

The Budget Committee for the City of Junction City, met at 6:30 p.m. on Thursday, May 4, 2023, at City Hall, 680 Greenwood Street and in a virtual meeting format, via internet and phone.

PRESENT: Council Members: Mayor Ken Wells (Committee Chair); Council President, Karen Leach; Councilors Sandie Thomas, Sidney Washburne, Andrea Ceniga, John Gambia, and Ken Hancock; **Citizen Members:** Vice Chair, Kara McDaniel, Jack Sumner, Sue Huntley, James Hukill, Darin Olson, and Joshua Guth; **Staff:** City Administrator, Jason Knope; Public Works Director, Gary Kaping; Finance Director, Mike Crocker; and City Recorder, Kitty Vodrup.

1. Call to Order

Chair Wells called the meeting to order at 6:30 p.m. Councilor Ceniga declared a potential conflict of interest, as her brother in law was a Public Works employee.

2. Approval of Minutes – April 27, 2023

MOTION: Committee Member Hukill made a motion to approve the April 27, 2023 Budget Committee minutes. The motion was seconded by Councilor Thomas and passed by unanimous vote of the Committee.

3. Public Comment for Items not Listed on the Agenda. None.

4. Follow Up from Previous Meeting. None.

5. Review and Discussion of Proposed FY 23/24 Budget – Public Works

Director Kaping reviewed the following changes:

Building Department – Page 99

- Lines 4 – 7, 9, 11: Increased revenue line items for permits, per current building in Junction City. Building and planning activity was hard to predict, and he budgeted conservatively on revenue projections. If more revenue came in than was budgeted, would carry that over for the years where building revenue was less.
- Line 20 Wages: Decreased with lower wage for new building official.
- Line 30 Administrative Charges and Line 50 PW Admin Charges: Slight increases because of wages.
- Line 45 Office Equipment Leases: Increased \$400 as reallocated leases.

Building Department Capital Projects – Page 101

- No changes.

Parks and Open Spaces – Page 161

- Line 13 Wages: Increased with reallocation of the Parks and Open Spaces Supervisor wages back into Parks and Open Spaces instead of in Water and Sewer.
- Line 23 Administrative Charges: Slight increase.
- Line 29 Fuel: Increased (almost doubled) based on fuel costs this year.
- Line 46 Software Support and Licensing: Increased to reflect actual department costs for software, internet, and email costs. Director Crocker added that similar changes could be seen in most of the operating funds.
- The City would be doing a Parks Master Plan update, which would include making a plan for the undeveloped larger parcels of parkland at the Reserve and Raintree Meadows. Would

be looking to bring the undeveloped parcel at Raintree Meadows into the City limits this year; that was also where the new Water Treatment Plant and new well would be located.

Parks Capital Projects – Page 162

- Line 64 CEP Projects: \$41,500. Projects were listed on page 155.
- Line 65 Capital Outlay Projects: Increased from \$40,000 to \$70,000 to pick up some of the deferred maintenance at Dutch's Fieldhouse building.

Parks System Development Fund – Page 164

- Line 8 Park System Expansion: \$400,000 to finish up the park at the Reserve and have extra available if needed. It was noted that there would be two parks in Rolling Meadows that the developer would pay for and would then be turned over to the City.

Water Fund – Page 175

- Line 9 Wages: Increased.
- Line 19 Administrative Charges and Line 38 PW Admin Charges: Slight increases.
- Line 22 Fuel: Increased.
- Line 38 Merchant Fee: Decreased, as the City no longer paid the merchant fee.
- Line 42 Treatment Chemicals: Increased, as costs continued to rise.
- Line 48 Transfer to Water Capital Fund: \$261,000
- The City was applying for a 1 million dollar grant to help address loss of production in some of the City's wells, which would include adding a new well.

Water Capital Projects Fund – Page 177

- Line 5 Transfer from Water Fund: \$62,000 of \$261,000 transfer.
- Line 17 Master Plan Projects: \$50,000 to replace pipes.
- Reserving money for next rate study in this fund.
- Line 19 ARPA Grant Projects: \$1,346,900 that the City received for the Water Treatment Plant.
- Line 24 Interfund Loan Payment Sewer System Fund: \$67,700. Amount decreased, as paying loan down.
- Line 36 Transfer from Water Fund: \$50,000. Line 55 Transfer from Water Fund: \$149,000
- Line 60 Operating System Repair/Maintenance: Increased from \$20,000 to \$80,000. Many original meters were failing, so needed to fix those to be accurate with billing. Meters had a 10 to 20 year life expectancy. Plan to replace meters on a scheduled basis.
- Line 61 New System Installation: Increased for new houses coming in. Funding for this received on Line 54 Water Tap Fees.
- Water System improvements addressed both production and water quality.

