

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

September 14, 2021

COUNCILORS ABSENT

COUNCILORS PRESENT:

Ron Lundbom, Mayor
Shannon Adair
Heather Rookstool
Gregg Haberly
David Holland
Elliot Sky (virtual)
Paul Smith (virtual)

CITY STAFF PRESENT

Nicholas Green, Executive Director
Lindy Berry, Secretary

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

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Sherrie Rininger (in person)
Frances Preston (in person)
Steve Foster (in person)
Wallenstein
Louis

Agenda Item No. 1— OPEN AND NOTE ATTENDANCE

Mayor Lundbom called the study session to order at 6:03 p.m., noting everyone was present with Council President Smith attending virtually. Councilor Sky was absent and unexcused. *Councilor Sky joined virtually at 6:06 pm.*

Agenda Item No. 2— APPROVAL OF PRIOR MINUTES

The minutes from the July 13, 2021 council meeting were presented for approval.

Councilor Rookstool inquired about the recording of audio for lengthy meetings. The minutes will be updated to include verbiage that the audio is available for review.

Councilor Rookstool motioned to approve the July 13, 2021 minutes pending the changes noted. The motion was seconded by Councilor Adair and passed unanimously.

The minutes from the August 5, 2021 council meeting were presented for approval.

Councilor Rookstool motioned to approve the August 5, 2021 minutes. The motion was seconded by Councilor Holland 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— STUDY SESSION (6:07 PM)

City Manager Green noted no decisions would be made during the work session.

City Manager Green reviewed the status of the grant applications. Of the thirteen grants they had applied for, seven were pending decision and six had been awarded. They could expect formal agreements between late October to early November. The Federal grants requirements for compliance will be in effect over the next 4 years. There are about 350 pages of guidelines to comply with.

4th Street

He was excited to share that the repairs for 4th Street have been 100% funded by State.

EDA Grant

They could expect a notice of award within 3 weeks. They were asked to renotify the tribes to be certain there was no additional notes on the archeological report. There had been no response. By November he anticipated they should have \$8.5 million appropriated and ready to spend.

Councilor Rookstool inquired about the match required for the grants included in that \$8.5 million? City Manager Green answered that for the Aquatics Center, Kam Wah Chung, CDBG, ARPA and 4th Street there would be zero match required. The EDA grant required a 10% match, but they would use prior grant funding for that.

COPS

They should expect a decision by September 30th. The grant requires a 25% match.

USDA Rural Innovation Placemaking Challenge

They were not the applicant, it was the University of Oregon. They could expect a decision by the end of September.

3D Home Printing Grant

He shared that they should expect a notice of award within the next 2 weeks.

OWRD Reclaimed Water Grant

They have moved forward and have been selected for funding, provided there is enough funding. He did not anticipate there being enough funding as they had scored fairly low.

RAISE

They should have a response by November.

RTP

They will go up in front of the committee in October and the committee will make recommendations to Parks and Recreation. The match would be grant funding.

USDA Treatment Plant

City Manager Green shared he had a call scheduled later in the week and would update the council following that call.

He recapped that they with the 13 grants, they had been awarded over \$8 million and were waiting for a response on \$24 million.

City Manager Green asked the Council to share their thoughts and welcomed questions about the current projects. He wanted to make certain the council was comfortable and understood all that was occurring. Mayor Lundbom shared that he felt they were headed in the right direction. The work they had done was leading up to this point to see these projects occur. Councilor Adair stated she was comfortable with where they were at. She commended City Manager Green for securing match funding in unique ways to fund much needed projects. The projects cannot be completed one at a time to achieve the growth needed for the community. She noted she was looking forward to having Michael Anderson in the Community Development role to get the community more involved. Councilor Rookstool noted that once some of the projects are complete, it would bring some relief to community members who have expressed concern. She shared that the community needs to see things happening, instead of just hearing about it or reading about it.

City Manager Green addressed the concerns of local contractors who may not be able to keep up with the current pace of projects. Iron Triangle was working on the Hill Family Park, which started after they were working on site prep for the treatment plant and 7th Street. Tidewater was on Charolais Heights and would move to the east end of Charolais for the Holmstrom addition. He noted they would still need someone to complete site prep for the Aquatics Center, begin work on the treatment plant, build the sidewalk extension to the high school and begin the 4th street repairs. That was not counting the team that will be brought in to install broadband, which they could expect notice of award on within the next 60-90 days.

City Manager Green shared that the good news is they're spending the funds locally, the bad news is they're running out of contractors. He recommended bringing in a larger contracting business to work on some of the projects that would otherwise fall behind. In terms of the permitting and money, the timelines line up to be able to bring in contractors that can bid on multiple projects. He expressed concerns of bringing in an outside contractor with the current lack of housing.

Councilor Rookstool inquired about the 4th St project timeline. City Manager Green answered that they had a window of July 15- August 30 to complete the work. The sidewalk project was scheduled to begin work as soon as school gets out with completion late summer.

City Manager Green was hopeful that with planning ahead they could allow for contractors to bid on multiple RFP's with prior notification of the upcoming projects. Mayor Lundbom inquired if City Manager Green had spoken with any outside contractors? City Manager Green answered that he had connected with Mortenson and planned to connect with Knife River.

With \$1.6 million budgeted to fix 4th St City Manager Green was concerned that the cost of steel may push their current project to be above budget. He noted that they were exploring other options and recommendations with the engineer. The council briefly discussed that if necessary, a temporary shutdown of the road is preferable to a permanent shutdown.

City Manager Green addressed the demand upon the Public Works department with so many projects occurring. He recommended adding additional staff to the Public Works department to complete street sweeping and other required maintenance.

He then reviewed the personnel distribution to show where each position was funded from. He addressed that the optics of this may be concerning, but that they have the funds to hire for public works, but do not have the general funding to maintain a police department. There is no logical nexus to fund the police department from funds allocated for public works. Councilor Rookstool inquired if they would be able to hire people into these roles without a permanent position? City Manager Green answered that he would plan to advertise for a 2-year temporary contract, noting that he had concerns of burning out current staff with the current projects. Councilor Rookstool inquired about the hours of administrative staff in City Hall. City Manager Green shared that the positions are budgeted for full time, but they are not. They show more staff time than there are people.

Mayor Lundbom noted that they had Public Works staff approaching retirement age and they would need staff to fill those positions. Councilor Holland shared that while in the Public Works Director role, he had requested additional public works staff. Mayor Lundbom inquired if the Public Works Director, Monte Legg had shared his thoughts on this? City Manager Green answered that Mr. Legg had requested one additional staff, but City Manager Green felt that 2 additional staff would be the most beneficial based upon the number of retirement eligible employees in Public Works.

City Manager Green inquired if the council would like to complete the current projects then take a break, or if they would like to continue to apply for additional funding for other projects? He noted that the reason they are able to take on as much as they do is because of the current staff. He asked what does the council want and what does the community want?

Councilor Rookstool addressed the concerns that without a police department, will people move into the area? She also expressed concerns about people quitting jobs in the next few weeks. Several councilors shared that they did not believe that was a problem specific only to the John Day area. Councilor Adair shared that she felt the public safety issue needs to be addressed as a County issue, not just a John Day problem. Councilor Rookstool noted that Sheriff McKinley had been approved to hire additional officers in the last County Court meeting.

City Manager Green added that they've experienced a large loss of state shared revenue as a result of a decline of 15% of the population. Portland State University was forecasting the loss continuing. He explained that the number of residents per household was also decreasing and that the City needs affordable housing to address the needs and desires of all generations

Councilor Rookstool inquired if they did not have the Police Department, could some of the general fund be used towards funding the Public Works positions? City Manager Green answered that he believed those funds should be spent toward John Day's portion of public safety funding for the County.

Councilor Adair added that the City needs to continue the conversation with the County to address the County wide public safety issue. Councilor Rookstool wanted the council to go into the police transition making certain that the needs of John Day residents are addressed. Councilor Adair noted that she wanted to be certain the residents of John Day are not overpaying for the services provided by the County. She agreed with Councilor Rookstool that they should approach the meeting with the needs of John Day residents as the priority, also keeping in mind that they have a fiduciary duty to the residents,

making certain they are not overpaying. Councilor Rookstool added that they have to remember John Day is the number one priority, and Grant County is the second priority.

City Manager Green asked, why is Grant County the only County in Oregon experiencing population decline? They need to think differently to retain residents and also attract residents. Until they are able to address the root cause, they cannot fund a police department.

Mayor Lundbom inquired if Councilor Rookstool would go to the police transition meeting with the mindset that the two officers hired on or transitioning over would be working mostly in John Day with emergent County calls as the second priority? He also asked, how would you guarantee that the officers would have John Day as the number one priority? Councilor Rookstool shared that that would be her vision. She felt that if it was in writing, they could enforce it.

Councilor Sky added that it was important to approach the transition with the intention to better understand where the County was coming from. They should be prepared to present their needs, but to also understand what the County needs.

City Manager Green stated that the only way to enforce their agreement would be to pull the funding for a breach of contract.

Council President Smith asked, with looking at the answer on the COPS being received the end of September, would the meeting be premature? Mayor Lundbom noted that at the last council meeting they had discussed scheduling a meeting regarding the transition in the month of September. Several councilors agreed it was important to meet.

City Manager Green said that they would have two priorities. Priority one would be John Day's public safety. Priority two would be sustainable, locally generated funding. The root cause of the County wide issue is not being addressed.

Mayor Lundbom called the council meeting to order at 7:00 p.m.

City Manager Green shared that they would need to schedule a work session for the supplemental budget with the budget being adopted late October

Caselle

City Manager Green explained that the current software being utilized at City Hall was not integrated. City Hall does not have the ability to accept credit card payment in the office and the current process requires manual integration and repetitive data entry. Caselle would essentially integrate all of these programs currently being used into one system. There would be a larger capital outlay, but by year six they would break even and end up saving money in comparison to the current software and hours spent on manual entry. He noted they could utilize grant funding to procure the software, recommending that at the next study session they could demo the process. He noted that with the amount of funds moving they would be required to go through a federal single scope audit over the next 2 years. There was no process in place to complete the requirements without possibly needing to hire on additional staff with the current systems in use.

Councilor Sky inquired if it was necessary for the council to see a demo? He felt that the current process sounded antiquated, and it seemed that it could and should be improved? The council agreed that the demo was not necessary to see the value.

Mayor Lundbom inquired if they would need to decide about the server or hosted options?

City Manager Green answered that he would recommend the server option as the city has great IT support from the ESD. Councilor Rookstool inquired where the funds would come from? City Manager Green answered that he was in the process of writing the contracts and the funds were allocated for administrative costs. Councilor Adair agreed that she did not see the value in hiring additional staff to complete necessary tasks if new software would allow for current staff to operate more efficiently. Councilor Sky shared his current personal experiences with the hospital changing software and agreed the system sounded beneficial. Mayor Lundbom inquired about the training process. City Manager Green shared that the staff would go to Provo, UT to complete onsite training without the distractions of their daily tasks. Caselle would complete the transition of the current system to their system. He felt that having a system like Caselle might allow for better communication with the community as well. It would be fairly simple to pull reports and data to share with the community. Councilor Rookstool inquired if the software would be beneficial for the city recorded and the auditor? City Manager Green answered that they would still require someone to complete reconciliations, but they could expect to see a reduction in the work being tasked. He also noted that the new Community Development Director, Michael is a CPA as well and would slowly take on more responsibility as he becomes more familiar.

The council came to a consensus to purchase Caselle using grant funding.

Staff Roles- Responsibilities

City Manager Green reviewed the current projects occurring, noting which staff was working on those projects on the file shared with the council.

Solar Farm

A 250-kw solar farm would save the City \$60,000 per year for the next 20 years.

Greenhouse Improvements

The consultant from University of Arizona would be there during the next week. He noted that the data shows tomatoes are driving the market. They are not selling as much of the leafy greens and they are experiencing overproduction. Ideally, they would double production of vine crops.

