

**CALL TO ORDER:**

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

**Present:** Mayor Shannon McKay; Councilmembers Kenneth Caylor, Dan Dever, Kenneth Johnson, and Marc Spohr.

**Also Present:** City Administrator Ehman Sheldon and Department Heads: Mike Bailey, Police Chief Steve Dunnagan and Debbie Kudrna.

**Absent Were:** Councilmembers Eleanor Brodahl, Mark Snyder and Tim Wilson.

**EMPLOYEE RECOGNITION: DISPATCHER MINNIE CASTRO 10 YEARS OF SERVICE**

Mayor McKay presented a plaque to Police Department Dispatcher Giermina Castro acknowledging her 10 years of dedicated service.

**TOYS FOR PARKS**

City Administrator Ehman Sheldon explained there was funding appropriated for new playground equipment. A committee was established, which included two Councilmembers, staff members and two citizens. The committee came up with several recommendations. He introduced Jen Stevenson, who was involved in the selection process. Mrs. Stevenson suggested that equipment be bought for children ages 2-5 in Lions Park and for children ages 5-12 years old in Kiwanis Park. She presented options for playground equipment for Lions and Kiwanis Parks. She suggested that some of the swings in Kiwanis Park be changed to accommodate smaller children. Mr. Sheldon explained that the two larger toys can be paid out of the budgeted amount and there may be enough money to buy the lady bug toy. The City's insurance carrier was contacted to get their input on the equipment. They recommend the equipment be either American Society for the Testing of Materials (ASTM); Consumer Product Safety Commission (CPSC), or International Play Equipment Manufacturers Association (IPEMA) rated. The equipment meets these standards. He explained that the depth of the material underneath playground equipment is set by standards.

**BANK OF AMERICA REPORT**

David Lee, Vice President and Senior Manager of Bank of America, gave an overview of the City's 2008 year end investments. He explained that Othello has bonds; not stocks. He advised the equity market has been under severe strain and many of the financial institutes were victims of the credit and investment issues. A positive note is the Federal Reserve and treasury have banded together, along with global trading partners to add liquidity into the capital markets to calm the concerns of investors and corporations. Bank of America excelled on their loan portfolio and were profitable in 2008. The areas of the market that Othello's money is in have done very well. The Bank of America still maintains adequate capital to meet federal requirements and they are committed to support their clients. Othello's accounts are on a fiduciary platform and in the worst case scenario if the Bank were to fold, the city's portfolio is held in trust and separate from the Bank's assets and creditor's could not touch the city's investments. Othello's investments are approximately 72% in agency paper; 32% in issuer accounts; are in compliance with the percentage guidelines, and in compliance with the maximum duration of the portfolio. He reported the federal fund rate could go to zero and they are exploring the possibility of buying large sums of treasury notes and bonds in an attempt to lower interest rates. The City's portfolio has good quality bonds issued by the Treasury and as they expire in 2009, he will be looking at new investments in areas that we can accrue greater yield. The City's portfolio experienced an investment gain of approximately \$226,000 in 2008. Councilmember Spohr congratulated Mr. Lee on the return rate and asked what he expects the interest to be at the end of 2009. Mr. Lee noted he believes they will fall as low as 4%. Mayor McKay thanked Mr. Lee for doing a great job with the City's investments.

**ADAMS COUNTY FIRE DISTRICT #5 YEARLY REPORT**

Fire Chief Gary Lebacken reported that last year there were 92 incidents in 2008; a 10% decrease from 2007. McCain Foods are working to improve their fire equipment and possibly reduce their number of false alarms. Newly recruited volunteers will graduate in April.

**IMPLEMENTATION OF RECORDING FEES FROM ADAMS COUNTY AUDITOR'S OFFICE**

City Clerk Debbie Kudrna reported that Adams County Auditor's office advised that they implemented a fee for recording and filing documents, effective January 1, 2009. We had not budgeted for this expense and a line item has been created to track the costs. The Clerk's Department files utility liens with their office and occasionally deed documents and certified copies of documents. She explained that in the past we filed interlocal agreements with the Auditor's office. RCW 39.34.040 allows those to be listed by subject on the agency's website, so we will not incur the recording fee if we post them on the City website. Based upon the liens that we filed last year, we would have paid \$352 in fees. Mayor McKay asked if the filing costs could be reimbursed back to the City. The Clerk explained that we could charge the fees on the utility bill and whoever pays the utility bill would also pay for the filing fee. Staff will look into this further.

**RESOLUTION TO UPDATE THE PERSONNEL POLICY – FMLA**

City Administrator Ehman Sheldon reviewed proposed changes to the City's FMLA leave policy based upon the new federal guidelines relevant to family medical leave for military leave status. He explained that the changes will be brought back to the council at the next meeting for amendment to the City's personnel policy. Another amendment to the personnel policy is a statement relevant to the city electing to provide FMLA leave benefit for their employees.

**COMMITTEE REPORTS – COUNCIL COMMITTEE MEMBERS SHARE INFORMATION**

Caylor reported the Centennial Committee will meet this Thursday at 4:30 p.m. He commended the Chamber on their annual banquet and thanked Mr. Sheldon for being the master of ceremony. Councilmember Spohr reported that the city has cancelled the contract with Mid Columbia Library District (MCLD) effective the end of 2009. MCL is negotiating with Adams County Library District (ACLD) to continue library services. Last year, we paid MCL approximately \$222,000 and \$42,000 was paid by ACLD for other operating costs. We were charged \$0.32 per \$1,000 in property value. The ACLD did receive the fullest levy amount, which will provide them \$407,000 to pay for library service and operational costs. The City is now out of the library negotiations and should forward any concerns relevant to library services to the ACLD. Councilmember Dever asked if the levy raise approved for the ACLD would impact the Fire District levy amount. Councilmember Johnson advised that it should not impact the Fire District funding, but would impact the County. Mr. Bob Carlson advised that the library levy rate increase will decrease funding for the Hospital District approximately \$45,000. He asked the City to look at options.

**UNFINISHED BUSINESS**

Councilmember Spohr reported that Robin Swartz received a 35 year recognition plaque at the Volunteer Firefighters banquet.

**NEW BUSINESS**

Councilmember Spohr asked for feedback whether Othello has a pigeon problem. Mr. Sheldon advised there are about 180 pairs of pigeons in a shed west of the city and the Code Enforcement Officer is exploring the issue. They have identified where they are nesting and have to find the right solution to control them.

Councilmember Spohr asked for an executive session at the next meeting to discuss property acquisition.

**ADJOURNMENT**

With no further items to discuss, Mayor McKay adjourned the workshop at 8:04 p.m.

By: \_\_\_\_\_  
SHANNON MCKAY, Mayor

ATTEST

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