

CALL TO ORDER:

Mayor McKay called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

Present: Mayor Shannon McKay, Councilmembers: Ken Caylor, Dan Dever, Kenneth Johnson, Mark Snyder, Marc Spohr, and Tim Wilson.

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

Absent Was: Councilmember Eleanor Brodahl.

APPROVAL OF AGENDA

Mayor McKay advised that item Consent Agenda item D be moved to be agenda item 7.B.

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

CONSENT AGENDA:

- A. Approval of City Council Minutes of October 26, 2009
- B. Approval of City Council Workshop Minutes of November 2, 2009
- C. Approval of Accounts Payable Checks
- D. Ordinance to Amend OMC 17.13.030 Regarding Rezone
- E. Set Public Hearing on the 2010 Budget for November 23, 2009
- F. Set Public Hearing on the 2010-2015 Capital Facility Plan for November 23, 2009

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. 37451 to No. 37507 in the amount of \$168,804.08.

Payroll Check No. 26189 to No. 26248 in the amount of \$ 257,633.68

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

EMPLOYEE RECOGNITION: SERGEANT NELS LARSON 25 YEARS OF SERVICE

Mayor Shannon McKay presented a plaque of appreciation to Police Sergeant Nels Larson.

ORDINANCE(S) REGARDING RESIDENTIAL VEHICLE PARKING

City Planner Darryl Piercy explained that he has found many elements of the Municipal Code that already address the residential parking requirements and provides an opportunity for enforcement. He believes that the existing code has a substantial level of regulatory elements. He recommended that changes to the ordinance be tabled and allow staff time to review existing codes and decide if the current codes are adequate to address the Council and community's concerns. Council's consensus was to table the ordinance revision issue and use the current codes to bring those areas of concern into compliance. Mayor McKay asked staff to consolidate the current codes into an easier format. Councilmember Snyder suggested that the code regarding acceptable surfaces be changed to include gravel. Mr. Piercy advised that there is a more recent code that allows gravel as an acceptable type of improved surface.

Council carried a motion to table the discussion to revise the current codes relevant to residential parking. M/S Caylor/Dever.

THIRD QUARTER REPORT FROM ADAMS COUNTY FIRE DISTRICT 5

Fire Chief Gary Lebacken advised that there have been 94 fire incidents as of September 30th. He reported on staff training, business inspections and fire prevention classes in local schools. He advised that the command truck is due to be replaced in 2011, noting that the city is saving \$20,000 per year towards that purchase. It was reported that pumper truck #8112 is due to be replaced in 2013. There was further discussion regarding replacement of the truck and the command vehicle. The Council thanked the Fire Department volunteers.

ORDINANCE TO AMEND OMC 17.13.030 REGARDING REZONE

The City Planner reported that the Planning Department held a public hearing on a request submitted by Eric Olsen to rezone a portion of property from C-1 to C-2 on the west side of south 1st Avenue. The Planning Commission is recommending approval of the rezone subject to three conditions: the applicant shall meet all building code requirements as adopted by the City for development of this site; development on this site is subject to review under the Site Plan Review process as outlined in Othello Municipal Code; and to insure consistency of new development along 1st Avenue, any development shall be subject to the development standards that would normally be applied within the C-1 zone. As such, the site may have additional landscaping requirements and additional restrictions on signage. Mr. Piercy explained that all of 1st Avenue is currently zoned C-1. The applicant wants to build a mini storage and office building. In order to allow the mini storage, it would have to be zoned C-2. The Council recently adopted commercial design standards and the Planning Commission wants to assure harmonious development of the commercial property located on south 1st Avenue. He advised they did not receive any negative responses to the rezone proposal.

Council carried a motion to confirm the recommendation of the Planning Commission and adopt AN ORDINANCE AMENDING SECTION 17.13.030 OF THE OTHELLO MUNICIPAL CODE. M/S Dever/Snyder. This shall be known as Ordinance No. 1309.

REVIEW OF HOTEL/MOTEL FUND REQUESTS

Finance Officer Mike Bailey reported that Council had requested that all requests for tourism funding be presented to them for consideration. The Lodging Tax Advisory Committee reviewed the 12 applications for tourism funding prior to this meeting. The estimated available funding in 2010 is \$59,892. In 2009, the Old Hotel was granted \$5,000 in additional funding to purchase a new furnace. They were not able to complete the project and requested that the unused amount be carried forward into their funding allocation in 2010. There was a request from Pet Rescue that was not approved by the Lodging Tax Advisory Committee because it does not meet the criteria established in the OMC as a tourism operation. The Committee reviewed each request for compliance with RCW 67.28.080 regarding tourism funding requirements. Their recommendation will leave an ending fund balance of \$43,933 in the Tourism Fund. Mr. Bailey recommended revising the Hotel/Motel funding formula, by removing the funding limit of 5% above the previous 5-year average funding and replacing it with a percentage based on the availability of new funding, equitably distributed over the number of applications, whichever is less. He explained that the old formula would continue to build reserves in the tourism fund. The proposed policy would provide for equitable increases of the applications that meet the criteria set by state law. Mr. Bailey reviewed the State's policy for use of the tourism funds.

Council carried a motion to approve the new Hotel/Motel Tax Fund Allocation Policy Number 2009-03, as presented. M/S Caylor/Johnson.

The Lodging Tax Advisory Committee made a recommendation to allocate the Hotel/Motel tax funding as follows:

1946 Caboose Project	\$ 1,854	Othello Centennial Committee	\$ 4,000
Adams County Fair	\$ 4,866	Othello Community Museum	\$ 754
American Fiesta Amistad	\$ 3,701	Othello Rodeo Association	\$ 5,377
Coulee Corridor Project	\$ 1,399	Othello Sandhill Crane Festival	\$10,000
Greater Othello Chamber	\$14,173	The Old Hotel Art Gallery	\$ 7,735
Othello All City Classic Cars	\$ 2,100		

PRELIMINARY BUDGET DISCUSSIONS

Councilmember Spohr asked about whether there is money allocated for a Public Works service vehicle in 2010. Mr. Sheldon advised there is a request to purchase one vehicle and the funding is allocated in water, sewer, and parks.

Municipal Services Coordinator Jay Van Ness reviewed the capital projects in the street fund. Mr. Sheldon advised that last March, the County approved \$50,000 towards the City's Main Street project, with a condition that we must start the project within one year. Gray & Osborne has been tasked to design Main Street, including the infrastructure. This would meet the criteria set by the County, and the City could be reimbursed for the engineering costs up to \$50,000.

Finance Officer Mike Bailey reviewed the 2010 street fund expenditures, revenues, and capital expenditures. He explained that approximately \$770,000 in the utility tax fund can be used for new and reconstruction of streets.

Mr. Sheldon explained that we will know by February whether we will have a chance to contract for a Coyote Ridge work crew. If we are able to obtain a work crew, Council will be asked to amend the budget to cover that expense. Salaries for temporary help have been budgeted for summer time employees. Councilmember Johnson suggested that we prioritize the street projects and supported the street overlay projects. He suggested that the amount allocated for the middle two lanes on Broadway Avenue be used for repair of residential streets. Councilmember Wilson stated that Broadway Avenue is traveled by heavy trucks and he is concerned that the street will deteriorate quickly. Council's consensus was to budget for widening Olympia Street from 4th to 7th and not budget for widening of Olympia Street from 7th to 14th Avenue. Mayor McKay suggested budgeting \$50,000 for the engineering of the Main Street project. Mr. Van Ness explained the phases of reconstruction of Main Street: Phase 1 - 1st Avenue east to 4th Avenue; Phase 2 - 4th Avenue to 11th Avenue; and Phase 3 - 11th Avenue to 14th Avenue. Project estimate is \$7 million, which does not include upgrades to infrastructure, curbs, and gutters. The budget committee discussed beginning with Phase 3 of the Main Street project and work westward. The \$1 million for Phase 3 would be for reconstruction of the street and not include reconstruction behind the curb. Mr. Bailey advised there is approximately \$727,000 available in the utility tax fund; approximately \$400,000 in the real estate excise tax fund, and approximately \$1.4 million in the general fund. It was decided to budget the Hamlet Street sidewalk project out of the sidewalk construction fund. Mr. Van Ness explained that the west portion of Main Street has been over layed so much that building it up more would increase problems with curbs, gutters and access. He advised that the \$14 million Main Street project includes reconstruction of Main Street, including curbs, gutters and sidewalks. This cost could be reduced by only including reconstruction of the street. Mr. Sheldon stated that there is funding in the water and sewer reserve funds to pay for the infrastructure of Phase 1. He advised that we have applied for two different types of funding for Main Street; unfortunately we have not been awarded this funding. There was a discussion of other types of funding options. Mr. Van Ness stated that we could concentrate on constructing Main Street and infrastructure and not include sidewalk and approaches. Mr. Sheldon suggested not appropriating money towards the first phase of Main Street until an engineer's estimate is available and to research other funding opportunities. Then, come back to Council with the engineer's estimate to make a decision. It was decided to appropriate \$50,000 for engineering costs. It was noted that two manual roll covers for the lap portion of the pool would be approximately \$5,000 and it would be appropriated in the capital projects of the general fund.

Mr. Bailey reviewed the 2010 water fund expenditures, revenues, and capital expenditures. It was noted that when a well is drilled, new infrastructure would need to be extended to that location.

Mr. Bailey reviewed the 2010 sewer fund expenditures, revenues and capital expenditures. They reviewed the solid waste fund expenditures, revenues and capital projects. Councilmember Caylor advised that we may be able to negotiate a lower garbage collection rate. They reviewed the tourism fund, real estate excise tax fund, utility tax fund, sidewalk fund, reserve funds, and debt service fund.

NEW BUSINESS

Councilmember Spohr asked if the solar signs for the schools will be completed by the school. Mr. Van Ness advised the City installed the sleeves for the sign poles and the school district will install the solar signs.

Councilmember Caylor advised that the signs for the City Centennial have been erected at the City entrances.

Mayor McKay made the following announcements:

- Fall clean up is scheduled for November 14th.
- Wednesday is Veterans Day and City Hall will be closed.
- The Mayor's luncheon is scheduled for Thursday, November 12th at the Senior Center.

ADJOURNMENT

With no further items to discuss, Mayor McKay adjourned the Council meeting at 9:43 p.m.

By: _____
SHANNON MCKAY, Mayor

ATTEST:
By: _____
DEBBIE L. KUDRNA, City Clerk