

CALL TO ORDER:

Mayor Shannon McKay called the workshop to order at 7:00 p.m.

Present: Mayor Shannon McKay; Councilmembers Eleanor Brodahl, Kathy Carlton, Everett Cole, Marc Spohr, Dale Wyman, and Tim Wilson.

Also Present: Department Heads: Curt Andrews, Mike Bailey, Police Chief Steve Dunnagan, Debbie Kudrna, and Jay VanNess; and City Administrator Ehman Sheldon.

Absent Was: Councilmember Kenneth Taylor.

ADAMS COUNTY FIRE DISTRICT #5 YEARLY REPORT

Fire Chief Clyde Fought advised that the Fire District has published information to educate our citizens to call the Fire Department if there is a suspicion of a fire. Chief Fought introduced Assistant Chief Gary Lebacken; Captain Tom Salsbury, and fabricator/mechanic Randy Guse. He advised that there have been grants submitted by the Fire District to purchase new equipment and reviewed some of the projects that their staff is performing. Chief Fought explained that equipment; personnel; inspections; number of fire sprinkled buildings; water supply, and number of hydrants are all aspects included in a fire rating. The City of Othello has a current 5 fire rating and to increase this classification would require more staff. The Fire District is currently receiving applications for new volunteers. The Chief also invited the Mayor and Council to the fire fighters banquet, scheduled for January 27th.

REQUEST TO PURCHASE FIRE TRUCK IN 2007

Fire Chief Clyde Fought reported that Ladder 1 is in need of replacement and E-ONE has a 2005-75' aerial, demonstration truck for sale. The cost is \$522,129. The Council has been budgeting annually for the replacement cost with the purchase scheduled for 2008. He has called one other vendor and requested a comparable quote, which was \$638,000. The demo truck has approximately 16,000 miles for a single axle vehicle. Chief Fought recommended the single axle to help maneuver in small areas; however they would have to receive approval from the Department of Transportation to drive the vehicle within the City limits and over the State Highway bridges. Chief Fought offered to travel to Oregon this weekend to look at both vehicles and report back to Council. He reported that most fire trucks are in service for a maximum of 30 years or until it does not meet pumping standards. Council consensus was to accept Chief Fought's offer to view both vehicles and report back to the Council. Chief Fought reported his staff found that Ladder 1 could be sold for \$60,000 - \$80,000, although he recommended that the City keep Ladder 1 to be used as a spare truck, which could help maintain the Class 5 fire rating.

Finance Officer Mike Bailey provided corrected figures for the balance in the utility tax fund, which is currently \$1,247,778, of which \$100,000 is restricted reserves for the pool.

City Administrator Ehman Sheldon advised that Washington State has competitive bidding laws in place to assure that governmental expenditures are made wisely. However, there is also an allowance to waive the competitive bidding requirements for purchases that are limited to a single source or supply or if it involves special facilities or market conditions. He suggested that a policy be adopted by the Council to waive the competitive bidding requirements and this would allow the City to purchase the fire truck based upon the special market conditions. The policy could be a broad based policy or it could be made specific to this purchase.

WATER RATE PROJECTIONS

Finance Officer Mike Bailey provided a draft ordinance with proposed water rate increases and a worksheet which provided the 2006, 2007, 2008, and 2009 water fund balance projections. He reported that water rate projections for 2004-2009 were reviewed by the Council in 2003. At that time Council adopted a three year water rate schedule, which expired in 2006. He reviewed the spread sheet, which included 8.28% water rate increases consecutively for 2007, 2008, and 2009. He advised that the capital expenditures are taken from the projects in the capital facility plan and explained that the water rate projections are to build reserves for the planned projects. Mr.

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Sheldon advised that the water bond will be paid off in 2007 and there is Public Works Trust Fund loan that will be carried over to 2008. He explained that there is a state statute that provides that if a utility is debt free, 4% of that utility revenue automatically is transferred to the General Fund. He explained that the rate study and the water comprehensive plan identified \$1.4 million in projects and this additional three year rate scheme will assure that the City will have the necessary funding. He explained that this three year rate scheme mirrors the previous three year rates. Councilmember Wilson requested a copy of the list of projects that were identified in the plans before consideration of the rate ordinance. Mr. Bailey explained that the 8.28% increase has been imposed on the monthly and block rates. Mayor McKay advised that the City needs to accumulate the reserves to complete the projects addressed in the plans. Mr. Sheldon advised that staff will provide a comparison of the City's water rates to other communities. Councilmember Spohr suggested that we could encourage water conservation by increasing the block rates consecutively. He asked for further information about what the monthly rates will be based upon the 8.28% increase. Mayor McKay advised that the water conservation measures are exactly what the City is proposing when encouraging the use of irrigation water. Mr. Sheldon advised that the contract with J R Simplot expires in February 2008 and negotiations will take place this year.

COMMITTEE APPOINTMENTS—MAYOR MCKAY

Mayor McKay reviewed the 2007 committee list and the committees remain the same, excluding the following:

Adams County Solid Waste Advisory Committee: Councilmember Wyman would like to be replaced

Larry Bray – reappointment to the Othello Housing Authority

Othello Planning Commission – vacancy left by Robert Surgeon

UNFINISHED BUSINESS

Councilmember Eleanor Brodahl announced that the Boys and Girls Club has closed. The School District has some programs for the youth but may not fill the void left by the Boys and Girls Club. She suggested a committee to discuss after school programs and asked if the City would assist. Councilmember Carlton explained that each elementary school is having one program one day per week. Mayor McKay advised that Mr. Reichert has submitted some good ideas and there is a need to discuss options. Councilmember Spohr stated that the City has funding in 2007 and he is willing to discuss options for after school programs. He is also concerned that the summer meal program may be discontinued. Mr. Sheldon advised that he will ask the Chamber to discuss with their members what they may be able to provide and he will discuss the summer meal program with the School District. Councilmember Carlton explained that children as young as five were members of the Boys and Girls Club and after school programs may not serve those younger children. Councilmember Brodahl encouraged the Council to financially assist with the summer food program.

ADJOURNMENT

With no further items to discuss, Mayor McKay adjourned the workshop at 8:15 p.m.

By: _____
SHANNON MCKAY, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk