

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

November 9, 2021

COUNCILORS PRESENT

Ron Lundbom, Mayor
Paul Smith
Shannon Adair
Heather Rookstool
Gregg Haberly
Elliot Sky

COUNCILORS ABSENT

David Holland

CITY STAFF PRESENT

Nicholas Green, Executive Director
Lindy Berry, Secretary
Aaron Leiuallen, Senior Project Manager
Ron Gabbard, Fire Chief

Monte Legg, Public Works Director (virtual)
Laurabeth Wallenstein, Agribusiness Project
Manager (virtual)

GUESTS PRESENT

Lisa Weigum, JD/CC Parks and Recreation
Sherrie Ringer, John Day
Sara Brown, John Day
Tirza Shaffer, Canyon City
Haley Walker, Canyon City
Sierra May
Amy Franklin
Zach Bailey, Canyon City
Susan Pearce, John Day
Ryan McKnab, Canyon City
Vanessa Houpt, Canyon City
Jay Durych, John Day
Kate Cueno, John Day
Jessi Brunson, Canyon City
Katrina Randleas, John Day
Mike Zilis, Walker Macy (virtual)
John Day Canyon City Parks and Recreation
(virtual)
Kailey Heiple (virtual)
Darin Toy (virtual)

Bob Keefer (virtual)
Roberta Fox (virtual)
Rhiannon Bauman (virtual)
Stacie Holmstrom (virtual)
Aaron Maples (virtual)
Cosette K (virtual)
Judy (virtual)
Paul (virtual)
Brian (virtual)
Louis (virtual)
Art (virtual)
Charlene (virtual)
Mcr (virtual)
KS (virtual)
. (virtual)
9702941970 (virtual)
5033396806 (virtual)
John Rowell
John Morris

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 Holland who was absent and excused.

Agenda Item No. 2— APPROVAL OF PRIOR MINUTES

The minutes from the October 26, 2021 council meeting were presented for approval.

Councilor Rookstool motioned to approve the October 26, 2021 minutes. The motion was seconded by Councilor Haberly and passed unanimously.

Agenda Item No. 3— APPEARANCE OF INTERESTED CITIZENS

Mayor Lundbom invited guests to share items not on the agenda.

Jim Spell requested that the council address compliance with COVID restrictions. Council did not take this item up for action.

Agenda Item No. 4— CONSENT AGENDA ITEMS (7:01 PM)

None presented.

Agenda Item No. 5— REVIEW OF THE AQUATICS CENTER DESIGN PROPOSAL & SUMMARY OF PLANNING COMMISSION HEARING (7:01 PM)

City Manager Green shared that the Planning Commission had approved the Aquatics Center at a meeting held earlier in the evening. He noted these were long-range planning projects for the city that would pay forward for the next two or three generations. He provided a brief overview of the agenda and procedures for public hearings.

City Manager Green briefly presented the “Five Bold Steps” created based on the vision of a group of community members in 2017, which emphasized outdoor recreation and the aquatics center. He noted the importance of this as it has driven the choices being made by the council ever since.

The John Day Innovation Gateway was created with a focus on revitalizing the riverfront in John Day. The land assembly totals 100 acres from four different property purchases. He noted that this project has been awarded multiple awards in the past few years including the League of Oregon Cities Award for Excellence in 2019, and in 2020 the City was one of 10 cities awarded the Environmental Protection Agency’s Recreation Economies for Rural Communities grant. Then in 2021 the Innovation Gateway was awarded the Western Planner’s President’s Award. Finally, the week prior to the council meeting, they learned that the proposal for trails was the top ranked OPRD application in the State for 2021. City Manager Green provided an overview of past trails to contrast with the work being completed today.

The City received a \$2 million grant from the State for construction of the pool and have a committed \$200,000 from the sale of Gleason Pool toward the Parks & Recreation District’s application to build a pool. The District is planning and designing toward future additions as needed or desired to create an aquatics center. He noted that the design presented includes an office space for Parks and Recreation as well as space for the community to rent.

Kam Wah Chung

The City and Oregon State Parks have been in discussions for over a decade on plans for a new interpretive center. The 2009 Kam Wah Chung master plan was updated in 2021. He noted that in October 2019, the flood insurance rate maps were updated. In order to build the interpretive center out of the floodplain and to preserve archeological sites, the interpretative center would be built on the

footprint of Gleason pool. There are a number of proposed site improvements that would create a more accessible experience. They plan for waypoints to be placed throughout John Day directing people to the interpretive center as well as other amenities with the \$1 million grant received from the state legislature. The plan proposed 19 parking spaces and an additional 5 for staff with a minimum of 4 RV spaces and 2 bus spaces. The state awarded a grant of \$1 million to address site improvements, parking and accessibility. That grant did not have a match and came from the State general fund.

Mayor Lundbom invited questions from the audience. *None appearing*

Agenda Item No. 6— PUBLIC HEARING – RESOLUTION NO. 21-868-16, A RESOLUTION OF CITY OF JOHN DAY APPROVING THE SALE OF CERTAIN REAL PROPERTY LOCATED IN CITY (7:21 PM)

Mayor Lundbom briefly reviewed the procedures for the public hearing.

City Manager Green reviewed the background relating to the sale of the property and explained that there were two valuations given for as is condition at \$97,000 or improved at \$222,000. The maximum assessed value was \$222,000. The State would be paying the market premium for that land subject to the City completing some demolition.

Councilor Adair motioned to open the public hearing for Resolution No. 21-868-16, A Resolution of City of John Day Approving the Sale of Certain Real Property Located in City. The motion was seconded by Councilor Sky and passed unanimously.

Mayor Lundbom shared that Kam Wah Chung was a wonderful asset for John Day. He had recently learned that many of the artifacts are in storage and he was hopeful the new interpretive center would allow for those to be moved back to John Day and displayed.

Sherrie Rininger inquired about the cost of the demolition work? City Manager Green answered that they had an \$80,000 estimate. The concrete will be used for road base. The state could make an additional \$60,000 available to assist in removal of hazardous materials, should any be present. If the City requests the \$60,000, he anticipated a net cost to city of around \$20,000 would be needed from the sale of the land and the balance from the brownfield grant for demolition, with the remainder going toward the new pool.

Councilor Adair motioned to close the public hearing for Resolution No. 21-868-16. The motion was seconded by Councilor Sky and passed unanimously.

Mayor Lundbom inquired about the timeline on the demolition. City Manager Green answered that they were hoping for December. Mayor Lundbom noted that the big piles of crushed concrete residents may have noticed would be used for road base.

Councilor Adair motioned to adopt Resolution No. 21-868-16, A Resolution of City of John Day Approving the Sale of Certain Real Property Located in City. The motion was seconded by Councilor Haberly and passed unanimously.

Action Item No. 7 - AQUATICS CENTER FINANCING AND DRAFT INTERGOVERNMENTAL AGREEMENT (7:27 PM)

City Manager Green shared that he had advocated for funds with Representative Owens and Senator Findley during the 2021 legislative session. With the funds from the American Rescue Plan Act, the State Legislature had discretion for how those funds were spent. The State had additional capacity within lottery bonds and the general fund as well. House Bill 5006 and Senate Bill 5534 appropriated \$2 million for City of John Day to build an aquatics center in John Day. The appropriation is for a 2023 bond. City Manager Green recommended that the City work with D.A. Davidson to begin working on the project financing immediately. By April they would have a 90% complete design and be ready for construction. The goal would be to provide the community with accurate information about the actual cost for the full facility prior to ballot measures being submitted. The grant agreement has not been finalized or approved yet by the Council. The draft intergovernmental agreement includes a request for credits toward water, sewer and power as well as broadband for the Parks & Recreation District. He noted that a portion of the \$6 million budget had already been completed using other sources of funds. There was a capital construction budget included in the packets that shows how those funds are allocated as well as an operating budget, showing net costs.

Councilor Rookstool inquired what would occur with the line of credit if the local bond did not pass? City Manager Green said that they could complete about 90% of the work prior to the bond going out for a vote and council could decline to requests funding through D.A. Davidson if the bond did not pass. Councilor Rookstool then asked if the bond did not pass, would the State still purchase the Gleason Pool property? City Manager Green answered that the purchase of Gleason Pool would still occur regardless – the transaction must close within 90 days of both parties' approval.

