

MINUTES OF THE CITY COUNCIL
OF THE CITY OF PULLMAN
AUGUST 25, 2009

Roll Call

A regular meeting of the City Council of the City of Pullman was held on August 25, 2009, at 7:30 p.m. in Council Chambers, City Hall, Pullman, Washington with the following present:

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| Glenn A. Johnson | Mayor |
| Jane Joyce | Deputy City Clerk |
| Francis Benjamin | Councilmember |
| Keith Bloom | Councilmember |
| Ann Heath | Councilmember |
| Bill Paul | Councilmember |
| Barney Waldrop | Councilmember |
| Nathan Weller | Councilmember |
| Pat Wright | Councilmember |

Call to Order

Mayor Johnson called the regular meeting to order at 7:30 p.m.

Announcements

Mayor Johnson made three announcements.

ORDER OF BUSINESS

Approval of Recommendations of Consent Agenda Items

CONSENT AGENDA

Mayor Johnson reviewed the items on the Consent Agenda with the Council and audience. He stated that items listed on the Consent Agenda are considered to be routine in nature and will be enacted by a single motion of the Council without separate discussion. If separate discussion is desired, that item may be removed from the Consent Agenda and placed on the Regular Agenda by Council request. Councilmember Wright moved, Councilmember Benjamin seconded to read the items on the Consent Agenda by title only.

Motion Carried.

City Attorney McAloon read the items on the Consent Agenda by title only. Mayor Johnson asked if there were any requests for removal of items from the Consent Agenda from either the Council or audience. There were none. Councilmember Bloom moved, Councilmember Benjamin seconded to adopt the Consent Agenda as presented.

Motion Carried.

Motions

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| Minutes - August 11, 2009 | 1. | The Council dispensed with the reading of the minutes of the regular meeting of August 11, 2009, and approved them as submitted. |
| Change Order on Rocky Way Barrier | 2. | The Council ratified Change Order No. 1 on Contract No. 09-11, Rocky Way Barrier. |
| Change Order on Sidewalks 2009 | 3. | The Council ratified Change Order No. 1 on Contract No. 09-01, Sidewalks 2009. |
| Change Order on College Hill Arterial Reconstruction | 4. | The Council ratified Change Order No. 1 to Contract No. 09-12, College Hill Arterial Reconstruction. |

- Paradise Hills Subdivisions No. 4 and 5 Exchange of Property 5. The Council authorized the exchange of property used for performance security for Paradise Hills Subdivisions No. 4 and No. 5.
- Barclay Estate Subdivision No. 1 Exchange of Property 6. The Council authorized the exchange of property used for performance security for Barclay Estate Subdivision NO. 1.
- Extension of Aquatic Center Interlocal Agreement with the School District 7. The Council approved the extension of an interlocal agreement with Pullman School District No. 267 for the operation of the Pullman Aquatic & Fitness Center.

Resolutions

- Resolution No. R-48-09 - Surplus Property 8. Resolution No. R-48-09
A RESOLUTION DECLARING CERTAIN PROPERTY SURPLUS TO THE NEEDS OF THE CITY OF PULLMAN AND AUTHORIZING THE TRANSFER OR DESTRUCTION OF SAID PROPERTY.

Resolution No. R-48-09 was adopted unanimously.

- Resolution No. R-49-09 - Skyline Base Station Electrical Upgrades 9. Resolution No. R-49-09
A RESOLUTION ACCEPTING THE BID OF ACE ELLIOTT LAND FOR SKYLINE BASE STATION ELECTRICAL UPGRADES (BASE BID AND BID ALTERNATE #1) AND AUTHORIZING EXECUTION AND DELIVERY OF THE CONTRACT FOR SAID PROJECT.

Resolution No. R-49-09 was adopted unanimously.

- Resolution No. R-50-09 - Wellhouse #8/Booster #10 10. Resolution No. R-50-09
A RESOLUTION ACCEPTING THE BID OF WESTERN STATES CONSTRUCTION, INC. FOR WELLHOUSE #8/BOOSTER #10 AND AUTHORIZING EXECUTION AND DELIVERY OF THE CONTRACT FOR SAID PROJECT.

