

**OPENING OF COUNCIL MEETING**

Mayor Pro-Tem Debbie Chapman opened the remote and in person council meeting at 7:02pm. The council members present were Michelle Plumb, Marsha Smith, Mike Schrag, Dennis Chamberlain, Dede Boyer, and Scott Yaeger. Staff members in attendance were Clerk-Treasurer Julie Flyckt, Deputy Clerk Treasurer II Michelle Asmussen (Remote), City Police Chief Dave McCormick, City Attorney John Kragt, Public Works Director Dave Breazeale, and City Fire Chief Joel Bell. Mayor Linda Kadlec was attending remotely. Also present were Barry Boyer, Linda Schrag, Jen Verhey, Jessica Quinn, Ben Varela, Kevin Schaefer, Derek & Susan Schafer, David Chapman, Karen Cady, Brian Bothun, Kyle Niehenke, and Dale Brown from the Cheney Free Press.

**ACCEPTANCE OF THE CONSENT AGENDA**

Mayor Pro-Tem Debbie Chapman asked if there were any corrections or additions to the consent agenda. Council Member Mike Schrag made a motion to approve the agenda for November 7th, 2023. Council Member Dennis Chamberlain seconded the motion. Motion passed 7-0.

**PUBLIC REQUESTS AND COMMENTS-** Mayor Pro-Tem Chapman asked if there was anyone from the public who would like to comment. With no comments, Mayor Pro-Tem Chapman moved on.

**ACTION AGENDA**

- A. Show Cause Hearing:** Mayor Pro-Tem Chapman opened the show cause hearing at 7:02pm. The purpose of the hearing was for the City Council to hear and consider the pertinent facts relating to show cause why a resolution should not be adopted, ordering the nuisance to be abated by the city or its designee with the costs of said abatement being charged against the said landowner. The show cause was for 414 E. Alder and the property owner is Jack Wifladt. Clerk-Treasurer Julie Flyckt stated on September 18th the first photos were taken of this property as the city received several complaints. The conditions at the time were a cluttered yard with scrap piles, building materials, trash, abandoned material, and debris, which constitute a nuisance. There was a letter mailed to the property owner on September 19, 2023, to clean up the property with the show cause date of November 7th. On October 13th the latest pictures were taken and there were no changes to the property from the first round of photos. This city has known this property owner for a long time, and he is a nonresponsive property owner that lives in Canada. Mayor Pro-Tem Chapman stated the Council can choose to either (1) authorize the city clerk to proceed with the administrative abatement procedures to abate the public nuisance violation, which shall include the passing of a resolution or (2) the city council shall direct the city clerk to not proceed if they find that there is no public nuisance violation, or the city has not proceeded according to the nuisance chapter. Council Member Scott Yaeger made a motion to approve Resolution No 2023-19 to abate the property at 414 E. Alder Ave. Council Member Mike Schrag seconded the motion. Motion passed 7-0.

