**CITY OF JOHN DAY**

**CITY COUNCIL MINUTES**

**JOHN DAY, OREGON**

June 14th, 2022

**COUNCILORS PRESENT**

Ron Lundbom, Mayor

Dave Holland, Council President

Chris Labhart

Elliott Sky

Heather Rookstool

Katrina Randleas

Shannon Adair

**COUNCILORS ABSENT**

None

**CITY STAFF**

City Manager, Nick Green

Community Development Dir., Corum Ketchum (Promoted to Interim City Manager)

**GUESTS**

See attached guest sheet

Remote guests

LW

+15415751647

AM

Ann

Dawn DeGrande

Gary S

Jude

Louis

LW

MF

Mindy Winegar

s

Todd Loyd

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

Start: 0:00

End 0:30

Mayor Ron Lundbom called the June 14th regular city council meeting to order at 7:00 pm

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

Start 0:30

End 1:00

Mayor Lundbom invited members of the public to discuss items not on the Agenda: Eloise Warren was invited to speak after the Consent Agenda.

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

Start 1:00

End: 5:34

Council reviewed the minutes for:

March 22nd, 2022 - City Council meeting

April 12th, 2022 - City Council meeting

April 19th, 2022 – City Council Budget Committee Meeting

April 19th, 2022 – Urban Renewal Agency Budget Committee Meeting

April 26th, 2022 - City Council meeting

May 10th, 2022 - City Council meeting

May 24th, 2022 - City Council meeting

May 24th, 2022 – Urban Renewal Agency meeting

June 2nd, 2022 - City Council Work Session

Councilor Shannon Adair corrected the spelling of Councilor Haberly’s name in the April 19th Budget Committee meeting. Council President Dave Holland noted that those minutes should contain his directions to staff during the budget meeting to begin setting aside General Fund Dollars towards the replacement of the Fire Departments fire engine

**Council President Dave Holland made a motion to approve the minutes presented to Council as submitted**

**Seconded by Councilor Shannon Adair**

 **Passes: Unanimous**

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

Start: 5:34

End: 7:00

Items:

* Tidewater Agreement & Invoice
* Community Renewal Day Proclamation 22-02

City Manager Nick Green reviewed changes to the agreement with Tidewater Contractors LLC for the demolition and site restoration of Gleason Pool. Additional costs arose from the rapid mobilization of a demolition crew based on the availability of the State Historic Preservation Office (SHPO) archeologists needed to oversee the work, as well as increases in fuel costs. City Manager Green asked for Council to approve these cost increases via the consent agenda.

Mayor Ron Lundbom reviewed the Community Renewal day event (June 10th, 2022) and remarked that it went well.

**Councilor Adair made a motion to approve the consent agenda**

**Seconded by Council President Holland**

 **Passes: Unanimous**

**Agenda Item No. 2— APPEARANCE OF INTERESTED CITIZENS – GCA MURAL PROJECT**

Start: 7:00

End 21:38

Eloise Warren (President, Grant County Art Association) was invited to speak. She explained that the Grant County Art Association is seeking city support ($750 in funding and lane closures) to paint a series of murals in John Day. Her group has been soliciting building owners for their interest in joining the project. The Grant County Art Association has artists willing to paint historically themed murals for little to no cost.

Council directed staff to allocate $750 from Downtown Building Improvement budget within the Community Development Fund toward the costs of this project. Council asked that the Grant County Art Association update them as the project develops (including locations and mural designs), and to return to them if they need anything else.

**Councilor Heather Rookstool made a motion to allocate $750 from the Community Development Fund toward the Grant County Art Association’s mural project**

**Seconded by Councilor Chris Labhart**

**Passes: Unanimous**

**Action Item No. 5 - CLARK’S DISPOSAL – TEMPORARY FUEL SURCHARGE**

Start: 21:40

End: 27:05

Farrell and Khali Clark (Clark’s Disposal) were invited to speak to Council about their proposed temporary fuel surcharge. The City has a franchise agreement with Clark’s Disposal for waste pickup. Clark’s Disposal proposed a 7.5% increase in waste disposal fees, driven by fuel costs and related increases in fees from the disposal sites they utilize. Farrell Clark stated that this in line with other temporary surcharges in the past.

Councilor Labhart inquired about the average residential can size. Farrell answered 35 gallons per customer. Labhart shared that a 7.5% (an increase to $19.00 from $17.80) increase would mean an additional $1.20 per month (or $14.40 per year) per resident. City Manager Green concurred with the need for a fuel price surcharge, as the rising fuel prices are reflected in other City contracts.

Farrell Clark stated that he is working toward getting automated garbage carts in John Day and that they had recently renewed their 10-year franchise agreement with the City. Mayor Lundbom asked what Clark’s Disposal thought of the new construction happening near their facility. Farrell responded that they enjoy the new trail and the cleaning up of the intersection.

Mayor Lundbom thanked Clark’s Disposal for the great job they have been doing, particularly the flexibility they provide while picking up irregular items in addition to canned garbage, particularly yard debris.

**Councilor Labhart made a motion to approve the 7.5% temporary fuel surcharge within the franchise agreement with Clark’s Disposal, effective July 1st, 2022**

**Seconded by Councilor Rookstool**

**Passes: Unanimous**

**Action Item No. 6- RESOLUTION NO. 22-892-13, A RESOLUTION TO ADOPT FISCAL YEAR 2022- 2023 BUDGET**

Start: 28:00

End: 29:22

City Manager Green stated that this budget resolution reflects the changes made with Council at the June 2nd work session. Mayor Lundbom thanked Anna Bass (Solutions CPAs) for the clear budget.

**Councilor Adair made a motion to approve RESOLUTION NO. 22-892-13, A RESOLUTION TO ADOPT FISCAL YEAR 2022- 2023 BUDGET**

**Seconded by Council President Holland**

 **Passes: Unanimous**

**Action Item No. 7- RESOLUTION NO. 22-893-14, RESOLUTION NO. 22-892-13, A RESOLUTION TO APPROPRIATE FISCAL YEAR 2022-2023 BUDGET**

Start: 29:22

End: 29:55

City Manager Green clarified that this resolution authorizes the City to spend (appropriates) the FY22/23 budget.

**Councilor Adair made a motion to approve A RESOLUTION TO APPROPRIATE FISCAL YEAR 2022-2023 BUDGET**

**Seconded by Councilor Elliot Sky**

 **Passes: Unanimous**

**Action Item No. 8- RESOLUTION NO. 22-894-15, A RESOLUTION TO IMPOSE AND CATEGORIZE TAXES FOR FISCAL YEAR 2022-2023 BUDGET**

Start: 29:55

End: 31:00

City Manager Green states that this resolution allows for the City to impose taxes. The local tax rate is 2.9915%

**Council President Holland made a motion to approve RESOLUTION NO. 22-894-15, A RESOLUTION NO. 22-894-15, A RESOLUTION TO IMPOSE AND CATEGORIZE TAXES FOR FISCAL YEAR 2022-2023 BUDGET**

 **Seconded by Councilor Sky**

**Passes: Unanimous**

**Action Item No. 9- RESOLUTION NO. 22-895-16, A RESOLUTION OF THE CITY OF JOHN DAY, GRANT COUNTY, OREGON APPROVING PARTICIPATION IN THE STATE REVENUE SHARING PROGRAM**

Start: 31:00

End: 31:55

Mayor Lundbom asked City Manager Green to clarify what the City receives state revenue sharing from. This list includes:

Cigarettes;

Liquor;

Cannabis;

Transient lodging tax;

Fuel, and;

State general fund revenue sharing.

**Councilor Adair made a motion to approve RESOLUTION NO. 22-895-16, A RESOLUTION OF THE CITY OF JOHN DAY, GRANT COUNTY, OREGON APPROVING PARTICIPATION IN THE STATE REVENUE SHARING PROGRAM**

 **Seconded by Council President Holland**

 **Passes: Unanimous**

**Action Item No. 10- City Manager Contract Termination Agreement**

Start: 31:55

End: 35:59

City Manager Green gave the text of the termination agreement presented to legal counsel for review. Included

* The salary approved in by Council in July 2017 (contract Addendum No. 1) that raised the City Managers base salary to $84,048 effective July 1st, 2019, and included a schedule for incentive compensation based on grant dollars raised;
* A breakdown of the roughly $23 million in grant dollars raised for John Day currently awarded;
* The approximately $6.4 million in pending grant dollars yet to be received;
* Incentive compensation payment schedules, totally $84,175.34 (or one-third of one percent of grant dollars raised) over the course of the Green’s tenure as City Manager, and;
* The City having no other obligations related to Addendum No. 1 after terminating Green’s contract.

