REGULAR COUNCIL MEETING  
February 21, 2018

Officials in Attendance: Mayor Dorothy Knauss; Councilmen John May, Payton Norvell, Evan Schalock and John Wight; Councilwomen Nicole Norvell, Cori Wuesthoff and Carra Nupp

Staff Present: City Administrator Mike Frizzell, City Attorney Mike Waters, Clerk/Treasurer Pamela McCart

The Mayor called the meeting to order at 6:30 PM.

Approval of/Changes to Proposed Agenda:
Councilman Norvell requested the addition of "City Pool" under Old Business. Motion by Councilwoman Nupp to approve proposed agenda as amended, seconded by Councilman May. Roll call vote taken with all in favor. Motion carried.

Mayor Announcements/Appointments, including:
- Mayor will not be at March 7th meeting – Councilman Norvell will preside as Mayor Pro Tem.

Presentation:
Tanya Barton, Attorney – Kutak Rock LLP, acting as bond counsel, reviewed the content of draft Ordinance 921. The ordinance authorizes the sale, issuance and delivery of $450,000 of limited tax general obligation bonds to be purchased by Stevens County. The purchase is to finance the construction of a fire protection facility, the purchase of airport real property/improvements thereto, and to make improvements to the City's municipal building. In the event there are extra funds at the end of these projects, the Council, in its discretion, has the authority to make additional use of those remaining funds within the scope of those projects or it can use that money to pay down on the bond. The principal amount is $450,000 with a 20-year maturity set to mature on 12-1-2037. The interest is initially set at 2.9% (LGIP rate plus 1.5%). The rate is subject to adjustment every two years. Just because it is subject to adjustment doesn't mean the County Treasurer has to adjust it. The bond is payable semi-annually in June and December for interest (commencing this June) and in December for principal and interest. The bond is pre-payable at any time without penalty at the price of par plus interest to the day of prepayment. Security for this bond is the full faith and credit of the City so it is paid back with ad valorem taxes/property taxes of the City. Assuming you adopt the ordinance, you will be closing this bond on March 5th.

Executive Session:
At 6:42 the Mayor announced that the Council would go into executive session for ten minutes to consider minimum price at which real estate could be offered for sale. At 6:52 the Mayor called the meeting back to order.

Declaration as Surplus:
Motion by Councilman Schalock declaring one-acre parcel described as 'the North 435.60 Feet of the East 100.00 Feet of the West 335.00 Feet of the Southeast Quarter of the Northeast Quarter of Section 3, Township 32 North, Range 40 East, W.M., in Stevens County, Washington’ as surplus, seconded by Councilwoman Norvell. Roll call vote taken with all in favor. Motion carried.

Public Hearing Regarding Sale of One-Acre Parcel:
The Mayor opened the public hearing and set forth the format that would be followed. There were no objections to the Mayor participating as chairman. There were no objections to any
Councilperson’s participating in the proceedings. No Councilperson acknowledged any communications outside of this hearing and no Councilperson acknowledged any gain or interest with regard to this matter.

City Attorney: Just to clarify, land sales do not ordinarily require a public hearing. This public hearing is required due to a provision in the Washington code that when a city sells property that was originally acquired for public utility uses that there be a public hearing held should a city decide to sell that property. So this is a unique situation where the City originally acquired this for water utility – it hasn’t been used that way in a while – but that’s what triggered the requirement for this public hearing.

Staff Report, City Administrator Mike Frizzell: As Attorney Waters suggested, since the property was originally purchased for utility purposes we needed to evaluate whether we had any interest in that property. The only two interests we had were in the timber which has now been logged and the retention of an easement on the southwest corner where a water line crosses. At this point it has been deemed that the issue of the easement is no longer of value to the City in that one acre.

There was no written or oral public testimony. The Mayor closed the Public Hearing.

Committee/Commission Reports:
- Lodging Tax, Councilwoman Nupp: We reviewed this year’s budget. Letters have gone out to previous applicants. We will meet again to discuss funding.
- Finance, Councilman Norvell: We discussed the possible purchase of a ladder truck -- we’d like to see how the fire station and roof replacement play out. Watts keeps finding better deals so we may have to revisit this.

City Administrator Report, including:
- The Mayor and I viewed a Recreation and Conservation Office (RCO) application webinar in preparation for applying for a splashpad grant. Our City qualifies for a 10% match whereas most others are required to have a 50% match. Unfortunately, the applications are due May 1st. Presentations by applicants are required to be made in Olympia May 21st thru 25th at which time they review, ask questions and make suggestions. We would go back the second week of July for a final presentation. That’s a short span of time for a great deal of work for a presentation of that magnitude. There would be a 10% City match for upwards of a $300,000 grant. All that match can be in-kind -- in other works can be performed with our own crew. Applying for something like this is going to require expert help with the visual aids and the presentation itself. We would like to engage the services of our local planner, Studio Cascade, which has dealt with RCO grants. Bill Grimes has sat on the RCO board for a while so he would have great insight on how to best get the application approved. I don’t have a cost on that service at this time but whatever we spend on that would count toward the 10% match. I can provide that cost to you at the next meeting at which time you can vote as to whether to proceed. There’s no guarantee our application will be approved. The Mayor added that grant funds are awarded in August 2018 but funding/construction would occur in 2019. The City would have to hold public community meetings to find out what the community would like as far as design. Motion by Councilman Wight for administration to move forward with determining costs for consultant services for RCO grant application, seconded by Councilman Schalock. Roll call vote taken with all in favor. Motion carried.
- Regarding the fire station, we’re waiting for road restrictions to be lifted. I’m dealing
with final documentation with the contractor.

- Our new general insurance company, CIAW, performed a risk assessment and came back with a forty-page report of things that need to be improved or fixed immediately. Luckily the immediate fixes were simple. We have thirty days to comply and we have already addressed 95% of the issues. Some of the other items will be addressed in next years’ budget/capital facility plan such as increased surveillance/security of our well properties. It’s not mandatory but it’s something they’d like to see to protect our water system.

City Attorney Report: None.

Old Business:

- Disc Golf on property just below Pinebrook Addition owned by City: The C/A stated that if Council authorizes it administration will submit an application for $3,500 to the Lodging Tax Committee for permanent disc golf baskets. This would be an appropriate use of those funds since it would bring in people from out of town. We are also getting ready to assist applicants with applying for a shoreline permit for the installation of a walking bridge across the creek for part of the second half of the course. We don’t want to get too far into this unless Council supports the project itself. Possible costs to the City: Portable bathrooms which run about $700/year and mowing the course a couple times a year. Motion by Councilman Norvell to proceed with installation of disc golf course on Peve Creek property, seconded by Councilwoman Nupp. Roll call vote taken with all in favor. Motion carried.

- Regarding City pool, the C/A stated that values wouldn’t be openly discussed here but we’ve done everything as far as gathering information that Council has requested. The discussion has been ongoing and we hope at this point that you have enough information to further the discussion. I have not had any contact with anyone interested in purchasing the pool. If there’s any discussion about getting rid of the property or selling it then obviously we must surplus it first. Administration wasn’t going to make any presumption because that direction must come from Council. Motion by Councilman Norvell to table discussion on City Pool to next agenda, seconded by Councilwoman Nupp. Roll call vote taken with Councilmen May and Wight voting against, remaining votes in favor. Motion carried.

New Business:

- Motion by Councilwoman Nupp to read introduction of Ordinance #921 by title, seconded by Councilman May. Roll call vote taken with all in favor. Motion carried. Bond Counsel Attorney read Ordinance #921 by title. Motion by Councilman Norvell to adopt Ordinance #921 Authorizing the Sale, Issuance and Delivery of $450,000 LTGO Bonds, seconded by Councilwoman Wuesthoff. Roll call vote taken with all in favor. Motion carried.

- Motion by Councilman Schalock to approve Agreement with Department of Natural Resources for Purchase and Sale of Real Estate (Sand Canyon Airport) for $259,000, seconded by Councilwoman Nupp. Roll call vote taken with all in favor. Motion carried.

- Motion by Councilwoman Nupp to approve Resolution #18-04 Adopting Stevens County Updated Comprehensive Emergency Management Plan, seconded by Councilman Wight. Roll call vote taken with all in favor. Motion carried.

- Motion by Councilman May approving sale of one-acre parcel to Colin and Diane Mai at their offer price of $3,430 (Resolution #18-05), seconded by Councilman Schalock. Roll call vote taken with all in favor. Motion carried.
Adjournment:
At 7:39 PM, motion by Councilwoman Norvell to adjourn, seconded by Councilman Norvell. Roll call vote taken with Councilwoman Wuesthoff and Councilman Schalock voting against, remaining votes in favor. Motion carried.

Dorothy L. Knauss
Mayor

Pamela M. McCarter
Clerk/Treasurer

Regular Council Minutes – February 21, 2018 - Page 4 of 4