Resolution No. R-50-09 was adopted unanimously.

REGULAR AGENDA

Motion

- Labor Agreement with International Association of Firefighters Local 1892 11. Mayor Johnson announced that a motion is requested to ratify a labor agreement for 2009 with the International Association of Firefighters Local 1892. City Supervisor Sherman presented the staff report stating that the proposed agreement provides for a 2.5 percent wage increase effective January 1, 2009, and a 1.5 percent wage increase effective September 1, 2009. He stated that two additional tiers had been added to the annual leave accrual and some previous agreed to Memorandums of Understanding have been incorporated into the agreement.

Councilmember Waldrop moved, Councilmember Wright seconded to ratify the labor contract. The motion carried unanimously.

Discussions

Water and Sewer 12.
Financial Plan and
Rate Study

Mayor Johnson announced that a discussion is scheduled on the water and sewer financial plan and rate study. He stated that at the June 30, 2009, Council meeting Mr. Shawn Koorn, of HDR Engineering, and City staff presented a financial plan for the water and sewer utilities. The Council directed staff to review and justify the capital improvement plans for both utilities, to investigate funding the aeration basin project at the Waste Water Treatment Plant with a revenue bond instead of a Public Works Trust Fund loan, and to revise the proposed rates for the irrigation meters. Council also requested that the pending rate increase be widely advertised.

Public Works Director Workman presented the Sewer Capital Improvement Program. He stated that he had looked for projects to defer and did not find any. A lot of the 2009 projects are already done or we are already committed to completing them. He explained the projects and their importance for 2009 through 2014. He stated there are also projects scheduled after 2014. He stated that in some jurisdictions sewer rates are higher than water rates and it is possible this will eventually happen in Pullman.

Councilmember Bloom asked what portion of sewer capital upgrades WSU pays for. Public Works Director Workman responded that WSU pays for 36.4 percent of the upgrades. Mayor Johnson asked when this rate was last looked at. Public Works Director Workman responded that it was last looked at in 1998 and the WSU rate dropped at that time.

Councilmember Paul stated that with water rates a household has some control over usage. He asked if it was not true that sewer rates are fixed rates and households cannot control these rates. Public Works Director Workman responded that was correct.

Public Works Director Workman presented the Water Capital Improvement Program. He explained the projects and their importance. He stated that the City received a good rate on the recent bond because we take good care of the water system. He explained that the City had saved approximately \$1,000,000 on its big projects this year due to the economy. The City is saving 30 to 35 percent on projects.

Councilmember Bloom asked about rate increases. Public Works Director Workman stated that each year there will be a rate increase. Councilmember Bloom stated that the City has to be able to fund repairs and upgrades to the water system.

Councilmember Paul thanked Public Works Director Workman for the report. He stated he hates to raise rates in the current economy and asked if we could hold off for one year. Public Works Director Workman responded that waiting a year could possibly make the increases higher and it might hurt reserves.

Shawn Koorn, HDR Engineering, presented a report that described the rate-setting process, Pullman's revenue requirements for its utilities, the water financial plan, water rates, sewer financial plan, and sewer rates. He stated that the City should

be replacing a portion of the system through rates.

He stated that they have settled on a 7 percent water rate increase and a 12.5 percent sewer increase. Councilmember Heath asked if the water reserves are low, could it hurt us when we go out for a bond. Mr. Koorn stated it could affect the process. Councilmember Heath asked if we should look at rates over time. Mr. Koorn responded in the affirmative.

Mr. Koorn stated that irrigation sewer rates were lower than residential sewer rates, so they added a third block to irrigation rates with an 8 percent adjustment.

