

**CITY OF MCCLEARY**  
**Regular City Council Meeting and Council Workshop**  
**Wednesday, November 8, 2017**

ROLL CALL AND FLAG SALUTE	Councilmembers Richey, Ator and Blankenship were in attendance and Councilmember Orffer attended by telephone. Councilmember Peterson arrived at 6:37 pm.
ABSENT	None.
STAFF PRESENT	Present at the meeting were Todd Baun, Wendy Collins, Jon Hinton and Dan Glenn.
PUBLIC HEARING	None.
EXECUTIVE SESSION	At 6:30 pm, Mayor Schiller called for an executive session to discuss union negotiations per RCW 42.30.140(4)(a) for 45 minutes. The executive session ended at 7:15 pm. No action was taken.
MINUTES APPROVED	<b>It was moved by Councilmember Peterson, seconded by Councilmember Ator to approve the minutes from the meeting held on October 25, 2017. Motion Carried 5-0.</b>
VOUCHERS	Accounts Payable checks approved were 43361 - 43427 including EFT's in the amount of \$172,554.68.  Payroll checks approved were 43294 - 43453 including EFT's in the amount of \$190,267.61.  Bank reconciliation for October 2017.  <b>It was moved by Councilmember Peterson, seconded by Councilmember Blankenship to approve the vouchers. Motion Carried 5-0.</b>
MAYOR'S COMMENTS	Mayor Schiller congratulated Councilmember Blankenship for being elected for another four-year term and he also congratulated Jaron Heller and Brycen Huff, who were in attendance, for being elected to the City Council for the first time. Councilmember Ator congratulated Mayor Schiller for winning the election for another four-year term.
PUBLIC COMMENT	None.
CITY ATTORNEY REPORT	Dan Glenn provided a written report for the Council.
DIRECTOR OF PUBLIC WORKS REPORT	Todd Baun provided a written report for the Council.
LEMAY RATE INCREASE APPROVAL	<b>It was moved by Councilmember Ator, seconded by Councilmember Peterson to authorize the Mayor to accept the Lemay garbage rate increase for 2018. Motion Carried 5-0.</b>
CITY SOCIAL MEDIA POLICY	<b>It was moved by Councilmember Blankenship, seconded by Councilmember Richey to authorize staff to approve the social media policy and change the language to state that the Mayor, Clerk-Treasurer and City Administrative staff can update the social media page and to set the social media page to post information only and not accept public comments. Motion Carried 5-0.</b>
G & O SLUDGE HANDLING ALTERNATIVE ANALYSIS	Jon Hinton addressed the Council regarding the Gray & Osborne sludge handling alternative analysis. He provided a detailed report for the Council to review.
LEVY THE RELEVY	Each year, adjustments are made to the tax rolls after the taxes have been calculated and billed. RCW 84.69.180 authorizes taxing districts to levy a refund levy to recover taxes that were refunded and/or cancelled during the last twelve months. <b>It was moved by Councilmember Blankenship, seconded by Councilmember Ator to authorize the Mayor to sign the Basic refund levy and choose option A for the City of McCleary to certify a refund levy in its Basic Fund for collection in 2018 in the amount of \$1,766.65 to recover net refunds/cancellations. Motion Carried 5-0.</b>

MANUFACTURED HOME DISCUSSION Paul Morrison provided a copy of RCW 35.21.684 on manufactured homes for the Council to review and consider. Dan Glenn has a concern regarding Section 17.32, sub paragraph B, addressing the issue when a pre-existing unit is damaged. He believes the language is too broad. Mr. Glenn stated we need to be consistent between the non-conforming use language that was adopted in the last code change and this language.

SOLAR POWER AND NET METERING The City recently had a customer ask about solar panels and net metering. They are planning on using solar panels and asked if the City has any programs for solar panel users. The City currently does not have any program in place. Todd Baun found that many other electric utilities offer net metering, which is a program for customers who generate their own electricity and it measures the difference between the amount of electricity the customer buys from the utility, and the amount of electricity the customer produces using their own generation system. Todd will be working with Dan Glenn on a net metering program.

DRAFT DEVELOPMENT INCENTIVES Todd has not been able to find any cities that allow discounts for builders that build multiple homes. He only found delayed payment examples. Tabled.

DRAFT CRITICAL AREA ORDINANCE Todd Baun stated the City is required by the State to update its Critical Area Ordinance and we are past due on updating ours. The Department of Ecology is more accepting of this Ordinance. Council is asked to review it and be ready to adopt it at the next regular meeting. Tabled.

BUDGET ORDINANCE Councilmember Orffer does not believe they should pass a budget until they are finished with the employee contract negotiations. Mayor Schiller stated we can always amend the budget in January, if needed. The negotiations may not be settled before the end of the year and that should not prevent the Council from adopting a budget now. Councilmember Blankenship wants to have another budget workshop. The Council decided to recess the meeting until Monday at 6:30pm and work on the budget during the meeting. Councilmember Blankenship felt the last workshop was a waste of time because he didn't have balanced numbers. Councilmember Orffer asked what are the proposed increases in this budget? Is it just electricity? Todd Baun stated no, there are increases in all utilities, including emergency medical services (EMS).

PUBLIC COMMENT Mayor Schiller stated the contract negotiations for EMS availability are ongoing and there are four proposals at this time. He prefers the option of a five-year contract, requiring 3% for the first three-years and 4% for the last two-years. The average is about \$2,000 more per year.

Mayor Schiller also reported that E-911 dispatch is raising their cost for 2018.

Councilmember Orffer asked how we have a zero balance for revenues and expenditures? Wendy Collins responded by stating this is how the budget is balanced each year. We figure out what revenues are expected and then we figure out the expenditures that we can afford and we use the ending cash to help balance the beginning cash, making revenues and expenditures balance with zero difference. This is where everything went sideways at the workshop because we did not balance all the funds to zero. We did not have beginning and ending cash entered in all of the funds and we added all of the expenses from the departments so the Council could review it in rough draft. That is why the ending total was that crazy \$300,000 figure. After the meeting, we cleaned up the expense requests and adjusted the beginning and ending cash making this the balanced budget the Council usually looks at. We should not have come into the budget phase with as rough of a budget as the Council saw at the workshop. This version is how we usually present it, when it's ready to adopt with the revenues and expenditures balanced.

Mayor Schiller added that this is partially his fault by trying to be more transparent with the budget and letting the Council see how we work through the process. He believes it's his fault because we got it out too early before the numbers were as accurate as they should be. He feels he was trying to be too transparent, too early, with the budget.

Councilmember Orffer does not understand why the 2017 budget has a negative \$156,088.94 ending balance and 2018 is at a zero ending balance. Wendy Collins responded that the negative amount was due to a budget amendment earlier in the year because of the Wildcat Lift Station Project being invoiced in 2017 instead of 2016. We are required to amend the budget when it exceeds the budgeted expenditures. The budget amendment was for the amount of the invoice. Councilmember Ator stated she remembers the amendment and went back and looked it up and found they did it in March 2017.

Tanya Broadfoot commented that she sees the Council doing a lot of hard work on the budget and she thinks everyone should be required to attend at least one budget meeting.

MEETING ADJOURNED

**It was moved by Councilmember Ator, seconded by Councilmember Richey to recess the meeting at 8:05 pm until Monday, November 13, 2017 at 6:30 pm. Motion Carried 5-0.**