

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

October 12, 2021

**COUNCILORS PRESENT:**

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

**COUNCILORS ABSENT**

Gregg Haberly

**CITY STAFF PRESENT**

Nicholas Green, Executive Director  
Lindy Berry, Secretary  
Monte Legg, Public Works Director  
Don Gabbard, Fire Chief  
Scott Moore, Police Sargent

Aaron Lieuallen, Senior Project Manager  
LauraBeth Wallenstein, Agribusiness Project  
Manager (virtual)

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

Sheriff Todd McKinley (in person)  
Sherrie Rininger (in person)  
Christal Culley (in person)  
Brandon Culley (in person)  
Sara Jane Moore (in person)

Commissioner Sam Palmer (in person)  
Judy Schuette  
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**Agenda Item No. 1— OPEN AND NOTE ATTENDANCE**

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

**Agenda Item No. 2— APPROVAL OF PRIOR MINUTES**

*The minutes from the September 28, 2021 council meeting were presented for approval.*

**Councilor Rookstool motioned to approve the September 28, 2021 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 ITEMS (7:01 PM)**

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

**Agenda Item No. 5— CULLEY LAND EXCHANGE AGREEMENT & INTEGRATED PARK SYSTEM UPDATE (7:01 PM)**

Guest, Brandon Culley shared that they approved the agreement, but addressed concerns about the ORS statute noting they were not attorneys and were entering into the agreement with the understanding that they may be able to proceed with a land use review or lot line adjustment in the future.

Mayor Lundbom asked if they could make assurances?

City Manager Green answered that it was a legal, buildable parcel. The current zoning of the property was general residential. What was written into the agreement stated if no development of 7<sup>th</sup> Street occurred within 5 years, they could build a driveway to a private right of way. He noted that there is potential to rezone at some point and it is in the floodplain. The City will accommodate future development as long as the request is allowed under the code at the time of application for development. The code does not allow for guarantees or waivers to the code.

Councilor Adair inquired if Mr. and Mrs. Culley were comfortable with the information provided? Mr. Culley replied that they realized there was some risk involved and they were comfortable with the contract.

Mayor Lundbom inquired if they had current access to 7<sup>th</sup> Street?

Mr. Culley stated there was some undeveloped access. City Manager Green added that the agreement would allow for legal access to 7<sup>th</sup> Street.

Mr. Culley noted that based upon the photo showing the purple line, they were hopeful it would be as far to the East as possible. He inquired about right of ways as well. City Manager Green answered that the shown lines were not completely accurate and shared they were currently developing a plan and there would still be some utilities easements, but he did not anticipate there being an issue related to the exchange.

**Councilor Rookstool motioned to approve the purchase and sale agreement between the City of John Day and Culleys (as amended, if any) and authorize the City Manager to sign the agreement on behalf of the City. The motion was seconded by Councilor Sky and passed unanimously.**

City Manager Green shared that the new bridge had been set that afternoon. He shared photos from the inaugural walk across the bridge. It was noted that the bridge is not quite ready for visitors to walk across. Councilor Holland noted the bridge was traffic capable in case of emergencies.

Councilor Sky asked if there were plans to add some paint or decoration to the bridge? City Manager Green answered they could work with the school to add some design elements.

**Action Item No. 6 - INDUSTRIAL PARK PURCHASE AND SALE AGREEMENT – BURNT RIVER FARMS LLC (7:13 PM)**

City Manager Green shared that they were approved by the planning commission to site a dispensary in John Day. The planning commission also approved a land partition at the industrial park consolidating lot

4 with the space behind it, lot 5 would remain as is, lot 6 with the space behind it and lot 7 would remain as is. The agreed upon purchase price was \$112,000. He noted with the approval of that sale, they will have sold or have sales pending on two-thirds of the lots. This sale would allow for a variety of approved uses and he shared that Burnt River Farms LLC forecasted about 6 full time retail positions.

Councilor Holland shared that at the planning commission meeting they had shown outdoor grows and he inquired if they were aware that an outdoor grow was not an allowed use? City Manager Green answered that they were aware and they were exploring different options for the property.

**Councilor Holland motioned to approve the purchase and sale agreement between the City of John Day and Burnt River Farms LLC and authorize the City Manager to sign the agreement on behalf of the City. The motion was seconded by Councilor Rookstool and passed unanimously.**

**Action Item No. 7— ORDINANCE NO. 21-(DRAFT) CLARKS DISPOSAL FRANCHISE AGREEMENT (7:22 PM)**

City Manager Green shared they would renew the agreement for a ten-year period. The council is responsible for setting the franchise fees. The current fee was 3%. He recommended raising the rate to 5% noting they could do a tier system to increase by 1%.

Councilor Sky inquired what 1% would end up netting? City Manager Green shared he would need to look further into it noting it would probably be around \$10,000 to \$15,000. Councilor Sky felt a modest increase would be ideal.

**The council came to a consensus to increase to 5% in a tiered system.**

**Action Item No. 8— RESOLUTION NO. 21-869-17 – A RESOLUTION OF THE CITY OF JOHN DAY TO SUSPEND OPERATIONS OF THE JOHN DAY POLICE DEPARTMENT (7:27 PM)**

City Manager Green shared that the budget was passed dependent upon the passing of the local option levy. The budget does not balance and will not balance with the revenue they currently have. The closure was inevitable and the department was down to only two officers. He recommended suspending the operations of the department as of midnight October 31, 2021. The information provided by the Department of Homeland Security regarding the COPS grant created uncertainty surrounding the date of the decision and if awarded, he was uncertain if it would be the full amount. He wanted to also explore if the award could be transferred to the County.

The attorneys reviewed the resolution and made changes. He briefly reviewed the information presented in the resolution.

Councilor Rookstool expressed concern about operating the department with only two officers employed at that time. She was hopeful they would be able to work with the County.

Mayor Lundbom invited Sargent Scott Moore to speak. Sargent Moore shared that it was not sustainable to continue to operate with only two officers.

Councilor Adair apologized for the outcome and shared that she had heard so much positive feedback about the John Day Police Department.

Councilor Rookstool inquired where they were at with the discussions with the County?

City Manager Green answered that he felt they were progressing in their discussions and noted that the population decline was the root cause of the lack of funding for public safety services. He expressed a need to develop land for housing to address the need for housing.

City Manager Green shared they planned to transition the remaining officers to Public Works. Should a decision with the COPS grant be in their favor, they would address it at that time. There was a process to initiate the handoff.

Sheriff McKinley stated that he understood the position they were in, but expressed concern that his department would then be responsible for all calls. The reduction of officers for the City would directly impact the workload of his deputies.

Councilor Adair noted she believed that was reason for them to work together on public safety. Council President Smith expressed a desire to reach an agreement to support public safety for the County and John Day.

Sheriff McKinley inquired about the verbiage to suspend services. He asked what occurs while services are suspended? City Manager Green shared that they had made an offer to the County to transfer 100% of John Day's property taxes and had not yet heard a response. Sheriff McKinley answered that those agreements were not his to complete.

City Manager Green noted that John Day is the only City offering 100% of their property taxes to the County for public safety services.

Mayor Lundbom expressed disappointment that the council had provided the opportunity to the residents to choose to continue the services and they did not vote.

Council President Smith noted that the safety committee had had a successful first meeting with Sheriff McKinley and Commissioner Palmer. Council President Smith invited Commissioner Palmer to speak.

Commissioner Palmer stated that with the suspension of the department, the burden to the County would be in excess of the \$300,000. He asked that they keep in mind the County Deputies are also their neighbors and friends. Mayor Lundbom noted that they could go out for a County wide bond to support public safety. Commissioner Palmer shared he had spoken with their association council and did not believe any option was off the table to explore. He expressed a desire to work together and to keep officers safe and to keep residents safe.

City Manager Green inquired about the agenda for the County Court the next day. The agenda did not include any discussion regarding the proposal. Sheriff McKinley answered that it was on the agenda for 11:30 am. Commissioner Palmer noted that the agenda had been revised and the discussion regarding the transition was scheduled for 11:30 am.

Council President Smith stated that while they did not have a majority vote, they did have a majority pass of those who voted. He expressed a desire to work together for the entire County to have adequate public safety.

**Councilor Adair motioned to approve Resolution No. 21-869-17 – A Resolution of the City of John Day to Suspend Operations of the John Day Police Department. The motion was seconded by Councilor Holland and passed unanimously.**

**Action Item No. 9— WATER RECLAMATION FACILITY FINANCING AGREEMENT – AMENDMENT NO. 01 / SDC REPORT / TREATMENT PLANT UPDATE (7:50 PM)**

City Manager Green reviewed the progress on the treatment plant. He expected early in 2022 for all contracts to be awarded and to be in construction and operational in 2023.

He shared that SDCs were adopted in 2007 or 2009 and did not benefit the City. There was little to no development occurring. As of the meeting, they had over \$100,000 in revenue due in part to the Urban Renewal Agency. He noted the full report was attached. The funds had not been spent as of that time and he expected to see it grow as they opened up additional homesites.

**Councilor Holland motioned to approve Amendment No. 01 to Financing Contract Y21006 and authorize Mayor Lundbom to sign the amended agreement on behalf of the city. The motion was seconded by Council President Smith and passed unanimously.**

**Action Item No.10 - NOTICE OF DLCD HB 2001 AND HB 2003 GRANT AWARD – 3D HOME PRINTING (7:53 PM)**

City Manager Green shared that the funds were available through the state legislature. The award was announced the week prior and he expected a grant agreement to be in place within the next two weeks. The cities of John Day, Lakeview and Burns would collectively own the plans. Once approved by the State, they would be available for all builders. The 3D printer would be in the area the next Spring. This would be privately owned and operated housing. The plan was to target a market rental rate of \$850 per month with preference to veterans as tenants. He emphasized the technology would allow for one development team to build 12 homes. Echo Northwest planned to look at the economics and overall impacts of the effects on the market. If the project is successful, they would continue to print homes until the market was satisfied.

Mayor Lundbom noted that he had thought the grant was for \$375,000? City Manager Green answered that was the amount they had asked for. There had been much higher request than anticipated, so they awarded smaller amounts to several applicants.

Councilor Rookstool shared that it would be a wonderful opportunity for students to be involved in the process. She expressed excitement about the project.

City Manager Green noted that phase one of The Ridge would be 11 or 12 homes. The equipment only requires two people to operate it.

**Action Item No.11 - HOUSE BILL 5006 (2021) GENERAL FUND GRANT – KAM WAH CHUNG (8:00 PM)**

City Manager Green stated that was the first of three appropriations. The focus would be on Canton to Main St to accommodate 20,000 visitors a year. They anticipate the number of visitors to double with the new interpretive center.

Councilor Adair inquired about the verbiage of the contract. City Manager Green answered that they had been in contact with the State and they were aware of the work that the City wanted to complete. Councilor Rookstool noted they would be using that to repair sidewalks. Mayor Lundbom shared that he had received concerns about sidewalk approaches surrounding Chester's for wheelchairs.

*Councilor Sky left the meeting*

**Councilor Rookstool motioned to approve Grant Agreement No. 107-2021-5006-19 and authorize Mayor Lundbom to sign the agreement on behalf of the city. The motion was seconded by Councilor Holland and passed 5-0 with Councilor Sky abstaining.**

**Action Item No.12 - TOURISM CAMPAIGN LAUNCH – INTRODUCTION TO STRAW-TO-GOLD (8:05 PM)**

City Manager Green introduced Adam Mefford and Benjamin Ariff from Straw-to-Gold.

*Councilor Sky rejoined the meeting via phone.*

Benjamin Ariff shared his background and noted he had a great love of the culture and scenery of Eastern Oregon. He expressed excitement to be working with John Day and shared a video titled, Heart to Table. Adam Mefford thanked the council for inviting them. He reviewed some of their past work and their background. He expressed the importance of understanding that marketing is not advertising. The audiences they hoped to reach included RV tourist, Overland tourist, Hunters and "New Prospectors". New prospectors referred to future residents of John Day. He shared two videos they had worked on to demonstrate the culture of the area and the beauty of the landscape.

Mr. Ariff noted that the site was in progress and the goal was to launch the site March 2022. The council could expect updates the following month.

Mayor Lundbom inquired about their perspective as outsiders. Mr. Ariff expressed his deep appreciation for the area and the people. He shared that it's been a very inviting place and he hopes to spend more time in the area.

**Action Item No.13 - OTHER BUSINESS & UPCOMING MEETINGS (8:24 PM)**

Mayor Lundbom reviewed the upcoming meetings.

Councilor Rookstool inquired if City Manager Green would like Councilors to attend the County Court meeting the next day.


Council President Smith requested that Bennett Hall the new editor of the Blue Mountain Eagle write an article on the award of the Western Planner President's Award and some of the capital improvement projects.

**Councilor Holland motioned to close the meeting at 8:29 PM. The motion was seconded by Councilor Rookstool passed unanimously.**

Respectfully Submitted:

Nicholas Green, City Manager

ACCEPTED BY THE CITY COUNCIL ON OCTOBER 26, 2021.

A handwritten signature in black ink, appearing to read 'RL', is written over a horizontal line.

Ron Lundbom, Mayor