

# John Day City Council Meeting August 25, 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:
  - MFA Professional Services Agreement – Iron Triangle Phase 2 ESA

### ACTION ITEMS

5. **RESOLUTION NO. 20-845-18, A RESOLUTION TO AUTHORIZE EXPENDITURES OF THE BUSINESS OREGON BROWNFIELDS REDEVELOPMENT FUND GRANT**  
Attachments:
  - Resolution No. 20-845-18
6. **BROADBAND PROJECT UPDATES / GRANT COUNTY COWORKS**  
Attachments:
  - GC Coworks Proposal
  - GC Coworks Infographics
7. **RECREATION & TOURISM STRATEGIC ACTION PLAN**

Attachments:

- John Day Expedia Reviews
- Straw-to-Gold proposal

**8. STREET IMPROVEMENT UPDATES**

Attachments:

- None

**9. RESOLUTION NO. 20-846-19, A RESOLUTION GUARANTEEING A LOAN FOR THE JOHN DAY URBAN RENEWAL AGENCY**

Attachments:

- Resolution 20-846-19

**OTHER BUSINESS & UPCOMING MEETINGS**

**10. OTHER BUSINESS & UPCOMING MEETINGS**

- Topics for council consideration in future study session(s):
- 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 25, 2020  
**SUBJECT:** Agenda Item #4: Consent Agenda  
Attachment(s)

- MFA Professional Services Agreement – Iron Triangle Phase 2 ESA

## **BACKGROUND**

One item is on the council's consent agenda.

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### **Item 1) MFA Professional Services Agreement – Iron Triangle Phase 2 ESA**

Maul Foster & Alongi has submitted a proposal for the Phase 2 Environmental Site Assessment (ESA) for the Iron Triangle industrial site.

We issued the initial contract to MFA for the Phase 1 ESA and wetland delineation for a not-to-exceed amount of \$25,639. Based on their initial Phase 1 assessment there will need to be more sampling of the groundwater at the site.

This professional services agreement will mobilize MFA's team to conduct up to 7 borings to collect soil and groundwater samples to assess the former maintenance area, maintenance sumps, fueling area, truck storage yard, and historical stained soil areas. Samples will be sent to a laboratory for testing and MFA will provide us with the analytic report along with a report of their findings and conclusions.

The cost proposed for the Phase 2 ESA is not to exceed \$46,618.

Our original grant amount from Business Oregon was \$38,930 for the Phase 1 ESA, of which \$20,040.50 has been expended. The remaining \$18,889.50 can be contributed toward this Phase 2 work, along with \$27,728.50 from the forgivable loan portion, leaving \$32,271.50 in grant funding to expend for cleanup activities, if needed.

**Recommendation:** Approve the City Manager to sign the agreement for the Iron Triangle Phase 2 ESA.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

**SUBJECT:** Agenda Item #5: Resolution No. 20-845-18, A Resolution To Authorize Expenditures Of The Business Oregon Brownfields Redevelopment Fund Grant  
Attachment(s)  
• Resolution No. 20-845-18

## **BACKGROUND**

Council approved an amendment to the Maul Foster & Alongi professional services agreement for the Oregon Pine site characterization during our last meeting, which included a grant funding increase of \$5,000 from Business Oregon. This resolution authorizes the City Manager to expend these funds (including the increase) in this year's budget.

## **RECOMMENDED MOTION**

"I move to approve Resolution 20-845-18, A Resolution To Authorize Expenditures Of The Business Oregon Brownfields Redevelopment Fund Grant."

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

**SUBJECT:** Agenda Item #6: Broadband Project Updates  
Attachment(s)

- None

**BACKGROUND**

Council approved \$15,000 in expenditure for the final design of the Humbolt Elementary fiber optic line extension during our last meeting and cost matching with the county and Canyon City for the construction of the line extension. This memo provides an update on the status of the project.

It also discusses a proposal to create co-works space in John Day and Seneca (Phase 1) to improve access to the Internet in our underserved areas. The proposal will be presented by the project sponsors (see proposal and infographics attached).

**BROADBAND UPDATE**

I met with Judge Myers, Mayor Fischer, Superintendent Uptmor and Superintendent Waltenburg last week to review the plans for the proposed fiber build. All parties agreed to fund and/or submit their funding request to build this line extension to their respective boards, as needed. The result will be a five-party cost share on the Humbolt build.

Project milestones to date are described in the table, below.

<b>Task/Milestone</b>	<b>Status</b>	<b>Notes</b>
Planning and opinion of probable cost	Complete	
Design Agreement	Complete	
Field Survey	Complete	
Final Design	In progress	City staff, Commstructure and OTEC engineers reviewed the proposed route, pole attachments and make ready at the drop sites at Humbolt and SD 3 district office; OTEC is going to perform some of the utility line relocates and we will provide equipment for others that will need to take place prior to construction.
Plans Approved	In progress	We expect to have written plans early next week for OTEC's team to review.
Permitting & ROW	In progress	OTEC agreements are in place for John Day/Grant County Digital to make attachments; attachment fees will be invoiced to City; No right of way adjustments are needed; OTEC will expedite permitting so it is ready prior to build.
Contracting	In progress	We believe OTEC can do most of the installation, we will need to contract for splicing at the end points and any make ready they cannot complete, including site prep at Humbolt for their

		drop. Any contracts will be issued under our emergency provisions for the City of John Day.
Make Ready	In progress	Minor utility relocations will be needed at Humbolt to declutter their lines prior to installation of the fiber.
Construction	TBD	Based on availability of fiber, targeting mid-to-late September
Operational Testing	TBD	Based on construction timeline
Post-Construction Inspection	TBD	Based on Operational Testing – OTEC will review to ensure no violations on pole attachments
Certification and Acceptance	TBD	Based on Inspection
Contract Closeout and Final Invoicing	TBD	Based on Certification and Acceptance – we will invoice each party for their portion of the construction costs once the final costs are tallied

**GC COWORKS**

Didgette McCracken will present a proposal on GC Coworks, a shared workspace proposed for Grant County communities to improve Internet access to unserved and underserved residents. GC Coworks is a proposal to help our communities prepare and provide access to the technology needed to ensure students have the proper tools for online learning. It is a shared workspace, home-base and accelerator for remote workers, solo-entrepreneurs, those that want to work on their own, and those that desire occasional group interaction. It is intended to encourage Adult Distance Learning, innovation and entrepreneurship, through providing the technology, workspace and environment necessary for success. The space would create opportunities for distance learning for higher-education students, as well as those adults working to increase their skill set.

**Phased Approach.** The development team is proposing a three-phased plan to implement the proposal.

At present, Phase 1 would create distance learning venues in John Day and Seneca. A similar facility is required by USDA for the Community Connect Grant and could be established in Seneca prior to that application, with the investment counting toward our matching funds requirement.

Phase 2 would expand the concept to the other communities. However, Phase 2 could be collapsed into Phase 1 or accelerated if the communities and/or their school districts wish to leverage a portion of their coronavirus relief funds toward this type of project.

Phase 3 would build on the lessons learned and utilization of the prior phases by creating a permanent academic campus/distance learning facility at the John Day Innovation Gateway. This would be a multi-purpose tech/education center with many amenities for students, artists, and entrepreneurs of Grant County and surrounding regions to optimize learning and training for underserved and minority populations. Phase 3 potential amenities include the following:

- Tech-enabled Classrooms
- Commercial kitchen incubator
- Computer lab
- Media room
- Municipal office space
- Library
- Conference room
- Artist studio
- Gigabit internet
- COVID-compliant workspaces

**Operating Model.** The project would ultimately be managed by a non-profit venture, but could be launched organically through an existing agency. Grant County Digital was organized two years ago as an ORS 190 intergovernmental agency with the stated purpose “to design, construct, own, operate, and/or maintain the broadband infrastructure necessary to establish and operate a digital network capable of providing public Internet connection inside and through Grant County, Oregon, including, without limitation, extending a fiber optic line along US 395 from US 20 to John Day, wireless infrastructure, fiber optic infrastructure, and all fiber connections to the premises constructed, operated by, and/or controlled by Agency (the “Network”) and future telecommunications infrastructure for the benefit of the Parties and their respective citizens, other governmental entities, and public and private health and safety organizations...”.

This could fall under their mission to provide public Internet within Grant County, and this construct could work as an accelerator since it’s an existing agency that’s already been certified by the Secretary of State. Grant County Digital does not have any paid staff and we’ve tried to avoid creating any paid staff, but we could contract with someone to handle the operations and just hold the assets and provide a mechanism to pursue additional grant funding. Some seed funding may also be needed to help launch the enterprise.

## **RECOMMENDATION**

Grant County Digital and/or the City of John Day could assist with development of the Phase 1 co-works space in the communities we serve to help accelerate their development. Several locations are available in John Day and Seneca that would serve this purpose well. The group promoting this concept is currently evaluating locations and will report back to Grant County Digital’s board on September 1<sup>st</sup> with their top recommendations.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

**SUBJECT:** Agenda Item #7: Guiding Principles for John Day's Recreation & Tourism Strategic Action Plan  
Attachment(s)

- John Day Expedia Reviews
- Straw-to-Gold proposal

## **BACKGROUND**

This topic is for the city council to discuss our priorities for promoting recreation and tourism in John Day. These guiding principles along with the council's feedback will help inform discussions during our two-day Recreation Economies for Rural Communities (RERC) Summit on September 21-22.

The guiding principles are followed by activities that could form the basis for the RERC Strategic Action Plan that will be developed during the Summit.

Please come prepared to provide feedback on these guiding principles, action items and any additional priorities the council would like to address at the Summit. The format for the Summit is described at the conclusion of the memo.

## **GUIDING PRINCIPLES FOR INVESTING IN JOHN DAY'S RECREATION & TOURISM ECONOMY**

### **1) Create a sense of place**

- John Day should have clear identifiers and branding at the entrances to the city and each district/neighborhood emphasizing their unique character.
- Create cultural districts within the city with a unique identity that reflects our heritage (i.e. mining, Chinese district, ranch & rodeo, timber, riverfront, recreation).
- Emphasize this question: What should it feel like to be in John Day? (and then look at how people who stayed here responded).

### **2) Redefine Main Street as end-to-end within our business corridor (North & South, East & West)**

- Most of our business expansion is occurring west of town, which is where our buildable land inventory is located.
- The City and its investment partners are making substantial investments at the former Oregon Pine mill site and along the John Day River to create the Innovation Gateway and our Integrated Park System, which will become one of our primary tourism attractions.
- All our business owners along Main Street and S. Canyon Blvd have highway frontage properties that reflect on John Day and tell our story...is it going to tell a story of a prosperous frontier community or one of decline and neglect?

### **3) Prioritize infrastructure investments in recreation, tourism, the arts and culture**

- Top 10 "Things to Do" in John Day should be obvious investment and tourism promotion priorities.
- Create joint investment models with public and private partners to lever up our funding



- Build an effective team to drive impact investing, prioritize projects and lend support through human capital and financing, where needed.
- Include Arts & Culture as economic drivers, not just passive benefits of a prospering community.
- Establish a Board of Advisors of residents and business owners who will challenge us.

#### 4) Create policies and programs that drive spending increases in tourism and recreation

- ATV use on state highways.
- Local and regional events unique to our community that reflect our heritage.
- Guided tours/outfitters for regional destinations.
- Improved maps, wayfinding and placemarkers in town.

#### 5) Market with a purpose

- Create a “go to market” strategy with targeted ad campaigns and solid analytics to evaluate engagement and return on investment (ROI) from each ad campaign
- Use segmenting, targeting and positioning to improve marketing effectiveness:
  - Customer segmentation / Customer Relationship Management (CRM)
  - Use alternative channels (television, YouTube ads, journal articles, etc.)
  - Message our identity - don’t imitate others – messaging should be “sticky”
  - Build brand recognition for John Day
- Two-sided business model:
  - Recreators / Tourists (transactional) – with spending measured in tangible increases to Transient Lodging Taxes but also increased profitability for our businesses
  - Future Residents / Entrepreneurs (enduring) – attracting and retaining the human capital that will help build the city of the future with tangible returns to new home construction, new business startups and population growth
- Digital “hooks” with concrete messaging to capture both sides of the market
- Feedback loops (test, validate, scale) built into every ad campaign

### POTENTIAL ACTION ITEMS

We’re currently evaluating a television advertising opportunity that captures our target demographic and could lead to increased revenue and improved customer engagement.

**Digital Marketing Campaign.** *Frontier Unlimited* (<http://www.garylewisoutdoors.com/tv-show/about-the-show/>) is an Oregon-based outdoors show that airs in television markets in Los Angeles, the Pacific Northwest, Canada and the U.K. The target audience is aged 22-65, primarily male. Hunters, fishermen, shooters, and people that want to be hunters, fishermen and shooters are regular viewers. The show skews towards hunting (13 episodes a year, 7 hunting, 6 fishing). Shows are filmed primarily in the west, but they will also travel internationally and have filmed in New Zealand, Africa, and Chile.

This is an Oregon production based out of Bend. The film crew is led by Sam Pike (producer) who has been working with Gary for nine years, has won awards, and filmed the Superbowl for Fox. They have filmed in Grant County – their last episode was shot for his first TV show (Gary Lewis High Desert Outdoorsman, which was shot in standard definition).

*Frontier Unlimited* reaches a wide audience. It airs on KFLA Channel 8 in Los Angeles on Sunday morning, 9 AM. An estimated million households can tune in on that channel and at any given time about 40,000 people are watching. In general, the show airs all across the United States on the Pursuit channel and across Canada on Wild TV and in the U.K. in the second quarter on the Pursuit channel. It also airs in the Pacific Northwest region on Bend Broadband, channel 611 and on KBNZ and KOHD, and in Eugene

(KEVU), Salem and the Portland area on KWVT. The show airs in the Portland/Salem market four times per week, Bend/Redmond nine times (Bend Broadband) and six times a week on the other stations.

We air 15, 30, 45 or 60 second spots (steering toward 30) beginning as early as mid-to-late October. It is \$849 per month to play across all channels and our ad would air in each episode (15-16 times per week). This would create over 60 viewing opportunities each month by our target audience, who could consider hunting or recreating from John Day.

