

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

May 10<sup>th</sup>, 2022

**COUNCILORS PRESENT**

Chris Labhart (remote)  
Dave Holland, Council President  
Elliott Sky  
Heather Rookstool  
Shannon Adair

**COUNCILORS ABSENT**

Ron Lundbom, Mayor, absent and excused  
Gregg Haberly (resigned)

**CITY STAFF**

Executive Director, Nick Green  
Community Development Dir., Corum Ketchum

Aaron Lieuallen, Senior Project Manager

**GUESTS**

See attached guest sheet

Remote guests:

Chris Labhart  
Liz Aleman  
Nicholas Green  
Roberta  
+15415751647  
+15416201125  
+15417920671  
Dawn DeGrande  
JS  
Jude

Kenley  
Liz Aleman  
Logan Bagett  
Louis  
LW  
Morgan  
Nick  
Roberta  
Wallenstein

**Agenda Item No. 1— OPEN AND NOTE ATTENDANCE**

Start: 2:00  
End 2:25

Council President Dave Holland called the May 10<sup>th</sup> regular city council meeting to order at 6:04 pm

Noted:

Greg Haberly Councilor, resigned  
Chris Labhart, Councilor – by phone

**Agenda Item No. 2— APPEARANCE OF INTERESTED CITIZENS.**

Start 2:50

End 3:40

Council President Holland invited members of the public to discuss items not on the Agenda:

Liz Aleman – Commenting on the Pool and City Governance. Her comments were schedule for Item 15 - City of John Day - 2022 FFC (Aquatic Center Financing) - updated Schedule (05.03.2022). Aleman had disconnected from the call by that agenda item.

**Agenda Item No. 3- APPROVAL OF PRIOR MINUTES-**

*None.*

**Agenda Item No. 4- CONSENT AGENDA-**

**CONSENT AGENDA ITEMS**

- Pit Stop Bids
- Trail Bids
- Oregon Pine Bridge Grading & Footings Bids

Start: 3:50

End: 17:15

City Manager Nick Green lays out the bids for the above projects. There were six (6) bidders on three (3) city projects. The lowest bids on each of the schedules were selected. See the attached documents for this meeting for a complete description of each project and the component schedules.

**Pit Stop:**

Schedule A: \$47,191 by Hueckman Contracting  
Schedule B \$31,772 by Tidewater Contractors Inc.  
Schedule C: 38,075 by Tidewater Contractors Inc.

**Oregon Pine Bridge Grading & Footings Bids**

Total Project: \$17,930.32 by Iron Triangle LLC

**Trail Bids**

Total Project \$87,785 by Tidewater Contractors Inc.

City Manager Green states that the City must award the lowed bid for projects between \$10,000 and \$150,000 (intermediate cost classification). Passing this motion authorizes the City Manager to award the contracts to the lowest bidder.

**Councilor Heather Rookstool made a motion to approve the consent agenda, as submitted.**

**Seconded by Councilor Shannon Adair**

**Passes: Unanimous**

**Action Item No. 5 - RESOLUTION NO. 22-884-05, A RESOLUTION OF THE CITY APPROVING THE SALE OF CERTAIN REAL PROPERTY LOCATED IN CITY**

Start 17:18

End 19:12

City Manager Green summarizes the lands, project, and related easements. Green states that the resolution finalizes the exchange of property from the City's perspective. Ashley Armichardy is asked to speak for the Grant County Library Foundation. Armichardy answered questions from Council, outlining the current status of the project and stated there are positive indications of support with stakeholders.

**Councilor Elliot Sky made a resolution to approve Resolution No. 22-884-05, A Resolution Of The City Approving The Sale Of Certain Real Property Located In City**

**Seconded by Councilor Rookstool**

**Passes: Unanimous**

**Action Item No. 6- RESOLUTION NO. 22-885-06, A RESOLUTION OF THE CITY OF JOHN DAY ADOPTING AN I.R.S. "OFFICIAL INTENT" IN ANTICIPATION OF A LOAN FROM THE SAFE DRINKING WATER REVOLVING LOAN FUND FROM THE OREGON INFRASTRUCTURE FINANCE AUTHORITY**

Start: 19:37

End: 20:58

City Manager Green states that this resolution is required for the tax-exempt borrowing of infrastructure funds for incentive developments within the city. These loan funds will be issued as tax exempt bonds by the State and repaid through the Urban Renewal district.

**Councilor Adair made a motion to approve Resolution No. 22-885-06, A Resolution Of The City Of John Day Adopting An I.R.S. "Official Intent" In Anticipation Of A Loan From The Safe Drinking Water Revolving Loan Fund From The Oregon Infrastructure Finance Authority.**

**Seconded by Councilor Rookstool**

**Passes: Unanimous**

**Action Item No. 7- RESOLUTION NO. 22-886-07, A RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT BETWEEN CITY OF JOHN DAY AND OREGON PARKS AND RECREATION DEPARTMENT AND THE OREGON STATE HISTORIC PRESERVATION OFFICE REGARDING THE GLEASON POOL DEMOLITION, JOHN DAY, GRANT COUNTY, OREGON**

Start: 21:00

End: 23:49

City Manager Green states that this agreement is to clarify what actions each of the parties above are to take in the event that cultural resources (historically significant artifacts) are discovered during the demolition of Gleason pool. It also states the City's responsibility to place an informational marker memorializing the significance of Gleason Pool to the community.

**Councilor Adair made a motion to approve Resolution No. 22-886-07, A Resolution Approving A Memorandum Of Agreement Between City Of John Day And Oregon Parks And Recreation Department And The Oregon State Historic Preservation Office Regarding The Gleason Pool Demolition, John Day, Grant County, Oregon and authorizes the City Manager to make any necessary adjustments in response to the State Historic Preservation Office comments made during final review and appraisal.**

**Seconded by Councilor Sky**

**Passes: Unanimous**

**Action Item No. 8- RESOLUTION NO. 22-887-08, A RESOLUTION OF CITY OF JOHN DAY TO DISSOLVE THE JOHN DAY POLICE DEPARTMENT AS A CITY DEPARTMENT**

Start: 23:50

End: 34:10

Manager Green states that this resolution dissolves the John Day Police Department and notes that it is not budgeted for in the next fiscal year. This resolution is required evidence for the Department of Justice for the attempted relinquishment of COPS grant funds from the City to the Grant County Sheriff's Office. All LEDS records will be transferred to the Sherriff's Office and the City is in the process of liquidating Police Department assets.

**Councilor Adair made a motion to approve Resolution No. 22-887-08, A Resolution Of City Of John Day To Dissolve The John Day Police Department As A City Department.**

**Seconded by Councilor Sky**

**Passes: Unanimous**

**Action Item No. 9- LEASE AGREEMENT FOR JOHN DAY GREENHOUSE**

Start: 34:12

End: 54:55

City Manager Green invited Shawn McKay to speak to John Day City Council about the terms of a proposed lease agreement for his company to operate the John Day controlled-environment agricultural production facility (AKA the John Day Greenhouse). The City is proposing a turnkey, 5-year lease of the facility to McKay's firm, and would be the landlord for the facility, leasing at \$24,000 per year, due November 30<sup>th</sup>, tied to the City's existing payments to Oregon Business Development Dept. on the property. McKay would have the option to buy the facility for the amount remaining on the City's loan during that period. City Manager Green states that this lease could contribute to the rehabilitation for use of the Planar Mill site and contributes private sector employment to the community.

**Councilor Adair made a motion to approve the LEASE AGREEMENT FOR JOHN DAY GREENHOUSE Subject To Final Review And Approval By The City Manager And Attorney.**

**Seconded by Councilor Sky**

**Passes: Unanimous**

**Action Item No. 10 LETTER OF INTENT FOR LOT 30 – AIRPORT INDUSTRIAL PARK**

Start: 55:03

End: 1:02:55

City Manager Green appraised the specified property before bringing it to Council, the buyers are willing to purchase the property at the appraisal price. The buyers are proposing a mixed-use development that takes advantage of the unique geography of the plat. The proposed use is in alignment with the airport masterplan. The buyers are proposing trails that could be connected to other uses below it. The proposal will have to go through the Planning Commission for public feedback to approve the living spaces within the development.

**Councilor Adair made a motion to approve *the purchase and sale agreement for Lot 30 - Airport Industrial Park, conditional on approval from the Planning Commission***

**Seconded by Councilor Sky**

**Passes: Unanimous**

**Action Item No. 11- GRO PROGRAM KICKOFF REPORT**

Start: 1:03:15

End: 1:26:20

Community Development Director Corum Ketchum summarizes the economic findings of Network Kansas and E2 Entrepreneurial Ecosystems in the Grant County Development Opportunity Profile and John Day Chartbook. Among them are opportunities for growth in entrepreneurship, outdoor recreation and a hub and spoke model of regional development. Weaknesses exist in the region's aging population, dependence on retiree income, and many community members' reliance on transfer payments. Optimism exists in a growing population of 30- to 40-year-olds, who are typically prime age workers with growing families. This research will support the development of entrepreneurship programming through the Growing Rural Oregon initiative.

**Action Item No. 12- JUNE 10<sup>TH</sup> CITY CELEBRATION EVENT**

Start: 1:26:25

End: 1:31:10

Community Development Director Ketchum gave a summary of the projects to be highlighted and invited Council and the public to attend the City celebration event on June 10<sup>th</sup>. Among the projects to be highlighted are the new Kam Wah Chung Visitor's Center, the opening of the Hill Family Park, new walking trails, the Water Reclamation Center, a trailhead parking lot at the OTEC building at the end of one of the north bank trail. The John Day – Canyon City Parks and Recreation District's Pool Center will be shown pending voter approval of the May 17<sup>th</sup>, 2022 bond measure.

