

The City Council for the City of Junction City, met in regular session at 6:30 p.m. on Tuesday, June 12, 2018, in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon.

**PRESENT:** Mayor, Mark Crenshaw; Councilors Kara McDaniel, Robert Stott, Jack Sumner, John Gambee, Dale Rowe, and Bill DiMarco; City Administrator, Jason Knope; City Attorney, Carrie Connelly; Police Chief, Bob Morris; Public Works Director, Gary Kaping; Finance Director, Mike Crocker; City Planner, Jordan Cogburn; Community Services Director, Tom Boldon; and Administrative Assistant, Tere Andrews.

1. Call to Order and Pledge of Allegiance

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

2. Budget Committee Consideration of April 19 and 26 and May 3, 2018 Budget Committee Minutes

Chair DiMarco stated that a quorum of the Budget Committee was present, including citizen members Ms. Sue Huntley, Mr. James Hukill, and Mr. Kenneth Wells, and that the Committee would briefly convene to consider approval of the April 19 and 26 and May 3, 2018 Budget Committee minutes.

**MOTION:** Committee Member Huntley made a motion to approve the Budget Committee minutes, as presented. The motion was seconded by Councilor Rowe and passed by unanimous vote of the Budget Committee members present: Stott, Sumner, Crenshaw, Gambee, Rowe, DiMarco, Huntley, Hukill, and Wells.

Councilor McDaniel arrived at the meeting.

3. Changes to the Agenda.

Add Police Department Discussion, after Item 6.

4. Approval of Minutes – May 8 and 22, 2018

**MOTION:** Councilor Rowe made a motion to approve the May 8 and 22, 2018 Council Minutes. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

5. **Review of Previous Month's Expenditures**

Mayor Crenshaw asked if there were any Council comments or questions on the previous month's expenditures. There were none.

6. **Public Comment on Items not Listed on the Agenda**

None.

7. **Police Department Discussion**

Councilor DiMarco stated that he had a motion in mind to settle the issue for the current Council on whether they supported the City's long-standing policy of having a Police Department that was supported by the City under local control. He would offer the motion so the Council would have clarity for the community and Police Department, before going forward with the Fiscal Year 2018-19 budget. He noted that there were many things in that budget that depended on the vision of having local control, such as existing contracts, entering into new contracts, expanding dispatch, etc.

Councilor Sumner stated that he had suggested at the last Finance Committee meeting that the Council hold a Work Session to talk about options for addressing the overtime costs and long hours works, due to not having full officer staffing. He felt that the citizens of Junction City needed to hear whether or not the City could augment the police staff and keep a full staff of 10 officers or go completely with Lane County Sheriff's Department, which the City had done in previous history.

Councilor Rowe thought this needed to be discussed before approving the budget, because either keeping or eliminating the Police Department would take different directions.

Councilor McDaniel noted that when this was brought up at a Public Safety Committee meeting, her concern was the level of service and response time that would be provided to the City by contracting with the county.

Councilor Stott stated that contracting with Lane County was going in the wrong direction and would be a disservice to the Chief and the Police Department.

Mayor Crenshaw noted that he had received confirmation from Lane County Sheriff's that a report that had been distributed about contracting options for cities had been a college paper and was not an official report or proposal from Lane County. He felt that the City should never stop from considering possibilities and had a fiduciary responsibility to do so, but the City had made a plan for the Police Department and they should see that plan through. He added that there were three officer vacancies, but all were currently going through the background process, so it was conceivable that there would be 10 officers filled by the end of the summer.

Ms. Sandie Thomas, 1225 Kalmia Street, Junction City, expressed comments about the Chief and noted at one point the City contracted with Lane County for police services and they did very well, as there was an officer that lived in Junction City. She added that she was tired of not getting what they were paying for, with 10 officers budgeted but not having full staffing.

Ms. Cindy Montgomery, 1215 Oak Street, Junction City, stated that what made Junction City unique was that it was self-serving, with its own garbage service, police department, youth services, and senior services. She added that if there were employment issues, Administrator Knope, Chief Morris, and the Council needed to deal with that, but getting rid of services that the community relied on would be a mistake.

Councilor Sumner added that he was not against the Police Department and had volunteered with the department and been a supporter for years. He just felt the discussion should be held on if there were options to assist the department, not continue to overwork employees, and get full staffing to make sure the citizens were protected at all times.

Councilor Gambie stated that he was not opposed to looking at options for cost savings and other ideas, but he was in support of having a local police department. He noted that the Police Department did not waste money, but efficiently and appropriately used funds.

Mayor Crenshaw noted that the Chief was hired as part of a task force to identify and repair some deficiencies in the department. Mayor Crenshaw added that he felt it was the Council's responsibility and in the best interest of the public to see that through.

Councilor DiMarco stated that given all the confusion on social media and the negativity that had been directed at the Chief and the department over the last two years, he felt some clarity was warranted. He crafted his motion to be non-binding on the current Council and a snapshot in time, as had been discussed in the Budget Committee. It would simply be the Council acknowledging that right now they did not see a need to do anything but what they had been doing and staying the course of what had been happening for 30 years, since a few attempts had been made to contract with the county in the 80's.

**MOTION:** Councilor DiMarco made a motion that the City Council reaffirm Junction City's longstanding commitment to direct supervision, administration, and management of its public safety operations under the local control of the governing body and the City's employees. The motion was seconded by Councilor Stott.

Councilor Sumner stated that he did not disagree with the motion, and noted that if the City had an outside source like Lane County Sheriff or Oregon State Police, the City could still have local control. His objective in raising this was to discuss how to bring staff up to where it should be and if they could save money doing that, that would be fine.

Councilor DiMarco noted that he did not object to having a Work Session discussion, if the Council consensus was in favor of doing that, but he first wanted confirmation of the course before discussing the budget.

Mayor Crenshaw stated that he did not find the motion to be preclusive of the Council exploring improvements for the community in the future. He stood in support of the motion, based on the fact the he did want to reaffirm that Junction City had a long-standing commitment to self-performance on its issues, including management of public safety.

Councilor DiMarco noted that Councilor Sumner had mentioned that the City would still have local control if contracting with another agency. Councilor DiMarco stated that he did not agree with that definition of local control.

**VOTE:** The motion passed by a vote of 5 in favor and 1 abstention, with Councilors McDaniel, Stott, Gambie, Rowe, and DiMarco voting in favor and Councilor Sumner abstaining.

## **8. Public Hearing – Fiscal Year 2018-19 Budget**

### **A. Public Hearing**

Mayor Crenshaw opened the public hearing.

#### **Staff Report**

Director Crocker stated that the hearing information and notice were included in the Council packet, and the hearing was published in the newspaper and online as required by Oregon Budget Law. The budget worksheets in Attachment C were approved by the Budget Committee on May 3, 2018. The only change the Budget Committee made to the proposed budget was to increase the General Fund Contingency by \$100,000. The adoption of the budget authorized the assessment of taxes at the City's permanent rate of \$6.0445 per \$1,000 of assessed property value, which was the maximum amount that they could do. There were no restrictions on reducing appropriations, but increasing appropriations were limited to 10% or \$5,000 per fund. A resolution was before the Council.

#### **Public Testimony**

None.

#### **Questions/Comments from Council**

Councilor Rowe read the following Junction City fiscal policy on page 207: "1. Budget policy, a. All budgetary procedures will conform to existing state and local regulations. Oregon Budget Law requires each local government to prepare a balanced budget and Oregon Administrative Rules state: 1) The budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and 2) The total of all resources of the municipality must equal the total of all expenditures and all requirements for the municipality." He stated that this policy read that expenditures must meet revenue and they had failed in that task, as the approved budget had a deficit of \$55,600.