Councilor Rookstool asked for an explanation of the grant awards yet to be received. City Manager Green stated that grant agreements must be signed and finalized to be awarded, and that the State is running three to six months behind schedule on award agreements

**Councilor Adair made a motion to approve Mayor Lundbom to sign a contract termination agreement with the city manager as described and authorize Mayor Lundbom to sign the agreement subject to final review and approval by the city attorney.**

 **Seconded by Councilor Rookstool**

 **Passes: Unanimous**

**Action Item No. 11- Interim (Pro Tem) City Manager Contract Agreement Attachments:**

Start: 36:00

End: 38:00

Interim City Manager Corum Ketchum stated that this authorizes him to take over the duties as City Manager. Ketchum presented to Council the terms of his Pro Tem (temporary) employment agreement, which are summarized below:

* Six-month temporary employment agreement;
* 90-day performance review in executive session;
* The option to instate Ketchum permanently as City Manager within that six-month window, and;
* The option for Ketchum to return to the role of Community Development Director, with included changes to the position’s pay scale reflective of typical fiscal year increases in salary.

Interim City Manager Ketchum stated that he has felt well-supported by staff, community partners and Council, and is ready to take the job. Ketchum emphasized that his role is to be the executor of the will of Council and the citizens of John Day. Mayor Lundbom remarked that the June 10th event went well, and that he was told by others that it seemed like Ketchum had experience doing this work.

**Councilor Sky made a motion to approve the contract agreement with the Interim City Manager.**

**Seconded by Councilor Rookstool**

**Passes: Unanimous**

**Action Item No. 12- Community Development Project Funding Allocation**

Start: 38:00

End: 55:40

Interim City Manager Ketchum stated that this action item is to review the allocations within the Community Development Fund budget to various projects.

The Community Development Fund is appropriated to be spent as follows:



Ketchum walked Council through the above projects and emphasized the need for rehabilitating the western entry into John Day (the community’s “front lawn”) through the rehabilitation of the Sawmill/Oregon Pine South and the Planar Shed sites. He also highlighted the investments the City is making toward parking, particularly for oversized vehicles and travel trailers.

Councilor Sky stated that he was excited to see more visible impacts of investments in John Day. Councilor Rookstool asked for clarification on the business water bill forgiveness program discussed during the June 2nd work session. Ketchum stated that he would need a resolution from Council directing him to do so, and that credit to businesses (provided they participate and provide documentation of their closures due to COVID) would likely come from the water and sewer fund.

Sherrie Rininger (John Day) asked for clarification on the differences between the above Downtown Improvements Fund and the $200,000 set aside for downtown facades already. Staff responded that the $100,000 referenced above is in addition to the $200,000 which came as a result of Kam Wah Chung related investments made by the State.

John Morris introduced a discussion about tracking the expenditures of the City for public consumption. Council agreed to share the financial statements provided to them monthly by the City during future meetings. Council asked staff to include the June and July monthly financial statements during the next Council meeting.

**Action Item No. 13 - 5-Year Summary of Professional Services and Proposed Service Agreements for FY22-23**

Start: 55:43

End: 1:47:20

Interim City Manager Ketchum and summarized the professional services the City has sought over the prior five years, and the proposed service agreements staff are requesting of the coming fiscal year. Ketchum stated that the City works with professionals on a variety of capacities, including construction, environmental management, landscape design, geographic information systems (GIS), project management, promotion and more.

Staff presented a list of proposed professional service agreements. These agreements collectively total about $1.5 million and make up about 5% of the City’s budget for FY23. The projects are entirely funded by grants and/or loans secured and appropriated in the budget. Staff clarified that the costs of these service agreements would come from the budget allocated to the relevant project. The agreements are worded such that the firms are to be engaged as needed, and are not to exceed a certain amount, which in total, is about $1.5 million dollars, or roughly 5% of the FY22/23 budget.

Green stated that the City has been making about $10 million in local spending over the last almost 6 years through these service agreements, compared to the roughly $300,000 the City receives in property tax receipts per year.

Sherrie Rininger (John Day) asked for clarification where the professional service agreements would be funded from. Staff responded that the services would be billed on a per-project basis out of the relevant line item in capital outlay.

John Rowell (John Day) asked for clarification on how the City seeks bids and circulates opportunities among contractors. Mayor Lundbom responded that that work is being done through the city engineer of record. Staff also share opportunities on the City website and through publishing in the local paper as needed. Green listed some local contractors that have been awarded bids.

Rowell and Councilor Labhart discussed a checklist of requirements for contractors looking to bid on local projects. They must:

* Be aware of the City procurement policy, namely that the City typically must work with the lowest bidder
* Be in contact with the City engineer of record (Sisul Engineering)
* Be appropriately licensed, bonded and insured

Green highlighted a coming federal bridge grant program to replace failing infrastructure. Mayor Lundbom reiterated the need to seek out funding for the septic systems within Screech Ally before they fail.

Councilor Rookstool led a discussion on the contract with Catalyst Public Policy Advisors, LLC (Catalyst) and the services the City is receiving for the $12,500 a month. Staff and council discuss that this contract permits Green to continue to provide some executive functions on behalf of the City and to continue to manage the portfolio of grants and projects the City has underway.

There was discussion about the benefits and costs of pursuing this model in terms of time invested in seeking out another experienced grant writer to serve as city manager, given the difficulty the City has had recruiting previously, the costs of hiring additional staff, and the flexibility to hire and dismiss contract workers as needed, relative to the speed and volume of the City’s project portfolio, while trying to maintain a continuity of operations within the City.

Council President Holland affirmed that this was Council’s decision to invite Catalyst to submit a proposal of services, in order to maintain momentum and a continuity of operations.

Councilor Sky encouraged Ketchum to set his own list of priorities for the City and work with Council to implement his vision.

**Council President Holland made a motion to approve the I move to approve the amended FY22/23 List of Approved Contractors.**

 **Seconded by Councilor Adair**

 **Passes: Unanimous**

**Council Adair made a motion to approve the enclosed professional services agreements**

 **Seconded by Councilor Sky**

 **Passes: 6:1 with Councilor Rookstool opposing**

**Action Item No. 13 - OTHER BUSINESS & UPCOMING MEETINGS**

Start: 1:47:25

End: 1:55:40

Other Business: Temporary name continuation for Charolais Heights (Nan Walker residence)

Green laid out the rational for continuing to allow the resident in question to have a limited license to continue to identify with a Charolais Heights address, even though the street in question has changed labels due to recent construction. This license would expire once the residence changes hands. Council President Holland emphasized the need to change the street name when construction occurs beyond the residence in question.

Other Business: Straw-to-Gold Activations

Councilor Rookstool noted she is working with Straw-to-Gold to implement their proposal, and has several young people in mind, related to 4H and other activities.

 Other Business: Incoming Superintendent

Councilor Labhart asked staff to provide space during the next Council meeting to introduce the incoming superintendent.

Other Business: City Financial Access for Ketchum and Credit Card for Meyers

**Councilor Rookstool made a motion to provide Corum Ketchum authority on City accounts as listed with Solutions CPA, effective immediately, and to provide Casey Meyer’s (incoming Public Works Director) with a City credit card, while removing Monte Legg’s (outgoing Public Works Director) credit card, effective July 1st, 2022**

 **Seconded by Councilor Katrina Randleas**

 **Passes: Unanimously**

Upcoming meetings

* June 30 – Planning Commission Hearing – Fire Hall, 6:00 PM
* July 12 – Council Meeting – Fire Hall, 7:00 PM
* July 26 – Council Meeting – Fire Hall, 7:00 PM
* August 9 – Council Meeting – Fire Hall, 6:00 PM
* August 23 – Council Meeting – Fire Hall, 6:00 PM

**ADJOURN**

Start: 1:55:44

End: 1:56:00

**Councilor Rookstool made a motion to adjourn the June 14th, 2022, John Day City Council Meeting at 8:56 PM**

 **Seconded by Council President Holland**

 **Passes: Unanimous**

Respectfully Submitted:

Corum Ketchum, Interim City Manager

ACCEPTED BY THE CITY COUNCIL ON JULY 12, 2022.

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Ron Lundbom, Mayor