

REGULAR CITY COUNCIL MEETING
February 12, 2008

A. Call to Order – Pledge of Allegiance Mayor Gainer called the Regular City Council meeting to order at 6:01 p.m.

B. Roll Call – Excused Absences Councilmembers present included Councilmember Mather, Councilmember Nixon, Councilmember Overhauser, Councilmember Huff, Councilmember Trulove, and Councilmember McKeehan. Staff members present included Ms. Fisher, Ms. Niemeier, Mr. Conklin, Ms. Lehrhaupt, Mr. Richardson, Mr. MacDonald, Ms. MacDonald, Mr. Campbell, Mr. Simmons, Ms. Cooper, Mr. Winters, Mr. Wahl, Ms. Hale, and Ms. Showalter. Mayor Gainer stated that Councilmember Stockton requested to be excused due to illness. Councilmember McKeehan moved to approve the request. Councilmember Trulove seconded. Carried unanimously.

Councilmember Huff moved to have Item 13 as an information item and it will come back as an action item at the next meeting. Councilmember Overhauser amended the motion to include Item 9A, Emergency Declaration. Councilmember Huff stated that it also needs to include the proclamation. Ms. Fisher stated that we would like to defer the animal control ordinance to the next meeting. Councilmember Huff moved to make the changes to the agenda. Councilmember Nixon seconded. Carried unanimously.

C. Minutes of the Regular City Council meeting of January 22, 2008 were approved as distributed.

D. Claims and Vouchers nos. 93200 and 93242 through 93410 in the amount of \$835,377.19; payroll warrants nos. 52850 through 52893 in the amount of \$20,501.62; direct deposits nos. 22903 through 23077 in the amount of \$251,730.30; claims warrants nos. 93200 through 93232 in the amount of \$302,801.69; and transfers to claims clearing fund for distribution in the amount of -\$10,390.29 for a total payroll of \$564,643.32 were approved as read.

E. Claims for Damages None

F. Small Contracts Ms. Niemeier stated that the small contract is with Kelli Gamache, planning intern, for \$300 per credit hour. Councilmember Overhauser moved to approve the small contract. Councilmember Trulove seconded. Councilmember Huff asked how many credit hours this is for. Ms. Niemeier stated that it is for a maximum of six. Mr. Richardson stated that she will be working with Elisa Rodriguez. Carried unanimously.

G. Information Items Jim Huttenmaier, Greater Spokane, stated that they have been strategic partners with the City of Cheney for over a year. He provided the quarterly report for the fourth quarter of 2007. It does not look like this area is having the slowdown the rest of the nation is having. They are working on recruitment, expansion and retention. Employers in this area are having trouble finding the skilled workers they need. Greater Spokane has produced nearly 4,000 packets that have gone out to high school age students in this area. Mr. MacDonald introduced Shawn Koorn from HDR Engineering. Mr. Koorn stated that he would like to get everyone up to speed on what has been going on with the wastewater cost of service analysis. There are three steps when you design rates. The first step is a revenue requirement. The next step is to determine who pays. The last step is to take the information and develop the rates for each customer class. They looked at the years 2008-2012. A wastewater utility should stand on its own. The people that utilize the service should pay for it. You should also maintain minimum debt service levels and minimum reserve levels. You need to make sure you are adequately funding on an annual basis what is depreciating. One of the greatest assumptions that was made is that the system development charges would be used to pay for the debt service, which includes the wastewater treatment plant expansion. One issue that we need to make sure of is that we are not assuming a higher level of system development charge than we are going to achieve. If the system development charge is less than what is being proposed, more money will have to be taken from reserves or rates will need to be even higher. A three percent adjustment per year would cover the costs through 2012 based on the proposed system development charge. The ending fund balance would remain at approximately \$300,000. The goal of the cost of service analysis is to have an equitable cost for rate payers. They have utilized a generally accepted methodology that has been consistent with what the city has used in the past. It will be a Council policy decision on the rates and any adjustments needed. Councilmember Trulove stated that it is common to think of

equity being related to flow, but it really means fairness. Fairness can be looked at in many different ways. It is Council's decision to determine what is fair. Mayor Gainer proclaimed February 25-March 3, 2008 as Peace Corps Week.

H. Appointments Mayor Gainer stated that he would like to appoint Graeme Webster to the Planning Commission to fill the unexpired term of Ray Gawenit. Councilmember Huff moved to approve the appointment. Councilmember Nixon seconded. Carried unanimously.

I. Citizen Comments None

J. Action Items

1. 08-013 – Resolution D-396 – Public Defense Grant Ms. Cooper stated that this is a \$15,000 grant from the Office of Public Defense to help improve indigent defense. Councilmember Huff moved to approve Resolution D-396. Councilmember Overhauser seconded. Carried unanimously.

2. 08-022 – Resolution D-401 – Set Meeting Date with Petitioner to Set Terms for Annexation (Douglass – Betz Rd) Mr. Richardson stated that he received notice of an intent to annex. Councilmember Huff stated that we just need to set a date for a public meeting. Mr. Richardson stated that he does not have a lot of information tonight. Councilmember Huff moved to approve Resolution D-401. Councilmember Trulove seconded. Carried unanimously.

3. 08-023 – Resolution D-402 – WASPC Small Equipment Grant Acceptance Mr. Campbell stated that each year we petition for an equipment grant. We have been awarded the funds. Councilmember Huff moved for passage of Resolution D-402. Councilmember McKeehan seconded. Carried unanimously.

4. 08-027 – Resolution D-405 – Traffic Safety Commission Sustained Enforcement Emphasis Grant Mr. Campbell stated that we have participated in this for a number of years. The state has changed the way they do this now and it requires a new MOU. Councilmember Huff moved for approval of Resolution D-405. Councilmember McKeehan seconded. Carried unanimously.

5. 08-028 – Resolution D-406 – Resolution Rescinding and Awarding Bid for Substation Structural Steel Mr. Richardson stated that the bid was awarded at the last meeting, but we discovered a bid that was not opened during the bid opening. This would rescind the award from the last meeting and award the bid to the low bidder. Councilmember Huff moved for passage of Resolution D-406. Councilmember McKeehan seconded. Councilmember Trulove asked how we misplaced the bid. Ms. Niemeier stated that it was placed in a folder and it was not grabbed when the rest of the bids were opened. The procedures have been revamped. Carried unanimously.

6. 08-029 – Resolution D-407 – Public Defender Conflict List Ms. Cooper stated that we have had three attorneys that have removed themselves from the list in the past year and two that were added. These are appointed when there are conflicts. Councilmember McKeehan moved for passage of Resolution D-407. Councilmember Trulove seconded. Carried unanimously.

7. 08-030 – Resolution D-408 – Assistance to Firefighters Grant Matching Funds Mr. Winters stated that they were awarded \$73,738 in grant funds. It requires \$3,686 in matching funds. Councilmember Huff moved for approval of Resolution D-408. Councilmember McKeehan seconded. Councilmember Trulove asked what strings come with this. Mr. Winters stated that we have to spend the money on the equipment before the end of the year. Discussion followed. Carried unanimously.

8. 08-031 – Resolution D-409 – Resolution Setting the Value of Cheney Fire Department Rescue 5 for Surplus and Sale Mr. Winters stated that Rescue 5 is the 2001 rescue vehicle that looks like an ambulance. The vehicle does not meet any of our requirements. Fire District 3 has offered us \$40,000 for it. Councilmember McKeehan moved for passage of Resolution D-409. Councilmember Huff seconded. Carried unanimously.

9. 08-039 – Resolution D-411 – Contract for Special Counsel Services Ms. Fisher stated that number seven on the second page was changed to state, "This Agreement may be modified at any time by the parties

provided that such modification shall be in writing and signed by each party or an authorized representative.” Councilmember McKeehan moved to make the modification. Councilmember Trulove seconded. Councilmember Huff stated that he thought when the Council approved this the first time it was something that would be done quickly. Ms. Fisher stated that we are hoping that we can get this taken care of. This is for certain elements of the Myers case. Carried unanimously. Councilmember Huff stated that he thought this was only going to be for three or four months. Mr. Conklin stated that he will provide an update in executive session. Councilmember McKeehan moved for passage of Resolution D-411. Councilmember Trulove seconded. Carried unanimously.

9A. Emergency Declaration Ms. Fisher stated that on January 27, the City of Cheney declared an emergency due to the snow storm. We came out of it very well thanks to the staff. Cheney was one of the municipalities that was prepared. The Council needs to support the declaration of emergency and the costs associated with it. Councilmember Huff moved for approval of Resolution D-404. Councilmember Nixon seconded. Councilmember McKeehan commended city staff for a job well done. Mayor Gainer stated that the departments all worked together as a team and it was very impressive. Carried unanimously.

10. 08-036 – Ordinance U-34 – Wastewater Connection Charge Amendment: Ordinance U-34 Mr. MacDonald stated that part of the agreement with HDR Engineering is that the City would prepare a connection charge analysis. That was submitted to HDR. State law allows cities to charge property owners to connect to the system. That charge can include up to ten years worth of interest. This charge is sometimes referred to as a system development charge or general facility charge. The city can charge a fee up to \$4,800 for a 1.5 inch meter or less. The biggest component is the treatment system. Expansion benefits a percentage of the existing customers but it also benefits future customers. We do not have a clear accounting of the collection system that has been in for decades. Some of it was put in by developers and Mr. Koorn factored this into his proposed rates. Mr. MacDonald requested the first reading only so the public has a change to comment. Councilmember Huff moved for the first reading of Ordinance U-34 in title and summary form only. Councilmember Trulove seconded. Carried unanimously. Councilmember Huff moved to defer this to the next meeting. Councilmember McKeehan seconded. Carried unanimously.

11. 08-033 – Ordinance U-68 – Ordinance Providing for the Creation of the Cheney Youth Court Ms. Cooper stated that we have been working on this for about a year. We have seven students, five seniors and two in middle school. There have been some training sessions. The Washington State Bar Association will pay for them to have training next month. Councilmember Trulove asked if there is a cost involved. Ms. Cooper stated that there is no cost. Councilmember Huff moved for the first reading of Ordinance U-68 in title and summary form only, that reading considered the second and third, and placed before Council for final passage. Councilmember Overhauser seconded. Discussion followed. Yes votes: Councilmember Mather, Councilmember Nixon, Councilmember Overhauser, Councilmember Huff, Councilmember Trulove, Councilmember McKeehan. Ms. Cooper stated that we are the eighth youth court in the state of Washington. Ordinance U-68 passed.

12. 08-024 – Ordinance U-74 – Modifying CMC Chapter 7.20 Regarding Animal Control Deferred

13. 08-037 – Ordinance U-75 – Wastewater Rate Amendment: Ordinance U-75 Deferred

14. 08-034 – Ordinance U-77 – Create Emergency Operations Fund – 126 Ms. Niemeier stated that we have chosen to run all expenses out of this fund. It will be funded by the general fund. Councilmember Trulove moved for the first reading of Ordinance U-77 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 Mather, Councilmember Nixon, Councilmember Overhauser, Councilmember Huff, Councilmember Trulove, Councilmember McKeehan. Ordinance U-77 passed.

15. 08-035 – Ordinance U-78 – 2008 Budget Amendment Ms. Niemeier stated that this is the first budget amendment of the year. It includes amendments for drug testing for Court, surplus of the Fire vehicle, and replacement of computers. It also includes the Emergency Operations Fund. We are estimating that we are going to need \$75,000. We have already spent \$17,500. Staff costs were about \$35,000. We will transfer money from the general fund as need. We will attempt to get some of this money back from the state.

Councilmember McKeehan moved for the first reading of Ordinance U-78 in title and summary form only, that reading considered the second and third, and placed before Council for final passage. Councilmember Huff seconded. Carried unanimously. Yes votes: Councilmember Mather, Councilmember Nixon, Councilmember Overhauser, Councilmember Huff, Councilmember Trulove, Councilmember McKeehan. Ordinance U-78 passed.

K. Council Reports Councilmember Mather attended the Youth Commission meeting. They were planning some activities and there were a large group of kids involved. Councilmember Trulove urged everyone to contact their legislators to oppose passage of the bill that would require us to record executive sessions.

L. Staff Reports Ms. Fisher stated that we have been focused on snow removal. We are redirecting our activities back to normal. There will be a Town Hall meeting tomorrow at 7 p.m. at the Wren Pierson building. City department heads will be there. She will be the moderator.

M. Mayor's Report Mayor Gainer stated that the Town Hall meeting is one of the things he wanted to do when he was elected. He will do these quarterly. It is a good opportunity to see what the citizens feel about government.

N. Executive Session Mayor Gainer recessed the meeting at 7:21 p.m. for a three minute recess and executive session regarding matters of litigation and personnel. It will last approximately fifteen minutes with action to follow. He asked Ms. Fisher, Ms. Niemeier, Ms. Lehrhaupt, and Mr. Conklin to stay. Mayor Gainer reconvened the meeting at 7:56 p.m. Councilmember Overhauser moved to direct the City Administrator to negotiate a contract with Witherspoon, Kelley, Davenport & Toole for municipal counsel and to also negotiate a contract with Mr. Conklin for continuing services for the Myers case. The contracts will come to Council for final approval. Councilmember Nixon seconded. Carried unanimously.

O. Adjournment Councilmember Huff moved to adjourn the meeting. Councilmember Mather seconded. Carried unanimously. The meeting was adjourned at 7:57 p.m.

City Clerk

Mayor