**Agenda Item No. 13- CITY MANAGER RECRUITMENT UPDATE & APPOINTMENT OF INTERIM CITY MANAGER**

Start: 1:32:30

End: 1:42:36

City Manger Green states that the firm Council selected to proceed with the executive search for his replacement is ready to proceed, but his time as City Manager is limited. For a smooth handoff of the City's business and the five million (\$5,000,000) dollars in incoming grants, Green recommended to Council to appoint Ketchum as the Interim City Manager, effective immediately. The terms of Ketchum's appointment are a performance review at three (3) months, and a final decision of appointment at six (6) months. At any time during that period, Council can elect to appoint Ketchum as City Manager, or opt to move forward with the executive search contract. Staff and Council will make a determination on how to backfill the position of Community Development Director as needed.

**Councilor Adair made a motion to authorize the City Manager and attorney to draft and enter a contract with Ketchum for the role of Interim City Manager, with a performance evaluation at three months, and final decision at six months, wherein Council can elect to appoint Ketchum into the position of City Manager permanently.**

Seconded by Councilor Sky

Passes: Unanimous

**Agenda Item No. 14 - RESOLUTION NO. 22-889-10, A RESOLUTION OF CITY APPROVING THE SALE OF CERTAIN REAL PROPERTY**

Start: 1:43:08

End: 2:35:53

City Manager Green outlined the property in question and walked Council through the lot line adjustments being made in and around 7<sup>th</sup> street at Patterson Bridge road. After adjustments, the parcel of riverfront property within the Innovation Gateway is made available for sale. The interested buyer, 1188 Destinations, intends to create a riverfront destination in line with the principles adopted in the Innovation Gateway Area Plan that includes a new brewery and restaurant with a proposed distillery, cider house, tap room, makers space, transient lodging, and other destination attractions. As an owner of 1188 Destinations, Councilor Adair recuses herself from deliberations. Final approval of use is contingent on the decision of the Planning Commission.

**Councilor Sky made a motion to Approve Resolution No. 22-889-10 and authorize the City Manager to complete the sale subject to final review and approval of the purchase and sale agreement by the city attorney.**

Seconded by Councilor Holland

Passes: 3:1 with Councilor Chris Labhart opposed and Councilor Adair abstaining.

**Agenda Item No. 15 - OTHER BUSINESS & UPCOMING MEETINGS**

Council reviewed other business and upcoming meetings.

**OTHER BUSINESS: FINALIZING AND ADVERTISING THE SALE OF LAND AT THE INNOVATION GATEWAY INDUSTRIAL PARK FOR PUBLIC BENEFIT**

Start: 2:35:55

End: 2:36:30

**Councilor Rookstool made a motion directing the City Manager and attorney to finalize the plots at the Innovation Gateway Industrial Park, provide parameters for construction and sale, and authorize the final numbered lots at \$1 per sqft.**

**Seconded by Councilor Sky**

**Passes: Unanimous**

**OTHER BUSINESS: APPROVING SITE PREPARATION OF A CERTAIN REAL PROPERTY WITHIN THE CITY**

City Manager Green received a preapplication from a firm wishing to construct and operate a 14,000 sqft grocery store within John Day between Highway 26 and Hillcrest Drive. Green noted that City is compelled to authorize business transactions for permitted uses if they conform to land use and zoning regulations, which this does. The future owners of the property asked the City to conduct site preparation, with the City being the beneficiary of the salvage and infill from the site, which the City has useful and cost-saving applications for. The firm would be responsible for the costs of demolition. In return for site work, Green asked the developers to orient the building towards Highway 26 and prevent access from Hillcrest Drive as to preserve neighborhood feel.

**Councilor Sky made a motion Authorizing the City Manager to Contract for the removal and relocation of fill, pending a purchase and sale agreement of the property, and related approval by the Planning Commission, to be repurposed for City projects**

**Seconded by Councilor Rookstool**

**Passes: Unanimous**

**OTHER BUSINESS CITY OF JOHN DAY - 2022 FFC (AQUATIC CENTER FINANCING) - UPDATED SCHEDULE (05.03.2022)**

Start: 2:45:45

End: 2:46:55

City Manager Green updated Council on the interim financing of the aquatic center, to be brought to Council at the next meet. No action taken nor requested.

**ADJOURN**

Start: 2:48:00

End: End of recording

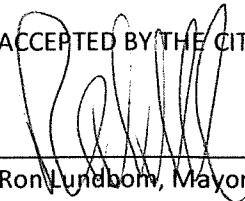
**Councilor Adair made a motion to adjourn the May 10<sup>th</sup>, 2022, John Day City Council Meeting  
at 9:48 PM**

**Seconded by Councilor Rookstool  
Passes: Unanimous**

Respectfully Submitted:

Corum Ketchum, Community Development Director

ACCEPTED BY THE CITY COUNCIL ON JUNE 14, 2022.



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Ron Lundborn, Mayor