

**John Day City Council Meeting
Tuesday, September 14, 2021
316 S. Canyon Boulevard**

**6:00 PM Study Session
7:00 PM City Council Meeting**

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- 1. OPEN AND NOTE ATTENDANCE**
- 2. APPROVAL OF PRIOR MINUTES**
- 3. APPEARANCE OF INTERESTED CITIZENS** – At this time we will welcome the public and ask if there is anything they would like to add to tonight’s agenda.

STUDY SESSION

- 4. STUDY SESSION ITEMS**
Attachments:
 - Personnel Distribution (working)
 - John Day – Hosted & Server Quotes
 - Staff roles and responsibilities

CONSENT AGENDA

- 5. CONSENT AGENDA ITEMS**
Attachments:
 - None

ACTION ITEMS

- 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**
Attachments:
 - Resolution No. 21-868-16

7. GRANTS & PROJECT UPDATES

Attachments:

- L22005 John Day Award Letter and Summary of Award – 4th Street Repairs
- 4th Street Project Work Plan

8. POLICE TRANSITION PLANNING

Attachments:

- None

9. OTHER BUSINESS & UPCOMING MEETINGS

Attachments:

- September 28, City Council Meeting – Fire Hall, 7:00 PM
- October 6, Planning Commission Hearing – Fire Hall, 6:00 PM
- October 12, City Council Meeting – Fire Hall, 6:00 PM
- October 16, Police Transition Meeting – Fire Hall, 6:00 PM (Tentative)
- October 20, Planning Commission Hearing – Fire Hall, 6:00 PM
- October 26, City Council Meeting – Fire Hall, 6:00 PM
- November 9, City Council Meeting – Fire Hall, 6:00 PM
- December 14, City Council Meeting – Fire Hall, 6:00 PM

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: September 14, 2021

SUBJECT: Agenda Item #4: Study Session
Attachment(s)

- Personnel Distribution (working)
- John Day – Hosted & Server Quotes
- Staff roles and responsibilities

STUDY SESSION TOPICS

- 1) **Grants Summary.** We have 13 grants in process: seven grants still pending decision and six awarded with agreements in development.

Awarded / Agreements in Progress

- Aquatics Center – State
- KWC – State
- 4th Street Repairs (Business Oregon) – State
- EDA Grant (final 30 days' notice / SHPO determination / all engineering questions answered) – Federal
- CDBG Grant - Treatment Plant Grant – Federal
- ARPA Grant - Treatment Plant – Federal

Pending Decisions

- COPS (decided by September 30th) – Federal
- USDA Rural Innovation Placemaking Challenge (decided soon, probably by September 30th) – Federal
- 3D Home Printing Grant (decided soon, probably by September 30th) – State
- OWRD Reclaimed Water Grant (final selection, unlikely) – State
- RAISE grant (decided by November) – Federal
- RTP (decided by November) – State
- USDA Treatment Plant Grant/Loan funding (still need to apply for construction dollars) – Federal

The federal grants will be subject to single scope audits and additional reporting requirements. I will be training Michael on that process so he's aware of how to do it and what is required to administer these grants.

Given the volume of grants awarded and in progress, I do not intend to apply for any new funding until 2022. There are several large infrastructure packages working their way through congress and some funding already available through USDA, EDA and others, but we cannot apply for new funding until we have these funds secured and/or decided and we have completed our supplemental budget to appropriate the new funds and the new personnel distribution.

- 2) **Personnel Distribution.** A working draft of the personnel distribution is attached, showing the percentage of our staff that are aligned to each fund. I have highlighted a column called Capital Projects in yellow. This is not a fund, but a percentage distribution showing the FTE distribution

aligned to grant-funded capital outlay projects: 1.47 Staff FTE (full-time equivalents) are being covered by grants, including Michael's time as the new Community Development Director (62% to capital outlay and 28% to the GRO program in the Community Development Fund); 20% of my time and 35% of Aarons is also going toward grant-funded capital outlay projects, as well as 10% of our admin staff's time. We are also still budgeting 80% in the General Fund for a Planner, but that position has been vacant all fiscal year and we don't anticipate hiring a replacement until sometime in 2022, so most of those funds will not be expended.

The composite of all administrative staff hitting the General Fund when you subtract the vacant planner position is only 0.68 FTE (meaning we're administering the entire city's general government administration with less than one full-time equivalent). Police account for 4.25 FTE and Fire is 0.25 FTE. There are no other costs hitting the General Fund – it's almost entirely consumed by public safety. If we were not operating grants at the scale we are currently, and if we hadn't established the community development fund, about 25% more of my time and 35% more of Aaron's would hit the General Fund and we would not have a Community Development Director.

Some have asked if we can't just make adjustments to the budget to keep the police department. The answer is no. Short of cutting an officer and operating a three-person department, there are no other cuts to make in the General Fund. It's all public safety, less the de minimis portion we're applying to administration, and we have to have some staff time devoted to general government operations because we do provide general government operations independent of our capital projects and enterprise funds.

The council also needs to consider the administrative burden on the current and any future city managers. At present, I operate the Grant County Digital Network Coalition, the John Day Urban Renewal Agency, the Chief Planning Official and City Manager roles. It is unlikely the city will be able to find a city manager willing or capable of handling four positions as diverse as these. The next city manager will either need a broad and deep functional skill set (which will likely cost between \$120,000-130,000 per year) or these roles will be need to be divested to other staff who are currently not on the payroll, which will also cost the same per year but could potentially be federated to other partner organizations to manage. New software will also assist and we'll discuss the enclosed proposals as part of the effort to increase efficiency/customer satisfaction.

The council needs to start thinking about more than the current administration, which is incredibly lean, but the future cost of the future administration, which may not be able to operate in the same manner. Lean and efficient government agencies require managers with advanced skill sets and advanced degrees, as well as business acumen, and the current city manager salary at \$85,000 per year is priced about 50% below the market.

- 3) **Project Summary.** I will provide a brief update on the projects and decision points that are coming up. A copy of our roles and responsibilities for each project is attached, showing who is the primary lead and secondary lead.
- 4) **Supplemental Budget & Appropriations.** We will blend in the capital projects personnel distribution into our budgets for the various funds where our capital projects are accrued. You won't see the breakout during the supplemental, but I am showing it broken out here so you'll understand how much of the various employee's time is being covered by grants. The supplemental will incorporate all the new grant funding and I am recommending we do that in late October or early November so as to budget for as much of the grant funding pending decisions as we can.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: September 14, 2021
SUBJECT: Agenda Item #5: Consent Agenda Items
Attachment(s)

- None

BACKGROUND

There are no items on the consent agenda.

Item 1) N/A

N/A

Recommendation: N/A

Item 2) N/A

N/A

Recommendation: N/A

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: September 14, 2021

SUBJECT: Agenda Item #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

- Resolution No. 21-868-16

BACKGROUND

The Department of Revenue cannot begin collecting our transient lodging tax until October 1st. Rather than having city staff administer the tax for 30 days, we are requesting council pass the enclosed resolution to defer the start date of the lodging tax until next month.

DISCUSSION

Beginning next month, all taxes will be filed with the DOR the same way the lodging operators file their state taxes. I have been told for the vast majority of filers that is done electronically, through DOR's Revenue Online portal, but since I'm not a filer, I don't know how the majority of John Day businesses are filing their state taxes. We are not yet listed on the DOR site as a participating city because they are only showing cities that had an agreement as of July 1st of this year. Their site will be updated next month to show John Day and our local rate of three percent.

https://www.oregon.gov/dor/programs/businesses/lodging_admin/Pages/lodging_administration.aspx

These taxes are filed quarterly at the end of each quarter, so the next filing will be in late December and our first TLT tax receipts will be sent to the city in January 2022.

The City will send a copy of the ordinance and this resolution to the various third-party vendors (like Air bnb and Expedia) to ensure those third party vendors are collecting the tax through their websites beginning October 1st.

RECOMMENDED MOTION

"I move 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."

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: September 14, 2021

SUBJECT: Agenda Item #7: Grants and Projects Updates
Attachment(s)

- L22005 John Day Award Letter and Summary of Award – 4th Street Repairs
- 4th Street Project Work Plan

BACKGROUND

The City has been notified of Business Oregon's grant award for \$439,970 for the matching funds cost on the 4th Street Repairs. This award brings us to \$23.5 million in grant funds raised over the past five years. With the \$1.4 million raised through FEMA and ODOT for this project, we now have the 4th Street Repairs project 100 % grant funded.

DISCUSSION

A project work plan for the 4th Street Repairs project is attached. We will also discuss other projects during this item, including the:

- Holmstrom Development Agreement and work
- Progress update for the Charolais Heights Intersection project
- Aquatics Center milestones and next steps
- KWC budget
- Treatment Plant Designs and solar farm proposal
- Pit Stop Designs
- 3D home printing and housing development agreements
- 395S Sidewalk Project

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: September 14, 2021

SUBJECT: Agenda Item #8: Police Transition Planning
Attachment(s)

- None

BACKGROUND

We attempted to meet last week but were unable to coordinate everyone's schedules. Our current plan is to meet on Thursday with the public safety committee and county representatives, but we still can't get the full safety committee together on that date.

Our options are to hold the meeting anyway, postpone to the following week, or postpone until after the September 30th decision on the COPS grant.

DISCUSSION

Council should discuss how they wish to proceed with the meetings.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: September 14, 2021
SUBJECT: Agenda Item #9: Other Business and Upcoming Meetings
Attachment(s)

- None

OTHER BUSINESS

- None

UPCOMING MEETINGS

- September 28, City Council Meeting – Fire Hall, 7:00 PM
- October 6, Planning Commission Hearing – Fire Hall, 6:00 PM
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