They have secured a statewide investment for about 30% of the cost. If the City were to contribute what the City Manager recommended, 50% of the project's estimated cost would be paid for. The final 50% would then be left for the Parks and Recreation District.

Councilor Adair felt the line of credit would be important to have a complete vision for the community prior to the vote. The estimated cost for the design, which includes construction oversight, would be about \$500,000. City Manager Green confirmed they would be able to provide 90% of the design before Parks and Recreation went out for the bond.

Mayor Lundbom inquired if the bond failed in May, could it go back out for a vote in November? City Manager Green answered that yes, it could, but construction would be delayed. If it passes in May, the aquatics center will open for the 2023 swim season. If it gets delayed to November, it would not open until 2024.

John Rowell, John Day resident inquired if there had been any polling regarding the community's opinion on the projected cost relating to the pool? City Manager Green shared that they contracted with a company to do polling in the coming weeks. Lisa Weigum added that the aquatics center had been in discussions between the agencies and within the community since 2017. She felt they had a lot of support and community members in the Parks and Recreation District had expressed the desire for the opportunity to vote, which they have not been given. Mr. Rowell noted that they should anticipate concerns related to an increase in the cost of materials. He hoped they would have a solid gauge of the amount of support from the community. Mayor Lundbom added that he felt they could not gain an accurate understanding of support without more firm data.

Summary of comments from guests below.

Vanessa Houpt: Local teacher in support of the pool. Kids in the community have nothing to do in the summer.

Beth Spell: There are a lot of tools they could utilize to find information regarding voters. She hoped they would be proactive in campaigning. The pool is an important amenity for the community.

Councilor Haberly added that he would like to see the hospital and school more involved. Lisa Weigum clarified that while the schools and hospital have not contributed financially, they are in support of the pool.

John Morris: shared his concerns that a poll does not provide an accurate overview. He wanted a clear understanding of the cost to each taxpayer. He noted that while he was not in opposition of the pool, he felt that they should provide a clear estimate.

Zach Bailey: Local physician in support of the pool. There are health benefits to having a pool in the community. He expressed concerns that without a pool, children are not learning water safety. The swim team went to communities very similar in size to John Day for swim meets.

Haley Walker: The initial outlay for the financing was important for the community to make a decision. Reminded the audience that the hospital bond is no longer in existence.

Tom Olson inquired if the pool is so important, why did the Council dissolve the police department? Several councilors responded that they were completely separate issues. Mayor Lundbom noted that as a member of the budget committee, Mr. Olson had an opportunity to discuss the budget during the budget process last spring.

Tirza Schaffer: In full support. She hoped that the community understood the value of having a community pool.

Sarah Brown: There is a trickle down effect with providing an amenity like a pool for the community. Those type of amenities will encourage people to stay in the community, especially young families.

Jim Spell: Employment for teenagers is lacking in the community. Life guarding is a wonderful opportunity for kids to have a first job they may lead to greater opportunities.

Jessie Brunson: shared that she was curious about how an amenity like a pool might benefit the tax base?

City Manager Green answered that they had modeled what the tax benefit of 100 new homes would be in John Day and what the benefit would be if those homes were filled with families. Modeling the tax value, each household is worth about \$10,000 per year. State shared revenue is distributed on a per capita basis. That is how the police department was funded. Ten new households would add \$100,000 in annual taxes across all jurisdictions. The addition of more homes would widen the tax base, which could allow for keeping rates lower. He shared that he had received letters of support, including a letter from Lakeview Swim team, for the new project.

Quinn Larson: He felt that the cost of the pool was minimal in comparison to the economic benefits for the community. He noted that a pool provides many opportunities for the kids in the community.

Brady Dole: shared that he was also in support of the pool and had been on swim team prior to the pool closing. He believed that having a pool changes people's lives.

John Rowell asked if they would see any requirement for tax or fees relating to the sewer system? City Manager Green answered that he believed they may be able to drop the sewer rate because of securing additional grant funding for that project, which is separate from the pool. Lisa Weigum added that the Parks and Recreation District had no intention of going out for an operating levy

for the aquatics center. The current 0.74% fixed tax rate for Parks and Recreation District has not changed since its inception in the early 1990s.

John Morris shared a document stating that Parks and Recreation, Grant ESD, and the School District will never recover tax revenue lost to the URA. Mayor Lundbom answered that those jurisdictions had agreed with the knowledge that the timeline for full repayment was 7 years and that is also unrelated to the pool. City Manager Green clarified that there was never a reduction in tax receipts to any jurisdiction. There was no loss to any agency as a result of the URA being formed. The amount of money received by each of those jurisdictions has never been reduced. They have not seen the gain created by the new builds and renovations within the URA boundaries – those are deferred benefits – but it would be illegal to reduce the tax revenue of an existing agency and that has never happened as a result of the URA. Those jurisdictions would see the benefits of the new construction and renovations in 7 years once the City’s investment has been repaid. The cost of the proposed levy at \$3 million for the aquatics center would impact the average homeowner \$7 per month. Guest, Tom Olson inquired about the net present value analysis and breakeven point for the URA financials. City Manager Green noted that the information was available on the website and he would send it to him.

Vanessa Houpt: They need to put money into the community to get money back out. The children in the community do not have anything to do.

Jake Arendt: Retired attorney and judge that relocated to the area due in part to having a pool. It’s an important amenity for people when deciding about moving to an area. There are not only recreational, but safety and wellness benefits.

Tirza Schaffer: She believed that the \$7 a month would be minimal to allow for the opportunities provided by having a community pool.

Susan Pearce: The community should continue to contribute to amenities for the betterment of the whole community.

Lisa Weigum added that she believed they would be doing a disservice to the community if they did not put the choice out to the people. Mayor Lundbom agreed noting that there had not been any major investments into the community like this since the 1950’s.

Action Item No. 8— AQUATICS CENTER DESIGN RFP (8:17 PM)

City Manager Green shared that on December 14th the council would approve the design contract and issue a notice to proceed for the pool. He recommended the approval be based upon a Qualification Based Selection (QBS) approach, which would look at a number of scoring criteria.

Councilor Rookstool motioned to approve the request for proposals solicitation as discussed. The motion was seconded by Councilor Sky and passed unanimously.

Action Item No. 9— RECREATIONAL TRAILS GRANT UPDATE (8:19 PM)

City Manager Green briefly shared the progress on the paving of trails. The match is already secured and in the budget. Councilor Sky thanked the audience for their attendance and involvement. He encouraged the audience to continue to attend and engage.

Action Item No. 10— INNOVATION GATEWAY BUSINESS PARK & WASTEWATER TREATMENT PLANT UPDATE (8:21 PM)

City Manager Green introduced Mike Zilis from Walker Macy. Mr. Zilis shared a presentation including elements of the plan that was adopted in 2019 for the Innovation Gateway. He noted that many of the ideas had since been completed or were in construction. The vision for 7th Street was to provide a parkway along the river with a parklike experience unlike anything currently existing in the City. He noted the focus on reenergizing the north side of the river providing a safe area for families to enjoy the greenway. Mr. Zilis touched on creating a business park site, the treatment plant and the proposed solar array. He shared some renderings of what they might expect to see.

Councilor Sky inquired what had been the design plans regarding the orientation of the buildings? He also inquired if there had been discussion to change the orientation of the one-acre lots in the business park. Mr. Zilis noted that the basic difference was the change of the streets. Councilor Sky wanted to make certain that the future business park would allow for the property to be used to its full potential.

John Morris shared concerns that the Army Corps of Engineers had done a lot of work in the 1960's with the river and he inquired about permits. Councilor Sky answered that they were just discussing conceptual designs and the discussion was at a base level. Chris Fox noted that Riverside Home Park would have concerns regarding any changes made to the river. Councilor Sky inquired about the timeline for roughing in the road. City Manager Green answered that the roads have been somewhat roughed in. Should the council approve, the engineer and surveyor would prepare for final grading and paving would then be completed during the treatment plant construction.

DEQ Letter

City Manager Green shared the letter from the DEQ and reviewed data from the tests completed by the hydrogeologists. He noted that the summary reports and studies are available for anyone that would like to review them. The water that is not repurposed would go into an infiltration basin. The infiltration basin will be below the frost line and above the water table. Based on the modeling, their contribution to the river would be undetectable. He hoped to have the new treatment plant operational by the end of 2023.

City Manager Green asked that the council approve the City Manager to work with a water rights attorney. He felt it was important for the City to make the water rights held by the City available to downstream users. Guest, John Morris added that if the City were to relinquish their water rights it would benefit the senior water rights owner. It would not necessarily benefit all users. City Manager Green shared that he agreed with Mr. Morris and was hopeful that the purple pipe would allow for water for additional users to benefit from this city project. Mr. Morris wanted to be certain that the audience understood that a person could have an instream right, however, prior water rights would have the first opportunity for use. Green stated that we have to start somewhere with water conservation efforts in the valley.

The council came to a consensus to work with a water rights attorney.

Action Item No. 11 - EAST CHAROLAIS HEIGHTS ROAD CONSTRUCTION PROJECT & (FORMER) GOVERNMENT WAY ROAD NAMING (8:59 PM)

City Manager Green provided a brief overview of the progress on the East Charolais Heights Rd project. He invited Engineer, Joe Hitz to review the plans. Mr. Hitz provided a description of the work to occur. He explained how the road would tie into 7th street. Councilor Rookstool inquired if Tidewater had

provided a timeframe? Mr. Hitz replied that their contract stated they would rock and could begin paving within 7 months.

Councilor Adair motioned to approve the bid from Tidewater for \$258,431. The motion was seconded by Councilor Rookstool and passed unanimously.

Mayor Lundbom reviewed the vote count for the new road name.

Councilor Rookstool motioned to name Government Way Road, Timber Way. The motion was seconded by Councilor Adair and passed unanimously.

Action Item No. 12 - TOURISM CAMPAIGN UPDATE – STRAW-TO-GOLD (9:06 PM)

Adam Mefford and Benjamin Ariff from Straw to Gold shared an update on the website in development. Mr. Mefford reviewed that the goal is to grow the tax based. Web audiences included travelers and potential new residents. He touched on using the merit badge motif to navigate on the website. He noted that they were very open to recommendations. Mr. Ariff explained that they have been utilizing some unique tools that would allow for visitors to see the activities and experiences available in the area. The website would be live the first quarter of the next year. Mr. Mefford shared a visualization of the audiences they believed would benefit. He touched on four ideas to bring together the community to achieve the goal. Some of the ideas included digital discovery, the lore of John Day, 4H Animal Influencers, and Adult Softball League. They noted they were proposing the concepts to generate a sense of pride, connection, and commonality.

Action Item No. 13 - POLICE AGREEMENT (9:21 PM)

City Manager Green shared he had sent the agreement approved by the city council to the County Court. He noted the council would need to provide guidance on how to proceed.

He reviewed the police equipment noting that the two newer vehicles would be beneficial to retain. Firearms and ammunition would be sold through a certified firearms dealer if it is liquidated.

The council came to a consensus to wait to hear back from the County on their proposal.

Action Item No. 14 - OTHER BUSINESS & UPCOMING MEETINGS (9:26 PM)

Mayor Lundbom reviewed the upcoming meetings.

John Rowell inquired about the Greenhouse. Mayor Lundbom shared that the Greenhouse would be re-opening in the spring under a Co-op model. City Manager Green added that a consultant had visited and created a restructured plan to double the quantity of product.

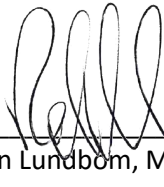
Councilor Rookstool inquired if there was a height requirement for stop signs? City Manager Green answered that there was if there was a sidewalk adjacent to it.

Councilor Adair motioned to adjourn the council meeting at 9:30 PM. The motion was seconded by Councilor Haberly and passed unanimously.

Respectfully Submitted:

Nicholas Green, City Manager

ACCEPTED BY THE CITY COUNCIL ON JANUARY 25, 2022.



Ron Lundbom, Mayor