

CITY OF SHELTON, WASHINGTON - CITY COMMISSION

Business Meeting Minutes – November 7, 2011 6:00 p.m.

Shelton Civic Center

Presiding: Mayor Tarrant, Commissioner Byrne and Commissioner Pannell

Staff Present: Dave O’Leary, Vicki Look, Cathy Beierle, Dave Eklund, Mike Michael and Lesleann Kangas

Mayor Tarrant called the meeting to order at 6:00 p.m.

Mayor Tarrant announced an addition to the agenda, the Oath of Office for Chief of Police Eklund.

Mayor Tarrant administered the Oath of Office to Police Chief David S. Eklund.

Commission Reports

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

- Mason Transit Authority Board Meeting
- MACECOM Legislative and Governing Board Meetings
- Community Action Council/Olympia
- Economic Development Council Board Meeting

Public Comment

Mayor Tarrant recognized Mr. Tom Davis who stated he encourages the enforcement of standards in the City. Mr. Davis said his feeling is the outside of the house belongs to the neighborhood, which includes sidewalks, and relaxing standards would be a detriment to the community.

Mayor Tarrant responded that the Commission is considering a number of items in this area and has also received a recommendation from the Shelton Mason County Chamber of Commerce to partner in looking at development incentives for the City of Shelton.

Mayor Tarrant recessed out of the regular meeting and opened the Public Hearing at 6:19 p.m.

Public Hearing - 2012 Preliminary Budget & Consideration of the 2012 Ad Valorem Tax Levy Ordinance and Certification. Ordinance No. 1794-1111 – An Ordinance of the City of Shelton, Washington, Increasing Ad Valorem Taxes in the City of Shelton for Calendar Year 2012 – City Administrator O’Leary and Director of Financial Services presented this reiteration of last week’s presentation. The City’s goal is to get fiscal stability and the solutions employed to this point have been to continuously manage our budget processes proactively. The City has built adequate reserves, which now allows us to eliminate the contingency account. The voters will decide on the proposed Public Safety Sales Tax tomorrow. If passed, it will provide approximately an additional \$170,000 in revenue to the General Fund. CA O’Leary presented the recommended and non-recommended requests from each department. DH Beierle said included in the projected revenues is the Ad Valorem taxes (property taxes). The presentation is available at City Hall. CA O’Leary thanked all citizens who took the time to come hear this presentation this evening and said if citizens wanted further information he would be available. Staff requested a First Reading of Ordinance No. 1794-1111 and placing it and the Levy Certification on the consent agenda for November 14, 2012.

Public Testimony - None

Mayor Tarrant closed the public hearing at 6:33 p.m.

Mayor Tarrant requested a First Reading of Ordinance No. 1794-1111 as follows:

Ordinance No. 1794-1111 – An Ordinance of the City of Shelton, Washington, Increasing Ad Valorem Taxes in the City of Shelton for Calendar Year 2012

The Commission concurred to place Ordinance No. 1794-1111 and Levy Certification on the consent agenda for a Second Reading and adoption for November 14, 2011.

Consent Agenda

1. Vouchers numbered 76364 through 76467 in the amount of \$865,872.40
2. Commission Meeting Minutes of:
 - Business Meeting of October 3, 2011
 - Joint City/County Commission Meeting of October 5, 2011
 - Retreat of October 6, 2011
 - Study Session of October 10, 2011
 - Business Meeting of October 17, 2011
 - Joint City-PUD-Port of Shelton Special Meeting October 24, 2011
 - Study Session of October 24, 2011
3. Civic Center Rotating Art Gallery Artist Recommendation – Susan Holland
4. Resolution No. 1032-1011 – A Resolution of the City of Shelton, Washington to Sponsor Mason County Emergency Communication’s Request to Join the Association of Washington Cities Employee Benefit Trust
5. Local Agreement Supplement for SR3 Park & Ride Sweepings Pile Removal

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 - None

New Business

1. Railroad Access Agreement – Basin 5 Wastewater Treatment Plant Upgrades – City Engineer Michael reported that due to competitive bids, very strong project management, and a very supportive staff at the United States Department of Agriculture Rural Development (USDA-RD) office, it is now possible to add back some enhancements originally removed for the Wastewater Treatment Plant (WWTP) project. It also includes adding back some additional enhancements and mitigation for various construction impacts. One of the enhancements is the relocation of the sewer main connecting Basin 4 to the WWTP from its current location in an easement to the Fairmount Street right-of-way. To facilitate this improvement, a new easement across the railroad at the plant location is needed. There is sufficient funding to cover the initial cost of this easement. The Sewer operating fund will absorb the ongoing lease fee of \$980 (plus three percent per year for the next five years). CE Michael requested the Commission place the Railroad Access Agreement on the consent agenda for November 14, 2011 and authorize the Mayor to sign.

The Commission concurred to place the Railroad Access Agreement on the consent agenda for November 14, 2011, and authorize the Mayor to sign.

2. Resolution #1033-1111 – A Resolution of the City of Shelton, Washington, Providing for the Approval of Two United States Department of Agriculture (USDA-RD) Form Loan Resolutions Required in Connection with the Issuance of Water and Sewer Revenue Bonds that will Provide Funds to Upgrade the City’s Existing Wastewater Treatment Plant (WWTP) – Director of Financial Services Beierle explained that in 2009 the USDA-RD established certain conditions under which the UDSA-RD would loan and grant money to the City to finance its share of the costs to upgrade the City’s existing WWTP. The City agreed to the conditions and was awarded two loans and two grants to support the project. USDA-RD required the loan amount to be spent before the grant monies would be available for this project. In 2010, interim financing was obtained to pay for \$24,923,000 of the projects costs through the issuance of a Water and Sewer Revenue Bond Anticipation Note. The total amount of interim financing is expected to be spent by January 2012 and at that time the City will need to issue a Water and Sewer Revenue Bond payable to USDA-RD to pay off the interim financing and associated interest costs. Any additional eligible project expenses will be supported by the UDSA-RD grant. Prior to the issuance and sale of the Water and Sewer Revenue Bonds, UDSA-RD requires two resolution forms to be adopted by the Commission, one for the original loan and another for the subsequent loan. These resolutions are forms of the UDSA-RD and are not subject to negotiation or change.

This resolution will approve the two USDA-RD form resolutions and with acceptance of the project the City can move forward with passing the bond ordinance and sale of the bonds to USDA-RD. Staff requested Resolution #1033-1111 be placed on the consent agenda for November 14, 2011.

The Commission concurred to place Resolution #1033-1111 on the consent agenda for November 14, 2011.

Administration Reports

City Administrator O'Leary reported he is working on economic development planning for the City. The goal is to have an amendment to the City's Comprehensive Plan introduced early next year. At this time it includes doing research and putting together a variety of different statements that expand and make the plan more comprehensive and useful to us. He said he will examine conditions that are helpful to economic development in the community and will share those in the coming weeks.

Public Comment - None

Administrative Final Touches

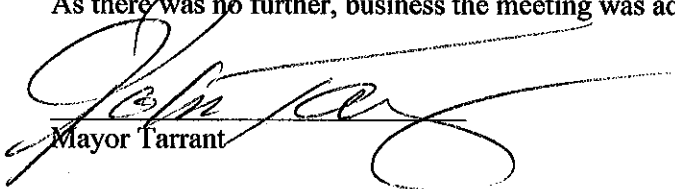
City Engineer Michael reported the earlier today a gas main ruptured in the 600 block of Arcadia Avenue in Shelton. The contractor working on the City's Basin 5 Sewer Rehabilitation project broke an unmarked, unknown one-inch service line. Initially, a 12-block area was asked to evacuate but after Cascade Natural Gas arrived on the scene it was reduced to about two blocks. CE Michael said that the gas was shut off and repairs were being done to the line. No injuries were reported.

Announcement of Next Meeting

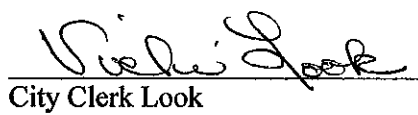
Mayor Tarrant announced the next Commission meeting of Monday, November 14, 2011, 2:00 p.m.

Adjournment

As there was no further, business the meeting was adjourned at 7:10 p.m.



Mayor Tarrant



City Clerk Look