

Study Session
Selah City Council
June 12, 2012
3:00pm

The Mayor welcomed Public Works Director Henne & Ted Pooler, Huibregtse, Louman & Associates, Inc., and invited them to speak.

Public Works Director Henne gave a comprehensive review of the 2013-2018 Transportation Improvement Program, utilizing the handouts provided to Council, and answered questions posed.

Mr. Pooler spoke on the South Selah Transportation Study and answered questions from the Council Members.

Mayor Gawlik thanked Public Works Director Henne and Mr. Pooler for their presentation.

The Study Session concluded at 3:41pm.

City of Selah
Council Minutes
June 12, 2012

Regular Meeting
Selah Council Chambers
115 West Naches Avenue
Selah, WA 98942

A. Call to Order Mayor Gawlik called the meeting to order at 4:00pm.

B. Roll Call

Members Present: Keith Larson; Paul Overby; John Tierney; Kevin Jorgensen; Dave Smeback; Allen Schmid

Members Excused: Brooke Finch

Staff Present: Dale Novobielski, Clerk/Treasurer; Bob Noe, City Attorney; Jerry Davis, Fire Chief; Rick Hayes, Police Chief; Joe Henne, Public Works Director; Dennis Davison, Community Planner; Jeff Hagler, Parks, Recreation & Tourism Director; Monica Lake, Executive Assistant

C. Pledge of Allegiance

Councilman Overby led the Pledge of Allegiance. Parks, Recreation & Tourism Director Hagler led the opening prayer.

D. Agenda Changes

Add to the Agenda:

1. N – 2 Ordinance Amending the 2012 Budget for Seasonal Parks Maintenance Workers And The Partial Transfer of a Public Works Employee To The Water & Sewer Departments
2. N – 3 Ordinance Providing for Amendment of Section 4 of Ordinance No. 1822 Concerning the Refinancing of General Obligation Debt
3. N – 4 Ordinance of the City of Selah, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a Limited Tax General Obligation Refunding Bond 2012B, the principal amount of \$ 3,330,000 for the purpose of providing funds to pay the cost of refunding, paying and redeeming the City's outstanding Limited Tax General Obligation Bonds, 2002; fixing the date, form, interest rate, maturity, terms and covenants of the bond; providing for the call, payment and redemption of the outstanding obligations to be refunded; approving the sales and providing for the delivery of the bond to Banner Bank of Walla Walla, Washington; and providing for other matters properly related thereto, all as more particularly set forth herein.

Remove from Agenda:

1. I – 1 May 22, 2012 Study Session & Council Meeting and May 17, 2012 Special Session Minutes

E. Public Appearances/Introductions

Fire Chief Davis introduced Firefighter Scott Willis to the Council and spoke briefly about his background and qualifications.

F. Getting To Know Our Businesses

1. Sherry Dawson, Wednesday Farmer's Market

Mayor Gawlik welcomed Ms. Dawson and invited her to speak.

Ms. Dawson approached the Podium and addressed the Council. She opened by saying that Ms. Bertelsen had addressed the Council a few weeks ago about the Allied Arts van and their need for funding, which has since been received from other sources. She spoke briefly about the history of the market, noting that this marks the third year for the market. She said that they did a large promotion last year, with costs for the advertising split between the Farmer's Market and King's Row, and that the vendors grossed approximately \$18,000 over the season. She commented that they have live entertainment each week, and went on to say that she feels the market promotes good community togetherness, and that she would love to see the Council Members out at the market.

Council Member Schmid complimented Ms. Dawson and Ms. Bertelsen for their work with the market, saying that the produce is unbelievably good. He encouraged everyone to take advantage of the local produce, arts & crafts, and this year's new addition, hard ice cream.

G. Communications

1. Oral

Mayor Gawlik opened the Public Meeting.

Norma Smith approached the podium and addressed the Council. She talked about S.O. S., or Save Our Swim, and their desire to encourage people to vote for the new levy to keep the Selah pool open. She noted that anywhere from three hundred to five hundred swimmers participated in pool activities such as the open swim, aqua zumba, swim team, lifeguard training and water walking each day the pool was open last year, but cautioned that without the levy passing the pool will permanently close on August 12, 2012. She commented that the levy amount of 8.5 cents per thousand, to be assessed on all properties within the Selah Parks & Recreation Service Area district, will ensure that the pool stays open for another six years. She encouraged everyone to not only vote themselves, but to talk about it with others. She stated that a pool closure would impact all ages, not just small children, and that there would be more youth wandering the streets during the summer without a pool they can go hang out at. She spoke highly of Ted Pooler from Huibregtse, Louman Associates, Inc., saying that he worked out the steps needed to get the project going and also gave them an assessment of the existing facility. She thanked the Council for allowing her to speak.

Seeing no one else rise to speak, the Mayor then closed the Public Meeting.

2. Written

- a. Railroad Avenue and East Bartlett Avenue Improvements Progress Estimate No. 1

H. Proclamations/Announcements **None**

I. Consent Agenda

Councilman Tierney requested that M-2 be removed from the Consent Agenda to allow for discussion.

Executive Assistant Lake read the Consent Agenda.

All items listed with an asterisk (*) were considered as part of the Consent Agenda.

~~* 1. May 22, 2012 Study Session & Council Meeting and May 17, 2012 Special Session Minutes~~

* 2. Approval of Claims & Payroll:

Payroll Checks Nos. 73592 – 73689 for a total of \$202,420.81
Claim Checks Nos. 60240 – 60340 for a total of \$243,716.08

* 3. Resolution M – 1 Resolution Declaring Police Department Vehicles as Surplus and Providing For Disposition of the Same

* 4. Resolution M – 3 Resolution Establishing June 26, 2012 as the Date to Conduct a Public Hearing to Consider the Six Year Transportation Improvement Program for the Years 2013 to 2018

* 5. Ordinance N – 1 Ordinance of the City of Selah, Washington, amending Selah Municipal Code section 1.06.390 relating to Standing Committees of the City Council

Councilman Larson moved, and Councilman Schmid seconded, to approve the Consent Agenda as read. By voice vote, approval of the Consent Agenda was unanimous.

J. Public Hearings **None**

K. New Business **None**

L. Old Business **None**

M. Resolutions

* 1. Resolution Declaring Police Department Vehicles as Surplus and Providing For Disposition of the Same

2. Resolution Declaring the City Hall Staff Vehicle as Surplus and Providing For Disposition of the Same

Council Member Tierney addressed M-2. He said that after the discussion last meeting about whether to purchase a new vehicle, which was denied by the Council, he was under the impression that the City employees were to either use the existing vehicle or be reimbursed for use of a personal vehicle. He was surprised to see a Resolution to surplus the City vehicle, as it only has 96,000 miles and still worth approximately \$1600. He went on to say that it is hard to declare this vehicle surplus without knowing what the actual cost would be by having City Staff reimbursed for using personal vehicles versus the actual cost of operation for a vehicle that still has many miles left on it. He reiterated that it would be interesting to know that cost per mile with maintaining a City vehicle versus staff using personal vehicles and begin compensated for mileage, and said that he doesn't want to see the City a position where they are paying so much out for reimbursement that they end up looking to purchase another City vehicle.

Clerk/ Treasurer Novobielski remarked that the City has never required employees to use the staff vehicle; it was an option if they chose not to use a personal vehicle and get reimbursed. He commented that the previous administration had determined that this particular vehicle was not suitable for out of area travel due to both mileage and comfort issues. He stated that he personally would not enjoy a long distance journey in it, and would opt to take his personal rig and be reimbursed at approximately fifty cents a mile.

Tierney said that at fifty cents a mile, you would be reimbursed one hundred and forty dollars for a round trip to Seattle.

Clerk/Treasurer Novobielski agreed, saying that it would likely cost eighty dollars or more just for the gasoline to travel there and back.

Council Member Tierney commented that driving a City vehicle would only cost the City fuel expenses.

Clerk/Treasurer Novobielski agreed, saying that the vehicle is fully depreciated, although there are higher maintenance costs for an older vehicle.

Council Member Tierney opined that employees should probably be required to use a City vehicle if one is available.

Mayor Gawlik said that he feels there is a safety issue with this vehicle, and offered to let any interested Council Members drive it if they so choose, as no one at City Hall will drive it. He went on to say that there is an alternative that will not cost the City any additional funds, which would be sharing the City vehicle that Parks, Recreation & Tourism Director Hagler keeps at the Civic Center. He commented that this rig will be used by himself as transportation to a conference in Vancouver next week. He reiterated that the Explorer will not be replaced, but said that he doesn't feel it is necessary and he wants it gone.

Council Member Tierney wanted to know what specifically was wrong with the vehicle in question.

Fire Chief Davis answered that he sold it to the City; it was a Fire Department command vehicle with a history of overheating and boiling over, along with a driver's seat had also been broken and repaired.

Council Member Tierney remarked that it has had forty thousand miles of reliable service since it was sold to the City.

Clerk/Treasurer Novobielski said that he has taken the vehicle down to be checked out before, with no obvious indications of something needing to be replaced. He went on to say that the check engine light was reset at that time and is now coming back on again.

Mayor Gawlik informed the Council that if they deny the surplus, then the vehicle will sit behind City Hall and not be used. He noted that he has talked to the staff out front and they indicated that they will not use it.

Council Member Tierney asked if it could be fixed economically.

Mayor Gawlik replied that he doubted it could, but reiterated that it will not be replaced.

Council Member Schmid moved, and Council Member Overby seconded, to approve the Resolution Declaring the City Hall Staff Vehicle as Surplus and Providing For Disposition of the Same. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – no; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. Motion passed with five voting aye and one voting no.

- * 3. Resolution Establishing June 26, 2012 as the Date to Conduct a Public Hearing to Consider the Six Year Transportation Improvement Program for the Years 2013 to 2018
- 4. Resolution Rejecting the Planning Commission's Recommendation and Decision Approving Subdivision Variance Request and Adopting Findings of Fact and Conclusions Supporting the Approval of Harris Subdivision Variance File No. 915.80.12-01 and Remanding the Associated Short Plat Application No. 913.80.12-01 Back to the Planning Commission

Community Planner Davison addressed M-4. He referred Council to the Resolution prepared by City Attorney Noe, which states their rejection of the Planning Commission's recommendation, adopts the staff recommendation, and remands the Short Plat back to the Planning Commission for consideration.

Carl Lester, 1211 Heritage Hills Drive, approached the podium and addressed the Council. He said that, as the original person opposed to the variance, he was surprised that the Council overturned the Planning Commissioners' decision. He remarked that Mr. Harris came to speak with him and other home owners, and that he still feels there is no legal means to protect the Heritage Hills homeowners unless that property meets the Conditions, Covenants and Restrictions that apply to the Heritage Hills Subdivision. He noted that only three or four homeowners received any notification, although many of them attended the Planning Commission meeting. He commented that it could cause a depreciation of home values, and that he has no problem with what Mr. Harris wanting to do this for his daughter. He went on to say that he would go away if Mr. Harris would allow the Conditions, Covenants and Restrictions to be applicable to that property, as they have no idea how long the daughter will live there before selling to someone else. He expressed concern that the City Council overruled the Planning Commission because of a conflict of interest, as he was unsure if the legal definition was violated or not. He observed that two Council Members reside in the development, and that he is concerned about misinformation coming forward. He said that he was told by Planning Commission that an appeal could be made to Superior Court in Yakima, and was not told about an appeal to the Selah City Council. He stated that he is

opposed to this, but reiterated that he would withdraw his objection if the Conditions, Covenants and Restrictions could also apply to the subject property.

City Attorney Noe noted that the Council did not overrule the Planning Commission because of a conflict of interest. He stated that the City cannot enforce Conditions, Covenants and Restrictions on a property.

Mr. Lester said that Code 10 states that the only reason for a variance is if there is a hardship.

