

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #5: City Council Appointments
Attachment(s)

- None

BACKGROUND

Council will need to appoint a new Council President and a member of the Grant County Digital Network Coalition board of directors as a result of councilor Brandon Smith's resignation.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #6: Resolution No. 19-820-21 – A Resolution of City of John Day Approving the Transfer of Certain Real Property Located in City Attachment(s)

- Resolution No. 19-820-21

BACKGROUND

Resolution No. 19-820-21 approves the sale of 0.18 acres (7,745 +/- SF) of the city-owned Oregon Pine property to J.D. Rents, including improvements thereon. The proposed purchase and sale agreement is included in the resolution along with the legal description and depiction of the property.

A public hearing was held on June 25, 2019 regarding this matter. The motion was made by the council to table a decision to allow for further review and deliberation. Council concluded following an executive session that it was in the City's best interests to continue with the agreement as proposed in this resolution. I notified Watt's of the council's decision on July 26 and they agreed to proceed with the purchase agreement.

RECOMMENDED MOTIONS

"I move to adopt Resolution No, 19-820-21, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City."

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #7: Public Hearing – Resolution No. 19-821-22 – A Resolution of City of John Day Approving the Transfer of Certain Real Property Located in City
Attachment(s)
• Resolution No. 19-821-22 (Bruce)

BACKGROUND

Resolution No. 19-821-22 approves the sale of 0.05 acres (2,020+/- SF) of the city-owned Davis Creek property to Sheila M. Bruce. The proposed purchase and sale agreement is included in the council packets along with the legal description and depiction of the property. City is proposing to sell the property for the actual cost of the surveying and legal expenses, estimated to be approximately \$500.

A public hearing is needed before council may approve the sale.

RECOMMENDED MOTIONS

“I move to open the public hearing on Resolution No. 19-821-22, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

[After evaluating public comments and moving to close the public hearing]

“I move to adopt Resolution No, 19-821-22, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #8: Public Hearing for Resolution No. 19-822-23 – A Resolution of City of John Day Approving the Transfer of Certain Real Property Located in City
Attachment(s)
• Resolution No. 19-822-23 (McNeil)

BACKGROUND

Resolution No. 19-822-23 approves the sale of 0.05 acres (2,010 +/- SF) of the city-owned Davis Creek property to Robert C. McNeil and Mary L. Welby. The proposed purchase and sale agreement is included in the council packets along with the legal description and depiction of the property. City is proposing to sell the property for the actual cost of the surveying and legal expenses, estimated to be approximately \$500.

A public hearing is needed before council may approve the sale.

RECOMMENDED MOTIONS

“I move to open the public hearing on Resolution No. 19-822-23, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

[After evaluating public comments and moving to close the public hearing]

“I move to adopt Resolution No, 19-822-23, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #9: Public Hearing for Resolution No. 19-823-24 – A Resolution of City of John Day Approving the Transfer of Certain Real Property Located in City
Attachment(s)

- Resolution No. 19-823-24 (Cates)

BACKGROUND

Resolution No. 19-823-24 approves the sale of 0.03 acres (1,360 +/- SF) of the city-owned Davis Creek property to Douglas A. Cates and Tonya M. Cates. The proposed purchase and sale agreement is included in the council packets along with the legal description and depiction of the property. City is proposing to sell the property for the actual cost of the surveying and legal expenses, estimated to be approximately \$500.

A public hearing is needed before council may approve the sale.

RECOMMENDED MOTIONS

“I move to open the public hearing on Resolution No. 19-823-24, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

[After evaluating public comments and moving to close the public hearing]

“I move to adopt Resolution No, 19-823-24, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #10: Public Hearing for Resolution No. 19-824-25 – A Resolution of City of John Day Approving the Transfer of Certain Real Property Located in City Attachment(s)

- Resolution No. 19-824-25 (Giffin)

BACKGROUND

Resolution No. 19-824-25 approves the sale of 0.03 acres (1,170 +/- SF) of the city-owned Davis Creek property to Christopher L Giffin and Larissa L Giffin. The proposed purchase and sale agreement is included in the council packets along with the legal description and depiction of the property. City is proposing to sell the property for the actual cost of the surveying and legal expenses, estimated to be approximately \$500.

Note: This property was recently sold by the Moore's to Chris and Larissa Giffin. This updated resolution and the purchase and sale agreement reflect changes made with the new property owners reduced from 1,350 +/- SF to 1,170 +/- SF.

A public hearing is needed before council may approve the sale.

RECOMMENDED MOTIONS

“I move to open the public hearing on Resolution No. 19-823-24, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City.”

[After evaluating public comments and moving to close the public hearing]

“I move to adopt Resolution No, 19-823-24, A Resolution of City of John Day Approving Transfer of Certain Real Property Located in City – as amended.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #11: Heart of Grant County
Attachment(s)

- None

BACKGROUND

Heart of Grant County representative (Shelly Whale-Murphy) wishes to update the city council on the progress of the Meredith House domestic violence shelter project.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #12: Wastewater Treatment Plant Update
Attachment(s)

- None

BACKGROUND

City staff have updated the project schedule for the treatment plant design/engineering to include anticipated financing payments and engineering milestones as described below.

DISCUSSION

Design Financing and Milestones. The facility design engineering is proceeding in three phases through September 2020:

- Phase 1 – Preliminary Design Engineering (MBR specs, field survey, project documents)
- Phase 2 – Preliminary Design Engineering (design report, opinion of probable cost)
- Phase 3 – Final Design Engineering (final drawings/specs, bid package, permit applications)

City has budgeted to spend \$308,875 this fiscal year for design engineering, which is a combination of City match and CDBG funds. Environmental planning is happening concurrent with the design engineering. Staff have a bi-weekly call with Anderson Perry and Ducote Consulting to periodically review progress.

Anderson Perry provided the schedule in the table below for the request for proposal/solicitation process. City will review and approve the selected manufacturer for the Membrane Bio Reactor (MBR) and all internal components (pumps, blowers, etc.) during the November 12 council meeting.

Date	Task/Deliverable
8/12/2019	Provide equipment suppliers process flow schematic and design criteria requesting information by August 30, 2019
9/16/2019	Draft RFP to City for review
9/23/2019	Finalize RFP Package
9/27/2019	Advertise and distribute RFP
11/1/2019	RFP due date
11/12/2019	Select manufacturer at Council Meeting
11/13/2019	Mail out Notice of Intent to Award to all Contractors
11/20/2019	Mail out Notice of Award
Mid-Dec	Execute Agreement

The Phase 1 milestone payment (\$50,000) will be due upon completion of the final RFP package for solicitation.

Construction Financing. We anticipate pursuing at least five separate funding sources for facility construction. We have identified \$13.4 million in funding (including engineering costs) for the project from various sources, though not all sources are secured, and some funds are competitive and/or subject to change due to interest rates and funds availability. This is more than the anticipated cost of the project. The additional funds are to ensure the project has flexibility in program allocation and to meet any contingencies. We will use the lowest interest rate loan funds first, then grants and grant/loan programs.

Partner	Program	Total Financing	Grant Amount	Loan Amount	Loan Repayment Term (yrs)	Estimated Interest Rate	Application Due
BizOR	WW	\$1,500,000	\$750,000	\$750,000	30	1.000%	Fall 2019
DEQ	CWSRF	\$1,000,000	\$500,000	\$500,000	30	2.200%	Dec 2019
WRD	WRD	\$1,600,000	\$1,600,000	\$0			Spring 2020
BizOR	CDBG	\$2,500,000	\$2,500,000	\$0			Summer 2020
USDA	RUS	\$6,900,000	TBD	TBD	40	TBD	TBD

Water/Wastewater Program. Business Oregon administers the Water/Wastewater program, which is a 50% grant/50% loan program. City is eligible for \$1.5 million through this program, with the loan balance of \$750,000 repaid over 30 years at 1% estimated interest (interest rates set quarterly).

Clean Water State Revolving Loan Fund (CWSRF). DEQ administers the CWSRF fund. This fund will require a Debt Service Reserve be established, Fiscal Sustainability Plan and Cost and Effectiveness analysis (included in the facility plan). Environmental report (requires 30-day public comment period). Use of this fund must comply with federal cross cutting authorities. Davis-Bacon (or BOLI whichever is more), American Iron and Steel certification. Application is due December 13, 2019.

