

**John Day City Council Meeting
Tuesday, November 22nd, 2022
316 S. Canyon Boulevard**

7:00 PM Council Meeting

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Suggested Public Meeting Process per League of Oregon Cities

1. The Mayor will begin an agenda item
2. Staff and/or the presenter will provide context
3. City Council will deliberate
 - a. City Council may ask questions of Staff and/or the presenter
4. The Mayor may solicit public comment
 - a. Members of the public will then be invited to the podium to speak for no more than 3 minutes on the topic. Members of the public must address the Mayor in their comments
 - b. The Mayor may then direct comments towards other members of Council or City Staff
5. The Mayor will request a motion on the topic if applicable

1. **OPEN AND NOTE ATTENDANCE**
2. **APPEARANCE OF INTERESTED CITIZENS** – At this time we will welcome the public and ask if there is anything they would like to add to tonight’s agenda.
3. **APPROVAL OF PRIOR MINUTES**

ACTION ITEMS

- 4. AUTHORIZATION TO PAY OFF EXISTING DEBT TO WAFD BANK**
Attachments:
 - 4a. Resolution No. 18-785-09
 - 4b. Resolution No. 18-794-18
 - 4c. Resolution No. 19-800-01
 - 4d. Resolution No. 19-801-02

- 5. RURAL TRANSPORTATION EQUITY PROJECT**
 5. Rural Transportation Equity Project No-Cost IGA

- 6. ODOT ADA CURB CUT PROJECT AGREEMENT**
Attachments:
 6. ODOT ADA Curb Cut Agreement

- 7. AWARD ANNOUNCEMENTS**
 - 7a. SCA Project Awardees 2023
 - 7b. SCA Pre-Construction Photos - 7th Street
 - 7c. CREP Award Announcement

- 8. CITY MOTORPOOL UPDATES**
 - 8a. Ford Quotes
 - 8b. FTA Vehicle Lifespan Cheat Sheet

- 9. DECISION NEEDED ON LRB GRANT AGREEMENT ON OR BEFORE DECEMBER 15, 2022**
 - 9a. DAS email on April 2023 LRB Issuance - John Day Aquatic Center
 - 9b. LRS Exhibit B. Spending Plan
 - 9c. Minutes of January 11, 2022, council meeting
 - 9d. OPS-AquaticCenter-012122 contract agreement
 - 9e. Resolution 22-890-11
 - 9f. John Day city councilor's low-cost pool proposal raises questions – Aug 31, 2022, BME Article

- 10. OTHER BUSINESS & UPCOMING MEETINGS**
Other Business:
 - a) Topics for next meeting
 - o City Handbook
 - o Council Rules
 - o Supplemental Budget
 - b) Advertising Council Vacancy
 - c) Other Business

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #4: Authorization to Pay Off Existing Debt to WaFd Bank

Attachments:

- 4a. Resolution No. 18-785-09
- 4b. Resolution No. 18-794-18
- 4c. Resolution No. 19-800-01
- 4d. Resolution No. 19-801-02

BACKGROUND

The City budgeted to pay off the outstanding loan balance on the WaFd consolidation loan issued in 2017. This action was approved in the budget by the budget committee, but must be ratified by the council before staff can issue the December 1st payment.

DISCUSSION

The WaFd loan was authorized by Council, Resolution 18-784-08, approved on March 13, 2018, and Resolution 18-785-09, approved on April 10th, 2018. The loan consolidated existing debt held in the water and sewer funds into a combined loan at a lower interest rate (3.34%) and authorized the City to borrow up to \$400,000 (row II on Table 1) in additional funds against the full faith and credit of the city to complete the tenant improvements to the Fire Hall and pay off the Stella Lang (row I on Table 1) note for the purchase of the Fire Hall property.

The WaFd loan was structured with interest and principal payments over five years ending December 1, 2022, when the rate would reset, or the city could exercise the option to pay the loan balance in full. The Council has two options:

- A. The council can allow the rate to reset and keep going to maturity (12/1/27). Keeping the cash on hand, resetting the rate, and keeping going. The new rate (as of November 9) would be 4.82%. This would provide more funds for water and sewer projects.
- B. However, the City has been saving money for the past five years to pay the loan balance fully and have budgeted to make the payment on December 1 for \$1,365,378.77.

Option B would retire existing debt in the City's Water and Sewer funds.

Detail to be posted prior to the Nov. 22nd meeting.

The City still has two interdepartmental loans from the Water Fund to the General Fund and an interagency loan from the General Fund to the John Day Rural Fire Protection District (Resolutions 19-800-01 and 19-801-02, shown as row III on Table 1), which will remain in effect until their portion of the WaFd borrowing is fully repaid, as shown in the table, below.

Table 1: Repayment Schedule for Interfund Loans

#	Authorizing Resolution	Loan Amount	Interest Rate	Maturity Date
I	18-794-18	\$60,994.59	3.34%	12/1/2027
II	19-800-01	\$306,345.97	3.34%	12/1/2027
III	19-801-02 ¹	\$168,976.66	1.5%	12/1/2037

RECOMMENDATION

“I make a motion to...

‘Authorize staff to make the \$1,365,378.77 debt payment to WaFd on December 1, 2022’”

OR

‘Authorize staff to continue to make payments on the loan, such that the debt is repaid by maturity’”

¹ The interagency loan to the Rural Fire Protection District was issued for 20 years at 1.5 percent interest to reduce the payment burden on the agency for their portion of the tenant improvements. There are 15 years remaining on the loan. Principal and interest payments for 2022 total \$9,757.69 (see amortization schedule in resolution 19-801-02).

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #5: Rural Transportation Equity Project

Attachment:

5. Rural Transportation Equity Project No-Cost IGA

BACKGROUND

Staff have been working closely with the Department of Land Conservation and Development [DLCD] over the passed fiscal year. In September, John Day hosted over 20 representatives from the DLCD, including staff and members of their Board of Directors, to discuss rural priorities as part of the organization's 50-year anniversary.

There, DLCD stakeholders had a chance to observe how their policies are impacting rural Oregon, listened to feedback from the public and representatives from Grant County's governments, and they got to witness the projects the City has been pursuing as part of our collaboration, including the 3D printed housing and the brownfields redevelopment at Oregon Pine.

The City of John Day is pleased to announce that the City was selected as leader in the DLCD's inaugural Rural Transportation Equity Program. DLCD has entered into a contract with CONSOR Strategic Planning & Communications [SPC] and will provide community outreach services and technical assistance as assisted by the DLCD Rural Transportation Planner in charge of the project, to the City of John Day, with the goal of assisting the community with development of multi-modal transportation planning documents to position them for competitive funding.

Information from the no-cost IGA (attached) is included below:

The Department of Land Conservation and Development launched the Rural Transportation Equity program as a component of Policy Option Package 90, at the recommendation of the Governor's Racial Justice Council. The program aims to support underserved communities, in rural areas, gain access to critical services and destinations by identifying and pursuing transportation options like biking, walking and public transportation.

This project has two aims:

Engaging the community. Identify and engage underserved and transportation disadvantaged communities in rural areas through geographically- and culturally specific approaches. Engagement will focus on relationship building, identification of transportation challenges, and sharing information regarding services and facilities that can reduce barriers to accessing key destinations, such as employment centers and critical services.

Strategic investment planning. Prioritize and identify projects and services that may have a catalytic effect on enabling transportation options for underserved community members. Technical analysis, project scoping, and project design will produce project materials for those multi-modal projects that are most needed.

DISCUSSION

The deliverables of this project include:

1. Engage underserved and transportation-disadvantaged populations;
2. Identify a strategic set of transportation investments that meet their highest priorities and can be accomplished with reasonably near-term funding opportunities;
3. Develop a roadmap for local staff and stakeholders to pursue funding; and
4. Provide a final report documenting the project and outcomes for local adoption.

As part of this work, the duties of City staff will be:

- a. Coordinating project schedule and deliverables with SPC and DLCD;
- b. Coordinating City staff;
- c. Ensuring the timely review of deliverables and providing any needed supporting data/information to SPC;
- d. Reviewing and commenting on SPC's work;
- e. Appointing a project advisory committee with representation from the community;
- f. Participation in all activities and meetings as specified in the Statement of Work, and completion of all required tasks.

Work is expected to complete by the end of this fiscal year.

RECOMMENDED MOTION

"I make a motion to authorize the City Manager to enter the no-cost IGA known as *DLCD IGA #21108–City of John Day – Rural Transportation Equity Project.*"

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #6 ODOT ADA Curb Cut Agreement
Attachments:
6. ODOT ADA Curb Cut Agreement

BACKGROUND

During their October 25th, 2022 meeting, members of the Oregon Department of Transportation's "curb cut" project team met with City Council, as well as the public during the open house later that night. This project comes as a result of a lawsuit to ensure compliance with the Americans with Disabilities Act across the State's highways. More information from the attached agreement is available below:

In order for State to ensure that curb ramps along the state highway system in Region 5 are in compliance with the current standards of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 as amended (together, "ADA"); State intends to enter into agreements with cities throughout Region 5 that have been identified in project in the 2021-2024 Statewide Transportation Improvement Program (STIP) as needing curb ramp improvements to bring those cities into compliance with current ADA standards. This Agreement identifies Parties' respective responsibilities.

DISCUSSION

The Terms of the Agreement are:

1. Under such authority, State and Agency [John Day] agree that State shall design, rehabilitate, replace, or construct ADA-compliant curb ramp improvements along State Highway US395B MP.07 – MP .55 (John Day – Burns Highway), and US26 MP 161.65 – MP 162.48 (John Day Highway); this may include relocation, removal or replacement of sidewalk sections, and adjustments to driveways as needed to meet current ADA Standards. The work described above shall hereinafter referred to as "Project." The location of the Project is approximately as shown on the maps attached hereto, marked Exhibit A, and by this reference made a part hereof.
2. This Project will be financed with state and federal funds available to the State as identified in the 2021-2024 STIP. **The State shall be responsible for all costs for the Project; including any nonparticipating costs if applicable** [emphasis added].
3. This Agreement shall become effective on the date all required signatures are obtained and shall remain in effect for the purpose of ongoing maintenance and shall include power responsibilities (if any), for the useful life of the facilities constructed as part of the Project. The useful life is defined as twenty (20) calendar years. The Project shall be completed within ten (10) calendar years following the date of final execution of this Agreement by both Parties.

Staff and the City will be responsible for aiding in the design of the improvements, and facilitating public interaction with the project team.

Additional questions from the public can be directed to Vicki Moles:
Vicki.L.MOLES@odot.oregon.gov

RECOMMENDATION

“I make a motion to authorize the Mayor and City Manager to sign the Grant County ADA Curb Ramp Project Cooperative Improvement Agreement between ODOT and the City of John Day, Number 73000-00008079”

DRAFT

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #7: Award Announcements
Attachments:
7a. SCA Project Awardees 2023
7b. SCA Pre-Construction Photos - 7th Street
7c. CREP Award Announcement

BACKGROUND

Over the summer, staff submitted grant requests to the Oregon Department of Energy [ODE] and the Oregon Department of Transportation [ODOT] to related to:

- A. Developments at the coming Water Reclamation Facility, as well as;
- B. 7th street at the intersection of Patterson Bridge RD and 7th Street where it intersects with Holmstrom RD (at the playground at the east end of the 7th Street Sports Complex). The latter was reviewed with Council at their August 23rd, 2022 meeting.

The City will (A) be receiving \$100,000 in technical assistance from the ODE to plan for energy resilience for the coming Water Reclamation Facility. This will provide the planning needed to site solar panels to supply the facility, as well as other strategies for energy resilience, including on-site energy storage (batteries), and recapturing energy from the “purple pipe” system of reclaimed water through in-line hydraulics turbines, among other ideas. The award announcement is included as attachment 7c. Staff have entered into pre-agreement consultation with ODE, with a full agreement expected to be presented to Council in the next 60 days.

The City will also (B) be receiving \$250,000 to fund road improvements at the described locations above. Pictures of the current state of the roads, as well as technical drawings for the improvements, are available in attachment 7b. The award agreement is expected to be received by staff prior to the end of the calendar year.

RECOMMENDATION

No action requested.

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #8: City Motor Pool Updates
 Attachments:
 8a. Ford Quotes
 8b. FTA Vehicle Lifespan Cheat Sheet

BACKGROUND

The City Manager and Public Works Director are requesting Council explore a plan to modernize John Day’s motor pool, with priority given to vehicles that maintain critical City services. In particular, day to day snow plowing for the coming winter.

Per the FY22-23 Budget, and not including off-highway vehicles, the current John Day fleet includes:

Table 2: John Day Motor Pool Average Age

Year, Make and Model	Approximate Age (Years from '23)
20 CHEV SILVERADO	3
11 CHEV 1 TON	12
08 DODGE 1500	15
04 CHEV K2500	19
04 CHEV K1500	19
03 TAHOE (Donated)	20
00 DODGE 1-TON	23
00 CHEV 1 TON	23
99 FORD 550 DUMP*	24
99 VAC-CON TRUCK*	24
98 FORD TAURUS**	25
98 DUMP TRUCK*	25
97 CHEV S-10 PICKUP	26
90 GMC CAMERA TRUCK*	30
93 FORD 3/4 TON PICKUP	30
84 FORD WATER TRUCK*	39
76 FORD SLUDGE TRUCK*	47

*Omitted from analysis

**Sold in the recent auction, omitted from analysis

DISCUSSION

Omitting the specialty vehicles (which are older than the median vehicle on this list), the average age of the 10 vehicles in the John Day fleet is 19 years old. According to the Federal Transit Administration, the useful life of light trucks and rubber tire vehicles is 14 years (attached).

Given that, the average vehicle in the John Day fleet has exceeded its useful life.

The Public Works crew are incurring considerable costs in terms of time and maintenance dollars to operate the City's aging fleet. In order to maintain day-to-day ploughing of the roads, staff are requesting the City purchase a new truck (Ford F350 to F550, quote sheet attached, based on available inventory locally), as well as associated equipment. Purchasing the equipment now will provide for more frequent and less time-intensive maintenance of the roads heading into the snowy season.

In sum, costs for the truck and snow equipment are expected to be approximately \$70,000.

With the consensus of Council, the City Manager and the Public Works Director will develop a plan to modernize the City's fleet over the coming years (as defined as acquiring and retiring vehicles such that the average age of the fleet is approximately 14 years or newer). Replacing the City's oldest vehicles with ones produced in the past several years would accomplish this goal. This can be done over the course of several years.

This plan will be presented to the Council and Budget Committee for consideration during the FY 23-24 budget cycle

RECOMMENDATION

"I make a motion to authorize the City Manager to purchase [Insert Truck Model], and associated snow ploughing equipment, as to better perform the daily duties of the City's Public Works Department"

AND

Consensus directing the City Manager to work with the Public Works Director to develop a plan to modernize the City's fleet.

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #9: Decision Needed on LRB Grant Agreement on or Before December 15, 2022

Attachments:

- 9a. DAS email on April 2023 LRB Issuance - John Day Aquatic Center
- 9b. LRS Exhibit B. Spending Plan
- 9c. Minutes of January 11, 2022, council meeting
- 9d. OPS-AquaticCenter-012122 contract agreement
- 9e. Resolution 22-890-11
- 9f. John Day city councilor's low-cost pool proposal raises questions – Aug 31, 2022, BME Article

BACKGROUND

On November 17, at 6:00 pm, Measure 12-85 had 1,030 Yes votes (47.18 percent) and 1,108 No votes (51.82%), a difference of 78 votes. As a result, the measure did not pass. This impacts the City's ability to receive funds from the 2023 Lottery Bond Sale.

The 2023 Lottery Bond sale is coming up in April, and the Department of Administrative Services (DAS) is starting to get the grant agreements set up for each grantee. The capital finance analyst with DAS contacted the City on November 9 requesting the following information to be provided by December 9:

- Confirm who will sign the Grant Agreement and provide their full name and title
- Provide a spending plan for the Lottery Bond funds – Exhibit B Template attached
 - Include details on the other funding sources expected to be used on this project:
 - Name of source and amount for each source
 - Please indicate if each funding source has already been secured or when you expect it to be secured
 - Total project cost

Staff are prepared to respond to these questions but need specific direction from the city council about whether the city council plans to accept the grant agreement.

DISCUSSION

On January 11, 2022, the Council held a study session with the Parks and Recreation District board that included a presentation by Jonas Biery, D.A. Davidson, who presented options for interim financing to bridge the project finances until the 2023 lottery bonds are issued and answered questions related to the interim credit facility. Following the study session, the council unanimously approved a \$564,600 fixed fee contract with Opsis Architecture to design the aquatics center during their regular session (meeting minutes and Agreement No. OPS-AquaticCenter-012122, attached).

On May 24, 2022, the council unanimously approved Resolution 22-890-11, which authorizes a \$3 million full faith and credit borrowing. The Council passed the resolution to authorize D.A. Davidson to

secure interim financing to pay for the design until the lottery bonds were issued, which would provide repayment for pre-design costs.

On July 20, 2022, city staff completed the sale of Gleason Pool, authorized by council [Resolution No. 21-868-16](#) - City Sale of Real Property (Gleason Park and Pool), passed unanimously on November 9, 2021, following a public hearing related to the sale.

Proceeds from the sale (after closing costs) were \$221,567.00. Site characterization, demolition, and legal fees associated with the sale of the Gleason property (required as part of the final sale agreement) were \$158,567.89, resulting in net proceeds of **\$79,939.25** available to design and build the new pool.

As a result of these council actions authorizing and appropriating funds, the combined revenues available for the new pool's construction are **\$3,079,939.25**, comprised of the \$2M lottery bond proceeds, \$1M in additional debt approved in Resolution 22-890-11, and \$79,939.25 from the sale of Gleason Pool. These revenues are shown in the attached LRS Exhibit B. Spending Plan requested by DAS.

To date, we have expended **\$407,586.56** in pre-agreement costs for the design of the new pool. DAS will reimburse these capital outlay expenditures if the City accepts the grant agreement.

As a result, should the council proceed with plans for a new pool and accepts the grant agreement, there will be **\$2,672,352.69** in funds remaining for the pool's final design and construction.

Mayor-elect Rookstool informed the council during the council meeting on August 23, 2022, that it could be possible to create an alternate plan to build a six-lane, 25-yard pool for \$2 million based on a conversation she had with Anderson Poolworks (Blue Mountain Eagle article, enclosed). No staff were consulted on this alternative, and it was not presented or discussed at any point with the Parks and Recreation District board.

Based on this alternative proposal and the remaining balance of \$2.6M in funds, the City may choose to receive the grant agreement. However, staff need specific guidance and have several questions related to this alternative, discussed below.

The plan prepared by the city staff involved extensive site design and approval by the John Day Planning Commission, including months of coordination with the John Day/Canyon City Parks and Recreation District board. To create a similar build-ready plan capable of receiving funds the topics below must be addressed on or prior to the December 13th Council meeting.

Specific topics that must be addressed include:

1. **Site.** The proposed aquatics center has received a Conditional Use Permit for construction at the 7th Street Sports Complex. Staff authorized and executed a wetland delineation, associated site improvements, and other legal documents (including the intergovernmental agreement with Parks and Rec) needed for the site plan to proceed. At a minimum, a new site must be selected.
2. **Design and procurement.** Neither the staff nor our architects have seen a plan set or construction set for an alternative design, nor have we solicited formal quotes from other companies for an alternative pool since there are no plans to base procurement on.
3. **Implementation.** Staff are unclear on whether or how an alternative proposal can be implemented. No other locations were proposed or approved for a pool's construction. The Parks and Recreation District board has not agreed to site a pool on their property that does not include

office space, and we are unclear how office space could be built within that price point, nor have they indicated that they would operate a facility other than that which was put to voters.

These questions and concerns must be addressed before the council decides on the grant agreement's status.

Should the council decline the grant, we have \$185,500 in State and Local Fiscal Recovery Funds (SLRFR) from the American Rescue Plan Act that can be redirected from other projects to offset the budget deficit this year from the pool design. Council will still need to budget for \$200-300K in General Fund transfers to the Community Development fund next fiscal year to offset the additional pool expenditures that won't be reimbursed if the grant agreement is declined.

That fund transfer will likely impact other City priorities including:

- Sawmill and planar shed site improvements
- Transfers to Grant County for additional law enforcement
- Business grants
- Downtown revitalization and development
- Other public space improvements and/or community initiatives

The full impacts of that fund transfer would be explored by staff and the Budget Committee.

REQUEST TO COUNCIL

Staff cannot decide to accept or decline a grant agreement. That is a decision the council must make.

In order to accept the funds, the City must be able to demonstrate that a sufficient amount of funding as been committed toward the capital construction of a pool, and that a facility could be built for the amount of funding that is committed.

To respond to DAS's information request, the council must decide to accept or reject the grant agreement on or prior to the December 13th meeting.

No decision is required at this time.

TO: John Day City Council
FROM: Corum Ketchum, Interim City Manager
DATE: November 22nd, 2022
SUBJECT: Agenda Item #10: Other Business and Upcoming Meetings

OTHER BUSINESS

- a) Topics for next meeting
 - City Handbook
 - Council Rules
 - Supplemental Budget
- b) Advertising Council Vacancy
- c) Other Business

UPCOMING MEETINGS

- December 13th, City Council Meeting – Fire Hall, 7:00 PM
- January 10th, City Council Meeting – Fire Hall, 7:00 PM
 - Includes the swearing in of the new councilors and mayor
- January 27th, City Council Meeting – Fire Hall, 7:00 PM