



SCIO CITY COUNCIL ELECTRONIC MEETING MINUTES  
MONDAY, June 28, 2021

**COUNCIL PRESENT:** Councilors Karen Eckhart, Tom Gray, Joey Ferguson, Tom Meyer, Debbie Nuber, and John Whalen were present at City Hall. Mayor Chadd Weaver was present via Zoom.

**STAFF PRESENT:** City Manager Ginger Allen and Administrative Assistant Cathy Martin, were present at City Hall. Assistant City Attorney Jeffrey Clayson was present via video.

**AUDIENCE MEMBERS PRESENT:** Pat & Dean Shrunk, Levi Eckhart, Scio Fire Chief,

**CALL TO ORDER:** Council President Debbie Nuber called the Regular Session of the Scio City Council to order at 6:00 P.M., followed the American Flag salute.

**ROLL CALL:** Roll call was taken with all councilors present.

**APPROVAL OF CONSENT AGENDA:** Council President Nuber asked for comments.

*Councilor Whalen moved to accept and pass the Consent Agenda as presented; Councilor Eckhart seconded. Motion passed 6/0.*

**CORRESPONDENCE:** letter to the Mid-Valley Bicycle Club regarding their upcoming bicycle ride through Scio.

**PRESENTATIONS:**

- **Linn County Sheriff's Report – Presented by Sgt. Beth Miller, Linn County Sheriff** – Lt. Brandon Fountain reviewed the monthly reports for May (see report included in the council packet). Noted that many of the thefts that occurred involved unlocked vehicles. He stated that this is a big concern. Councilor Ferguson asked if he had any information regarding the truck that was stolen over the weekend. Lt. Fountain did not have any information on this situation that he could address at the meeting. He will update the city manager on Tuesday. Nuber asked about the stolen weapons. Ferguson asked what the Sheriff's office was going to do regarding Fireworks. Lt. Fountain stated that they would have additional deputies on duty, he stated that it is hard to cite. Mattingly will be doing a Facebook post regarding the heat conditions and fireworks. Eckhart asked if he could provide any additional information on the death investigation. Lt. Fountain stated that it was not a criminal death.
- **Jefferson/Scio Rd. Chicken Farm – Presented by Eric Simon, Owner** – Mr. Simon addressed the council regarding the chicken farm (ranch) that he is in the process of developing west of Scio on Jefferson-Scio Rd. He provided testimony regarding the size of the operation, the number of chickens that would be raised

on an annual basis. He stated that the chicks are received the day after hatching, and are raised for approximately 45 days when they will be shipped to the processing plant in Kelso, Washington. The barns will be cleaned over a 10-15 day period and a new shipment of chicks will be received. They will raise approximately 6 flocks per year.

Ms. Allen several questions regarding water usage, run-off, and how many chicken ranches are in the Willamette Valley. Mr. Simon stated that the water is used for drinking water for the chickens, cooling, and all wash water has to be contained in the manure storage shed. This is a requirement from the Oregon Department of Agriculture (ODA) to obtain the CAFO permit. Ms. Allen asked how many chicken ranches were located in the Willamette Valley, Mr. Simon stated that there are currently only 14, which is down from the 30-35 that were in the area when he started in the industry. The number of birds raised has stayed the same with farms increasing in size when other's have gone out of business. Foster Farms is now actively seeking new facilities as the demand increases. Councilor Whalen asked how long he anticipates the permitting process to take with ODA. Mr. Simon stated that it could take a couple more months. He was asked if Linn County was cooperative in the issuance of permits. He indicated that they were. They are currently working through the engineering process and based on that he is reducing the number of barns due to the engineering that is required for drainage. He stated that this is a similar process as what a subdivision goes through. Councilor Gray asked about drainage. Whalen asked if there was some agency that monitors impact to the Santiam River. Mr. Simon stated that ODA is not concerned that there will be an impact from this project, as all of the manure will be maintained inside a shed, and he is unaware if another agency would be monitoring the Santiam River. The manure is a by-product of the production cycle that is offered for sale to area farmers for fertilizer application to their land. Councilor Ferguson asked about the increase of traffic. Simon stated that the increase in traffic will be only about 150 trucks per year for the manure sales, chickens & feed – equal about 90 trucks of feed and 90 trucks of chickens per cycle. Mr. Simon stated that they will be placing signs out regarding truck traffic. They do ship at night, so that will also help with traffic. Councilor Ferguson asked about job opportunities. Mr. Simon stated that they employ 1 person per 100,000 birds, this will mean that they have about 4 employees, which could be local people, he stated that they like to have employees live within about 5 minutes from the farm. Ferguson asked what the odor was like. Mr. Simon stated that his home is approximately 400 feet from the exhaust system for his barns, he stated that it is very livable, that his daughter was married in their backyard last fall and they had several hundred people there, there was no odor. Nearest neighbors to the new barns will be over 1800 feet, during a temperature inversion, there may be some odor. Councilor Gray asked about the driveway location at Jefferson-Scio Drive and how close to the corner it is. Mr. Simon stated that it is about 500 feet from the corner. They are required to widen the driveway access. Linn County is treating this access as a "commercial access". He stated that he has a 30-foot easement for his driveway and they will be widening the current driveway in places to allow for trucks to be able to pass each other and Linn County is requiring that they widen the first 100