Councilor Rowe continued that three years ago, the Budget Committee and Council came up with the bucket concept, and they had worked very hard to balance each department's bucket. He noted that all the directors had done a magnificent job on what was required of them to present a balanced budget, and he believed in the director's ability to stay within that budget. He also wanted to give the citizens of Junction City a balanced budget. He noted that the Budget Committee had increased the General Fund Non-Departmental Contingency by \$100,000, taking it from \$53,000 to \$153,000, which caused the proposed budget that had been \$44,000 in the good to be \$55,600 in the hole; this also caused a deficit in the Ending Fund Balance of \$55,600. He thought the Council was clear that they wanted a balanced budget, the directors were on board with a balanced budget, and certainly the citizens of Junction City expected and deserved a balanced budget. He encouraged the Council to make an amendment to create a balanced budget.

Councilor DiMarco shared that the Budget Committee had increased the contingency, as there had been a lot of concern in the community and on the Budget Committee to have back up funds to address unexpected expenses related to changes being made at the Library, Police Department, and Building Department.

Councilor Gambie stated that he had received several calls from people in the community who wanted a balanced budget.

Mayor Crenshaw noted that the approved budget was in fact balanced according to state law, as the total expenditures did not exceed the total resources.

Councilor Rowe responded that he thought the citizens would demand that it not be resources but revenue, and he thought the assumption behind the fiscal policy was that revenue matches expenditures.

Mayor Crenshaw noted that they also had to consider that saving those monies back as part of the total resource may not be in the best interest of the public. He continued that at some time, those tax revenues were collected from the public and the City needed to use them, because if the City simply saved them, that was not doing the public any good. He added that they were in a situation this year where potentially they needed to use some of those previously taxed dollars from past revenue.

Councilor Rowe responded that he philosophically disagreed and thought that was fiscal irresponsibility.

Ms. Sue Huntley, 1065 Laurel Street, Junction City, stated that she was a member of the Budget Committee and had always supported having a balanced budget. She trusted staff and said they had done very well in keeping the budgets balanced over the last few years; however, she was not sure that staff could continue to provide a balanced budget with all the retirements and cutbacks in this year. That was why the Committee approved adding money to contingency, but just because there was money there did not mean that it needed to be spent. The contingency would be there in case it was needed, to support the staff.

Ms. Cindy Montgomery, 1215 Oak Street, Junction City, stated that she was a member of the Budget Committee, and concerns had been with the changes to the Planning Department, Senior Center, Library, and staffing 10 officers at the Police Department with the amount of money that was in the budget. They placed funds in contingency, which would need Council approval to be spent, but she noted that if she had heard Councilor Rowe's passionate speech the night the Budget Committee approved that budget, she might not have voted for the extra contingency. She agreed that it was a matter of being fiscally responsible, but the Budget Committee's concerns were that there were so many major changes to this budget.

Councilor Rowe stated that the proposed budget had an excess of \$44,400, and instead of adding \$100,000 to contingency, they could add the \$44,400 to the original contingency amount of \$53,000, making the total contingency line item \$97,400. This would add to the contingency and also balance the budget.

Councilor DiMarco asked if staff would be comfortable with the \$97,400 and if there were other safeguards in place.

Administrator Knope responded that he was fine with that contingency amount, because in addition to this General Fund Non-Departmental contingency, each department had their own contingency. He added that there was also money in Projects to be Determined in State Shared Revenue, which only the Council could appropriate.

Councilor Sumner expressed his agreement with having a balanced budget, but voted for the contingency increase because of the changes in the Building Department and Police Department and as a backup in case some of the pending contracts were not realized.

Councilor Gambie asked what the Budget Committee vote had been. Councilor Rowe responded that there were 2 against and 1 abstention.

Councilor Gambie asked how much of the Beginning Fund Balance of around \$2 million the City could spend. Administrator Knope responded that by Budget Law, the City could spend that down to zero; however, the Junction City policy had been not to spend it and to let it grow a little bit each year. He noted that there had been discussions over the last 12 years of how much should be in that fund balance.

Councilor Gambie asked if the one million dollars in the Revolving Loan Fund was part of the General Fund. Administrator Knope responded that it was not and was a separate fund.

Councilor Gambie stated that he had a tremendous level of respect for what people had been doing over the last couple of years and there was something to be said about sticking to the bucket concept and having the accountability of that system. He thought they should further

discuss how much should be saved and carried over in the Ending Fund Balance and put a system in place, so money could go towards projects, etc.

