



McCleary Regular City Council Meeting

Wednesday, November 06, 2024 – 6:30 PM

McCleary City Hall Council Chambers & Zoom Virtual Meeting

Minutes

Join Zoom Meeting

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Meeting ID: **817 9207 7978**

Passcode: **144764**

(253) 215-8782

Call to Order/Flag Salute/Roll Call

Pledge of Allegiance was conducted along with roll call.

PRESENT

Councilmember Jacob Simmons

Councilmember Brycen Huff (acting as Mayor pro tem)

Councilmember Schiller

Councilmember Andrea Dahl

Councilmember Keith Klimek

Agenda Modifications/Acceptance

Councilmember Dahl asked to add a discussion regarding District 12 FD & Olympic Ambulance to the agenda; it was added to the NEW BUSINESS section.

Councilmember Simmons asked to add a discussion regarding the use of ARPA funds (to be applied to microphones) to the NEW BUSINESS section, so that if no modifications were made during tonight's meeting, it could then be discussed at the next council meeting under OLD BUSINESS. It was added to tonight's agenda as a separate issue.

No other modifications were recommended.

Motion made by Councilmember Dahl, Seconded by Councilmember Simmons to accept the agenda as modified.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Schiller, Councilmember Dahl, Councilmember Klimek. Motion passed.

Public Hearing

Councilmember Huff opened the hearing at 6:33pm, to take public testimony regarding the preliminary 2024 budget, and invited the public to take the opportunity to express their suggestions and opinions regarding the 2025 budget.

1. Preliminary 2024 Budget

Members of the public elected to defer comments until after tonight's special presentation.

Special Presentations

City Administrator Jon Martin indicated his presentation was intended to provide information and suggestions to members of council and the public, regarding the city's needs and available funding. A more detailed presentation will occur next council meeting, with the city's CPA Tara Dunford present to answer questions. Jon noted the city is not in a financially healthy position, due in large part to current cap expenditures. These will

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need to be reprioritized and the city will need to be very intentional with spending going forward. Jon listed specific areas to be addressed that can help balance the budget, which include: ARPA funds for projects or employee salaries, interest revenue reallocation to the general fund, increasing utility taxes by 1% (or CPI already built in at 3.4%), utilization of the property tax levy, and a 9.75 % increase on storm water rates (based upon the rate study that was conducted previously). The storm water fund is significantly deficient at this time. Jon mentioned that Bonneville Power will be increasing their rates in October 2025, so the new rate was not factored in to the information presented today. He also suggested the city only fill open employee positions at this time, rather than create new ones in order to balance this year's budget. The city has a Capitol Facility Planning book that was completed in 2022, but it hasn't been utilized to help track projects. Jon urged council members to utilize this tool (or some type of tracking tool) going forward, to help better track and manage future city budgets. The ideas presented tonight should be viewed as a placeholder budget, until more strategic planning can occur to direct the city toward a more long term path of priorities.

With regards to the figures presented, Councilmember Simmons asked several questions relating to funding for council and mayor wages. Jacob felt the cap project number presented was inaccurate. He noted a list of projects that didn't get completed last year, and expressed concern regarding new ones. He will not approve cap projects going forward, without a project plan to go with it, completed by department heads. Jacob wants clarification on whether calculations being made are based on work being done in-house, or contracted out. He wants labor and material costs more clearly defined, so the city is more accurate with spending. Jacob also asked questions about correcting the insurance rates that were off on last year's budget.

Administrator Martin agreed with the concerns raised by Councilmember Simmons; expressing the need for council and city administration to work together closely throughout projects, so funding can be managed efficiently as the priority. Jon noted the city CPA has adjusted rates going forward.

Councilmember Schiller expressed his desire to make cuts at the upcoming budget workshop. He'd like to see operational costs for each department, to assist council in making funding decisions going forward.

Councilmember Huff inquired as to whether surplus inventory had been taken into account for the 2024 budget. It was not included, but Jon suggested it be addressed later in the meeting.

Councilmember Dahl noted surplus inventory can be a liability to the city. She expressed agreement with much of what others have stated tonight, with regards to how the budget can be trimmed. Andrea reminded fellow council members that ARPA funds are a band aid and not a reoccurring funding option as they make considerations about future city projects.

Councilmember Huff asked if there was any further public comment regarding the preliminary budget. As there was not, public hearing was closed at 7:12 pm.

2. Tech Support Presented by Right Systems

Shawn Padgett, represented Right Systems, and presented the IT proposal for the city. Right Systems took over during the RFP process and has been the city's provider for the last six months. A contract was presented for council for ongoing technical support, which provides an statement of ongoing work to finish the RFP, and a second portion to consolidate the police department into one domain so they can have one Microsoft tenant, which will allow Right Systems to provide better support for both city and police entities.

Councilmember Klimek inquired as to the delay in combining the domain, which Shawn answered. Councilmember Huff asked for clarification regarding the qualifications that Right Systems needed to acquire, in order to manage IT for a law enforcement entity. Shawn explained the various reasons as to why this occurred and noted they now had all the necessary certifications to comply with city requirements for the police dept. Shawn then detailed the various forms/methods of support that would be provided, according to the contract, which includes after hours support.

Councilmember Schilling asked Administrator Martin as to the quality and performance of Right Systems to this point. Jon noted his experience with the agency has been nothing short of excellent

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customer service and quality, secure work.

Approval for a new IT contract is scheduled for next council meeting on Nov. 20.

Public Comment - Agenda Items Only

Fred Martin related an issue a neighbor had recently, regarding an emergency response, and inquired of council as to how a similar situation could be avoided in the future.

Councilmember Huff noted the time that had been carved out in tonight's agenda to address those very concerns.

Consent Agenda

3. Accounts Payable Oct. 1-15, 2024 Ck Numbers 53822-53895 Including EFT's Totaling \$278,463.06

4. Accounts Payable Oct 16-31, 2024 Ck Numbers 53905-53952 including EFT's totaling \$88,914.72

5. December 13, 2023 Minutes

6. September 11, 2024 Minutes

7. September 17, 2024 Minutes

8. September 25, 2024 Minutes

Motion made by Councilmember Dahl, Seconded by Councilmember Klimek to accept the consent agenda items and past meeting minutes.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Schiller, Councilmember Dahl, Councilmember Klimek.

Motion approved.

Updates

Councilmember Huff asked if there were any questions on the staff reports that had been submitted by Light & Power, Fire Dept. and Water & Wastewater departments, after they had been reviewed.

9. Staff Reports - Light & Power, Fire Department, Water & Wastewater

There were no questions regarding any of the reports.

New Business

10. Budget & ARPA Funds Discussion

BUDGET -

Councilmember Simmons asked for clarification as to whether the police officer wages in tonight's budget presentation included their percentage increases. Jon confirmed that it does include the percentages, just no additional raises.

ARPA FUNDS -

Councilmember Simmons brought up the issue of finishing the lower end of Third Street verses addressing other, possibly more urgent projects, and asked for clarification on council's intentions in this matter.

Councilmember Huff suggested the most pressing issue is not losing another police officer. He

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suggested the idea to use ARPA funds to maintain a police staff of five officers should be the priority, especially since the city is still currently without a police chief.

Administrator Martin noted there has been one applicant for the position of police chief, and is hopeful the position will be filled soon.

Councilmember Dahl asked for a brief detailing of what has been completed on the Third Street project, and what remains. Paul Nott (Light & Power) provided this information for clarification.

Councilmember Shiller stated he was in agreement with Councilmember Simmons, and that ARPA funds should be allocated elsewhere, instead of the Third Street project.

Additional discussion by all council members and the city administrator continued on this matter for some time, with several other ideas being presented with which to utilize the ARPA funding. Jon reminded council ARPA funding can be divided, and doesn't have to be put toward any one project. Councilmember Huff suggested funding might be applied to addressing the smell that has recently developed at the sewer plant. With recent changes in state legislation, the city is now required to add specific enzymes that help with the digestion of bacteria. It's this process that gives off the bad smell and even though they've been utilizing deodorizers to address the problem, it's not cost effective to run them constantly. Therefore, any time there's a breeze without deodorizers on, the smell gets carried throughout the town. The solution to the problem is to enclose the building and use a fan, to keep the smell away from the general public. Administrator Martin did not have an estimated cost for this solution, but will look into it and provide it to council at a later date.

AMENDED AGENDA ITEM: OLYMPIC AMBULANCE -

The city currently contract ambulance services with District 5. Councilmember Dahl reports District 12 has invited the city to attend their meetings, as they are considering contracting with Olympic Ambulance. District 12 has asked the city if they have any interest in doing the same; not necessarily as contracting partners, but to negotiate our own contract with them at the same time. Such a contract would enable the city to house an ambulance within McCleary and service its citizens. Switching to Olympic Ambulance would provide a more rapid response. District 12 would like McCleary to discuss the matter and provide them with a decision by Nov 25.

Councilmember Schilling asked if we still have a mutual aid agreement in place with District 5, regardless of what may be decided. Paul Nott addressed this question by providing significant detail of the history of EMS services in McCleary; the city can't currently transport injured persons due to not having an ambulance, even though we have paramedic trained FD staff. Therefore, the only options are to stay with District 5 or contract with Olympic Ambulance.

It was decided to speak with Fire Chief Pittman and have Olympic Ambulance provide a presentation of what they offer, so a comparison of costs and services could occur and a decision be made.

11. New Lindsey Baum Banners - Discussion with Councilmember Huff

Erin Brown with the Lindsey Baum group reached out to Councilmember Huff a few weeks ago regarding the banner McCleary currently uses. McCleary FD created the current banner in 2020, which is now outdated. Erin is wondering if the city is willing to donate its banner for them to use at other events (in other locations) and replace it with a new banner. Several graphic designs for a new banner were provided for council to review. Brycen put forth the options to either keep the current banner and continue to loan it out as needed for other activities, or donate the old banner to the group, and pay for an updated banner for the city's use.

Councilmember Klimek suggested the request to pay for a new one is difficult, given the budget shortfall the city is dealing with. It was decided to add this project to the list of ideas for ARPA funds, to be discussed and decided upon next council meeting. In the mean time, they are welcome to continue to borrow it, as needed.

Old Business

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12. Younglove & Coker Agreement

Madison (of Younglove & Coker) referred to the proposed agreement her agency has drawn up for council to review, and provided a synopsis. It's similar to the current city contract, with three primary changes:

- 1) A change to the current retainer structure (from retainer + hourly, to hourly only, but at a higher rate)
 - 2) An small increase in the cost for legal assistance
 - 3) Moving to contract out any internal employment issues that arise (Y & C do not feel comfortable going against city employees, when they're supposed to be representing them)
- Madison suggested (if their proposal is accepted), putting it into effect January 2025.

Councilmember Dahl asked for a rough estimate on the number of hours the agency puts in, as it fluctuates. Madison stated recent records put them between \$20,000-\$25,000 annually, for prosecution costs alone. She noted for 2024, they're already at \$20,000, with another 6 weeks left in the year. She attributed fluctuation in costs to increased travel costs associated with now being located in the district court offices. Madison noted Y&C currently spend at least 6 hours per month traveling to and attending the city council meetings, which is equal to roughly half of the current retainer costs alone. Madison pointed out fees for their services will be higher around budget times, which will require them to create more ordinances, than any other time of year.

Councilmember Dahl asked for clarification as to who would be responsible for finding the agency they would need to contract out with, in reference to internal employee matters. That topic would need to be decided upon; it's not written into the current proposal. Administrator Martin added that the size and scope of the internal issue would impact when matters need to be contracted out.

Motion made by Councilmember Schiller, Seconded by Councilmember Dahl to approve the contract with Younglove & Coker, as proposed.

Voting Yea: Councilmember Simmons, Councilmember Huff, Councilmember Schiller, Councilmember Dahl, Councilmember Klimek

Motion approved.

Ordinances and Resolutions

13. Ad Valorem - Tax Levy Ordinance 892

Administrator Martin explained that this was a first reading, and reminded council that whether or not they do anything during tonight's meeting, a decision on this matter must be completed by the end of November. The recommendation is to take the 1% that is allowed (which equates to going from \$1.25 to \$1.32 for every \$100,000), and add it to what's in the bank account. This action would raise revenue of approx. \$20,000.

There were no questions or further discussion on this matter.

Public Comment - City Business Only

Citizen Dan Baskins expressed disappointment in Councilmember Simmons, stating "He's usually pretty thorough." Dan referred to the authorized positions listed on page 13 of the agenda packet. He noted the City Administrator wants to put ARPA funds toward salaries, and at the same time has a proposed salary for the City Administrator position at a starting point of \$117,600 per month. Dan suggested Jon's motives to use ARPA funds on salary were suspect.

Councilmember Schiller asked if there was any reason why action couldn't be taken on item 13 at present (Ordinance 892). Other councilmembers agreed this was a matter they could address tonight.

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Therefore, a motion was made by Councilmember Schiller, Seconded by Councilmember Klimek to adopt Ordinance 892.

Roll Call -

Voting Yea: Councilmember Huff, Councilmember Schiller, Councilmember Dahl, Councilmember Klimek

Voting Nay: Councilmember Simmons

Ordinance passed.

Closed Session

14. RCW 42.30.140 - Labor Negotiations

Council adjourned at 8:37pm for 10 minutes, to hold a closed session regarding RCW 42.30.140. Closed session was extended an additional 5 minutes. Council reconvened at 8:58pm. Councilmember Huff stated no decisions or action had been taken.

Council Comments

Councilmember Huff thanked service members in the room and wished everyone well this Veteran's Day.

Councilmember Dahl asked when an update on the audit would be received. Administrator Martin explained the delay was due to the auditor contracting COVID, and that things would be wrapped up once she was feeling better.

Councilmember Klimek expressed his appreciation to Administrator Martin for his recent updates to the city's Facebook page. Keith feels the page looks very professional and he's happy the public is able to be kept up to date once again.

City Administrator Comments

Administrator Martin announced an offer of employment had been made for the position of Planning Assistant, and has accepted. The new employee is Dalin Davis will be starting next week. Jon provided information regarding her background and qualifications, and expressed optimism regarding her potential to do a great job. Jon also noted an individual had been interviewed for the position of Police Chief and that the city was waiting to hear back on the background check for this individual. There have been no other applicants for this position since it opened.

Councilmember Huff inquired as to what individuals made up the interview panel, including whether any law enforcement experts weighed in on the applicant. The panel consisted of Administrator Martin and Mayor Miller only, no law enforcement personnel were present.

One individual applied for the Clerk Treasurer position, but that person has since withdrawn their application. Jon praised the PW team for managing a power outage and water leak that occurred over the weekend. It was Jon's first experience as an administrator during such an event, and he was very impressed with the work the team did.

Jon attended the most recent Association of Washington Cities (AWC) meeting and noted other cities have many similar issues to what McCleary is dealing with, including staffing and budgetary issues. He expressed appreciation to council, city staff and citizens for their patience with him as a new City Administrator and he familiarizes himself with the job.

Mayor Comments

N/A

Adjourn

Meeting adjourned at approximately 9:06pm.

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