feet of the driveway to keep trucks from waiting on Jefferson-Scio Drive to turn onto the driveway. Questions were asked about how the entire operation works from arrival of the chicks to shipping of the chickens, etc. Mr. Simon stated that he was happy to answer any additional questions and invited the council to contact him anytime.

They thanked Mr. Simon for his willingness to address the council, they appreciated the information he could provide regarding his project.

## **REGULAR SESSION:**

### **1. Resolution No. 21-04 – A Resolution Transferring Appropriations Within Funds – Presented by Ginger Allen, City Manager**

Ms. Allen stated that as we come to the end of the budget season, this resolution is to cover the under-projected cost of salaries in the Road, Water and Sewer Funds. \$914.00 will be moved from Contingency to Salaries and Benefits in the Road Fund, \$1,852.00 will be moved from Contingency to Salaries and Benefits in both the Water and Sewer Funds. The total transfers will be \$4,618.00.

*Councilor Meyer moved to approve Resolution No. 21-04 as presented to be read by Title Only, Councilor Gray seconded. City Manager Allen read Resolution No. 21-04, A Resolution of the City Council of the City of Scio for the Purpose of Transferring Appropriations within a Fund. A vote was taken and the motion passed 6/0*

### **2. New Public Works Shop Update with Proposed Data Center – Presented by Ginger Allen, City Manager, and Brandon Sofge, IT Consultant**

Ms. Allen stated that she will give an update on the Public Works Shop and then Brandon Sofge, IT Consultant for the City of Scio, will speak on the Data Center. Ms. Allen stated that the Public Works Shop design has been finished, a pre-contract meeting was held on Thursday, June 24<sup>th</sup>, with potential contractors. 14 representatives came and met with the design firm, Varitone, and our project manager engineering firm, The Dyer Partnership, and public works staff. They asked a series of questions and visited the site. Dyer Partnership will be issuing an addendum to the bid packet to address several of the questions. The city will be cleaning up the site and after cleanup it will be the responsibility of the contractor to complete the site prep work. The bids are supposed to be in on or before 2:00 pm on July 7<sup>th</sup>. At which time, there will be a bid opening and we will see exactly what the prices are. Once we get the prices, council will be presented the bids and discussion will take place as to whether we move forward with the build. The bank and bond council are ready to proceed. The bank has stated that things are getting backed up at the bank and processing time could take 8 weeks or more to complete loan process. Ms. Allen stated that Ryan Quigley informed her that the plans that were submitted to Linn County for review are almost through that process.

MS. Allen reintroduced Brandon Sofge to the council. Mr. Sofge gave a presentation to the council regarding the addition of a data center to the mezzanine of the Public Works Shop. Mr. Sofge state that Linn County does not have a data center. There is a data center at OSU, but that is only for the University. There is a small one in Lane County, but it is full. If a company is in the need of a data center, you have to go to places like Boardman. A small data center could provide service to small businesses in the area. Scio has moved its data to a data center outside the area and would be able to bring that back with the development of a data center by the city. The space in the Public Works shop could easily support between 20 and 50 small and medium sized businesses. It is very low maintenance and would require minimal staff work time to maintain. The city would not add any equipment until the customer comes. He has already spoken with a few potential customers for the city. The city only provides the space, power, data supply and a cooled space. The amount of physical distance (hops) between the data center and the business is important. The least number of hops is preferred. He estimated that the startup cost would be less than \$20,000. The type of clients that the city is looking for are small business that just need to have their existing computers housed and maintained. The other type is businesses who have specialized software or other small city governments. Sofge reviewed the budget/cost estimate and income potential. Eckhart asked about security. Allen stated that the building will have security cameras. The access to the room will have security access. The nice thing is that the building looks like a public works shop, not a business. Allen added to the presentation, that the startup \$ could come from the funds that the city will receive from the state of Oregon from the American Rescue Plan funds. Whalen asked is the start-up costs were in addition to the cost of building the shop. Martin read comment from Mayor Weaver to the council. Mayor Weaver stated that I think the world of Brandon and this is an amazing project for the city of Scio. it can generate a great source of income for the city for a very long time. He asked Brandon to talk about spending the money ourselves. Sofge stated that funds generated from the data center would go into the General Fund and the profits could be used for anything city wanted to spend the money on. It is not designated funds for a specific purpose. Allen stated that prior to meeting with the council, legal council was contacted. City Attorney, Tre' Kennedy, stated that this was genius, and could be a great revenue source for the city. He wished that other city's he worked with would look for ways to generate revenue. Allen stated that money generated by the data center does not get earmarked for a particular project, unlike sewer and water revenues which must be spent on sewer and water expenses, this would go into the general fund and can be spent wherever we need it. Ms. Allen stated that she has also spoken with the insurance company and they said this was totally doable, and the city can be covered. Sofge stated that the clients are required to have their own insurance. Allen stated that each client would have to sign a contract with the city for the services provided. Allen stated that Derrick Mottern, SMTA, could not be here tonight, but she wanted to let the council know that SMTA is behind this project 110%. Derrick thinks that this is a wonderful idea and would generate revenue for Scio for years to come. The council expressed there approval of the project opportunity. Martin read a comment from Mayor Weaver he stated that he

