

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

July 27th 2021

**COUCILORS PRESENT:**

Ron Lundbom, Mayor  
Paul Smith, Council President  
David Holland, Councilor  
Heather Rookstool, Councilor  
Elliot Sky, Councilor

**COUNCILORS ABSENT:**

Gregg Haberly, Councilor  
Shannon Adair, Councilor

**STAFF PRESENT:**

Nicholas Green, City Manager  
Michael Durr, Police Chief  
Travis Piercy, Police Officer  
Lindy Berry, Secretary

Chantal DesJardin, Senior Account Clerk  
Aaron Lieuallen, Senior Project Manager

**GUESTS PRESENT:**

Estimated 50 guests present  
Camilla Archibald (virtual)  
Bill (virtual)  
Cammie (virtual)  
. (virtual)  
5416201890 (virtual)

**OPEN & NOTE ATTENDANCE:**

Mayor Lundbom called the meeting to order at 6:30 p.m., noting everyone was present except Gregg Haberly and Shannon Adair who were absent and excused.

Mayor Lundbom introduced the moderator for the evening, Jack Southard. Mr. Southworth explained the structure of the meeting for the evening and invited City Manager Green.

City Manager Green explained that expenditures have outpaced revenue over the past two decades with the decline of jobs and population. The City saw growth for the first time in about 20 years in 2020. Current grant funding that has been received was grant specific, meaning that those funds are only eligible for use on specific projects. The City applied for a grant through the Department of Homeland Security that would assist with funding the police department, however the decision is not expected until later this fall. He explained that the newsletter provided at the meeting and being mailed to residents explained the process and plan to address the needs of the City.

Mr. Southworth began the question and answer portion of the evening reading questions handed in by residents prior to the meeting.

**Question: Isn't it true the City would save money by letting the Sheriff's Office provide police service to John Day?**

Council President Smith answered, the City would be responsible to pay for the three transferring officers for the first year if we reach an agreement with the County to provide service specific to John Day, but there are no plans or agreements in place.

**Question: With all the new rules and regulations being forced on law enforcement, won't it cost a lot more for additional training for our officers?**

Mayor Lundbom answered, that the legislation passed in the latest session would likely increase costs associated with training and compliance. He noted that this year's budget was written with those costs in mind. The originally discussed levy amount of about \$0.35 was increased to \$0.50 due to the challenges anticipated from the legislative session.

**Question: Leslie Traylor wrote, "living here all my life, the city budget has always funded our police. Why now, all of a sudden the city cannot afford to fund it?"**

Councilor Holland answered, he had also spent most of his life in the area and had taken part in many city budget sessions. A small portion of the property tax base is received by the City and budgeted for public safety. That amount is not enough to fund the police department. Another revenue source to fund public safety is state shared revenue from the liquor and tobacco taxes. Those revenue sources combined do not cover the total cost to run the department. The budget committee has previously pulled funding from the water and sewer department. This was justified because officers were patrolling the more rural or remote water and sewer facilities. He noted that the City had not been able to fully fund the department for many years. In the 1980's and 1990's the City would have annual operating levies go out to the community for a vote. There is not enough tax revenue to fund the department on its own.

**Question: The proposed levy is only a short-term fix (5 years). We will be dealing with this issue again in 5 years therefore, I ask what is being considered for a long-term solution?**

Councilor Sky answered, if the levy passed they may need to revisit the local optional levy process again. He felt that he could not confidently say whether they would be able to fund the department after the 5 years have passed due to changes in revenues and expenditures.

Mayor Lundbom added that the housing incentive program was a 5-year plan. The taxes being collected from those improved properties will positively impact the tax base within that timeframe.

**Question: Over the last 4 years or so the percent of the City's funding for safety (dispatch, fire, police, etc.) has been reduced so why can't the City fund police services?**

Councilor Rookstool answered, every three years the collective bargaining with the police officers association occurs which often results in increased costs. They are not only looking at a cost in wages and benefits, but also costs associated with replacement and maintenance of necessary equipment.

**Question: One proposal is for the Sheriff's Department to provide the City with police services. What are the concerns of the Sheriff's Department and County Court? Would this be sustainable?**

Council President Smith answered, there is no agreement with the County to provide services. By law, they would need to assume that service, like they do for the other cities in the county, but at this time

there is no agreement or working relationship between the City and County Court. The Sheriff had attended prior meetings and explained what that service would look like. For the first year, the City would pay for the three transferring police officers if an agreement is reached. Sheriff McKinley had stated the calls would be responded to based upon their level of urgency.

Counselor Sky added that the City has attempted to speak with the County, with little to no response. He felt that it was unfair to the residents of John Day that they were not able to provide a vision of what the transition would look like.

*There were some inaudible comments made by members of the audience regarding meeting with the County. A guest in attendance noted that there may be confusion with the differentiation between the County Court and the County Sheriff's Office.*

**Question: How does the City plan to address the current State and National atmosphere regarding law enforcement, the laws being placed on our law enforcement employees, new laws being discussed, implemented, and required for law enforcement?**

Mayor Lundbom answered, the City has a great group of officers with supportive families. The \$50,000 annual levy is being requested due to the trainings and educational requirements that may become necessary to complete. He also added that the upcoming bargaining cycles they will be going through can be contentious and they want to be financially prepared. They do not want to defund the police. They want to keep the department, and keep the department working for the residents of John Day.

**Mr. Southworth invited Oregon State Parks to share a brief presentation on the new Kam Wah Chung Interpretive Center and the transition plans for Gleason Park and Pool to the State.**

Tabitha Henricksen from Oregon State Parks shared that the State Parks Department had been in discussion to purchase the Gleason Pool property. It was identified in 2009 as a desirable property in their master plan to continue development of the interpretive center for Kam Wah Chung. Following her brief presentation, Ms. Henricksen invited questions from the audience.

**John Day resident, Rhonda Metler shared that she was concerned about increased traffic becoming hazardous due to the location being in a residential area. She also shared that in the past she had walked in the park and wondered about it being accessible to residents.**

Ms. Henricksen answered that a safety plan and traffic plan would be completed. State Parks has no desire to cut off access for local residents. Local Park Ranger, Dennis Bradley, added that a site development plan would be prepared in partnership with the City to address those types of concerns.

**Another guest asked, would the present-day interpretive center be moved across the street?**

Mr. Bradley answered No, the current location is rented from the library foundation. The new interpretive center would be located where the pool is currently located.

**Another guest asked, who would make the decision to accept an offer from the State Park Department?**

City Manager Green answered that the City Council would make that decision and there would be a public hearing for the residents to share their thoughts as well prior to the sale.

**Councilor Rookstool asked if they had a timeframe in mind?**

Ms. Henricksen answered the appraiser had provided a completion date of mid-September for the appraisal report. She noted they would have multiple reviews of the appraisal to be sure the value is fair. She also explained that the offer would be written and approved by the OPRD commission, which is made up of seven commissioners who are appointed by the Governor and confirmed by the State Senate.

**Another guest asked, would a new taxing district be required or would new taxes arise?**

City Manager Green answered that he had worked with Senator Finley and Representative Owens to jointly petition for the funding package. It was presented as a package deal. The \$1 million would go to John Day to improve the site. The role of the City, would be to improve the visitor experience with repairs to sidewalks and improve the walkability from Kam Wah Chung to downtown. There would not be a local obligation to maintain the park once it has sold and no taxes would increase as a result of this investment.

Mr. Bradley noted that Oregon State Parks operating funds would cover the maintenance costs. The fund is comprised of fees through campground sales and lottery bond proceeds.

Mr. Southworth thanked Oregon State Parks for their time and asked that the audience be prepared to share their questions or concerns.

**John Day Resident, Mr. James shared his concerns that they are not headed in the right direction. Residents would like to see a focus on community life and community improvements within the City. He asked why they putting time effort and money into projects such as the greenhouse when the money could go toward improving life within the City?**

Councilor Holland answered that the community as a whole may not share the same vision, so the Council will never be able to satisfy everyone. Their job as Councilors is to keep the community from “going under”. They do this through economic promotion and job promotion. The need for housing is dire, he shared examples of people leaving jobs due to the unavailability of housing. Councilor Holland added that street dollars come from a specific revenue source, water and sewer funds come from a specific revenue source, and police funds come from a specific revenue source. Some of those funds are eligible for allocation in general areas, while others are only available for use in specific areas.

**John Day resident, Autumn Holland inquired about addressing the lack of childcare with the growth they are discussing. She has experienced great difficulty in finding childcare.**

Councilor Sky answered that he had been working with a collection of agencies and community members to have ECONorthwest conduct a feasibility study funded by a grant. The results of the study will guide them on which avenue to pursue, whether that be building a new facility or something else. He shared that housing as well as lack of daycare facilities is a barrier for residents to remain in the area and/or remain in the workforce.

**John Day resident, Darin Toy asked if someone from the police department might be able to speak about the department.** Police Chief Mike Durr asked for additional clarification on the question. **Mr. Toy clarified that he would like to know how many officers they currently have and what sort of hours they're currently working.**

Chief Durr answered that he was currently working a full case load and had staff out for injury. He elaborated that the recommendation to operate as a department of three officers would be impossible. Each officer works 40 hours per week plus overtime, 14-hour shifts. When someone is out for vacation, has sick leave, or injuries, someone has to pick up those hours. He noted they would anticipate morale problems and may struggle with retention in a three-officer department.

Councilor Rookstool added that the officers are not working a 9-5 job. If a call comes in, they get called out. She felt that it was important to keep their safety in mind when discussing laying off an officer. Mayor Lundbom shared that he had originally thought a department of three would work well, but learned that while the shift may technically end at a certain time, the officer would potentially be called out up until the next officer's shift. With a local department, someone must always be available if a call comes in.

John Day resident, Leslie Traylor shared she was on the City Council for five years and she knows they are doing what they believe is best for their community. She recalled that when she was on the Council, the Industrial Park had been met with some backlash. They felt at the time that it would be important to be prepared for businesses that would move into the community. While the project was not as successful as hoped, the Council and City Manager had felt it was a great opportunity.

One guest shared that he did not want to see the department go. He asked about the City being more creative with funding the police department and to pull back on some of the other projects.

Mayor Lundbom thanks Mrs. Traylor for her comments and informed the audience that the Council has sold six of the industrial park properties recently. He noted that, as Councilor Holland had stated, there are specific revenue sources to fund the police department. He explained that the City goes through an audit each year.

The assets in the sewer fund have been leveraged to get the Oregon Pine property and water fund for the former Iron Triangle property. While they are currently removed from the tax rolls, the City will be selling 12 lots which will recoup those costs.

City Manager Green addressed the concerns surrounding the City purchasing property and taking it off of the tax rolls. He stated that the five bare land purchases net contribution to the tax base was the lowest possible assessed tax value. By purchasing those properties, they have raised millions in grant funding. The City also purchased two downtown buildings. Neither building has been removed from the tax rolls and one has been sold to a private developer. The second building will eventually be transferred to the CyberMill once they have established their nonprofit status.

**An audience member clarified, is the City using tax payer money to buy properties for development purposes?**

City Manager Green answered they are using enterprise funds and grants to acquire and redevelop property to raise the tax value. Once property has been improved and sold to private developers, it will

increase the tax base. This will increase the funds available in the general fund which can be used to fund the police department.

**John Day resident, Dusty Williams inquired why the Mayor had stated they would not be purchasing the building on Main Street at the last town hall meeting. He also inquired who would be paying for the maintenance and operations.**

City Manager Green answered they were using grant funds to purchase the building, grant funds to abate the lead and asbestos, and federal grant dollars to do the tenant improvements. The total cost to John Day residents is \$0. The City purchased the building on behalf of the CyberMill and the CyberMill will be responsible for the maintenance and costs associated with owning the building. The taxpayers will not be responsible for these costs.

Mayor Lundbom added that at the time of the last town hall, the Council had decided not to pursue the purchase, as the building owner decided to list it on the market. The EDA had not yet decided to award and the Council felt the timing was not right.

