

CALL TO ORDER:

Mayor Tim Wilson called the workshop to order at 7:00 p.m.

Present: Mayor Tim Wilson; Councilmembers: Kenneth Caylor, Dan Dever, Genna Dorow, Kenneth Johnson, John Reneau, Mark Snyder, and Marc Spohr.

Also Present: City Administrator Ehman Sheldon; Department Heads: Finance Officer Mike Bailey, Police Chief Steven Dunnagan, City Clerk Debbie Kudrna and Municipal Services Coordinator Jay Van Ness.

CITIZEN INPUT

Rudy & Eilene Mendez, 650 Susan Place, talked to the Council about their desire to convert their garage into a living area. They've been trying to expand for a long time. Mr. Mendez said that many people in their neighborhood have converted their garages. Their home is paid for and they want to expand. She also said that since their neighborhood has grown, they have had to fence in their backyard, and now there is a lot of trash and weeds in the right of way on the other side of their backyard. They would like to convert their garage and have a wood stove in it for another source of heat. They want to follow the rules. Mayor Wilson advised that he will have the Planner talk to them about the city ordinances.

BANK OF AMERICA INVESTMENT PORTFOLIO – ALICIA BENNETT

US Trust Portfolio Manager Alicia Bennett, manages the City's investments. Ms. Bennett gave a report on the economic update: what's coming for the future and the need to re-evaluate what the City's financial needs are. She gave a briefing about the recent recession, noting we are currently 1 ½ years out of the economic crisis. There are \$1.6 million reinvestments coming up in the next year with very low interest rates in the forecast. The portfolio is currently yielding 4.4% overall. We have \$122,000 in cash available and \$200,000 in bonds to mature February 9th. This will start a maturity schedule cycle with approximately \$200,000 maturing every month. She needs to know if the City needs any of the cash and reviewed options for reinvestment. Mr. Bailey advised that the State Pool's rate is currently 0.2%. There was a discussion held on investments opportunities. She made some suggestions for future investing and strategies.

SEWER NPDES STATUS REPORT – GRAY & OSBORNE

Larry Julius explained the National Pollutant Discharge Elimination System (NPDES) stating that a permit is needed to discharge effluent from a treatment plant, and that it governs all collection systems. Nancy Morter of Gray and Osborne, Inc. reviewed the history of Othello's wastewater treatment plant, originally built in 1955. She explained that Othello has the simplest form of wastewater treatment available. She reviewed the federal wastewater regulations and explained how our NPDES permits are administered at the State level. Our NPDEDS permit authorizes discharge to Owl Creek and allows discharge of certain pollutants with the permit conditions. The new permit will be issued sometime in February or March and is on a 5 year cycle. She explained what pollutants are and that they are not allowed in our effluent discharge. She then reviewed Othello's current wastewater treatment status, noting that we generally comply with our current permit. She explained how the State regulations are changing and what other cities are facing. She overviewed the three step project process for construction of a new wastewater system, including planning, designing, and construction and compliance with the NPDES permit. Ms. Morter then reviewed funding programs and qualifications. She noted that Othello's sewer rates are lower than the State's average. She stated that the City received a forgiving permit this round and there's no guarantee that the State won't impose reconstruction in the future. She noted that the State is pretty confident with the City's lagoon lining. She explained that even if the City is meeting their current permit conditions, if the State enforces an ammonia limit, it could require construction of a new sewer system.

CONSIDERATION OF MAIN STREET IMPROVEMENTS

Municipal Services Coordinator Jay Van Ness explained that Council has previously reviewed the costs and details of improving Main Street from 7th Avenue east to 14th Avenue. Possible funding options for this project have also been presented to Council. Councilmember Johnson advised

that the overlay of Main Street from 7th Avenue to 14th is approximately \$2.6 million. Mr. Julius advised that all 3 phases would cost approximately \$6.456 million, which represents a savings of approximately 10% if all 3 phases are done at one time. Finance Officer Mike Bailey reported that the water reserve fund and an interfund loan from the sewer fund can be used towards the project. It wouldn't be a hardship to repay the interfund loan back because our water rates are designed to build reserves. He reported that to fund the balance of the street portion, it would be necessary to bond. He received updated interest schedules for 20, 25, and 30 year bonds. Mr. Julius explained that the Main street over lay could last 12-15 years, depending upon maintenance and traffic flow. There was further discussion about the possibility of doing the entire Main Street project using city funds and councilmatic bonds. Finance Officer Mike Bailey reviewed a debt service schedule based upon a 25 year payback for the entire project. Mr. Julius stated that funding of Main Street shouldn't affect any of the City's funding applications for the SR 24 Industrial area project. We may actually score points on some of the funding applications because of the City's portion of funding for Main Street. Mr. Bailey explained that the utility tax fund has the capability for this amount of debt service and it still leaves funding for annual projects. Councilmember Spohr stated that as we look at future projects, the utility tax fund will need to be available and we may look at decreasing the 50% of the utility tax funding allocation into the general fund. Mr. Bailey stated that most cities use 100% of their utility tax fund revenues for operations in the general fund. Mayor Wilson asked that the city funding and councilmatic bonds scenario of Main Street be reviewed next Monday. Mr. Sheldon advised that the City should have their funding for the project figured out when going out for bid. Councilmember Caylor noted that we could list two options: option 1 would be the entire project; option 2 would be only 7th to 14th Avenue. Mr. Julius suggested that we extend the time that contractors have to honor their bids, in order to give the city ample time to review prior to award.

ADAMS COUNTY FIRE DISTRICT #5 YEARLY REPORT

Adams County Fire Chief Gary Lebacken reported that they responded to 126 calls in 2009 - up 30% from the year prior. False alarms are the leading calls. They also saw an increase in actual fires. Their inspection program is ongoing and they are completing approximately 200 per year. He reported that their average response time is 4 minutes and 24 seconds. Chief Lebacken advised that they have 41 volunteers on the roster and a recruitment class is starting soon.

POLICE CHIEF'S REPORT

Police Chief Steve Dunnagan reported on the Police department's accomplishments and their 2010 goals. He reported they are at 100% staffed and exceeded the state minimum for individual officer training requirement. He reviewed the 2009 programs and accomplishments. He also reviewed new equipment purchased in 2009, noting that the department came in under budget by approximately \$100,000 last year. He reviewed statistics from last year and a comparison on crimes and calls for service for several years. Chief Dunnagan explained that sometimes they can't put someone in jail because the County jail is full. Officers are given the discretion, based upon all circumstances, to cite and release for small crimes. We have a 6-hour temporary holding facility that we can utilize. The Chief advised that they will do liquor compliance checks quarterly in 2010. Councilmember Spohr complimented the officers for being visible in the community.

WAIVER OF DELINQUENCY PENALTY AS SET IN OMC 4.04.060

City Clerk Debbie Kudrna explained that we billed for the 2010 business licenses on December 15, 2009. Unfortunately, we do not have the business license software program from BIAS yet and all work is performed through the accounts receivable program. BIAS had to assist staff in creating and receipting business licenses. We sent out 2nd notices on January 2nd, which are due January 31st. Unpaid business licenses will be assessed a \$10 late penalty fee monthly, beginning February 1st through April 1st when OMC 4.04.070 Termination or refusal of service for utilities maybe enforced. Unfortunately, not all of the business license accounts transferred over from the old software system to BIAS. We have found that some of the existing businesses have not been billed for the 2010 license. She asked the Council to authorize a waiver of the late penalty for those existing businesses that were not invoiced. This would be for only those existing

businesses that should have been billed, but were not. This is a one-time waiver because we will have the new business license software program soon.

It was suggested that as staff finds the existing businesses that were licensed last year, but did not get an invoice this year, that they be invoiced. A late penalty fee of \$10 per month will be applied if it is not paid within 60 days. Council's consensus was to take official action to adopt this policy at their next meeting.

COMMITTEE REPORTS – COUNCIL COMMITTEE MEMBERS SHARE INFORMATION

Councilmember Snyder reported that they have not had a quorum at the Law & Justice Council meetings for a year now. So, they haven't been able to accomplish much. Chief Dunnagan explained that they have talked about alternative means to get a committee quorum. They are going to hold a teleconference meeting in April.

Councilmember Caylor reported on the Centennial Committee: he thanked the City Clerk for he heard work and the brick project was a success. Our next meeting is Thursday, January 4th at 4:30 at the OPD. They are also working on the scholarship program.

NEW BUSINESS

Councilmember Johnson advised that he and Councilmember Caylor attended the legislative meeting. It was very informative and they found that Othello is not struggling like many other communities. He met with our representatives and he would like to create a wish list that he can take next year to discuss with them.

There was a discussion about the public records laws and how email is a public record. Mr. Sheldon explained that we're working on an email retention policy and getting laptops for the Councilmembers for City work and going to paperless packets.

Mayor Wilson cautioned the Councilmembers about communicating with the City's engineers and creating engineering work and engineering costs. He asked that they be careful when gathering information and encouraged them to work through the staff.

Councilmember Reneau announced that the deadline for the civil servant award is February 17th and the Chamber of Commerce awards dinner is scheduled for February 26th.

It was announced that it is time for the elected officials to file their annual Public Disclosure Statement.

ADJOURNMENT

With no further items to discuss, Mayor Wilson adjourned the workshop at 9:55 p.m.

By: _____
TIM WILSON, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk