

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

May 11, 2021

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Paul Smith, Council President
David Holland
Shannon Adair
Heather Rookstool
Gregg Haberly
Elliot Sky

COUNCILORS ABSENT

CITY STAFF PRESENT

Nicholas Green, Executive Director
Lindy Berry, Secretary
Michael Durr, Chief of Police
Aaron Lieuallen, Senior Project Manager
(virtual)

LauraBeth Wallenstein, Agribusiness Project
Manager (virtual)

**GUESTS PRESENT (VIRTUAL UNLESS INDICATED
AS IN-PERSON)**

Sherrie Rininger (in person)
Rudy Diaz (in person)
Tory Stinnett (in person)
Heather Swank (in person)
Dawn DeGrande
K
S
Steve

Brian
Jim Spell
Kathy Cancilla
Hannah Hinman
Darin Toy
Jessi Brunson
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Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the meeting to order at 7:00 p.m., noting everyone was present except Councilor Haberly who was absent and excused.

Agenda Item No. 2—Approval of Prior Minutes

The minutes from the April 27, 2021 meeting were presented for approval.

Councilor Holland moved to approve the April 27, 2021 council minutes. The motion was seconded by Councilor Adair and passed unanimously.

Agenda Item No. 3—Appearance of Interested Citizens

Mayor Lundbom invited guests to share items not on the agenda *None appeared.*

Agenda Item No. 4—Consent Agenda (7:02 PM)

Mayor Lundbom asked if there were any questions on the consent agenda. *None appeared.*

Councilor Adair motioned to approve the consent agenda. The motion was seconded by Councilor Rookstool and passed unanimously.

Action Item No. 5— Wastewater Improvements Project Updates (7:02 PM)

City Manager Green reviewed the contract with Ducote Consulting LLC noting the information that would require updating including amendments to increase the ceiling of the award and to extend the term of the agreement.

The CwM H2O agreement has been approved and the professional services agreement has been signed off on by the CBDG. The CBDG Block grant 2 was submitted on Friday and they expect to hear a response within the next 2-3 months. He is working on a USDA grant application to cover the balance of the costs. He included attachments in the packets provided to the council to provide a clear understanding of what's being covered by the USDA funding. He shared the site layout for the sequence packaging plant and briefly explained the build process and diagrams of the plant and equipment.

The opinion of probable cost for the package treatment plant and design of treatment package plant is \$7.6 M. The other component is the site improvements needed to get to and from the treatment plant. The opinion of probable cost for access and site work is \$1.3M. This is being requested as part of the USDA funding package. The Oregon Water Resource Grant has been submitted and can be access online for review. The field surveying is complete and a bid package has been prepared for the drillers.

Councilor Sky inquired when they expect to be able to bring in drillers. City Manager Green stated that the current timeframe is July at the earliest, however they're ready for them now.

Councilor Holland moved to approve the Ducote LLC Professional Services Agreement, Amendment No. 1. The motion was seconded by Councilor Sky and passed unanimously.

Council President Smith moved to approve the CwM H2O Professional Services Agreement. The motion was seconded by Councilor Holland and passed unanimously.

Mayor Lundbom asked where the funds for the collection system will come from. City Manager Green shared that he is currently working on securing the funds for this. Other than the component from the old plant to the new plant, the rest of the collection system improvements are geared towards improvements for the City of John Day, so those costs will be kept separate.

Action Item No. 6— Budget Process / 4th Street Updates (7:13PM)

City Manager Green wanted to give the Council an opportunity to discuss 4th Street project following the "Letter to the Editor". The success of one community in Grant county means success for another community in the county. From the time that City Manager Green came to the city, the city has never requested financial assistance from the county. They have yet to see a legal opinion and the legal opinion provided by the city attorney was never confirmed as received. It is unfair to the public and residents of John Day to not participate in a conversation.

Councilor Sky inquired how they would be attending the meeting with county court the next day. Mayor Lundbom answered that he was under the impression they could not attend in person and would be calling in. He hoped that the council could come up with a game plan to go into the meeting the next day. Council President Smith added that he believes the council needs to have a game plan and go in

with a focus on the 4th Street repairs. Councilor Sky added that he believes they need to stress the importance of having a meeting planned for the police transition in the future. Several councilors agreed they need to get an answer at the end of the meeting Councilor Rookstool shared that the airport commission did not want to be involved in asking the county to contribute toward the 4th Street repairs. Mayor Lundbom replied that he had learned the commission did not have much background on the request which created some confusion. City Manager Green shared data from a road survey showing the usage of city streets in John Day noting that half the jobs in the county are in the 1.8 square miles of the city. Councilor Adair added that the agenda item on the county court agenda states the issue of needing a discussion to address why they are not allowing these conversations to happen. Council President Smith stated we are interdependent on each other in this community for infrastructure. All roads within the county serve county residents. There should not be any division. Councilor Sky listed problems that should be approached with the county and asked the council what needs to be addressed at that meeting in the time allowed? Councilor Holland answered that the 4th Street project needs to take priority. The timeline for work to be completed is narrow and they do not want to burden only the citizens of John Day with the costs to repair the road. He added that if they request to be on the agenda, the county court will have to put them on the agenda. He felt that 4th Street was the top priority and the police department would be next. The funds are allocated for use on roads within the county. The road is utilized by emergency services and citizens throughout the county. Councilor Adair addressed a comment from Commissioner Palmer that the county should not be responsible for all costs and she wanted to make it clear that the requested contribution is not the total cost. John Day has already put \$270,000 for design and there have been many hours of work by City Manager Green and Senior Project Manager, Aaron Lieuallen. Councilor Rookstool inquired if the \$400,000 contribution requested from the county could be an in-kind match. City Manager Green answered he had not approached that option, but that could be a possibility. Council President Smith asked what the total cost is so far. City Manager Green answered it is \$1.5M with \$1.1M from the federal government, \$270,000 on the design and a gap of \$300,000- \$400,000 depending upon final bids. Council President Smith noted that would be 0.08% from the road reserve the county has. Councilor Holland added that in the past, the governments worked well together and many cities and the county all came together to help complete projects. Councilor Adair stated she would like to see them commit to the gap. City Manager Green added for perspective, the cost of the fiber will be more than the \$400,000 they are requesting. Councilor Adair noted that they need to request a motion to approve or deny the funding at the time of the meeting. Several councilors agreed they will ask to be on the agenda at a later date to address other concerns.

Councilor Adair moved to authorize the City Manager to apply for loan financing for the balance of this project if the county court does not come through with funding that said balance. The motion was seconded by Councilor Sky.

Council President Smith noted that the motion should state 4th St, not just the project.

Councilor Adair motioned to approve with the correction. The motion was seconded by Councilor Sky and passed unanimously.

City Manager Green reviewed the draft resolution- referral of local option levy and requested any changes the council would like to see. There will be a special public hearing in May as the levy will require a special election.

Councilor Adair inquired if they would be doing the \$50,000 flat amount or the \$0.50 per \$1,000 of assessed value. City Manager Green answered they could do either way, however the \$0.50 per \$1,000 could potentially net more than the needed \$50,000. Each year they would collect less from each

household as the tax base grows. Councilor Holland noted that it would be important to share at a town hall that people could expect to pay \$0.45- \$0.50 per \$1,000. City Manager Green said that a 3% increase would be an increase to the individual of about one and a half pennies per thousand. He also shared that the COPS hiring grant had been posted. If awarded, it would cover 100% of the costs for hiring and retaining an officer for the first year then would tier down 20% each year for 5 years. They would not have an answer on award until October.

The council decided to hold a special public meeting with notice to be published May 19th with a town hall meeting scheduled for Thursday, May 27th at 6:00 pm with the local option levy being the only topic.

Mayor Lundbom asked if the council would like to see any changes in the resolution. *None appeared.*

Action Item No. 7— CyberMill and EDA Grant Update (8:00 PM)

City Manager Green said the EDA funded at 90% and cleared to move forward with securing a location for the CyberMill. He requested the council provide some direction on whether they should lease or buy a property. The property they had originally looked at was listed for sale with an asking price of \$170,000. Councilor Adair stated she feels they should proceed with purchasing a property. Several councilors agreed they were not comfortable with the current asking price. Councilor Rookstool inquired where the \$200,000 from the city comes from. City Manager Green answered it is in the IT fund. The CyberMill was in the process of becoming a 501c3 and the building could be transferred over to them after a period of time. Council President Smith inquired where funds would come from for maintenance and repairs down the line. City Manager Green said they could utilize the certified local government program, ARPA funding or main street revitalization funds. Any work to better the downtown area benefits the community as a whole.

Councilor Rookstool inquired if they purchased it, would it still be on the tax base. City Manager Green answered it depends what they are doing with it. They never removed the Weaver building from the tax base. He answered that his ultimate goal is to see money going into downtown businesses and attracting more people to shop and eat in downtown John Day. Councilor Holland noted that if the CyberMill became responsible for it, it would be off the tax rolls since they're a nonprofit. City Manager Green stated from a business stand point he would like to see the city get their money back out of this project, but he did not have an opinion about buying or leasing. Councilor Holland added that purchasing the space made more financial sense.

Mayor Lundbom asked if there would be a need for a CyberMill if fiber is accessible for every home. Several councilors agreed it would be necessary as internet is not going to be affordable for all people and it would provide a professional space for meetings. Councilor Rookstool noted that people living in the transitional housing through Project Turnkey would most likely utilize that type of space. Councilor Sky stated that leasing seemed like it would result in throwing away the grant funds. Several councilors agreed purchasing a building made the most sense.

Councilor Rookstool inquired if the costs to complete repairs and updates have increased substantially in the past year? City Manager Green and Councilor Adair noted the building could be strategically partitioned based upon costs for the renovations needed. City Manager Green reiterated the city would not be putting more into this than the \$200,000 they have applied for in the EDA Grant. There is a cap to what will be spent by the city. Councilor Sky felt that they should have a backup plan and offer a fair sales price on the building.

