

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, 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 City Attorney James Whitaker.

Absent Was: Councilmember Charles Garcia.

APPROVAL OF AGENDA

Council carried a motion to approve the agenda. M/S Caylor/Dever.

CONSENT AGENDA:

- A. Approval of City Council Minutes of October 25, 2010
- B. Approval of City Council Workshop Minutes of November 1, 2010
- C. Approval of Accounts Payable Checks
- D. Approval of Payroll for October 2010
- E. Set Public Hearing on the 2011 Budget for November 22, 2010
- F. Set Public Hearing – Water Rate Increase – Adams County Water District #1 for December 13, 2010
- G. Set Public Hearing – City Water Efficiency Program for November 22, 2010
- H. Resolution to Accept a Shop-with-a-Cop Donation
- I. Motorola Maintenance Contract

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. 38975 to No. 39034 in the amount of \$429,394.19.

Payroll Check No. 26919 to No. 26958 in the amount of \$261,450.42.

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

PUBLIC HEARING ON THE 2011-2016 CAPITAL FACILITY PLAN

Mayor Wilson opened the public hearing at 7:03 p.m. Finance Officer Mike Bailey reviewed the capital projects in administration; police department; and the street, water and solid waste funds. The total amount for capital projects proposed for 2011 is \$2,086,500. Mayor Wilson asked for public comments; there was none. Mayor Wilson asked for Council comments; there was none. Mayor Wilson closed the public hearing at 7:06 p.m.

REVIEW OF THE HOTEL/MOTEL FUND REQUESTS

Finance Officer Mike Bailey advised that applications for 2011 funding was received. The estimate for funding is \$42,588. Using the approved Council policy and formula the amounts are as follows:

	<u>Requested</u>	<u>Recommendation</u>
1946 Caboose Project	\$1,681	\$1,681
Adams County Fair	\$4,413	\$4,413
American Fiesta Amistad	\$4,950	\$3,357
Coulee Corridor Project	\$1,200	\$1,269
Greater Othello Chamber	\$15,000	\$12,776
Othello All City Classic Cars	\$2,100	\$1,905
Othello Community Museum	\$800	\$684
Othello Rodeo Association	\$6,000	\$4,877
Sandhill Crane Festival	\$10,000	\$9,069
The Old Hotel	\$2,800	\$2,480

Mr. Bailey advised that staff recommends approval of the allocations, as presented. Councilmember Spohr commented that he has questions about the Chamber's projected revenues vs. expenditures. Based upon the fact that their ending balance is approximately

\$15,000, he asked that the City get the fireworks funding back. Mike Beardsley from the Chamber explained that they were working on a low budget at the first of 2010. They made several cuts and tried to increase their membership to help with revenues. When the request for additional funding for the fireworks was presented to the City, they had no idea how their budget was going to end up. They have been surprised that they have done well and are trying to create a reserve fund to help with next year's events. Councilmember Spohr suggested that the City not budget for fireworks in 2011. Chamber President Janelle Anderson explained that they have to pay for the fireworks prior to getting community sponsorship. They believe that they need to have a reserve fund as a good business practice. Mayor Wilson stated he would like to keep the Chamber's funding as recommended by staff.

AWARD OF WELL #6 REHABILITATION

City Engineer Larry Julius reported that the city received 4 bids for the rehabilitation of Well #6. It is high in fluoride. The City has received a grant from the Community Development Grant Block program to reduce the high fluoride concentrations.

Bids were received as follows:

Holt Services, Inc.	\$266,449.80
Blue Star Enterprises Northwest, Inc.	\$268,442.25
Person Pump and Well Drilling, Inc.	\$284,032.90
Schneider Equipment, Inc.	\$457,294.20
Engineer's Estimate was	\$270,327.00

Mr. Julius explained that the line items were reviewed with the low bidder and they even have ideas that could reduce other costs. It was noted that Schneider Equipment has worked on the well and they submitted the high bid. Mr. Sheldon advised that he spoke with a representative from Schneider, who indicated that they may have misinterpreted the scope of work. Mr. Julius said that the work will be done by mid January.

Council carried a motion to approve the Well No. 6 rehabilitation project to Holt Services, Inc., in the amount of \$266,449.80 contingent upon concurrence from the Community Development Block Grant program. M/S Snyder/Caylor.

BUDGET CLEAN UP ITEMS FROM GENERAL FUND

City Administrator Ehman Sheldon explained that there were four questions outstanding from the discussion from the last meeting relevant to the general fund. He explained that the fire department is working on costs for a generator for the City fire station and this will be discussed later. Roger Krug explained the goals and projects for the Adams County Development Council (ACDC). He explained the steps taken to reduce their expenditures. Councilmember Spohr said he feels there is duplication of efforts from several entities for economic development and thinks that the ACDC budget figures are inaccurate. Mr. Krug explained that their seed money came from the old Adams Council Economic Council and the financial program that they use is complicated to explain. Mr. Krug stated that their treasurer can explain their budget clearly and noted that they are audited quarterly by the State. Mayor Wilson asked that ACDC come back to the next Council meeting to explain their budget.

Terry Clements from Public Works explained that they would like to replace the 14 year old trim mower and the 13 year old walk behind mowers. Council's consensus was to budget these.

PRELIMINARY BUDGET DISCUSSIONS

Finance Officer Mike Bailey reviewed the estimated ending balance of the general fund and explained that he has removed increases in salaries and benefits; leaving them at the 2010 rates. Mr. Sheldon advised that the union negotiations have moved to mediation and will not be complete by yearend. When completed, the collective bargaining unit agreements will be brought to the council. Mr. Bailey then reviewed the street fund and reserves; water fund and reserves; sewer fund and reserve; solid waste fund and reserve; real property reserve fund; LEOFF fund; Fire Dept. reserve fund; donations fund; debt service funds; and special revenue funds. Council gave direction on funding options for various budget items. Mr. Sheldon advised that the PWTF loan for the SR 24 industrial area project was at 2%, if we do not begin construction within five year, the percent will increase. The engineering is almost complete.

Mayor Wilson called a five minute break at 8:46 p.m. The meeting was called back to order at 8:57 p.m.

Mike Schwisow, Director of Public Relations of the Columbia Basin Development League, gave a report on their projects, goals, economic activity, and their request for funding of \$6600. Council's consensus was to fund this request. Staff and Council reviewed the capital expenditures in the water, sewer, and solid waste funds. Mr. Bailey reviewed a proposed 4% water rate increase. Mr. Sheldon advised he has reviewed sections of the water comprehensive plan, which will be complete by the end of November. Councilmember Spohr asked that we discuss a higher 3rd block rate to encourage water conservation.

UNFINISHED BUSINESS

Mr. Sheldon reported that the School District and Nazarene Church had previously agreed to jointly pave the walk path between their properties. There still are issues about replacement of the walk path.

NEW BUSINESS

Councilmember Johnson advised that he is feeding lunch to the MRM Construction crew on Thursday and invited the other Councilmembers.

Mayor Wilson made the following announcements:

- The Mayor's luncheon is Wednesday, November 10th at the Othello Senior Center.
- ACDC will meet here in Othello on Wednesday at 6:00 p.m.
- Veteran's day is Thursday, November 11th.
- Fall clean-up is Saturday, November 13th from 8:00 a.m. to 2:30 p.m. for vegetation only.

ADJOURNMENT

With no further items to discuss, Mayor Wilson adjourned the Council meeting at 9:44 p.m.

By: _____
TIM WILSON, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk