

The City Council for the City of Junction City, met in regular session at 6:30 p.m. on Tuesday, December 11, 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; and City Recorder, Kitty Vodrup.

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. Changes to the Agenda

None.1

3. Approval of Minutes – November 13, 2018

MOTION: Councilor Rowe made a motion to approve the November 13, 2018 Council Minutes. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

4. 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.

5. Public Comment on Items not Listed on the Agenda

Mr. Jerry Szerlip, 93951 Strome Lane, Junction City, distributed copies of a Tort Claim notice.

Ms. Donna Wickwire, 29788 Wickwire Lane, Junction City and Ms. Katie Souers, 82818 East Delaney Street, Coburg, stated that they were owners of Max Porters. They expressed appreciation to the Council for all they do and to Chief Morris and the Police Department for doing a great job and always responding quickly and professionally.

6. Audit Presentation – Gary Iskra, Isler and Company

Mr. Gary Iskra, City auditor, presented the Fiscal Year 2017-2018 audit via Power Point. There were no compliance issues, disagreements, or adjustments. He noted that the City had received an award for Small Government Reporting from the Government Finance Officers Association. He expressed appreciation to Director Crocker and his team for doing a great job.

7. Rate Study Presentation

Ms. Vita Quinn, SCS Engineering, distributed hard copies of a Power Point presentation and provided updated information for the Water, Sewer, and Sanitation rate study. She reviewed the components of a comprehensive rate study through the planning period of Fiscal Year 2028.

Ms. Quinn noted that the Council had asked some questions at the October rate study presentation. She provided rate adjustment scenarios for each fund; the water and sewer scenarios included different options for partial or full funding of capital projects.

Ms. Quinn also provided comparisons of what the average bill would look like to use an inclining block rate structure or tiered rate structure versus using a uniform rate structure, which the City currently uses. An inclining block rate structure would be applied for residential/multi-family and would charge more for higher usage; this structure would minimize the impact to lower volume users and encourage conservation but would have significant impacts on higher users and commercial.

It was noted that there was a minimal impact to savings on the tiered rate structure and the uniform rates were very comparable to the tiered structure in the monthly costs. Ms. Quinn stated that they often see a drastic change in the tiered rate structure versus the uniform rate structure, but because Junction City's fixed rates were very closely aligned to the AWWA (American Water Works Association) recommendations and they were not looking at large rate adjustments, there was not a significant difference. She added that another consideration was elasticity of demand and if you have users that conserve significantly under the tiered rate structure, you could be looking at the water fund having a significant revenue gap, which would not be good.

The Council consensus was to have staff proceed with using the uniform rate structure and to look at the topics of conservation and assistance for lower end rate payers as part of a separate discussion in the future.

Administrator Knope stated that SCS Engineering would finish their work and bring back information to the Council. After that step was completed, hearings would be held for the public.

8. Public Hearing: Smith Annexation and Rezone Request (A-18-01 and RZ-18-01)

Mayor Crenshaw opened the public hearing and asked if there were any ex parte contacts or conflicts of interest. There were none. He read the required statements.

Councilor Sumner noted that the property was at the southeast corner of Milliron and Dreas Way and not at the southwest corner, as noted in the Agenda Item Summary.

Staff Report

Planner Cogburn stated that this proposal was from Craig and Terri Smith regarding 1.32 acres at the southeast corner of Milliron Road and Dreas Way, which was north of the State Hospital. The Planning Commission held a public hearing on September 26, 2018 and recommended that the Council approve. Relevant City policies were Chapters 17.145, 17.150, and 17.165 as well as Chapters 1, 2, 3, 4, 6, 7, and 9 of the Junction City Comprehensive Plan. Applicable statewide planning goals were 1, 2, 6, 7, 9, 11, 12, 13, and 14.

Planner Cogburn distributed revised Findings of Fact regarding Chapter 17.165.100 on public noticing. The hearing was originally scheduled for last month, but two tax districts had not been noticed; therefore, the notices were sent out and the hearing moved to this meeting.

Planner Cogburn continued that the application materials were pretty cut and dried, and the applicant made sure to include portions of the roadway that were adjacent to the City limits. There were no unfavorable or undesired comments from internal departments or agency partners. Public Works did not have any issues, as key services could be provided to the property. Planner Cogburn noted that the applicant had submitted a code text revision that was approved by the Council last month to allow mini-storage facilities in industrial zones and hoped the Council would approve the annexation.

Applicant Testimony

None.

Proponent/Opponent Testimony

None.

Questions from the Council

None.

Staff Additional Comments

Planner Cogburn stated that the discrepancy that Councilor Sumner had noted about the property being at the southeast corner and not southwest was only stated in the Agenda Item Summary and there would be no additional changes needed in the Findings of Fact or ordinance.

Mayor Crenshaw closed the public hearing.

Council Deliberation and Decision

The Council consensus was to proceed with reading of the ordinance.

B. Ordinance No. 1 – An Ordinance Approving the Annexation and Rezone of Tax Lot 3100 of Lane County Assessor's Map 16-04-20-00.

Planner Cogburn read Ordinance No. 1 in full.

MOTION: Councilor Stott made a motion to read Ordinance No. 1 by title only. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

Mayor Crenshaw read Ordinance No. 1 by title only.

MOTION: Councilor Stott made a motion to adopt Ordinance No. 1. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

9. Public Hearing: Callis Annexation and Rezone Request (A-18-02 and RZ-18-02)

Mayor Crenshaw opened the public hearing and asked if there were any ex parte contacts or conflicts of interest. There were none. He read the required statements.

Staff Report

Planner Cogburn stated that before the Council was a request from Joseph Callis to annex and rezone 1.84 acres on the west side of Highway 99, south of Milliron Road and west of the State Hospital. The property was currently designated as commercial on the City's designation map and the implementing zoning would be General Commercial. The Planning Commission reviewed on October 17, 2018 and recommended that the Council approve. Relevant City policies were Chapters 17.145, 17.150, and 17.165 as well as Chapters 1, 2, 3, 4, 6, 7, and 9 of the Junction City Comprehensive Plan. Applicable statewide planning goals were 1, 2, 6, 7, 9, 11, 12, 13, and 14.

Planner Cogburn stated that staff did not have concerns, as key services could be provided. He did receive a call from an individual who owns a Livestock Auction Yard who had expressed concerns that there could be an issue with getting services across their property. Planner Cogburn told the individual that there was no development proposed at this time, so it was unknown what would happen.

Planner Cogburn distributed revised Findings of Fact, as proper noticing had originally not been done to all the taxing districts and the hearing was moved to this meeting, similar to the previous public hearing.

Applicant Testimony

None.

Proponent/Opponent Testimony

None.

Questions from the Council

None.

Mayor Crenshaw closed the public hearing.

Council Deliberation and Decision

The Council consensus was to proceed with reading of the ordinance.

B. Ordinance No. 2 – An Ordinance Approving the Annexation and Rezone of Tax Lot 700 of Lane County Assessor's Map 16-04-20-00.

Planner Cogburn read Ordinance No. 2 in full.

MOTION: Councilor Stott made a motion to read Ordinance No. 2 by title only. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

Mayor Crenshaw read Ordinance No. 2 by title only.

MOTION: Councilor Stott made a motion to adopt Ordinance No. 2. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

10. Enterprise Zone Extended Abatement Request

Planner Cogburn presented the request by Northern Gold Foods, USA, LLC – Grain Millers, Inc. to extend the Enterprise Zone abatement by an additional two years, for a total of five years. They would be required to add 10% to the local work force and pay employees 150% of the county's current average annual wage (including benefits), which was \$63,900.36. They were looking to hire 50 to 75 new employees. This request would also need to be approved by the City of Harrisburg, Linn County Board of Commissioners, and Lane County Board of Commissioners.

- A. Resolution No. 1 – A Resolution Approving an Extended Property Tax Abatement Between Junction City, a Co-Sponsor of the Harrisburg Enterprise Zone and Northern Gold Foods, USA, LLC – Grain Millers, Inc.

MOTION: Councilor Sumner made a motion to approve Resolution No. 1. The motion was seconded by Councilor Rowe and passed by a vote of 5 to 1, with Councilors McDaniel, Stott, Sumner, Gambee, and Rowe voting in favor and Councilor DiMarco voting against.

11. Funding for Garbage Truck

Director Kaping presented funding options for purchase of an automated garbage truck. This replacement was scheduled for the Fiscal Year 2019-2020 budget. The Public Works Committee reviewed on November 5, 2018 and recommended Option 4, to use the Unappropriated Ending Fund Balance (UEFB) in the Sanitation Capital Fund to pay cash for the truck. The UEFB was estimated to be \$265,000 and the estimate for the truck was \$250,000.

MOTION: Councilor Rowe made a motion to approve Option Number Four for the funding of the new Automated garbage truck. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

12. CEP Additions

Director Kaping shared the request to add three items to the Public Works Capital Expenditure Plan (CEP). The Public Works Committee reviewed on November 5, 2018 and recommended that the Council approve. This would not impact the budget, as money was already being saved for the projects; it would just add the projects to the CEP so the funds could be expended.

MOTION: Councilor Rowe made a motion to add replacement of the SCADA PC, 2 SCADA System Servers, and 3 SCADA System Terminals to the Water and Sewer Capital Expenditure Plans. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

13. Street Sweeper Funding

Director Kaping reviewed funding options for the purchase of a street sweeper. A few months ago, the City's street sweeper was destroyed by fire when a truck next to it caught fire at a local repair shop. The City's insurance company offered \$45,000, which was not enough to replace the sweeper.

Discussion followed on funding options, and the Council consensus was for Director Kaping to look for a good deal on a sweeper and to bring that back along with funding options to a future Council meeting.

14. HR and Administrative Services Manager Job Description

Administrator Knope presented the request to create the Human Resources (HR) and Administrative Services Manager job description. The intent was to elevate the HR Assistant role from a lower level management position to a full director level management position.

- A. Resolution No. 2 – A Resolution to Create the Position of HR and Administrative Services Manager Pursuant to Personnel Policy Section 4.2 and Assigning a Range within the City's Compensation Schedule.

MOTION: Councilor Sumner made a motion to approve Resolution No. 2. The motion was seconded by Councilor Rowe and passed by unanimous vote of the Council.

15. Judge Pro Tem Appointments

Director Crocker stated that Judge Wiese had forwarded nominations for Pro Tem Judge, per her contract.

Mayor Crenshaw appointed Jessica Saydack and Lindsay Wostmann to serve as Judge Pro Tems during the 2019 calendar year and Bryan Boender to serve as Judge Pro Tem during the month of December 2018.

MOTION: Councilor Rowe made a motion to approve the Mayor's appointments for Municipal Judge Pro Tem. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

16. Budget Committee Appointments

Director Crocker reviewed that there were three positions on the Budget Committee that would expire on December 31, 2018. Each position had a three year term through December 31, 2021 and six applications had been received.

Mayor Crenshaw recommended the appointment of Kara McDaniel to Position 1.

MOTION: Councilor DiMarco made a motion to approve the appointment of Kara McDaniel to Position 1. The motion was seconded by Councilor Rowe and passed by unanimous vote of the Council.

Mayor Crenshaw recommended the appointment of Jack Sumner to Position 3.

MOTION: Councilor Rowe made a motion to approve the appointment of Jack Sumner to Position 3. The motion was seconded by Councilor Gambia and passed by a vote of 5 in favor and 1 abstention, with Councilors McDaniel, Stott, Gambia, Rowe, and DiMarco voting in favor and Councilor Sumner abstaining.

Mayor Crenshaw recommended the appointment of James Hukill to Position 4.

MOTION: Councilor DiMarco made a motion to approve the appointment of James Hukill to Position 4. The motion was seconded by Councilor Sumner and passed by unanimous vote of the Council.

Mayor Crenshaw thanked all the members of the community who applied for the positions and encouraged them to look for other opportunities to serve in the future.

17. Certified Election Results

Recorder Vodrup presented the certified election results from the November 6, 2018 General Election:

- Mark Crenshaw – Elected as Mayor for a two year term.
- Dale Rowe – Elected as Councilor for a four year term.
- Sandie Thomas – Elected as Councilor for a four year term.
- Andrea Ceniga – Elected as Councilor for a four year term.
- John Gambia – Elected as Councilor for a two year term.

Recorder Vodrup congratulated those who were elected and distributed Certificates of Election. The oaths of office would be administered at the January 8, 2019 Council meeting.

18. Council Agenda Forecaster

Administrator Knope presented the forecaster. Attorney Connelly distributed and reviewed a memo on Council training options. The Council consensus was to add this training to the January and February work sessions.

19. Staff Reports

Chief Morris: The Police Department activity level had slowed down a bit from last month; a couple of doctors thought there might have been some bad heroin on the street, which accounted for a number of overdoses last month. The department was on track to have issued more citations this year by the end of the calendar year than the department had over the last five calendar years. The department currently had 8 officers and were down 1 dispatch position. A cat care charge on the expenditure report was for providing medical care to a cat that had been severely abused by its owner. The department purchased 9 Thanksgiving meals and delivered them to families that had been identified by the school as not having enough money for food on Thanksgiving.

Director Kaping: Public Works was continuing to pick up leaves. They installed a hand rail to protect the ditch from people using the new sidewalk at the High School. The department had received nothing but positive feedback on the new holiday directions.

Director Crocker: The City collected \$1,600,000 in property taxes in November, which was \$185,000 more than what was collected in November 2017. Year to date, the City has collected \$239,000 more than year to date in November 2017. The top property tax payers were Winnebago - \$202,000 and Guaranty - \$199,000. He noted that For Him Foods (Cosmos Creations) received an enterprise zone tax abatement of \$35,000.

Planner Cogburn: Might be seeing another enterprise zone extended abatement request from Shell Corp, who is looking to develop the Lane Forest Products bio processing site and turn that into natural gas. Staff received a 333 lot Planned Unit Development proposal for the west side of Oaklea between 4th and 10th. This was close to the original proposal that was submitted in 2015, but included the addition of a couple extra parks, per staff's recommendation; the developer was looking to have the 7 phases of the 333 lots completed within six years, rather than a 10 year build out.

Councilor DiMarco asked about the status of the 7th and Ivy abatement. Planner Cogburn responded that their deadline was yesterday and he would be following up with them tomorrow. Staff would be issuing an additional abatement letter with notice to abate by a specific date. Director Kaping added that if he sent out an abatement letter, it would have a 10 day notice. After 10 days, if they did not respond, he would post at the property for 10 days. If they did not respond to that, he would obtain an administrative warrant.

Mayor Crenshaw asked for clarification that when someone received an Enterprise Zone property tax abatement, that was not just to bring jobs but to bring above average paying jobs.

Planner Cogburn responded that was correct. He added that if the City had not extended the Enterprise Zone south to where the Grain Millers property was, there was a good chance they would not have seen Northern Gold Foods locate there, which will bring in 50 to 75 jobs as well as provide those jobs with 150% of the Lane County average.

Mayor Crenshaw noted that was very good and was making Junction City the place to be and why home builders were going to be successful in building and selling homes.

Planner Cogburn extended appreciation to Councilors Sumner and McDaniel.

Attorney Connelly: Their firm recently hired Dan Lawler. Local Government Law Group has three partners – Attorney Connelly, Christy Monson, and Ross Williamson. Other attorneys in the office were Diana Moffat, Mark Wolf, and Rebekah Dohrman. She congratulated outgoing Councilors Sumner and McDaniel for being appointed to the Budget Committee. She wished everyone happy holidays.

