

REGULAR CITY COUNCIL MEETING

November 27, 2007

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, Ms. Lehrhaupt, Mr. Richardson, Mr. MacDonald, Ms. MacDonald, Mr. Sale, Mr. Simmons, Mr. Ableman, Mr. Winters, Mr. Noland, Mr. Ault, Mr. Johnson, Mr. Mangis, Mr. Wahl, Ms. Cooper, Mr. Anderson, Mr. Ferguson, and Ms. Showalter.

C. Minutes of the Regular City Council meeting of November 13, 2007 were approved as distributed.

D. Claims and Vouchers nos. 92475 through 92584 in the amount of \$483,962.25 were approved as read.

E. Claims for Damages None

F. Small Contracts None

G. Information Items Mr. Noland stated that the power contract with BPA expires in 2010. Regional dialogue is underway. BPA wants to only allocate the resources they currently have. If regional growth continues, they expect to max out their hydroelectric system by 2012. They are proposing two tiers of power. The first is existing resources and the second is future needs. Anything above the high water mark we will be liable to get ourselves. BPA has offered to provide some of the two tier power through 2012 to ease into it. BPA is proposing a long term contract from 2011 through 2027. They say they will be able to stabilize rates with a long term contract. We belong to Northwest Requirements Utilities, which is comprised of 52 public power entities like ourselves that cannot generate power. NRU is already negotiating with BPA for long term power. They are negotiating for what the actual power rates will be and for all aspects of the tier one power. They are proposing forming a LLC to explore all the aspects of tier two power. The city's obligation is \$3,551. They would like us to sign a contract by the end of the year. His recommendation is to have legal review of the contracts. It might also need to be discussed at Public Works & Utilities. Councilmember McKeehan asked how long we can get by on tier one power. Mr. Noland stated that BPA is estimating they will be maxed out by 2012. Councilmember Trulove stated that we could exceed it the first year if something happens. Councilmember Trulove moved to have the contract reviewed by the attorneys, provided to the Public Works and Utilities Committee, and included at the next Council meeting. Councilmember Overhauser seconded. Carried unanimously.

H. Appointments None

I. Citizen Comments None

J. Action Items

1. 07-167 – 2008 Budget Public Hearing – Public Works & Utilities Mayor Gainer opened the public hearing at 6:11 p.m. Ms. Niemeier stated that this is the final public hearing. Mr. Noland presented the Light Department budget. The Cheney substation project needs to be completed. We will have power capabilities for at least the next decade when it is completed. We are considerably lower in the cost of power than Avista or Inland Power. He requested a clerk position because it is difficult to function without it. Councilmember Huff stated that each year we put \$3,500 in the budget for advertising with Eastern Athletics. He thinks we need to address that. Mr. Noland stated that the sign is at Reese Court and it promotes conservation. Councilmember Trulove stated that we need to worry about conservation. Mr. Noland stated that we are working with the School District and bigger users, but we do not see a lot of residential customers asking for rebates. Councilmember Overhauser stated that they were told that the residential program was being eliminated and we would only have funds for commercial users. Mr. Noland stated that the program has changed some. It is not as aggressive as it was when we were loaning money. Jennifer Hussey, 437 N 5th St, asked what is eligible for a rebate. Mr. Noland stated that most Energy Star appliances are eligible.

Discussion followed. Mr. MacDonald presented the Public Works budget. The Engineer Tech position was rated as a high priority at the Council budget meeting. He expressed gratitude to the Council for supporting this position. They have a limited amount of arterial street paving for 2008. They budgeted for a design study for the 50 acre park. They hope to add water capacity to provide for 250 single family homes. HDR Engineering is doing the cost of service analysis for water and wastewater. The major initiative in Wastewater is the Wastewater Treatment Plant expansion. He is proposing to go ahead with the full project. The total estimated cost is \$11.6 million. The situation is made worse by the fact that DOE has less money and they have heightened the criteria for hardship. We are exploring a rate increase for all customers. Councilmember Trulove stated that in terms of wastewater treatment, we are talking about an 18% increase. He thinks it is premature to budget that. We do not know that we are not going to get grant funds. That is a big issue. He is not sure that we want to cave in and tell the legislature that we will do it ourselves since they did not fund us. He thinks we need to have some discussion. We do not have the money to do it anyway. Mr. MacDonald stated that we have the \$11 million loan. We could use reserves to incrementally raise rates. Paying the debt would have an impact on the rates. He and the Mayor met with Senator Schoesler and it was not promising. We are not going out to bid until the Council has a chance to look at it. Councilmember Trulove stated that we may want to make sure we have a good negotiating position. He would like to maintain the flexibility. Councilmember Huff stated that this will come up for discussion in January. Mr. MacDonald stated that he is just budgeting it since we have the funding available. Mayor Gainer closed the public hearing at 6:48 p.m.

2. 07-165 – Resolution D-366 – Initiating a Comprehensive Plan & Zoning Map Amendment for Barry and Dennis Miller Property Mr. Richardson stated that we entered into a settlement agreement where we agreed to initiate a rezone. This resolution asks the Planning Commission to look at it. Councilmember Huff moved for approval of Resolution D-366. Councilmember Rast seconded. Carried unanimously.

3. 07-160 – Resolution D-368 – Police Facility Roof Repair – Contract Award Mr. Sale stated that this is for the roof repair at the Police Department. We did not receive any bids. Under state law, we can award a contract to someone if we do not receive any bids. Councilmember Huff moved for approval of Resolution D-368. Councilmember Stockton seconded. Councilmember Trulove asked why we did not receive any bids. Mr. Sale replied that apparently nobody had an interest. Councilmember Trulove asked if this amount is in the right ballpark. Mr. Sale stated that he is comfortable that it is. Carried unanimously.

4. 07-162 – Resolution D-369 – 2008 Park & Recreation Brochure Printing Mr. Simmons stated that they print 10,000 brochures three times per year. Printing costs are 33 to 35 cents per brochure. The long term goal is to reduce the number of printed brochures and steer people toward the website. Councilmember Trulove stated that he thinks that is a bad idea. People want to hang them by their calendars. Councilmember Huff moved for passage of Resolution D-369. Councilmember Harris seconded. Carried unanimously.

5. 07-163 – Resolution D-370 – RCO Grant for Basketball Court Grant Mr. Simmons stated that the application was already approved. RCO wanted exact wording in the resolution. He also changed the contribution to 51% since you score higher if you contribute 51% or more. Councilmember Huff moved for passage of Resolution D-370. Councilmember Rast seconded. Carried unanimously.

6. 07-164 – Resolution D-371 – MOA with EWU for Ropes Course Service Exchange Mr. Simmons stated that this agreement was approved in May. The City has done their portion of the work. Mr. Sale and Mr. Maggs wanted to make some changes. Councilmember Huff moved for approval of Resolution D-371. Councilmember Overhauser seconded. Carried unanimously.

7. 07-161 – Resolution D-372 – ISIS Beta Test Agreement with HTE Mr. Sale stated that HTE wants to beta test their ISIS system. If we do the beta test, we get the initial start up free. Councilmember Overhauser asked what the risks are of doing this. Mr. Sale stated that there really are not any because it will be done offline. Councilmember Huff moved for passage of Resolution D-372. Councilmember Harris seconded. Carried unanimously.

8. 07-168 – Resolution D-373 – Police Guild Memorandum of Understanding Ms. Showalter stated that this is an MOU in order to bring the Police Guild up to the 2007 salaries. This gives them the 3.5% COLA that most of the employees received this year. Councilmember McKeehan moved for approval of Resolution D-373. Councilmember Stockton seconded. Carried unanimously.

9. 07-146 – Ordinance U-64 – 2008 Budget Ordinance Ms. Niemeier stated that this moves the firefighters to ending fund balance and backfills Fire Department overtime. In the Light Department, Mr. Noland found some errors that needed to be corrected. This increases Wastewater to reflect the Wastewater Treatment Plant Expansion. Councilmember Huff asked if we are going to start the paperwork now for the firefighters. Ms. Showalter stated that we are establishing a Civil Service list for firefighters. Councilmember Huff moved for the third reading of Ordinance U-64 in title and summary form only and placed before Council for final passage. Councilmember Harris seconded. Carried unanimously. Yes votes: Councilmember Harris, Councilmember Rast, Councilmember Overhauser, Councilmember Huff, Councilmember Stockton, Councilmember Trulove, Councilmember McKeehan. Ordinance U-64 passed.

10. 07-143 – Ordinance U-67 – Creating Hotel/Motel Tax Advisory Committee Mr. Richardson stated that we had the first and second readings in October. We cannot spend money until the committee is organized. Councilmember Huff moved for the third reading of Ordinance U-67 in title and summary form only 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-67 passed.

11. 07-166 – Ordinance U-71 – 2007 Salary Ordinance Ms. Showalter stated that this is the final 2007 salary ordinance. It incorporates the issues in the Police MOA that was just approved. Councilmember Huff moved for the first reading of Ordinance U-71 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-71 passed.

K. Council Reports Councilmember Huff thanked Dan Ferguson for the letter on the history of fire volunteers. He thanked Councilmember Trulove for his report on his trip to Olympia. He thanked everyone for their work on the budget. Councilmember Stockton thanked Councilmember Trulove for the information and staff for their work on the budget. Councilmember McKeehan welcomed Arlene Fisher.

L. Staff Reports Mr. Simmons stated that Cheney will be kicking off the holiday season with the Winter Festival on Saturday. It will be done in conjunction with Pathways to Progress. The Youth Commission will host the tree lighting. Ms. Showalter stated that WCIA did a complete audit. This year it was focused on the Police Dept and we did great. She complimented the Police Department. She stated that the Wellness and Benefits Fair for the City was today. She thanked Councilmember Huff and Councilmember McKeehan for attending. Ms. Showalter introduced Arlene Fisher, the new City Administrator. She and the Mayor met with Ms. Fisher today and came to agreement on a contract. Ms. Fisher stated that this is a very exciting time for her. She introduced her husband, Rich Maurer, and stated that they are actively looking for a home in Cheney. She should be on board January 3rd. Mr. MacDonald stated that there will be a Public Works and Utilities Committee meeting on Thursday at 5:15 p.m. There will be a General Government Committee meeting on December 4th at 5:15 p.m.

M. Mayor's Report Mayor Gainer stated that Bi-Mart opened recently. It is good to see people coming to Cheney to shop.

N. Executive Session None

O. Adjournment Councilmember McKeehan moved to adjourn. Councilmember Huff seconded. Carried unanimously. 7:15 p.m.