

City Of Prairie City

City Council Meeting

October 11, 2017

1. Attendance:
2. Mayor Jim Hamsher
3. Councilor Carole Garrison
4. Councilor Dottie Miller
5. Councilor Les Church
6. Councilor Frank Primozić
7. Councilor Joe Phippen
8. Councilor Georgia Patterson
9. Chris Camarena, Public Works Director
10. Bobbie Brown, City Clerk
11. Marvin Rynearson, Fire Chief
- 12.
13. Residents:
14. Luanne Bortell
15. Carlos Bortell
16. Dan Becker
17. Katy Nelson
18. Cheryl Hoefler
19. Angel Carpenter
20. Richard Gray, J.D.P.D
21. Judy Jacobs
22. Melanie Dejong
23. Georganne Williams
24. Nick Green
25. Mike Workman
26. Zelda Workman
27. Debbie Emmel
28. Chantal Desjardin
29. Terry Williams
30. Mrs. Benwell
- 31.
32. Mayor Hamsher opened the regular meeting at 7:00pm and roll call was taken.
33. All Councilors were present.
- 34.
35. The minutes of August 9, 2017 regular meeting were considered. **MSP: To approve the**
36. **minutes of August 9, 2017 regular meeting. Councilor Garrison/ Les Church. All**
37. **members voted in favor.**
- 38.
39. The minutes of September 13, 2017 regular meeting were considered. **MSP: To approve the**
40. **minutes with corrections of the September 13, 2017 regular meeting. Councilor**
41. **Garrison/Councilor Church. All members voted in favor.**
- 42.

43. The minutes of the September 13, 2017 Public Hearing were considered. **MSP: To approve the**
44. minutes with corrections of the September, 13 2017 Public Hearing. Councilor
45. Garrison/Councilor Church. All members voted in favor.

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47. The Mayor moved on to a presentation from the John Day, City Manager Nick Green on a
48. proposal for broadband internet.

49.

50. Mr. Green started by thanking the Council for taking the time to hear his proposal on how to
51. modernize the broadband infrastructure that he has been working on the last 15 months. He
52. thought the City of Prairie sits in a very good position as far as our internet service goes, but
53. the residents on the 395 corridor and surrounding areas are in need of better internet service
54. besides Century Link. Mr. Green said, he has had extensive meetings with Ortelco's CEO,
55. Century Links Senior Legal Council, Government Affairs Officer for the State of Oregon, and
56. the Executive Vice President of the Oregon Telecom Association, and sat down with Grant
57. County Judge Myers and other members of the task force on October 9, 2017 for another
58. creative discussions on some of the broadband inequity and challenges they are facing.

59. Mr. Green continued by saying they are in a very good position and have collected 1.8 million
60. dollars from the State of Oregon as a starting point to modernize our infrastructure that was a
61. special appropriation that Senator Ferrioli and Representative Bentz were able to secure. There
62. is a complicated process they need to go to to be able to receive that money, so they can begin
63. expending it. At this Time Mr. Green wanted to know if anyone had any questions about the
64. project, intent, or where they are at in this process.

65.

66. Councilor Patterson asked, why should we be on it? We already have good fiber-optics.

67.

68. Mr. Green replied, I'm certainly not here to try and sell you something, and if you chose to not
69. participate that's fine. We wanted to give every City a chance at this opportunity, and a chance
70. to join. Right now, today your City is in good shape, but when you have one provider it creates
71. a monopoly. You might be in a good spot today, but in 5, 10, or 15 years you might not be, and
72. the reason you may not be is because monopolies do what monopolies do, raise the price until
73. people scream. One challenge you may incur down the road is price control.

74.

75. Councilor Church asked, how would the outfit your talking about, and our current provider
76. interface? How does that work?

77.

78. Mr. Green replied, let me get to that in a moment and answer one more question here, and that
79. is, right now, it's not going to cost you anything to join because the State gave us 2 million
80. dollar head start. We have a bunch of assets that we are trying to divide up to the members that
81. are participating; again down the road that could change, but for now that's another reason you
82. might want to think about. So to answer your question, he would also like to know that. He has
83. had several good conversation's with Ortelco's CEO, and he thinks there might be an
84. opportunity to partner rather than compete. "If we compete I'll win", Mr. Green said. He thinks
85. we have a good shot at changing the fundamental changing the nature of broadband internet in
86. Grant County. He thinks we could deliver faster speeds at lower prices to more people at a
87. higher quality of service. He compared Prairie's water shortage, and how people expect when
88. they turn on the facet water comes out, or when you flush the toilet water goes down.

89.

90. Mayor Hamsher asked, How much will this cost the town of Prairie City? I know you said you
91. have 1.8 million, but the problem is, it's hard for me to try and sell the citizens on it when you

92. have water issues that need to be fixed that will cost the City money also. Right now you have
93. fast usable internet, but you cannot go out and water your flowers at this time. It's hard to try
94. and sign the City up for anything like this until we get our water issues funded. What is the
95. possibility of the City joining at a later date?

96.

97. Mr. Green said, they anticipated that, and were trying to deploy the network in phases. They
98. would like to try to get coverage to everyone in Grant County, but there are other areas that are
99. harder to get to. In the structure of the intergovernmental agreement which we are giving some
100. city's the option to adopt now and they anticipate you could join later, so there are
procedure

101. to do that. This is the reason there is no sell here and it's an option. You could take it if
102. you want it now, or request to join later. When and how that happens it will be up to the
103. Board of Directors of this new intergovernmental agency, but there are procedures to
104. allow it to happen.

105.

106. Councilor Patterson asked, who will run the agency?

107.

108. Mr. Green replied, a Board of Directors taking one person from each governing body
109. who elects to be part of the coalition, so right now that is the City of John Day, Seneca,
110. Canyon City, and Grant County. It would also be Prairie if you chose to opt in, and if
111. not, then there will be a four member board, and they would add additional members
112. when other city's joins.

113.

114. Mayor Hamsher asked, if Grant County officially opted in yet? Since you haven't made
115. your presentation to the County Court?

116.

117. Mr. Green said, he was making an assumption by saying the County Court had already
118. opted in and they have not formally requested to be on the Courts agenda yet. He went
119. on saying that's what he envisioned in the agreement when they started this Broadband
120. project.

121.

122. Mayor Hamsher asked, if the percentage would change for the City if more City's opted
123. in? Has Canyon City officially opted into the agreement as of right now?

124.

125. Mr. Green stated, he had met with the Council of Canyon City and there was a
126. unanimous vote to join the coalition. They are waiting for Prairie City to decide, and
127. the County to decide before they finalize, so John Day, Seneca, and Canyon City have
128. all made that choice to opt in.

129.

130. Councilor Patterson asked, we have fiber-optics already, so could we hook into the new
131. fiber-optics, or will we have to go through the whole mess of putting it all in again?

132.

133. Mr. Green stated, they can connect them together, in fact, I think we should connect
134. them together. In fact, that was one of the discussion he had with Ortelco's CEO. The
135. more redundancy, the more resilience in the network, the stronger it is. We experienced
136. a network outage here three weeks ago and multiple customers could not make cell
137. phone calls, and process credit card transactions. He said, one of there strategic partners
138. in this coalition is Oregon State University. Mr. Green met with their IT director in
139. Corvallis, OR. He went on to say, if you are not leading at the edge of that technology

140. adoption curve then your economy slows down. He thinks along the 395 corridor a lot
141. of what has held them back, and other business back is no access to internet.

142.
143. Mayor Hamsher asked, what the advantages to entering in this agreement now verses
144. entering in at a later time?

145. Mr. Green answered, they are looking at some enhancements; these are things that are
146. nice to have that this network would enable, so we would have a direct fiber-optic link
147. into the schools. One function that would give us is "Active Shooter Awareness". If
148. there were an active shooter incident the cameras in the school would immediately light
149. up in their dispatch center, and they would be able to notify law enforcement where the
150. shooter is located, and what the shooter is doing in real time, and it would give dispatch
151. eye's on what is happening in that school in real time. This is a public safety example of
152. what the possibilities would be with a fiber-optic network. There would also be access
153. to a higher education resources, so there is a services layer within the fiber-optic
154. network, and those are services, that are grants, that would be no cost to the coalition,
155. and would be apart of the services this would bring. Those are some of the things they
156. are contemplating in their coalition.

157.
158. Councilor Church thought it would be hard to find someone who would disagree with
159. them on this, he detested the monopoly Ortelco has ever since he has lived here. He
160. said, if there was a way to get rid of the Ortelco monthly bill he would, and we have
161. had to suffer with them all this time. His question is, would this fiber-optic project beat
162. Ortelco's price? Councilor Chruch said, he would be in favor just on the bases that it
163. beats Ortelco's service and monthly cost. Getting out of under the thumb of Ortelco.

164.
165. Mr. Green said, it would beat every price on the market.

166.
167. Councilor Garrison asked, how much is this going to cost the City of Prairie City, or
168. will we have to have the residents pay our portion of this?

169.
170. Mr. Green replied, what the State has funded essentially is a 85 mile connection "middle
171. mile" between Burns and John Day, so what they funded is 145 strand of fiber-optics
172. bundle that will come down OTEC'S corridor on one or the other long haul power lines,
173. and then we could cut it over to Prairie City. That is what the State is Paying for, and
174. Mr. Greens intent is to take the 1.8 million, and use it for some match for Federal funds,
175. and try to lever it up, so we have more financial capacity; if that is successful then our
176. match on Federal funds becomes \$450,000, and we take that out of the 1.8 million, and
177. turn that \$450,000 into 2 million, and then take the balance to deploy locally. So what
178. will the cost be to John Day, Canyon City or to Prairie? It depends if we are successful
179. in our finance strategy, so if that works then we will have more money then we have
180. right now. If it does not work than we have the main internet connection, and we would
181. have to figure out how to locally finance this, and there are a lot of ways we can do
182. that, and it would still lower prices to our residence.

183.
184. Mayor Hamsher asked, what is the disadvantage coming in at a later date?

185.
186. Mr. Green said timing! He doesn't think it will be cost, but timing. The priority would
187. go to the people who put the sweat equity in first, and it may be 2,3,or 4 years before
188. we have the ability to bring you in. Part of the reason for that is, one of the first

189. contracts the Board of Directors is a network design build contract and if the design
190. doesn't include an extension to Prairie City then they would do a separate contract to
191. figure out how to get the network over to Prairie, so there is a contracting process.
192.
193. Mayor Hamsher said, he would like to see what the public's feelings on this is. Maybe
194. put out a mailer that asks the residents if they even want this. Some kind of a survey to
195. see how they feel. Mayor Hamsher's biggest concern is Prairie's water situation. Right
196. now the City is strapped for money trying to figure out a solution for the water issue. It
197. would be different if he could know the end cost without the variables. It's a hard sell to
198. tell the residents you can't water but the city is putting in internet we already have.
199.
200. Mr. Green said, from a survey point, 68% of the County who responded to the Oregon
201. Solution Survey said, fix the Broadband network, and that it was the number one
202. priority. If you survey your residents there's going to have to be an education
203. component because they will not understand what your asking. Your going to see them
204. saying, *well I already have broadband so why do I need this?*
205.
206. Mr. Becker said, one thing that is missing here that's unique to Ortelco members is
207. Ortelco requires every internet person to have a land line, so in Prairie city that amounts
208. to about \$9,000 a month for residents. Most people in general that move here don't want
209. a land line, and Ortelco has stated to their customers that it is required by federal law to
210. have a land line, and that is not true because I called the State of Oregon and asked that
211. question. They told me, NO, but what companies will do is call it a bundle and charge
212. you double for your internet.
213.
214. Mayor Hamsher asked, Mr. Becker what he knows about the internet speed around here
215. locally?
216. He answered, it's not bad around here, but your paying a premium rate.
217.
218. Mayor Hamsher asked, Mr. green if he has looked at other price points for similar
219. projects?
220.
221. Mr. Green replied yes, We have some unique challenges and unique opportunities
222. ahead. The only other publicly owned networks in the State of Oregon are in more
223. populated areas, so you really can not compare apples to apples, but I can tell you in
224. those areas your getting 100 megs plus for about \$50.00 a month.
225.
226. Mayor Hamsher understands the more customers you have the less you can charge.
227.
228. Mr. Green said, well we do have an advantage because the State is giving us a 2 million
229. dollar head start, and the other is, we don't have as many users draining capacity, and he
230. thinks that capacity is artificially inflicted in order to increase prices.
231.
232. Councilor Patterson asked, is there a time limit if the City wants to send out a survey?
233.
234. Mayor Hamsher said, we should get this done sooner rather than later.
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236. Councilor Garrison said, she wished the City of Prairie would have been made aware of
237. this while it was in the pipe-line, and we could have been in the know about it.

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Mr. Green said, this isn't directed at any one person, but your former City Administrator Taci was involved, and sat at every single meeting the last six months. Every memorandum written she has received including the intergovernmental agreement that was sent to her in August with a timed adoption in September, so we are eight weeks off our time line now.

Councilor Garrison said, she thinks she did give that to us, but her job title was City Recorder/ Treasurer not City Administrator.

Ms. Brown asked, what is going to happen when everything goes wireless? Verizon is already offering unlimited internet serve, and I know that it slows down after so much use, but that's kind of the future technology is taking?

Mayor Hamsher asked, if they had looked into maybe going wireless?

Mr. Green replied, that you can get high speed wireless internet right now, but right now its expensive. Its very high maintenance and it takes a lot of maintenance to keep the wireless networks going. I think 20 years from now a majority of our infrastructure will be wireless, but at the same time fiber capacity is increasing and the price is coming down quickly, so it's not going to go away. We are doing this as a 20-30 year investment, and my goal is to take the 2nd worst County in Oregon and make it the 2nd best as far as internet goes, and then we can start challenging Sandy and Eugene on the poll position. We want to make a big statement, and we want to redefine our technology and the State is supporting that.

Councilor Phippen asked, if we would need a land line to have this new Broadband? It's not going to be like Ortelco?

Mr. Green said, you can have any services you want. No, if you wanted internet and telephone you could, or you could just have internet. It's not a company, its a collections of governments.

Ms. Desjardin asked, what would it look like for the City to leave if they wanted to opt out?

Mayor Hamsher said, I don't think at that point you could opt out?

Mr. Green said, there are procedures to dissolve from the coalition, and there are procedures for an entity to leave it, but there very specific, and if you read in the agreement, if your in the coalition and the coalition encured cost to provide your entity with service you can't then exit and leave the cost with the remaining members, you will still be responsible for the cost your entity encured. Right now, all we have is assets, and if we do our jobs right we will run this as a break even adventure, meaning the consumer gets 100% value we create, and we only cover our operating expenses, and the price adjust down as low as we can make it, and the capacity goes as high as we can make it. I firmly believe we can provide as much capacity as anyone would need for one price.

Chris Camarena asked, if this will benefit any of the rural residents?

287.
288. Mr. Green said, if we come this way then yes. If we don't then I don't know. We are
289. going to address the incorporated cities, and along the 395 corridor during the first
290. phase initially, so if your not ready to adopt then the first phase will end in John Day,
291. and then we will look at phase two; how do we get to people in the unincorporated
292. spaces between the cities, and then how do we get North and West.
293.
294. Mayor Hamsher asked, if you will utilize the underground lines of Ortelco here in town,
295. or will it go on poles?
296.
297. Mr. Green said, it depends on location. Here we would try to leverage Ortelcos existing
298. investment.
299.
300. Mayor Hamsher asked, if they have to allow you to use that?
301.
302. Mr. Green replied, they don't have to allow us to use it, but I also don't have to renew
303. their franchise agreement in John Day.
304.
305. Mayor Hamsher said, would be in favor to entertain a motion to put a survey out in the
306. water bills to gauge the feelings of the residents.
307.
308. Councilor Garrison asked, how will they get the information?
309.
310. Mayor Hamsher replied, we could put in there that we would have copies of the
311. agreement at City Hall, or work up a power point to include.
312.
313. Councilor Patterson asked, if we could do a public hearing on the matter?
314.
315. Mayor Hamsher said, the problem with a public meeting is you only get a small amount
316. of residents that show up, so with the mailers you reach everyone.
317.
318. Councilor Church asked, at what point will we know what the cost would be for the
319. citizens of Prairie City?
320.
321. Mr. Green said, he will make a personal commitment; my goal is to make this where it
322. doesn't cost us anything. I would like to have 100% of the revenue we received to cover
323. our operating expenses just like any other utility. We will drive the price point as low as
324. we can create it, and he has some interesting ideas on how to do that. I could run fiber
325. through my sewer collection system, and a lot of cities are doing that now.
326.
327. Mayor Hamsher asked, just with the people here tonight how many would like to see the
328. city pursue this with a show of hands? (Majority of the crowd raised their hands).
329.
330. Mayor Hamsher said, he would defiantly like to put a mailer in the water bills.
331.
332. Councilor Garrison said, she worries about the repercussion with the people that are not
333. at the Council Meeting before going ahead and making a motion to move forward.
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335. Mayor Hamsher said, he would like to see more feed back before moving any further.

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Councilor Patterson asked, what is the end date to be able to join the coalition?

Mr. Green replied, three weeks ago, but I understand where you are at, so we will try to buy you as much time as we can. I need to move forward with this, and I'll tell you why, we want to have the coalitions certified by the Secretary of State by November, so that we can issue the network engineering contracts in December, January, and February, so then we can issue the construction contracts in March and April. I don't want to miss our window to cross the National Forest which is like 24 hours a year, and that's the hard part about this is we have to cross the National Forest in two locations. We do have a narrow window to do the construction, and we also have to get a Special-Use Permit approved through the Forest Service, and trade space with them because they want a couple of network drops to light up some of the camp sites, and some of the areas they frequent regularly. We told them for every extension of network that normally costs \$20,000 to put in, we wouldn't charge them, instead we will ask for 2 weeks off the approval process of the Special-Use Permit. We really need to hit that window, so if we miss it, it kicks us down the road 12 months. Now having said that, I'll give you as much time as I can, but if I can send a letter to the Secretary of State telling them that I have 3-4 entity's that have already joined, and we may have a 5th before you finalize it, I will do that, but we are talking weeks or days not months.

Ms. Desjardin asked, if you send out the survey, and you had only 1/3 of the citizens respond to the survey what decision would you make then?

Mayor Hamsher replied, well a 1/3 of the residents compared to 100 people showing up to a town hall meeting is quite a different amount. If you had 1/3 of the residence respond, you can get a feel of what the residents want, and 100 out of 450 citizens showing up to a town hall meeting you really don't get a good feel of what the majority would like.

Chief Gray said, he has lived here in Prairie, and now lives in John Day, so he knows what the internet is like here in Prairie under Ortelco. He explained, what this will do is create a network hub that is needed. He really doesn't see any problems joining now, and at least Prairie would have a seat at the table. He thinks that it wouldn't hurt to make a motion to join now.

Councilor Church thinks so too, and would be comfortable making a motion to join the coalitions. He doesn't think we are risking anything.

Councilor Garrison asked, what about all the other people that you don't see, but every once in awhile. They should have a vote, and have the an opportunity to provide feed back for a decision like this.

Councilor Patterson asked, can we instead of sending a survey out in the water bills; can we send the survey out separately by the end of the month? We could even have a Special Meeting to make a decision on this after we receive the input from the citizens.

Mayor Hamsher said, yes, we could do a mass mailing, and then they would have their

385. opportunity to have their input counted. I would say that we work on getting a mass
386. mailing put out to all the residents, and then put a 10 day time limit on when they have
387. to be back to City Hall, so then we will have a Special Meeting and vote on it then.

388.
389. All Councilor were in agreement.

390.
391. Museum: See Attached. Bob Shive, Museum Director was unable to make it to the
392. Council Meeting, so Mayor Hamsher read the report Mr. Shive provided in his
393. absences. There was a training meeting, and a meeting with Restore Oregon. Mr. Shive
394. met with Scott Myers the Grant County Judge to discuss grant applications. The
395. Museum is closing October 15, 2017 and will reopen next year.

396.
397. Public Works: Public Works Director, Chris Camarena reported, we had an annual
398. DEQ inspection on our landfill and everything went great. He reported, that Public
399. Works also had their methane mod inspection, and he will have the report from that
400. shortly. Sewer leaks have been an issue, and they have had 3 in the last 3 weeks. One
401. was in Emmal's pasture, and the other 2 were out on the highway. The project plans
402. pack for our sewers were sent to Ledonne, the USDA, and our attorney. The attorney
403. will need to sign off on the packets before they can go out to bid. Mr. Camarena went
404. through and made the changes to the Water Master Plan that needed to be corrected.
405. Councilor Miller also went through and proofread the changes.

406.
407. Mayor Hamsher would like to have a water workshop at the end of the month. The
408. council decided to have it October 18, 2017 at 6:00pm, so everyone can be present.

409.
410. Mr. Camarena said, their still finding glitches from the electrical storm that occurred in
411. late June. He reported, we were above 20ft in the reservoir, and then it dropped down a
412. bit again due to the glitches. He said, the good news now, is the ACS (Advance Control
413. System) technicians can fix the glitches from their office in Boise instead of having to
414. drive to Prairie City.

415.
416. Mayor Hamsher said, he would entertain a motion to approve the Water Master Plan.

417.
418. MSP: To send out the Waster Master Plan as corrected. Councilor
419. Patterson/Councilor Primozic. All in favor.

420.
421. Payables: MSP to Ratify the Bills. Councilor Garrison/Councilor Miller. All in
422. Favor.

423.
424. Other Business:

425. 1 & 3. Mayor Hamsher would like to look at a committee to explore other financia
426. l options to pay the City's bills, and looking at job descriptions. Councilor Garrison,
427. Councilor Miller and Mayor Hamsher will be the committee to look into the City's bills
428. and job descriptions.

429. 2. Mayor Hamsher thanked City Clerk, Bobbie Brown for saving the city almost \$4,000
430. on the Chamber of Commerce bill for the use of port-a-potties during the Eclipse.

431. 4. Councilor Garrison has been going to Christmas on the Prairie meetings and the
432. committee that puts on the celebration would like to ask the council if the same vintage
433. campers that displayed in the complementary parking by the Texaco building would

434. like permission to have the vintage campers there again this year. They would like to
435. use the whole parking lot on November 18, 2017 and they would also like to know if it
436. would be possible to dry camp in the parking lot. Mayor Hamsher said, he thought if
437. they weren't blocking any fire lanes it shouldn't be a problem.
438.

**439. MSP: To allow the vintage campers to use the parking lot in front of the Texaco
440. building for Christmas on the Prairie. Councilor Church/ Councilor Primozic. All
441. in favor.**

442. Councilor Garrison had one more talking point about Christmas on the Prairie. The
443. tree's needed to be trimmed for clearance for the snow plows, and before the lights go
444. on the trees they would need to be trimmed. Councilor Garrison talked with Raymond
445. Fields and he thought there needed to be a lot of trimming on the trees. Mr. Fields
446. wanted to know if Public Works could trim the trees, so they will be more manageable
447. in Spring. He just said, it was silly to pay him to trim the trees now, and then have him
448. back out in the spring to trim them again; He wanted to save the City some money
449. instead of paying twice for the same job. He told Councilor Garrison that some of the
450. tree's looked like they could come out or replaced. Mr. Camarena said, they would be
451. happy to trim them up, and they have done some, but wanted to make sure they were
452. trimmed right, so they don't die.
453.

454. Chief Gray said, he could talk to Community Counseling and Parole and Probation to
455. see if they have some people to come who have community service.
456.

457. All Councilors are in favor.
458.

459. Mayor Hamsher adjourned the meeting at 8:02pm
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465. Submitted By: _____
466. Bobbie Brown, City Clerk
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469.

470. Approved by the City Council this 8th day of November, 2017
471. and signed by the Mayor:
472.
473.

474. _____
Jim Hamsher, Mayor