Administrator Knope: The City received notice today that the 9th Circuit Court of Appeals found in favor of the City and rejected the Elizondo appeal on the street tree case at 6th and Kalmia. Staff would be meeting with Attorney Lou Kurtz on Friday about next steps.

20. Councilor Comments/Questions

Councilor McDaniel thanked everyone for their help and support over the past year. This would be her last meeting as a Councilor for now, but hopefully at some point in the future she would serve again. She thanked staff for working with her as she learned the position and noted that Recorder Vodrup and Administrator Knope had been great resources. She added that it had been interesting and she enjoyed her time on the Council.

Councilor Stott thanked all City staff for a great year and noted that he looked forward to next year.

Councilor Sumner thanked staff for their hard work and thanked the Police Department for keeping the City safe. He noted that Arnold Schwarzenegger had said, "I'll be back" and General MacArthur had said, "I shall return", however neither was true for him.

Councilor DiMarco thanked Councilors McDaniel and Sumner for stepping up in a difficult time and serving and noted that he looked forward to seeing them on the Budget Committee. He added that he was in favor of the Enterprise Zone and supported them; however, he thought that maybe there should be a hardship threshold for a business to show why they would need a two year extension, just to explain his negative vote.

Councilor Rowe thanked Councilors McDaniel and Sumner for all their work; he noted that it had been a delight to work with them and he appreciated all of their input and feedback. He added congratulations to the newly elected Councilors and said that he was looking forward to working with them.

Councilor Gambee asked about the fence behind City Hall. Chief Morris responded that it was recently built and a commercial gate would soon be installed. Chief Morris added that there was no cost for this fence.

Councilor Gambee asked what the tax rate was. Director Crocker responded that it was \$6.44 per \$1,000.

Councilor Gambee thought it was remarkable to have such a high caliber of people applying for positions and he encouraged applicants to apply for other positions within the 18 different governing bodies in Junction City. He asked how to get something on a Council agenda. Administrator Knope responded that there was an Agenda Process Guideline document that provided instructions on how to get items on the agenda and it included a request form

21. Mayor's Comments

Mayor Crenshaw stated that staff's attitude towards serving the community just shined and it was seen in the efforts tonight in being transparent with the community by moving items to the CEP when it was within staff's authority to make these purchases; however, staff took the extra step to prove their fiduciary responsibility to the citizens of Junction City, and he thought that was outstanding. He noted that he was sorry to see Councilors go but was confident that new Councilors would keep him on his toes. He had a lot of confidence in the fact that the Council was a dynamic body with a cross section of opinions about what was in the best interest for the community and that would serve this community well.

Mayor Crenshaw encouraged all citizens in Junction City to participate, to come to Council meetings and hear what was going on. He noted that he would give everyone an opportunity to voice their opinions about any subject, as he thought that was important and of real value. He added that just because someone was not appointed to a position did not mean that they could not participate and they could do so by attending meetings and participating in what was going on in the community.

22. Other Business

Councilor Stott, Chair of the Public Safety Committee, read a letter of commendation to Chief Morris for his dedication and excellent work in making positive changes to the Police Department and community. Councilor Stott asked the rest of the Council to join him in signing the letter.

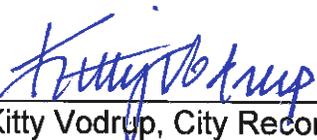
Mayor Crenshaw noted that he would whole heartedly like to endorse that letter.

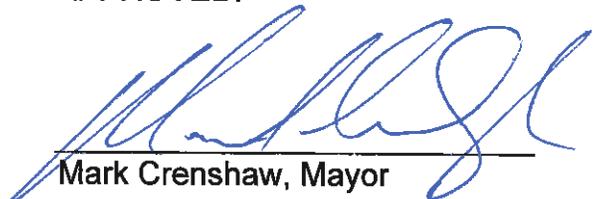
23. Adjournment

As there was no further business, the meeting was adjourned at 9:30 p.m.

ATTEST:

APPROVED:


Kitty Vodrup, City Recorder


Mark Crenshaw, Mayor