City Attorney Noe replied that the frontage is limited to an easement, and that those unique circumstances allow for continuation of an easement for the one property

Shaun Michael approached the podium and addressed the Council. He said that he resides in Heritage Hills, and that Mr. Harris is using bulldozers and other equipment to drive onto the easement. He stated that he wants the Conditions, Covenants & Restrictions applied to this property. He opined that it violates current code, and that he doesn't see a hardship forcing a subdivision of the land. He commented that he wants protection for other homeowners in the area, and if the Council won't reconsider their decision then legal action will take place.

Council Member Schmid responded that the Council has nothing to do with Conditions, Covenants and Restrictions; those are by Association only. He went on to say that they cannot be put onto an adjoining property unless that property owner agrees he will legally join into the Conditions, Covenants and Restrictions. He remarked that Mr. Harris would need to put his property under the Conditions, Covenants and Restrictions; the Council has no control over that.

Mr. Lester said that the law says that the Council must agree that a hardship exists to allow a variance to exist.

Council Member Tierney interjected that it is a special circumstance.

Council Member Schmid remarked that one of the items that the Council discussed was a property swap between the City and Mr. Harris, which gave Mr. Harris an easement to create a driveway back to the house. He went on to say that he had looked into this and found that dividing the back half off had no impact because of the back street access. He said that the City informed Mr. Harris at the time of the property swap where property access for that lot was going to be.

Mr. Michael remarked that he found it interesting that the current property line on the South side extends farther than it did in 2005 when Mr. Harris subdivided the land, as there was a sixty foot section of property left to meet the codes.

Council Member Schmid replied that he doesn't have that information in front of him to comment on.

Mr. Michael offered to submit the documentation he was referencing, noting that it is the same information he submitted to the Planning Commission in March.

Mayor Gawlik wondered if any documentation could be submitted at this time.

City Attorney Noe asked if it was part of the record.

Community Planner Davison replied that it was in the packet.

Council Member Schmid said that he doesn't have it with him.

City Attorney Noe stated that the hearing is closed, and no new testimony can be accepted unless the Council opts to reopen the hearing and take more testimony in the matter. He commented that the hearing was a closed record hearing, and no further documentation was taken at that time.

Mr. Lester said that he wishes he could have attended that meeting.

Council Member Jorgensen remarked that the Council Members have each sworn an oath to protect and defend the Constitution of the United States and the State of Washington, which includes property rights. He went on to say that there had been an easement granted specifically to avoid creating a land-locked parcel, so he is unsure why the frontage requirements regarding flag lots came into play.

Mr. Michael said that the first subdivision of this land was done according to the rules and codes, and wondered why it is different now.

Council Member Jorgensen observed that lot one appears to be the same size as the lots within the Heritage Hills Subdivision, which makes it consistent with the lots in the subdivision.

Mr. Michael reiterated that they want to protect property values and ensure that the standards are upheld. He went on to say that when the original subdivision was done, a flag lot was created within the legal requirements for the property. He asked why the requirements are now different then they were back then. He restated that the Heritage Hills homeowners want protection for their properties, which is why they are asking the City Council to reconsider their decision.

Council Member Schmid commented that he doesn't see the original one Mr. Michael is referring to.

City Attorney Noe thought that he was referring to the original lot, which was a large-sized flag lot.

Mr. Michael responded in the affirmative.

City Attorney Noe went on to say that dividing the property does not create an additional flag lot, but instead creates a smaller flag lot and another lot the same size as the lots surrounding it.

Mr. Michael said that he won't have a flag lot due to an easement on City property; instead, he'll have a land-locked parcel.

Council Member Tierney remarked that Mr. Harris already has a land-locked parcel.

Mr. Michael said that the questionable subdivision variance is for the sixty feet of property on the other side.

City Attorney Noe remarked that this circumstance already exists, and Council cannot go back and erase something that has already happened.

Mr. Michael asked him why Council needs to set a precedent at this time, as it would only open it up for other potential landowners.