Councilmember Benjamin asked if the plan was to move projects away from the Public Works Trust Fund because it is going to be eliminated. Public Works Director Workman stated that the Public Works Trust Fund has been eliminated, but it is supposed to be brought back. We could move the project forward and use a Revenue Bond, but the rate would be higher. Councilmember Benjamin stated it would be better to wait. Councilmember Waldrop thanked Mr. Koorn and Public Works Director Workman for the presentation and stated he concurs it is better to wait on projects and hope for Public Works Trust Fund Loans. Public Works Director Workman stated he would work on a resolution setting water rates at 7 percent and sewer rates at 12.5 percent. Public Works Director Workman asked for direction on irrigation rates. Council concurred on a three-tier irrigation rate.

Councilmember Bloom stated that the reason we have an excellent utility is that we have made improvements and we need to keep the system upgraded. Public Works Director Workman stated that we have tried to keep the rates low. Councilmember Waldrop stated that the Waste Water Treatment Plant is costly and the costs are increasing. We need the Department of Ecology to look at reducing some restrictions. Mayor Johnson stated that in the past the federal government helped with costs but now we are paying the full amount.

Draft College Hill Core Neighborhood Plan 13.

Mayor Johnson announced that a discussion is scheduled on a draft College Hill Core Neighborhood Plan. Planning Director Dickinson presented the staff report explaining the process of coming up with the draft plan. He stated the draft has been sent out to various groups to review.

Councilmember Weller thanked Planning Director Dickinson for the draft plan and stated it has been a long time coming. He thanked numerous individuals for their work on the plan. He stated he has some concerns. We need to look at how this plan will affect other parts of the City. One example is that the McGee Park area is receiving overflow parking from the campus area. He suggested looking at education, renter rights, the creation of a website for rating housing in Pullman, and suggested exploring a multi-tier parking facility near College Hill.

Councilmember Paul agreed with Councilmember Weller and stated that College Hill parking is constantly being studied and it will continue to be studied. Councilmembers discussed the cost of a multi-tiered parking structure.

Councilmember Heath thanked Planning Director Dickinson for his report and asked about the Council discussion scheduled for the November 10 meeting. She stated that the Council should hear from the public firsthand. City Supervisor Sherman stated that the Council could hold a special meeting for public discussion before the November 10 meeting. Councilmember Weller agreed with Councilmember Heath.

Planning Director Dickinson stated that his intent was for a public discussion at the November 10 meeting. Councilmember Heath stated she liked the idea of a special meeting. She stated that on page 14 of his report, the background portion, it states that some property owners would like to see rezoning to a higher density zoning category as this would be a catalyst for proactive reinvestment in the property. She stated there was no mention of houses in the R4 zone that WSU bought and tore down or rebuilt. Rezoning does not always help to keep up the property.

Councilmember Waldrop stated it is a delicate balance and the website is a good idea. He suggested preservation of R1 zones, looking into having more parking permit zones, and stated that we are making progress on trash problems. He stated we need to look at amending the ordinance to go further into the street for trash pickup. Councilmember Waldrop thanked everyone involved.

Councilmember Bloom stated he agreed with Councilmembers Heath and Waldrop. He stated that problem areas have been identified and there has been some relief. Changing the zoning worries him. If the properties are well maintained, people will rent the units. He stated that parking is a problem on College Hill.

Councilmember Weller suggested having a quick-link on the home page for tenants and landlords to check.

Councilmember Wright thanked WSU President Floyd for his comments at the Lentil Festival on the work that has been done on College Hill.

NEW BUSINESS

Mayor Johnson asked if there was any new business from either the Council or audience. City Attorney McAloon stated that our bond counsel, Jeff Nave of Foster Pepper P.S., has proposed an amendment to the bond ordinance. This amendment is recommended to clarify the source of funds available to repay the obligation. The amended bond ordinance will be presented at the September 8, 2009, Council meeting.

Councilmember Bloom stated that Council had received a letter from a Mr. Hans Wendt about the brush and trash on Valley Road. Councilmember Bloom requested the community to look at their property and take care of weeds, brush, gravel on sidewalks, and any other problems.

ADJOURNMENT

Councilmember Weller moved, Councilmember Bloom seconded to adjourn the regular meeting of the City Council.

Motion Carried.

Mayor Johnson adjourned the regular meeting of the City Council at 9:02 p.m.