Mayor Crenshaw closed the public hearing.

**B. Resolution No. 1** – A Resolution Adopting the Budget; Making Appropriations; Imposing the Taxes; and Categorizing the Taxes for Fiscal Year Beginning July 1, 2018 and Ending June 30, 2019.

**MOTION:** Councilor Stott made a motion to adopt Resolution No. 1. The motion died, for lack of a second.

Administrator Knope clarified that there was \$55,000 in the State Shared Revenue Line Item of Projects to be Determined, which was enough to balance what was being reduced in the contingency.

Councilor Rowe stated that on Page 9 of Attachment C, General Fund Non-Departmental, Line 68 Contingency would be reduced by \$55,600 from \$153,000 to \$97,400. That would bring them to a balanced budget, where the Beginning Fund and Ending Fund Balances in the General Fund would be \$2,106,500.

**MOTION:** Councilor Rowe made a motion to approve Resolution No. 1, adopting the Fiscal Year 2018-19 approved budget, with changes as noted, making appropriations as shown on Schedule A, as updated, of Resolution No. 1, imposing a tax rate of \$6.0445 per \$1,000 of assessed value and allocating all the property tax money collected into the General Fund. The motion was seconded by Councilor McDaniel and passed by a vote of 5 to 1, with Councilors McDaniel, Sumner, Gambee, Rowe, and DiMarco voting in favor and Councilor Stott voting against.

#### **9. State Shared Revenue Resolutions**

Director Crocker presented the State Shared Revenue resolutions, which were required by the State for the City to receive these funds.

**A. Resolution No. 2** – A Resolution Declaring the City of Junction City's Election to Receive State Revenues.

**B. Resolution No. 3** – A Resolution Certifying the City of Junction City's Eligibility to Receive State Shared Revenues Under ORS 221.760.

**MOTION:** Councilor Stott made a motion to adopt Resolutions 2 and 3. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

#### **10. Fiscal Year 2018-19 Compensation Schedules**

Director Crocker presented the Fiscal Year 2018-19 Compensation schedules. Each incorporated a 2% Cost of Living Increase, with the exception of Temporary and Seasonal, where the increase was based on the state minimum wage increase to \$10.75.

**A. Resolution No. 4** – A Resolution to Approve the Fiscal Year 2018-2019 Compensation Schedules for Police, AFSCME, Temporary and Seasonal and Management and Non-Represented Positions.

**MOTION:** Councilor Rowe made a motion to approve Resolution No. 4. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

#### **11. 2018 Truck Function in Junction Street Closure Request**

Planner Cogburn reviewed the annual Truck Function in Junction request. The Community Development Committee had reviewed and recommended approval.

**MOTION:** Councilor McDaniel made a motion to approve the street closure request for the Annual Truck Function in Junction on July 14, 2018 as conditioned in Attachment B with the nonexclusive use of city streets for street closure from 5:00 p.m. to 10:00 p.m. The use of City streets will apply to the route shown in Attachment A, contingent upon approval from the Oregon Department of Transportation. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

**12. 2018 Scandia Run Street Closure Request**

Planner Cogburn reviewed the annual Scandia Run request. The Community Development Committee reviewed and recommended approval. Councilor Gambée noted that a large part of the revenue raised at this event would be used to renovate the track at Junction City High School.

**MOTION:** Councilor Gambée made a motion to approve the street closure request for the 44<sup>th</sup> Annual Scandia Run on August 11, 2018 as conditioned in Attachment B with the nonexclusive use of the City streets for street closure from 7:45 a.m. to 12:00 p.m. The use of City streets will apply to the route shown in Attachment A. The motion was seconded by Councilor Rowe and passed by unanimous vote of the Council.

**13. JC3.1 Run/Walk Street Closure Amendment**

Planner Cogburn reviewed the route modification for the JC3.1 Run/Walk. The original route went through Alona Place, but that could not be allowed, so the route was amended to go down W. 1<sup>st</sup> Avenue. The Community Development Committee reviewed and recommended approval.

**MOTION:** Councilor Rowe made a motion to approve the JC3.1 Run/Walk street closure amendment, as presented. The use of City streets will apply to the route attached. The motion was seconded by Councilor DiMarco and passed by unanimous vote of the Council.

**14. Hansen Block Party Street Closure Request**

Planner Cogburn reviewed the request from Bradley and Nora Hansen for street closure for a neighborhood block party on Deal Place.

**MOTION:** Councilor Rowe made a motion to approve the street closure request for the neighborhood block party on June 14, 2018, as conditioned in Attachment B with the nonexclusive use of the City streets for street closure from 4:00 p.m. to 10:00 p.m. The use of City streets will apply to the route stated in Attachment A. The motion was seconded by Councilor Gambée and passed by unanimous vote of the Council.

**15. Water, Sewer, and Sanitation Rate Study**

Director Kaping presented proposals to conduct a rate study. Eight Request for Proposals (RFPs) were sent out and three were received. A selection committee and the Public Works Committee reviewed and recommended contracting with SCS Engineering.

**MOTION:** Councilor Rowe made a motion to award the rate study to SCS Engineers in the amount of \$85,556 with a contingency of \$14,444 and authorize the Public Works Director to execute and sign the necessary documents. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

**16. City Engineering Contract Renewal**

Director Kaping reviewed the request to renew the City Engineer contract with HBH Engineering for one year. The Public Works Committee reviewed and recommended renewing the contract. The original contract with HBH was approved in 2013, with the ability for annual renewals of up to five years; therefore, staff would be going out for an RFP later this year.

**MOTION:** Councilor Stott made a motion to approve the contract renewal with HBH Engineering and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Rowe and passed by unanimous vote of the Council.

**17. Purchasing of Equipment/Trucks from Lane County Auction**

Director Kaping shared the request for Public Works staff to receive preauthorization to purchase equipment from the Lane County Auction within the Fiscal Year 2018-19 budget. The items were within staff's spending authority, but staff wanted to present to the Council. The Public Works Committee reviewed on May 7<sup>th</sup> and recommended approval.

**MOTION:** Councilor McDaniel made a motion to approve the purchase of a dump truck not to exceed \$15,000, a truck or SUV not to exceed \$7,000, a trailer not to exceed \$3,000, and a roller not to exceed \$8,000 from Lane County Auction and to authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

**18. Storage Tank Cleaning and Inspection**

Director Kaping reviewed the request to award a bid for storage tank cleaning and inspection. This was done every three years. Staff followed the Procurement Rule 137-047-0270; four bids were requested and received. Liquid Vision was the most local company and was not the cheapest bid, but they would remove more sedimentation than the other bids by an inch; if that had been added to the other bids, they would be higher than Liquid Vision's bid.

**MOTION:** Councilor Rowe made a motion to award the contract for tank cleaning and inspection to Liquid Vision in the amount of \$7,250 with a contingency of \$5,750 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

**19. Electrical and Plumbing Inspector Job Descriptions**

Director Kaping presented the resolution to create the positions of Electrical Inspector and Plumbing Inspector. He noted that the City's current Building Official would not be able to obtain the A Level Electrical Inspector or the A Level Plumbing Inspector certifications, so the City would be looking to fill these on a part time or hourly basis.

A. Resolution No. 5 – A Resolution to Create the Positions of Electrical Inspector and Plumbing Inspector Pursuant to Personnel Policy Section 4.2 and Assigning a Range within the City's Compensation Schedule.

**MOTION:** Councilor Rowe made a motion to approve Resolution No. 5. The motion was seconded by Councilor DiMarco and passed by unanimous vote of the Council.

**20. Council Agenda Forecaster**

Administrator Knope presented the forecaster.

**21. Staff Reports**

Chief Morris: He distributed and read a letter of congratulations that the department had achieved accreditation; a formal presentation would occur at a future Council meeting. Three volunteers had contributed 300 hours of service over the last three months, which would have cost \$14,056 to pay for these services. He was in process of hiring a retired officer from Medford to serve as a temporary officer at 20 hours per week. Guaranty had donated a motorhome for this officer to live in when in JC. Three other candidates for officers were in backgrounds. He would be doing a second presentation at the Senior Center, and the 2<sup>nd</sup> annual Human Trafficking Conference would be held on Saturday, June 23<sup>rd</sup> at the Baptist Church. Officers from the U of O, Lane County Parole and Probation, and Homeland Security assisted JCPD in providing security at all four local schools, in response to a student threat on June 8<sup>th</sup>.

Director Kaping: Public Works would be installing rectangular, rapid flashing beacons at the High School and Oaklea Middle School, as well as installing new crosswalks and ADA ramps, as part of the Safe Routes to School. The crack sealing of Timothy Street would be rescheduled, as the last scheduled day had to be cancelled, due to rain. Public Works staff would be doing many street projects this summer, and they would be advertising for the Utility Laborer and Electrical Inspector positions.

Director Crocker: Municipal Court Judge Ashlee Wiese, Court Clerk Sandra Mills, and City Prosecutor Pat Melendy recently spoke to students at Laurel Elementary and the High School.

Councilor DiMarco thanked Director Crocker, Administrator Knope, and the rest of staff for their work on the budget and for staying within their buckets.

Director Boldon: Busy time of the year at Community Services. School swims had been occurring, and the pool and the Summer Camp Program would begin on June 25<sup>th</sup>. Library staff member Freda Darling was doing a great job training volunteers at the Library, and the Library exterior would be painted in the next few weeks.

Director Kaping added that the skatepark would be closed for a few days for resealing and maintenance.

In response to questions, Director Boldon stated that there was a fee for Library members who lived outside the City limits and there were currently 10 volunteers at the Library. He added that the pool furniture where spectators sit would be replaced this season.

## 22. Councilor Comments/Questions

Councilor Rowe thanked the community and Council for listening to his budget comments. He thanked the directors for submitting an honest budget and thanked the Budget Committee and Council for compromising and finding a solution they all could work with.

Councilor Gambee provided comments on how extensive the accreditation process was. He stated that he was impressed and that the Police Department did a good job.

Councilor Sumner thanked the Police Department for their hard work and extra hours they were putting in and noted that he was one of their biggest supporters. He had asked for and hoped it would still be on an agenda to have a conversation about assisting the Police Department through augmentation, if necessary.

Councilor Stott thanked staff for their hard work. He noted he did not mind that Ms. Thomas did not like the direction of the Police Department, but felt it was not right for her to say things about a staff member.

Councilor McDaniel noted that it would be important to express appreciation to Guaranty for supporting the Police Department and she would do so next time she was down there.

## 23. Mayor's Comments

Mayor Crenshaw thanked all the volunteers and noted that volunteerism was what it took to make a small community work. He stated that in his opinion, the Budget Committee did not fail in any way and had done a wonderful job of looking at situations and discussing what was in the best interest of the City. He recognized that the department directors were always working towards the best interest of the City and holding themselves to high standards, which he commended them for. He thought the Budget Committee was trying to be supportive of the department endeavors.

Mayor Crenshaw stated that he wanted to say to the employees of Junction City as Mayor that he hoped that everyone saw the City of Junction City as a high quality employer who valued its employees and held them in high regard. He wanted them all to feel secure in their employment with the City and added that employees should never feel like this was a hostile work environment in any way.

## 24. Other Business

Ms. Sandie Thomas said that she was not trying to be hostile, but had been upset by answers to questions that staff had given her.

Mayor Crenshaw responded that unfortunately results did not come instantly and it was important to recognize that small steps were being made.

## 25. Executive Session per ORS 192.660(2)(h) to Consult with Legal Counsel Concerning Legal Rights and Duties Concerning Current Litigation or Litigation Likely to be Filed.

Mayor Crenshaw announced Executive Session at 9:25 p.m.

## 26. Adjournment

As there was no further business, the meeting was adjourned at 10:15 p.m.

ATTEST:

APPROVED:

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Kitty Vodrup, City Recorder

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Mark Crenshaw, Mayor