

CALL TO ORDER:

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

Present: Mayor Shannon McKay; Councilmembers Eleanor Brodahl, Kenneth Caylor, Dan Dever, Mark Snyder, Marc Spohr, and Tim Wilson.

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

Absent Was: Councilmember Kenneth Johnson.

14TH AVENUE AND HWY 26 INTERSECTION

Building Official Curt Andrews advised there are several reasons the 14th Avenue and Hwy 26 intersection improvements are necessary: the Hwy 17 & SR 26 overpass now creates a higher speed in the area; Wal*Mart customers and the new Ashwood Notch development have and will continue to increase traffic; the new Church built on Bench Road has increased traffic, and the Port District has their new business development park. The State Department of Transportation (DOT) has funding for lumination. There are two concepts for improvements: the City's concept and the State's proposal. The goal is to end up with consensus of the design for the intersection improvements and whether the City should appropriate funding towards the project.

Municipal Services Coordinator Jay Van Ness reviewed the intersection designs developed by JUB Engineers and the City's design concept. There are three participants: the City, DOT, and the Othello Port District and he explained which areas is whose responsibility. Staff hopes construction would begin in 2009 and recommends the City's funding portion be \$100,000 with no reimbursement from future developers. The City's out of pocket expense would actually be approximately \$50,000 because there is financial commitments from Wal*Mart and Ashwood Notch development. He asked for Council's direction in order for staff to advise DOT of the City's involvement, and then DOT will perform their review of the design concept, to assure that it meets their road development standards. Staff advised that the intersection would be built to allow new road construction adjacent north of the intersection improvement on 14th Avenue. Mr. Sheldon advised that the Council will discuss the design concept of the remainder of north 14th Avenue at their next meeting. Councilmember Caylor stated that it would be advantageous to construct the three lane design and feels DOT will support the City's concept. Mr. Van Ness advised that the City's design does not require additional right of way acquisitions. The south side of Reynolds Road traffic lanes will be realigned with the N. 14th lanes. He explained that the City's involvement includes the north portion of the intersection, including the deceleration lane, the radius, and right of way design. The State's portion includes the through lanes and center turn lanes on the highway and illumination. The Port's portion will include the south design, including a deceleration lane, approaches, and right of way design. Mr. Sheldon advised that DOT has asked the City for a letter of financial commitment to allow them to design the intersection, slated for 2009 construction. The letter can include the City's recommendation for the design.

Finance Officer Mike Bailey advised that funding may come from the general fund, street reserve and the utility tax funds. Revenues are coming in as expected and projections are steady and believe year end projections will be met. Councilmember Brodahl asked when the Council will discuss improvements to the streets in the industrial area near and around South Broadway, south of the SR 26 overpass. Mr. Sheldon advised that the City has collected taxes from these property owners since 1956. A plan has been submitted; monitoring wells have been dug to discover where water is coming from. A grant application will be submitted for funding the maintenance work in the industrial area. Councilmember Brodahl advised that the City has received taxes from those property owners and we have not fixed the roads and feels that it's past the time for the City to improve the roads in the area. Councilmember Caylor advised when we finalize the road improvements for the South Broadway Avenue area, there is grant money available to help with the project. He suggested the City include water and sewer improvements within the road improvement project and apply for grants for the entire project.

DISCUSSION OF THE INFRASTRUCTURE OFFER FROM THE OTHELLO PORT DISTRICT

Port District Manager Mike Beardsley complimented the staff for their professionalism during the intersection improvements discussions with DOT. He explained that he wants to talk about the City funding a portion of the infrastructure improvement to the Port's business park, totally estimated at \$477,000. He advised the Port is willing to invest half of the cost and guaranteed that the City would not invest more than \$250,000. He reviewed the plans for the new 65 acre business development park, which would be ready for adjacent property development. He noted that the Hovee study declared that the communities within Adams County suffer from the lack of infrastructure and noted mixed use development parks can be successful. He asked that the Council consider the Port District's offer to invest in the water and sewer construction costs for no more than \$250,000. The Port has planned to invest \$4.2 million towards the project and will sell land and build the infrastructure to recover their investment. The Port District has contacted numerous agencies and continues to discuss their developments plans. The SEPA phase will begin in approximately 45 days. They do propose that the water and sewer lines be upsized for future growth. The Port District believes the project will provide new jobs; the economy will diversify and grow; create more retail opportunities and noted there is housing and growth already in the area. They want to develop a corridor with infrastructure ready to support growth. He asked the Council to help drive economic viability for the community. Their objective is not to make money from the development, but to bring economic improvements to the community and create a business identity to attract people into a competitive environment. The Port believes that they will have 75% completion in 20 years with the final design launched in a couple years. Mr. Beardsley explained that in order to get obtain federal grants, he has to have committed tenants. He has been working very hard to acquire the tenants, but has not been successful. He asked for teamwork to support the Port District's economic development project.