supports this venture 100%. Allen asked for permission from the council to continue pursuing the Data Center Proposal. She asked for a formal vote.

*Councilor Ferguson moved to pursue the data center. Councilor Whalen seconded. Motion passed 6/0*

**PUBLIC HEARING:** Council President Nuber opened the public hearing at 7:25 pm. She stated that this is the time set aside to “allow and hear any person” wishing to comment on the 2021-2022 Scio City Budget, as approved by the Scio Budget Committee, on Wednesday, June 2, 2021. Allen asked if there was anyone in the audience that wanted to address the council. There was no public testimony and Nuber closed the public hearing at 7:27 pm.

**RE-OPEN REGULAR SESSION:** Council President re-opened the regular session at 7:27 pm.

### **3. 2021-2022 Budget Adjustments Reviewed/Discussed – Presented by Ginger Allen, City Manager**

Ms. Allen stated that there are a few adjustments that need to be made to the budget that was approved by the budget committee.

General Fund – Beginning cash is increased by \$5,145 due to additional revenue received since the budget hearing. An adjustment to the Miscellaneous Revenue has been made in the amount of \$21,217 for the funds that the city has been advised it will receive from the American Rescue Plan this year. Adjustments were made to Miscellaneous Expenses, Personnel Services and Operating Contingency. The total adjustments to the General Fund were \$26,362.00.

Road Fund – Beginning cash was decreased by \$1,069. Adjustments were made to Personnel Services and Operating Contingency. The total adjustments to the Road Fund were \$1,069.00.

Water Fund – Beginning cash was increased by \$3,315 due to additional revenue. Adjustments were made to Personnel Services and Operating Contingency. The total adjustments to the Water Fund were \$3,315.00.

Sewer Fund – Beginning cash was increased by \$7,783 due to additional revenue. Miscellaneous Revenue was decreased by \$12,000 as some of the funds from the American Rescue Plan Act will be used in the General Fund. Expenditure Adjustments were made as follows: Miscellaneous Expenditures increased by \$90,000.00. Capital Outlay expenditures decreased by \$102,000.00 as the ARPA expenditures will be accounted for in the Miscellaneous line item. Additional adjustments were made to Personnel Services and Operating Contingency. The total adjustments to the Sewer Fund were (\$4,217.00).

*Councilor Eckhart moved to approve Resolution No. 21-05, Declaring Municipal Services for Fiscal Year 2021-2022 as presented to be read by Title Only,*

*Councilor Gray seconded. City Manager Allen read Resolution No. 21-05, A Resolution Declaring Municipal Services for Fiscal Year 2021-2022. A vote was taken and the motion passed 6/0.*

*Councilor Whalen moved to approve Resolution No. 21-06, Declaring the City's Election to Receive State Revenues as presented to be read by Title Only, Councilor Meyer seconded. City Manager Allen read Resolution No. 21-06, A Resolution Declaring the City's Election to Receive State Revenues. A vote was taken and the motion passed 6/0.*

*Councilor Ferguson moved to approve Resolution No. 21-07, Adopting and Making Appropriations to the 2021-2022 Budget as presented to be read by title only, Councilor Gray seconded. City Manager Allen read Resolution No. 21-07, A Resolution Adopting and Making Appropriations to the 2021-2022 Fiscal Budget. A vote was taken and the motion passed 6/0.*

*Councilor Ferguson moved to approve Resolution No. 21-08, Imposing and Categorizing Taxes for Fiscal Year 2021-2022 as presented to be read by Title Only, Councilor Eckhart seconded. City Manager Allen read Resolution No. 21-08, A Resolution to Impose and Categorize Taxes for Fiscal Year 2021-2022. A vote was taken and the motion passed 6/0.*

**CITY MANAGER REPORT:** Allen asked if there were any questions regarding her report. Allen briefly reviewed the report that was included in the council packet.

Ms. Allen stated that the city is expecting to receive \$222,434.02 from the American Rescue Plan Act. The latest information indicates that the first payments to the small Oregon cities will occur in October 2021. The city is supposed to receive ½ of the funds this calendar year with the remaining ½ the following year. It is anticipated that the funds will be received in two separate fiscal years. Ferguson asked why there was a delay in the distribution. Allen stated that the larger cities are receiving the funds first.

Allen stated that she has asked Representative Cate for an update on the ARPA funds that was being distributed through the legislative session. The city is still on the list to receive funding for a public restroom and park land development. We are waiting to see if this was approved through the legislative session. Representative Cate also submitted a request for \$2.9M for a new city hall building. We are waiting to see if this will be approved.

The Scio Library received a donation from the Friends of the Scio Public for next fiscal year, this was not originally in the budget, however, that adjustment was made following the budget hearing before budget committee and was included in the adopted budget.

Ms. Allen reported that the public works staff is working hard to minimize the odor at sewer lagoons. One of the circulation pumps has failed and will have to be replaced. It was purchased over 8 years ago. These pumps are portable and had been in the shop over the winter. Staff will be obtaining bids to replace the pump. Communication with

our representative at DEQ was to stay the course, the lagoons are working correctly and we are doing what we can to stay on top of any issues. The Fire Department is ready to help spray water on the lagoons if necessary. The city cannot release any water during the summer months, so we have to be careful with the amount of water held in the lagoon. The water level in the sewer lagoons is currently 2 feet higher than in previous years. The city purposely kept the level higher to keep additional cover over the sludge.

Ms. Allen stated that she and Levi Eckhardt, Scio Fire Chief, spoke last week regarding opening up the fire station for as cooling center. Ms. Allen learned that there is not always a volunteer on duty at the fire station. The Governor at the time of the conversation, did not advise that they would be lifting the COVID requirements. Allen stated that she let Eckhardt know that city hall could not be opened up to the public, but didn't know how he wanted to handle the fire station. Evidently there was people out on social media saying ugly things about the cooling center. She wanted the council to know that city has a wonderful working relationship with the Fire Department. She is going to be writing a letter to the Fire Board to let them know that it is a pleasure working with Chief Eckhardt. His volunteer crew is outstanding. Ferguson stated that our Fire Department is outstanding. She stated that she had a conversation with one of the volunteers and was told that last year when the cooling station was opened at the Fire Department only 1 person showed up.

**CITY ATTORNEY'S REPORT:** Presented by Jeffrey Clayson – Mr. Clayson stated he has been working on camping issues and the homeless. He asked if there were any specific areas.

**ITEMS FROM THE COUNCIL:**

- Eckhart: Asked Allen for an update on the Public Works staff. Allen stated that Knurovski will be staying with the city. She asked about certification testing. Allen stated that he will be testing in the fall as this is the busiest time of year for public works projects. She reported on the Neighborhood Watch meeting, it went well, area captains are being assigned and they are close to being able to request that signs are placed around town.
- Gray: None
- Meyer: Stated that he was contacted by a person who has a neighbor who is making it difficult to sleep due to the noise being generated late at night by people playing basketball in the street. He asked about regulation of time. Allen stated that city does have an ordinance, however the council waived enforcement of a portion of the ordinance. The council needs to decide what they want enforced. Allen further stated that she had a complaint earlier in the day from a citizen who wondered why the city is not enforcing the local laws. Nuber stated that she personally thought the city should start enforcing the ordinances. Allen stated that she would be willing to talk with the residents. Pat Schrunk, Filbert Street, spoke regarding recent incident where she and several residents witnessed a couple of young kids get hurt while trying to avoid a car and basketball hoop. Nuber stated it was time to clean up the street and sidewalks.

- Whalen: None
- Ferguson: Asked about street sweeping, and update on the SW 6<sup>th</sup> Avenue Culverts, and the Richardson Gap/226 Intersection. Ms. Allen stated that the culvert is not on the counties list for repairs at this time. She will contact the new Road Master and see about increasing its replacement priority. As for the intersection of Richardson Gap and Highway 226, according to ODOT and Linn County, the engineering studies don't warrant any changes.

**BUSINESS FROM THE PUBLIC:** None

There were no additional comments

Council President Nuber adjourned the meeting at 8:11 p.m.

The next regular meeting is scheduled for July 12, 2021 at 6:00 p.m.

Cathy Martin  
Administrative Assistant