City Attorney Noe reiterated that a flag lot already exists, and stated that Council would not be setting a precedent as the new lot will be fronting the right of way.

Mr. Michael agreed that the new lot will, but said the Mr. Harris's other lot will not.

City Attorney Noe said that his lot is already like that.

Mr. Michael went back to his original concern, which is protection of their property.

Council Member Tierney wondered if M. Harris had been approached about signing the Conditions, Covenants, and Restrictions.

Mr. Michael replied that they had, and Mr. Harris indicated that he did not want to attach them to his lot.

Council Member Smeback asked if certain conditions could be imposed when Mr. Harris comes in to apply for a building permit on that property.

City Attorney Noe replied that the City's building code and design standards would apply; which may or may not be more restrictive than the Conditions, Covenants and Restrictions on Heritage Hills.

Council Member Overby commented that the Council upholds the rights of individual property owners, noting that if the Council had chosen to deny the variance that Mr. Harris would still have the right to build whatever he wants as long as it fits within current City building codes. He went on to say that if Mr. Harris chose to build an eyesore, the City would have no reason to take action as long as the building codes are met.

Mr. Lester said that he wished he had known this was a subdividable lot before he made a substantial investment in a retirement home in the Heritage Hills subdivision. He went on to say that his last question is regarding the timeline for filing an appeal. He asked City Attorney Noe if they would have ten days to file an appeal with the City and twenty-one days to file with Superior Court if this is approved.

City Attorney Noe replied that, after the written decision, they would have twenty-one days to file an appeal with Superior Court under the Land Use Protection Act.

Mr. Michael asked what the decision will be made on.

City Attorney Noe responded that it will be made on the variance; the plat application has to go back to the Planning Commission.

Council Member Smeback asked if there was a way to restrict the size of the home, and require certain amenities.

City Attorney Noe replied in the negative.

Mr. Michael asked if the Council could send the matter back to the Planning Commission for review at this juncture.

City Attorney Noe stated that any development of that lot will have to comply with the City's development regulations.

Council Member Larson interjected that it wouldn't need to be reviewed by the Planning Commission.

City Attorney Noe agreed.

Council Member Tierney moved, and Council Member Jorgensen seconded, to approve the Resolution Rejecting the Planning Commission's Recommendation and Decision Approving Subdivision Variance Request and Adopting Findings of Fact and Conclusions Supporting the Approval of Harris Subdivision Variance File No. 915.80.12-01 and Remanding the Associated Short Plat Application No. 913.80.12-01 Back to the Planning Commission. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. By voice vote, approval was unanimous.

5. Resolution Authorizing the Mayor to Sign a Memorandum of Understanding between the City of Selah and Teamsters Local No. 760 for the Selah Police Department and the Public Works & Parks Departments Concerning a Policy for Catastrophic Leave / Illness

City Attorney Noe addressed M-5. He said that the union has approached the City and asked if we were willing to permit this program, which many jurisdictions currently have in place. He went on to say that this allows an employee can transfer leave to another employee with catastrophic circumstances.

Mayor Gawlik informed the Council that one of the City's Public Works employees is battling cancer at this time, and it is unclear whether he will be able to return to work at a later time. He commented that the employee is currently waiting for a decision from the insurance company on this matter.

Council Member Schmid moved, and Council Member Overby seconded, to approve the Resolution Authorizing the Mayor to Sign a Memorandum of Understanding between the City of Selah and Teamsters Local No. 760 for the Selah Police Department and the Public Works & Parks Departments Concerning a Policy for Catastrophic Leave / Illness. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. By voice vote, approval was unanimous.

N. Ordinances

- * 1. Ordinance of the City of Selah, Washington, amending Selah Municipal Code section 1.06.390 relating to Standing Committees of the City Council
2. Ordinance Amending the 2012 Budget for Seasonal Parks Maintenance Workers and the Partial Transfer of a Public Works Employee to the Water & Sewer Departments

Public Works Director Henne addressed N-2. He said that this is a response to the loss of an employee for two months now, noting that he received a note from his doctor today saying that they have no timeline for when he will be allowed to return to work. He expressed his desire to transfer one of the Parks employees for four months and cover that salary out of the water and sewer funds, and then utilize the funding still in place to hire two full-time temporary Park employees for approximately four months.

Council Member Schmid asked for clarification that he has hired two already and is looking to hire two more, since they lost an employee due to illness.

Public Works Director Henne replied in the affirmative.

Council Member Schmid moved, and Council Member Tierney seconded, to approve the Ordinance Amending the 2012 Budget for Seasonal Parks Maintenance Workers and the Partial Transfer of a Public Works Employee to the Water & Sewer Departments. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. By voice vote, approval was unanimous.

3. Ordinance Providing for Amendment of Section 4 of Ordinance No. 1822 Concerning the Refinancing of General Obligation Debt

Clerk/Treasurer Novobielski addressed N-3. He reminded the Council that they approved an Ordinance at the last meeting authorizing him to proceed with the refinancing of three forms of debt, based on an offer from Banner Bank to replace them with a single loan. He said that the offer was contingent upon the debt being considered tax exempt on the interest rate. He went on to say that, when working with Foster Pepper on the creating an exemption certificate, the attorney requested information regarding the land sales of the Marudo properties, as there are restrictions on how those monies could be used, specifically that it could not be used to repay the debt service on the bonds. He remarked that the money could only be used for capital improvements, and that this had to occur within a twenty-four month window. He noted that the initial plan was to use the money from those sales to fund the construction of the new Public Works Maintenance Facility, but the City was still considering different sites when the properties started being sold in 2006. He commented that significant improvements were done at Carlon Park, in conjunction with GYGSA, in 2006, and those were funded with an Interfund loan that was paid off using those land sales proceeds because it was for capital improvements. He said that the bond attorney requested documentation showing that the improvements were done after land sales were generated, which he was unable to provide as the improvements happened in the first half of 2006. He stated that the bond attorney was unable to sign the exemption certificate because of this. He went on to say that they were able to move ahead with SIED loan refinance, and that this Ordinance amending the previous Ordinance recognizes this new issue. He informed the Council that they refunded the SIED loans on June 1st; however, Banner Bank has counter-proposed a revised taxable rate on a loan for the bond and the next action item will be an Ordinance bringing those new issues into consideration.

Council Member Tierney asked for confirmation that the City has already made the draw for June 1st.

Clerk/Treasurer Novobielski replied in the affirmative, adding that it was for the SIED loan, and allowed the City to avoid having to pay interest on the loan through next June. .

Council Member Tierney asked about the June 8th draw.

Clerk/Treasurer Novobielski responded that it did not occur.

Council Member Tierney asked if there was an interest penalty on that.

Clerk/Treasurer Novobielski replied that it was an option, but as Banner Bank was offering it only for a tax exempt rate the City could not proceed on that.

Council Member Schmid asked if they were saying that the improvements at Carlon Park superseded the sale of the property.

Clerk/Treasurer Novobielski replied in the affirmative, saying that they were not eligible capital expenditures.

City Attorney Noe agreed, saying that his understanding is that the improvements occurred prior to the property sale, so the proceeds from the sale could not be used to pay for improvements that had already been done.

Clerk/Treasurer Novobielski said that he had come before Council two weeks ago with a potential savings of \$188,000 in the refinance, but the number has been revised to approximately \$36,000.

Council Member Larson inquired if the \$36,000 was net of all loan fees and associated costs.

Clerk/Treasurer Novobielski replied in the affirmative, giving a brief explanation of the original loan fee and points versus the current proposal.

Council Member Schmid moved, and Council Member Larson seconded, to approve the Ordinance Providing for Amendment of Section 4 of Ordinance No. 1822 Concerning the Refinancing of General Obligation Debt. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. By voice vote, approval was unanimous.