- B. USDA Rural Development Loan RUS Bulletin, Resolution No. 2023-18-** Clerk-Treasurer Julie Flyckt stated we are now in the loan portion of the grant/loan with USDA RD. As the city starts that process through RD the council will need to pass the loan resolution. It is a resolution of the council authorizing and providing for the incurrence of indebtedness for the purpose of providing a portion of the cost of acquiring, construction, enlarging, improving, and/or extending its municipal facility to serve an area lawfully within its jurisdiction to serve. The loan amount is \$3,465,000.00. Council Member Mike Schrag asked how many years we had to pay this back. Council Member Scott Yaeger stated 40 years. Council Member Scott Yaeger made a motion to approve Resolution No 2023-18. Council Member Dennis Chamberlain seconded the motion. Motion passed 7-0.
- C. Permanent USDA Financing, Ordinance 2172-** Clerk-Treasurer Julie Flyckt stated the ordinance was drafted by the city's bond attorney, who is tasked with the bond process and setting up the loan with Cashmere Valley Bank. This is another step where the council needs to pass an ordinance relating to the water system of the city, providing for the issuance of a taxable water revenue bond of the city in the principal amount of \$3,465,000. There is an update to the draft sent to council as Council Member Dennis Chamberlain caught the error where it listed Ritzville as a code city. It has now been updated to a second-class city. Flyckt informed the council about the potential government shut down and if it happens, the city will not be able to pull down funding for a reimbursement during that time. Council Member Dennis Chamberlain made a motion to pass Ordinance No 2172. Council Member Mike Schrag seconded the motion. Motion passed 7-0.
- D. Water Distribution Project Pay Estimate #3, POW Contracting-** Ben Varela from Varela and Associates stated by the end of next week this project should be complete and the only thing really left is some paving scheduled for next week. Pay estimate #3 includes work performed from September 23, 2023, through October 27, 2023. The work includes Installation of connection details (valve clusters), asphalt paving, water main installation, and casing crossing at Weber & 1<sup>st</sup> Ave. Council Member Scott Yaeger made a motion to approve pay estimate #3 to POW on the Water Distribution System Improvements Project in the amount of \$268,361.32. Council Member Dennis Chamberlain seconded the motion. Motion passed 7-0.
- E. Well #8 Rehab Pump Station Project Bids-** Ben Varela stated the bids were opened last Thursday for the Well 8 pump station Project. There were six bids and POW Contracting was the lowest bidder. Varela is recommending the city award the base bid plus the alternate bid, which is for the backup generator, to POW Contracting. Varela provided a quick summary and there will be around \$300,00 remaining in USDA Rural Development Funding (RD) funding. It is projected the entire project, with the generator, will be covered as long as RD approves everything. As soon it is approved by RD, POW contracting is ready to get going on the project. Council Member Scott Yaeger made a motion to award the contract for Well 8R Pump Station Project to the low bidder POW Contracting out of Pasco for the base bid plus the bid alternate contingent upon RD approval. Council Member Dede Boyer seconded the motion. Motion passed 7-0.

- F. Adams County Telecommunications Franchise Agreement, Ordinance No. 2173-** City Attorney John Kragt stated the agreement was presented a while back and Commissioner Blankenship came to a council meeting to answer any questions. There were suggested changes such as the 50-year term that has been pushed back to 25 years. The insurance language has been updated with Council Member Yaeger's assistance. The county did not counter back on any of the changes made and those suggested updates are included in the final franchise agreement. Council Member Dennis Chamberlain made a motion to approve Ordinance No 2173, an ordinance of the City of Ritzville, Washington, granting a nonexclusive telecommunications franchise to Adams County and other matters relating thereto. Council Member Dede Boyer seconded the motion. Motion passed 7-0.

## DISCUSSION

- A. 2024 Preliminary Budget-** Clerk-Treasurer Julie Flyckt began by informing the council that the mayor was on the line via Zoom. The preliminary budget is presented by the mayor, and Flyckt walked council through the items that have changed since the budget workshop. When the ER& R plan was updated from a 3% inflation to 5% it was a big addition to the budget. At that point, there were a lot of conversations about how to make the current expense fund work. Flyckt reached out to the city's finance consultant Tara Dunford to have her take a look at the Current Expense fund. She didn't see anything obvious that we could cut back but she recommended looking at our local government investment pool (LGIP) interest. Dunford's suggestion per RCW 35.39.034 is to put the interest towards the general fund, which is the city's current expense fund. In that process Flyckt reviewed the city code just to make sure there wasn't something she has not seen before in reference to investments. Flyckt reviewed the chapter 1.96 investment policy, which directs to apply the interest to the general fund. The LGIP interest is variable with lows and highs that are not consistent. Some years the interest is about \$63,000 per year but this year it is projected to be around \$143,000. Flyckt calculated an average, not including 2020 & 2021, as those years were impacted by COVID. The calculated average is \$85,000, which is now in the current expense fund as per code. Dunford also suggested the utility tax is another source of revenue to use for other funds. As per city code, the utility tax is to augment library, streets, and cemetery funds. The city no longer facilities the library funds and the finance committee has discussed updating the code to augment other funds. There was originally a 5% COLA in the draft budget, but it has been knocked down to 3% in order to make the budget work. There is still a \$500 per step increase for the police department and updating the Police Clerk role to a Police Records Clerk/Administrative Assistant with a \$3 per hour increase. As for expenditures, the insurance rate is estimated to increase 12%, and a \$10,000 abatement cost was added per finance committee for property clean up. As for the community requests, the Senior Center is at \$3,000, ACDC at \$10,000, and RDDA at \$7,000. There are also the potentially granted funded projects that the city is waiting to hear if they will be granted. The city has been informed we will not awarded the parks grant, which will be removed from the next preliminary budget document. Council

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Member Mike Schrag stated he had a question on the LGIP since the City Attorney John Kragt was at the meeting. He is a little concerned since we have been operating where we have been on the interest money to operate a lot of different programs and all of a sudden, we are starting to rob Peter to pay Paul. It says monies determined available for investment may be invested on an individual front basis or may unless otherwise restricted by law be co-mingled. So, I don't see why we are leaning toward taking earmarked monies away from streets and from different things. When you start putting it into current expense it could get spent other ways than what it was originally intended for the last 40 or 50 years. So, am I wrong in my interpretation that this is an option? Kragt stated it is a good question, and he hasn't ever looked at this but will look at it and report back. Flyckt stated she invites the council to review the code as it is very specific that the interest is applied to the general fund. The RCW is correct, but it is in the city's code where it is applied to the general fund. There was also a discussion with the Finance Committee about water rights as Public Works Director Breazeale found documentation that shows the city has more water rights, but ecology is not responding to his requests to confirm. Flyckt with follow up with land use attorney Mike Connelly to work with Ecology to determine the city's current water rights.

**CORRESPONDENCE:**

In the packets were correspondence form the Ritzville Downtown Development Association for a current expense budget request and the August 24, 2023 Ritzville Public Development Authority meeting minutes.

**MAYOR UPDATES:** Mayor Kadlec stated there was a department head meeting next Tuesday at her house at 9:00am.

**DEPARTMENT UPDATES**

- A. **City Attorney**-John Kragt stated he had some stuff to look at for Mike and will try to get on that really quick. There is an individual that has had a few issues at city hall that Kragt has been dealing with, bit other than that not much going on.
- B. **Public Works**-Public Works Director Dave Breazeale stated the EV charging station lot has been paved finally, as it is about four months behind schedule. It's too cold to paint now so it will be painted in the spring. The EV charging project is way under budget, but we may have to go down and cut the parking strip out. The golf course hood was cleaned on the 22<sup>nd</sup>. The company came on a Sunday so that all worked out. With the distribution project one of their last tie ins will be 7<sup>th</sup> & Division, which is where the big chuck hole is located. It will be dug up tomorrow and fixed. The company will then be going down to Weber and hopefully it will be done this week if not it will be done next week. When their crew comes into pave the streets, Breazeale is going to try and piggyback and get other city's asphalt work done as well.
- C. **Police Department**-Chief Dave McCormick stated Halloween was a very quiet night. There were a lot of kids out and they were all behaving themselves. The police department had purchased Styrofoam batons about 2' long that lit up and changed colors. Next year they plan on purchasing more to give out as they were very popular. Last week, there was a range qualification with the County. The Sheriff assigned two of his range officers to come up. An update on the bomb threat at the school, after Matt

got the return from the search warrant and snapchat, he had determined from the information received that the IP address that were involved with this email were bounced around several states. Then they were traced back to India.

- D. Clerk/Treasurer-** Clerk-Treasurer Julie Flyckt stated the staff put together a maze at city hall. There are usually about 150 kids, and the city got about the same amount this year. The kids were so excited, and the parents were very appreciative. Tomorrow is the Planning Historic Commission meeting, and the commission will review the comp plan updates, looking at the city's land use map and goals & policies for the comp plan. We are planning on not having a planning commission meeting in December unless there is an application that comes forward. The city's contract city planner Aren Murcar and Flyckt met with Adams County Building and Planning Director Andie Lorenz to discuss the urban growth area because it has to be done in partnership with the county for the comprehensive plan. We are also meeting with Grainland Acres tomorrow about the comprehensive plan and their future projects.
- E. Fire-**City Fire Chief Joel Bell stated there is an issue with the ladder truck and had it towed up to a mechanic in Spokane. They provided the engine quote for \$7,702 but it does not include a quote for one missing part they could not find. Bell called around and was able to find the part out of Florida and is on its way over here. There is no bill for that part yet. When fire truck 1010 gets back, the back up one is going to get sent to the mechanic as it is spewing oil. There is an issue with the fire whistle at the park when it rains and Bell will be working with the phone company to get it resolved. Council Member Dennis Chamberlain made a motion to approve the repairs for the ladder truck up to \$10,500. Council Member Michelle Plumb seconded the motion. Motion passed 7-0.

**ADJOURNMENT-**With no further comments or business to come before the council, Mayor Pro-Tem Chapman adjourned the remote and in person meeting at 8:30pm.



Michelle Asmussen, Deputy Clerk-Treasurer II