

The City Council for the City of Junction City, met in regular session at 6:30 p.m. on Tuesday, October 10, 2023 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, Kenneth Wells; Council President, Karen Leach; Councilors Sandie Thomas, Sidney Washburne, Andrea Ceniga, John P. Gambia, and Ken Hancock; City Administrator, Jason Knope; Police Chief, Mark Waddell; City Attorney, Carrie Connelly; Public Works Director, Gary Kaping; Finance Director, Mike Crocker; and City Recorder, Kitty Vodrup.

1. Call to Order and Pledge of Allegiance

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

2. Changes to the Agenda

Add Emergency Pump Replacement 13th and Elm Well after Item 11.

3. Approval of Minutes – September 12 and 26, 2023

MOTION: Councilor Leach made a motion to approve the September 12 and 26, 2023 minutes. The motion was seconded by Councilor Hancock and passed by unanimous vote of the Council.

4. Introduction of New City Hall Staff Member

Director Crocker introduced new Accounting Technician Stephanie Plumlee.

5. Public Comment on Items not Listed on the Agenda

A. Follow-up from Staff on Previous Comments. Administrator Knope reviewed that Jeff Ware had asked questions at the September 12, 2023 meeting. Director Kaping had responded to Mr. Ware via email, and Administrator Knope distributed copies of that correspondence.

B. New Comments from Public. None.

6. Liquor License Application – Smok'n Gingers BBQ

Chief Waddell presented the liquor license application from Smok'n Gingers BBQ, located at 148 Pacific Highway. This was one of the mobile food units at the old Guaranty lot. Councilor Washburne asked about restroom facilities at this location, and Chief Waddell responded that there were none.

MOTION: Councilor Leach made a motion to recommend approval of the liquor license application for Smok'n Gingers BBQ to OLCC. The motion was seconded by Councilor Ceniga and passed by unanimous vote of the Council.

7. Sanitation Operational Analysis

Director Kaping stated that at the June 13, 2023, staff was asked to have SCS Engineering do an operational analysis for the Sanitation Department. Vita Quinn and Kira Bieber, SCS Engineering, presented the Sanitation Operational Analysis:

Financial Plan Process

- They took all the goals, policies, and key issues and created a long-term financial projection (10 years); they developed a five-year plan and policy recommendations; and they were looking for Council input and to discuss next steps.

Goals of the Financial Plan

- Cash Flows – They wanted to make sure they were satisfying all of the operating and capital requirements.
- Reserves – They needed to make sure they were maintaining adequate reserve levels.
- Customers – The overall goal was to minimize the rate increases to customers.

Data

- The City provided three to four years of historical financial data and budget versus actuals for revenues and expenses.
- They looked at the City's 10-year Capital Expenditure Program, Vehicle Replacement Program, any anticipated future hiring, and the most recent fund balances as of this past June.
- All of that data was then brought into the Revenue Sufficiency Model. Once that model was fully populated, they performed the cash flow analysis. That was where they determined if the City was running a cash flow surplus or a deficit.

Cash Flow Analysis

- Cash Flow Surplus meant that cash in was greater than the cash out and the fund balance was increasing. This would be sustainable.
- Cash Flow Deficit meant that cash in was less than the cash out, the fund balance was decreasing. This was not sustainable.

Financial Outlook

- Baseline Scenario
 - City remaining with the current operations.
 - One-time rate increase of 43% in Fiscal Year 2025, in order for the City's fund balance to maintain the minimum reserve target in every year of the projection period.
- Scenario 1
 - One-time rate increase of 18% in FY 2025.
 - Short term borrowing to fund the vehicle replacement program. Term 5 years at 2.55%. Currently, the City paid for all vehicles in cash.
- Scenario 2
 - One-time rate increase of 18% in FY 2025.
 - Short term borrowing to fund the vehicle replacement program.
 - City would serve an additional City in FY 2028. Would need to purchase 2 additional vehicles and hire 1 additional staff member.
 - Fund balance would be in excess of the reserve target, beginning in FY 2028 and could switch back to paying for vehicles in cash because would have the extra money to do so.
- Scenario 3
 - One-time rate increase of 21% in FY 2025.
 - Short term borrowing to fund the vehicle replacement program.
 - Adding rolloff service (10, 20, and 30 yard dumpsters) in FY 2025. Would need to purchase 2 additional vehicles and rolloff bins and hire 1 additional employee.
- Scenario 4
 - One-time rate increase of 21% in FY 2025.
 - Short term borrowing to fund the vehicle replacement program.
 - City would serve an additional City in FY 2028. Would need to purchase 2 additional vehicles and hire 1 additional staff member.
 - Adding rolloff service (10, 20, and 30 yard dumpsters) in FY 2025. Would need to purchase 2 additional vehicles and rolloff bins and hire 1 additional employee.
 - Fund balance would be in excess of the reserve target beginning in FY 2028 and could switch back to paying for vehicles in cash because would have the extra money to do so.

Residential Cart Rate Survey

- Junction City currently had the lowest residential cart charge of \$17.80, compared to surrounding cities.
- With an 18% rate increase, Junction City would still have the lowest residential cart charge of \$21.00.

Recommendations

1. For the City to utilize short term borrowing for fleet. This would drop the rate increase needed from 43% to 18%.
2. For the City to serve an additional City or implement the rolloff service. Both of these scenarios significantly reduced the rate increase necessary and drastically improved the financial outlook of the City. This could also lead to vehicles being able to be cash funded again in the future.

Next Steps

- SCS suggested that the City adopt one of these scenarios and update the analysis every 1 to 2 years to see how everything was going.

The Council consensus was to hold a work session to further discuss this information.

Councilor Hancock suggested that they look at all options including doing a Request for Proposal for costs of outside service, as this would be the City doing its due diligence and something they owed the citizens.

Councilor Washburne asked about the extra fuel and other costs the city would incur by serving an additional City. Ms. Quinn responded that there would be economies of scale gained by adding an additional city or cities that would help pay for the fixed administrative and overhead costs. After the initial capital investment of serving an additional city, costs would be built into the operation and in the long term would end up being the most financially beneficial.

Ms. Quinn added that for the future work session, it would be a good idea to consider what the options would be for outsourcing, but to keep in mind that the main reasons cities often opted to continue providing their own service had more to do with the quality of service for customers than the quantitative measurements.

Councilor Leach asked how many cities provided their own garbage services. Director Kaping responded 3, including Junction City.

Mayor Wells noted that Lane County was looking at making changes to their waste management fees, which would substantially change rates for all cities that used the Lane County garbage disposal site.

8. Ord 1281 Council Rules and Agenda Process Guidelines Discussion

Councilor Hancock stated that Ordinance 1281 adopted Council Rules. Section 4.2 of those rules included guidance on getting items on a Council agenda and read, "Although the normal order of business for a regular Council meeting follows the format presented above, agenda items may be added, modified, or omitted by the City Administrator or Mayor when setting the Agenda, pursuant to the Council approved Agenda Process Guidelines..." He continued that the Agenda Process Guidelines included individual Councilors needing to submit a Council Agenda Item Request form and then that was reviewed by Council at their next regular meeting to decide if they wanted to put it on a future meeting agenda, which could be 2 ½ months after the request was made. He referred to the past, where individual Councilors could get items on the next agenda just as staff did and thought that was a much better process and something which should be allowed. He understood that Councilors could bring up items under Councilor Comments and Questions, but he felt it was better to have items posted on an agenda, so the public would know something would be talked about.

Councilor Ceniga expressed her agreement.

Councilor Leach expressed her agreement and noted that Administrator Knope had communicated that Council members could also bring up items they would like to see on future agendas during the Council Agenda Forecaster discussion.

Administrator Knope noted that the Agenda Process Guidelines were created to provide a process for citizens to request agenda items and for Council to be able to consider those, as well as give guidance on setting agendas for Council/Committees and standardize how information was presented to Council/Committees in the Agenda Item Summaries and Council Agenda Forecasters. He added that the Agenda Item Request forms were more relevant for citizens and not Council members.

Councilor Ceniga noted that she was under the impression that individual Council members needed to fill out the Council Agenda Item Request form, to get things on a Council agenda.

Councilor Hancock responded that was what he had been told.

Councilor Thomas responded she thought individual Councilors needed to submit a form and she had done that too in the past.

Councilor Leach added that she had also submitted an Agenda Item Request form as a Councilor to request an item be put on a Council agenda.

Councilor Ceniga stated that a while back, Administrator Knope had said that Councilors could add agenda items under the Council Agenda Forecaster discussion. She thought it would be good to make things clear so they all understood the correct process for individual Council members to get an item on the agenda and could follow those rules.

Attorney Connelly stated that she did a comprehensive memo on these guidelines because she thought they were essential and helpful. If there was a desire to change or get rid of them, that would involve a longer conversation. She noted that Section 4.4.3 Internal Requests in the Agenda Process Guidelines read, "Internal Requests are ones that come from the Council, City Created Committee, or staff. These types of requests were not required to use the Agenda Item Request Forms" and she added that if the intent was for individual Councilors to not have to use the Agenda Item Request form, this section would need to be modified from "Council" to "individual Councilors."

Attorney Connelly continued that an individual Councilor not automatically being able to place something on the Council agenda was because it could take up time and be a different priority than City business demanded. She also felt it was beneficial to have a bit of a stop before one Councilor could add an item without Council consensus that could burden the rest of Council and staff. She noted that this was a great working Council, but it was good to have rules in place to anticipate bad times as well as facilitate good times.

