

Study Session
Selah City Council
November 13, 2012
3:00pm

Mayor Gawlik opened the Study Session and invited City Administrator Kelly to speak.

City Administrator Kelly talked briefly about the various properties currently owned by the City, then opened up discussion on those properties identified as possible surplus property to be sold. The Council reviewed the list provided, discussing each property and weighing the pros and cons of selling each. Public Works Director Henne and Parks, Recreation, & Tourism Director Hagler also provided input regarding some of the properties under discussion.

Council consented to follow recommendation of staff, and list Marudo properties with Realtor Paul Stelzer.

Mayor Gawlik thanked City Administrator Kelly for his time.

The Study Session concluded at 3:55pm.

City of Selah
Council Minutes
November 13, 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; Brooke Finch

Members Excused:

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

C. Pledge of Allegiance

Council Member Overby led the Pledge of Allegiance. Pastor Doug Perkins led the opening prayer.

D. Agenda Changes **None**

E. Public Appearances/Introductions/Award Presentations **None**

F. Getting To Know Our Businesses **None**

G. Communications

1. Oral

Mayor Gawlik opened the Public Meeting.

Norma Smith, 906A Speyers Road, approached the podium and addressed the Council. She said that she has always enjoyed seeing the display of flags around the City to commemorate various holidays. She expressed concern that, aside from in front of City Hall, there were no flags flown this year to commemorate Veterans Day and honor those who have served in the Armed Forces.

Mayor Gawlik responded that the Public Works crew had their hands full dealing with the water main break next to the Tree Top campus for several days, noting that their energy and concern were directed towards the emergency that affected businesses along fruit row and residences on the east side of town. He promised to make the flags part of the usual display in the future.

Council Member Schmid moved to relocate item J-1 to immediately follow the Resolutions and immediately precede the Ordinances, and to take a five minute recess prior to opening the Public Hearing. Motion failed for lack of a second.

Wiley Mills, Yakima, approached the podium and addressed the Council. He stated that the City of Selah owes him a latecomer's agreement and he is here to collect on it. He went on to say that the statutes say the City will collect money from adjoining properties and pay to the developer, which in this instance would be him. He asked if the City would handle this like gentlemen or if he would need to hire an attorney.

City Administrator Kelly remarked that Mr. Mills came in to visit him shortly after he started working for the City. He told Mr. Mills that he would love to understand his claim, and would like to collect information he requested be brought in for review and a response. He noted that he has not seen Mr. Mills since that day.

Mr. Mills replied that he has been in several times since then and has been unable to meet with either Mayor Gawlik or City Administrator Kelly.

Mayor Gawlik responded that he would like to do the right thing. He went on to say that the City will look at our records to see if he is in fact owed money, and suggested that Mr. Mills set up a meeting with City Attorney Noe and City Administrator Kelly to discuss the matter.

Mr. Mills replied that he will do so.

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

2. Written

- a. City of Yakima, Transit Division – Ridership Counts for the months of August and September 2012

H. Proclamations/Announcements

None

I. Consent Agenda

Council Member Overby moved, and Council Member Jorgensen seconded, to add M-6 to the Consent Agenda. Approval was unanimous.

Executive Assistant Lake read the Consent Agenda.

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

- * 1. Approval of Minutes: October 23, 2012 Study Session & Council Meeting

* 2. Approval of Claims & Payroll:

Payroll Checks Nos. 74633 – 74721 for a total of \$187,146.87
Claim Checks Nos. 61055 – 61057 for a total of \$ 17,930.76
Claim Checks Nos. 61058 – 61155 for a total of \$213,885.12

* 3. Resolution M – 3 Resolution authorizing the Mayor to accept the West Fremont Avenue and West Naches Avenue Improvement Project as Complete

* 4. Resolution M – 6 Resolution authorizing the Mayor to sign a Local Agency Standard Consultant Agreement for Professional Engineering Services with Huibregtse, Louman Associates Inc. for the East Goodlander Road Improvement Project

* 5. Resolution M – 7 Resolution Approving the Final Plat of Riverview Manor (912.79.12-02)

