

**CALL TO ORDER:**

Mayor Tim Wilson called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

**Present:** Mayor Tim Wilson; Councilmembers: Ken Caylor, Dan Dever, Genna Dorow, Kenneth Johnson, John Reneau, Mark Snyder, Marc Spohr.  
**Also Present:** City Administrator Ehman Sheldon; Department Heads: Finance Officer Mike Bailey, Police Chief Steven Dunnagan, City Clerk Debbie Kudrna, Municipal Services Coordinator Jay Van Ness; and City Attorney James Whitaker.

**APPROVAL OF AGENDA**

Council carried a motion to approve the agenda. M/S. Snyder/Johnson.

**CONSENT AGENDA:**

- A. Approval of City Council Minutes of January 11, 2010
- B. Approval of Accounts Payable Checks
- C. Resolution to Accept the Alley Approach Project and Release Retainage

Accounts Payable was audited and certified by the Auditing Officer, as required by RCW 42.24.080; and those expense reimbursement claims certified and as required by RCW 42.24.090, have been recorded on a listing that has been reviewed by the Council audit committee and is available to the Council.

Expense Claim Check No. 37795 to No. 37855 in the amount of \$52,243.21 (December 31, 2009)  
Expense Claim Check No. 37822 to No. 37849 in the amount of \$56,071.07 (January 25, 2010)

Council carried a motion to approve the Consent Agenda as presented. M/S Dever/Johnson.

**ACDC PRESENTATION-MINI LOAN PROGRAM CARA BROECKEL**

Cara Broeckel, representing the Adams County Development Council (ACDC), explained that they are developing a revolving loan fund and microenterprise development project. This is designed to support low and moderate income small business owners, and self-employed individuals, wishing to obtain business assistance and capital to start and grow their business in Adams County. Revolving loan funds have been very successful in other areas and are self-sustaining. When a loan is made the interest made from the transaction is used to replenish the loan pool. They want to provide a cost efficient and convenient way for Adams County residents to obtain the financing and business education to be successful. She explained that a revolving loan fund can be beneficial for the City of Othello because it:

- Provides a vehicle for business creation and self-employment
- Creates jobs and addresses rural isolation where opportunities are few
- Creates access to capital and alternative lending resources
- Promotes economic self-sufficiency for low-income and disadvantaged populations
- Provides economic and social return on investment

The ACDC has already created a draft policy for the program. There are still three main pieces that must be addressed. The 1<sup>st</sup> piece is the lending portion: Business owners or prospective business owners in Adams County can apply for a loan in any amount up to \$30,000 with the average loan size of about \$12,000. The goal is not to compete with local lenders, but rather provide an option for those who have been unable to secure funding through traditional means. The 2<sup>nd</sup> piece of the program is education: Along with the loan application applicants must submit a comprehensive business plan. The ACDC will develop programs that assist clients in completing their business plan, how to better understand their target markets, marketing strategies, bookkeeping systems and financial management. The final piece is the post-loan technical support: Post-loan technical assistance will be provided to borrowers to help ensure the survival and/or growth of the business, and to guard against possible loan default. ACDC plans to achieve this by developing partnerships with Small Business Development Centers.

**MAIN STREET PROPOSAL**

Municipal Services Coordinator Jay Van Ness explained that the engineers had provided a cost estimate to overlay the remaining city streets. Tonight they want to focus on the overlay of Main

Street from 14<sup>th</sup> west to 7<sup>th</sup> Avenue. He showed pictures of the current condition of Main Street. Taylor Denny of Gray & Osborne provided a breakdown of the cost for Main Street between 7<sup>th</sup> and 14<sup>th</sup> Avenue. This included street signaling, storm drainage and water costs for reconstruction of each block. He explained that the costs for street and signaling could be paid from the general fund. The improvements to the water system would be paid from the water fund. Mr. Denny advised that the project would include grinding the top few inches off of the build up at the curb and gutter and they will lay new asphalt to seal it off better. They will lay geotextile fabric down, which is known to reduce cracking and lay new asphalt on top. At any areas that show significant sub grade failure, they will go down to the base material and replace those areas. All the new base will be installed in the water and storm water line areas. Mr. Van Ness advised that portions of the curb will be replaced where needed. The estimate longevity of a new road is estimated 15-25 years; the geotextile fabric will prolong the longevity. Mayor Wilson asked if the lane seams can be placed in line with the street striping. Mr. Denny explained that the contract can be written that way, but contractors can only lay a certain width of asphalt. Mr. Denny advised that he drilled core holes on Main Street and there is 4" of crushed material underneath 6" of asphalt. Mr. Van Ness advised that Main Street is not indicating any sub-grade failure. Mr. Sheldon stated that we could limit truck weights on Main Street. He stated that City representatives met with the trucking industries in Othello 6 years ago and they were all provided maps with the designated truck routes. The Council can designate truck routes at any time. Mr. Denny advised new storm water catch basins will be installed at every corner. A new 12" water line will be installed from 7<sup>th</sup> Avenue to 14<sup>th</sup> Avenue and new handicap ramps will be installed at each corner.

Larry Julius, of Gray & Osborne advised that there may be additional recovery funds from the Federal Government. The Department of Transportation and QUADCO have advised there may be funding available for projects that are "shovel ready". Main Street project could be eligible, if these funds open up. It is still unsure when this funding will be available. He suggested that the Council authorize applying for any grant money to help offset the out of pocket expense. Mr. Van Ness noted that their additional funds can be applied for when we start the next two phases of Main Street.

Finance Officer Mike Bailey reviewed two scenarios for funding the 2010 Main street project from the current funds and reserve funds, including utility tax fund reserves. He provided an amortization schedule that showed how the interfund loan would be paid back, using an interest rate of 4% over a 5 year period. He recommended paying the interfund loan back from the utility tax fund. Scenario #2 includes removing the Olympia Street project. This portion of the project has already been budgeted to be paid out of the utility tax fund to the street fund. Mr. Van Ness advised that we could have the Olympia Street project as an alternative in the bid package and if the bids come in low enough, the second scenario scheme could still be accomplished. Mr. Bailey noted that the utility tax fund and real estate excise tax replenish themselves annually. Mr. Sheldon advised there is another potential revenue source that the current legislation is looking at and if passed, the Council can consider imposing a street utility tax. Mr. Julius advised that depending on the Council's direction, this portion of Main Street could be completed this year. He noted that they have seen a lot of bids come in lower than the estimated cost. He explained that the \$50,000 from Adams County and the funds that the City is appropriating to the street project can all be used as matching funds for grant funding. Councilmember Spohr advised that his priorities include: improvements to Main Street; Olympia Street from 4<sup>th</sup> to 7<sup>th</sup>; 2<sup>nd</sup> Street from Coventry to Fir Street and residential overlays; and the SR Industrial area. Councilmember Snyder noted that school buses drive on the portion of Olympia Street that is only 1/2 of a street and it needs to be a full street.

Mr. Van Ness explained that the alley approach improvements in the commercial areas will receive concrete approaches and Public Works will roll in the asphalt regrinds to improve those approaches. This will help with the maintenance issue at the alley approaches.

#### **BERK'S REFRIGERATION ELECTRICAL CONTRACT RENEWAL**

Municipal Services Coordinator Jay Van Ness reported that Berks Refrigeration has had an agreement with the City to provide maintenance and installation to City wide electrical systems. This includes: traffic telemetry, the library, City Hall, the City Shop, well repairs, parks, and the

HVAC systems. His current fee will continue at \$70 per hour not to exceed \$400 unless approved by Public Works. He reported they are researching sending an employee to a traffic signal school.

Council carried a motion to renew the agreement with Berks Refrigeration for 2010. M/S Dever/Caylor.

**AGREEMENT WITH TIM RICH – TELEMETRY SYSTEM**

Municipal Services Coordinator Jay Van Ness advised that the telemetry software maintenance contract with Tim Rich Consulting has expired. The telemetry system is used to control the City's seven wells on and off points in conjunction with the water tank levels. Annually we budget \$10,000 for this service. The current compensation is \$105 per hour for consultation. This rate has not increased this year and no changes have been made to the contract.

Council carried a motion to renew the contract with Tim Rich Consulting. M/S Snyder/Johnson.

**STATE OF WASHINGTON INTERGOVERNMENTAL PURCHASE AGREEMENT**

Finance Officer Mike Bailey reported that the City is a member of the State of Washington Intergovernmental Purchasing Program. Through this program, we can purchase items such as vehicles at State bid rates. The renewal is for a two-year period and the cost is \$2,000.

Council carried a motion to approve the State of Washington Intergovernmental Agreement for state Purchasing Cooperative. M/S Caylor/Dever.

**NEW BUSINESS**

Councilmember Reneau proposed marriage to Tana Perkins.

**EXECUTIVE SESSION – PROPERTY ACQUISITION – RCW 42.30.110(B)**

Mayor Wilson advised that the Council was going to adjourn into an executive session at 8:13 p.m., pursuant to RCW 42.30.110(b) to discuss a possible real estate acquisition where public knowledge of the proposed purchase could increase the price. This executive session is expected to last 20 minutes. No action will be taken on this matter upon the return to open session.

Mayor Wilson reconvened the Council meeting at 8:20 p.m.

Mayor Wilson made the following announcements:

- The Volunteer Fireman's banquet will be held this Saturday at the Eagles.
- Emergency Management Services meeting tomorrow at 8:00 a.m. at the Hospital.

**ADJOURNMENT**

With no further items to discuss, Mayor Wilson adjourned the Council meeting at 8:31p.m.

By: \_\_\_\_\_  
TIM WILSON, Mayor

ATTEST:

By: \_\_\_\_\_  
DEBBIE L. KUDRNA, City Clerk