

CITY OF SHELTON, WASHINGTON – CITY COMMISSION
Study Session Meeting Minutes – January 24, 2011
Shelton Civic Center – 2:00 P.M.

Presiding: Mayor Tarrant, Commissioner Byrne and Commissioner Pannell
Staff Present: Dave O’Leary, Vicki Look, Cathy Beierle, Terry Davenport, Mike Michael, Mark Ziegler, and Lesleann Kangas

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

Commission Reports

One or more Commissioners will attend the following activities this week:

- Memorial Hall Meeting
- Community Action Council/Olympia

Public Comment - None

Consent Agenda

1. Vouchers numbered 74483 through 74503 in the amount of \$215,715.44
2. Regional Projects – Letters to State Legislature supporting continued funding of Regional Partners

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

Old Business

Resolution # 1011-0111 – A Resolution of the City of Shelton, Washington Amending the 2011 Work Plan and the 6-Year Strategic Plan - City Administrator O’Leary presented this in detail last week. The Work Plan is compiled and updated annually. These are projects and goals, not processes. There have been a lot of accomplishments in 2010, most of them in Public Works, but a debt of gratitude goes to all employees. The Strategic Plan is on track, with the next planning cycle in 2012. CA O’Leary recommends approval of Resolution #1011-0111.

Commissioner Byrne said that the Administrative Section is a great lead off to the Work Plan. In dealing with the financial difficulties that all cities have experienced this looks forward with optimism. The City of Shelton will be proactive in climbing the ladder with this growth plan.

Mayor Tarrant requested a Reading of Resolution #1011-0111 as follows:

A Resolution of the City of Shelton, Washington Amending the 2011 Work Plan and the 6-Year Strategic Plan.

Commissioner Pannell moved to adopt Resolution #1011-0111, Commissioner Byrne seconded the motion. A vote was taken and the motion passed.

New Business

1. **Shelton Arts Commission Appointment – Lori Heinzen – Term ending December 31, 2014 – Parks and Recreation**
Director Ziegler presented a letter of interest from Ms. Lori Heinzen for a second term on the Shelton Arts Commission. Her previous term expired December 31, 2010. DH Ziegler said Lori has been an active member of the commission since 2007. The appointment of Lori would ensure that all five positions on the commission are filled. DH Ziegler recommended that the Commission appoint Lori Heinzen to the Shelton Arts Commission for a four year term ending December 31, 2014 and place on the consent agenda for January 31, 2011.

The Commission concurred to place the appointment of Lori Heinzen to the Shelton Arts Commission for a term ending December 31, 2014 on the consent agenda for January 31, 2011.

2. **City of Shelton and Green Diamond Resources Lease Agreement** – City Engineer Michael reported that the City has identified the potential need for land application of digested sludge generated at the City’s Wastewater Treatment facility. This lease agreement would allow the City to utilize Green Diamond forest lands for this purpose, subject to the terms and conditions of the permit agreement. This would provide a means to continue land application of digested sludge if the processes designed to enhance treatment provided in the upgraded Wastewater Treatment Plant would be temporarily shut down. The proposed Lease Agreement assigns no fees, and terminates on December 31, 2011, with an automatic extension ending December 15, 2015. CE Michael recommended the Commission approve the Green Diamond Resources Lease Agreement and place on the consent agenda for January 31, 2011, authorizing the Mayor to sign.

The Commission concurred to place the Green Diamond Resources Lease Agreement on the consent agenda for January 3, 2011, and authorize the Mayor to sign.

3. **Kneeland Park Pump Station – Final Acceptance** – City Engineer Michael said in June of 2009, the contract was awarded for the construction of the Kneeland Park Pump Station Project to Rodarte Construction. Physical Completion, as well as Final Completion, has been delayed due to lack of response regarding final documentation and other issues from the contractor. In November, a letter informing the contractor that the City would proceed to unilateral final acceptance under the contract provision was prepared and sent. The letter was received by the contractor on November 29, 2010 with 30 days to respond. On December 30, 2010, staff had not received a response to this letter; and therefore prepared and finalized the final contract payment voucher. The original contract value, with sales tax, was \$2,067,574.99. The final contract value, with change orders and sales tax, was \$2,116,216.75. The final amount earned by the contractor was \$2,082,855.28. The project is now complete under the terms of the contract and ready for acceptance by the Commission. The Final Acceptance will allow staff to prepare notification and request to various State agencies for their final certifications. This is the final step in the contract, which allows staff to ultimately release the retainage for the project and close our records. CE Michael requested that the Commission accept the project and execute the Final Acceptance document and place on the consent agenda for January 31, 2011.

The Commission concurred to place the Kneeland Park Pump Station Final Acceptance on the consent agenda for January 31, 2011.

4. **Ordinance No. 1778-0111- First Reading – An Ordinance of the City of Shelton, Washington Repealing Sections 14.28.080 and 15.28.080 of the Shelton Municipal Code, Relating to Utility Rates Outside City Limits** – City Administrator O’Leary reported that in February 2010, the City of Shelton approved a new Interlocal Agreement with Mason County Public Utility District No. 3 (PUD 3) and the Port of Shelton (Port) to provide water service on John’s Prairie Road. This agreement included a commitment from the City to waive the 50 percent surcharge for utility customers outside the City Limits, who had committed to annexation, creating reduced fees. Recent legal case law has called into question whether the city has the authority to set different rates based on commitment to annex. CA O’Leary said the costs would be to the utility, not to the General Fund. Also, the General Facility Charges should not be charged for this large water extension. This was referenced to the PUD 3 but not to the Port. This will be fixed and brought back next week.

The Commission requested a First and Final Reading of Ordinance No. 1778-0111 at the meeting of January 31, 2011.

Administration Report

- **Street Light Update** – Police Chief Davenport reported that the City of Shelton is ready to turnoff the second phase of street lights. The lights that have been and will be turned off have been determined not needed due to their vicinity to other lighting sources. The first phase turned off 47 lights north of Cota Street to Wallace-Kneeland Blvd. This will result in an estimated annual savings of \$7,522.65. The only concern received, was from the Franklin Street area

behind the Post Office. In two weeks the second phase, 36 lights south of Cota Street, will be turned off. Concerned citizens may stop by the Shelton Police Department during regular business hours to view a map of the lights that will be turned off. The third phase will turn off 24 lights on Wallace-Kneeland Blvd. North. There is no time set for phase three yet.

The Commission concurred to have the street light map available for viewing for two weeks prior to the start of phase two, turning off of streetlights.

Public Comment - None

Administrative Touches

- CE Michael/Establish technical advisory committee for Shoreline Management Program
- Upcoming Retreat/February or March

Announcement of Next Meeting

Mayor Tarrant announced the next Shelton Metropolitan Park District Meeting at 1:45 p.m. and regular Commission meeting Monday, January 31, 2011, at 2:00 p.m. at the Public Safety Building.

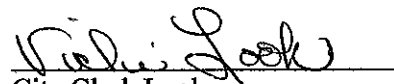
Adjournment

As there was no further business the meeting was adjourned at 2:50 p.m.

Executive Session - The Commission was brought back at 4:50 p.m. for an Executive Session to last 45 minutes to discuss potential litigation with no action to follow. The Commission, Dave O'Leary, Attorney Haggard, Vicki Look, Terry Davenport, Cathy Beierle and Steve Goins were in attendance. Ms. Look requested to extend the meeting for 10 minutes. The Commission adjourned the Executive session at 5:45 p.m.



Mayor Tarrant



City Clerk Look