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

J. Public Hearings

1. Public hearing to consider amendments to Selah Municipal Code Chapter 4.34, for purpose of increasing the Utility Tax imposed against the City as it relates to City operated utilities and to consider a rate decrease to the consumer for water, sewer, and garbage services

City Administrator Kelly addressed J-1. He said that, around 2002, the City was considering the acquisition of some property to build a pool, so they also made the decision to purchase the Marudo property. He noted that the pool levy failed, so the City considered creating a combined City Hall and Police Station on the site, but it was deemed too close to the railroad tracks. He went onto say that at this point the City decided to subdivide the property and sell off the lots as retail spaces to recoup the money spent as well as create additional retail sales and sales tax. He commented that the City has not been able to recoup all of the money put into the Marudo property, noting that they put five million down, invested another one million in development, and then sold approximately three point eight million dollars' worth of lots. He said that the money received from land sales was used to do various things, such as improvements at Carlon Park, refurbishing the Police Station, and the purchase of the Parks Shop area. He went on to say that some of the proceeds were also used to make payments on the loan, an IRS violation, along with paying on a Carlon Park loan that was done prior to the bond. He observed that the IRS could fine the City up to \$178,000 for making those choices, but noted that we have requested that they lower the fee and hopefully they will agree. He said that the reason we are here is that the City has only paid the interest on the loan, and we still owe approximately four million dollars with no designated revenue stream to pay it off. He went on to say that what has been done in the past has depleted a lot of the City's reserve accounts and listed those accounts affected. He remarked that the Council needs to make a decision on how to pay things off, saying that the 2012 budget had earmarked using money from the water fund to make this year's payment, which is against state law. He noted that the water, sewer, and storm rates have to be for water purposes only. He said that this year's payment is \$425,000 and the annual payment over the ten years is roughly \$465,000. He stated that the City needs to figure out how to make these payments, whether they choose to eliminate services that City provides, such as elimination of the Parks Department, or raise taxes. He remarked that one way is to raise utility taxes, which would raise enough revenue to make the bond payments over the next ten years. He explained that currently

everyone is paying a six percent utility tax on water, sewer, and solid waste, even though it isn't listed separately on the bill, and the proposal is to raise the utility taxes and make them a separate item listed on the bills. He noted that the proposed increase is a net increase of 7.2% to all water, sewer, and garbage, but because of the math involved the water, sewer, and garbage rates would actually go down a bit while the tax rates would go up.

Council Member Larson said that the net effect is a 7.2% increase from today's rates. He asked City Administrator Kelly to confirm that this will be replacing the anticipated three percent increase, not be an addition to it.

City Administrator Kelly replied in the affirmative, saying that this is 4.2% higher than the City's engineer had anticipated it going up in 2013. He briefly reviewed the annual increases since 2008, and noted that the additional 4.2% increase will be used to pay off the debt and replace some of the reserves that have been depleted.

Council Member Finch requested that he explain how Selah's utility taxes compare to other communities in the area.

City Administrator Kelly replied that ours have been lower than most for a long time. He noted that utility tax for Toppenish is thirty percent, Yakima is twenty percent, Granger is forty percent for one utility and mid-thirties for the other utilities, Zillah is thirty percent, and ours would increase from six percent to twenty-one percent. He remarked that he is not proud of suggesting this; that he prefers to live within his means. He said that this is a tough decision for City Council, and that the Public Hearing today is to get input from everyone else.

Mayor Gawlik said that City Administrator Kelly came to him shortly after starting in July and gave him a clearer picture of financial circumstances at hand, which included some violations of State regulations and Federal law. He went on to say that he requested City Attorney Noe and City Administrator Kelly work with agencies on both the State and Federal level and do a self-report of the violations discovered. He remarked that the City is currently going through our annual State audit, although they are spending more time with us because of the self-report, and noted that the City hasn't heard back from anyone at the Federal level yet. He then opened the Public Hearing.

City Administrator Kelly commented that the original bonds were tax-free municipal bonds, and that the proceeds from property sales could not be used to pay off those bonds directly. He said that the City had to refinance those bonds at a higher percentage rate, but we still own approximately one million dollars' worth of land that can be sold and the proceeds used to pay off the loan.