Councilor Sky inquired if they could have a sign in front of the greenhouse? He wondered if there was an opportunity to expand upon the current marketing? City Manager Green answered that they are selling out of product on a near daily basis, so marketing beyond the availability could become harmful. He noted that the consultant should be able to assist in modeling what they could expect with the changes discussed.

He briefly shared an idea to eliminate the dependency on propane heating and utilize solar to heat the greenhouse with radiant heat. That would wipe out the propane cost and electrical costs. Then utilizing the reclaimed water would virtually eliminate the utilities costs. He predicted \$40,000 a year in power costs with the new treatment plant. If they were to put in the solar array, the treatment plant would use about 1/3 of the power and the remaining could be used by the City with anything else remaining sold back or given back to OTEC.

Planar Shed. Sawmill

City Manager Green anticipated working towards this in early 2022 once other projects have been completed

Industrial Park

He shared that more than half of the lots have been sold or are pending sale.

Councilor Rookstool noted that being 100% privately owned would put all of that property back on the tax base.

Shannon's Future Development

Councilor Adair shared that 1188 Brewing Co was looking at space in the old Iron Triangle property. They would like to open a brewery and distillery. She shared a vision to open a space with lodging, and potentially including a small amphitheater and some art space. Councilor Haberly inquired if there would be a tasting room? Councilor Adair shared that they would have a tasting room. They did not have plans to have a full restaurant at the space. The current restaurant would not be relocated.

City Manager Green shared that he had spoken with the City Attorney, Jeremy Green and inquired how they should approach this development. Mr. Green recommended Councilor Adair present the idea then recuse herself from discussion. A public hearing would occur regarding the land use. They would also need to do a market value review of the property. He noted that the council would need to decide about how to utilize the rest of the property. Councilor Sky added that the property as a whole should have long term planning to address potential needs with development of the land.

City Manager Green shared that Walker Macy would be viewing the Hill family Park as well as the old treatment plant property. He reviewed the projected path of the purple pipe and the road construction occurring. The wastewater not being recycled or stored in the reservoir would either go back into the perc ponds or be disposed East of the plant or further North. He would share the recommendation with the council from EDA within the next few weeks. Once location for disposal is established they can address the location of the solar

Councilor Holland noted the improvements are appreciated and have been noticed. The council agreed that they were excited by the progress.

City Manager Green noted that they were stockpiling rock to crush and turn into road base from Gleason, the 395-sidewalk project and 4th St repairs.

Councilor Sky inquired about if there would be a work session with Walker Macy or if they would provide plans? City Manager Green answered they would build packages as decisions are made. For example, they would view concepts and make decisions based upon community feedback.

Councilor Sky asked if there was flexibility in how the property could be laid out? City Manager Green stated the planning commission approved a preliminary plan. Adjustments could be made if necessary. If adjustments beyond what would be allowed were desired, they could go back to the planning commission. No final plat had been recorded, so there are no lots available for purchase as of that time.

Councilor Holland inquired who would be completing the build? City Manager Green answered they would be required to bid the project. Councilor Holland noted that when the Valley View work was completed, Blue Mountain Cable had installed lines with conduit. He recommended that they may reuse some of the conduit. City Manager Green added that the conduit belongs to the city under their franchise agreement.

Broadband

City Manager Green shared that the work on the John Day CyberMill is progressing. The back building has been removed. Brownfield grants will take care of interior demolition and federal funds could be utilized for renovation. City Manager Green proposed that the Seneca Site be paid for through the grant, but titled to the City of Seneca. The City of Seneca would benefit having an asset on their books, the City of John Day would benefit by no longer having the property. Councilor Rookstool asked if the CyberMill closed, what would happen with the server room? City Manager Green answered that the trust deed would allow for them to maintain control of the server room space. Mayor Lundbom inquired about the John Day site if they were to close down. City Manager Green answered that they could structure a joint operations agreement and have the downstairs retained by the CyberMill and upstairs meeting rooms could be retained by the city.

Street Improvements

City Manager Green reviewed the current street improvement projects.

They would like to explore the idea of an annual tree lighting and possibly coordinate through the Timber Truckers Light Parade. He noted that the Community Development Director, Michael Anderson would be presenting at the October 12th council meeting.

Tourism

City Manager Green briefly reviewed current projects related to Main Street revitalization, Kam Wah Chung and tourism. He briefly reviewed the project for DiscoverJohnDay.com. He shared an idea to become a part of the Dark Sky Initiative. Several councilors noted excitement about the idea of the Dark Sky Initiative. Councilor Sky added that many residents have expressed concern with lights reflecting up on the hillside on Charolais Heights. City Manager Green recommended that the council assist in making certain it is not cost prohibitive.

Urban Renewal & Miscellaneous

City Manager Green reviewed the entrepreneurship projects as well as the housing and miscellaneous projects. He noted that they would be sharing what they have done thus far with REDS.

City Manager Green shared that there was a team working on GIS. He hoped that eventually they would be able to share this platform with residents to be able to view property lines and other information.

There is a partnership in the works between Lakeview, Burns and John Day to share resources. One idea they discussed was to have one planning official with the wage split three ways amongst the Cities. They've also discussed a partnership on capital project investments, and housing development. Councilor Rookstool inquired if Lakeview and Burns were experiencing populations decline? City Manager Green noted they were not experiencing decline, but were stagnant.

Councilor Rookstool inquired about the status of downtown parking? City Manager Green answered that the permit was approved two weeks prior. They expected to have a presentation on the final site plan for the council to approve.

Agenda Item No. 5— CONSENT AGENDA ITEMS (8:10 PM)

None presented.

Action Item No. 6 RESOLUTION NO. 21-868-16, A RESOLUTION DEFERRING THE EFFECTIVE DATE OF ORDINANCE NO. 21-195-06, JOHN DAY TLT ORDINANCE, TO OCTOBER 01, 2021 (8:11 PM)

City Manager Green shared that the state will be paid directly at the end of each quarter. Councilor Rookstool inquired if they were amending the resolution? City Manager Green answered that they were amending only the effective date.

Councilor Adair motioned to adopt Resolution No. 21-868-16, A Resolution Deferring the Effective Date of Ordinance No. 21-195-06, John Day TLT Ordinance, to October 01, 2021. The motion was seconded by Councilor Holland and passed unanimously.

Action Item No. 7— GRANTS & PROJECT UPDATES (8:13 PM)

City Manager Green noted that the project updates had been covered in the study session and welcomed questions. *None appeared.* He noted that he would have additional information at the next council meeting.

Action Item No.8- POLICE TRANSITION PLANNING (8:13 PM)

They tentatively planned to meet on Thursday, September 16th and planned for a second meeting in October.

Action Item No. 10— OTHER BUSINESS & UPCOMING MEETINGS (8:14 PM)

Mayor Lundbom reviewed the upcoming meetings.

Councilor Rookstool inquired about having a study session. City Manager Green recommended scheduling during the time that Walker Macy would be in the area, Monday, October 4th. Then the council would be able to meet with the consultants directly. City Manager Green noted he would connect with the council on the time.

Councilor Rookstool requested the council hold another town hall. City Manager Green recommended Tuesday, October 26th.

Councilor Holland apologized for being unavailable for past planning commission meetings.

Mayor Lundbom requested that the President's Award from the Western Planners be added to the next meeting agenda. Councilor Adair agreed that the award should be discussed and celebrated.

Councilor Rookstool requested that the council recognize Chief Durr following his retirement.

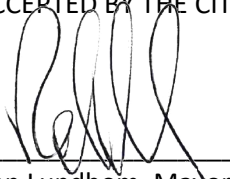
Councilor Rookstool inquired about the street naming contest for "Government Way". The council agreed to holding a contest with greenbacks as a prize.

Councilor Holland motioned to close the meeting at 8:22 PM. The motion was seconded by Councilor Rookstool and passed unanimously.

Respectfully Submitted:

Nicholas Green, City Manager

ACCEPTED BY THE CITY COUNCIL ON SEPTEMBER 28, 2021.



Ron Lundbom, Mayor