

John Day City Council Meeting August 11, 2020

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1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF PRIOR 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. **CONSENT ITEMS**
Attachments:
 - Professional Services Agreement - Oregon Pine Site Characterization AMD 01

ACTION ITEMS

5. **CORONAVIRUS COUNTERMEASURES**
Attachments:
 - LOC News – Local Advocacy Brings Funding Win at E-Board, But You Have More to Do
 - Article – Oregon’s Legislative Emergency Board balks at PPE purchases
 - Article – Lawmakers deadlock on federal funds for PPE
6. **COMMSTRUCTURE PROFESSIONAL SERVICES AGREEMENT**
Attachments:
 - Professional Services Agreement - John Day Fiber Expansion - Commstructure - 20200810

7. FARMER’S MARKET EVENING EVENTS

Attachments:

- Farmer’s Market Event Map

8. TRANSIENT ROOM TAX ORDINANCE

Attachments:

- None

9. RESOLUTION 20-844-17, A RESOLUTION AUTHORIZING THE CITY’S PARTICIPATION IN THE LEAGUE OF OREGON CITIES’ PILOT PROGRAM PROVIDING LIMITED FREE LEGAL ADVICE TO OREGON CITIES LOCATED IN EASTERN OREGON

Attachments:

- Resolution No. 20-844-17

OTHER BUSINESS & UPCOMING MEETINGS

10. OTHER BUSINESS & UPCOMING MEETINGS

- Request for Panhandling Ordinance
- Request for Traffic Regulation
- Topics for council consideration in future study session(s):
- August 25, City Council Meeting, 7 P.M. Virtual/Fire Hall
- September 8, City Council Meeting, 7 P.M. Virtual/Fire Hall
- September 21-22, Recreation Economy for Rural Communities 2-Day Workshop
- September 22, City Council Meeting, 7 P.M. Virtual/Fire Hall

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 11, 2020

SUBJECT: Agenda Item #4: Consent Agenda
Attachment(s)

- Professional Services Agreement - Oregon Pine Site Characterization AMD 01

BACKGROUND

One item is on the council's consent agenda.

Item 1) Professional Services Agreement - Oregon Pine Site Characterization AMD 01

Maul Foster & Alongi is requesting an amendment to their PSA to account for increased sampling recommended following the preliminary analysis and on-site assessment for the Oregon Pine property site characterization.

We issued the initial contract to MFA for a not-to-exceed amount of \$64,900. Based on their initial Phase 1 assessment there will need to be more sampling of the building materials and groundwater than they originally anticipated. Their original scope had 10 borings or test pits and soil samples collected; their revised scope has 20, which includes groundwater samples not included in the original scope.

This Amendment 01 to our original agreement increases the not-to-exceed amount by \$7,689 for the additional services described in their revised scope of work enclosed with the agreement.

Our original grant amount from Business Oregon was \$59,986. I have requested an increase of \$5,000 in grant funding to bring our award to \$64,986, with the City picking up the remainder of the costs. This will bring the City's match to \$7,603, which is 10.47% of the new total project cost of \$72,589. We have requested an additional \$5,000 in grant funding through a contract amendment with Business Oregon to offset this cost/scope increase.

Recommendation: Approval the City Manager to sign PSA Amendment 01 for the Oregon Pine Site Characterization.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 11, 2020

SUBJECT: Agenda Item #5: Coronavirus Countermeasures
Attachment(s)

- LOC News – Local Advocacy Brings Funding Win at E-Board, But You Have More to Do
- Article – Oregon’s Legislative Emergency Board balks at PPE purchases
- Article – Lawmakers deadlock on federal funds for PPE

BACKGROUND

The League of Oregon Cities continues to advocate for local funding from the State’s FY20 Cares Act funds. The legislative Joint Emergency Board met remotely this week to consider how to spend the remainder of the \$1.38 billion in Coronavirus Relief Fund (CRF) monies entrusted to the state for distribution and the state convened a special session on Monday to discuss this topic as well.

As of last week, the Department of Administrative Services had distributed roughly \$46 million to cities, counties, and special districts. An additional \$154 million had been allocated to individual jurisdictions with the first reimbursement requests due last Friday. Of this amount, the City of John Day was approved for only \$52,796.81 in direct reimbursement, or 0.026% of the funding allocated to-date.

Treasury guidance indicates that 45 percent of the state share of CRF money, or almost \$625 million, should have been distributed directly to local governments. LOC requested that the additional \$200 million in local share be distributed to local governments and that those local governments be able to spend those funds based on the particular needs in their individual communities for the full range of uses allowed under U.S. Treasury guidance. The E-board agreed to fund an additional \$95 million, however, the method of distribution is still unclear. It held back \$105 million by voting down a staff recommendation.