Mayor Gawlik noted that it did result in a significant loss of benefit to the taxpayers when the City lost its tax exemption status with the bonds.

City Administrator Kelly stated that it cost the City approximately \$188,000 over the next ten years.

Roy Sample, 1504 Heritage Hills Place, approached the podium and addressed the Council. He stated that he is a certified real estate broker, and that he had some serious questions about the property value when the property was purchased and an appraiser from Seattle was called in to appraise it. He said that he wondered at the time why some of the funds weren't used for the property and that he is still a bit confused regarding that. He went on to say that the problem some of us have with a utility tax increase is that many of us own multiple properties, so we are talking about multiple water, sewer, and garbage

bills. He commented that he has been involved with putting in several miles of water and sewer lines, streets, curbs and gutters, and that an increase is unfair to those with multiple properties versus those who only own a single family home.

Steve Shotwell approached the podium and addressed the Council. He said that the City is asking us to pay for the same property twice with this tax. He went on to say that the money was used for something else, and the City didn't pay their bills. He wondered if the Council and administration has immunity to malfeasance and misappropriation of City funds, as the citizens said no to both the purchase of the Marudo property and the improvements to Carlon Park, yet the City did both anyway. He reiterated that we are paying for the same land twice because someone did something wrong with that money, and asked what guarantee do the people have that the bill will be reduced once the loan is paid off.

City Administrator Kelly responded that several Council Members voiced the same concern and wanted to have a sunset clause included.

Mr. Shotwell replied that he would like to see that in writing and that he feels being honest about the tax bill is a big improvement.

Council Member Finch said that not only is it the problem of meeting the yearly payment, but also a need to replenish the City's reserves, which have been depleted by \$731,000. She suggested that the issue of replenishing the reserves also be dealt with.

Dean Laurvick approached the podium and addressed the Council. He said that he has a few questions, such as who was serving on the Council when this decision was made and why some of them are still on the Council. He opined that those still on the Council are not making good decisions, and why are the citizens being asked to pay for it. He suggested that the Council Members should be liable for making payments. He noted that the cost was \$218,000 an acre and wondered how this could have happened. He asked if the staff made the decisions and the Council simply gave it the stamp of approval.

City Administrator Kelly asked if he was talking about the six percent utility tax increase.

Mr. Laurvick replied that he wants to know if the Council makes the decision to buy a piece of property or if the City staff makes that decision.

City Administrator Kelly responded that his understanding of local government is that staff makes a recommendation of what to do to the Council. He went on to say that he likes to come to the Council with two or three ideas and recommend one. He commented that the Council is responsible for financial decisions, and they make a decision based on what is presented to them. He noted that his job is to make the recommendations understandable.

Mr. Laurvick asked that the City Council decided to spend the money in 2002.

City Administrator Kelly replied in the affirmative, saying it would have passed with a majority vote.

Mr. Laurvick wondered what assurances the citizens have that this won't happen again, as they are being asked to bail out the City and no one is taking responsibility for what the City did.

Mayor Gawlik said that when he was elected as the Mayor, he accepted the responsibility of running the City; along with that came some serious problems. He stated that it is his intent to try, under the law, to

rectify this problem that he inherited. He went on to say that City Administrator Kelly had numerous phone conversations with the auditor's office once this was identified, and that we have found the best possible legal method to address the revenue problem and money stream. He remarked that it does seem that the citizens are paying for this twice, but he promised to get the best possible solution to the problem that he inherited. He commented that he is doing the job he was elected to do.

Mr. Laurvick said that he appreciates that, and remarked that since he pays the bills he doesn't mind pointing fingers.

Wiley Mills approached the podium and addressed the Council. He remarked that he blew the whistle on Frank Sweet and Bob Jones regarding this property back in 2002, noting that when he went to the proper authorities he was thrown in jail for disclosing this. He stated that he spent many days in the Yakima County jail and that it was all about this particular property. He went on to say that he told them repeatedly that they were overpaying by purchasing the property for \$218.18 an acre, and that they committed a felony by proceeding with the transaction.

Mayor Gawlik responded that the appropriate departments within the City and the County are looking into mater that cannot be discussed at this time. He went on to say that he is dedicated to moving forward and working with the Council to get this matter resolved.

Mr. Mills commented that he has records on the matter.

City Administrator Kelly suggested he bring them in.

Marcia Shotwell, 705 West Naches Avenue, approached the podium and addressed the Council. She asked if there was proof that it was a vote of the Council, saying that she thinks prior administration did this without Council approval.

Mayor Gawlik responded that staff will check Council Minutes for that period and make the pertinent records available.

Dave Hoffert, 606 Southern Avenue, approached the podium and addressed the Council. He asked the Mayor how much help was given to him by the former Mayor and the former City Supervisor during the transition period regarding the budget, upcoming expenses and City matters.

Mayor Gawlik replied that there was little to none provided to him.

Mr. Hoffert commented that the City still opted to provide Mr. Sweet with a full year's salary plus benefits.

Jane Williams, 701 South 7th Street, approached the podium and addressed the Council. She said that she feels it would help everyone to see some sort of flowchart, as it is nice to see where the funds came in and went out. She wondered if multi-family properties are currently getting a break on their water, sewer, and garbage, or if they are billed same a single family residence.

Public Works Director Henne responded that multi-family units do receive a slight break.

Ms. Williams asked that he clarify 'a slight break'.

Public Works Director Henne replied that he doesn't recall the exact figures offhand, but noted that they need to have a minimum of four units to be considered for the price break.

Mayor Gawlik referred Ms. Williams and those in the audience to the prepared handout, saying that it shows the lower percentage rate for multi-family units.

Clerk/Treasurer Novobielski said that for all customers the water and sewer rates were reduced ten percent, and the garbage rate was reduced sixteen point sixty-seven percent. He noted that the proposed utility tax is twenty-one percent. He explained that, for a water & sewer only customer would have their rates increase by eight point nine percent, while those with water, sewer, and garbage would increase less than eight point nine percent.

Public Works Director Henne commented that Ms. Williams wanted to know if multi-family units currently received a price break in utility rates versus rates paid on a single-family residence.

Clerk/Treasurer Novobielski responded that water rate is the same, although the sewer rate is reduced on multi-family units.

Ms. William said that, based on what Clerk/Treasurer Novobielski, her understanding is that, while the City cannot raise funds from the water, sewer and garbage funds to pay off the debt, it can raise them by increasing the utility tax. She went on to say that she doesn't understand how the City can decrease the bill for water, sewer, and garbage, where that money has gone in past, and why the City no longer needs those funds.

City Administrator Kelly used a one hundred dollar utility bill as an example to explain the difference between the current tax and the proposed tax, noting that the six dollars out of one hundred that currently go into the General Fund. He went on to say that, because the utility bills do not note that there is a six percent tax, the State of Washington has been charging the City based on the full utility bill amounts; by separating the tax out on the bill statement we will lower the amount sent to the State government and save the City roughly \$8,000 on annual basis because of this. He said that there was some money that wasn't being used for operating expenses in the water, sewer, and solid waste funds that would allow the City to lower rates, cover operating costs, and still allow the City to increase the utility taxes.

Ms. Williams inquired if the City had been charging more than was really necessary in the past.

City Administrator Kelly replied that the City attempts to prepare itself for needs going forward, such a building the reserves and doing work on the clarifiers at the wastewater treatment plant. He added that there is a significant difference between the two rates on garbage, as they were higher than they needed to be. He commented that this allows for some wiggle room in there.

Ms. Williams opined that this seems like a lame idea, saying that she understands why the City is doing it but that it sounds like smoke and mirrors to her. She said that it seems a bit premature to jump into a utility tax increase before looking at the other things going on. She noted that it was disclosed at an earlier Study Session that the new Public Works building is paid in full, and wondered why we can't borrow against this property or trade debt to get something that would be easier to pay off. She remarked that the City could claim that an error was made, and they could make a claim against the City's liability insurance regarding the decisions made by the previous administration and prior Council Members. She summarized an article she read recently in the paper regarding an appraiser in cahoots with a bank in the Midwest, which a municipality won a substantial lawsuit as the appraiser did not adequately appraise the

property. She commented that the City has insurance; why would we as citizens pay twice for this property if the City is not looking into making a claim against the City's insurance. She stated that the appraiser is in trouble for an inaccurate appraisal and whoever looked at all of this on behalf of the City should have also looked at the ability of the City to build on it.

City Administrator Kelly said that we will look into it.

Seeing no one else rise to speak, Mayor Gawlik closed the Public Hearing.

Council Member Tierney moved, and Council Member Finch seconded, to continue the Public Hearing to the November 27, 2012 Council Meeting to allow other citizens to express their concerns and issues. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

K. New Business None

L. Old Business None

M. Resolutions

1. Resolution authorizing the Mayor to sign the Interlocal Correction / Detention Agreement with the Yakima County Department of Corrections for 2013

Police Sergeant Steen addressed M-1. He said that there have been no changes made to the current agreement. He commented that the department will opt to use other agencies first due to lower rates than the County, although sometimes they are required to use the County facilities.

Mayor Gawlik asked for confirmation that there was no price increase.

Police Sergeant Steen answered in the affirmative.

Council Member Tierney moved, and Council Member Jorgensen seconded, to approve the Resolution authorizing the Mayor to sign the Interlocal Correction / Detention Agreement with the Yakima County Department of Corrections for 2013. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

2. Resolution authorizing the Mayor to sign a Law Enforcement Assistance Agreement relating to Communications between the City of Selah and Yakima County

Police Sergeant Steen addressed M-2. He said that the Police Department is looking to switch their communications from the City of Yakima to Yakima County, noting that it is a better rate and they feel it is in the best interests of the officers on duty to make the switch.

Council Member Tierney moved, and Council Member Larson seconded, to approve the Resolution authorizing the Mayor to sign a Law Enforcement Assistance Agreement relating to

Communications between the City of Selah and Yakima County. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

- * 3. Resolution authorizing the Mayor to accept the West Fremont Avenue and West Naches Avenue Improvement Project as Complete
- 4. Resolution authorizing the Mayor to sign a Centrex Service Agreement with Ellensburg Telephone Company d/b/a Fairpoint Communications

City Administrator Kelly addressed M-4. He said that Fairpoint Communications has offered a discount rate to the City if they sign a contract for one year or longer, and that a two year contract gives the City a seven to ten percent savings on for the next two years of service. He commented that we may look into other carriers in a couple years, but it is nice to have this discount for their services.

Council Member Larson moved, and Council Member Finch seconded, to approve the Resolution authorizing the Mayor to sign a Centrex Service Agreement with Ellensburg Telephone Company d/b/a Fairpoint Communications. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

- 5. Resolution authorizing the Mayor to sign an Interlocal Agreement between the City of Selah and the City of Yakima for Building Inspection Services

Public Works Director Henne addressed M-5. He reminded the Council that the School District will have some construction projects next year, which will require multiple inspections during the process. He went on to say that they are currently doing upwards of fifty inspections a month plus code enforcement with a one person department, so he is proposing that the City enter into an Interlocal Agreement with the City of Yakima to allow them to provide building inspection services for us on an as-needed basis. He referred the Council to the hourly rate for this year and proposed surcharge for overhead and fuel charges. He reiterated that there is only have one person in the Code Enforcement department and he doesn't feel that he can keep up with regular workload and these inspections next year.

Joe Caruso, City of Yakima, approached the podium and addressed the Council. He introduced himself and said that he discussed the possibility of having the City of Yakima help the City of Selah in building inspections. He noted that they have three building inspectors available, and that they want to be an assisting partner with building inspections and possibly code enforcement if needed. He stated that they are here to help.

City Administrator Kelly remarked that we are paying for this with the building permit fees collected from the School District.

Mayor Gawlik commented that he understands mutual aid and is glad we are extending that partnership with the City of Yakima.

Mr. Caruso thanked the Mayor and Council.

Council Member Jorgensen moved, and Council Member Larson seconded, to approve the Resolution authorizing the Mayor to sign an Interlocal Agreement between the City of Selah and the City of Yakima for Building Inspection Services. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

- * 6. Resolution authorizing the Mayor to sign a Local Agency Standard Consultant Agreement for Professional Engineering Services with Huibregtse, Louman Associates Inc. for the East Goodlander Road Improvement Project
- * 7. Resolution Approving the Final Plat of Riverview Manor (912.79.12-02)

N. Ordinances **None**

O. Communications

1. Oral

Mayor Gawlik opened the meeting.

City Administrator Kelly said that some citizens have requested that the City to mail a letter to all constituents and suggested a larger venue for the next meeting. He noted that sending letters would cost approximately \$1,000 in postage, staff time and supplies. He requested that Council decide where to hold the next meeting and how much they want to spend to advertise it.

Council Member Finch said that she feels a different venue is needed if we are going to send out a letter.

City Administrator Kelly remarked that maybe the first question should be whether to send out letters.

Council Member Tierney commented that there is a big crowd in attendance today, and he would anticipate a larger crowd at an evening meeting. He said that a change of venue would be in order and suggested the Civic Center as it wouldn't cost the City anything to use the facility.

Executive Assistant Lake commented that the meeting would need to be recorded and expressed concern that there is no recording equipment at the Civic Center. She was unsure whether any of the schools would be set up to record a meeting.

Council Member Tierney replied that the only school that might have the capacity for us would be the high school, although he was unsure what they might have available.

Executive Assistant Lake said that she would need an audio recording to do minutes, as she doesn't know shorthand. She mentioned that the City is also required to follow State guidelines for record retention.

Council Member Tierney asked how soon public notice would have to be given.

City Administrator Kelly replied that he didn't know; Clerk/Treasurer Novobielski might know.

Council Member Jorgensen commented that the School Board needed to change a meeting a number of years ago to a larger facility, so they used the Civic Center, not one of the schools.

Council Member Tierney remarked that they may not have the same recording requirements.

Council Member Jorgensen agreed that they may not.

City Administrator Kelly suggested that Council make a decision regarding the letter, and then staff would come up with some options for a change of venue.

Council Member Finch opined that transparency is very important right now, that the citizens understand the problem and what has happened along the way. She said that she is in favor of sending a letter.

Council Member Tierney suggested using someone who would have equipment available for use, such as Sousley Sound.

Council Member Smeback said that we should notify the citizens.

Mayor Gawlik expressed hope that the City can utilize the media to get the word out, as he feels transparency is very important.

Council Member Smeback moved, and Council Member Tierney seconded, to expend the necessary funds required to mail a letter out to all constituents to notify them of the next Public Hearing. Roll was called: Council Member Larson – yes; Council Member Overby – yes; Council Member Tierney – yes; Council Member Jorgensen – yes; Council Member Smeback – yes; Council Member Schmid – yes; Council Member Finch – yes. By voice vote, approval was unanimous.

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

P. Reports/Announcements

1. Mayor

Mayor Gawlik announced that his newest great-granddaughter, Dakota Elizabeth Jordan, entered the world on November 3rd at 11:32am. He noted that she was eight pounds and nineteen inches long, and has a head of blonde hair. He extended personal thanks to Council Member Schmid for covering during his recent hospital stay, and thanked the Council for their hard work on the budget. He expressed his thanks to the staff for their offers of assistance to his wife and family while he was in the hospital,

2. Council Members

Council Member Tierney said that he looked at the effected site and commended the Public Works crew for a marvelous job.

Mayor Gawlik remarked that the crew was probably on the verge of extreme tiredness by the time this was through, and he was glad there were no accidents.

Council Member Tierney asked Public Works Director Henne to pass his compliments on to the crew.

Council Member Larson had no report.

Council Member Jorgensen had no report.

Council Member Smeback had no report.

Council Member Overby had no report.

Council Member Schmid expressed his thanks to all veterans for what they have done; those who served in the past and those who are currently serving.

Council Member Finch noted that she will be participating in a tour of the Selah School District facilities tomorrow.

3. Boards

4. Departmental

Public Works Director Henne gave a brief rundown of the events from Tuesday night and Wednesday regarding the water main leak by Tree Top, SunRype, and Ross Packaging, noting that the ten inch water line was losing seven thousand gallons of water per minute until the crew got all the valves shut. He noted that it was twenty inches deep in Tree Top's processing plant, and the water level was down to three feet of water in the Palm Reservoir and four feet in the Brader Reservoir. He commented that the contractor working at Tree Top assisted the crew, and that HD Fowler opened up so they could get repair sleeves and sticks of pipe to repair the damaged sections. He went on to say that they started slowly turning the water back on around noon, and that they had numerous reports of people with no water, air in the lines, or dirty water. He mentioned that vacations were canceled and that it was simply a big mess.

Mayor Gawlik commented that it was one of the worst disaster situations Public Works Director Henne has seen in over sixteen years in Public Works department. He said that, after taking a tour of the site, he signed a declaration of emergency to give Public Works Director Henne authority to do what was needed to address the disaster at hand. He remarked that water went through several buildings and noted that insurance representatives have come out and the City has received a call from our insurance carrier. He stated that the crew made him proud and proved their mettle.

Public Works Director Henne commented that it caused an estimated \$350,000 in damages.

Clerk/Treasurer Novobielski had no report.

Fire Chief Davis said that he has a Fire Commissioners meeting tonight, and will be meeting with the Finance Committee at 1:00pm tomorrow.

Parks, Recreation & Tourism Director Hagler noted that Christmas is coming. He said that the annual Whispers of Christmas event has been extended to a full day of activities, including breakfast with Santa and a Frosty 5K fun run. He noted that the Tourism Department is trying to make this a good festive event for all, and that it will be another great event for Selah. He commented that there are posters up around town and encouraged everyone to come enjoy the festivities.

Mayor Gawlik asked City Attorney Noe if he will be running in the race.

City Attorney Noe replied that he was unsure at this time.

Council Member Tierney remarked that we need someone from the City to represent us.

Police Sergeant Steen had no report.

City Attorney Noe had no report.

City Administrator Kelly had no report.

Q. Executive Session

1. 30 Minute Session

- a. Public Employee Performance Review RCW 40.30.110(g)
- b. Collective Bargaining RCW 42.30.140(4)(a)

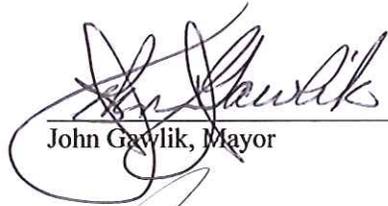
Council went into Executive Session at 5:41pm. At 6:11pm, Council went back on the record. Mayor Gawlik stated that they will be extending the Executive Session for an additional thirty minutes.

Council went back into Executive Session at 6:13pm. At 6:43pm, Council went back on the record. Mayor Gawlik stated that no action was taken during the Executive Session.

R. Adjournment

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

The meeting adjourned at 6:46pm.



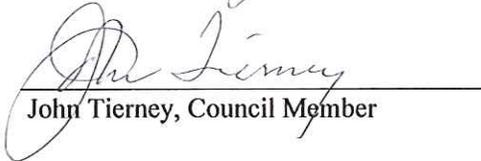
John Gawlik, Mayor



Keith Larson, Council Member



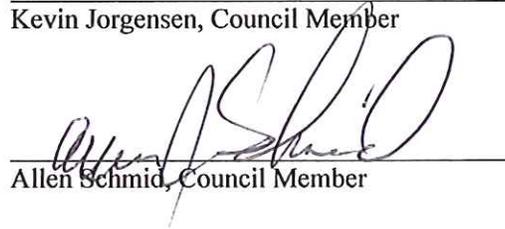
Paul Overby, Council Member



John Tierney, Council Member

Kevin Jorgensen, Council Member

Dave Smeback, Council Member



Allen Schmid, Council Member



Brooke Finch, Council Member

ATTEST:



Dale E. Novobielski, Clerk/Treasurer