

The City Council for the City of Junction City, met in regular session and in a work session at 6:30 p.m. on Tuesday, September 27, 2022 in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon and in a virtual meeting format via internet and phone.

PRESENT: Mayor, Beverly Ficek; Council President, Ken Wells; Councilors Sandie Thomas, Sidney Washburne, Andrea Ceniga, John Gambee (Left at 7:24 p.m.), and Karen Leach; City Administrator, Jason Knope; Public Works Director, Gary Kaping; Public Works Superintendent, Jeremy Tracer; Finance Director, Mike Crocker (Left at 6:45 p.m.) and City Recorder, Kitty Vodrup.

REGULAR SESSION

1. Call to Order and Pledge of Allegiance

Mayor Ficek opened the meeting at 6:30 p.m., led the Pledge of Allegiance, and took roll call.

2. Online Credit Card Payment Services

Director Crocker presented the contract with Xpress Bill Pay (Xpress Solutions, Inc.), to provide online payment services and credit/debit card payment processing for all City departments. The largest use for credit/debit cards was for utility billing payments. This payment product would interface with the new Tyler software. There would be an installation fee of \$2500 and monthly maintenance fees of around \$100. Director Crocker noted that when he started with the City in 2012, the transaction fees (charges to use Visa or Mastercard credit/debit cards) were around \$1,000, and for the Fiscal Year ending 2021-2022 those fees were over \$54,000 which were being paid by the City. With this new contract, Xpress Bill Pay would charge and collect the 3% transaction fee, which would be paid by the customer and this was a practice that other cities and counties were doing. An alternative payment method for customers included using bill pay service through their bank which would be free. Staff had included notice of this change in with the last utility bill and would include information and alternative payment options in future bills, on social media, and on the City's website.

MOTION: Councilor Wells made a motion to approve the agreement as presented and direct the City Administrator to sign the necessary documents. The motion was seconded by Councilor Leach and passed by unanimous vote of the Council.

(Director Crocker left the meeting).

3. Adjournment of Regular Session

Regular session was adjourned at 6:45 p.m.

WORK SESSION

1. Call to Order

Mayor Ficek called the Work Session to order at 6:45 p.m.

2. Water System Discussion

Administrator Knope distributed hard copies of a Power Point presentation on the Water System Overview and reviewed the following:

Junction City Water System Review

- Four main wells that pumped about 900 gallon per minutes and one emergency well that pumped 200 gallons per minute.
- One Water Treatment Plant with 6 filters, capable of treating 2400 gallons per minute.
- Two ground storage tanks with a capacity of 3.65 million gallons of water and two elevated storage tanks with a capacity of 300,000 gallons each.
- The distribution system contained over 50 miles of water line, 400 fire hydrants, 800 mainline valves, and 2400 water meters.
- Over 50 pieces of monitoring equipment that required daily and weekly maintenance.
- Over 800 sampling tests that were performed throughout the year.

Junction City Water System Issues Overview

- Current and future water supply capacity.
- Water storage capacity.
- Maintenance capacity – current and future.
- Program funding.
- Updating planning documents.

Current Water Supply Capacity

- Water Supply capacity was broken down into two parts:
 1. Well Pumping Capacity – 4 primary wells pumped approximately 900 gallons per minute (GPM). 1 emergency well pumped approximately 200 GPM. This equaled 1,296,000 Gallons per day (GPD) from the primary wells and 288,000 GPD from the emergency well.
 2. Filter Treatment Capacity – The City currently had 6 sand filters that could each treat 400 GPM of water for a total of 2400 GPM or 3,456,000 GPD.
- Current water usage could exceed 1,700,000 GPD in the summer. Based on this peak, the City was short approximately 280 GPM of well pumping capacity.
 - The EPA stated that average water use per person was 80 – 100 gallons per day. Based on current peak flows, Junction City used 106 gallons per person in the winter and over 240 gallons per person in the summer.

In response to a question on why Junction City water usage was higher than the average, staff responded that it was mostly due to irrigation.

- Historic flows in the aquifer had decreased significantly over the past several years. Wells that were producing 400 to 600 GPM were now producing less than 200 GPM. The wells in total used to pump 2700 gallons per minute, but over the last few years were down to 900 gallons per minute, not because the pumps could not pump more but because of the aquifer.

Future Water Supply Capacity

- Currently there were 200 lots under development. Based on EPA's guidance, that would be an additional 60,000 gallons per day (300 gallons per household per day). Based on Junction City's peak usage, that would be 192,000 gallons per day (960 gallons per household per day).
- Future planned development was an additional 600 lots. Based on Junction City's peak usage, this was an additional 576,000 gallons per day.
- Based on current and future development, this was a future demand of 768,000 gallons per day or an additional 534 gallons per minute.
- When the current deficit was factored in, the need was for an additional 814 GPM of well pumping capacity. This was equal to approximately 2 additional wells.