Councilor Gambia thought it was beneficial to review rules and guidelines periodically and appreciated the discussion. He noted that the Mayor approved any staff items that were on Council agendas, and the Committee Chairs approved staff items for the Committee agendas.

Mayor Wells stated it had been the thought in the past that individual Councilors needed to request items on the Council Agenda Item Request form and that was the way it had been done. More recently it had been noted that Council members could bring up items under Council Agenda Forecaster and if they had a Council consensus, they could add an item to the agenda.

Administrator Knope stated that the guidelines had not been reviewed in some time. He suggested that he and Councilor Hancock meet, and Councilor Hancock could share the language he was concerned with and Administrator Knope would make red lined changes to the guidelines and/or rules, as well as clarify processes for individual Council members to get items on the agenda and bring back to Council for review.

The Council consensus was in favor of Administrator Knope's suggestion.

9. 5th and Maple Well Rehab

Director Kaping stated that at the last Council meeting, it was the consensus to move forward with rehab of the wells and the addition of the two new wells. He presented the request to rehab the 5th and Maple well, to improve the pumping capacity of the well. Two bids were received. The Public Works Committee reviewed on October 2, 2023 and recommended approval.

MOTION: Councilor Ceniga made a motion to approve Schneider Water Services to rehab the 5th and Maple Well in the amount not to exceed \$32,592 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Washburne and passed by unanimous vote of the Council.

10. 8th and Deal Well Rehab

Director Kaping presented the request to rehab the 8th and Deal well. Two bids were received. The Public Works Committee reviewed on October 2, 2023 and recommended approval.

MOTION: Councilor Ceniga made a motion to award Schneider Water Services to rehab the 8th and Deal Well in the amount not to exceed \$32,592 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Washburne and passed by unanimous vote of the Council.

11. 3rd and Cedar Well Rehab

Director Kaping presented the request to rehab the 3rd and Cedar well. One bid was received. The Public Works Committee reviewed on October 2, 2023 and recommended approval.

MOTION: Councilor Ceniga made a motion to award Schneider Water Services to rehab the 3rd and Cedar Well in the amount not to exceed \$32,592 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Thomas and passed by unanimous vote of the Council.

12. Emergency Pump Replacement 13th and Elm Well

Director Kaping presented the request to replace the pump at the 13th and Elm Well. On September 15, 2023, the 13th and Elm Well started having problems. Schneider Water Services pulled and inspected the pump and found that the pump was not rebuildable. Staff asked them to submit a price and timeline for a new pump. It would take two to three weeks to receive the new pump.

MOTION: Councilor Ceniga made a motion to approve the emergency well replacement at 13th and Elm by Schneider Water Services in the amount not to exceed \$39,079 and authorize the Public Works Director to sign the necessary documents. The motion was seconded by Councilor Washburne and passed by unanimous vote of the Council.

13. Springfield Jail Contract

Chief Waddell presented the Springfield Jail contract renewal for Fiscal Year 2023-2024. Only change was a \$4.00 a day fee increase. The Public Safety Committee reviewed on September 5, 2023 and recommended approval.

MOTION: Councilor Hancock made a motion to approve the Intergovernmental Agreement with the City of Springfield and to authorize the City Administrator to sign the necessary documents. The motion was seconded by Councilor Leach and passed by unanimous vote of the Council.

14. Revolving Loan Fund Application

Director Crocker presented the Revolving Loan Fund (RLF) application from Oneness Fish and Fighting Fish Investments. The amount requested was \$50,000 to paint the exterior of the building, install a new overhead door, and replace interior light fixtures with LED components at 121 W. 6th. The RLF Committee reviewed the application on September 20, 2023 and recommended that the Council approve this loan. Council options were to do an unsecured loan at 10% for 3 to 5 years or do a secured loan at 8% for 7 to 10 years.

MOTION: Councilor Thomas made a motion to direct staff to request loan documents be created by legal for a secured \$50,000 loan, with a rate of 8% for a term of 7 to 10 years, and to bring back for Council review. The motion was seconded by Councilor Gambee and passed by a vote of 4 to 2 with Councilors Thomas, Ceniga, Gambee, and Hancock voting in favor and Councilors Washburne and Leach voting against.

15. Council Agenda Forecaster

Administrator Knope presented the forecaster. He noted that traditionally the City did not have the 2nd meetings in November and December because of the holidays.

Councilor Washburne requested an agenda item to discuss bathroom facilities by the food trucks. Administrator Knope said they would have the City Planner review the ordinance for food trucks and bring that back to Council at a future meeting.

16. Committee Reports

Public Works Committee met on October 2, 2023. Councilor Washburne reported:

- Watched the inspection video of the 13th and Elm Well.
- Hoped to have the water rights for the two new wells by mid-October.
- Discussed the water curtailment. Director Kaping would bring back a revised Water Curtailment plan to the next Committee meeting.

Public Safety Committee met on October 3, 2023. Councilor Ceniga reported:

- Lifesaving Awards would be presented to Dispatcher Sheila Deskins and Officer Levi Green on November 17th by the Oregon Peace Officers Association
- Officer Janet Deckard had been assigned as the School Resource Officer.
- Chief had asked for and received a six-month extension for Accreditation Renewal.
- Three dispatch applicants in background checks, officer interviews would take place next week, would be revising the SCOP job description to include a broader age range, and would continue to use Lane County dispatch for a while longer.
- Reviewed sidewalk code in reference to cords going over sidewalks, reviewed the Greenhill Humane Society contract, and Fire Chief Nicol shared an update on Fire operations.
- Discussed building update, moving evidence trailer, and purchasing a truck for the department.

Finance and Judiciary Committee met on October 5, 2023. Councilor Leach reported:

- Reviewed request to purchase new chairs for the Police Department out of State Shared Revenue and reviewed RLF Application.
- A question was asked on missing money in the budget, and Director Crocker assured the Committee that there was no missing money and he knew where all funding was located and could provide that information anytime.

LCOG Board of Directors met on September 28, 2023. Mayor Wells reported:

- Lane County was working with the state/federal money to expand broadband in the county and was working on providing bus services to areas in Lane County that were not being served.

17. Staff Reports

Chief Waddell reported: The department continued to work on citizen requests regarding trailers, RVs, and abandoned vehicles and were working to make sure all training certifications were up to date; and Lane County Mental and Behavioral Health, the Mayor, two Councilors, and PD staff met yesterday about forming a Mobile Response Team to assist people with mental health or substance abuse issues per a mandate from the state.

Director Kaping reported: Recently purchased two vehicles at Lane County Auction; would soon start a storm project between 4th and 5th behind the Beer Station; and he was working with Chief Waddell to rebuild the relationship between PW and the PD and that was going well.

Director Crocker reported: Glad to be fully staffed in Finance and had been busy with training and orientation; and audit work had begun, and results should be presented to Council in December.

Administrator Knope reported: The Rural Development grant application had moved to the state/regional levels; would meet on October 24th with the Governor's Regional Solutions Team to talk about funding opportunities for water, wastewater, and parks; had prepared a funding plan for the two new wells, well rehab work, etc. and would take to Public Works Committee; City's engineer was starting work on the Community Center remodel plans and would take to Community Services and Development Committee; the PD Admin Aide/PIO job description would go to the Public Safety Committee; and new Personnel Manual and City's Procurement Rules would go to the next Finance and Judiciary Committee.

18. Previous Month's Expenditures. None.

19. Councilor Comments/Questions

Councilor Hancock stated that there was a lot of unrest in the world right now and if nothing else, it made him thankful once again as always to live in a small community where they all knew each other and where they could focus on wells, police, etc. He expressed kudos to the Police Department (PD) for the increased visibility and to Public Works (PW) for working on the water issues. He expressed appreciation to everyone for the work they were doing.

Councilor Leach expressed appreciation to Director Kaping, Chief Waddell, and Director Crocker for handling problems so well that they had faced over the last few months. She was happy to hear that PW and PD employees were coming back together. She noted that the interactions with PD staff and the atmosphere in general and at meetings was so much different and relaxed, which was wonderful. She also felt they Council members were included more in decisions and she thanked staff for that.

Councilor Ceniga stated that she was glad Councilor Leach had brought up using State Shared Revenue funds to replace dispatch chairs. She had also noticed a change in morale and was glad to see better relationships being developed between the PD and other departments and agencies.

Councilor Washburne stated that this was the best meeting ever and was more relaxed, with people laughing and having a good time. They got through a lot of stuff tonight, and he thanked everybody for that.

Councilor Thomas thanked everybody. She hoped that after they addressed the immediate water system needs that they would look more closely at how they prepare for and address future growth to take care of the citizens. She noted that staff was top notch and she thanked them for their work.

Director Kaping noted that he was posting water system and 13th and Elm Well updates on the Public Works Facebook page and on the City’s website every Monday or Tuesday.

20. Mayor’s Comments

Mayor Wells thanked Director Kaping for posting Water System updates. He noted that much had been learned and they were moving forward and doing a great job. He appreciated how the Committee Chairs had worked with Department Heads to have great committee meetings where everyone was working on a common goal. He added that it took all of them working together to achieve goals, and he thanked everyone for doing a great job on that. They had accomplished a lot at this meeting and still had a lot to accomplish going forward, but they would get there.

21. Adjournment

As there was no further business, the meeting was adjourned at 8:52 p.m.

ATTEST:

APPROVED:

Kitty Vodrup, City Recorder

Kenneth Wells, Mayor