The television ad would direct the viewer to a website like “DiscoverJohnDay.com” with additional content and branding specific to our location. The site would provide direct links to our John Day lodging establishments and restaurants and would feature our top 10 things to do in John Day. The site would capture analytics on our visitors (what markets are they in, how did they hear about us, etc.) and we will be able to determine their interests in part by what links they click within the site.

This digital platform will in turn drive customer engagement through targeted ad campaigns, reviews, and aggregating analytics to help create the context for the customer’s experience. We can then review that content to make adjustments to our ad campaign, all with the goal of driving returns in our two core customer segments: recreators and future residents.

An example of the feedback left on John Day’s auto-generated Expedia page (attached) is instructive for how this information can help us inform investments in recreation and tourism, and how John Day establishments are viewed by some of our visitors.

**Content Creation/Production.** Straw to Gold (<https://straw-gold.com/>) is a Portland-based firm that works with clients seeking to grow their reach through both online and print marketing materials. They specialize in brand narrative to ensure their client’s marketing is authentic and enduring. They have proposed to develop the content for our marketing/ad campaign and to assist with the landing page and public presence (deck attached).

All of our content would be developed in 4K definition with a visual style and technique designed to attract potential visitors to the website and our community. *Frontier Unlimited* as our initial channel plays well to the idea of our area being one of the nation’s last frontiers. We can built our brand around that concept initially, but will need to couple our other infrastructure investments with the ads to ensure we don’t replicate a “Fyre Festival” experience (all smoke and no fire). Our approach needs to be honest and authentic, not oversold, but certainly not undersold.

## **NEXT STEPS**

The production crew can film content during our evening market events this fall and would go into post-production processing in order to have a product available by late October/November. We would need to engage in another round of discussions with the content development team to refine the milestones and scope in order for them to give us a cost proposal.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

**SUBJECT:** Agenda Item #8: Street Improvement Project Updates  
Attachment(s)

- ODOT ROW Letter

## **BACKGROUND**

This memo updates the council on the status of three ongoing street improvement projects.

## **DISCUSSION**

**Canton Street Paving.** The City plans to pave Canton Street cul-de-sac under a contract with Tidewater on Friday, August 21 or the following Monday, based on availability of Tidewater's asphalt. Tidewater bid for this project was \$16,500 for the asphalt and prep work.

**SW 4<sup>th</sup> Street/Airport Road Repairs.** The GHD team completed the site work for the topography survey. Site work has been completed to document the Ordinary High Water, it was flagged and picked up the survey crew. No wetlands were found on-site. GHD's subcontractor (GeoEngineers) conducted drilling operations on August 18 to determine the soil conditions. Benchmark Surveying will be developing the topography survey and right of way. Ecological Land Services will begin the environmental permitting paperwork and documentation once the topography and the preliminary design is complete.

**7<sup>th</sup> Street Complex Parking Lot.** Site prep and clearing are complete. Iron Triangle plans to begin work in the next two weeks.

**ODOT Chip Sealing & Sidewalk Enhancements.** Chip sealing along state highways U.S. 395 and U.S. 26 occurred during the week of August 17-21. ODOT sidewalk enhancement project construction will be delayed due to right of way acquisition needed for stormwater management (see sample letter attached, which was mailed last week). The project is now scheduled for bid in the fall of 2021 and construction to begin in 2022.

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

**SUBJECT:** Agenda Item #9: Resolution No. 20-846-19, A Resolution Guaranteeing A Loan For The John Day Urban Renewal Agency  
Attachment(s)

- Resolution 20-846-19

## **BACKGROUND**

This resolution provides a loan guarantee for the John Day Urban Renewal Agency to allow the URA to receive financing from Old West Federal Credit Union (offer letter attached).

The resolution guarantees the financing up to \$100,000 in the event the URA cannot make payment. The URA, by accepting this loan, will be able to repay the City the full balance of the \$62,500 note, which will go into the unappropriated fund balance in the City's Community Development Fund.

## **DISCUSSION**

The URA incentives are backed by property taxes received within the URA boundaries. The loan guarantee is therefore unlikely to ever be used as the property taxes raised within the boundaries are sufficient to cover the URA's debt service.

The proposed credit instrument includes a revolving line of credit to help the URA finance future incentive payments, which is scalable if additional funds are needed but would not be used if fewer homes are built in a given year.

## **RECOMMENDED MOTION**

"I move to approve Resolution 20-846-19, A Resolution Guaranteeing A Loan For The John Day Urban Renewal Agency."

**TO:** John Day City Council

**FROM:** Nicholas Green, City Manager

**DATE:** August 25, 2020

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

- None

#### **OTHER BUSINESS**

- 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**

- 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