Water System Development Fund – Page 179

- Line 7 Water System Expansion: \$100,000 placeholder. Nothing specifically planned.

Sewer Fund – Page 191

- Line 11 Wages: Increased.
- Line 25 Fuel: Increased by \$9,000.
- Line 38 Merchant Fees: Decreased.
- Line 41 Travel and Training: Decreased, as training was every other year.

Sewer Capital Projects Fund – Page 193

- Line 14 System Improvements: \$400,000. Setting more aside for Sewer Treatment Plant.
- Line 16 Equipment Acquisitions: \$600,000. For purchase of Vac truck.
- Line 17 Master Plan Projects: Increased.
- Line 32 Interfund Loan Repayment: \$67,700.

Sewer System Development Fund – Page 195

- Line 7 Sewer System Expansion: Increased from \$1,000,000 to \$3,000,000 for the Sewer Treatment Plant upgrade.

Sanitation Fund – Page 201

- Line 1 Beginning Fund Balance: Slowly declining over the last few years; part of that was rate increases for Sanitation were not carried forward like for Water and Sewer, there were increases in tipping fees, fuel, and maintenance costs, and other.
- Line 3 Garbage Collection Revenue: In proposed budget at \$1,200,500 but to balance fund, staff would like to increase that to \$1,261,500 (based on 4% increase).
- Line 25 Fuel: Increased.
- Line 38 Solid Waste Disposal: Increased as tipping fees had increased.
- Line 40 Vehicle and Equipment Maintenance: Increased.
- Line 45 Transfer to Sanitation Capital Projects: To balance fund, instead of transferring \$73,500, would transfer \$35,000.
- Adjustments to balance the fund this year were not sustainable, so staff would like to hire a consultant to do an operational evaluation. Staff would be discussing with the Public Works Committee in June.

Sanitation Capital Projects Fund – Page 203

- Line 5 Interfund Loan – General Fund: \$250,000. For a new truck but would not borrow this money or purchase a truck until after the analysis on Sanitation operation was completed.
- Line 14 CEP Projects: \$250,000. Allocation line from Line 5.
- Line 16 Equipment Acquisition: \$40,000 for garbage containers.

Streets Fund – Page 213

- Line 11 Wages: Increased and Line 25 Fuel: Increased.
- Line 46 Transfer to Streets Capital Project: Increased from \$60,000 to \$100,000 for continued crack and slurry seal work.

Streets Capital Projects Fund – Page 215

- Line 3 Transfer from Street Fund.
- Line 6 State 5,000 Population Distribution: \$200,000 from ODOT.
- Line 12 Sidewalk Improvement Program: \$28,000 to do a couple approaches on 6th Street.
- Staff had been working with Lane County, who has been trying to secure a grant for a couple of years to put in sidewalks. Staff would continue to try and convince the City Attorney to be able to use System Development Charge Funds for sidewalk expansion.
- Line 14 Street Refurbishment/Improvements: \$200,000 expenditure line for Line 6.
- Line 15 Street Maintenance Program: Increased from \$100,000 to \$200,000 for crack and slurry seal projects.

Streets System Development Fund – Page 216

- Line 1 Beginning Fund Balance: \$2,235,700. Could only be used for expansion of streets.
- Line 7 Street System Expansion: \$100,000 placeholder.

Bike Path Reserve Fund – Page 217

- No changes to this fund. For expansion and maintenance of the bike paths in town.

Prairie Road Street Improvement Fund – Page 218

- No changes to this fund. Line 6 Street Improvements of \$218,000 was the original amount the developer had to contribute for future sidewalks.

Public Works Administration Fund: PW Admin – Page 225

- Line 87 Wages: Increased.
- Line 114 Office Equipment Lease. Increased, due to reallocation.
- Line 115 Fuel: Increased.

Public Works Administration Fund: Planning – Page 226

- Line 140 Wages: Decreased, as current Planning Technician would be stepping down from Planning duties on July 1, 2023.
- Line 168 Printing and Advertising: Increased.

6. Other Business

The Committee consensus was to hold another meeting on Thursday, May 11, 2023 at 6:30 p.m. to deliberate and consider approval of the budget.

7. Recess

As there was no further business, the meeting was recessed at 7:55 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

Kenneth Wells, Chair