**John Day resident, Mindy Winegar inquired if the building would be off of the tax rolls once ownership was transferred to the nonprofit?** Mayor Lundbom answered that yes, once the nonprofit took over it would be off of the tax roll.

**John Day resident, Michelle shared her concerns surrounding the greenhouse. She also shared that she believes the water system needs to be addressed. She has experienced brown water and double filters the water coming into her home. She did not believe people would move to the area if they did not address the brown water.**

Councilor Holland answered the issue with the water is not the pipes, it is the iron and manganese in the soil and rock formations in the ground. The City chlorinates the water to oxidize the minerals and adds a polyphosphorous to allow those minerals to flow through the system. The minerals in the water are not harmful, so the City has not invested funds into a filtration system.

The greenhouse was not intended to be a long-term city-owned asset, but to be a proof of concept. They knew the three bays would not be enough to be a profitable size, but they did not want to fund a larger build. The hope was to show it was a feasible option for agriculture in the community and would spur some interest in a private business to operate a greenhouse. The city is currently exploring moving the greenhouse to a Co-op operating model.

**John Day resident, John Metler shared concerns that the police levy was the start to new tax districts for road maintenance and sidewalk maintenance. He moved to the area to escape the taxes in Central Oregon.**

Councilor Sky answered that he did not believe there were any plans for those types of taxing districts. Councilor Rookstool added that she was not aware of any new taxes. Some of the grant funding from the State will, however, be used to make the downtown a better environment and safer environment, repairing sidewalks and roads accessible to the public, at no cost to John Day residents.

**John Day resident, Judy Schuette wanted residents to be aware that the ballot will only have one item. The levy does not pass unless 50% of registered voters, plus 1 cast a vote. 588 registered voters must vote.**

**An audience member asked, why would they pursue a levy when they may be awarded the grant through the Department of Homeland Security?**

Council President Smith asked City Manager Green to speak.

City Manager Green shared that the city was unaware at the last town hall meeting if the Biden administration would fund the DHS Community Oriented Policing Services (COPS) grant. Once it was announced, it had a very quick turnaround time to apply, so he had spent his vacation working on the grant. He sacrificed his time with his family because he loves their police officers and values their service. If the City is awarded the grant, they may be able to reduce or eliminate the local option levy. He stated he would love to have less taxes. He went on to explain that the reason for the local optional levy would be to have funding to recruit a new Chief as Chief Durr was retiring in September and address the equipment maintenance issues. Even if the grant is awarded to John Day, the federal funds will not be immediately available.

**John Day resident, Heather Swank expressed concerns that the grant funds are made up of tax money from residents and other people. She had heard that the greenhouse could be used to grow marijuana. There was a Facebook post that concerned her about a drug treatment center opening in John Day. She shared that she had attended a council meeting where the council repealed the ban of marijuana sales within the City and a tax on sales.**

Councilor Holland added that the five percent marijuana tax was never enacted, noting that the marijuana facility is right on the city limits of John Day. The ban of marijuana sales kept the City from being able to collect on the state shared revenue which could be used in the general fund, including for police services.

**Mrs. Swank noted that in the same meeting, they approved a tax on lodging.**

Councilor Holland clarified that the three percent tax is paid by the lodgers, not the establishment.

**John Morris shared that he felt they had made it clear they were not interested in a new pool. He expressed concerns that to operate the new aquatics center would require a new tax base.**

Mayor Lundbom answered that the plan would be to assist Parks and Recreation with the construction of a pool. The funds received from the State would decrease the amount of funds that the Parks and Recreation District would need to go out for. He noted that John Day receives grants because they are prepared to get the work done once they receive the funds.

Councilor Holland stated that the council cannot legally raise their taxes. It is up to the citizens, that is why it goes out for a vote. It would be completely under the residents' control whether or not a property tax increase occurs.