In addition, our request for \$1.5 million in broadband funding through Business Oregon to connect the remaining homes, businesses and critical community facilities in John Day to fiber was denied with no explanation other than there were over 100 applications requesting \$50 million in funding. This would have funded broadband to our local schools and the Grant County Airport as well as the Grant County courthouse.

The Oregon Department of Education on August 4th allocated \$28.1 million for Comprehensive Distance Learning (CDL) grants, of which John Day School District 3 was approved for \$103,388.45.

These amounts are ridiculously low. The State has re-directed critical funding for education and coronavirus recovery from local governments to special interest groups, while denying funding applications for basic infrastructure needed to fulfill their constantly changing guidelines on what is and is not “allowed.” The degree of disruption caused by Coronavirus has not spared rural communities, yet once again, we are left to beg for assistance from a State government that has systematically underfunded rural infrastructure for decades. This is a comprehensive, unmitigated disaster. The cavalry clearly isn’t coming. If we are going to recover from this virus locally, we need to plan our own Coronavirus countermeasures that meet the needs of our constituents.

DISCUSSION

Two immediate proposals are on the agenda to facilitate coronavirus recovery. The first is a request from the school district to facilitate fiber optic expansion to Humbolt Elementary to facilitate distance learning. The second is a proposal from the John Day Farmer's Market to stimulate economic recovery. These items are discussed as part of the next agenda topics.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: August 11, 2020
SUBJECT: Agenda Item #6: Commstructure Professional Services Agreement Attachment(s)

- Professional Services Agreement - John Day Fiber Expansion - Commstructure - 20200810

BACKGROUND

The enclosed agreement would allow Commstructure to proceed with final design of three line extensions proposed in our FY20 CARES grant funding requests.

DISCUSSION

Broadband/Distance Learning Options. The City proposed to fund a line extension of Grant County Digital’s network from the high school to the county courthouse as part of the Business Oregon Local Broadband Capacity Program, which was not funded. We have also requested funding through the EDA’s FY20 CARES Act but decisions will not be made on this award prior to school starting.

Commstructure’s cost estimate to design this line extension (including final engineering and construction oversight) and to complete the design of the airport route is \$72,600, as shown below:

Project / Segment	Fees
Grant County Regional Airport	\$ 27,000.00
Humbolt Elementary	\$ 15,000.00
Grant County Circuit Court and Sheriff	\$ 24,000.00
Sub-Total:	\$ 66,000.00
10% Contingency:	\$ 6,600.00
Estimated Project Total:	\$ 72,600.00

This would make these projects shovel-ready from a design standpoint. We are looking at options to do a joint build with community partners on the line extension to Humbolt to reduce labor costs (field surveying is occurring this week). Otherwise, the cost to compete and build these projects through a traditional construction agreement is as follows:

- Grant County Regional Airport: \$433,250
- Humbolt Elementary: \$31,620
- Grant County Court/Sheriff’s Office: \$96,012

The proposed route to the Grant County Regional Airport is financially infeasible without grant funding. The route to Humbolt Elementary would allow ESD to repurpose up to four wireless radios for local coverage in John Day. These would become wireless hotspots for students and depending on their location could provide access for students to distance learn from their homes in areas that lack high speed internet.

City staff are also exploring the option with local stakeholders of creating co-working spaces with free internet access in various communities throughout Grant County to create short-term relief from inadequate internet access.

These costs could (and should) be covered under Coronavirus Relief Funds if the state chooses to remit more funding and/or the federal government creates an infrastructure funding package for local governments. In other words, the City could potentially recover these expenditures after incurring them since they are directly related to coronavirus impacts on our residents. However, without that guarantee these need to be viewed as out-of-pocket expenses from the City's IT Fund in partnership with the school district.

This crisis, more than anything, demonstrates the negative impacts of the State's overwhelming failure to address rural broadband needs in prior legislative sessions before the pandemic became a reality. We are not prepared to implement distance learning in our community because we lack the basic infrastructure at our schools and our homes to connect students to teachers, and we lack that infrastructure because providing it was never a State priority.

These same policymakers are now mandating that all school districts must implement comprehensive distance learning if the following conditions are met:

- 30 or more cases per 100,000 over 7 days
- Test positivity of 10% or greater over 7 days

As noted in the Governor's July 28 press release: "Based on these metrics, with the increasing spread of COVID-19 in both rural and urban Oregon this summer, many, if not most, Oregon students live in school districts that will begin school in the fall by focusing on online distance learning or will have a hybrid model that combines remote online education and in-person classroom time."

