CITY OF MCCLEARY Regular City Council Meeting Wednesday, January 22, 2014

ROLL CALL AND FLAG SALUTE Councilmember's Schiller, Reed, Ator, Catterlin and Peterson.

ABSENT None.

STAFF PRESENT Present at the meeting were Wendy Collins, George Crumb, Paul Nott, John Graham, Randy

Bunch, Christiane Mercer, Colin Mercer, Todd Baun and Dan Glenn.

PUBLIC COMMENT Nick Bird spoke from the audience stating it's been two months since he has been working for

the City and he wanted to thank everyone in the room. He thanked the Council for doing what they do and called it a, "thankless job", and thanked the business community and citizens. He stated he had a variety of good and difficult situations and has learned the community has a great character. He said he is still a member of this community and lives on Lynch Road and is transitioning from a local employee to a concerned rate payer. Mayor Dent responded by

commenting that Nick is a very intelligent and talented young man.

Jacob Simmons addressed the council regarding some trees that were cut down on and near his property. He wanted to know why he wasn't informed about it. Paul Nott was attending the meeting and explained the light and power department was contacted by Jacob's neighbor to cut the trees down. The City used Jacob's fence line as a guide for the tree removal. After the last storm, the neighbor was concerned the trees would fall on one of the neighboring houses because one of the trees recently fell during a wind storm. Paul apologized for not notifying Jacob and added they did take extra care in cleaning up the tree debris when they were done. Jacob was inquiring about the wood and Paul told him he is welcome to it for firewood.

Steven Friederich, Editor from the Vidette, stated he asked at the last meeting about the garbage rate increase. He checked McCleary's website and found we have the highest rates between Elma, Montesano and McCleary. Mayor Dent and Dan Glenn responded by stating when Lemay took the garbage billing back, they forgot to add the utility tax of 6%. An agreement was struck last summer between the City and Lemay to recapture the owed tax by adding a small amount to the customers bills over a two year period to pay it back. Lemay paid the City in two installments; one last fall and the final one will be paid in January 2014. As soon as the back tax is recovered by Lemay, they will drop the rates back to the normal for the residents.

Mr. Friederich also wanted to thank Nick Bird for his fabulous job and willingness to answer questions.

MAYOR'S COMMENTS None.

MINUTES APPROVED It was moved by Councilmember Ator, seconded by Councilmember Reed to approve the

minutes from the December 4th, 2013 and December 11, 2013 meetings after making a correction to the December 11th meeting regarding the budget adoption being adopted 4-1, not 4-0, with Councilmember Schiller voting in the negative. Motion Carried 5-0.

CITY ATTORNEY REPORT Dan Glenn reported an article will be coming out in Business Week Magazine regarding I-502.

DIRECTOR OF PUBLIC WORKS

REPORT

Interim Director of Public Works, Todd Baun, informed the Council it was noted in the Wastewater Treatment Plant Manager's report, Kevin addressed two police cars that were

Wastewater Treatment Plant Manager's report, Kevin addressed two police cars that were surplussed and parked behind the treatment plant. Paul Nott asked if the City would authorize them as scrap and allow the McCleary Fire Department to use them for training. Dan Glenn will prepare a resolution addressing the surplussed state of the vehicles and allowing them to be used for fire response practice.

RESOLUTION NO. 665 ECOLOGY REVOLVING LOAN FOR GENERAL SEWER PLAN In November 2012, the City submitted an application to complete a General Sewer Plan. The plan will focus on the sewer collection system, utilizing the I/I Study completed in 1998 as a starting point. The total cost of the project is \$65,000, which was requested as part of the application. The total impact to the City is \$32,500, plus interest, as the City will receive hardship assistance which will forgive 50% of the loan amount. The remaining amount will be paid back over 5 years at 1.1% interest, unless paid off early. It was moved by Councilmember Ator, seconded by Councilmember Peterson to adopt Resolution 665, relating to governmental operation, authorizing the acceptance of a loan from the Washington State Department of Ecology for specific purposes, and authorizing the Mayor and Clerk-Treasurer to execute the necessary documents. Resolution Adopted 5-0.

AMENDED ENERGY CONSERVATION AGREEMENT

BPA has submitted Amendment No. 01 for our existing Energy Conservation Agreement, which extends the expiration date of the agreement by one year to September 30, 2015. It was moved by Councilmember Catterlin, seconded by Councilmember Reed to authorize the Mayor to execute Amendment No. 01 of the City of McCleary's Energy Conservation Agreement, Contract No. 09ES-11074. Motion Carried 5-0.

UTILITY SERVICE IMPROVEMENT COST

In accordance with Resolution 507, we must revise our annual Utility Service Improvement Costs. It was moved by Councilmember Catterlin, seconded by Councilmember Ator to authorize the attached Utility Service Improvement Costs, dated January 13, 2014, with an effective date of January 23, 2014. Motion Carried 5-0.

GRAY & OSBORNE AMENDMENT NO. 6

Gray & Osborne has provided a scope and budget for the completion of the General Sewer Plan, which is not to exceed \$60,000. It was moved by Councilmember Catterlin, seconded by Councilmember Schiller to authorize the City to execute Amendment No. 6 with Gray & Osborne and not to exceed \$60,000. Motion Carried 5-0.

GRAY & OSBORNE, ENGINEERING CONTRACTS

John Hinton spoke regarding open engineering items. Councilmember Schiller asked to table the discussion on development standards until a replacement is made for the Director of Public Works.

A critical area update was due last month, which should concentrate on the Wildcat Aquifer. The preparation takes four to five months and the City will have a real tough time finding funding because we missed the deadline. This should have been started last summer. John Hinton recommends advertising for it. John Klime would be a good contact for this project.

RESOLUTION NO. 666 POWER RATE INCREASE Councilmember Schiller asked Mayor Dent why the City is raising electrical rates when they are transferring \$55,000 from light and power into current expense. Mayor Dent responded by stating the City cannot raise rates in current expense to cover expenses so they are transferring from light and power so it will not go broke because the law allows it. It was moved by Councilmember Ator, seconded by Councilmember Reed to adopt Resolution 666 relating to rates to be charged for electrical service, establishing effective dates, and repealing Resolution 652. Resolution Adopted 4-1, with Councilmember Schiller voting in the negative.

APPROVAL OF VOUCHERS

Accounts Payable vouchers/checks approved were 37339-37395 including EFT's in the amount of \$180.892.17.

It was moved by Councilmember Ator, seconded by Councilmember Peterson to approve the vouchers. Motion Carried 5-0.

PUBLIC COMMENT

Councilmember Catterlin commented the McCleary School District sent out a levy update to the previous flier they sent out, which stated the impact per \$100,000 would be \$378.00, not \$37.80 per \$100,000.

EXECUTIVE SESSION

None.

MEETING ADJOURNED

It was moved by Councilmember Ator, seconded by Councilmember Peterson to recess the meeting at 7:38 PM. The next meeting will be February 12, 2014 at 7:00 PM. Motion Carried 5-0.