

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

December 17th, 2019

COUCILORS PRESENT:

Ron Lundbom, Mayor
Steve Schuette, Council President
Shannon Adair, Councilor
Gregg Haberly, Councilor
David Holland, Councilor
Paul Smith, Councilor
Elliot Sky, Councilor

COUNCILORS ABSENT:

STAFF PRESENT:

Nicholas Green, City Manager
Monte Legg, Public Works Director
Casey Myers, Water Systems Operator
Adam Heninger, Agribusiness Project Manager

Don Gabbard, Fire Chief
Mike Durr, Police Chief
Daisy Goebel, Associate Planner

GUESTS PRESENT:

Rudy Diaz, Blue Mtn. Eagle
Gregory Goebel, Grant County DA

Sherrie Rininger, Etc.
Steve Parsons, Mt. Vernon

Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the meeting to order at 7:00 pm, noting everyone was present.

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

No minutes presented.

Agenda Item No. 3- Appearance of Interested Citizens

Mayor Lundbom welcomed the public and asked if there was anyone present for something not on the agenda. *None appearing.*

Agenda Item No. 4 Consent Agenda

Nick Green noted a change in the project cost of the 4th Avenue Slide Repair; the total estimated project cost is \$550,000.

Councilor Adair moved to approve the 4th Street ODOT SCA Agreement as amended and authorized Mayor Lundbom or the City Manager to sign on behalf of the city. The motion was seconded by Councilor Haberly and passed unanimously.

Agenda Item No. 5-- Notice of Intent to Award – Membrane Bioreactor Equipment Procurement

City Manager Green announced that a decision had not been made on equipment procurement and no notice of intent to award will be provided at this time. Source selection will continue; more information is needed. Green explained that quality, experience, and ease of operation would weigh more heavily than price due to the competitive bids the city received. Councilor Smith noted that conversations have been productive, and the bids are promising.

Agenda Item No. 6-- Mini-Excavator & Trailer Equipment Procurement

Public Works Director Legg compared the pros and cons of equipment bids; prices and warranty information were provided. He noted quotes and quality are fairly competitive between John Deere and CAT. Mayor Lundbom asked if the attachments are interchangeable; Legg confirmed they are and recommended the council base their decision on lowest price and purchase the John Deere mini excavator for \$61,900. Legg also recommended a 14,000 lb. 20-foot tilt trailer for an additional \$6,000.

Councilor Holland moved to approve public works to purchase both items of equipment. The motion was seconded by Councilor Sky and passed unanimously.

Agenda Item No. 7— Iron Triangle Property Acquisition

City Manager Green explained why the public right of way access to Valley View Drive is important for opening up land for housing stock. He proposed the city consider sub-dividing the Iron triangle property to offset property acquisition costs after the phase I and II ESA process is completed and the streets are approved. He clarified the cost of cleanup will come out of the purchase price if the city does the phase II ESA. The council discussed the potential of a joint development agreement with the city. Councilor Sky asked about the potential of development being delayed or not happening and the potential timeline. Councilor Adair expressed concern about not being able to sell the commercial portions of the property and suggested waiting for the BUILD grant rather than making development plans now. She also voiced a preference for working out a specific timeline agreement with owners/developers before moving forward with the street improvements. Council President Schuette expressed concern about the city paying for a right-of-way to spur private development. Mayor Lundbom encouraged City Manager Green to continue negotiations while bringing up the council's concerns. Councilor Smith liked the idea of a public-private partnership but doesn't want to rush the acquisitions. The general consensus of the council was the project is worthwhile, but further negotiations are necessary to ensure all parties are serious about the project. Green asked when the council would like to see development completed, the council didn't identify a specific timeline but wants to see it done quickly. Green also noted he wants to move forward sooner rather than later due to currently low interest rates and clarified that he would like to start applying for grants to fund this project.

Agenda Item No. 8—City Manager Contract Updates

City Manager Green explained the contract update was already approved by the council but needed to be documented in writing. The update includes a 1% fee to the City Manager for grants awarded that are administered by the City Manager [grants administered by external agencies do not apply]. Councilor Holland asked for assurance that the contract includes a clause that only allows this when administrative costs are written into grants. Green clarified that is how the clause had been implemented but he would make sure it was stipulated in the contract and noted the amendment

would be retroactive to July 1, 2017, when it was originally approved. Steve Parsons expressed concern about the ethics of City Manager Green receiving a bonus for grant writing. Mayor Lundbom and Councilor Adair addressed these concerns and assured Mr. Parsons that the 1% fee is well below what the city would pay to hire an independent grant writer and is an allowable expense within these grants. City also clarified that this is taxable income and was approved as additional compensation for the City Manager for the work required to manage the City's grant portfolio. Mr. Parsons also expressed concerns about potential taxes proposed by the consultants as part of the Innovation Gateway Area Plan. The council clarified that only the transient room tax is being discussed and no other options are being pursued, nor have they been discussed, such as the proposed fuel and DMV taxes, to fund the Innovation Gateway.

Councilor Holland moved to approve the contract as amended tonight by the council subject to final review by the mayor and city attorneys. The motion was seconded by Council President Schuette and passed unanimously.

Agenda Item No. 14—Other Business & Upcoming Meetings

Mayor Lundbom reviewed the upcoming meetings.

Adjourn

There being no further business before the council, Council President Schuette moved to adjourn the meeting at 8:04PM. The motion was seconded by councilor Haberly and passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL ON JANUARY 14, 2020



Ron Lundbom, Mayor