Staff noted that when the subdivisions were approved, the wells were producing 2700 gallons per minute, so the City was well ahead of what was needed for water capacity at that time.

In response to questions, staff noted that the City had two aquifers, an upper (20 to 75 feet) and a lower (110 to 275 feet), and those stretched out to a 10 to 20-mile radius. The wells drew from the lower aquifer, to get out of the nitrates. It was noted that most of the private wells in the City drew from the upper aquifer. Also noted was that the City's 8th and Front Well was shut down and abandoned around 2005 because of high nitrate levels.

How Dow we Address the Supply Need

- There were two basic way to do this:
 1. Increase the number of wells the City operates
 - a. Each new well costs approximately \$750,000 to \$1.25 million to develop and bring into service; this did not include any annual operational and maintenance costs. Typical costs could range from \$5,000 to \$25,000 per year.
 - b. For every 400 gallons per minute of well capacity, the City would add an additional filter to treat the water. Typically, this costs around \$200,000 per filter. It was noted that a filter lasted around 20 years.
 2. Decrease the water usage in the system.
 - a. There were many ways to encourage citizens to use less water. With the City using an average that was 2.5 times higher than normal, there was plenty of room to conserve. For example, a 20% reduction in peak usage could eliminate a need for a new well.
 - b. In response to questions, staff noted that the Water Curtailment Plan allowed charging fines for watering during restrictions, but staff had not charged fines but tried to educate customers.

Water Aquifer Capacity Issues

- Over the past two years, the City had seen a significant decrease in the amount of water the wells could pump during the summer. When compared to the rates that were listed in the 2018 Water Master Plan, the pumping ability of the wells had decreased by 1,800 gallons per minute or a reduction of over 66%. Time and resources would be needed to investigate the cause and potential resolution, if any, to this problem.

Water Storage Capacity

- The City currently had two elevated storage tanks and two ground storage tanks.
 - The elevated storage tanks each held 300,000 gallons of water and provided pressure to the system. The ground storage tanks held 3,650,000 gallons of water.
 - Based on the current Water Master Plan, the City needed another 1 million gallons for storage, and this could be achieved by building two, ½ million gallon tanks located in certain places in the system to help with fire flow demands.

Discussion occurred on the oversized pipes that were built to the Department of Corrections (DOC) site, to provide the needed infrastructure for the prison that was planned to have a laundry facility and population of 5,000. With the prison not being built, the City had to run automatic flush valves each night to push water through the oversized lines to keep the water fresh. It was asked if that pipe could be replaced, and staff responded that the City had a 27-year agreement with DOC (signed in 2008) to have that infrastructure available. Also noted was the high cost of repairs to that line, and the cost to replace that line would be 25 to 27 million dollars.

(Councilor Gambie left the meeting at 7:24 p.m.)

- In total, the City had 4,250,000 gallons of water storage.
 1. Based on winter peak usage of 750,000 gallons of water per day, the storage would last approximately 5 days.
 2. Based on summer peak usage of 1,700,000 gallons of water per day, the storage would last just over 2.5 days.

Existing Master Plan Issues and Projects

- The City updated the Water Master Plan in 2018. As part of that update, several issues were identified. Some project highlights include:
 1. 5 Priority 1A projects totaling \$3,953,000. (To be done in 5 years by 2023).
 2. 7 Priority 1B projects totaling \$13,029,000. (To be done in 10 years by 2028).
 3. Projects to reduce the City's water loss from 21% to 10%, including a leak detection program and a meter replacement and calibration program.
 - The leak detection program was unfunded in the Fiscal Year 2022-2023 budget.
 - The water meter replacement and calibration program needed approximately \$350,000 to catch up with deferred maintenance and \$160,000 per year to be fully funded. Current funding levels were at \$20,000 per year.
 4. The Master Plan called for an additional 1,000,000 gallons of ground storage.

Discussion occurred on water meters, and it was noted that typically a Meter Replacement Program was a 20-year program, with meters being replaced in the first 10 years and then funds were saved in the next 10 years for the next replacement of meters. The City had many versions of Sensus meters and were \$350,000 behind in replacing meters, as there was only \$20,000 a year for funding. It was noted that when new houses were built, new meters were paid for by the builder or property owner.

It was asked if any of the five priority 1A Water Master Plan projects to be completed by 2023 had been completed. Staff responded no, as water had been chronically underfunded and prices on materials for projects had risen dramatically.

Other Water Related Issues

- Water Management and Conservation Plan. This plan needed to be updated. The purpose of this plan was to help the City manage its water rights and maximize the usage of the City's existing rights.
- Source Water Protection Plan. This plan needed to be updated. Since the City used ground water, this plan helped the City to protect its ground water by putting a system in place to have the City actively monitor activities that could impact the ground water.
- The City currently did not do much with either of these plans, due to lack of resources.

Current Treatment Division Staffing

- Currently there were two employees (Water Plant Operator and Sewer Plant Operator) in the treatment division that were responsible for operations of the City's water and sewer systems.
- Would need to start irrigating treated wastewater in the summer, as the lagoons would not be able to hold the water all summer long like it used to, due to growth.

Proposed Treatment Division Staffing

- Add an additional staff member, by either adding a Treatment Supervisor or Treatment Worker.
- Add seasonal workers to assist with maintaining 140 plus acres at the Wastewater Treatment Plant. Staff would look to see if grants were available for seasonal help.

Water System Development Charges

- Last update to the Water System Development Charge (SDC) was in 2005. SDCs were based on the improvements that needed to be done.
- In 2005, there was \$4,672,850 in identified improvements needed. Based on this, the water SDC was \$1,100.
- In 2018, there was \$27,932,000 in identified improvements needed and the current water SDC was still \$1,100.

Staff noted that in 2010, the Sewer SDC was updated with a provision that every year there would be a percentage increase that must happen, with the current Sewer SDC being around \$8200 for a single family home; whereas, the Water SDC had not been updated since 2005 and was still at \$1,100 for a single family home. Staff noted that amendments needed to be made to the underlying SDC code and then the City would look at the SDCs for water, sewer, streets, and parks. Staff added that the Water SDC should be increased and the Sewer SDC could come down, so it could be a wash on total costs for those two SDCs.

Staff continued that they had been asked why there was not a spare pump on the shelf when the 13th and Elm Well pump went down. They noted that each pump cost \$100,000 and each well had a different pump.

Junction City Water Rates

- The City conducted a rate study in Fiscal Year 2018-2019. The study outlined the rate structure for the next 5 years. Fiscal Year 2023-2024 was the final year in the study.

Recommended Next Steps

- Continue to build a new well and west side water plant.
- Identify and secure funding for the second west side well.
- Investigate potential to add an addition FTE to the Treatment Division.
- Update Water Master Plan, Water Management and Conservation Plan, and Source Water Protection Plan.
- Update Water System Development Charges after the Water Master Plan was updated.
- Identify several different funding level scenarios to be used in a water system rate study.
- Complete a water rate study.

Council members noted the importance of educating the public on this topic. Staff expressed agreement and noted that options included staff attending Police Department neighborhood meetings and other communication tools. Administrator Knope added that one of the Council goals was a Communication Plan to increase the City's digital footprint and channels to get information to the public.

Staff continued that when discussing utility rates in the future, they could look at the option of an ascending block rate, so a customer would be charged more if they used more water which would add to incentivizing conservation as well as remove the current structure of lower consumption users subsidizing those who use more water.

Council members expressed appreciation to Administrator Knope, Director Kaping, and Superintendent Tracer for the informative presentation and for outlining the issues and goals to work on to improve the Water System. They noted that these were priority items that they needed to take action on and devote time and hard work towards

It was asked what the next steps would be, and Administrator Knope responded that items would work their way through the Public Works Committee.

3. Feedback on 150th Celebration

Mayor Ficek thanked the Junction City Sesquicentennial Advisory Committee, Council, staff, and everyone involved for their work on the 150th Celebration and shared that the leftover cake and ice cream had been given to the Senior Center. She stated that Christine Frey from 448 Fitness donated all the proceeds from the Walk/Run to the Food Bank. Mayor Ficek added that she had received many positive comments on the Saturday night entertainment and that the Police Department did a great job on the citywide barbeque on Sunday.

4. Councilor Comments

Councilor Thomas expressed appreciation to the Council.

Councilor Washburne thanked Administrator Knope, Director Kaping, and Superintendent Tracer for the Water System information and noted that it showed where things were at and what they needed to work on. He added that he was in favor of a moratorium on new construction, except for what was being built now, until they were set up to handle more housing in the City.

Councilor Ceniga expressed appreciation to staff for the great presentation and good information. She continued that she wanted to focus on moving through the tasks for water, sewer, and transportation, get an item completed and then start on the next. She added that there needed to be strong communication to get these things accomplished.

Councilor Leach reiterated other Councilor comments and expressed appreciation to staff for doing an excellent job with the presentation and in explaining things. She agreed with comments that had been made to work through a few items at a time, accomplish those, and move on to the next. She added that it was important to have good communication with the public and to educate and answers questions as they moved forward.

Councilor Wells stated that it was a great team effort tonight with staff and Council. He continued that they learned what work needed to be done and they were going to have to make some hard choices. They needed to make sure and communicate with the citizens, keeping them involved and allowing opportunities to share information, answer questions, and receive citizen input. He expressed appreciate to everyone for the work session.

5. Mayor's Comments

Mayor Ficek thanked all the participants, donors, and citizens who came to the 150th Celebration. She thanked Superintendent Tracer and Public Works staff for their assistance on a personal issue.

6. Adjournment of Work Session

As there was no further business, the meeting was adjourned at 8:37 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

Beverly A. Ficek, Mayor