4. Ordinance of the City of Selah, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a Limited Tax General Obligation Refunding Bond 2012B, the principal amount of \$ 3,330,000 for the purpose of providing funds to pay the cost of refunding, paying and redeeming the City's outstanding Limited Tax General Obligation Bonds, 2002; fixing the date, form, interest rate, maturity, terms and covenants of the bond; providing for the call, payment and redemption of the outstanding obligations to be refunded; approving the sales and providing for the delivery of the bond to Banner Bank of Walla Walla, Washington; and providing for other matters properly related thereto, all as more particularly set forth herein.

Clerk/Treasurer Novobielski addressed N-4. He remarked that the Ordinance was drafted by their attorney, and the title is attorney talk.

Council Member Larson moved, and Council Member Jorgensen seconded, to approve the Ordinance of the City of Selah, Washington, relating to contracting indebtedness; providing for the issuance, sale and delivery of a Limited Tax General Obligation Refunding Bond 2012B, the principal amount of \$ 3,330,000 for the purpose of providing funds to pay the cost of refunding, paying and redeeming the City's outstanding Limited Tax General Obligation Bonds, 2002; fixing the date, form, interest rate, maturity, terms and covenants of the bond; providing for the call, payment and redemption of the outstanding obligations to be refunded; approving the sales and providing for the delivery of the bond to Banner Bank of Walla Walla, Washington; and providing

for other matters properly related thereto, all as more particularly set forth herein. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Councilman Schmid – yes. By voice vote, approval was unanimous.

Council Member Tierney moved to have the City Attorney pursue all avenues available for a recovery of the lost \$151,000 on this refinance.

Council Member Larson asked for a clarification on the loss.

Council Member Tierney replied that the City had been eligible for \$188,000 savings by doing a refinance, but was deprived of that by the actions of some entity. He went on to say that the City is now getting a savings of only \$36,000 and he feels that steps should be taken to recover that loss for the citizens of this community.

Mayor Gawlik stated that the motion has failed due to lack of a second.

O. Communications

1. Oral

Mayor Gawlik opened the meeting. Seeing no one rise to speak, he then closed the meeting.

P. Reports/Announcements

1. Mayor

Mayor Gawlik noted that there is a survey regarding meeting time preferences on the City's website, and encouraged people to go online and take it. He noted that the City will be utilizing the website more frequently to communicate with, and solicit feedback from, the community, and encouraged those with computer access to keep an eye on the City's website.

Council Member Schmid asked if the City was pursuing avenues to get the information out to the public and encourage them to start looking at the website.

Mayor Gawlik replied in the affirmative.

2. Council Members

Council Member Schmid had no report.

Council Member Overby had no report.

Council Member Smeback had no report.

Council Member Jorgensen had no report.

Council Member Larson apologized for missing the Study Session, saying that he had the meeting times mixed up.

Council Member Tierney said that he was a bit disappointed that his fellow Council Members would not ask Legal to pursue some avenue of possibly recovering these monies for the citizens.

Council Member Jorgensen asked if there was an Executive Session at the end of the meeting.

Mayor Gawlik replied in the affirmative.

Council Member Tierney opined that this is something the Council should have done, because it is our tax dollars from the citizens of this community.

Council Member Schmid remarked that he didn't think this was the right time to bring this up.

Council Member Larson said he would love to discuss it further in Executive Session.

3. Boards

4. Departmental

Parks, Recreation & Tourism Director Hagler said that the pool is now open; it opened on June 8th. He commented that the systems are up and running well, and expressed his thanks to the Parks Department. He noted that they had good attendance on Saturday and Sunday. He thanked Norma Smith for attending the meeting to talk about the S.O.S., and reminded everyone of the community meeting scheduled for 7pm on Tuesday, June 19th, at the Civic Center. He commented that the construction of the spray pad is in progress, and that it should be completed within two to three weeks. He handed out photocopies of an article from CityVision magazine, noting that he highlighted some information from City of Westport on the coast dealing with what they have done to bring people into their community. He went on to say that it tied in with the Today in America video, which is moving along well. He commented that they are doing the final scripting for this, and that the film crew will be here on Friday, June 29th and Saturday, June 30th for filming.