Councilor Adair motioned to approve the City Manager to proceed with a purchase and sale agreement for 241 W Main St not to exceed \$100,000 including all closing costs. The motion was

seconded by Councilor Holland. The motion passed with six councilors in favor and Councilor Rookstool opposed.

Action Item No. 8— Grant County Enterprise Zone (8:22 PM)

Tory Stinnett from the Grant County Economic Development presented on the Enterprise Zone. The Enterprise Zone tax break will expire soon and she wanted to invite the council to consider be a part of it again. Current participants include, Canyon City, Prairie City, Seneca, and Iron Triangle in Silvie Valley. This program is a 3-year tax break to encourage businesses to operate within in the county and employ people living there. On June 1, 2021 there will be a meeting with the taxing districts involved. Following that meeting she will meet with cities and give the opportunity to participate. This program would not cover a retail store, but covers other types of projects not typically seen in this area. John Day is covered entirely with the urban growth boundary zone. Several councilors agreed it's a great opportunity and they'd love to see more businesses take advantage and move into the area. The council thanked Mrs. Stinnett for her time.

Action Item No. 9— What Baker City Did (8:25 PM)

City Manager Green noted he was not asking for an action item but wanted to address the questions brought forward about what their plans are. He stated the city is currently waiting on funding through the state to assist with economic recovery for businesses that were harmed due to COVID. If the council would like to pursue something, he recommended they do so through their elected officials. The republican caucus released a statement challenging OSHA's mask mandates without going through legislative review. He felt they should support that action and shared he had spoken with Senator Finley. He and Senator Finley felt that behaving like Baker City would open the city for negative action, both legally and financially.

Councilor Rookstool inquired about the meeting scheduled to take place the next day at the fairgrounds. Mayor Lundbom stated his opinion is well known, but that there is so much funding through the state on the line, they need to keep that in mind. Council President Smith noted the health concerns people have and that the issue is not something the council should address at that time.

City Manager Green stated he would support a proclamation to the State to express the harm done to the community. He provided the example of the state giving the county the opportunity to set their own regulations at the start of the pandemic which was stripped away shortly after. Councilor Adair noted that as an individual she supports addressing the overstepping of OSHA, but as a council she does not feel it is appropriate as they would not necessarily be representing all citizens of the city.

Several councilors began discussing the meeting scheduled for the following day. Councilor Sky added that different masks provide varying degrees of protection. Wearing a mask decreases the spread of COVID. The purpose is not to block COVID but to decrease the spread. There is a lot of legitimate frustration within the community about regulations and mandates. He noted that he believes none of the steps taken have been done with malicious intent. People are trying their best to keep others safe. Councilor Adair noted that the differing opinions on the council provides a clear example of the reason the council should not make a statement on behalf of the citizens.

Mayor Lundbom asked if the council approved the statement he would be providing at the town hall meeting the next day. He stated the city would not take a position to sue the Governor or create a sanctuary city. There are a number of projects pending that require assistance from the state and they will not make any statements that could jeopardize that. Councilor Holland noted there's a right way to oppose what is happening and that is through their elected officials. City Manager Green noted that

Mayor Lundbom should state the council would not take a position as they want to represent all citizens of the city, but they will work through elected officials to oppose the overreach.

Action Item No. 10—Other Business & Upcoming Meetings (8:46 PM)

The council reviewed the coloring contest submissions and selected 1st-3rd place winners:

Ages 2-6:

1st Emily

2nd Cora

3rd Emily

Ages 7-12:

1st Artimus

2nd Ellie

3rd Graham

City Manager Green addressed the current hours at City Hall and requested the hours be adjusted 8:00-4:00 Monday- Thursday. Appointments outside of that time available as needed.

Mayor Lundbom inquired about having the building open 5 days a week, with a rotation of staff or half days 8:00- 12:00 pm on Fridays. City Manager Green noted that John Day is the only city in the county open as many hours as they are. Councilor Sky noted that he believes in work life balance and wants to be supportive of the staff. Councilor Adair agreed and shared she is open to whatever works for the staff. Councilor Rookstool asked about having half days on Fridays. City Manager Green said he would speak with staff and reflect on possible options.


- May 18, Canyon City Council Meeting
- May 20, Planning Commission Hearing – Fire Hall/Virtual, 6 PM
- May 27, Special Meeting, 6 PM
- June 8, City Council Meeting – Fire Hall/Virtual, 7 PM
 - o FY21 Supplemental Budget Hearing
 - o FY22 Budget Adoption Hearing
- June 8, URA Meeting – Fire Hall/Virtual, 8 PM
 - o FY22 Budget Adoption Hearing
 - o URA Plan Amendment

Councilor Holland moved to close the meeting at 9:01 PM. The motion was seconded by Councilor Rookstool and passed unanimously.

Respectfully Submitted:

Nicholas Green, City Manager

ACCEPTED BY THE CITY COUNCIL ON June 8, 2021.



Ron Lundbom, Mayor