Oregon Water Resources Department. OWRD accepts applications annually each spring for its 100% grant program. \$11 million was available in 2019 for projects. Requires 25% matching funds from applicant. Applications are scored competitively and are typically available within 12 months.

CDBG Program. City can request \$2.3 million from the CDBG program administered by Business Oregon, which is the balance of the \$2.5 million available after engineering. This is a 100% grant-funded program and these funds do not require repayment. Applications will be due spring/summer of 2019.

USDA Rural Development. USDA can provide much of the grant and loan funding required to complete the project, with loan terms up to 40 years. For public body applicants, USDA's Rural Utility Service program typically purchases a Revenue bond. Revenue bonds come with a reserve requirement equal to one annual payment that can established in advance or accumulated over ten years equating to a 110% debt service coverage. GO Bonds have no reserve or coverage requirements. Interim financing is usually necessary. The interest rate is set at the time the funds are reserved. Should the interest rates be lower at the time of project completion, the customer will get the benefit of the lower rate. There are no fees or pre-payment penalties or restrictions. Davis Bacon does not apply. American Iron and Steel requirements do apply. Projects are subject to NEPA.

SUMMARY

City staff will pursue funding and applications over the course of the next year with the goal of having all funds secured by late fall of next year. Construction contracts will be competed during the winter and construction will begin in the spring of 2021.

These timelines are subject to the following conditions:

- Permitting approval by DEQ for the new facility
- Competitive bids within the City's budget estimate are received for the MBR and construction of the facility
- Funding is secured on schedule

QUESTION

Does the council want to review the RFP for the MBR design specifications as a full council, as a part of the public works committee, or as a staff function?

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #13: TGM Area Plan Update & Brownfield Redevelopment Fund
Attachment(s)

- Tech Memo #7

BACKGROUND

Tech Memo #7 outlines the multimodal transportation solutions needed to support new proposed development within the John Day Innovation Gateway Area Plan study area. This memo incorporates most of the project elements the City submitted for the 2019 BUILD grant, as shown on pages 13-15 of the memo.

The study area, specifically the right-of-way for the 7th Street Extension and Government Entry Road, includes potential brownfield redevelopment areas due to the property's historic use for dredge mining, timber operations and construction activities, its proximity to waters of the state, and its general lack of development.

DISCUSSION

The State's Brownfield Redevelopment Fund (BRF) can provide financing for the acquisition, assessment and cleanup of brownfield properties. Terms can be very flexible to allow for work to be completed on the City's schedule working with the treatment plant project. The BRF can assist with a technical assistance grant of up to \$60,000; and, an integrated planning grant of up to \$25,000. City's match on these grants is 10%.

The BRF can be of funding assistance for a Phase One Environmental Site Assessment (ESA), which is required to know whether there are any impacts to the property that would necessitate a Phase Two ESA. There are several activities that may or may not need to happen depending on the findings of the Phase One ESA. Moreover, if the City wishes to apply for a federal EPA multi-purpose grants, then we will need the Phase One and a planning assistance grant to make sure our federal application as competitive as possible. If the City is planning to apply to EPA for a Grant that involves cleanup, the City will need to own the properties and right-of-way to be remediate before an application can be submitted.

Business Oregon has sent us a project information form for the BRF outlining to outline the proposed scope of our project. This is the first step in the application process.

RECOMMENDATION

I recommend we apply for the BRF funding. There is enough historical evidence to support brownfield redevelopment needs to warrant the Phase One ESA, at a minimum, and based on those results a Phase Two ESA with some cleanup activity is likely. A Phase One is also needed for the right-of-way acquisition from Iron Triangle for the proposed street network. The combination of planning funds and technical assistance for the cleanup would help with both objectives.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 13, 2019

SUBJECT: Agenda Item #14: Other Business and Upcoming Meetings
Attachment(s)

- None

OTHER BUSINESS

- None

UPCOMING MEETINGS

- August 27 – Joint City Council/Planning Commission/PAC & TAC Study Session, 5:00 P.M. @ Fire Hall
- August 27 – City Council Meeting, 7:00 P.M. @ Fire Hall
- August 29 – Oregon ReConnect Broadband Workshop, Madras
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