**John Day resident, John Rowell shared that he planned to vote Yes. He believed it was an investment in the City. Insurance rates are directly impacted by public safety. Roads, water and sewer system create for a more attractive community, but the police department is absolutely necessary.**

**John Day resident, Chris Labhart asked the audience if they were aware who the highest tax paying city was in Grant County?** He went on to list that number one is Seneca, second is Canyon City, Prairie City is third and fourth is John Day. With the retirement of the hospital bond that was \$1.17 per \$1000, he anticipated saving \$400 next year. He stated he would pay \$100 to keep the police and reminded the audience to be informed.

**John Day resident, Beth Spell shared that she appreciates having local police to serve the needs to the community. She thanked the Council and City Manager for their work to do the best for the community. She noted that with the work being done by the Council and City Manager will stop the exportation of the young people in the community. She said, "if you want to keep looking to the past go somewhere else, cause we're looking forward."**

**Kathy Smith shared that the City transferring officers to the County would cause hardship on the County. They do not have the funds to take on even one additional officer.**

**Pam Durr noted that if the local department was gone, residents would not receive the same level of service. She also touched on the need for the aquatics center for the youth in the community. The community needs something for youth to do.**

**John Day resident, Katrina Page she felt that there wasn't a person in the room that wanted the police to go away. She had concerns about honesty and transparency with the budget. She asked, how much has the greenhouse cost the city? How much has it grossed? And was there COVID relief money put into the greenhouse?**

City Manager Green stated the greenhouse cost \$350,000 to build, he estimated the cost to erect it at half a million. COVID had created difficulty impacting restaurants who were purchasing the produce, which resulted in lost revenue (sales). They've subsidized the last year and a half and estimate they're grossing about \$40,000 per year.

There was \$5,000 of the COVID funding used towards improvements of the building and PPE. No other COVID funding has been received or spent on the greenhouse. He noted that The City is looking at transition options for the greenhouse to create a Co-op. Part of the initial strategy in investing in the greenhouse was to create a facility to utilize the treated wastewater we will have once the new treatment plant is complete. He stated, "if they wrapped up the entire operation today and closed down, it would have exactly no effect on police, on streets, on fire, or on water because none of those funds were used for it. We would still be sitting here having this conversation."

He also noted that the treatment plant itself will be 100% externally funded. \$1.5 million from the State, \$2.5 million in block grant funding and \$750,000 in Business Oregon grants will fund its construction but not the associated site improvements, for which they have borrowed \$1.75 million on long-term, low interest loans (one percent interest over 30 years). He hoped that they would be able to reduce water and sewer rates as a result of securing these funds. The greenhouse has paid for itself about 20 times over just in grant funding for the treatment plant. He applauded the Council for their work and time.



Jack Southworth invited the Council to share final thoughts.

Council President Smith reiterated the need for everyone to work together in the City and the County. He briefly explained that the treatment plant was a necessary project as the current plant had been out of permit the last 15 years. He noted City Manager Green had told the budget committee for the past 4-5 years because the tax revenues were not keeping up with the expenses related to the police department these would need to be addressed.

Councilor Rookstool shared she supports the local police department and asked those in attendance to talk to their neighbors and think about what losing the local department would look like. She encouraged the audience to speak to the Sheriff and County Deputies before they decide how to vote.

Councilor Sky noted his appreciation for the proactive approach taken by the City. He thanked the audience for attending and participating.

Councilor Holland thanked the audience for attending. He stated that the tax will be paid by all of the Councilors, the Mayor and the City Manager, all of whom are property owners in John Day. They are presenting it because they feel it is necessary for the safety of the community. He shared his opinion that if the department were to close down, they would see an increase in petty theft. If the levy does not pass, the service that residents are used to will no longer exist.

Mayor Lundbom thanked the audience and stated that he agreed regular town halls would be a good idea. He also shared that the average John Day homeowner would pay about \$5 a month, for a total of \$300 over the course of the five-years the levy is in place.

**Councilor Rookstool motioned to adjourn the town hall meeting at 7:58 pm. The motion was seconded by Councilor Holland and passed unanimously.**

Respectfully Submitted:

Nicholas Green  
City Manager

ACCEPTED BY THE CITY COUNCIL ON AUGUST 24th, 2021



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Ron Lundbom, Mayor