



CITY OF
JOHN DAY

CITY COUNCIL MEETING AGENDA
Tuesday February 11, 2025
REGULAR MEETING: 6:30 pm
John Day Fire Station
316 S Canyon Blvd, John Day, OR 97845
(541)575-0028 www.cityofjohnday.com

This meeting is open to the public. This agenda includes a list of the principal subjects anticipated to be considered at the meeting. However, the agenda does not limit the ability of the Council to consider additional subjects. Meetings may be canceled without notice. Zoom Meeting participants should use the "raise your hand" feature during these times to alert the moderator that they would like to speak.

Join Zoom Meeting

City of John Day is inviting you to a scheduled Zoom meeting.

<https://zoom.us/j/95867942253?pwd=dHE5c3djSEx4OFBUZndPQU5HMGN3QT09>

Meeting ID: 958 6794 2253

Passcode: 776959

Executive Session: 5:30 p.m.

ORS 192.610 (2) (e) & (f)

(e): To conduct deliberations with persons designated by the governing body to negotiate real property transactions.

(f): To consider information or records that are exempt by law from public inspection.

Call to Order: Regular Meeting 6:30 pm.

1. Call John Day City Council Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Amend or Accept Regular Agenda

5. Public Comments (Please Limit to 3 Minutes)

Public Comments are an opportunity to present information or speak on an issue that is not on the agenda. Comments are limited to 3 minutes for each person. Visitors may state their comments and should not expect the council to engage in back and forth dialogue regarding the comment, council may either choose to add it to a follow up meeting or direct City Manager to follow up with the speaker.

6. Consent Agenda

All matters listed within the Consent Agenda have been distributed to every member of the City Council for reading and study, are considered routine, and will be enacted by one motion of the Council. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by request.

- a. AP through 2-3-25
 - b. Minutes of 12-17-24 and 1-14-25 and WWTP tour 2-4-25
 - c. Approval of appointment of Ed Newby to the Planning Commission to fulfill Brad Hale's position expiring Jan 1, 2028.
7. Discussion/Appointment of City Council member to serve in Dave Holland's vacated seat.
 - a. Vern Pifer
 8. Ordinance 24-204016: An Ordinance of the City of John Day Establishing Camping Regulations and a Campsite Removal Policy.
 9. Approval of Cybermill lease – 300 Barns, Seneca
 10. Approval of Rally sale agreement- 300 Barns, Seneca
 11. Approval of Settlement Agreement with Rally
 12. Discussion/Decision regarding the practice of using city equipment and personnel for private citizens/companies.
 13. Discussion regarding Compression (Jake Brakes) Brakes
 14. Approval for Councilors Swank and Hale to be added as check signers and remove Dave Holland, Heather Rookstool and Ed Newby. Approval for City Manager Bethel to be added as a backup signer to discuss the accounts and signatories with bank.
 15. City Manager Comments:
 - a. Goal Setting and Strategic planning discussion continued.
 16. Mayor and Council Comments
 17. Adjournment: Next Regular Meeting **February 25, 2025**

Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
Total 750442:							6,031.25
ED STAUB & SONS PROPANE							
01/21/2025	750443	1168	ED STAUB & SONS PROPANE	11657614	07-000-64798	376.81	376.81
01/21/2025	750443	1168	ED STAUB & SONS PROPANE	11828613	06-000-64798	1,261.73	1,261.73
01/21/2025	750443	1168	ED STAUB & SONS PROPANE	CL322137	26-050-63100	179.99	179.99
Total 750443:							1,818.53
EO MEDIA GROUP							
01/21/2025	750444	1173	EO MEDIA GROUP	12024.000200	10-000-62100	165.60	165.60
01/21/2025	750444	1173	EO MEDIA GROUP	120240002000	07-000-62100	94.80	94.80
Total 750444:							260.40
GASLIN ACCOUNTING CPAS PC							
01/21/2025	750445	1191	GASLIN ACCOUNTING CPAS PC	00866	06-000-63825	6,014.00	6,014.00
Total 750445:							6,014.00
GENERAL PACIFIC, INC.							
01/21/2025	750446	1198	GENERAL PACIFIC, INC.	1505062	02-000-66306	984.00	984.00
01/21/2025	750446	1198	GENERAL PACIFIC, INC.	1507802	02-000-66306	4,920.00	4,920.00
Total 750446:							5,904.00
GRANT ESD							
01/21/2025	750447	1219	GRANT ESD	2024250151	03-000-64301	213.66	213.66
Total 750447:							213.66
JOHN DAY AUTO PARTS							
01/21/2025	750448	1273	JOHN DAY AUTO PARTS	240706	26-000-64700	63.96	63.96
01/21/2025	750448	1273	JOHN DAY AUTO PARTS	241422	26-050-64701	7.49	7.49
Total 750448:							71.45
JOHN DAY FIREFIGHTERS ASSOC							
01/21/2025	750449	1276	JOHN DAY FIREFIGHTERS ASSOC	JDFDEC24	01-050-62950	450.00	450.00
Total 750449:							450.00
JOHN DAY TRUE VALUE HARDWARE							
01/21/2025	750450	1280	JOHN DAY TRUE VALUE HARDWARE	619282	02-000-63800	24.94	24.94
01/21/2025	750450	1280	JOHN DAY TRUE VALUE HARDWARE	619682	01-050-62900	65.00	65.00
01/21/2025	750450	1280	JOHN DAY TRUE VALUE HARDWARE	620223	01-050-62900	452.00	452.00
Total 750450:							541.94
KJDY							
01/21/2025	750451	1305	KJDY	CC-12412137	06-000-62100	349.00	349.00
Total 750451:							349.00
LEN'S PHARMACY							
01/21/2025	750452	1322	LEN'S PHARMACY	2-129420	03-000-63460	15.51	15.51

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Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
Total 750452:							15.51
LES SCHWAB TIRES							
01/21/2025	750453	1323	LES SCHWAB TIRES	1400445222	26-050-64701	244.98	244.98
01/21/2025	750453	1323	LES SCHWAB TIRES	1400445319	26-050-64701	1,390.76	1,390.76
01/21/2025	750453	1323	LES SCHWAB TIRES	1400445795	26-000-64700	123.29	123.29
Total 750453:							1,759.03
MILLS BUILDING SUPPLY							
01/21/2025	750454	1360	MILLS BUILDING SUPPLY	270389	01-050-63550	53.90	53.90
Total 750454:							53.90
ONE CALL CONCEPTS							
01/21/2025	750455	1387	ONE CALL CONCEPTS	4100393	06-000-64100	7.04	7.04
01/21/2025	750455	1387	ONE CALL CONCEPTS	4120394	06-000-64100	3.52	3.52
Total 750455:							10.56
PAINTED SKY CENTER FOR THE ARTS							
01/21/2025	750456	1677	PAINTED SKY CENTER FOR THE ART	PSKYFUNDR	10-000-62490	2,000.00	2,000.00
Total 750456:							2,000.00
RAY JOHNSON							
01/21/2025	750457	1439	RAY JOHNSON	JD002-24	02-000-62900	175.00	175.00
Total 750457:							175.00
TEC COPIER SYSTEMS LLC							
01/21/2025	750458	1500	TEC COPIER SYSTEMS LLC	219126	06-000-62900	86.93	86.93
Total 750458:							86.93
THOMAS HAGOPIAN							
01/21/2025	750459	1687	THOMAS HAGOPIAN	WTR/SWR RE	03-000-20130	101.08	101.08
Total 750459:							101.08
TIMBER TRUCKERS LIGHTED PARADE							
01/21/2025	750460	1682	TIMBER TRUCKERS LIGHTED PARAD	LIGHT PARAD	10-000-62490	100.00	100.00
Total 750460:							100.00
TRIANGLE OIL							
01/21/2025	750461	1524	TRIANGLE OIL	125025	03-000-63400	656.62	656.62
Total 750461:							656.62
VERIZON							
01/21/2025	750462	1538	VERIZON	6100743361	02-000-64798	213.79	213.79
Total 750462:							213.79

RRP

RRP

Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
VISA							
01/21/2025	750463	1540	VISA	122224-0548	03-000-63200	331.34	331.34
01/21/2025	750463	1540	VISA	VISA122224-1	26-000-63100	826.76	826.76
01/21/2025	750463	1540	VISA	VISA122224-2	01-000-62650	565.07	565.07
Total 750463:							1,723.17
WELLS FARGO FINANCIAL LEASING							
01/21/2025	750464	1548	WELLS FARGO FINANCIAL LEASING	5032586347	34-000-63650	200.13	200.13
Total 750464:							200.13
XYLEM WATER SOLUTIONS USA INC							
01/21/2025	750465	1554	XYLEM WATER SOLUTIONS USA INC	3556D53350	03-000-66250	13,880.04	13,880.04
01/21/2025	750465	1554	XYLEM WATER SOLUTIONS USA INC	3556D56846	03-000-66250	17,469.40	17,469.40
Total 750465:							31,349.44
Grand Totals:							61,896.30

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
01-000-20000	.00	4,372.13-	4,372.13-
01-000-62490	104.70	.00	104.70
01-000-62650	284.13	.00	284.13
01-000-62850	20.01	.00	20.01
01-000-62900	26.07	.00	26.07
01-000-63500	65.00	.00	65.00
01-000-63800	126.85	.00	126.85
01-000-63825	2,167.95	.00	2,167.95
01-000-63950	8.01	.00	8.01
01-000-64000	44.97	.00	44.97
01-000-64798	190.36	.00	190.36
01-050-62650	2.59	.00	2.59
01-050-62850	10.00	.00	10.00
01-050-62900	524.59	.00	524.59
01-050-62950	450.00	.00	450.00
01-050-63550	253.88	.00	253.88
01-050-64798	93.02	.00	93.02
02-000-20000	.00	9,801.10-	9,801.10-
02-000-20130	40.43	.00	40.43
02-000-62100	104.70	.00	104.70
02-000-62350	26.55	.00	26.55
02-000-62850	70.05	.00	70.05
02-000-62900	201.07	.00	201.07
02-000-63550	39.96	.00	39.96
02-000-63800	24.94	.00	24.94
02-000-63825	2,375.45	.00	2,375.45
02-000-63950	16.02	.00	16.02
02-000-64000	44.97	.00	44.97
02-000-64100	249.53	.00	249.53
02-000-64798	511.63	.00	511.63
02-000-66306	6,095.80	.00	6,095.80

GL Account	Debit	Credit	Proof
03-000-20000	.00	37,514.19-	37,514.19-
03-000-20130	60.65	.00	60.65
03-000-62100	104.70	.00	104.70
03-000-62460	70.06	.00	70.06
03-000-62500	26.07	.00	26.07
03-000-63200	328.75	.00	328.75
03-000-63400	656.62	.00	656.62
03-000-63450	2,460.69	.00	2,460.69
03-000-63460	31.53	.00	31.53
03-000-63500	44.97	.00	44.97
03-000-64100	3.52	.00	3.52
03-000-64301	408.44	.00	408.44
03-000-66230	1,968.75	.00	1,968.75
03-000-66250	31,349.44	.00	31,349.44
06-000-20000	.00	2,969.39-	2,969.39-
06-000-62100	34.90	.00	34.90
06-000-62850	20.01	.00	20.01
06-000-62900	8.72	.00	8.72
06-000-63800	708.75	.00	708.75
06-000-63825	1,547.65	.00	1,547.65
06-000-64000	14.99	.00	14.99
06-000-64100	3.51	.00	3.51
06-000-64798	630.86	.00	630.86
07-000-20000	.00	2,638.04-	2,638.04-
07-000-62100	94.80	.00	94.80
07-000-63825	2,025.00	.00	2,025.00
07-000-64798	518.24	.00	518.24
10-000-20000	.00	2,265.60-	2,265.60-
10-000-62100	165.60	.00	165.60
10-000-62490	2,100.00	.00	2,100.00
26-000-20000	.00	2,325.85-	2,325.85-
26-000-63100	180.25	.00	180.25
26-000-64700	321.18	.00	321.18
26-050-63100	91.20	.00	91.20
26-050-64701	1,733.22	.00	1,733.22
34-000-20000	.00	10.00-	10.00-
34-000-63650	10.00	.00	10.00
Grand Totals:	61,896.30	61,896.30-	.00

Report Criteria:

Report type: Invoice detail
Check.Type = {<-} "Adjustment"

Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
ACS - ADVANCED CONTROL SYSTEMS							
02/03/2025	750466	1013	ACS - ADVANCED CONTROL SYSTEM	40108	02-000-66406	4,346.80	4,346.80
Total 750466:							4,346.80
AMAZON CAPITAL SERVICES, INC.							
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1793-YF4T-J7	26-000-64700	12.77	12.77
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1GNN-HQK3-	26-000-64700	48.80	48.80
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1KGP-QYCX-	26-000-63100	44.88	44.88
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1QF3-KV6F-J	26-000-64700	29.99	29.99
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1TWT-KPW3-	01-000-63800	38.89	38.89
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1VJF-X946-M	26-000-64700	99.59	99.59
02/03/2025	750467	1026	AMAZON CAPITAL SERVICES, INC.	1VTD-JCC4-4	26-000-64700	157.06	157.06
Total 750467:							431.98
BADGER METER INC.							
02/03/2025	750468	1041	BADGER METER INC.	80183209	02-000-66306	194.78	194.78
Total 750468:							194.78
BIO-MED							
02/03/2025	750469	1053	BIO-MED	1111137	02-000-62650	500.00	500.00
Total 750469:							500.00
BOX R WATER ANALYSIS							
02/03/2025	750470	1062	BOX R WATER ANALYSIS	X061082	02-000-64100	51.00	51.00
02/03/2025	750470	1062	BOX R WATER ANALYSIS	X061083	02-000-64100	51.00	51.00
02/03/2025	750470	1062	BOX R WATER ANALYSIS	X061084	02-000-64100	50.00	50.00
02/03/2025	750470	1062	BOX R WATER ANALYSIS	X061085	02-000-64100	50.00	50.00
02/03/2025	750470	1062	BOX R WATER ANALYSIS	X061086	02-000-64100	50.00	50.00
Total 750470:							252.00
BRYANT, LOVLIE, & JARVIS, PC.							
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20332	10-000-63450	275.00	275.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20437	01-000-63450	800.00	800.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20438	01-000-63450	25.00	25.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20439	34-000-63450	150.00	150.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20440	06-000-63450	445.00	445.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20441	01-000-63450	275.00	275.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20442	10-000-63450	1,615.00	1,615.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20443	34-000-63450	2,283.00	2,283.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20444	10-000-63450	60.00	60.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20445	34-000-63450	4,205.00	4,205.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20446	01-000-63450	50.00	50.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20447	03-000-62850	50.00	50.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20448	01-000-63450	1,520.00	1,520.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20449	06-000-63450	4,157.00	4,157.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20450	01-000-63450	590.00	590.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20509	01-000-63450	1,020.00	1,020.00
02/03/2025	750471	1067	BRYANT, LOVLIE, & JARVIS, PC.	20515	07-000-63450	1,225.00	1,225.00

Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
Total 750471:							18,745.00
CASELLE, INC							
02/03/2025	750472	1083	CASELLE, INC	138335	26-000-64000	1,130.00	1,130.00
Total 750472:							1,130.00
CwM-H20, LLC							
02/03/2025	750473	1125	CwM-H20, LLC	2729	03-000-66230	250.00	250.00
Total 750473:							250.00
DEQ OREGON							
02/03/2025	750474	1150	DEQ OREGON	WQ25DOM-09	03-000-62900	2,443.00	2,443.00
Total 750474:							2,443.00
DONOVAN ENTERPRISES INC.							
02/03/2025	750475	1597	DONOVAN ENTERPRISES INC.	1624	03-000-66230	1,837.50	1,837.50
Total 750475:							1,837.50
DUCOTE CONSULTING, LLC							
02/03/2025	750476	1163	DUCOTE CONSULTING, LLC	2384	03-000-66230	2,625.00	2,625.00
02/03/2025	750476	1163	DUCOTE CONSULTING, LLC	2385	03-000-66225	1,500.00	1,500.00
Total 750476:							4,125.00
ED STAUB & SONS PROPANE							
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11843641	02-000-64798	40.00	40.00
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11843956	01-050-64798	942.56	942.56
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11934408	07-000-64798	187.59	187.59
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11934464	06-000-64798	986.22	986.22
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11977268	01-050-64798	864.22	864.22
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	11977278	26-000-64798	996.66	996.66
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	CL326913	26-050-63100	315.27	315.27
02/03/2025	750477	1168	ED STAUB & SONS PROPANE	CL331660	26-050-63100	611.30	611.30
Total 750477:							4,943.82
FLAGLINE ENGINEERING LLC							
02/03/2025	750478	1184	FLAGLINE ENGINEERING LLC	1409	03-000-66230	175,660.11	175,660.11
Total 750478:							175,660.11
GRANT COUNTY FAIR							
02/03/2025	750479	1216	GRANT COUNTY FAIR	2025 VENDO	10-000-62490	300.00	300.00
Total 750479:							300.00
GRANT ESD							
02/03/2025	750480	1219	GRANT ESD	2024250165	01-050-64000	719.00	719.00
02/03/2025	750480	1219	GRANT ESD	2024250177	01-050-64798	197.07	197.07
Total 750480:							916.07

Check Issue Date	Check Number	Vendor Number	Payee	Invoice Number	Invoice GL Account	Invoice Amount	Check Amount
HIGH DESERT OFFICE EQUIPMENT							
02/03/2025	750481	1238	HIGH DESERT OFFICE EQUIPMENT	120253	03-000-63400	27.00	27.00
Total 750481:							27.00
OREGON CITY/COUNTY MANAGEMENT							
02/03/2025	750482	1393	OREGON CITY/COUNTY MANAGEMEN	2025-200279-	01-000-62650	284.13	284.13
Total 750482:							284.13
PECK RUBANOFF & HATFIELD PC							
02/03/2025	750483	1418	PECK RUBANOFF & HATFIELD PC	10292	06-000-63450	1,430.00	1,430.00
02/03/2025	750483	1418	PECK RUBANOFF & HATFIELD PC	10293	06-000-63450	409.50	409.50
Total 750483:							1,839.50
PITNEY BOWES							
02/03/2025	750484	1422	PITNEY BOWES	3320205160	03-000-62460	161.46	161.46
Total 750484:							161.46
QUILL CORPORATION							
02/03/2025	750485	1432	QUILL CORPORATION	42448371	01-000-63800	54.99	54.99
Total 750485:							54.99
TEC COPIER SYSTEMS LLC							
02/03/2025	750486	1500	TEC COPIER SYSTEMS LLC	219315	06-000-62900	126.84	126.84
Total 750486:							126.84
TIBERIUS SOLUTIONS LLC							
02/03/2025	750487	1642	TIBERIUS SOLUTIONS LLC	2184	34-000-63450	900.00	900.00
Total 750487:							900.00
USA BLUEBOOK							
02/03/2025	750488	1534	USA BLUEBOOK	INV00584577	02-000-66406	796.76	796.76
Total 750488:							796.76
VERIZON							
02/03/2025	750489	1538	VERIZON	6103187496	02-000-64798	214.08	214.08
Total 750489:							214.08
WELLS FARGO FINANCIAL LEASING							
02/03/2025	750490	1548	WELLS FARGO FINANCIAL LEASING	5032963052	34-000-63650	200.13	200.13
Total 750490:							200.13
Grand Totals:							220,680.95

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
01-000-20000	.00	10,504.45-	10,504.45-
01-000-62650	284.13	.00	284.13
01-000-62850	20.01	.00	20.01
01-000-62900	38.05	.00	38.05
01-000-63450	6,325.35	.00	6,325.35
01-000-63800	93.88	.00	93.88
01-000-63825	675.00	.00	675.00
01-000-64000	316.40	.00	316.40
01-000-64798	136.02	.00	136.02
01-050-62850	10.00	.00	10.00
01-050-64000	741.60	.00	741.60
01-050-64798	1,864.01	.00	1,864.01
02-000-20000	.00	8,098.43-	8,098.43-
02-000-62650	500.00	.00	500.00
02-000-62850	150.78	.00	150.78
02-000-62900	38.05	.00	38.05
02-000-63450	710.35	.00	710.35
02-000-64000	327.70	.00	327.70
02-000-64100	252.00	.00	252.00
02-000-64798	746.21	.00	746.21
02-000-66306	194.78	.00	194.78
02-000-66400	35.00	.00	35.00
02-000-66406	5,143.56	.00	5,143.56
03-000-20000	.00	184,787.27-	184,787.27-
03-000-62460	150.79	.00	150.79
03-000-62500	38.05	.00	38.05
03-000-62850	710.35	.00	710.35
03-000-62900	2,443.00	.00	2,443.00
03-000-63400	27.00	.00	27.00
03-000-63500	327.70	.00	327.70
03-000-64301	602.77	.00	602.77
03-000-66225	150.00	.00	150.00
03-000-66230	180,337.61	.00	180,337.61
06-000-20000	.00	5,398.26-	5,398.26-
06-000-62850	20.01	.00	20.01
06-000-62900	12.69	.00	12.69
06-000-63450	4,460.45	.00	4,460.45
06-000-64000	113.00	.00	113.00
06-000-64798	792.11	.00	792.11
07-000-20000	.00	2,087.59-	2,087.59-
07-000-63450	1,225.00	.00	1,225.00
07-000-63825	675.00	.00	675.00
07-000-64798	187.59	.00	187.59
10-000-20000	.00	815.00-	815.00-
10-000-62490	300.00	.00	300.00
10-000-63450	515.00	.00	515.00
26-000-20000	.00	1,441.95-	1,441.95-
26-000-63100	378.26	.00	378.26
26-000-64000	22.60	.00	22.60
26-000-64700	348.21	.00	348.21
26-000-64798	99.69	.00	99.69
26-050-63100	593.19	.00	593.19
34-000-20000	.00	7,548.00-	7,548.00-
34-000-63450	7,538.00	.00	7,538.00
34-000-63650	10.00	.00	10.00
Grand Totals:	<u>220,680.95</u>	<u>220,680.95-</u>	<u>.00</u>

CITY OF JOHN DAY
CITY COUNCIL MINUTES JANUARY 14, 2025

COUCILORS PRESENT:

Sherrie Rininger, Mayor
Chris Labhart, Councilor
Eric Bush, Council President
Edwin Newby, Councilor
Ron Phillips, Councilor
Bradley Hale, Councilor
Heather Swank, Councilor

COUNCILORS ABSENT

David Holland, Councilor

STAFF PRESENT:

Melissa Bethel, City Manager
Rob Gaslin, Contract Finance

Agenda Item No. 1—Call Meeting to Order

The City Council meeting was called to order at 6:30 pm.

Agenda Item No. 2—Pledge of Allegiance

The City Council stood for the Pledge of Allegiance.

Agenda Item No. 3—Roll Call and Attendance

All councilors were present except Councilor Holland.

Agenda Item No. 4—Amend or Accept Regular Agenda

Mayor Rininger would like to add the acceptance of Councilor Holland's resignation rather than doing his Oath of Office.

Councilor Bush moved to accept the agenda as amended. The motion was seconded by Councilor Hale and passed unanimously.

Agenda Item No. 5—Oath of Office to newly elected officials—Councilor Holland, Labhart and Swank

Councilor Bush moved to accept David Holland's resignation. The motion was seconded by Councilor Phillips and passed 5-1 with Councilor Labhart being opposed.

Councilor Labhart asked if his letter of resignation was going to be read for the record. He was informed it would be a part of public record.

Bethel presented the Oath of Office to newly elected officials Councilor Labhart and Councilor Swank.

Agenda Item No. 6—Appointment of Council President

Councilor Phillips made a motion to have Councilor Bush continue his Council President position. The motion was seconded by Councilor Swank and passed unanimously.

Agenda Item No. 7—Public Comments

Terry Davison: He would like to know what the procedure is for filling David Holland's vacant Council seat. Mayor Rininger stated Council will be appointing someone to fill that position at a later date.

Agenda Item No. 8—Consent Agenda

- a. Accounts Payable through 12-11-24
- b. Minutes of 12-17-24 will be approved next regular meeting

Councilor Bush made a motion to approve the consent agenda as presented. The motion was seconded by Councilor Phillips and passed unanimously.

Agenda Item No. 9—Public Hearing Ordinance 24-2040-16: An Ordinance of the City of John Day Establishing Camping Regulations and a Campsite Removal Policy

Councilor Labhart asked if this Public Hearing Ordinance has been advertised in three different location. Bethel stated it can be done by title only if no councilor objects or you post it ahead of time in three places. Councilor Labhart stated he was not objecting to the ordinance but feels the City does not have the right to approve based on not advertising correctly. Bethel stated she has conferred with the Attorney and he stated the City may approve by Title only if no councilor objects.

Councilor Bush made a motion to open the Public Hearing Ordinance 24-204-16: An Ordinance of the City of John Day Establishing Camping Regulations and a Campsite Removal Policy. The motion was seconded by Councilor Phillips and passed 5-1 with Councilor Labhart being opposed.

There were no public comments

Mayor Rininger closed the Public Hearing for Ordinance 24-204-16.

Councilor Bush made a motion to approve Ordinance 24-204-16 by title only. The motion was seconded by Councilor Hale and the vote was 5-1 with Councilor Labhart being opposed.

Bethel stated she will check the code since the vote wasn't unanimous this might need to be brought back.

Agenda Item No. 10—Approval of IUOE CBA Union Contract

This is the contract between the union employees and the City of John Day. This is the first contract that will be in place until 2026, then negotiations will start again. Bethel stated she is happy with the final outcome and the employees approved it.

Councilor Labhart made a motion to approve the IUOE CBA Contract. The motion was seconded by Councilor Bush and passed unanimously.

Agenda Item No. 11—Strategic Planning and Goal Setting discussion

Bethel put this on the agenda because it has been brought up in public meetings before by the Council about having goal setting and strategic planning as a mechanism to move into the next year and also for budgeting. Bethel has been checking with consultants to come in and do goal setting and then follow up with strategic planning and would like a consensus from council whether they would like her to continue to do so.

Council came to a consensus to allow Bethel to continue in that direction.

Agenda Item No. 12—RV in designated camping area discussion: Councilors Holland and Labhart

Councilor Labhart would like to get rid of the RV that is by the City Hall. He stated that state law says abandoned motor homes or vehicles can be noticed and then moved away.

Bethel stated once the camping ordinance and law enforcement is in place then the City will be able to tag it then it can be enforced.

Agenda Item No. 13—City Manager Comments

Before the March 25th Council meeting there will be an open house for the Wastewater Treatment Plant. This is an opportunity for Council and the Engineers to answer all of the public's questions.

Bethel would like Council to take a tour through the sewer plant and needs them to decide on a date.

Canyon City if getting their meter calibrated so the City of John Day is also going to get theirs calibrated on the same day that way they can split the mileage cost.

Bethel and some Councilors are going to Capital Day on January 28th

Elected Essentials Workshop is January 31st in Baker City.

Agenda Item No. 14—Mayor and Council Comments

Bethel will advertise for the vacant Council position, it will be on the radio and website. Those applications will be due by February 4th, 2025.

The next regular meeting is February 11, 2025

Adjourn:

There being no further business before council the meeting was adjourned.

Melissa Bethel, CM



CITY OF JOHN DAY

CITY OF JOHN DAY WWTP TOUR MINUTES 2-4-25

COUCILORS PRESENT:

Sherrie Rininger, Mayor
Eric Bush, Council President
Ron Phillips, Councilor
Bradley Hale, Councilor
Heather Swank, Councilor

COUNCILORS ABSENT

Chris Labhart, Councilor

STAFF PRESENT:

Melissa Bethel, City Manager

A quorum of Council received a tour of the existing Wastewater Treatment Plant by staff. The tour was for informational purposes only. No deliberations or decisions were made. A member of the press was in attendance.



CITY OF JOHN DAY

Application for Boards/Commission

Contact Information

Name:	Edwin L. Newby
Street Address:	513 E. Main St.
Mailing Address:	Same
City/State/Zip Code:	John Day, OR 97845
Home Phone:	
Work Phone:	
E-Mail Address:	

Background

Years of Residence in John Day:	3+
Place of Employment:	The Berean Call
Occupation:	Writer/Editor/Graphic Artist
Educational Background:	Highschool Diploma AA Degree COCC Ministerial Degree New Tribes Institute
Prior Civic Activities:	Foster Parents 2005-2021 (with some breaks) John Day City Council Guest Teacher/Redmond, OR

Boards/Commissions of Interest

Please check all of the following Boards/Commissions that interest you:

City Council

Budget Committee

Planning Commission

Special Skills or Qualifications

Summarize any special training, skills or experience you may have pertinent to the Board/Commission to which you are applying.

Money Management
Home Budget

Motivation

Discuss your motivation for serving on this Board/Commission.

Was asked to consider
But, I saw the need

Special Notice

Please be advised that members of the City Council and Planning Commission are required to file an annual **Statement of Economic Interest** with the State of Oregon. A sample reporting form is available from the Administration Office at John Day City Hall indicating the type of information you will be required to disclose if you are appointed.

Agreement and Signature

By submitting this application, I affirm that the facts set forth in it are true and complete. I understand that if I am accepted as a volunteer, any false statements, omissions, or other misrepresentations made by me on this application may result in my immediate dismissal.

Name (printed)

Edwin (Ed) L. Newby

Signature

Date

1/22/2025

Our Policy

It is the policy of the City of John Day to provide equal opportunities without regard to race, color, religion, national origin, gender, sexual preference, age, or disability. The City of John Day accepts applications from potential board/commission members throughout the year and will hold applications until vacancies exist on specific boards/commissions.

Thank you for completing this application form and for your interest in volunteering with us.



CITY OF JOHN DAY

Application for Boards/Commission

Contact Information

Name:	Vern Pifer
Street Address:	410 NW Bridge St
Mailing Address:	
City/State/Zip Code:	John Day, OR, 97845
Home Phone:	cell 541-408-5106
Work Phone:	
E-Mail Address:	vernon.pifer1@gmail.com

Background

Years of Residence in John Day:	1 1/2
Place of Employment:	retired
Occupation:	USAF aircraft mechanic
Educational Background:	High School - Custer S.D. College AS degree - Lane Community College
Prior Civic Activities:	John Day Planning Commission - current

Boards/Commissions of Interest

Please check all of the following Boards/Commissions that interest you:

- City Council
- Budget Committee
- Planning Commission

Special Skills or Qualifications

Summarize any special training, skills or experience you may have pertinent to the Board/Commission to which you are applying.

Lanfair Int'l, Redmond OR, 14 years Mgr Inventory, Shipping/Receiving, Customer Service, Inside sales, Purchasing, Supervised 6 to 8 employees. National and international customers.
Composite Creations Inc, Prineville, OR, 8 1/2 years Owner/operator, production scheduler, purchasing, billing, shipping/receiving, customer service

Motivation

Discuss your motivation for serving on this Board/Commission.

Work with team for the benefit of citizens. Spending the people's money wisely for the best return. Help with problem solving. Explore potential industry.

Special Notice

Please be advised that members of the City Council and Planning Commission are required to file an annual **Statement of Economic Interest** with the State of Oregon. A sample reporting form is available from the Administration Office at John Day City Hall indicating the type of information you will be required to disclose if you are appointed.

Agreement and Signature

By submitting this application, I affirm that the facts set forth in it are true and complete. I understand that if I am accepted as a volunteer, any false statements, omissions, or other misrepresentations made by me on this application may result in my immediate dismissal.

Name (printed)

Vernon E Pifer

Signature

Date

01/17/2025

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Thank you for completing this application form and for your interest in volunteering with us.



REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: February 11, 2024			
Ordinance X	Resolution <input type="checkbox"/>	Motion X	Information <input type="checkbox"/>
Date Prepared: 1-21-25		Dept.: City Manager's Office	
SUBJECT: Adoption of Camping Ordinance 24 -204-16		Contact Person for this Item: Melissa Bethel, City Manager, bethelm@grantcounty-org.gov 541 575 0028 ex 4224	

SUBJECT: Adoption of John Day Camping Ordinance

BACKGROUND:

The proposed Ordinance represents several months of work by council and staff to consider camping on public property that will comply with House Bill 3115 (2021) and HB 3124 (2021). The Community was invited to attend a workshop and townhall and invited to participate in a survey. The Ordinance was first brought to the Council on December 17, 2024. Discussion regarding ordinance adoption led the council to postpone the adoption to the January 14, 2025 agenda. At the Jan 14th meeting the process for adoption was once again brought up and one councilor objected to a reading by title only and the ordinance was not passed unanimously – as specified in (2). If the Council wishes to adopt the Ordinance in this meeting and a councilor objects to by title only, the Council will need to read the ordinance in full and have a unanimous vote. The City Charter states in Chapter VIII section 32:

- **Section 32. - Adoption by Council.**

(1) Except as subsection (2) of this section allows adoption at a single meeting and subsection (3) of this section allows reading by title only, an ordinance shall be fully and distinctly read in open council meeting on two different days before being adopted by the council.

(2) Except as subsection (3) of this section allows reading by title only, the council may adopt an ordinance at a single meeting by the express unanimous votes of all council members present, provided the ordinance is read first in full and then by title.

(3) A reading of an ordinance may be by title only if:

(a) No council member present at the reading requests that the ordinance be read in full, **or**

(b) At least one week before the reading:

(i) A copy of the ordinance is provided for each council member,

(ii) Three copies of the ordinance are available for public inspection in the office of the custodian of city records, and



(iii) Notice of their availability is given by written notice posted at the city hall and two other public places in the city.

(4) An ordinance read by title only has no legal effect if it differs substantially from its terms as it was filed prior to the reading unless each section so differing is read fully and distinctly in open council meeting before the council adopts the ordinance.

(5) Upon the adoption of an ordinance, the ayes and nays of the council members shall be entered in the record of council proceedings.

(6) After adoption of an ordinance, the custodian of city records shall endorse it with its date of adoption and the endorser's name and title of office.

FINANCIAL IMPACT:

Enforcement of the ordinance will have financial impact on the City and funds will need to be budget accordingly.

ATTACHMENTS:

Ordinance 24-204-16

ORDINANCE NO. 24-204-16

**AN ORDINANCE OF CITY OF JOHN DAY ESTABLISHING CAMPING REGULATIONS
AND A CAMPSITE REMOVAL POLICY.**

WHEREAS, the City of John Day City Council (“Council”) recognizes the competing concerns surrounding homeless individuals camping on public property within the City of John Day (“City”) and desires to implement regulations to address these concerns; and

WHEREAS, ORS 195.530 requires that any city law that regulates the acts of sitting, lying, sleeping, or keeping warm and dry outdoors on public property that is open to the public must be objectively reasonable as to time, place, and manner with regards to persons experiencing homelessness; and

WHEREAS, the Council held public meetings at the John Day Fire Station at 316 South Canyon Boulevard, John Day, Oregon 97845 on July 30, 2024 at 6:30 P.M. and October 15, 2024 at 6:30 P.M. and on December 17, 2024 at 6:30 p.m. at which times and place all persons had an opportunity to appear, provide input, and object to proposed camping regulations; and

WHEREAS, the Council finds that the camping regulations and campsite removal policy contained in the attached Exhibit A are in the public interest.

NOW, THEREFORE, THE CITY OF JOHN DAY ORDAINS AS FOLLOWS:

1. Findings; Definitions. The above-stated findings are hereby adopted.
2. Purpose. The purpose of this Ordinance No. 24-204-16 (this “Ordinance”) is to minimize any adverse public safety and health impacts of camping on City property while providing some areas of City property, in the absence of alternative forms of shelter, where homeless persons may keep warm and dry while resting and/or sleeping.
3. Adoption of Camping Regulations. The Council hereby adopts the camping regulations as stated in Exhibit A.
4. Interpretation; Severability; Errors. All pronouns contained in this Ordinance and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word “or” is not exclusive. The words “include,” “includes,” and “including” are not limiting. All prior and contemporaneous agreements, discussions, understandings, and negotiations, whether written or oral, express or implied, are merged herein, and to the extent inconsistent herewith, are of no further force and effect. The provisions of this Ordinance are hereby declared severable. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance. This Ordinance may be corrected by order of the Council to cure editorial and/or clerical errors.

APPROVED AND ADOPTED by the City Council of the City of John Day and signed by the mayor
this _____ day of _____, 2025.

Ayes: _____
Nays: _____
Abstentions: _____
Absent: _____
Vacancies: _____

By: Sherrie Rininger, Mayor

ATTEST:

Melissa Bethel, City Manager

Exhibit A
Camping Regulations

1. Definitions. For purposes of this Ordinance, the following terms and phrases have the meanings assigned to them below:

“Alley” means a way or thoroughfare, dedicated to public use, but not more than 20 feet wide which is platted or dedicated for the purpose of, or in use, provides a secondary access to property otherwise served by a street.

“Camp” or “Camping” means to occupy a vehicle or to pitch, erect, create, use, or occupy camp facilities for the purposes of habitation, as may be evidenced by the use of camp paraphernalia.

“Camp Facilities” include, but are not limited to, tents, huts, temporary shelters, lean-tos, shacks, or any other structures or parts thereof.

“Camp paraphernalia” includes, but is not limited to, tarpaulins, cots, beds, sleeping bags, blankets, mattresses, hammocks, or cooking devices and similar equipment.

“Campsite” means any place where one or more persons have established living accommodations by use of camp facilities, camp paraphernalia, and/or vehicle(s).

“City manager” means City’s then-appointed city manager and his or her designee.

“City property” means all real property, land, right-of-way, and public facilities owned, leased (either to City or by City), controlled, or managed by City.

“Established campsite” means a campsite in place for over 24 hours.

“Fire Department” means the John Day Fire Department.

“Personal property” means any item that can reasonably be identified as belonging to a person and that has apparent value or utility.

“Recreational fire” means a fire for the cooking of food, warmth, fellowship or ceremonial purposes.

“Right-of-way” means streets, alleys, public utility easements, and other public rights-of-way.

“Sidewalk” means the portion of the street between the curb line and adjacent property line intended for the use of pedestrians and includes multi-use pathways (i.e., pathways for bicycles and pedestrians).

“Street” means any highway, lane, road, street, right-of-way, and every way or place in City that is publicly owned or maintained for vehicular travel.

“Vehicle(s)” means either a “motor vehicle” as defined in ORS 801.360 including a motor vehicle with an attached “camper” as defined in ORS 801.180, or a “motor home” as defined in ORS 801.350.

2. Time, Place and Manner Regulations. Camping is permitted on City property subject to the time, place, and manner regulations contained in this Ordinance.

2.1 Time Regulations. Except as expressly authorized by City’s municipal code, camping is prohibited on all City property from 8:00 AM to 7:00 PM. During those times when camping is prohibited, all camp facilities and camp paraphernalia must be removed from City property.

2.2 Place Regulations. Unless otherwise specifically authorized by City’s municipal code or by declaration of the mayor and/or city manager due to emergency circumstances, camping is prohibited on all City property except the lot located directly east and adjacent to the lot on which the John Day City Hall is located, which lot is depicted on the attached Exhibit B. Notwithstanding anything to the contrary in this Ordinance, the City may change and/or modify permissible locations for camping from time to time and at any time via Council resolution. Notice of changes and/or modifications to permissible locations for camping will be posted at the John Day City Hall and any permissible camping location(s) existing at the time of the change and/or modification. The City may require that persons camping on City property relocate within the same area or to other City property to permit cleaning, maintenance, rehabilitation, and/or repair of City property. Persons camping on City property must comply with all lawful City orders to relocate and must not interfere, impede, and/or obstruct any cleaning, maintenance, rehabilitation, and/or repair activities.

2.3 Manner Regulations. At times and locations where camping is permitted under this Ordinance, the following regulations apply: (a) camping, sleeping, and/or keeping warm and dry on a public sidewalk is prohibited; (b) camping, sleeping, and/or keeping warm and dry in a manner that obstructs vehicular and/or pedestrian passage is prohibited; (c) at no time may camp facilities be constructed with plywood, wood materials, pallets, and/or other building materials (tents and similar items used for shelter that are readily portable are not prohibited by this subsection); (d) persons engaged in camping are allowed to use a sleeping bag, bedroll, and/or other material used for bedding purposes; (e) camp facilities may not exceed 50 square feet in surface area; (f) a camp or camping for one person, including, without limitation, camp facilities and/or camp paraphernalia, must be limited within a spatial footprint of 150 square feet in surface area (the intent of this subsection is to permit a person to sleep and maintain the essentials for living, while still maintaining the ability of everyone to use public spaces as designed and intended); (g) persons may not accumulate, discard, and/or leave behind garbage, debris, fecal matter, unsanitary, or hazardous materials, and/or other items of no apparent utility in a right-of-way, on City property, and/or on any adjacent public or private property; (h) open flames, recreational fires, burning of garbage, bonfires, and/or other fires, flames, and/or heating deemed unsafe by Fire Department are prohibited (some cooking stoves and other means of keeping warm may be allowed if permitted by Fire Department); (i) dumping of gray water (i.e., wastewater from

baths, sinks, and the like) or black water (i.e., sewage) into any facilities or places not intended for gray water or black water disposal is prohibited (this includes, without limitation, storm drains which are not intended for disposal of gray water or black water); (j) unauthorized connections or taps to electrical or other utilities, or violations of building, fire, and/or other relevant codes or standards, are prohibited; (k) obstruction or attachment of camp facilities, camp paraphernalia, and/or personal property to fire hydrants, utility poles, and/or other utility or public infrastructure, fences, trees, vegetation, vehicles, and/or buildings is prohibited; (l) storage of personal property, including, without limitation, vehicle tires, bicycles, and/or associated components (except as needed for personal use), gasoline, generators, lumber, household furniture, extra propane tanks, combustible material, or other items or materials, is prohibited (other than what is related to camping, sleeping, and/or keeping warm and dry); (m) digging, excavation, terracing of soil, alteration of property or infrastructure, and/or damage to vegetation or trees is prohibited; and (n) except as expressly authorized by City's municipal code, all persons are prohibited from leaving personal property, including, without limitation, camp facilities and camp paraphernalia, unattended on any City property for more than 24 hours.

3. Fines, Enforcement. Any person who violates any provision of Section 2 will be subject to a fine in an amount not to exceed \$35.00. Notwithstanding the foregoing, if the same person commits a second violation of Section 2 within 180 days from the commission of a prior violation, provided the violator was convicted of the prior violation, the violator will be subject to a fine of no more than \$150.00. Each separate violation of Section 2 will be subject to a separate fine and each 48-hour period that a violation persists after initial citation will constitute a separate violation. The court is encouraged to order participation in drug and/or alcohol treatment programs, employment assistance programs, emergency shelter or housing assistance services, other social services, or community service in lieu of imposing a fine and/or imposing the maximum amount of a fine. Nothing herein will preclude City from pursuing any other remedy or remedies available at law and/or in equity including, without limitation, injunctive relief or restitution for property damage and restoration.

4. Campsite Removal – 195.500 – ORS 195.505.

4.1 Campsite Removal Policy. City recognizes the social nature of the problem of persons camping on City property. In accordance with ORS 195.500 – ORS 195.505, City has developed the campsite removal policy contained in this Section 4 to ensure the most humane treatment for the removal of persons from campsites on City property. Any City law and/or policy that offers greater protections to persons subject to removal from an established campsite supersedes contrary provisions of this Section 4.

4.2 Campsite Removal. Upon determination by enforcement personnel that a camp or camping in violation of this Ordinance has become an established campsite, or enforcement personnel determine a campsite otherwise in compliance with this Ordinance endangers the public health and safety, the campsite may be removed consistent with this Section 4. Upon a determination by enforcement personnel that a camp or camping in violation of this Ordinance is not an established campsite, the campsite may be removed without complying with the notice requirements under Section 4.3.

4.3 Notice Required. The following notice requirements apply to the removal and clearing of campsites: (a) notice is not required prior to removal and clearance of a campsite that is not an established campsite; and (b) at least 72 hours before removing individuals and personal property from an established campsite, law enforcement officials must post written notice, in English and Spanish, at all entrances to the campsite to the extent that the entrances can reasonably be identified. The written notice required under Section 4.3(b) must state or contain, at a minimum, the following: (x) where unclaimed personal property will be stored; (y) the telephone number that individual(s) may call to find out where personal property will be stored; or (z) if a permanent storage location has not yet been determined, the address and telephone number of an agency that will have the information when available. If a funeral service is scheduled with less than 72-hours' notice at a cemetery at which there is an established campsite, or a campsite is established at a cemetery less than 72 hours before the scheduled service, the written notice required under Section 4.3(b) may be posted at least 24 hours before removing persons from the campsite.

4.4 Exceptions to Notice Requirements. Notwithstanding anything contained in this Ordinance to the contrary, the 72-hour notice required under Section 4.3(b) will not be applicable (i.e., will not be required) under the following circumstances: (a) when there are grounds for law enforcement officials to reasonably believe that illegal activities other than camping are occurring at an established campsite; and/or (b) an exceptional emergency at an established campsite, including, without limitation, possible site contamination by hazardous materials, a public health emergency, and/or other immediate danger to human life or safety.

4.5 Local Agencies. When a 72-hour notice is posted under Section 4.3(b), law enforcement officials must inform the local agency that delivers social services to homeless individuals as to where the notice has been posted. The local agency may arrange for outreach workers to visit the campsite that is subject to the notice to assess the need for social service assistance in arranging shelter and other assistance.

4.6 Personal Property.

4.6.1 All personal property at a campsite that remains unclaimed after removal/clearing, whether notice is required under this policy or not, must be given to a (a) law enforcement official, (b) local agency that delivers social services to homeless individuals, (c) outreach worker, (d) local city/agency official, or (e) a person authorized to issue a citation for unlawful camping under state law, administrative rule, or city or county ordinance.

4.6.2 Unclaimed personal property must be stored in a facility located in the same community as the campsite from which it was removed. Items that have no apparent value or utility or are in an unsanitary condition may be immediately discarded upon removal of persons from the campsite. Weapons, controlled substances other than prescription medication, and items that appear to be either stolen or evidence of a crime must be given to or retained by law enforcement officials.

4.6.3 Unclaimed personal property removed from a campsite must be stored in an orderly fashion, keeping items that belong to an individual together to the extent that ownership can reasonably be determined. Unclaimed personal property will be stored in a manner in which it is possible to identify the date the property was removed and the location where the property was removed. Unclaimed personal property will be stored for a minimum of 30 days during which it must be reasonably available to any individual claiming ownership. Any personal property that remains unclaimed after 30 days may be disposed of or donated to a corporation described in section 501(c)(3) of the Internal Revenue Code as amended and in effect on December 31, 2020.

4.7 Policy Evaluation. Following the removal of persons and/or personal property from a campsite on City property, law enforcement officials, local city/agency officials, and outreach workers may meet to assess the notice and removal policy, to discuss whether the removals are occurring in a humane and just manner and to determine if any changes to this policy are needed.

4.8 Prohibition on Citations in Limited Circumstances. A person authorized to issue a citation for unlawful camping under state law, administrative rule, and/or city or county ordinance may not issue the citation if the citation would be issued within 200 feet of a notice required under Section 4.3(b) and within two hours before or after the notice was posted.

5. City Manager Authority. The city manager may adopt administrative rules to implement any of the provisions of this Ordinance.

6. Preemption. If and to the extent any provisions of City's municipal code conflict with any provisions of this Ordinance, the provisions of this Ordinance will control and supersede the conflicting provisions contained in City's municipal code.

Exhibit B
Permitted Camping Area



CITY OF JOHN DAY – COMMERCIAL LEASE

This City of John Day – Commercial Lease (this “Lease”) is dated February ___, 2025, but made effective for all purposes as of November 3, 2021 (the “Effective Date”), and is entered into between City of John Day (“Landlord”), an Oregon municipal corporation, whose address is 450 East Main Street, John Day, Oregon 97845, and Grant County Cybermill (“Tenant”), an Oregon nonprofit corporation, whose address is 241 W. Main Street, John Day, Oregon 97845.

RECITALS:

A. Landlord is the owner of certain real property commonly known as 300 Barnes Avenue, Seneca, Oregon 97873 more particularly described and/or depicted on the attached Exhibit A (the “Real Property”). The Real Property has been improved with the construction of a certain commercial building consisting of approximately 1,050 square feet (the “Building”). For purposes of this Lease, the term “Property” means the Real Property and Building, individually and collectively.

B. Tenant is a nonprofit corporation run by volunteers that relies on grant funding and donations to fulfill its mission to provide residents of rural Grant County with a professional workspace, reliable Internet access, and computer hardware and related technology to foster learning, improved digital literacy and skills, entrepreneurship, and innovation and connection (collectively, the “Mission”).

C. Subject to the terms and conditions contained in this Lease, Landlord leases to Tenant and Tenant leases from Landlord, for purposes of operating the Business (as defined below), approximately 963 square feet of space located within the Building (the “Premises”). The Premises are described and/or depicted on the attached Exhibit B.

AGREEMENT:

NOW, THEREFORE, in consideration of the parties’ mutual obligations contained in this Lease, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. OCCUPANCY.

1.1 Lease Term. The term of this Lease and Tenant’s right to possession of the Premises commenced on the Effective Date and will continue, subject to the terms and conditions provided in this Lease, until June 30, 2025 (the “Lease Term”), unless sooner terminated or extended as provided in this Lease. For purposes of this Lease, the term “Lease Term” means the period commencing on the Effective Date and ending June 30, 2025 and any extensions or renewals thereof.

1.2 **Due Diligence; Building Condition AS-IS.** Tenant represents and warrants that Tenant has entered into this Lease on the basis of its own examination and personal knowledge of the Property (including, without limitation, the physical condition of the Building). Prior to the Effective Date, Tenant had the opportunity to ask questions and receive answers concerning the Property and this Lease. Tenant obtained all information Tenant desired in connection with the Property and this Lease. Tenant knowingly and unconditionally accepted the Property in its AS IS, WHERE IS, AND WITH ALL FAULTS AND DEFECTS condition as of the Effective Date. Landlord has made no promise or agreement to repair, alter, construct, and/or improve the Property. Landlord makes no representations or warranties, whether express or implied, including, without limitation, warranties of habitability, merchantability, and/or fitness for a particular purpose, or any warranties regarding consumer products as defined in the Magnusson-Moss Warranty Act or the Uniform Commercial Code, with respect to the Property.

Tenant Initials: _____

1.3 Tenant’s Financial Capability; Authority. Tenant represents and warrants to Landlord that Tenant has sufficient assets and net worth to ensure Tenant’s performance of this Lease and the payment of its obligations under this Lease as and when they become due. Tenant will permit Landlord and Landlord’s Agents (as defined below) to inspect and copy any of Tenant’s books, accounts, records, and financial statements that Landlord may request upon the occurrence of any Event of Default (as defined below). Tenant represents and warrants that Tenant’s books, accounts, records, and financial statements will (a) fairly present the financial condition of Tenant as of the dates and periods specified, (b) be prepared in accordance with sound accounting practices, (c) reflect the consistent application of sound accounting practices throughout the periods involved, (d) represent actual, bona fide transactions, and (e) be maintained in accordance with sound business practices, including, without limitation, the maintenance of an adequate system of internal accounting control.

1.4 Technology Server Room. Landlord leases the Building's information technology server room consisting of approximately 88.2 square feet and described and/or depicted on the attached Exhibit B (the "Server Room") to Oregon Telephone Corporation ("OTC"), an Oregon corporation d/b/a Rally Networks. Landlord acknowledges that (a) the Building's security system and Tenant's server and related hardware is located in the Server Room, and (b) in furtherance of Tenant's use of the Premises for the Permitted Use, Tenant requires access to the Server Room from time to time. Tenant will not enter the Server Room without first obtaining's OTC's consent (and, then, only to maintain and operate Tenant's server and related hardware and the Building's security system).

1.5 Parking. Except as otherwise restricted or limited by Landlord from time to time, Tenant has a nonexclusive license during the Lease Term to use the Property's parking area (the "Parking Area") for the benefit of Tenant and Tenant's Agents (as defined below) in accordance with the terms and conditions of this Lease. Landlord will not be liable for any damage or destruction of any nature to, or any theft of, vehicles, or contents therein, in or about the Parking Area. Overnight parking in the Parking Area is prohibited and any vehicle violating this restriction is subject to removal at the owner's expense.

2. RENT.

2.1 Base Rent; Additional Rent. Subject to the terms and conditions contained in this Lease, commencing on the Effective Date Tenant will pay Landlord guaranteed monthly rent, without offset ("Base Rent"), in accordance with the following: (a) Base Rent is abated for the period commencing on the Effective Date and ending on May 31, 2023; (b) Tenant will pay Base Rent in the amount of \$100.00 per month for the period of June 1, 2023 – October 31, 2024; and (c) commencing on November 1, 2024, and continuing thereafter until the termination of this Lease, Tenant will pay Base Rent in the amount of \$150.00 per month. Tenant will pay Landlord \$2,450.00 ("Back Rent") upon Tenant's execution of this Lease, which amount represents Base Rent in the amount of \$100.00 per month for the period of June 1, 2023 – October 31, 2024, and \$150.00 per month for the period of November 1, 2024 – February 28, 2025. After Tenant's payment of the Back Rent, Tenant will be current in its payment obligations of Base Rent and any Additional Rent payable to Landlord through February 28, 2025. All taxes, insurance costs, utility charges (e.g., electricity, gas, telephone, etc.), and all other sums Tenant is required to pay Landlord and/or any third-party under this Lease will be deemed "Additional Rent." For purposes of this Lease, "Rent" means both Base Rent and Additional Rent.

2.2 Payment. Subject to the terms and conditions contained in this Lease, Tenant's first payment of Rent is due and payable to Landlord commencing on the Effective Date. All other payments of Rent will be due and payable in advance on or before the first day of each subsequent month. Rent for any period that is for less than one full month will be prorated on a per diem basis. Payments will be made to Landlord, in U.S. dollars, at the address first provided above, or such place as Landlord may from time to time designate in writing. Tenant may prepay Base Rent.

2.3 Late Fees; Other Charges. If Rent (or other payment due from Tenant) is not received by Landlord within 10 days after it is due, Tenant will pay a late fee equal to 5% of the payment or \$100.00, whichever is greater (a "Late Fee"). In addition, a charge of 1.0% per month on the amount past due (a "Late Charge") will be charged beginning 10 days after the due date for such payment until the past due amount is paid in full. Landlord may levy and collect a Late Fee and/or a Late Charge in addition to all other remedies available for Tenant's failure to pay Rent (or other payment due from Tenant).

2.4 Security Deposit. Upon execution of this Lease, Tenant will deposit with Landlord the sum of \$500.00 as security for Tenant's timely payment of Rent and full and faithful performance of each Tenant obligation under this Lease (the "Security Deposit"). Landlord will have the right to offset against the Security Deposit any sums owing from Tenant to Landlord not paid when due, any damages caused by Tenant's default, the cost of curing any default by Tenant should Landlord elect to do so, and/or the cost of performing any repair and/or maintenance that is Tenant's obligation under this Lease. Offset against the Security Deposit will not be Landlord's exclusive remedy but may be invoked by Landlord, at Landlord's option, in addition to any other remedy provided by law or this Lease for Tenant's breach or nonperformance of any term or condition contained in this Lease. Landlord will give written notice to Tenant each time an offset is claimed against the Security Deposit and, unless this Lease is terminated, Tenant will, within 10 days following Tenant's receipt of such notice, deposit with Landlord a sum equal to the amount of the offset so that the balance of the Security Deposit, net of offset, will remain constant throughout the term of this Lease.

3. USE OF PREMISES

3.1 Permitted Use. Tenant will use the Premises for a co-working space and computer lab in support of its Mission (the "Business") and for no other purpose without Landlord's prior written consent. Landlord and Landlord's Agents have not made any representations and/or warranties, whether expressed or implied, concerning the permitted use that may be made of the Premises under any Laws (as defined below), including, without limitation, the present general plan of the city

or county in which the Property is located, zoning ordinances, and any other existing or future restrictions that pertain to the Property. Tenant will pay all system development charges that may result from Tenant's use and/or occupancy of the Premises. Tenant's agreement to use the Premises only for the operation of the Business is a material inducement for Landlord's execution of this Lease.

3.2 Restrictions on Use. In connection with Tenant's use of the Property, Tenant will:

(a) Conform and comply with all Laws. Tenant will correct, at Tenant's own expense, any failure of compliance created through Tenant's fault or by reason of Tenant's use of the Premises. Tenant has had an opportunity to review and has reviewed all Laws directly or indirectly pertaining to or concerning Tenant's operation of the Business and/or the condition, use, and occupancy of the Premises. For purposes of this Lease, the term "Law(s)" means all leases, covenants, conditions, restrictions, easements, declarations, laws, statutes, restrictions, liens, ordinances, orders, codes, rules, and regulations directly or indirectly affecting the Property, Tenant, and/or the Business, including, without limitation, the Americans with Disabilities Act of 1990 (and the rules and regulations promulgated thereunder) and Environmental Laws (as defined below), all as now in force and/or which may hereafter be amended, modified, enacted, and/or promulgated.

(b) Refrain from any activity which would make it impossible to insure the Property against casualty, would increase the insurance rate, or would prevent Landlord from taking advantage of any ruling of the Oregon Insurance Rating Bureau (or its successor) allowing Landlord to obtain reduced premium rates for long-term fire insurance policies, unless Tenant pays the additional costs of the insurance. Refrain from any use and/or activity which would be reasonably offensive to Landlord, other tenants of the Building, and/or neighboring property, or which would tend to create a nuisance or damage the reputation of the Property and/or Landlord.

(c) Refrain from making any marks on or attaching any sign, insignia, antenna, aerial, or other device to the exterior or interior walls, windows, or roof of the Building without the prior written consent of Landlord. Refrain from causing or permitting any Hazardous Substances (as defined below) to be spilled, leaked, disposed of, and/or otherwise released on or under the Property. For purposes of this Lease, the term "Environmental Law(s)" means any federal, state, or local statute, regulation, or ordinance, or any judicial or other governmental order pertaining to the protection of health, safety, or the environment; the term "Hazardous Substance(s)" means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined or listed by any Environmental Law, and will include petroleum oil and its fractions.

4. REPAIRS; MAINTENANCE

4.1 Landlord and Tenant Repairs and Maintenance.

4.1.1 Subject to the terms and conditions contained in this Lease, Landlord will perform, at Landlord's cost and expense, the following Property repairs and maintenance: (a) repair and maintenance of the roof and gutters, exterior walls (including painting), bearing walls, structural members, floor slabs, elevators, and foundation; (b) repair and maintenance of the water, sewage, gas, and electrical services; (c) repair and maintenance of the plumbing system, electrical system, and HVAC system (other than ordinary maintenance); (d) repair and maintenance of the boilers, lighting facilities, fired or unfired pressure vessels, fire hose connections, fire sprinkler and/or stand pipe and hose, or other automatic fire extinguishing system, including fire alarm and/or smoke detection systems and equipment; and (e) snow and ice removal, solid waste service, and landscaping. Except as otherwise expressly provided under this Section 4.1.1, Landlord has no obligation to make or perform any repairs, maintenance, replacements, alterations, and/or improvements concerning or related to the Premises and/or the Building.

4.1.2 Tenant will repair and maintain, at Tenant's cost and expense, the Premises (including all interior and exterior glass) in good order and repair, broom clean condition, and will preserve the Premises, normal wear and tear excepted, and will not commit nor permit waste; provided, however, Tenant has no obligation to repair and maintain the Server Room. To this end, Tenant will have the following non-exclusive repair and maintenance obligations, which Tenant will complete at Tenant's sole cost and expense: (a) repair and maintain all interior walls, ceilings, doors, windows, and related hardware, light fixtures, and switches from the point of entry of the Premises; (b) any repairs or maintenance necessitated by the negligence of Tenant and/or Tenant's Agents; (c) any repairs or alterations required under Tenant's obligation to comply with the Laws; and (d) all other repairs, alterations, or maintenance obligations to the Premises which Landlord is not expressly required to make under this Lease.

4.2 Reimbursement. If Tenant fails or refuses to complete any repair or perform any maintenance that is required under this Lease, Landlord may make the repair or perform the maintenance and charge the actual costs of repair or maintenance to Tenant. Tenant will reimburse Landlord's expenditures on demand, together with interest at the rate of 12%

per annum from the date of expenditure. Except in an emergency creating an immediate risk of personal injury or property damage, Landlord will not perform any repairs or maintenance which are the obligation of Tenant (and charge the Tenant for the resulting expense) unless, at least 10 days before work is commenced, Landlord provides Tenant written notice outlining with reasonable particularity the repair or maintenance required and Tenant fails within that time to satisfactorily complete such repair or maintenance.

4.3 Inspection. Except in the case of an emergency, upon 24 hours' prior notice to Tenant, Landlord will have the right to enter and inspect the Premises to determine the necessity of repair and/or the condition of the Premises. Whether or not such inspection is made, the duty of Landlord to make repairs will not mature until a reasonable time after Landlord has received from Tenant written notice of the required repairs.

5. ALTERATIONS; SIGNAGE

5.1 Alterations Prohibited. Tenant will make no additions, improvements, modifications, and/or alterations in or to the Property of any kind or nature whatsoever, including, without limitation, the installation of any improvements, fixtures, and/or other devices on the walls, ceiling, or floor of the Premises and/or the installation of computer and telecommunications wiring, cables, and conduit (collectively, "Alterations"), without first obtaining Landlord's written consent. Alterations approved by Landlord will be made in a good and workmanlike manner, in compliance with applicable Laws, and at Tenant's cost and expense.

5.2 Signage. Tenant will not be permitted to erect or maintain any signage on or at the Building unless first obtaining Landlord's consent (and such signage will be at Tenant's cost and expense). Signage installed by Tenant will be removed by Tenant, at Tenant's cost and expense, upon the termination of this Lease and the sign location restored to its former state unless Landlord elects to retain all or any portion of the signage. Landlord reserves the right to adopt and/or amend signage criteria for the Building from time to time, and Tenant agrees to be bound by such signage criteria.

6. INSURANCE

6.1 Insurance Required. Landlord, at Landlord's cost and expense, will keep the Building insured against fire and other risks covered under a standard fire insurance policy with an endorsement for extended coverage. Tenant will maintain, at Tenant's cost and expense, a policy of fire, extended coverage, vandalism, and malicious mischief insurance insuring the personal property, furniture, furnishings, and fixtures belonging to Tenant located in or on the Building.

6.2 Liability Insurance. Tenant will procure, and thereafter will continue to carry, comprehensive general liability insurance (occurrence version) with a responsible company against personal injury claims arising directly or indirectly out of Tenant's activities on, or any condition of, the Premises, whether or not related to an occurrence caused, or contributed to, by Landlord's negligence, and will insure the performance by Tenant of Tenant's indemnification obligations under this Lease. Landlord (and its officials, officers, and employees) will be named as an additional insured on Tenant's liability insurance policy. Tenant's liability insurance will provide that it is primary insurance and that insurance, if any, maintained by Landlord is excess and noncontributing. Tenant's liability insurance required to be carried pursuant to this Section 6.2 will have a general aggregate limit of not less than \$2,000,000.00 and a per occurrence limit of not less than \$1,000,000.00. The insurance Tenant is required to carry pursuant to this Section 6.2 may not be modified or cancelled without first providing Landlord 30 days' prior written notice of such change or cancellation.

6.3 Waiver of Subrogation. Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant release each other from any claims and demands of whatever nature for damage, loss, or injury to the Building (including, without limitation, the Premises), or to the other's property in, on, or about the Building or the Building that are caused by or result from risks or perils insured against under any property insurance policies required by this Lease to be carried by Landlord and/or Tenant, and in force at the time of any such damage, loss, or injury. Tenant and Landlord covenant that, to the fullest extent permitted by law and by their respective insurers, no insurer will hold any right of subrogation against the other. Tenant will advise its insurers of the foregoing and request such waiver be permitted under any property insurance policy maintained by Tenant pursuant to Section 6.1, above.

6.4 Tenant's Indemnification. Tenant will defend, indemnify, and hold Landlord and Landlord's officers, employees, agents, contractors, representatives, affiliates, subsidiaries, and sureties (collectively, "Landlord's Agents") harmless for, from, and against all claims, damages, costs, expenses, fines, losses, and/or liabilities of any kind, including, without limitation, attorney fees and costs, arising out of or related to, whether directly or indirectly, the following: (a) Tenant's and/or Tenant's directors, officers, employees, affiliates, subsidiaries, sureties, agents, contractors, volunteers, materialmen, invitees, and representatives (collectively, "Tenant's Agents") construction of any Alterations, including, without limitation, any

damage to the Building and/or any injury, death, and/or damage occurring in conjunction with Tenant's and/or Tenant's Agents construction of the Alterations; (b) the use, storage, treatment, transportation, presence, release, and/or disposal of any Hazardous Substances in, on, under, and/or about the Building; (c) any activity of Tenant and/or Tenant's Agents on or at the Building; (d) any condition of the Building in the possession and/or under the control of Tenant and/or Tenant's Agents; and/or (e) Tenant's breach and/or failure to perform any Tenant obligation, covenant, representation, and/or warranty under this Lease. Landlord will have no liability to Tenant for any loss or damage caused by any third-party or by any condition of the Building.

7. TAXES; UTILITIES.

7.1 Personal Property Taxes; Other Charges. Tenant will pay before delinquency all taxes upon Tenant's personal property located on and/or in the Premises. Tenant will pay when due all charges, costs, and expenses concerning Tenant's use, occupancy, operation, and/or maintenance of the Premises, including, without limitation, telephone, internet, and all other utilities and services concerning the Premises.

7.2 Real Property Taxes. Tenant will use the Premises for Tenant's tax-exempt business or purposes. At Tenant's cost and expense, Tenant will file, if necessary, an application to obtain an exemption from property tax for the Premises. As required under ORS 307.112(1)(b), the parties acknowledge that Base Rent has been established to reflect the savings below market rent resulting from any exemption from real property taxation. Any tax savings resulting from the exemption will insure solely to Tenant's benefit. Tenant will be responsible for preparing and managing all documentation associated with the tax exemption for the Premises, and will provide a copy of the approved application to Landlord. Landlord will cooperate, at no cost and expense to Landlord, in making the necessary application or filing to obtain the property tax exemption because of Tenant's occupancy.

8. LIENS; QUIET ENJOYMENT; ASSIGNMENT

8.1 Liens. Except with respect to activities for which Landlord is responsible, Tenant will pay as and when due all claims for work done on and for services rendered or material furnished to the Building and will keep the Building free from any and all liens. If Tenant fails to pay any such claims or to discharge any lien, Landlord may do so and collect the costs as Rent. Any amount so added will bear interest at the rate of 12% per annum from the date expended by Landlord and will be payable on demand. Landlord's payment of Tenant's claims or discharge of any Tenant lien will not constitute a waiver of any other right or remedy which Landlord may have on account of Tenant's default. If a lien is filed as a result of nonpayment, Tenant will, within 10 days after knowledge of the filing, secure the discharge of the lien or deposit with Landlord cash or sufficient corporate surety bond or other surety satisfactory to Landlord in an amount sufficient to discharge the lien plus any costs, attorney fees, and other charges that could accrue as a result of a foreclosure or sale under the lien.

8.2 Estoppel Certificate; Assignment. Tenant will, within 20 days after notice from Landlord, execute and deliver to Landlord a certificate stating whether or not this Lease has been modified and is in full force and effect, and specifying any modifications or alleged breaches by Landlord. The certificate will state the amount of Rent, the dates to which Rent has been paid in advance, and the amount of any prepaid Rent. Failure to deliver the certificate within the specified time will be conclusive upon Tenant that the Lease is in full force and effect and has not been modified except as represented in the notice requesting the certificate. Tenant will not sell, assign, mortgage, sublet, lien, convey, encumber, and/or otherwise transfer (whether directly, indirectly, voluntarily, involuntarily, or by operation of law) all or any part of Tenant's interest in this Lease and/or the Property without Landlord's prior written consent.

9. DEFAULT; REMEDIES

9.1 Default. The occurrence of any of the following events constitutes a default by Tenant under this Lease (each an "Event of Default"): (a) Tenant's failure to pay Rent or any other charge, cost, and/or expense by the applicable due date; (b) Tenant's breach and/or failure to perform any Tenant obligation under this Lease (other than the payment of Rent or other charge, cost, or expense under Section 9.1(a)) within 20 days after written notice by Landlord specifying the nature of the default; (c) Tenant becomes insolvent within the meaning of the United States Bankruptcy Code, as amended from time to time; and/or (d) Tenant's failure for 30 days or more to occupy the Premises for the purpose permitted under this Lease.

9.2 Termination. Upon the happening of an Event of Default, this Lease may be terminated at the option of Landlord by notice to Tenant. If this Lease is not terminated by Landlord, Landlord will be entitled to recover damages from Tenant for the default. If this Lease is terminated by Landlord, Tenant's liability to Landlord for damages will survive such termination, and Landlord may reenter, take possession of the Premises, and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

9.3 Reletting. Following reentry or abandonment, Landlord may relet the Premises, and in that connection may make any suitable alterations or refurbish the Premises (or both), or change the character or use of the Premises, but Landlord will not be required to relet the Premises for any use or purpose which Landlord may reasonably consider injurious to the Building, or to any tenant which Landlord may reasonably consider objectionable. Landlord may relet all or part of the Premises, alone or in conjunction with other portions of the Building and/or other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

9.4 Damages. Upon an Event of Default, Landlord will be entitled to recover immediately, without waiting until the due date of any future Rent or until the date fixed for expiration of this Lease, and in addition to any other damages recoverable by Landlord, the following amounts as damages: (a) the loss of reasonable rental value from the date of default until a new tenant has been, or with the exercise of reasonable efforts could have been, secured; (b) reasonable costs of reentry and reletting including, without limitation, the cost of any clean-up, refurbishing, removal of Tenant's property and fixtures, or any other expense occasioned by Tenant's failure to quit the Premises upon termination and to leave the Premises in the required condition, including, without limitation, any remodeling costs, attorney fees, court costs, broker commissions, and advertising costs; and (c) the fair market rental rate for the Premises, and all of Tenant's other obligations under this Lease, over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the Premises is relet and continuing through the end of the Lease Term. The present value of future amounts will be computed using a discount rate equal to the prime loan rate of major Oregon banks in effect on the date of trial.

9.5 Right to Sue More Than Once. Landlord may sue periodically to recover damages during the period corresponding to the remainder of the Lease Term, and no action for damages will bar a later action for damages subsequently accruing. The foregoing remedies will be in addition to and will not exclude any other remedy available to Landlord under applicable law. If Tenant fails to perform any obligation under this Lease, Landlord will have the option to do so after ten (10) days' written notice to Tenant specifying the nature of the default. Landlord's performance of any Tenant obligation under this Lease will not waive any other remedy available to Landlord. All of Landlord's expenditures to correct the default will be reimbursed by Tenant on demand with interest at the rate of 12% per annum from the date of expenditure by Landlord.

9.6 Termination Rights. Notwithstanding anything contained in this Lease to the contrary, this Lease may be terminated (a) at any time by the mutual written agreement of Landlord and Tenant, and/or (b) by Landlord immediately upon notice to Tenant if Landlord reasonably determines that Tenant's acts or omissions cause or threaten loss of life, injury, significant damage, and/or destruction to person or property, human suffering, and/or significant financial loss. Termination of this Lease will not constitute a waiver or termination of any rights, claims, and/or causes of action Landlord may have against Tenant; Tenant's obligations under this Lease, including, without limitation, Tenant's indemnification obligations under Section 6.4, will survive the termination. Tenant will not be entitled to damages and/or any other recovery if Landlord exercises its termination right under this Section 9.6.

10. SURRENDER AT EXPIRATION

10.1 Condition of Premises. Upon the termination of this Lease, Tenant will deliver all keys to Landlord and will surrender to Landlord the Premises in good, broom-clean condition, reasonable wear and tear excepted, and in the condition the Premises existed as of the Effective Date. Alterations will, at Landlord's option, be removed by Tenant, at Tenant's cost and expense, and the Premises restored to its original condition as of the Effective Date unless Landlord specifically directs otherwise. All fixtures placed upon the Property during this Lease, other than Tenant's trade fixtures will, at Landlord's option, become the property of Landlord. If Landlord so elects, and unless the terms of permission for the Alteration provide otherwise, Tenant will remove any or all fixtures which would otherwise remain the property of Landlord, and will repair any physical damage resulting from the removal. If Tenant fails to remove such fixtures, Landlord may do so and charge the cost to Tenant with interest at the rate of 12% per annum from the date of expenditure. Prior to the termination of this Lease, Tenant will remove all furnishings, furniture, equipment, and trade fixtures which remain its property. If Tenant fails to do so, this will constitute an abandonment of the property, and Landlord may retain the property and all rights of Tenant with respect to it will cease or, by notice in writing given to Tenant within 10 days after removal was required, Landlord may elect to hold Tenant to its obligation of removal. If Landlord elects to require Tenant to remove, Landlord may effect a removal and place the property in public storage for Tenant's account. Tenant will be liable to Landlord for the cost of removal, transportation to storage, and storage with interest at 12% per annum on all such expenses from the date of expenditure by Landlord.

10.2 Holdover. If Tenant does not vacate the Premises at the time required, Landlord will have the option to treat Tenant as a tenant from month-to-month, subject to all of the provisions of this Lease (except the provisions for term and renewal), except that Tenant's Base Rent will be equal to 150% of Tenant's then-applicable Base Rent. Failure of Tenant to remove Alterations, fixtures, furniture, furnishings, and/or trade fixtures which Tenant is required to remove under this Lease

will constitute a failure to vacate to which this Section 10.2 will apply if the property not removed interferes with the occupancy of the Premises by another tenant or with the occupancy by Landlord for any purpose, including preparation for a new tenant. If a month-to-month tenancy results from a holdover by Tenant under this Section 10.2, the tenancy will be terminable at the end of any monthly rental period on written notice from Landlord given not less than 10 days prior to the termination date which will be specified in the notice. Tenant waives any notice which would otherwise be provided by law with respect to a month-to-month tenancy.

11. MISCELLANEOUS.

11.1 Waiver; Succession; Concession Recapture. Waiver by either party of strict performance of any provision of this Lease will not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision. Subject to the above-stated limitations concerning the transfer and assignment of this Lease under Section 8.2, this Lease will be binding upon and inure to the benefit of the parties, their respective successors and assigns. The termination of this Lease, regardless of how it occurs, will not relieve a party of any obligations that have accrued before the termination, including, without limitation, Tenant's indemnification obligations under Section 6.4.

11.2 Attorney Fees; Notices. If any arbitration or litigation is instituted to interpret, enforce, or rescind this Lease, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney's fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court. All notices or other communications required or permitted by this Lease must be in writing, must be delivered to the parties at the addresses set forth above, or at any other address that a party may designate by notice to the other parties, and will be considered delivered upon actual receipt if delivered personally or by fax or an overnight delivery service, or at the end of the third (3rd) business day after the date deposited in the United States mail, postage pre-paid, certified, return receipt requested. This Lease (or any memorandum of this Lease) will not be recorded.

11.3 Entry for Inspection; Interest. Except in the case of an emergency, upon 24 hours' prior written notice, Landlord will have the right to enter upon the Building to determine Tenant's compliance with this Lease, to make necessary repairs to the Building, or to show the Building to any prospective tenant or purchaser. In addition, Landlord will have the right, at any time during the last six months of the term of this Lease, to place and maintain upon the Building notices for leasing or selling of the Building or any portion thereof. Except as otherwise provided in this Lease, any Rent or other payment required to be paid by Tenant under this Lease will, if not paid within 10 days after it is due, bear interest at the rate of twelve percent (12%) per annum from the due date until paid.

11.4 Severability; Further Assurances; Governing Law. If a provision of this Lease is determined to be unenforceable in any respect, the enforceability of the provision in any other respect, and of the remaining provisions of this Lease, will not be impaired. The parties will sign such other documents and take such other actions as are reasonably necessary to further effect and evidence this Lease. This Lease is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing the Lease. If any dispute arises regarding this Lease, the parties agree that the sole and exclusive venue for resolution of such dispute will be in Grant County, Oregon. All parties submit to the jurisdiction of courts located in Grant County, Oregon for any such disputes.

11.5 Discretion; Entire Agreement; Signatures. When a party is exercising any consent, approval, determination, or similar discretionary action under this Lease, the standard will be the party's commercially reasonable discretion and such discretion will not be unreasonably withheld, conditioned, or delayed. This Lease contains the entire understanding of the parties regarding the subject matter of this Lease and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Lease. This Lease may be signed in counterparts. A fax transmission of a signature page will be considered an original signature page. At the request of a party, a party will confirm a fax-transmitted signature page by delivering an original signature page to the requesting party.

11.6 Attorneys; Time. The parties agree and acknowledge that the law firm of Bryant, Lovlien & Jarvis, P.C. has served as legal counsel to Landlord in the preparation of this Lease, and does not represent any other party in connection with this Lease. Tenant agrees and acknowledges that Tenant has consulted with Tenant's own legal counsel or has knowingly waived Tenant's right to do so. The rule of construction that a written instrument is construed against the party preparing or drafting such agreement will specifically not be applicable in the interpretation of this Lease. If the date for performance of an obligation or delivery of any notice hereunder falls on a day other than a business day, the date for such performance or delivery of such notice will be postponed until the next ensuing business day. For purposes of this Lease, a "business day" will

mean a normal working day (i.e., Monday through Friday of each calendar week, exclusive of federal and state holidays and one day following each of Thanksgiving, Christmas, and New Year's).

IN WITNESS WHEREOF, the undersigned have caused this Lease to be binding and effective for all purposes as of the Effective Date.

LANDLORD:
City of John Day,
an Oregon municipal corporation

TENANT:
Grant County Cybermill,
an Oregon nonprofit corporation

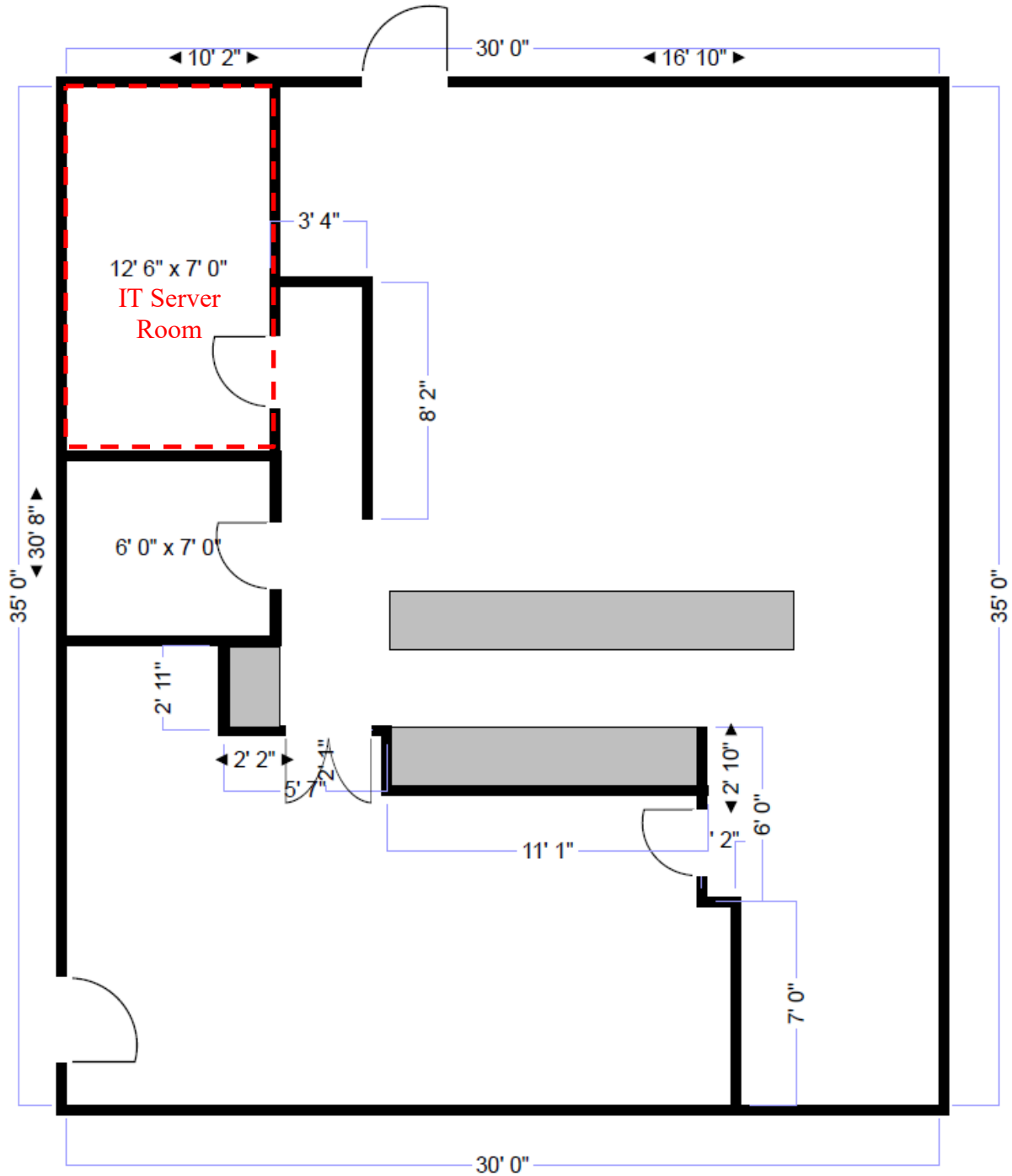
By: Melissa Bethel, City Manager

By: Kiley Derrick, President

Exhibit A
Legal Description

[attached]

Exhibit B
Building and Premises



PURCHASE AND SALE AGREEMENT
(Seneca Building)

This Purchase and Sale Agreement (this "Agreement") is dated January __, 2025, but made effective for all purposes as of the Effective Date, and is entered into between City of John Day ("Seller"), an Oregon municipal corporation, and Oregon Telephone Corporation ("Buyer"), an Oregon corporation d/b/a Rally networks, whose address is 1 Telephone Drive, Mount Vernon, Oregon 97845.

RECITALS:

A. Seller owns certain real property (and all improvements located thereon) located in Grant County, Oregon commonly known as the "Seneca Building" located at 300 Barnes Avenue, Seneca, Oregon 97873, as more particularly described on the attached Exhibit A and depicted on the attached Exhibit B (the "Real Property").

B. Subject to the terms and conditions contained in this Agreement, Seller will sell the Property to Buyer and Buyer will purchase the Property from Seller.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions.

Unless defined elsewhere in this Agreement, capitalized terms contained in this Agreement have the meanings assigned to them in the attached Appendix A.

2. Sale of Property.

2.1 Purchase; Earnest Money. Subject to the terms and conditions contained in this Agreement, at the Closing Buyer will purchase the Property from Seller and Seller will sell the Property to Buyer. The purchase price for the Property is \$150,000.00 (the "Purchase Price"), plus the assumption of the Lease. Within 10 days after the Effective Date, Buyer will deposit the Earnest Money with Title Company. The Earnest Money will be applied to the Purchase Price at Closing.

2.2 Payment of Purchase Price. At the Closing, Buyer will pay the Purchase Price as follows: (a) the Earnest Money will be credited toward the Purchase Price; and (b) Buyer will pay Seller the unpaid balance of the Purchase Price by cash, cashier's check, or wire transfer to an account specified by Seller in writing. Buyer will assume all Seller's obligations arising out of or under the Lease arising after the Closing Date. Buyer will timely pay and perform Buyer's obligations under the Lease.

2.3 Proration; Escrow Fees. Subject to the terms and conditions contained in this Agreement, all utilities, rents, taxes, and other similar expenses with respect to the Property will be prorated between Seller and Buyer as of the Closing. Seller is a tax-exempt municipal corporation. Notwithstanding anything contained in this Agreement to the contrary, Seller will not pay any real property taxes and/or personal property taxes concerning or related to the Property and/or this Transaction (consistent with ORS 311.410, real property taxes and personal property taxes (if any) will not be pro-rated between Seller and Buyer). Seller and Buyer will each pay one-half (50%) of any escrow fees charged by Title Company. Seller will pay the costs of the Title Insurance.

2.4 AS-IS Transaction. **BUYER ACKNOWLEDGES AND AGREES THAT BUYER IS BUYING THE PROPERTY "AS IS" AND "WITH ALL FAULTS AND DEFECTS" AS OF THE CLOSING DATE, WITHOUT ANY SELLER**

REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, EXCEPT AS OTHERWISE PROVIDED IN SECTION 3 BELOW, AND/OR STATUTORY, OF ANY KIND WHATSOEVER. SELLER HAS NO OBLIGATION TO REPAIR, IMPROVE, AND/OR CORRECT ANY PROPERTY CIRCUMSTANCES, CONDITIONS, AND/OR DEFECTS. BUYER ACKNOWLEDGES AND AGREES THAT SELLER DISCLAIMS (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, AND (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. BUYER ASSUMES RESPONSIBILITY AND RISKS OF ALL PROPERTY DEFECTS AND CONDITIONS. BUYER IS MAKING BUYER'S OWN DETERMINATION REGARDING THE PROPERTY'S VALUE AND/OR USE. BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT THIS DISCLAIMER HAS BEEN SPECIFICALLY NEGOTIATED AND IS A MATERIAL INDUCEMENT TO SELLER'S AGREEMENT TO SELL THE PROPERTY TO BUYER.

Buyer Initials: _____

2.5 Cybermill Lease. Seller leases the Property to Grant County Cybermill ("Tenant") pursuant to the terms and conditions of a certain City of John Day – Commercial Lease dated effective November 3, 2021 (the "Lease"). In connection with Tenant's lease of the Property, Tenant has placed certain equipment and other personal property in the approximately 88.2 square foot server room located on or about the Property (the "Server Room"). At the Closing, Seller will assign, and Buyer will assume, Seller's obligations under the Lease arising after the Effective Date pursuant to the terms of the Assignment. Pursuant to the terms of the Assignment, Buyer will not prevent and/or prohibit Tenant's reasonable and necessary access to the Server Room during the term of the Lease.

3. Seller Representations; Warranties; Covenants.

Except for the express representations and warranties contained in this Section 3, Seller expressly excludes all representations and warranties with respect to the Property and/or Transaction, express and implied, including, without limitation, the warranty of merchantability, warranty of fitness for a particular purpose, and any warranties that may have arisen from course of dealing or usage of trade. Subject to the immediately preceding sentence (and as otherwise provided under this Agreement), Seller represents and warrants to Buyer as follows:

3.1 Authority and Binding Obligation. Seller has full power and authority to sign and deliver this Agreement and to perform all Seller's obligations under this Agreement. The execution, delivery, and performance of this Agreement, and any agreement contemplated herein, constitutes a valid and binding agreement of Seller, enforceable in accordance with its terms. Seller's execution, delivery, and performance of this Agreement will not result in a breach or violation of, nor constitute a default under, any agreement, law, judgment, and/or order, or require the consent, authorization, and/or approval of any person, including, without limitation, any governmental body.

3.2 Filings; Notices; Notification. Subject to the terms and conditions contained in this Agreement, Seller will (a) make all filings and give all notices that Seller is required to make and give to close the Transaction, (b) reasonably cooperate with Buyer with respect to all consents, authorizations, approvals, filings, and notices that Buyer is required to make and give to close the Transaction, (c) use Seller's reasonable efforts to effectuate the Transaction, including obtaining all consents, authorizations, and approvals that Seller is required to obtain to close the Transaction.

3.3 No Brokers or Finders; Foreign Person; Accuracy. Seller has not incurred any liability or obligation, whether contingent or otherwise, for a brokerage commission, a finder's fee, or any other similar payment in connection with this Agreement and/or the Transaction. Seller is not a "foreign person" for purposes of Internal Revenue Code Section 1445. None of Seller's representations or warranties contains any untrue statement of a material fact or omits or misstates a material fact necessary to make the statements contained herein not misleading.

4. Buyer Representations and Warranties.

Except for Buyer's express representations and warranties contained in this Agreement, Buyer expressly excludes all representations and warranties with respect to the Transaction, express and implied.

Subject to the immediately preceding sentence, Buyer represents and warrants to Seller as follows:

4.1 Authority; Binding Obligation; No Conflicts. Buyer has full power and authority to sign and deliver this Agreement and to perform all Buyer's obligations under this Agreement. The execution, delivery, and performance of this Agreement constitutes a valid and binding agreement of Buyer, enforceable in accordance with its terms. Buyer's execution, delivery, and performance of this Agreement will not result in a breach and/or violation of, nor constitute a default under, any agreement, law, judgment, and/or order, and/or require the consent, authorization, and/or approval of any person, including, without limitation, any governmental body.

4.2 Buyer Due Diligence.

4.2.1 Buyer has knowledge and experience in real estate and land use matters necessary to make Buyer capable of evaluating the merits and risks of the Transaction, entering into this Agreement, and purchasing and owning the Property. Buyer has had the opportunity to ask questions and receive answers concerning the Property, Transaction, this Agreement, and all other information deemed necessary or appropriate by Buyer concerning Buyer's acquisition of the Property and Transaction. Buyer has entered into this Agreement based on its own examination, personal knowledge, and opinion of the Property's value. Buyer has not relied on any representations or warranties made by Seller other than those provided under Section 3 of this Agreement. Buyer has sufficient assets to ensure Buyer's timely performance of its obligations under this Agreement, including, without limitation, payment of the Purchase Price.

4.2.2 If this Transaction closes, Buyer will be deemed to have completed (or knowingly waived Buyer's opportunity to complete) an inspection and evaluation of the Property concerning, among other things, structural conditions, soil conditions/compaction, stability, environmental issues (e.g., contamination), zoning, encroachments, condition of title, Encumbrances, and/or suitability of the Property for Buyer's intended purpose. Based on this inspection and evaluation (or waiver of such inspection and evaluation), Buyer will be deemed to have knowingly, voluntarily, and without reservation accepting the Property in its "AS-IS" AND "WITH ALL FAULTS AND DEFECTS CONDITION" as of the Closing Date. Seller has made no promise or agreement to repair, alter, construct, and/or improve the Property, or any part thereof (including any structure on the Property).

4.3 No Brokers or Finders; Accuracy. Buyer has not incurred any liability or obligation, whether contingent or otherwise, for a brokerage commission, finder's fee, or any other similar payment in connection with this Agreement and/or the Transaction. None of Buyer's representations or warranties contains any untrue statement of a material fact or omits or misstates a material fact necessary to make the statements contained herein not misleading.

5. Due Diligence; Property Inspection; Testing.

5.1 Documents and Materials. Within fifteen (15) days after the Effective Date, Seller will deliver to Buyer, at Seller's cost and expense, the following documents and materials concerning the Property (if such documents and materials exist) in Seller's possession or control as of the Effective Date (individually and collectively, the "Document(s)"): (a) any and all zoning compliance documents, including zoning permits or confirmations; (b) any and all environmental reports, including, without limitation, Phase I or Phase II Environmental Site Assessments, if any; (c) surveys, plats, and/or Property boundary descriptions; (d) any and all appraisals; (e) any and all leases, rental agreements, and/or occupancy agreements, including any amendments thereto; (f) financial operating statements, including, without limitation, income and expense statements for the past three years; (g) any and all permits, licenses, and/or governmental approvals; (h) building plans and specifications, including any architectural or engineering drawings; (i) service contracts or agreements concerning the Property's maintenance, operation, and/or repair; (j) legal documents and/or records concerning any past,

pending, and/or threatened litigation, claims, and/or disputes; and/or (k) documents showing lease and/or rent payments over the last 5 years (from the Effective Date). Seller warrants that, to Seller's Knowledge, all Documents provided pursuant to this Section 5.1 will be true, correct, and complete copies of the Documents. Buyer will maintain the confidentiality of all Documents Seller provides under this Section 5.1 provided Buyer may disclose the Documents to Buyer's consultants, attorneys, lenders, and accountants. Buyer will review the Documents subject to and in accordance with Section 5.3. If the Transaction does not Close, Buyer will return the Documents to Seller upon the earlier termination or expiration of this Agreement.

5.2 Preliminary Title Report.

5.2.1 Within 10 days after the Effective Date, Seller will cause to be delivered to Buyer, at Seller's cost and expense, a preliminary title report showing the Property's condition of title, together with copies of all exceptions listed therein (the "Title Report"). Commencing on Buyer's receipt of the Title Report, Buyer will have no more than 10 days within which to give notice in writing to Seller (the "Notice of Unpermitted Encumbrances") of Buyer's disapproval of any exception(s) shown in the Title Report (the "Unpermitted Encumbrance(s)"). If Buyer fails to provide Seller the Notice of Unpermitted Encumbrances within the ten-day period, all exceptions set forth in the Title Report will be deemed Permitted Encumbrances.

5.2.2 If Buyer timely provides Seller the Notice of Unpermitted Encumbrances, Seller will notify Buyer within 10 days after Seller's receipt of the Notice of Unpermitted Encumbrances (the "Notice of Removal") whether Seller is willing and able to remove the Unpermitted Encumbrances identified in the Notice of Unpermitted Encumbrances. If Seller is willing and able to remove all or any Unpermitted Encumbrances, Seller will remove (or cause to be removed) the Unpermitted Encumbrances identified in the Notice of Removal at or prior to Closing.

5.2.3 If Seller is not willing or unable to remove any Unpermitted Encumbrances, Buyer may, by written notice to Seller given within 10 days after Buyer's receipt of the Notice of Removal, exercise any of the following rights or remedies: (a) Buyer may terminate this Agreement, in which event the Earnest Money will be returned to Buyer and thereafter neither party will have any further rights, remedies, and/or obligations with respect to the Property and Transaction other than as provided in Section 5.3.2 and/or Section 9.3 of this Agreement; (b) Buyer may approve the Title Report subject to the Unpermitted Encumbrances (in which case the Unpermitted Encumbrances will be deemed Permitted Encumbrances); or (c) Buyer may attempt to remove the Unpermitted Encumbrances (or any of them) at Buyer's cost and expense, in which case the Unpermitted Encumbrances will be deemed Permitted Encumbrances.

5.3 Property Inspection; Testing.

5.3.1 Buyer will have 90 days commencing from the Effective Date (the "Due Diligence Period") within which to complete an inspection, examination, review, and evaluation of the Property. This inspection and examination may include, without limitation, an inspection and examination of the following: (a) the Property's physical condition; (b) the presence or absence of Hazardous Substances; and/or (c) the feasibility of the Property for Buyer's intended purpose. In addition, during the Due Diligence Period, Buyer may contact (via telephone, email, and/or in-person) Tenant to obtain information concerning, among other things, the Property's condition and general experience concerning Tenant's occupancy of the Property.

5.3.2 Buyer and/or Buyer's Representatives will not perform any invasive tests on the Property without Seller's prior written consent; provided, however, Buyer is permitted to perform, after providing Seller no less than 24 hours' prior written notice (which notice will identify the intended testing and location of testing), the following studies and tests subject to the terms and conditions contained in this Agreement: (a) Phase 1 Environmental Site Assessment (ESA); (b) surveys and non-invasive inspections; (c) traffic studies; and (d) hazardous materials testing. Any damage to the Property caused by Buyer and/or Buyer's Representatives in connection with Buyer's and/or Buyer's Representatives entry, survey, test, and/or investigation of the Property will be repaired or restored, at Buyer's cost and expense, to the same or similar condition to which the Property

existed prior to the damage. Buyer releases and will defend, indemnify, and hold Seller harmless for, from, and against all Damages resulting from or arising out of Buyer and/or Buyer's Representatives entry, survey, test, and/or investigation of the Property. Buyer's indemnification obligation under this Section 5.3.2 will survive the Closing or earlier termination of this Agreement.

5.3.3 Buyer will notify Seller of the satisfaction or waiver of this Due Diligence contingency by providing Seller written notice to that effect on or before the expiration of the Due Diligence Period (the "Contingency Notice"). If Buyer timely provides the Contingency Notice, this Agreement will continue in full force and effect on the terms and conditions set forth in this Agreement. If Buyer fails to timely provide the Contingency Notice, this Agreement will terminate, the Earnest Money will be returned to Buyer, and neither party thereafter will have any further rights or obligations arising out of or in connection with this Agreement and/or the Transaction, except as provided in Section 5.3.2 and Section 9.3.

6. Closing Conditions.

6.1 Buyer's Closing Conditions. Buyer's obligation to purchase the Property from Seller and close the Transaction is conditioned on the satisfaction by Seller or waiver by Buyer of each of the following conditions, all of which are intended solely for the benefit of Buyer:

6.1.1 Each of Seller's representations and warranties contained in this Agreement must be true and accurate as of the Effective Date and Closing Date. Seller must have performed and complied with Seller's covenants contained in this Agreement to the extent arising or applicable before the Closing. No action, arbitration, audit, hearing, investigation, litigation, suit, and/or other proceeding may be pending or threatened against Seller and/or the Property as of the Effective Date or Closing Date.

6.1.2 In accordance with ORS 311.411, a certificate issued by the Grant County Assessor attesting that all "charges against the real property" (as defined under ORS 311.411) have been paid in full (the "Certificate").

6.1.3 Buyer's satisfactory completion of its title review as provided under Section 5.1. Seller must have caused all applicable items identified under Section 8.3 to be delivered to Buyer. Buyer must be satisfied with the results of its inspection and examination of the Property under Section 5.2.

6.1.4 Buyer's satisfactory completion of its review and inspection of the Property within the Due Diligence Period subject to and in accordance with Section 5.3.

If any condition described in this Section 6.1 is not satisfied by Seller or waived by Buyer, Buyer may terminate this Agreement by notice to Seller, in which event the Earnest Money will be returned to Buyer and thereafter neither party will have any further rights, remedies, and/or obligations with respect to the Property, each other, and/or this Transaction, except as provided in Section 5.3.2 and Section 9.3.

6.2 Seller's Closing Conditions. Seller's obligation to sell the Property to Buyer and close the Transaction is conditioned on the satisfaction by Buyer or waiver by Seller of each of the following conditions, all of which are intended solely for the benefit of Seller:

6.2.1 Each of Buyer's representations and warranties contained in this Agreement must be true and accurate as of the Effective Date and Closing Date. Buyer must have performed and complied with Buyer's covenants contained in this Agreement to the extent arising or applicable before the Closing. No action, arbitration, audit, hearing, investigation, litigation, suit, and/or other proceeding may be pending or threatened against Buyer and/or the Property as of the Effective Date or Closing Date.

6.2.2 In accordance with ORS 311.411, the Certificate must be issued by the Grant County Assessor.

6.2.3 Buyer must have caused the following items to be executed (as applicable) and/or delivered to Seller: (a) the items set forth in Section 8.2; and (b) Seller must have obtained all consents, authorizations, approvals, agreements, and instruments Seller may require to sell the Property to Buyer and consummate the Transaction.

If any condition described in this Section 6.2 is not satisfied by Buyer or waived by Seller, Seller may terminate this Agreement by notice to Buyer, in which event the Earnest Money will be returned to Buyer and thereafter neither party will have any further rights, remedies, and/or obligations with respect to the Property, each other, and/or this Transaction, except as provided in Section 5.3.2 and Section 9.3.

7. Seller Covenants Before Closing.

Seller covenants to Buyer as follows before the Closing:

7.1 No Transfer; Seller's Business. Until the Closing or earlier termination of this Agreement, Seller will perform and comply with the following: (a) Seller will not Transfer the Property; (b) Seller will own and use the Property in the ordinary course of Seller's business; and (c) Seller will comply with the Laws.

7.2 Notification. Until the Closing or earlier termination of this Agreement, Seller will promptly notify Buyer if Seller obtains actual knowledge of the following: (a) any material loss or damage with respect to the Property with a value over \$10,000.00; (b) Seller's breach of any Seller representation, warranty, and/or covenant contained in this Agreement; and/or (c) any event that makes the satisfaction of any Closing condition impossible or unlikely.

8. Closing; Risk of Loss.

8.1 Closing. Closing will take place at the offices of Title Company on the Closing Date or any other place or time that the parties may agree in writing; provided, however, in no event will the Closing occur after the Drop-Dead Date. If Closing does not occur on or before the Drop-Dead Date, this Agreement will be deemed terminated and, subject to the terms and conditions contained in this Agreement, neither party thereafter will have any further rights, remedies, and/or obligations with respect to the Property, each other, and/or this Transaction, except as provided in Section 5.3.2 and Section 9.4.

8.2 Buyer – Closing Obligations. At the Closing, Buyer will deliver the following to Seller: (a) the Purchase Price, less the Earnest Money, by cash, cashier's check, certified check, or wire transfer to an account specified by Seller; (b) the Assignment signed by Buyer; (c) a certified check signed by Buyer for any prorated expenses with respect to the Property, if applicable, to the extent that pro-rations may be made at the Closing; (d) the Certificate; and (e) all documents and instruments that Seller may reasonably request to close the Transaction in form and substance reasonably satisfactory to Seller.

8.3 Seller – Closing Obligations. At the Closing, Seller will deliver the following to Buyer: (a) the Deed; (b) possession of the Property, subject to the Lease; (c) the Assignment signed by Seller; (d) a certified check signed by Seller for any prorated expenses with respect to the Property to the extent that pro-rations may be made at the Closing; (e) the Certificate; and (f) all documents and instruments that Buyer may reasonably request to close the Transaction in form and substance reasonably satisfactory to Buyer.

8.4 Title Insurance; Deed. Within 30 days after the Closing Date, Title Company will furnish Buyer with the Title Insurance at Seller's cost and expense. On the Closing Date, Seller will execute and deliver the Deed to Buyer.

8.5 Risk of Loss. Notwithstanding anything contained in this Agreement to the contrary, Buyer has the option to terminate this Agreement (and the Transaction) by written notice to Seller if, prior to the Closing, the Property is substantially destroyed or rendered unusable (as determined by Buyer). If Buyer terminates this

Agreement under this Section 8.5, the Earnest Money will be returned to Buyer and, except as provided in Section 5.3.2 and Section 9.4, neither party thereafter will have any further rights, remedies, and/or obligations with respect to the Property, each other, and/or the Transaction. If Buyer elects not to terminate this Agreement, Seller will assign and turn over to Buyer, and Buyer will be entitled to receive and keep, all awards for the taking by condemnation or insurance proceeds and Buyer will be deemed to have accepted the Property subject to the taking or loss without reduction in Purchase Price.

9. Termination; Default; Indemnification.

9.1 Termination. In addition to all other termination events identified in this Agreement, this Agreement will terminate upon the earliest to occur of the following: (a) upon notice from either Buyer or Seller if Closing has not occurred on or before the Drop-Dead Date; (b) upon notice from Buyer to Seller if any condition to Buyer's obligation to close the Transaction has not been satisfied by Seller or waived by Buyer; or (c) upon notice from Seller to Buyer if any condition to Seller's obligation to close the Transaction has not been satisfied by Buyer or waived by Seller. Upon termination pursuant to this Section 9.1, this Agreement will be deemed terminated, the Earnest Money will be returned to Buyer and, subject to the terms and conditions contained in this Agreement, neither party thereafter will have any further rights, remedies, and/or obligations with respect to the Property, each other, and/or this Transaction, except as provided in Section 5.3.2 and Section 9.4; provided, however, if the Closing did not occur because of a default by Seller or Buyer, the non-defaulting party will have all rights and remedies available under this Agreement.

9.2 Default.

9.2.1 Subject to the terms and conditions contained in this Agreement, Seller will be deemed in default under this Agreement if Seller breaches and/or otherwise fails to perform any Seller representations, warranties, covenants, and/or obligations contained in this Agreement. Upon occurrence of Seller's default, Buyer may elect to terminate this Agreement and have the Earnest Money returned to Buyer as Buyer's sole and exclusive remedy; Buyer will not be entitled to any other rights or remedies due to Seller's default other than as specified under this Section 9.2.1.

9.2.2 Subject to the terms and conditions contained in this Agreement, Buyer will be in default under this Agreement if Buyer breaches and/or otherwise fails to perform any Buyer representations, warranties, covenants, and/or obligations contained in this Agreement, time of payment and performance being of the essence. If Buyer breaches and/or otherwise fails to perform any Buyer representations, warranties, covenants, and/or obligations contained in this Agreement, time of payment and performance being of the essence, Seller will have the right to immediately terminate this Agreement and retain the Earnest Money as liquidated damages (and require immediate payment of all then unpaid Earnest Money) and neither party thereafter will have any further rights or obligations with respect to the Transaction, Property, and/or the other party except for any claims Seller may have against Buyer under Section 5.3.2 and/or Section 9.4. Seller and Buyer acknowledge and agree that in the event of Buyer's default under this Agreement it will be difficult to determine the amount of Seller's actual damages and that if Seller elects to retain the Earnest Money as liquidated damages, the amount thereof is a reasonable forecast of the actual damages that Seller could be expected to suffer as a result of Buyer's default. Notwithstanding anything contained in this Agreement to the contrary, Seller's termination of this Agreement will not preclude Seller from pursuing a claim for indemnification under Section 5.3.2 and/or Section 9.3.

9.2.3 Prior to declaring a party in default under this Agreement, the non-defaulting party will provide the alleged defaulting party prior written notice of the alleged default (the "Default Notice"), which Default Notice will specify with reasonable particularity the default the non-defaulting party believes exists. Commencing on the alleged defaulting party's receipt of the Default Notice, the alleged defaulting party will have ten (10) days within which to cure or remedy the alleged default(s) (the "Cure Period"). Notwithstanding anything contained in this Agreement to the contrary, no Default Notice will be required to be provided by Seller to Buyer if Buyer fails to timely pay the Earnest Money and/or the Purchase Price.

9.3 Release and Indemnification. Buyer releases and will defend, indemnify, and hold Seller and each Seller Representative harmless for, from, and against all Damages resulting from or arising out of, whether directly or indirectly, the following: (a) Buyer's occupancy, possession, development, repair, maintenance, improvement, ownership, and/or use of the Property; (b) the exercise of any remedy available to Seller under this Agreement; (c) any inaccuracy of any Buyer representation, warranty, and/or covenant made in this Agreement; (d) Damages which may be assessed against Seller by federal and/or state governmental authorities due to Buyer and/or Buyer's Representatives activities on or about the Property involving the use, storage, handling, transportation, treatment, disposal, and/or release of any Hazardous Substances; (e) Buyer's failure to timely perform its obligations under the Lease; and/or (f) Buyer's breach and/or failure to perform any Buyer representation, warranty, covenant, and/or obligation contained in this Agreement. Buyer's indemnification covenants contained in this Section 9.3 will not merge with or into the Deed but will survive the Closing.

10. Miscellaneous.

10.1 Statutory Warning. **THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.**

10.2 Expenses; Notices. Except as otherwise provided in this Agreement, each party will bear the party's own fees, costs, and expenses incurred in connection with the Transaction, including, without limitation, the preparation, negotiation, signing, and performance of this Agreement and the other agreements and documents relating to the Transaction. Any notice required under this Agreement must be in writing. Any notice will be deemed given when personally delivered or delivered by email or facsimile transmission (with electronic confirmation of delivery), or will be deemed given three business days following delivery of the notice by U.S. mail, postage prepaid, certified, return receipt requested, by the applicable party to the address of the other party first shown above (or any other address that a party may designate by notice to the other party), unless that day is a Saturday, Sunday, or legal holiday, in which event it will be deemed given on the next following business day.

10.3 Time of Essence; No Assignment; Binding Effect. Time is of the essence with respect to all dates and time periods in this Agreement. Neither party may assign or delegate any of the party's rights or obligations under this Agreement to any person without the prior written consent of the other party. Subject to the immediately preceding sentence, this Agreement will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit. Notwithstanding anything contained in this Agreement to the contrary, this Agreement will not be construed to create third party beneficiary rights or remedies in any party whatsoever.

10.4 Amendment; Waiver; Severability; Attorney Fees. This Agreement may be amended only by a written document signed by both parties. No waiver will be binding on a party unless it is in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this Agreement will not be a waiver of any other provision or a waiver of a subsequent breach of the same provision. If a provision of this Agreement is determined to be unenforceable in any respect, the enforceability of the provision in any other respect and of the

remaining provisions of this Agreement will not be impaired. If any arbitration, action, suit, or proceeding is instituted to interpret, enforce, or rescind this Agreement, or otherwise in connection with the subject matter of this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's attorney fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68 A(2), incurred in connection with the arbitration, action, suit, or proceeding, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

10.5 Further Assurances; Termination; Survival; Joint and Several. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Agreement. Except as otherwise provided under this Agreement, the termination of this Agreement, regardless of how it occurs, will not relieve a party of obligations that have accrued before the termination. If the Closing occurs, Seller's representations, warranties, covenants, and other obligations contained in this Agreement and all Transaction Documents will survive the Closing and will not merge with or into the Deed.

10.6 Attachments; Governing Law. Any exhibits, schedules, and other attachments referenced in this Agreement are part of this Agreement. This Agreement is governed by the laws of the State of Oregon, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. Any action, suit, or proceeding arising out of the subject matter of this Agreement will be litigated in courts located in Grant County, Oregon. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Grant County, Oregon. This Agreement may be signed in counterparts. A fax or email transmission of a signature page will be considered an original signature page.

10.7 Entire Agreement; Interpretation. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. The titles, captions, or headings of the sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. If a date for performance of an obligation or delivery of any notice hereunder falls on a day other than a business day, the date for such performance or delivery of such notice will be postponed until the next ensuing business day. For purposes of this Agreement, a "business day" means a normal working day (i.e., Monday through Friday of each calendar week, exclusive of Federal and state holidays and one day following each of Thanksgiving, Christmas, and New Year's); the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be binding and effective for all purposes as of the Effective Date.

SELLER:
City of John Day,
an Oregon municipal corporation

BUYER:
Oregon Telephone Corporation,
an Oregon corporation d/b/a Rally Networks

By: _____

By: _____

Dated: _____

Dated: _____

Appendix A
Definitions

“Agreement” has the meaning assigned to such term in the preamble.

“Assignment” has the meaning assigned to such term in Section ____.

“Building” has the meaning assigned to such term in Recital A.

“Buyer” has the meaning assigned to such term in the preamble.

“Certificate” has the meaning assigned to such term in Section 6.1.2.

“Closing” means the closing of the Transaction.

“Closing Date” means the date on which the Closing takes place.

“Contingency Period” has the meaning assigned to such term in Section 5.3.3.

“Cure Period” has the meaning assigned to such term in Section 9.2.3.

“Damage(s)” means all claims, actions, proceedings, damages, liabilities, obligations, costs, attorney fees, and expenses of every kind or nature, including, without limitation, environmental response, removal, and/or remediation costs and expenses, whether known or unknown.

“Deed” means a statutory warranty deed conveying the Property to Buyer free and clear of all Encumbrances except the Permitted Encumbrances, which Deed will be in form and substance satisfactory to Buyer.

“Default Notice” has the meaning assigned to such term in Section 9.2.3.

“Drop-Dead Date” means November 30, 2024.

“Due Diligence Period” has the meaning assigned to such term in Section 5.2.1.

“Earnest Money” means \$10,000.00.

“Effective Date” means the date upon which this Agreement is fully executed by the parties.

“Encumbrance(s)” means any lien, mortgage, pledge, security interest, reservation, restriction, adverse claim, or other encumbrance.

“Environmental Law(s)” means any federal, state, or local statute, regulation, or ordinance, or any judicial or other governmental order pertaining to the protection of health, safety, or the environment or designed to minimize, prevent, punish, or remedy the consequences of actions that damage or threaten the environment or public health and safety, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§9601 et seq., ORS 468B.195-197 (including any regulations promulgated thereunder), the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq.

“Hazardous Substance(s)” means any hazardous, toxic, infectious, or radioactive substance, waste, or material as defined, controlled, or listed by any Environmental Law, including, without limitation, petroleum oil and its fractions.

“Law(s)” means all federal, state, and local laws, statutes, ordinances, codes, regulations, orders, rules, covenants, conditions, easements, declarations, leases, liens, and/or restrictions directly or indirectly affecting or concerning the ownership, use, condition, maintenance, leasing, and/or operation of all or any part of the Property, including, without limitation, all Environmental Laws.

“Lease” has the meaning assigned to such term in Section 2.4.

“Notice of Removal” has the meaning assigned to such term in Section 5.1.2.

“Notice of Unpermitted Encumbrances” has the meaning assigned to such term in Section 5.1.1.

“Permitted Encumbrance(s)” means with respect to the Property (a) any exception that is disclosed on the Title Report and accepted by Buyer in accordance with Section 5.1, and (b) any lien, mortgage, pledge, security interest, or other encumbrance arising by operation of law for taxes, assessments, or government charges not yet due.

“Property” has the meaning assigned to such term in Recital A.

“Purchase Price” has the meaning assigned to such term in Section 2.1.

“Real Property” has the meaning assigned to such term in Recital A.

“Representative(s)” means each past, present, and future officer, director, shareholder, employee, member, manager, assignee, contractor, agent, and/or authorized representative of the identified party.

“Seller” has the meaning assigned to such term in the preamble.

“Seller Property” has the meaning assigned to such term in Recital A.

“Title Company” means Land Title Company of Grant County, Inc., 145 NE Dayton Street, John Day, Oregon 97845.

“Title Insurance” means a standard coverage ALTA Owner’s Policy of title insurance that (a) covers the Property in the amount of the Purchase Price, and (b) does not contain any exception to title unacceptable to Buyer.

“Title Report” has the meaning assigned to such term in Section 5.1.1.

“Transaction” means the purchase and sale of the Property, all as provided in this Agreement.

“Transfer” means the sale, lease, further Encumbrance, sale, and/or other conveyance of the Property.

“Transaction Document(s)” means, individually and collectively, this Agreement, the Deed, and all other transaction documents referenced therein.

“Unpermitted Encumbrance(s)” has the meaning assigned to such term in Section 5.1.1.

Exhibit A
Legal Description

The Property is legally described as follows:

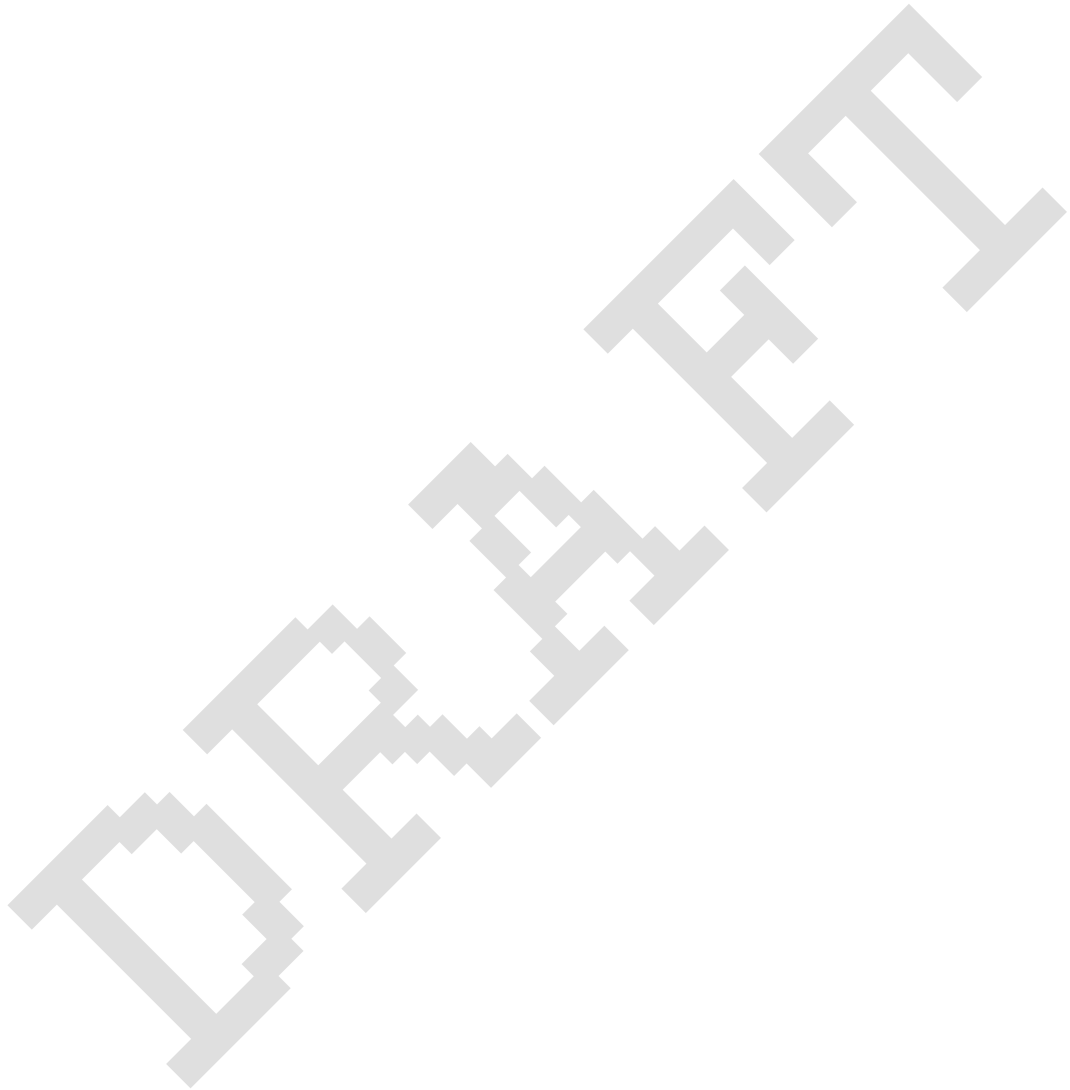
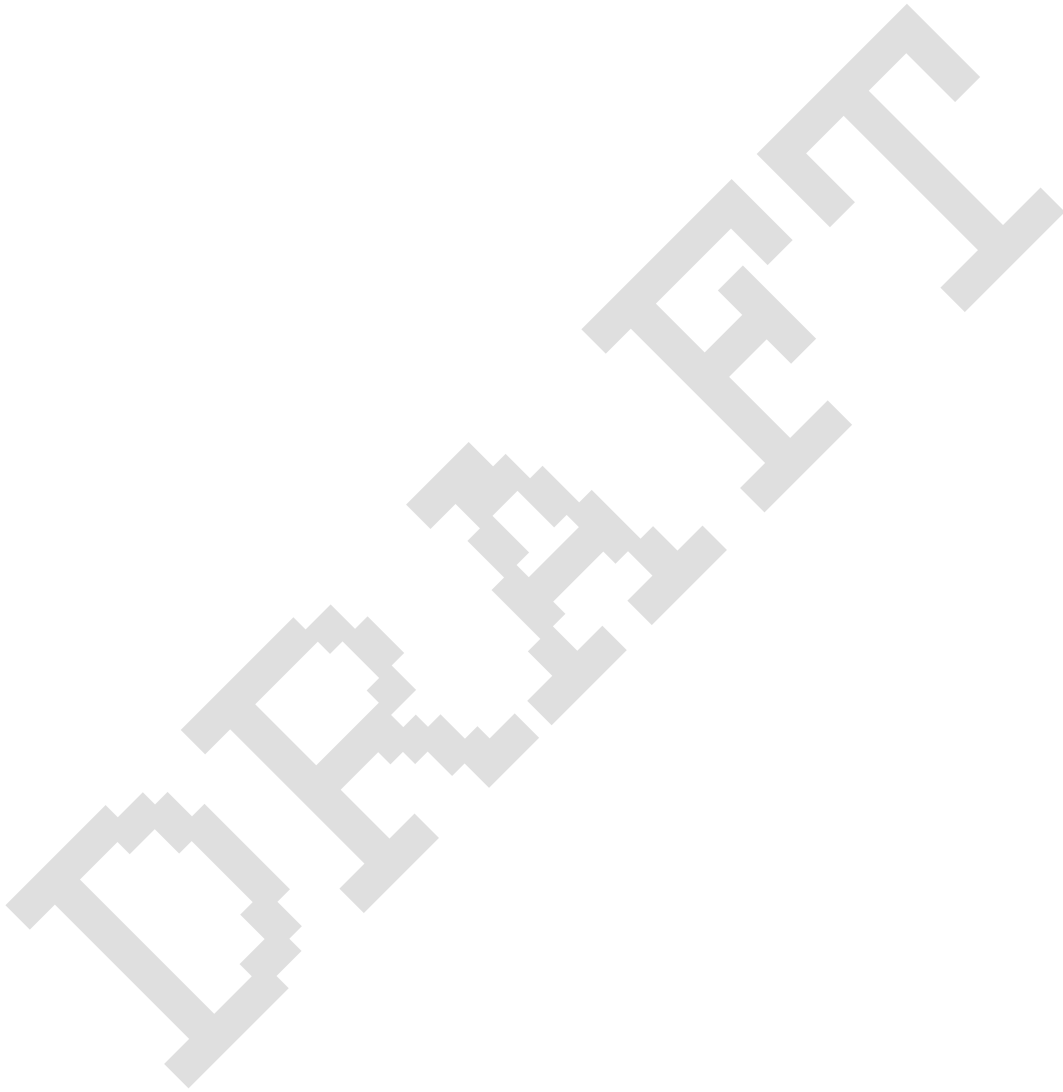


Exhibit B
Property Depiction

[attached]



AMENDMENT NO. 1 TO SERVICE AGREEMENT

This Amendment No. 1 to Service Agreement (this "Amendment") is dated January __, 2025, but made effective for all purposes as of the Effective Date (as defined below), and is entered into between City of John Day ("City"), an Oregon municipal corporation, Grant County Digital Network Coalition ("GCD"), whose address is 450 East Main Street, John Day, Oregon 97845, and Oregon Telephone Corporation ("Corporation"), an Oregon corporation d/b/a Rally Networks, whose address is 1 Telephone Drive, Mount Vernon, Oregon 97845. For purposes of this Amendment, the term "Customer(s)" means City and GCD, individually and collectively.

RECITALS:

A. Customers and Corporation are parties to a certain Service Agreement dated effective May 1, 2022 (the "Agreement"). Pursuant to the Agreement, Corporation agreed to provide certain services to Customers, including the provision of certain internet access and telecommunications services (and associated fiber optic construction and installation) along the routes designated in the Agreement (collectively, the "Services"). In consideration of the Services, Customers agreed to contribute \$1,000,000.00 toward Corporation's infrastructure costs and expenses, which contribution consisted of a \$500,000.00 grant and \$500,000.00 loan (the "Loan"). Corporation contends that the Loan was interest only; Customers disagree with Corporation's contention concerning the Loan's characterization.

B. Pursuant to the Agreement, Corporation was required to complete construction and installation of all fiber facilities to Customers' premises no later than April 30, 2024 (the "Work"). As of the Effective Date, approximately 25% of the fiber facilities remain incomplete (it is Corporation's contention that 75% of the Services are complete as of the Effective Date). Corporation contends that the incomplete portion of the Services concerns the installation of fiber lines to the Monument School. Pursuant to Section 2.3 of the Agreement, due to Corporation's failure to timely complete the Work, Customers allege that (a) Corporation is required to pay Customers \$26,456.68 in interest accrual no later than May 1, 2024, and (b) Corporation must repay the entire Loan. Corporation disagrees that interest is payable under the Loan (and/or the entire Loan amount). Corporation also alleges certain defenses, including misrepresentation and force majeure.

C. Subject to the terms and conditions contained in this Amendment, Corporation and Customers are entering into this Amendment to, among other things, provide Corporation additional time to complete the Work.

AGREEMENT:

NOW, THEREFORE, in consideration of the parties' obligations contained in the Agreement and this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Services Deadline Extension. Subject to the terms and conditions contained in this Amendment, Customers will provide Corporation until April 30, 2025 (the "Extension") to complete the Services. If Corporation fails to complete the Services on or before April 30, 2025, Corporation will pay interest only payments to City based on 25% of the Loan (i.e., \$125,000.00) commencing from May 1, 2025 at an annual interest rate of 5.0%. Corporation's interest-only payments will be paid monthly, commencing on June 1, 2025 and continuing on the same day of each month thereafter, until the Services are complete; provided, however, if Corporation fails to complete the Services on or before December 31, 2025, City and all other Customers may pursue all rights and remedies available to City and/or any other Customer under the Agreement, at law, and/or in equity (and Corporation will retain any defenses it may have under the same). Subject to the terms and conditions contained in this Amendment and the Agreement, the Extension will be on the same terms and conditions contained in the Agreement.

2. Seneca Building. As partial consideration for the Extension, Corporation will purchase that certain City-owned real property (and all improvements located thereon) commonly known as the Seneca Building, located at 300 Barnes Avenue, Seneca, Oregon 97873 and more particularly described on the attached Exhibit A (the "Property"). The purchase price for the Property will be the Property's fair market value of \$150,000.00. Corporation will purchase the Property from City AS-IS, WHERE IS, AND WITH ALL FAULTS AND DEFECTS, subject to all liens, restrictions, and adverse claims then-affecting the Property, and pursuant to the terms and conditions of a certain sale agreement containing standard terms and conditions substantially in the form attached hereto as Exhibit B. Notwithstanding anything contained in this Amendment to the contrary, Corporation's purchase of the Property (and City's sale of the Property) is conditioned on the completion or satisfaction of all conditions and/or requirements under applicable federal, state, and local laws, regulations, and ordinances, including, without limitation, ORS 221.725 and ORS 271.310.

3. Affirmation; No Waiver; Authority. Corporation affirms and reaffirms to Customers each of Corporation's representations, warranties, covenants, and agreements set forth in the Agreement, except as specifically modified under Section 1 and Section 2 of this Amendment. This Amendment will not be construed as an actual or implied waiver and/or release of any Corporation obligation and/or liability arising out of or under the Agreement and/or a waiver and/or release of any claims and/or defenses Corporation may have under the Agreement. Corporation represents and warrants to Customers as follows: (a) Corporation has full power and authority to sign and deliver this Amendment and to perform Corporation's obligations under this Amendment; (b) this Amendment is the legal, valid, and binding obligation of Corporation. This Amendment is a compromise of disputed claims and will not be construed as an admission of liability by any party.

4. Miscellaneous.

4.1 Further Assurances; Severability. This Amendment is hereby made part of the Agreement. The provisions of the Agreement that are not amended by this Amendment remain unchanged and in full force and effect. The parties will sign other documents and take other actions reasonably necessary to further effect and evidence this Amendment. Each provision contained in this Amendment will be treated as a separate and independent provision. The unenforceability of any one provision will in no way impair the enforceability of any other provision contained herein. Any reading of a provision causing unenforceability will yield to a construction permitting enforcement to the maximum extent permitted by applicable law. This Amendment will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit.

4.2 Governing Law; Venue; Attorney Fees. This Amendment is governed by and will be construed in accordance with the laws of the State of Oregon (without giving effect to any conflict-of-law principle of any jurisdiction), and venue for any action concerning this Amendment will lie in Grant County, Oregon. If any arbitration or litigation is instituted to interpret, enforce, and/or rescind this Amendment, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's attorney fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court.

4.3 Entire Agreement; Signatures; Effective Date. This Amendment contains the entire understanding of the parties regarding the subject matter of this Amendment and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Amendment. This Amendment may be signed in counterparts. For purposes of this Amendment, the term "Effective Date" means the date on which this Amendment is fully executed by all parties hereto; the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the

parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting.

IN WITNESS WHEREOF, the parties have caused this Amendment to be binding and effective for all purposes as of the Effective Date.

CITY:

City of John Day,
an Oregon municipal corporation

By: _____

Dated: _____

CORPORATION:

Oregon Telephone Corporation,
an Oregon corporation d/b/a Rally Networks

By: _____

Dated: _____

GCD:

Grant County Digital Network Coalition,
an ORS 190 organization

By: _____

Dated: _____

DRAFT

Exhibit A
Property Description

[attached]

DRAFT

Exhibit B
Sale Agreement

[attached]

DRAFT



REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: February 11, 2025			
Ordinance <input type="checkbox"/>	Resolution <input type="checkbox"/>	Motion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>
Date Prepared:		Dept.: City Manager's Office	
SUBJECT: Engine Brakes or "Jake Brakes"		Contact Person for this Item: Melissa Bethel, City Manager, bethelm@grantcounty-org.gov 541 575 0028 ex 4224	

SUBJECT: Discussion regarding should the City of John Day enact an Engine Brake (Jake Brake) prohibition Policy?

BACKGROUND: At the December 17 City Council meeting Councilors discussed the issue of "Jake Brakes" or noise with trucks entering the city from the east. Staff was asked to look into the issue and bring back a response. Staff reached out to both legal and ODOT and below is a summary of information obtained.

In response to the City's question about enacting a prohibition on engine brake signs, engine brakes are a legal safety device in Oregon unless they are unmuffled (ORS 811.492 and 810.241). Most engine brakes are legal. Because they are a safety feature, the City cannot prohibit engine braking on State Highways.

There is an approved sign (see attached) that reminds drivers that unmuffled engine brakes are illegal. However, in practice, these signs do not provide significant value. Drivers using unmuffled engine brakes typically already know they are breaking the law. Additionally, enforcement of the rule is impractical because police cannot easily differentiate between muffled and unmuffled braking systems. The Oregon State Police (OSP) has not been able or willing to enforce engine brake laws for this reason.

The process to get engine brake signs approved is outlined below and requires the City to bear the cost of staff time, the signs and posts, which is estimated at approximately \$800 per sign.

State Policy requires the following steps to get approval to install Unmuffled Engine Brake signs:

1. Provide clear documentation that the area has an established record of unmuffled engine brake noise complaints (minimum of six different people complaining about different incidents).
2. Provide a written commitment and enforcement plan from a law enforcement agency demonstrating how they will enforce unmuffled braking laws. This would need to be local or County law enforcement, as OSP has not been willing to participate.
3. Obtain approval from the State Traffic Engineer.



The City must make a formal request and provide the required documentation. This request can be sent to ODOT representatives. If the State Traffic Engineer approves, the City would be permitted to install signs in accordance with ODOT standards. ODOT can install the signs at the City's expense. Notably, ODOT has only been successful in getting engine brake signs approved in one instance (Nyssa), which relied heavily on the local law enforcement's commitment to enforcement.

Additionally:

1. The City should pass and enact an ordinance (draft attached) allowing the City to regulate unmuffled engine braking.
2. The Oregon Department of Transportation (ODOT) regulates the placement of signs that are visible from state highways. ODOT has interpreted "visible" to mean signs that are capable of being seen from a state highway.
3. US26 and US395, which both run through the City, are considered state highways for purposes of signage.
4. ORS 377.756 states that each city *may* be given permits entitling the city to erect signs that are visible from state highways that are within city limits.
5. The City should determine where it wants to place jake-brake signs and evaluate whether or not the sign(s) would be: a. Within city limits, and b. Visible from state highways (primarily US26 and US395).
 - o The City does not have the authority to place signs beyond one mile outside City limits.
6. Should the City determine it does want to place sign(s) in an area that would be visible from a state highway, the City should next contact ODOT to request a permit for the placement of jake-brake sign(s).
7. In addition, signs must comply with ORS 377.720, which identifies certain prohibited signs. Prohibited signs include, without limitation:
 - o Signs that interfere with a driver's view of traffic or a traffic control service.
 - o Signs that interfere with or resemble any traffic control device or sign.

Note that ODOT may determine a permit is not required for a jake-brake sign where their site states that "a city may place a sign for the purposes of carrying out their official duties." However, as stated above, ORS 377.756 states that ODOT may grant permits to cities. Therefore, the City should contact ODOT regarding the necessity of a permit.

FINANCIAL IMPACT: The estimated cost for each sign and post is approximately \$800 not including staff and installation costs. These are costs incurred by the City. Implementing a local enforcement plan may require additional law enforcement resources, potentially leading to increased operational expenses.

ATTACHMENTS:

- a. FAQ regarding Engine Brake Laws in Oregon
- b. Sign Policy Guidelines
- c. Draft Ordinance (if the Council wishes to proceed)

ORDINANCE NO. [REDACTED]

AN ORDINANCE OF THE CITY OF JOHN DAY AMENDING ORDINANCE NO. 15-166-04, CODIFIED AS JOHN DAY MUNICIPAL CODE CHAPTER 4, TO PROMOTE THE HEALTH, SAFETY, WELFARE, PEACE AND QUIET OF THE CITIZENS OF JOHN DAY THROUGH THE REDUCTION, CONTROL, AND PREVENTION OF LOUD AND RAUCCOUS NOISE.

WHEREAS, City of John Day ("City") adopted Ordinance No. 15-166-04 (the "Noise Ordinance"), which Noise Ordinance established regulations for noise within the City limits and penalties for violations thereof, and is codified in John Day Municipal Code ("JDMC") Chapter 4; and

WHEREAS, the John Day City Council (the "Council") desires to amend JDMC Chapter 4 to include a prohibition against the use of unmuffled engine brakes within City's incorporated limits.

NOW, THEREFORE, the City of Jonh Dan ordains as follows:

1. Findings. The above-stated findings contained in this Ordinance No. _____ (this "Ordinance") are hereby adopted.

2. Amendment No. 1 – Noises Prohibited. The following prohibition is added to JDMC Section 8-4-4 to read in their entirety as follows:

N. Unmuffled Braking: The use of unmuffled compression release engine brakes (jake brakes, dynamic braking systems, exhaust brakes), except in an emergency or except when used by a person operating an emergency service vehicle, is prohibited regardless of noise level.

3. Miscellaneous. This Ordinance is hereby made part of the Noise Ordinance and JDMC chapter 4. The provisions of the Camping Ordinance and JDMC chapter 4 that are not amended or modified by this Ordinance remain unchanged and in full force and effect. All pronouns contained in this Ordinance and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. Any reference to a particular law, statute, rule, regulation, code, or ordinance includes the law, statute, rule, regulation, code, or ordinance as now in force and hereafter amended. The provisions of this Ordinance are hereby declared severable. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance. Nothing in this Ordinance affects the validity of any criminal or civil enforcement actions commenced prior to the effective date of this Ordinance; all City ordinances existing at the time that such actions were filed will remain valid and in full force and effect for purposes of those actions. This Ordinance may be corrected by order of the Council to cure editorial and/or clerical errors.

APPROVED AND ADOPTED by the City Council of the City of John Day and signed by the Mayor this _____ day of January, 2025.

Ayes: _____
Nays: _____
Abstentions: _____
Absent: _____
Vacancies: _____

By: Sherrie Rininger, Mayor

ATTEST:

Melissa Bethel, City Manager

DRAFT

Engine Brake FACTS

Muffled Engine Brakes are commonly also known as "Jake Brakes"

How Loud are Muffled Engine Brakes?

Even when trucks engine brakes are muffled the noise they create fall within the threshold of **very loud**.

Depending on the surroundings this noise may be worse in some areas compared to others as it may echo off buildings.

Although, frustrating these brakes are improving **safety** for **everyone** on the road.

Why Can't ODOT Restrict Engine Brakes?

Engine brakes improve safety of the open road for everyone by reducing the chance of brake failure.

Normal braking creates heat by friction. When there is too much heat it can increase the chance for brakes to overheat and fail.

By Oregon Law muffled engine brakes can not be restricted on **State Highways**, including within city limits.

The Law & Enforcement

Unmuffled engine brakes are illegal in Oregon whether it is signed or not. Most trucks abide to the law and are now muffled.

It is up to the interpretation of local law enforcement to determine if the noise by a truck is excessive.

Thresholds*	Decibel Level	
Painful	140	Firecrackers, Gun
	130	Jackhammer
Extremely Loud	120	Loud Rock Concert
	110	Power Lawn Mower
	100	Trucks (Unmuffled) 101db
Very Loud	90	Passing Motorcycle
	80	Trucks (Muffled) 83db
	70	Vacuum Cleaner
Moderate	60	Normal Conversation
	50	Moderate rainfall
	40	Quiet Room
Faint	30	Whisper
	0	

*Thresholds are based on the American Speech Language Hearing Association for noise levels

"But I have seen signs that say no Jake Brakes in town"

Local agencies (such as cities) may pass ordinances prohibiting the use of "Jake Brakes" on local streets.

This does not apply to state highways.

OR22-11

Figure 66: Sign OR22-11 (UNMUFFLED ENGINE BRAKING PROHIBITED) Detail

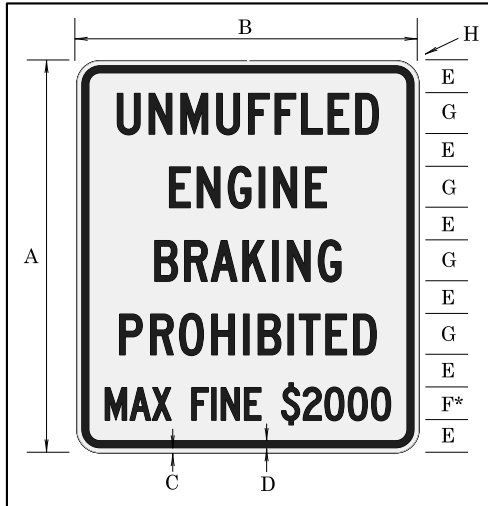


Table 67: Sign OR22-11 (UNMUFFLED ENGINE BRAKING PROHIBITED) Dimensions (inches)

A	B	C	D	E	F*	G	H
48	42	0.625	0.875	4	4C	5C	2.25

*Letter spacing reduced by 30%

Sign Background: White, standard retroreflective sheeting.

Sign Legend: Black, non-reflective sheeting.

The UNMUFFLED ENGINE BRAKING PROHIBITED sign may be used to remind drivers of the provisions listed in ORS 811.492 and 810.214.

This sign can be installed in specified locations if it meets the following warrants:

1. The area has an established record of unmuffled engine brake noise complaints (minimum of six different people complaining about four different incidents) supported by an engineering investigation.
2. Signed concurrence from the law enforcement agency in the jurisdiction that the sign falls within acknowledging an action plan to enforce the law.
3. Approval of state traffic engineer.

Jurisdictions other than ODOT may use their own criteria to determine the location of this sign.

The state traffic engineer approved the OR22-11 (UNMUFFLED ENGINE BRAKING PROHIBITED) sign in August 1995. The sign was last updated in August 2011.