Professional Services Agreement. The city council could choose to fund Commstructure to complete the design of one (or more) of these segments to facilitate their expansion. The agreement enclosed encompasses the full scope of work. We do not have the funds in place to construct these line segments, but could work with the county and school districts to fund portions of these builds once they are designed. Some infrastructure enhancements will be needed to ensure our students in John Day can implement the distance learning mandates imposed by the State.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 11, 2020

SUBJECT: Agenda Item #7: Farmer's Market Evening Events
Attachment(s)

- Farmer's Market Event Map

BACKGROUND

The Farmer's Market is proposing to host evening market events on August 28th, September 18th, and October 16th, from 6-10 P.M. They are requesting to close off SE 1st Ave for all three events. The group will work with local businesses to serve food, provide music, and host activities for kids.

The Market is requesting \$2,500 to support this event. The City can obligate these funds and receive reimbursement from our CRF allocation. Stephanie LeQuieu, Farmer's Market manager, will present the concept to the city council.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: August 11, 2020
SUBJECT: Agenda Item #8: Transient Room Tax Ordinance
Attachment(s)

- None

BACKGROUND

Council met with the lodging operators two weeks ago to discuss the proposed TRT ordinance. Operators discouraged the council from considering an increase to 12 percent as it would place us in the higher percentage bracket and encouraged the council to implement the option to replace the county's tax with a city tax.

Council is proposing a third alternative, which is a hybrid of the previously considered options. This option is currently under review by the City's legal counsel. For that reason, we are not prepared to present an ordinance tonight. However, the proposed terms are discussed below.

TERMS

- 1) City proposes implement a 10% transient lodging tax on establishments within the city limits. This will apply only to operators in our incorporated boundaries and has no impact on establishments outside of John Day, nor does it affect the County's ordinance or the Chamber's agreement with the county outside of John Day.
- 2) Of the 10% TRT:
 - a. 4% will be held by the City in the Community Development Fund for tourism and tourism-related facilities;
 - b. 4% will be remitted to the Grant County Chamber of Commerce to promote regional tourism;
 - c. 2% will be held in the City's general fund for general government operations.
- 3) The 4% remitted to the Chamber would need to occur under a separate service agreement between the Chamber and the City that will be similar to the current agreement the Chamber has with the County. The City Council will need to meet with the Chamber to review the terms of this agreement and to adopt it alongside the ordinance.
- 4) The disposition of the TRT collected within the city limits will be subject to our ordinance and will be accounted for in our annual budget and audited financial statements. We will receive all of the TRT taxes from the operators and will remit the 4% to the chamber as part of our service agreement.

This has the net effect of increasing the amount of TRT collected in John Day by 2 percentage points, which council felt was reasonable given the feedback of the hotel operators and the Chamber.

Council should review these terms and verify this is their preferred approach.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 11, 2020

SUBJECT: Agenda Item #9: Resolution 20-844-17, A Resolution Authorizing The City's Participation In The League Of Oregon Cities' Pilot Program Providing Limited Free Legal Advice To Oregon Cities Located In Eastern Oregon
Attachment(s)
• Resolution 20-844-17

BACKGROUND

This resolution authorizes the City to receive free legal advice from LOC attorneys as part of a trial program implemented in eastern Oregon.

RECOMMENDED MOTION

“I move to approve Resolution No. 20-844-17, A Resolution Authorizing The City's Participation In The League Of Oregon Cities' Pilot Program Providing Limited Free Legal Advice To Oregon Cities Located In Eastern Oregon.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: August 11, 2020

SUBJECT: Agenda Item #10: Other Business and Upcoming Meetings
Attachment(s)

- None

OTHER BUSINESS

- Request for Panhandling Ordinance
- Request for Traffic Regulation
- Topics for council consideration in future study session(s):
 - **Marijuana Ordinance** – Following the TRT discussion, council will discuss whether the City should repeal John Day’s marijuana ordinance prohibition and/or refer the repeal to the city voters in November.
 - **Industrial Park Land Use Regulations and Land Sales** – City staff will discuss the proposed amendments to land use regulations and development restrictions in the Airport Industrial Park, and specific actions the council could take to promote and streamline land sale procedures in this area.

UPCOMING MEETINGS

- August 25, City Council Meeting, 7 P.M. Virtual/Fire Hall
- September 8, City Council Meeting, 7 P.M. Virtual/Fire Hall
- September 21-22, Recreation Economy for Rural Communities 2-Day Workshop
- September 22, City Council Meeting, 7 P.M. Virtual/Fire Hall