

**CALL TO ORDER:**

Mayor Shawn Logan called the meeting to order at 7:00 p.m. and led an invocation and the Pledge of Allegiance.

**Present:** Mayor Shawn Logan; Councilmembers: Eugene Bain, Genna Dorow, Corey Everett, Angel Garza, Kenneth Johnson, John Lallas, and Mark Snyder.

**Also Present:** City Administrator Wade Farris; Department Heads: Police Chief Phil Schenck; City Clerk Debbie Kudrna, Finance Officer Spencer Williams, and City Attorney Katherine Kenison.

**CITIZEN INPUT**

Eric Morgan, representing the Othello Museum, announced that their opening is scheduled for June 13, 2015 and they are highlighting the Air Force Base. He encouraged the city to have the jet cleaned up and refurbished.

Sean Bates, 1156 E. Juniper Street, advised that he noticed that the American Fiesta Amistad received close to \$4,000 a couple years ago and the proposal is to allocate \$2,000 for advertising from the tourism funding in 2015. He noticed the allotment for increases for other events. He asked that American Fiesta get at least what they have received in the past to help with their advertising. He asked that the proposal be sent back to the committee for further review.

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA:**

- A. Approval of City Council Minutes of November 10, 2014
- B. Approval of Budget Workshop Minutes of October 27, 2014
- C. 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.

Accounts Payable Check No. 44632 to No. 44635 in the amount of \$3,325.79.  
Accounts Payable Check No. 44636 to No. 44701 in the amount of \$125,862.43.  
Accounts Payable Check No. 5130 to No. 5134 in the amount of \$27,968.54.

Council carried a motion to approve the Consent Agenda, as presented. M/S Dorow/Garza.

**ACDC PRESENTATION – STEPHEN MCFADDEN**

Stephen McFadden, Director of the Adams County Development Council (ACDC) explained that they are moving forward with a major project to put Adams County on the national stage for industry recruitment for the entire county. The ACDC approved a professional services agreement with The Boyd Company, Inc., who has a proven track record of representing firms from very recognizable industrial sectors. The Boyd Company is going to completely analyze the economics of locating manufacturing/industrial complexes inside Adams County. The professional services agreement with The Boyd Company, Inc. will provide various reports and media, such as an internal report for ACDC; a target industry cost study; national business media coverage, and site selector support. The professional services contract is \$78,500. The ACDC Board has approved an investment of \$25,000; Adams County has also committed \$25,000; the Port of Othello has committed \$10,000 and Ritzville has committed \$2,500. Mr. McFadden explained that in an effort to ensure that every jurisdiction is represented in Adams County, he asked the City to financially support \$10,000 towards the service agreement. Mr. McFadden noted that Adams County and ACDC is funding a large amount and the rest was based upon population and how much the communities may benefit from the project. In response to a question of what

we can do to not let the new business locate in Grant County, Mr. McFadden noted that we do have Big Bend Electric Cooperative and they are very competitive to other providers. He stated that any leads The Boyd Company obtains will not be shared with other entities. He believes that the report will clearly identify what the natural gas supply is. Councilmember Johnson stated that he spoke with Mr. Boyd on the phone and they feel we have a lot of potential for the County. Mr. McFadden noted that the original cost was reduced to \$78,500. Mayor Logan explained that this is a collective support of the entities in Adams County and the company will bring the industries here and we have to be ready. Mr. McFadden noted the results will be published nationally and he proposed that ACDC will invite all of the councilmembers and board members in Adams County to hear the results collectively.

Finance Officer Spencer Williams explained that the cost can be split between several funds and noted that we would get an invoice in 2015.

Council carried a motion to commit \$10,000 from the 2015 budget. M/S Dorow/Garza.

**TOURISM FUND (HOTEL/MOTEL TAX)**

Finance Officer Spencer Williams advised that the Lodging Tax Advisory Committee (LTAC) reviewed the requests submitted for the 2014 year. The restricted revenues can be used for to promote tourism into our community. He noted that the committee members include a councilmember; representation from two organizations that receive the funding, and two motels that collect the tax. The LTAC made the following recommendations:

	<u>2015 Request</u>	<u>LTAC Recommendation</u>
1946 Caboose Project	\$ 3,000	\$ 1,524
Adams County Fair	\$10,000	\$ 5,487
American Fiesta Amistad	\$ 4,500	\$ 2,000
Coulee Corridor Project	\$ 1,300	\$ 985
Greater Othello Chamber	\$10,886	\$10,886
Othello All City Classic Cars	\$ 2,500	\$ 2,258
Othello Community Museum	\$ 1,400	\$ 620
Othello Rodeo Association	\$ 9,000	\$ 8,000
Othello Sandhill Crane Festival	\$ 8,076	\$ 8,076
Distinguished Young Women	\$ 4,000	-
The Old Hotel	\$ 5,000	\$ 2,250

Mr. Williams advised that based upon the proposal, it will keep approximately \$40,000 in the fund. He explained that the American Fiesta Amistad was approved \$2,000 in 2014 and recommended to receive \$2,000 in 2015. Mr. Emil Martinez explained that the funds that they receive in 2014 will be used for expenses in 2015. He noted that they submit their bills and get reimbursed for tourism promotion. Mayor Logan clarified that American Fiesta Amistad submitted an application in 2013 for 2014 money. The LTAC elected to not fund them until they knew for sure that they were going to have an event. American Fiesta Amistad had an event in 2014 and they made a request to use that funding to help with expenses. The LTAC held off on the allocation until they met last week. Mayor Logan explained that the funding would have been used to run this years' event and is now getting reimbursement. Mr. Martinez noted that this years' attendance was low due to other conflicts.

Mr. Williams noted that the 2015 budget includes an allocation of \$42,087. Councilmember Dorow noted that they looked at the reimbursements submitted by the American Fiesta Amistad and recommended \$2,000. She noted the amount can be changed or we could use a portion of the estimated ending balance. She noted that the application from the Distinguished Young Women application was reviewed and their application did not seem to attract tourism.

Mr. Martinez stated that their application includes a budget showing how the funding will be used. The application is reviewed by the Finance Department and the committee. Mr. Martinez explained his advertising tactics.

Council's consensus was to have the LTAC committee review the American Fiesta Amistad application and review their 2012 and 2013 expenses. They recommended that the estimated ending fund balance remain the same.

**ORDINANCE TO ADOPT THE AD VALOREM PROPERTY TAX**

Finance Officer Spencer Williams advised that each year, as part of the budget process, Council must pass an ordinance fixing the amount provided by Ad Valorem (Property) Taxes upon property in the City of Othello for collection in the following year. He noted that we estimate the revenues to be \$1,539,086.

Council carried a motion to approve the Ad Valorem Tax Ordinance for fiscal year 2015. M/S Snyder/Lallas. This shall be known as Ordinance No. 1419.

**ORDINANCE TO ADOPT THE CAPITAL FACILITY PLAN 2015-2020**

Finance Officer Spencer Williams explained that the Capital Facilities plan is a six year plan of capital projects with estimated costs and proposed methods of financing. He presented the spreadsheet for the proposed 2015 - 2020 Capital Facility Plan for the City of Othello.

Council carried a motion to adopt the 2015 – 2020 Capital Facility Plan ordinance. M/S Dorow/Lallas. This shall be known as Ordinance No. 1420.

**ORDINANCE TO AMEND O. M.C. CHAPTERS 3.02 AND 3.03 REGARDING THE UTILITY TAX FUND**

Finance Officer Spencer Williams explained that the use of our Utility Tax dollars is governed by OMC Chapter 3.02.080 & 3.03.060. The code currently states that 50% of the revenues shall be transferred to the city's general fund for current year expenses. The remaining 50% will be available for current year capital expenditures and city hall bond payments. Mr. Williams advised that the Council Budget Committee and at our council meetings it was proposed that the Council adopt an ordinance that will amend this chapter for a one year period, commencing January 1, 2015 and ending December 31, 2015. The proposal is that 56.5% of the revenues collected under this chapter shall be transferred to the general fund for current year expenses.

Council carried a motion to adopt the proposed Ordinance amending OMC Section 3.02. M/S Dorow/Bain. This shall be known as Ordinance 1421.

Council carried a motion to adopt the proposed Ordinance amending OMC Section 3.03. M/S Bain/Dorow. This shall be known as Ordinance 1422.

**PUBLIC HEARING ON THE 2015 BUDGET**

Mayor Logan opened the public hearing at 7:59 p.m. Finance Officer Spencer Williams advised that the budget process started in September and then the budget committees met and reviewed each line item. He noted that the general fund increase is from the new skate park development and a new SRO officer and dispatcher. There is an increase in the street fund due to the 1<sup>st</sup> and 14<sup>th</sup> Avenue projects. The increase in the water fund is due to the completion of the Well #9 project. The solid waste fund includes the alley approach projects. Mayor Logan asked for public comment. Michael Crosier, 625 N 11<sup>th</sup> Avenue, noted that there are no line items for ADA issues, which were defined in the recent survey. He asked if the Council was going to continue to manufacture architectural barriers, as discrimination against the handicapped in our community and access to public facilities. Since 1973, he believes the city has refused to comply with ADA regulations. He recently discovered that from 2006 to 2012, the city increased their investment account and their cash on hand by \$10 million. He asked why not deliver some of the needed services and cease the policy of intentional discrimination. He noted that there is no line in the construction or park funds and they would like the Council to fund programs to remediate the

issues, as required under federal law. Mr. Farris noted that the ADA survey has been completed and the next step will come up with a plan to mediate the ADA issues. Those projects will be identified with Council and then they will look at funding sources. Mr. Crosier suggested that Council set \$300,000 - \$500,000 towards the ADA projects.

Sean Bates, 1156 E. Juniper Street, presented his copy of the ADA survey, noting the highlighted items are ADA defects. He asked the Council to reconsider the budget and make the ADA improvements as part of the budget. He noted that we now have a handicap accessible facility in Kiwanis Park and need a couple of those in Lions Park.

Mayor Logan asked Council for questions or comments. Councilmember Snyder asked if the 1<sup>st</sup> Avenue has sidewalk improvements. Mr. Farris noted that the 1<sup>st</sup> and 14<sup>th</sup> Avenue projects include ADA improvements. Mayor Logan noted that the City is not ignoring ADA compliance; we did pay for an engineering study and will continue to address this in new construction.

Mayor Logan asked if the budget is adopted as is, does the LTAC recommendations include the individual allocations. Mr. Williams explained that the budget includes allocation of \$42,087 from the tourism fund. Councilmember Dorow advised that the new proposed restroom in Lions Park is not in the 2015 budget because they decided to fund two police vehicles and they will revisit restroom construction for the 2016 budget.

Mayor Logan closed the public hearing at 8:18 p.m.

#### **ORDINANCE TO ADOPT THE FY 2015 BUDGET**

Finance Officer Spencer Williams advised that the Council has reviewed the proposed budget and made adjustments at the committee and full Council level.

Council carried a motion to adopt the 2015 budget as presented. M/S Dorow/Lallas. This shall be known as Ordinance No. 1423. They noted that LTAC will review the tourism allocations, as long as they don't change the \$42,087 amount.

#### **RESOLUTION TO SURPLUS**

City Clerk Debbie Kudrna advised that the old artificial holiday tree is unrepairable and no longer has value. She advised that a new artificial pre-lit holiday tree has been ordered. She stated that a local church is considering taking the old tree and will try to refurbish it.

Council carried a motion to approve the Resolution to surplus property. M/S Snyder/Johnson. This shall be known as Resolution No. 2014-33.

#### **NEW BUSINESS**

Councilmember Snyder asked that the Council review the utility tax fund and allocations further.

Mayor Logan advised that we have received proposals for engineering services and he would like to appoint a council committee to be involved the selection process. Councilmembers Dorow, Snyder, and Lallas all volunteered to be on the engineering selection process.

Mayor Logan announced that Shop with a Cop is scheduled for Saturday, December 20<sup>th</sup>.

City Hall will be taking donations of youth hats, gloves, and scarves to hang on the tree in the lobby. These will be donated to the Othello Community Basket program.

He asked the Council if they would want to consider cancelling the regular City Council meeting scheduled for December 22<sup>nd</sup>. This will be discussed at an upcoming meeting.

**EXECUTIVE SESSION**

Mayor Logan announced an executive session at 8:31 pursuant to RCW 42.30.110(1)(i) "To discuss with legal counsel of potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency." The executive session is expected to last approximately 15 minutes. No action will be taken during the executive session. Also in attendance were City Administrator Wade Farris and City Attorney Katherine Kenison. At 8:42 p.m. Attorney Kenison advised that the executive session would meet another 10 minutes. Mayor Logan reconvened the meeting at 8:53 p.m.

**ADJOURNMENT**

With no further items to discuss, Mayor Logan adjourned the Council meeting at 8:54 p.m.

By: \_\_\_\_\_  
SHAWN LOGAN, Mayor

ATTEST:

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