

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: Eugene Bain, Ken Caylor, Dan Dever, Genna Dorow, Charles Garcia, Ken Johnson, and Mark Snyder.

Also Present: City Administrator Wade Farris; Department Heads: Public Works Director Terry Clements, Police Chief Steven Dunnagan, City Clerk Debbie Kudrna; and Finance Officer Spencer Williams.

VOLUNTEER RECOGNITIONS:

Mayor Wilson presented certificates and City lapel pins to citizens Ann & Dave Sperl and Donita Porter for their continued volunteerism for our community. The Mayor thanked all of the citizens that volunteer for our community.

DISCUSSION RELEVANT TO WATER RATES

Finance Officer Spencer Williams explained that the current water rate schedule covers a three year period, ending December 2013. To set the rates, we need to consider the impact to the community, the cost to maintain and improve the current infrastructure and plan ahead for future needs of the city. He presented a financial activity of the water fund and a report indicating the impact to the community based upon 4%-7% rate increases. He also provided a water rate comparison to other communities in Washington. He reviewed a spreadsheet, which provided for water revenues and capital expenditures and ending fund balance for the water fund and water reserve fund. He advised that they met with the water and sewer Council committee, and their consensus was to start Well #10 in 2017 with the needed infrastructure complete in 2018. City Administrator Wade Farris advised that for us to provide a reliable and steady water source, it will take an increase more than 4%. The increase of 6% will only be a few dollars per year and encouraged the Council to consider the rates necessary for us to maintain our infrastructure.

Councilmember Caylor stated that it will depend on how Well #9 produces water will help us to determine when we will drill Well #10 and he also asked about the industrial water rates. Mr. Farris advised that they have already met with representatives of Simplot and explained the impact of their rate increases. The representatives explained that they just need to be advised in order to budget accordingly. Councilmember Caylor advised that there may be some funding available from the Clean Water Act. The Council discussed their focus to transfer to the water reserve fund in order to pay for Well #9 and the needed infrastructure.

FINANCIAL REPORT

Finance Officer Spencer Williams presented a review of the City's cash position and performance of the investments for 2013. The City has invested cash reserves in the Local Government Investment Pool, a portfolio with U.S. Trust and we also carry a cash balance in our checking account at U.S. Bank. Up to October 2013, we had Bank of America managing our investment portfolio. We are in the process of transferring the Bank of America cash over to U.S. Bank and the City will be able to manage those funds. The fees with U.S. Bank will be significantly less than we are currently paying.

TIB GRANTS FOR STREET IMPROVEMENTS

Public Works Director Terry Clements reported the City has been awarded funding from the Transportation Improvement Board (TIB) for the following projects:

1st Ave – From Main to Spruce – Project Cost \$455,300 – City Match (10%) \$45,530 –
Total TIB Award amount - \$409,770

14th Ave – From Cemetery Rd to SR26 – Project Cost \$2,450,000 – City Match (20%) \$490,000 (includes other property owner's funding). The awarded amount does not include replacing the water line along 14th, at an estimated cost of \$277,000.

Total TIB Award Amount - \$1,960,000

The City Engineer has stated that we are able to do both projects in 2015 and the completion date for both projects is expected to be October 2015. The owners of the property along 14th Ave would be responsible to help pay for their portion of the road construction and waterline. Any properties that are outside city limits on south 14th Avenue will need a latecomer's agreement for repayment.

WELL #5 AND #8 UPDATE

Public Works Director Terry Clements reported that the motor from Well #5 is going to be pulled and sent out to be repaired. This project will be done under warranty repair. Well #8 is currently running to waste. When the laboratory testing is complete, the well will be pumping into our water distribution supply. We are waiting to see if this repair project will be under warranty.

O.P.D. ACCREDITATION PROGRAM

Police Chief Dunnagan explained that the Washington Sheriffs and Police Chiefs Association have established an accreditation program for Washington Law Enforcement agencies. The program is voluntary and the Othello Police Department has been accredited for the past three years. The Police Department is now up for re-accreditation, which must be completed before September, 2014. He provided a PowerPoint relevant to the accreditation process.

NEW BUSINESS

Mayor Wilson made the following announcements:

- City Hall will be collecting hats, mittens, and scarves again this year for the Christmas tree in the lobby. All items collected will be donated to the Othello Community Christmas basket Program on December 19th.
- Parks and Recreation Committee will be meeting at 10:00 am on Friday, December 6 in the Water Room at Public Works.
- December 9, 2013 the newly elected officials will be taking the oath of office for their terms starting January 1, 2014.

ADJOURNMENT

With no further items to discuss, Mayor Wilson adjourned the workshop at 8:06 p.m.

By: _____
TIM WILSON, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk