

The City Council for the City of Junction City, met for a work session at 6:30 p.m. and regular session at 7:00 p.m. on Tuesday, September 23, 2014, in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon.

PRESENT: Mayor, David Brunscheon; Councilors Karen Leach, Bill DiMarco, Jim Leach, Randy Nelson, and Steven Hitchcock; (Excused Absence: Herb Christensen); City Attorney, Carrie Connelly; City Administrator, Melissa Bowers; Public Works Director, Jason Knope; Finance Director, Mike Crocker; and City Recorder, Kitty Vodrup.

WORK SESSION

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Brunscheon called the meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

II. BUILDING CODES DIVISION INTERGOVERNMENTAL AGREEMENT PROPOSED AMENDMENT

Administrator Bowers stated that this was initially presented to the Council on September 9th, and staff had indicated that there were some policy questions related to a proposed amendment to the Intergovernmental Agreement (IGA) between the City and the Building Codes Division (BCD). The IGA was signed by a previous City Administrator in 2010, and staff could not find evidence that the agreement was reviewed by Council or Committee. Council decided to hold this work session to discuss the original IGA and what had transpired since that time. Clair Company and legal counsel were available to answer questions on the background and proposed amendment.

Mr. Allan Clair, Clair Company, stated that the original IGA was for Clair Company to provide predevelopment review consultative services before the land (Department of Corrections property) was annexed into the City, as the City would eventually be involved with the project. At that time, it was envisioned that Lane County would do the inspection services, as the property was still in the county. The project was delayed for a time because of funding rights, and since that time the property was annexed into the City, and the state made a couple of changes and said that BCD would act as the building official; thus, doing plan review but letting the City issue permits and do the inspection services. Clair Company did not have a lot of say on this and wondered why the City was not allowed to do the project, as the land was in the City limits and Clair Company had a full service building department. A proposed amendment to the 2010 IGA was presented a few years ago, but sat for a year in somebody's court without anything happening.

Mr. Clair continued that Clair Company has had no delays on issuing permits or doing inspections for the project. Currently Clair Company was approximately \$40,000 in the hole, as without the amended IGA, there was not the ability for them to be paid for some of their time a few years ago. In the bigger picture, the state serving as the building official on the project had resulted in a significant change in the fee structure from the City's set building fees, as the building official was able to set the fees. The initial project valuation estimates was 87 million dollars, but after the state set what they considered to be normal construction valuation and what was fair and appropriate, it was significantly less than that. The Building Codes Division is not really a building department and outsourced to have the plan review done. They are also not an inspection agency and determined that Junction City could provide those services and they would enter into an IGA to allow this to occur.

In response to whether BCD could act as the Building Official, Attorney Connelly stated that BCD had said that they do have the statutory authority to be in that position. Attorney Connelly has asked the Department of Justice (DOJ) attorney several times for clarification and if there was a rapid assessment determination (BCD given authority as building official). The DOJ attorney does not have it in her office and was needing to go to other agencies to try and produce the document. Attorney Connelly noted that policy questions for the Council include:

- If the rapid assessment determination does not exist, what does the Council want to do, given the status of the project. Staff negotiated the 2010 IGA that is not yet completed and does Council cede or challenge the authority that BCD is the building official.

- If the rapid assessment determination does exist, the City could finish negotiating the IGA. The terms of what the IGA would include would be a separate conversation. There could be an amendment to the original IGA or a standalone IGA.
- The 2010 IGA that was signed by a previous interim City Administrator does acknowledge BCD as the building official, so if the City were to challenge that there would be a need to step backwards and the City might ultimately want a standalone IGA; amending the IGA would be validating BCD as the building official.

In response to a question from Attorney Connelly on if it were too late to challenge BCD's status as the building official, Mr. Clair stated he thought it was pretty late in the program to take on something like that. From Clair Company's standpoint, it was a major hit to not have this happen as part of the City's project, but to take on the negative PR to chase something like this at this stage would not be something he thought the City would want to do. The fee differences were a few hundred thousand dollars, but what was important to him was to finish the project, make sure the City was whole and not try and figure out whether the authority existed or did not exist. Clair's legal counsel reviewed and even if rapid assessment was not done, there were probably other statutory authority that the state could claim, so he would be hesitant to chase it all the way back to that point. Attorney Connelly added that this was a policy decision for the Council, who would know more about the political ramifications than they did.

In response to a question on if the scenario of BCD assuming this role been duplicated anywhere before, Attorney Connelly responded that in a telephone conference, BCD indicated that they do this regularly and routinely. Mr. Clair added that the Department of Corrections (DOC) project supersiting was routine and that was done at the prison in Madras. The difference here was Department of Human Services was leasing ground from DOC for the state mental hospital and there was a two year lull, where the project did not start until after the property was annexed into the City. A state mental hospital was recently built in Salem, and the City of Salem did that project, so there's no precedent set to have the BCD do the state mental hospitals, to his knowledge.

A Council question was if it made sense to have a clean, simple IGA that covered everything that had happened and was going to happen, rather than endorse one that someone could come back and say was not valid in the first place, as the Council never saw it and an interim City Administrator signed it.

Attorney Connelly responded that the state initially proposed either a standalone or an amendment and after she said let's do a standalone, then they really wanted an amendment. Because state inspection fees have been charged to date and if the City did not want to change those, which it sounded like it might be difficult to do, then the City would want the authority cover that the BCD was acting as the building official and that the City did not have the authority to impose its own fees; otherwise, Clair Company did not have the authority to have charged anything different and they have been collecting what the state has set. So that's the one piece that regardless of whether it is a standalone or an amendment, she wanted it to either relate back or somehow provide the City and its agents for having charged the state fees and not the set City fees.

III. WORK SESSION ADJOURNMENT

The work session adjourned at 7:00 p.m.

REGULAR SESSION

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Brunscheon called the meeting to order at 7:00 p.m.

II. CHANGES TO THE AGENDA

Item 4, Public Hearing for Ivory LLC Rezone would be postponed to October 28, 2014 at 6:30 p.m., per the applicant's request. There would be a public hearing on Item 6, Code Text Amendment.

III. PUBLIC COMMENT ON ITEMS NOT LISTED ON THE AGENDA

None.

IV. PUBLIC HEARING – IVORY LLC REZONE (RZ-14-03)

Postponed to October 28, 2014.

V. PUBLIC HEARING – ACTA LLC ANNEXATION (A-14-01) AND REZONE (RZ-14-02)**A. Public Hearing for ACTA LLC Annexation**

Mayor Brunscheon opened the public hearing. He asked if there were any exparte contacts or conflicts of interest. There were none.

Staff Report

Planner Cogburn reviewed the ACTA LLC annexation proposal to annex 13.28 acres for the use of City services and to plan for future development. Submitted with the annexation application was a request to rezone. The annexation would be contiguous with the City limits, adjacent to Highway 99 South, and west of Prairie Road. A comment was received from Lane County Transportation, which recommended that the City also include the annexation of a section of Prairie Road along with this proposal, but the City decided not to pursue an annexation of that section of road at this time. Public Works noted that there was adequate water and sewer capacity to serve the subject site, but since there was no development plan produced with this request, exact demand would not be known until that was submitted. It was requested that the conditions be addressed under proposed findings of fact that the annexation agreement between ACTA and the City include these conditions. The applicant has submitted all required information, minus the annexation agreement required under Junction City Municipal Code.

Public comment was received from individuals adjacent to the property after the public hearing deadline and they also presented public testimony at the Planning Commission hearing. Their letter and testimony referred to concerns regarding safety, continuing a community aesthetic in bringing in a proposed use next to a residential area, as well as potential decreased property values by a subsequent application. They also raised concerns regarding transient populations, increased traffic, noise, and activity as a result of the annexation, proposed zone change, and proposed zone text amendment. The Planning Commission reviewed on August 19th and recommended approval of the annexation request. Staff requested that consideration of Ordinance No. 1 be postponed to October 14th to incorporate public testimony and comments into the findings.

Councilor K. Leach noted that she had attended the Planning Commission meeting and thought there were some misunderstandings on the concerns. Planner Cogburn responded that he was able to meet with the commenters and alleviate those concerns.

Councilor DiMarco asked for legal input on postponing to incorporate the comments into the findings. Attorney Connelly responded that the City wanted to show in writing that they heard complaints and on the balance of the evidence presented in the record find that it's not a basis for denial or vice versa that it provides a basis for denial. Findings should reflect everything that was put before the final decision maker.

Applicant Testimony

Mr. Bill Kloos, 375 W. 4th Street, Suite 204, Eugene, shared three things: 1. They understood the need to tune up the findings to reflect all the testimony that had been offered and they were willing to assist with that task; 2. They were okay with the final form of the annexation agreement, and 3. They appreciated the Council support and this was an opportunity to bring the Guaranty site into the City.

Proponent/Opponent Testimony

Mr. John Anderson, 29055 David Lane, Junction City, expressed support of the annexation and noted that he has lived on David Lane for over 20 years. Guaranty was an excellent neighbor, and he was confident that they would continue to be through the entire proposal.

Mr. Brad King, 93592 Prairie Road, Junction City, voiced support for the annexation and noted that Guaranty had done a great job of building classy buildings and a nice camping store. He would prefer to see an upscale RV park than duplexes and single homes.

Mr. Anderson added that his understanding was that access would be made to that property via Highway 99. He thought it would be problematic to have access from Prairie Road.

Mr. Marty Nill, 30750 Lone Pine Drive, Junction City, thanked the Council for their consideration of the annexation. They were in a growth mode and hiring more people, after the decline of the previous years. The former Camping World site was now the Guaranty Travel Center and was attracting more people to town. They see great value in the annexation, which would enable them to benefit from City services and have a cleaner, more efficient operation. They are having issues with their septic systems and plumbing, and the annexation would provide an opportunity to improve their facility and to develop the property in a way that would be helpful for the City, businesses, downtown, restaurants, and other activities. He added that the property owner who had expressed concerns was made aware that they would not be forced to annex and that annexation was voluntary.

Applicant Rebuttal

None.

Questions from Council

None.

Mayor Brunscheon closed the public hearing.

Councilor Deliberation

Council members expressed support for the annexation. The Council consensus was to have staff bring back the final findings and final ordinance.

B. Public Hearing for ACTA LLC Rezone

Mayor Brunscheon opened the public hearing. He asked if there were any exparte contacts or conflicts of interest. There were none.

Staff Report

Planner Cogburn reviewed the ACTA LLC (RZ-14-02) rezone request. The properties are currently zoned Commercial 3 and Rural Residential 5, and the proposal was to rezone to commercial medium density and single family residential, which is in line with the plan designation map. Additionally with this request was a clarification on a mapping error that showed a split designation on tax lots 1000 and 1001. This was rectified as Item F in the final order of the Planning Commission. The Planning Commission held a meeting on August 19th and recommended approval, based on the proposed findings of fact. He requested that the Council postpone consideration of Ordinance No. 2, so the public testimony could be incorporated into the record.

Applicant Testimony

Mr. Bill Kloos, 375 W. 4th, Suite 204, Eugene, noted that they had researched and clarified that there was a mapping error. He expressed appreciation for City staff cooperation.

Proponent/Opponent Testimony

None.

Council Questions

None

Mayor Brunscheon closed the public hearing.

Council Deliberation

The Council consensus was to have staff incorporate the public testimony and bring back the findings and Ordinance No. 2.

VI. PUBLIC HEARING - CODE TEXT AMENDMENT

Mayor Brunscheon opened the public hearing. He asked if there were any exparte contacts or conflicts of interest. There were none.

Staff Report

Planner Cogburn reviewed the proposed Code Text Amendment to Junction City Municipal Code, Chapter 17.15, to permit Recreational Vehicle Parks in the duplex residential (R2 zoning district), as a conditional use. Currently RV parks are permitted as

a conditional use in the commercial zone. The Planning Commission held a public hearing on August 19th and recommended approval. Staff requested that consideration of Ordinance No. 3 be postponed to October 14th to incorporate public testimony and comments into the findings.

Applicant Testimony

Mr. Marty Nill, 30750 Lone Pine Drive, Junction City, stated that his family and their employees felt that it would be a good benefit for the City of Junction City to change the code to allow a RV Park in this specific, narrowly drafted proposal. He thought some people were fearful that there could be RV Parks in areas by Safeway or the high school, but the way the language was drafted, it was relatively narrow in course and concept and drafted specifically to be adjacent to an existing RV facility. They felt that this would round out their business and provide offerings that would draw people into the Junction City area to frequent local businesses and take part in the events that the community has to offer.

Proponent/Opponent Testimony

Mr. Brad King, 93592 Prairie Road, Junction City, expressed support for the RV Park concept and made reference to Casey's RV Park in Oakridge that has a certain number of spaces for reverse snowbirds from Arizona to stay for 3 months in the summer. If the City's code allowed, this could a possible offering that would bring people into the area and have a positive economic benefit to Junction City.

Council Questions

None.

Staff Addition

Planner Cogburn referred to a map that showed 15 residential properties zoned R2 that were adjacent to commercial property and only 2 of those were somewhat vacant; consequently, impacts on those residential lots throughout the City was minimal.

Mayor Brunscheon closed the public hearing.

Council Deliberation

The Council consensus was to have staff incorporate the public testimony and bring back the findings and Ordinance No. 3.

VII. SEWER INTERIM IMPROVEMENTS

A. ELECTRICAL BID RESULTS

Director Knope reviewed that bids were received for the electrical work and installation of the blower drive unit, as part of the sewer interim improvements at the lagoon.

MOTION: Councilor Nelson made a motion to award the electrical work to Junction City Electric in the amount of \$32,000 and the purchase of the drive unit from Air Diffusion Systems in the amount of \$32,542 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor K. Leach and passed by unanimous vote of the Council.

B. PIPE PURCHASE REQUEST

Director Knope reviewed that as part of the sewer interim improvements, it was necessary to install stainless steel pipe underground from the new blower building to the above ground piping that supplies air to the new system. Two bids were received.

MOTION: Councilor J. Leach made a motion to award the pipe purchase request to Ferguson Waterworks in the amount of \$59,694.89 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Hitchcock and passed by unanimous vote of the Council.

VIII. SCHOOL RESOURCE OFFICER MEMORANDUM OF UNDERSTANDING

Administrator Bowers stated that the City would like to enter into a Memorandum of Understanding (MOU) with the Junction City School District to provide a School Resource Officer (SRO). The MOU is a requirement of the COPS (Community Oriented Policing

Services) grant that the City received. The School District reviewed and had no concerns, and the City's insurance provider was comfortable with the insurance requirements. Page 2 of the agreement refers to the Truancy Enforcement Program, which is under a separate Intergovernmental Agreement between the City and the School District. If the SRO MOU is signed, she would anticipate sending a notice to the School District that the City wishes to terminate the Truancy IGA, as that function would now be incorporated in the SRO MOU.

Reference was made to page 2, City Obligations 1(a) that "the SRO will work on either full time or part time, pending the staff requirements of the Police Department" and that clearer language was desired. The Council consensus was to change that language to reflect the intent that the SRO may be utilized for patrol when school was not in session or in Police Department needs in emergency situations, as outlined in the SRO job description.

It was noted that page 2, City Obligations 1(c) reads, "the MOU shall be made available to Junction City no later than one month prior." Administrator Bowers responded that "prior" should be changed to "subsequent."

MOTION: Councilor Nelson made a motion to recommend approval of the School Resource Officer MOU and direct the City Administrator to sign the necessary paperwork, with adjustments. The motion was seconded by Councilor K. Leach and passed by unanimous vote of the Council.

IX. PROBATION SERVICES CONTRACT

Director Crocker presented the contract for probation monitoring services. The City has been unable to fill the Probation Officer position over an extended period of time, and the monitoring service would provide an alternate means for probation services. The Finance and Judiciary Committee reviewed and Judge Loomis and the City Prosecutor Pat Melendy expressed their support for the services.

Councilor DiMarco expressed his appreciation for staff and committee work, as well as the intent. He noted that he would be casting a no vote as he disagreed with the concept in principle. He referred to the budgetary commitment of having an internal Probation Officer and discussion on returning probation services to the level that it used to be. He added that this could be reviewed in the next budget preparation.

MOTION: Councilor Nelson made a motion to approve the contract for Probation Monitoring Services with Advanced Monitoring Professionals LLC as presented and direct the City Administrator to sign the necessary documents. The motion was seconded by Councilor K. Leach and passed by a vote of 4 to 1, with Councilors K. Leach, J. Leach, Nelson, and Hitchcock voting in favor and Councilor DiMarco voting against.

X. STAFF REPORTS

Planner Cogburn reported that he had spoken with a traffic engineer on providing assistance with the Transportation System Draft.

Director Knope noted that Portland and Western would be doing work on Holly Street and concerns could be passed on to Public Works.

Administrator Bowers reminded the Council of their Work Session on Saturday, September 27th. Staff would be in attendance to answer any questions the Council might have, and the Council would be setting the goals.

Attorney Connelly asked how she could be of service regarding the BCD discussion. The Council discussed and reached consensus to have Attorney Connelly work with Administrator Bowers to prepare a standalone IGA with BCD that reformats the existing terms and incorporates the proposed amendments and to bring back for Council review and input on flagged terms that would need to be discussed. Attorney Connelly was to let DOJ know about the Council wanting to go forward with a standalone IGA.

In response to if there was a fee schedule set at the time the 2010 IGA was signed, Administrator Bowers stated that her understanding was that Mark Long from the state had written a letter that they were going to pay Junction City's fees, and then they

changed course mid project and said they were going to be the building official and not pay those fees, based on a new valuation. Attorney Connelly confirmed that was correct and added that when the building permit was issued last July, staff was aware there was a problem with the fees and that there was no agreed fee valuation or methodology, but there was pressure to issue the building permit. The permit was issued conditionally upon resolving the fee issue in the IGA, and the certificate of occupancy would be withheld until the IGA was resolved.

XI. COUNCILOR COMMENTS/QUESTIONS

Councilor K. Leach noted that Planner Cogburn did a good job on the planning items.

XII. MAYOR'S COMMENTS

Mayor Brunscheon thanked staff for all their hard work and expressed appreciation to Planner Cogburn, Administrator Bowers, and Attorney Connelly for their work on the agenda items.

XIII. OTHER BUSINESS

Councilor J. Leach asked about the status of the contract with Chief Pryde. Administrator Bowers responded that Mr. Pryde would begin the review of the Police Department on September 30th.

Councilor DiMarco noted that constituents had expressed concerns related to the Haag Home and recent news that a young man had been living there who was older than 18 and had been involved in a gang murder. Council members expressed their desire to become more educated about Haag Home operations, to see if there was an agreement between the City and the Haag Home, and to receive Haag Home and Police Department input on topic. The Council consensus was to have the Finance and Judiciary Committee discuss.

Councilor DiMarco encouraged the Council to be sensitive to not overload key staff with meetings and/or committee work.

Ms. Sandra Kowall, 1790 Rose Street, Junction City, stated that she worked with at risk kids for 26 years and would be happy to serve as a resource and provide ideas. Mayor Brunscheon expressed appreciation for the offer.

XIV. ADJOURNMENT

As there was no further business, the meeting was adjourned at 8 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

David S. Brunscheon, Mayor