

REGULAR CITY COUNCIL MEETING

October 24, 2006

A. Call to Order – Pledge of Allegiance Mayor Gainer called the Regular City Council meeting to order at 6:00 p.m.

B. Roll Call – Excused Absences Councilmembers present included Councilmember Harris, Councilmember Rast, Councilmember Overhauser, Councilmember Huff, Councilmember Stockton, Councilmember Trulove, and Councilmember McKeehan. Staff members present included Ms. Niemeier, Mr. Maggs, Mr. McClure, Mr. Richardson, Mr. Schmidt, Mr. MacDonald, Ms. MacDonald, Mr. Simmons, Mr. Ableman, Ms. Montiel, Mr. Wahl, Mr. Winters, and Ms. Showalter. Mayor Gainer stated that there will be an executive session at the end of the meeting with action to follow.

C. Minutes of the Regular City Council meeting of October 10, 2006 were approved as distributed.

D. Claims and Vouchers nos. 87993 through 88092 in the amount of \$471,386.92 were approved as read.

E. Claims for Damages Ms. Niemeier stated that the Lester Camp claim is for \$15 for refund of an NSF fee. Councilmember Harris moved to approve the Camp claim. Councilmember McKeehan seconded. Carried unanimously.

F. Small Contracts Ms. Niemeier stated that the small contract is with Jeremiah Williams-Carr for DJ services at a rate of \$75 per hour. Councilmember Harris moved for approval of the contract. Councilmember Overhauser seconded. Carried unanimously.

G. Information Items Mayor Gainer introduced Jim Huttenmaier from the Spokane Area Economic Development Council. Mr. Huttenmaier presented a recognition plaque to the City. He reported on the third quarter activity of the EDC. The Spokane Regional Chamber of Commerce and the EDC have decided to consolidate. There will be a new board of directors and new executive leadership. It will focus on economic development, workforce development, public policy, and local business support. Councilmember Huff asked how the electrical rates in the Quincy area compare to ours. Mr. Huttenmaier stated that they are much less because they are in a public power district and they have a different power contract with Bonneville. Councilmember Trulove stated that that the board of the EDC included some people who do not have businesses in downtown Spokane. He questioned how we would be assured that we have some input into the process so that we can make sure that it will be regionally focused. Mr. Huttenmaier stated that the regional focus was one principle that was set. The new organization will continue to take input from this area as they set public policy direction. He encouraged the City to write a letter to Tom Fritz, Chairman of the EDC Board, if the city is interested in being represented on the board. Discussion followed. Councilmember Overhauser asked when the board will be established. Mr. Huttenmaier stated that much of the work is being done now. The steering committee will meet in early November to make a final recommendation to both boards. The final decision on whether or not to combine will be made in late November and will probably be effective as of the first of the year. Councilmember Trulove thanked Mr. Huttenmaier for the update.

H. Appointments None

I. Citizen Comments None

J. Action Items

1. 06-175 – 2007 Budget – Public Hearing – Governmental Funds Mayor Gainer opened the public hearing at 6:23 p.m. He stated that he kept in mind the vision and strategies identified when creating the budget. Ms. Niemeier stated that discretionary items are generally one time use. There are generally no costs carried over from year to year. If the Council wants to make a change, a motion needs to be made. Councilmember Overhauser suggested making a list over the next couple of weeks and then looking at the entire list at the end. Councilmember Trulove stated that he likes that approach. Ms. Niemeier stated that the Legislative budget looks like it went up. It includes funds for the visioning retreats and Project Access. Bonnie Eccles, 214 N 6th St., asked about the funds for the vision retreat. Ms. Niemeier stated that there was a retreat in the spring and this is funding to help the Council try to accomplish their priorities. Mr. Schmidt

explained that there were strategic priorities established in the spring and this funds the first three. Ms. Eccles asked what the contingency fund is for. Ms. Niemeier stated that it is for unforeseen expenses. The Mayor decides if contingency funds can be used. Ms. Eccles asked how much it costs to belong to EDC. Ms. Niemeier stated that the cost is \$10,000. Councilmember Huff asked if we have ever used the funds for a labor bargaining person. Mr. Schmidt stated that we have not used it the last couple years. Councilmember Huff asked if we have ever considered hiring our own attorney. Mr. Schmidt stated that it has been considered and it can be considered again. The legal expenses are primarily for the Myers lawsuits. It is litigation and it is not typical. Discussion followed. Ms. Niemeier stated that Community Development will have two divisions. One will be for clerical and one will be for building inspections. Councilmember Trulove stated that this proposal will revamp the Planning Department. These things deserve some further discussion. We should have those discussions before we spend any of the money. Councilmember McKeehan would like to request that the General Government committee look at everything concerning economic development. Discussion followed. Councilmember Huff stated that Quincy does not have EDC. Councilmember Trulove stated that we are never going to compete with Grant County. We are competitive unless you have someone that wants to use massive amounts of electricity. Councilmember Huff stated that his concern is that we are creating a department with no guarantees that we are going to get anything from it. Discussion followed. Councilmember Trulove stated that everyone needs to recognize that this is not all new money. Some of this is money from a vacant position. Doug Nixon, Farmers Insurance, questioned what the EDC has brought us. Ms. Schmidt stated that Haakon and Wilcox are here with their help. There are many things included in this job, not just economic development. Mr. Nixon stated that the money we have spent has not been working that well. Mr. Schmidt stated that the tangible results are hard to put your finger on. Mr. McClure stated that the Building Department expects an increase in single family housing. There will be additional training for staff because 2007 is a code change year. They have a discretionary request for new computers and software. Mr. McClure stated that they currently have one full time inspector and he splits time as an inspector and the Building Official. He sees some challenges with staffing. Ms. Eccles stated that it looks like the proposed budget eliminates one employee and adds five or six. Mr. Schmidt stated that he would be happy to meet with Ms. Eccles to go through the changes. Mr. MacDonald stated that the big change in the Parks and Recreation budget is administrative personnel. He presented the Parks budget. It includes the purchase of a van. Mr. Simmons stated that the 118 fund has been growing. The other growth is because funds are dedicated to parks and recreation and that has helped. There is a discretionary request for another staff person. They would like to offer consistent customer service. They rely heavily on college students. Councilmember Rast asked if this was presented to the Park Board. Mr. Simmons stated that it was and they recommended presenting it as proposed. There is also a discretionary request for a van to replace the staff car. It would be the primary department vehicle. Mr. MacDonald stated that there were significant deficiencies in the pool that have been addressed. There is money budgeted to replace the pool filters. We have changed the way Parks personnel are being paid. They will be documenting their work. Mr. Richardson presented the Planning budget. Mayor Gainer closed the public hearing at 7:44 p.m.

Mayor Gainer recessed the meeting at 7:45 p.m. and reconvened at 7:50 p.m. Councilmember McKeehan moved to have the economic development items presented to the General Government Committee who will review them and bring a recommendation back to council. Councilmember Trulove seconded. Carried unanimously.

2. 06-172 – Resolution D-205 – 2007 CDBG Public Hearing Mayor Gainer opened the public hearing at 7:51 p.m. Mr. MacDonald stated that he is proposing to submit a CDBG project to replace water mains. Mr. Richardson stated that during the public meeting we heard from Cheney Outreach who could also be an applicant. Joe Tortorelli and Pathways to Progress also had ideas for projects. Mayor Gainer closed the public hearing at 7:53 p.m. Councilmember Harris moved for passage of Resolution D-205. Councilmember Rast seconded. Carried unanimously.

3. 06-165 – Resolution D-200 – Cheney Wells Six and Seven Iron Abatement Analysis – Consultant Agreement Mr. MacDonald stated that this will authorize an agreement with Esvelt Environmental Engineering to look at wells six and seven. There has been a decrease in pump volume which might be attributable to iron sedimentation. Councilmember Huff moved for passage of Resolution D-200. Councilmember McKeehan seconded. Carried unanimously.

4. 06-174 – Resolution D-204 – Cheney WWTP Expansion – DOE Application Mr. MacDonald stated that this is an application to the Department of Ecology for the construction work on the expansion of the Wastewater Treatment Plant. We have had discussions with the Public Works Trust Fund and would still like to look at that as a source of funding. The costs of the expansion are toward the \$11 million mark. We are trying to fund as much as we can with grants. Councilmember Overhauser moved for passage of Resolution D-204. Councilmember Stockton seconded. Carried unanimously.

5. 06-173 – Resolution D-206 – Hydraulic Trench Shoring Equipment Bid Award Mr. MacDonald stated that this is a safety component. The low bidder was United Rentals for \$7,980 plus tax. Councilmember Overhauser moved to approve Resolution D-206. Councilmember Huff seconded. Carried unanimously.

6. 06-171 – Resolution D-207 – Interlocal Agreement with HEC for Work Study Mr. Simmons stated that this is the same agreement as last year. It enables us to hire work study students. We get reimbursed 65%. This agreement is for all departments. Councilmember Stockton moved for approval of Resolution D-207. Councilmember Huff seconded. Carried unanimously.

7. 06-141 – Ordinance U-36 – Adoption of Capital Facilities Plan 2007-2013 Councilmember Trulove moved for the second reading of Ordinance U-36 in title and summary form only. Councilmember Huff seconded. Carried unanimously. Councilmember Huff moved to defer this to the next meeting. Councilmember Overhauser seconded. Carried unanimously.

8. 06-176 – Ordinance U-38 – Fixing 2007 Tax Levies Ms. Niemeier stated that our assessed valuation is \$383,580,534. The levy is \$2.961 per household. Councilmember Trulove moved for the first reading of Ordinance U-38 in title and summary form only, that reading considered the second and third, and placed before Council for final passage. Councilmember McKeehan seconded. Carried unanimously. Yes votes: Councilmember Harris, Councilmember Rast, Councilmember Overhauser, Councilmember Huff, Councilmember Stockton, Councilmember Trulove, Councilmember McKeehan. Ordinance U-38 passed.

9. 06-178 – Betz Property Lease Mr. Schmidt stated that this is our annual farm lease. We netted \$8,000 this year. Councilmember Huff moved for approval of the Betz Farm lease. Councilmember Stockton seconded. Carried unanimously.

K. Council Reports Councilmember Overhauser stated that we might want to rethink how public interaction is with staff. Maybe we can hold the questions to the end of the presentation. It was hard to follow with the interruptions. Mayor Gainer stated that he will do that next time.

L. Staff Reports Mr. Schmidt stated that the General Government Committee will meet on November 2nd at 5 p.m.

M. Mayor's Report Mayor Gainer stated that the ribbon cutting for the Pita Pit is Monday, October 30 at 10 a.m.

N. Executive Session Mayor Gainer recessed the meeting at 8:06 p.m. for a one minute break and executive session regarding matters of litigation and personnel lasting ten minutes with action to follow. He asked Mr. MacDonald, Mr. Schmidt, Ms. Showalter, and Mr. Maggs to stay. Mayor Gainer reconvened the meeting at 8:20 p.m. Councilmember McKeehan moved to approve Resolution D-208. Councilmember Rast seconded. Carried with Councilmember Huff abstaining. Councilmember Overhauser moved to recess the meeting until November 7, 2006 at 6 p.m. Councilmember Rast seconded. Carried unanimously.

Mayor Gainer reconvened the meeting at 6:00 p.m. November 7, 2006. Councilmembers Harris and Overhauser were absent. Councilmember Stockton moved to add the Interim City Administrator contract to the agenda. Councilmember McKeehan seconded. Carried unanimously.

10. Interim City Administrator Contract Ms. Showalter stated that this is a contract for John Montague to serve as Interim City Administrator for twelve weeks. The contract can be extended once with City Council approval if we do not have a new City Administrator selected. Councilmember Trulove moved to approve the

contract with John Montague as Interim City Administrator. Councilmember Rast seconded. Councilmember Huff stated that we should have promoted from within to save money. Ms. Showalter stated that it was considered, but the Mayor felt this was the best option. Discussion followed. Carried unanimously.

Mayor Gainer stated that documents regarding the Myers and Miller suits were distributed. Councilmember Huff stated that the Cheney Free Press article on the Miller property stated that the vote was unanimous. Ms. Niemeier stated that our record shows that Councilmember Huff abstained from the vote. Mayor Gainer proclaimed November 7, 2006 as Paul Schmidt Day. Mr. Schmidt stated that it has been a privilege to work for the City of Cheney. It has been a wonderful trip and he has no regrets.

O. Adjournment Councilmember McKeehan moved to adjourn the meeting. Councilmember Rast seconded. Carried unanimously. The meeting was adjourned at 6:09 p.m. on November 7, 2006.

City Clerk

Mayor