

CALL TO ORDER:

Mayor Pro Tem Tim Wilson called the meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

Present: Councilmembers: Eleanor Brodahl, 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, Municipal Services Coordinator Jay Van Ness; and City Attorney James Whitaker.

Absent Was: Mayor Shannon McKay.

APPROVAL OF AGENDA

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

CONSENT AGENDA:

- A. Approval of City Council Minutes of November 9, 2009
- B. Approval of Accounts Payable Checks

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. 37508 to No. 37559 in the amount of \$156,064.07.

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

ORDINANCE TO ADOPT AD VALOREM

Finance Officer Mike Bailey explained that each year Council must pass an ordinance fixing the amount provided by property taxes in the city for collection the following year. He reviewed the levy limit calculations provided by the Adams County Assessor's Office and advised that the amount of total collection for 2010 is \$1,316,301.

Council carried a motion to approve AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OTHELLO WASHINGTON FIXING THE AMOUNT TO BE PROVIDED BY AD VALOREM TAXES UPON PROPERTY IN 2010. M/S Caylor/Snyder. This shall be known as Ordinance No. 1310.

APPROVAL OF TOURISM FUNDING

Finance Officer Mike Bailey advised that the amount available in the tourism fund for 2010 is approximately \$59,892. The Lodging Tax Advisory Committee reviewed each request for compliance with RCW 67.28.080 and they recommend distributing \$55,959 in 2010. He explained that The Old Hotel has asked that the \$5,000 approved for allocation in 2009 for their heating system be carried into 2010. With the recommendations from The Lodging Tax Advisory Committee, it would leave an estimated balance of \$43,933 in the tourism fund. Mr. Bailey explained the new tourism fund allocation policy, which was recently approved by the Council.

Council carried a motion to approve the recommended distribution of tourism funds in 2010. M/S Johnson/Dever. Casting an opposing vote was Councilmember Spohr. Councilmember Spohr stated that he is still opposed to the use of tourism funds for a heating system for The Old Hotel.

PUBLIC HEARING ON THE 2010-2015 CAPITAL FACILITY PLAN

Mayor Pro Tem Wilson opened the public hearing at 7:13 p.m. Finance Officer Mike Bailey explained that the total capital facility plan amount is \$24,420,200. He reviewed the 2010-2015 capital facility plan with Council. Mayor Pro Tem Wilson asked for public comments. There were none. Mayor Pro Tem Wilson asked for Council comments. Councilmember Brodahl asked if there are written assurances for financial commitments for a community center. Mr. Sheldon advised there are no written commitments. Councilmember Brodahl stated that with the current economic climate, that funding could be appropriated towards streets. Mr. Sheldon explained that the Council had directed staff to have the

community center in the capital facility plan and Councilmember Caylor has indicated that over the three year period he would research assisted funding. Councilmember Brodahl asked why \$1 million was not funded towards reconstruction of Main Street. Mr. Sheldon explained that Council has identified Main Street as a priority and there will be a discussion of funding and construction options at the January workshop. Councilmember Brodahl asked when Well #9 will be completed. Mr. Sheldon advised that it was budgeted for 2009 and negotiations are on-going for a well site. Councilmember Spohr advised that he is still concerned of purchasing a new Public Works vehicle. Municipal Services Coordinator Jay Van Ness advised that it will replace a 1998 Chevrolet one-ton 4-wheel drive. The public hearing was closed at 7:25 p.m.

ORDINANCE TO ADOPT THE CAPITAL FACILITY PLAN 2010-2015

Council carried a motion to adopt AN ORDINANCE ADOPTING A SIX-YEAR CAPITAL FACILITY PLAN FOR 2010-2015. M/S Johnson/Caylor. Councilmembers Spohr and Brodahl cast opposing votes. This shall be known as Ordinance No. 1311.

PUBLIC HEARING ON THE 2010 BUDGET

Mayor Pro Tem Wilson opened the public hearing at 7:28 p.m. Finance Officer Mike Bailey reported that the total for the proposed 2010 budget is \$17,815,950, which includes reserve funds. He reviewed the estimated expenditures, ending fund balances, and budget amounts. Mayor Pro Tem Wilson asked for public comments. There were no public comments. Mayor Pro Tem Wilson asked for Council comments. Councilmember Spohr stated that we budget \$15,000 for an audit and he would like to have that money appropriated to playground equipment. He also brought up his concern of the 5% increase for nonunion staff and suggested a \$1,000 increase for nonunion employees. He advised that the City does not have excess money and will oppose the budget with the 5% salary increases. Finance Officer Mike Bailey advised the State requires the city to have an audit every two years, with annual audits as an option. Staff and the Mayor have chosen to have annual audits and the City has had 11 years straight of clean audits. Bi-annual audit costs will increase, although it would not be twice as much as the annual costs. Mr. Sheldon stated that if we receive federal grants, the federal grant program will require annual audits. He explained that the audit is also to report to the public on the financial condition of the city. Councilmember Caylor stated that it makes sense to perform annual audits. Councilmember Brodahl stated that she does not know of anyone else that are getting 5% increases. The public hearing was closed at 7:43 p.m.

ORDINANCE TO ADOPT THE FY 2010 BUDGET

Finance Officer Mike Bailey stated that the Council has reviewed the proposed budget and have made adjustments at both committee and Council level. This budget reflects those changes.

Councilmember Johnson made a motion to adopt AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OTHELLO WASHINGTON, FIXING THE BUDGET FOR 2010, SETTING FORTH APPROPRIATIONS AND ESTIMATED REVENUES AND ADOPTING, BY REFERENCE, THE FINAL BUDGET FOR 2010, as presented. Seconded by Councilmember Caylor.

Councilmember Spohr made a motion to table the motion to approve the 2010 budget as presented. Seconded by Councilmember Brodahl. Councilmembers Snyder, Dever, Caylor, Johnson and Wislon cast opposing votes. Therefore, this motion died.

Councilmember Johnson stated that he supports the 5% increase for nonunion employees, who work just as hard and are conservative. There are some areas in the budget that he doesn't agree with, but he has to make a compromise. He feels this is a good budget and the Council does watch the city funds. Councilmember Caylor stated that the City worked hard negotiating the union contracts and at that time, they felt they were doing the best job. They will negotiate new union contracts and will be able to equalize the COLA's. Councilmember Spohr stated that his comments relevant to the annual increase are not related to performance; he feels it's the general standard being set nationally.

Mayor Pro Tem Wilson asked for votes on the original motion to adopt AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OTHELLO WASHINGTON, FIXING THE BUDGET FOR 2010, SETTING FORTH

APPROPRIATIONS AND ESTIMATED REVENUES AND ADOPTING, BY REFERENCE, THE FINAL BUDGET FOR 2010, as presented. Councilmembers Spohr and Brodahl cast opposing votes. The motion passed. This shall be known as Ordinance No. 1312.

City Administrator Ehman Sheldon stated that department heads and staff worked hard to present a conservative budget.

ORDINANCE TO AMEND THE 2009 BUDGET

Finance Officer Mike Bailey reported that the budget amendment includes: an increase in the general fund; an increase in the street fund to cover the pass through funding for the walk path and to cover the costs on the SR 24 Industrial project; and appropriation of the anticipated utility tax revenue into the general fund.

Council carried a motion to adopt AN ORDINANCE AMENDING THE 2009 BUDGET FOR THE CITY OF OTHELLO AND AMENDING ORDINANCE 1282. M/S Dever/Johnson. This shall be known as Ordinance No. 1313.

TASK ORDER AGREEMENT EXTENSION WITH GRAY & OSBORNE – SR 24 INDUSTRIAL AREA

Municipal Services Coordinator Jay Van Ness reported that the City received a Public Works Trust Fund loan in the amount of \$570,000. A task order agreement was entered into with Gray & Osborne for the engineering and design. That task order has expired and due to the complexity of the project, he recommends extending the agreement with Gray & Osborne.

Council carried a motion to approve the extension of the task order agreement with Gray and Osborne to complete the design engineering for the SR 24 Industrial Area. M/S Caylor/Snyder.

DISPATCH AGREEMENT WITH ADAMS COUNTY PUBLIC HOSPITAL DISTRICT #3

Police Chief Steve Dunnagan presented the agreement for dispatch services to the Public Hospital. The only change is the term of the agreement to 2010 and 2011 and a 5% increase in the second year of the agreement.

Council carried a motion to approve the Interlocal Agreement to provide emergency dispatch services to the Othello Hospital District. M/S Brodahl/Snyder.

DISPATCH AGREEMENT WITH ADAMS COUNTY FIRE DISTRICT #5

Police Chief Steve Dunnagan presented the agreement for dispatch services to the Adams County Fire District #5. The only change is the term of the agreement to 2010 and 2011 and the 5% increase in the second year of the agreement. The Fire District Commissioners have approved the agreement.

Council carried a motion to approve the Interlocal Agreement to provide emergency dispatch services to the Adams County Fire District #5. M/S Dever/Johnson.

RESOLUTION TO ABATE 926 E LARCH STREET

City Attorney Jim Whitaker advised that this is the due process hearing required by State and Federal laws when considering entering upon private property to correct violations of City codes. It was noted that Mr. Daniel Kusske was not present. Mr. Whitaker swore in Police Chief Dunnagan. Police Chief Dunnagan advised that he is familiar with the property located at 926 E Larch Street and has received several nuisance complaints and other issues about the property. He has personally talked to the home owner in an attempt to get him to clean up the garbage and filth upon the property. He has also helped the owner clean up the property. He advised that according to the tax records, the owner of property is the estate of Joyce L. Kusske. Police Chief Dunnagan advised that he does not know who Randolph Kusske is. He advised that he has had contact with Mr. Danny Kusske. Police Chief Dunnagan verified the home located at 926 E Larch Street is known as the Kusske residence. Police Chief Dunnagan explained that on October 5, 2009, he delivered a letter to Mr. Daniel Kusske and had a conversation relevant to the nuisances and what the property owner needed to do. Police Chief Dunnagan advised there has been an improvement, but not to the level that is required in the ordinances. On November 4, 2009, Police Chief

Dunnagan delivered a 2nd letter to Mr. Daniel Kusske advising him that the Council was going to discuss this matter at this date and time.

Pictures were provided and Police Chief Dunnagan explained each picture, which depicts the conditions of the property. Police Chief Dunnagan stated there has been a substantial amount of junk, scrap metal, and appliances removed from the property by volunteers and a car has been removed. Chief Dunnagan then showed a picture of the current state of the property, noting there is still work to be done. The land owner has also bagged up some stuff, but he is not real serious or capable of doing the big job in a short period of time. Chief Dunnagan advised that he believes Mr. Daniel Kusske should be able to clean up the property if he focuses on it. Mr. Whitaker explained that Chief Dunnagan has provided information that there are violations of OMC 8.26.030 and asked the Chief if there is still trash; dirt; filth; shrubbery waste; yard trimmings; filthy, littered or trashed covered dwellings and yards; bottles, cans, ashes, pieces of metal wire; broken glass and crockery; general household trash, and sections of the fence or structures leaning, sagging, decaying, fallen or dilapidated upon the property. Chief Dunnagan answered yes to all of the above. He advised that all of the inoperable vehicles are gone. Chief Dunnagan advised there are safety and fire hazards upon the property. Councilmember Brodahl noted that it appears that there are no windows left on the dwelling and asked if it is a health issue. Mr. Sheldon advised that the condition of the dwelling is a separate issue and the current discussion is solely on the property nuisance. Councilmember Spohr stated that there are several inoperable vehicles on the front yard.

City Attorney Jim Whitaker presented a resolution and he noted that the estate of Joyce L Kusske is the owner of the property and there appears to be a Joshua Kusske that has signed as a receipt of a notice. Police Chief Dunnagan advised that both letters were given to Mr. Daniel Kusske in person and conversations were held. The second advisement letter was sent to the address and Joshua Kusske signed as recipient of the letter. Mr. Whitaker recommended that the resolution reflect the official property owner name. If the Council is convinced that the allegations relevant to the violations exist and they should be corrected, this would give Daniel Kusske 30 days to clean up the property, or the city will then proceed to abate the property.

Council carried a motion to approve A RESOLUTION DETERMINING THAT THE ESTATE OF JOYCE L. KUSSKE IS THE RECORD OWNER OF CERTAIN REAL PROPERTY WITHIN THE CITY; THAT A NUISANCE REQUIRING ABATEMENT BY CITY FORCES OR FORCES CONTRACTED BY THE CITY EXISTS ON SUCH PROPERTY; AND DIRECTING THE USE OF SUCH FORCES TO ABATE THE NUISANCE FOUND. M/S Brodahl/Snyder. This shall be known as Resolution No. 2009-22.

NEW BUSINESS

Councilmember Caylor stated that he believes the Council did a good job on the budget process.

ADJOURNMENT

With no further items to discuss, Mayor Pro Tem Wilson adjourned the Council meeting at 8:19 p.m.

By: _____
TIM WILSON, Mayor Pro Tem

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk