CITY OF SHELTON, WASHINGTON - CITY COMMISSION  
Study Session Minutes – December 9, 2013 
Shelton Civic Center - 2:00 p.m.

Presiding: Mayor Cronce, Commissioner Olsen and Commissioner Pannell  
Staff Present: Dave O’Leary, Vicki Look, Greg Clark, Steve Goins, Cathy Beierle, Dave Eklund, Shelby Conklin, 
Les Watson, Mike Michael, Dennis McDonald, Judy Brown and Lesleann Kangas

Mayor Cronce called the meeting to order at 2:00 p.m.

Commission Reports
The Commission presented certificates of service to Ms. Judy Brown, Shelton Municipal Court and Mr. Dennis 
McDonald, Shelton Regional Project Manager. They are both retiring at the end of this week. Staff and their 
supervisors wished them well on their new journeys.

Commissioner Pannell reported the City of Shelton Garbage Truck took the First Place Award in the Christmas 
Parade.

One or more Commissioners will attend the following activities this week:
- Cub Scouts Meeting
- Taylor United Meeting
- MACECOM Meeting
- Criminal Justice Committee Meeting
- Law Enforcement Officers and Fire Fighters (LEOFF) Board Meeting
- Economic Development Council Luncheon
- Employee Appreciation Luncheon

Public Comment
Mayor Cronce recognized Ms. Marilyn Vogler who spoke on sales tax being large revenue for the City of Shelton. 
Ms. Vogler encouraged citizens to shop locally and encouraged the Commission to have education on how to shop 
smart for Shelton.

Mayor Cronce recognized Ms. Tristen Star who encouraged the Commission to maintain current levels of Police 
Officers in the City of Shelton.

Consent Agenda
1. Ordinance 1841-1213, 2nd Reading – An Ordinance of the city of Shelton, Washington, Vacating a Portion of 
   Delaware Street
2. Ordinance 1839-1213, 2nd Reading – An Ordinance of the City of Shelton, Washington, Relating to Flood 
   Damage Prevention; Amending Shelton Municipal Code Chapter 18.10 by Incorporating changes to Address 
   Deficiencies Cited by the Washington State Department of Ecology
3. Ordinance 1840-1213 – 2nd Reading – An Ordinance of the City of Shelton, Washington Extending the 2013 
   Budget for the Bond Fund, by Providing Additional Revenues and Expenditures That Could Not Have Been 
   Foreseen when the 2013 Budget for the CityWas Adopted

Commissioner Olsen moved to approve the consent agenda as read; Commissioner Pannell seconded the 
motion. A vote was taken and the motion passed.

Old Business
1. Interlocal Agreement (ILA) between the City of Shelton and Mason County for Sharing Historic Preservation 
   Funds- Community and Economic Development Director Goins reported that the Commission previously 
   reviewed and authorized the execution of the ILA at the meeting of October 28, 2013. The Board of County 
   Commissioners subsequently reviewed the ILA and requested the following two modifications prior to execution:
   - Money transferred by this agreement may not be used for administrative purposes
• No applicant for a Historic Preservation grant may receive funding from both the County and the City for the same project (i.e. no double-dipping.)

DH Goins said staff support these minor revisions and have incorporated them into the updated ILA for consideration. The modifications will not affect the amount of funding received, or alter the City’s purpose in pursuing this agreement. DH Goins requested the Commission approve the ILA and authorize the Mayor to sign when approved and signed by the Board of County Commissioners.

**Commissioner Olsen moved to enter into an Interlocal Agreement, authorize the Mayor to sign the agreement between Mason County and the City of Shelton once approved and signed by the Board of County Commissioners; Commissioner Pannell seconded the motion. A vote was taken and the motion passed.**

2. **2014 Final Budget – Ordinance 1842-1213 – An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2014** – City Administrator O'Leary said there are no changes to the previously presented 2014 Budget presentations. CA O'Leary said he would answer any questions.

Mayor Cronce said he has been saying he does not want to cut police and that there may be possible ways to fund the police position. He recommended taking money from reserves to fund a police officer and would make a motion if agreed by another Commissioner. One option would be to postpone the reroofing project; another would be reducing the money spent on the removal of vacant houses or monies for filling potholes.

Commissioner Pannell said that the Police Department is the last department in the City to suffer cuts. She said with the reorganization in the Police Department no one will lose their job. Her recommendation is to stay with the 2014 Budget as presented.

Commissioner Olsen said this is only a budget and we are not locked into anything. He said he is comfortable with the presented 2014 Budget and that there could be opportunities to amend this if needed.

Mayor Cronce said he appreciated the comments from the other Commissioners and is ready to move forward with a motion.

**Mayor Cronce requested a First and Final reading of Ordinance No. 1842-1213 as follows: An Ordinance of the City of Shelton, Washington, Adopting the Budget for the Year Ending December 31, 2014**

**Commissioner Olsen moved to approve Ordinance No. 1842-1213; Commissioner Pannell seconded the motion. A vote was taken and the motion passed.**

Director of Financial Services Beierle requested a motion for an exception to the policies in Resolution #1043-0812.

**Commissioner Olsen moved that the Commission adopt the following Financial Policy’s established in Resolution #1043-0812 be waived for the 2014 Budget: 1) Projected revenues in any given year match projected expenses for that year, 2) Use of one-time revenues for one-time expenses only, and not for ongoing expenses. The 2014 Budget includes using an estimated 2013 fund balance carryover of $195,049 and $36,251 of 2014 fund balance 1-time monies to balance the 2014 operations portion of the 2014 Budget. Commissioner Pannell seconded the motion. A vote was taken and the motion passed.**

**New Business**

1. **2014 City of Shelton Work Plan** – CA O'Leary reported that the City produces a Work Plan each year. The Work Plan is a set of projects that each department proposes to accomplish during that year. A number of projects are mandated and others are an implementation of our Strategic Plan. The Work Plan serves to consolidate the approval process. Unless further decisions are driven by City policy, departments will proceed toward accomplishment of their Work Plan goals without further Commission action. All Work Plan projects are included in the draft 2014 City Budget. CA O'Leary requested the Commission place the 2014 City of Shelton Work Plan on the consent agenda for December 16, 2013.
The Commission concurred to place the 2014 City of Shelton Work Plan on the consent agenda for December 16, 2013.

2. **Community Development Block Grant, Amendment #2 (Mason County Shelter and Shelton Creek Apartments Project)** – Community and Economic Development Director Goins reported that in 2012 the City secured a Community Development Block Grant (CDBG) administered by the Washington State Department of Commerce. This grant is a pass-through funding targeted to provide gap funding for construction of the Mason County Shelter and Shelton Creek Apartments project. Mason County Shelter receives the funds through a sub-recipient agreement from the City. Project construction is underway, and the City has commenced processing funds to the Shelter. Currently, CDBG funding totals $825,000, which includes $800,000 for construction and $25,000 dedicated to cover the City’s contract administration costs, with no City match required. The proposed amendment would increase the total grant funding to $1,000,000, the maximum CDBG offers a single project. This is necessary to address come cost overruns experienced during construction. This funding will not fully cover the additional costs; however, another project funding source (Housing Trust Fund) has committed to providing the balance of funding necessary to complete the project. This separate funding is being secured by Mason County Shelter. DH Goins said a Public Hearing has been advertised and will be held on December 16, 2013, with Mason County Executive Director, Deb Nielsen, providing an update on this project. At this Public Hearing DH Goins will recommend the Commission authorize the Mayor to sign Contract Amendment #2 after the presentation at the Public Hearing scheduled for December 16, 2013.

The Commission thanked DH Goins for the information.

3. **Wastewater Treatment Plant (WWTP) Rehabilitation – HVAC Correction & Upgrade Work** – City Engineer Michael reported that at previous meetings there has been discussion on various items of additional work that the United States Department of Agriculture-Rural Development (USDA-RD) has approved for inclusion in the WWTP Improvements Project. One element of work includes HVAC Corrections and Upgrade Work. This work will be at the WWTP located at 1701 Fairmount Avenue which was recently remodeled and the HVAC system upgraded. This work was not fully completed and does not fully comply with current Mechanical codes. Project scope will correct known code issues, inspect for any missed code or system deficiencies and complete system installation in compliance with all applicable codes. A project bid went out with a closing date of September 12, 2013 and no bids were received. The scope was rewritten, and with USDA-RD approval, a Small Works Roster was utilized to target the appropriate contractors. A single bid from Sunset Air, Inc., was received in the amount of $55,554.33 including tax. Including a 10 percent allowance for the time and materials contingency included in the proposal this increases the total not-to-exceed contract amount to $61,125. The original Engineer’s Estimate for this project was $100,000. This work has been identified by USDA-RD as eligible under the current grant funding provided by them. CE Michael requested that the Commission award the bid to Sunset Air, Inc., and that the Mayor be authorized to sign the contract when received back from the contractor and after concurrence of the award by USDA-RD by placing on the consent agenda for December 16, 2013.

The Commission concurred to place the Wastewater Treatment Plant Rehabilitation – HVAC Correction & Upgrade Work Contract with Sunset Air, Inc., on the consent agenda for December 16, 2013 authorizing the Mayor to sign when received from contractor and concurrence by USDA-RD.

4. **2013-15 On-Call Engineering Services Pool/Consultant Contract** – City Engineer Michael said that in the past one consultant was selected to supplement City staff in order to complete simple designs, plan reviews, and other limited engineering services. In 2009, staff made a change to a contract pool format, which involved multiple firms available on rotating basis to provide the needed services. During November and December, staff solicited proposals from consulting firms interested in providing on-call engineering services to the City for 2013-2015 through a contract pool. The top eight to ten firms out of twenty-three all rated very well in our review. After further review and team scoring the top six firms were determined. CE Michael requested the firms of ExcelTech Consulting, Inc., SCJ Alliance, Jerome W. Morrisette & Associates, Inc., P.S., Parametrix, Gray & Osborne, Inc., and BCH Consultants, LLC be placed on the consent agenda for December 16, 2013, authorizing the Mayor to sign the contracts as they are returned to the City.
The Commission concurred to place the six recommended contract firms on the consent agenda for December 16, 2013, authorizing the Mayor to sign as they are returned to the City.

5. Washington State Patrol (WSP) Interagency Agreement with the City of Shelton – Missing and Exploited Children Task Force (MECTF) – Police Lieutenant Watson said that in 1999 the Washington State Legislature established the MECTF within the WSP. MECTF’s mission is to be available to assist local law enforcement in missing child and child exploitation cases by direct assistance and case management; technical assistance; personnel training; referral for assistance from local, state, national and international agencies; and coordination and information sharing among local, state interstate and federal law enforcement and social service agencies. The Shelton Police Department has the opportunity to participate in MECTF. Detective Ses Maiava has been selected for this position. WSP will reimburse the City of Shelton Police Department up to $7,250.00 per month for actual salary and benefit costs. The City of Shelton is responsible for all salary and benefit cost including overtime exceeding $7,250.00 per month. Lieutenant Watson requested the Commission place the approval of the WSP Interagency Agreement – MECTF on the consent agenda for December 16, 2013 authorizing the Mayor to sign the document.

The Commission concurred to place the approval of the WSP Interagency Agreement – MECTF on the consent agenda for December 16, 2013 authorizing the Mayor to sign the document.

Administration Reports

1. Union/Ferry Streets Paving - PW Project – Formal approval of funding and authorization for City Administrator to approve budget modification – Public Works Director Clark reported that at the Commission meeting of September 9, 2013 the Commission authorized the Public Works Crew to place two catch basins with pipe and place two inch of asphalt paving on Union Avenue from Fairmount Avenue to Arcadia (with the exception of Dearborn to Ellinor as it was already paved) and on Ferry Street adjacent to McKinley Street. This work was completed during the first week of October. DH Clark said clarification of the intentions of action taken at the meeting in September is needed so he is requesting the Commission authorize the use of 2013 One-Time Money, not to exceed $50,000, for the paving of Union Avenue from Fairmount Avenue to Arcadia (with the exception of Dearborn to Ellinor as it was already paved) and the paving of a small portion of Ferry Street adjacent to McKinley Street, authorizing the use of 2013 Storm Utility funding, not to exceed $8,000 to cover the cost of the improvements and authorize the City Administrator to make all necessary budget modifications.

Commissioner Pannell moved to authorize the use of 2013 One-Time Money, not to exceed $50,000, for the paving of Union Avenue from Fairmount Avenue to Arcadia (with the exception of Dearborn to Ellinor as it was already paved) and the paving of a small portion of Ferry Street adjacent to McKinley Street, authorizing the use of 2013 Storm Utility funding, not to exceed $8,000 to cover the cost of the improvements and authorize the City Administrator to make all necessary budget modifications; Commissioner Olsen seconded the motion. A vote was taken and the motion passed.

General Public Comment - None

Administrative Final Touches


Announcement of Next Meeting

Mayor Cronce announced the next regular Commission meeting of Monday, December 16, 2013 at 6:00 p.m.

Adjournment

Mayor Cronce adjourned the meeting at 3:30 pm