Community Planner Davison said that notices for Centennial Park were mailed out to the homeowners today, and that the environmental review documents have been sent to various agencies for comment. He remarked that they anticipate that the park will be permitted as a Class 2 use, and that the final decision will be issued by the Mayor. He commented that the second issue is in regards to the potential appeal of the subdivision variance by Mr. Harris, noting that the consultant to Mr. Harris has advised him that the Planning Commission will wait until the appeal time has elapsed before considering the short plat. He remarked that they want to make sure that everything is cleaned up before considering the subdivision, and Mr. Harris has indicated that this is acceptable to him.

Public Works Director Henne thanked the Council for their attendance at the Study Session.

Mayor Gawlik expressed his thanks to Public Works Director Henne and his crew.

Fire Chief Davis said that they were already out in the Wenas valley on a grass fire when the one in town broke out. He noted that dispatch was set up to send calls to the City of Yakima while they were out. He went on to say that not only did they receive aid from the surrounding Fire Departments, but the Public Works crew and the Police Department blocked roads and lent a hand. He commented that some citizens not only helped evacuate the park and fight the fire, but also aided in the apprehension of the

perpetrator. He remarked that the mutual aid companies did a really good job; all the structures were saved and no one was hurt.

Mayor Gawlik commented that he was more than impressed with the mutual aid response, noting that he saw apparatus from East Valley, Union Gap, and the Firing Center among those who responded. He went on to say that he had an opportunity to speak with several teenagers who were at the park, observed the fire being started and grabbed hoses and shovels to help fight the fire. He remarked that they helped save two City buildings through their efforts, and that they will be recognized at a future Council Meeting.

Fire Chief Davis remarked that dispatch forgot to tell the first arriving units that he was not on scene, which created some initial confusion. He noted that he will be attending the Fire Commissioners meeting later tonight, and that Deputy Chief Hanna will be in charge while he is on vacation for a couple weeks.

Police Chief Hayes said that he was impressed when he saw the young people were working with a Public Works employee to help contain the fire, but not so impressed when he was hosed down by a fireman. He commented that one of the two vehicles the Police Department is surplus might work as City vehicle for staff use.

Mayor Gawlik replied that they will take a look at it.

Police Chief Hayes remarked that he would give it to him for free, just to get it off his books for insurance.

Council Member Larson opined that nothing is free.

Mayor Gawlik commented to be careful what you ask for.

Fire Chief Davis asked if he remembered the Cherokee that the Fire department sold to the City.

Mayor Gawlik replied in the affirmative.

City Attorney Noe had no report.

Q. Executive Session

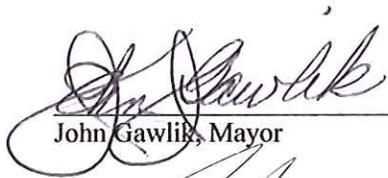
Council took a five minute recess, and then entered into an Executive Session for thirty minutes to discuss Potential Litigation.

Upon conclusion of the Executive Session, the Council went back to Public Session. Mayor Gawlik stated that no action was taken during the Executive Session.

R. Adjournment

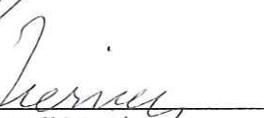
Council Member Overby moved, and Council Member Schmid seconded, that the meeting be adjourned. By voice vote, approval was unanimous.

The meeting adjourned at 5:43pm.


John Gawlik, Mayor

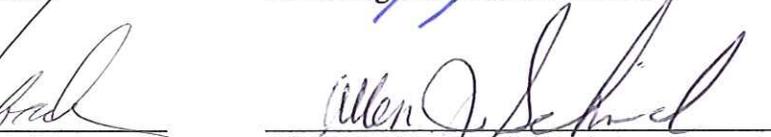

Keith Larson, Council Member


Paul Overby, Council Member


John Tierney, Council Member


Kevin Jorgensen, Council Member


Dave Smeback, Council Member


Allen Schmid, Council Member

EXCUSED
Brooke Finch, Council Member

ATTEST:

Dale E. Novobielski, Clerk/Treasurer