Mayor McKay advised that the Council appropriated \$70,000 in the 2008 budget to extend the water on east Columbia Street to Well #7 for future commercial lots. He reported that Adams County reports that tax payers have paid \$726,352 in the past five years through taxation to the Port District, noting the community is already supporting the Port District. He asked what the community has received back from the Port from those taxes. Mr. Beardsley explained that they took over the airport management; they are now on an accrual financial basis; they bought and developed the Bruce water system and a third well is being built, and they have continued to purchase and sell land.

Mr. Beardsley advised that it seemed more beneficial for the community to extend the water from Concrete Drive and under the intersection at 14th Avenue and Hwy 26 and have a looped system. Sewer will come south from 7th Avenue, under the highway. The City's portion would be for the water line from Concrete to S. 7th Avenue; the sewer line from 7th Avenue under the highway, and the water line from 14th Avenue. The Port District's funding would finance all of the internal improvements, including the 12" water line to accommodate growth and fire flow issues. Mr. Beardsley explained that they can not accommodate big industrial users in this development. Councilmember Caylor stated that the 12" water line is necessary and suggested tying the sewer west to the improvements on South Broadway. Councilmember Spohr stated he is surprised the Port District is asking the City for financial support. He explained his priorities, as a Councilmember, are different than the Port District's and the industrial plants are the economic backbone for the community. Housing, schools, and the industrial plants are important to him.

Councilmember Brodahl noted there is a major irrigation drainage line within the Port's development and asked if it will be moved. Mr. Beardsley explained there are several drainage lines that will be abandoned and the large one will be moved. The Port District will pay for that portion of the project. He explained that they expect to construct the water and sewer infrastructure this fall. Councilmember Spohr advised that the 2008 budget was presented to the citizens and adopted by the Council and he would not want to make that much of a change. Mr. Beardsley offered that the Port pay for the infrastructure project and invoice the City the next year for their portion.

Dale Wyman, 848 E. Juniper, noted he supports the business park, if it's developed properly. He is concerned that the Port's project includes a housing element and believes that is beyond the Port's authority. He stated there may be problems if the City expends money towards the project, because of the residential element. He suggested that the project be planned correctly and within the scope of the entity's authority and not include the housing portion of the project, eliminating the potential problem. Mr. Wyman stated that the Port District reports they have a potential housing developer and suggested that they be linked up with local Realtor and bring the housing into the community, and not have it included in the Port's development. Mr. Dave Sperl asked the status of the Ashwood Notch development? Mr. Sheldon advised they are moving forward and suggested Mr. Sperl contact City Hall for an update.

COUNCIL RETREAT PREPARATIONS

Mayor McKay asked that the Council help set a date and location. The consensus was to keep it in Othello and suggested August 4th and 5th.

WELL #6 DISCUSSION

Mr. Van Ness advised the well and pipe are out of the well hole. The lower section of the bowls is being inspected for repairs. The project includes replacement of 750 feet of pipe column. He reviewed quotes from six vendors for pipe. He explained that the video will provide the visual condition of the hole. The video will begin tomorrow and Council will view this next Monday night. It was noted that McCain Foods is currently on the City's water system and it is necessary to get Well #6 back on line before the summer time. Staff suggested that the Council allow the staff to secure the pipe order and recommended purchase from Schneider Equipment Inc. Council consensus was for staff to proceed.

COMMITTEE REPORTS – COUNCIL COMMITTEE MEMBERS SHARE INFORMATION

Councilmember Caylor advised the engineering committee is reviewing the engineer proposals and have met with four of those.

UNFINISHED BUSINESS

NEW BUSINESS

Mayor McKay made the following announcements:

- The engineering review committee will meet tomorrow.
- McCain is on a scheduled well maintenance shut down, and as of this morning they are on City water.
- In 2010 we will celebrate the City's Centennial. The following Councilmembers volunteered to be on the committee: Wilson; Caylor; and Dever.

ADJOURNMENT

With no further items to discuss, Mayor McKay adjourned the workshop at 9:07 p.m.

By: _____
SHANNON MCKAY, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk