



**CITY OF HOQUIAM
Council Meeting Minutes**

November 14, 2011

CALL TO ORDER

Mayor Durney called the meeting to order at 7:00 p.m. Councilmember McMillan led the flag salute.

ROLL CALL

In attendance at the meeting were Mayor Durney and Councilmembers Swope, Dickhoff, Grun, Hyde, McMillan, Moir, Nelson, Pellegrini, Diehm and Carlstrom. Absent from the meeting were Councilmembers Wiedl and Winkelman.

Staff in attendance were Deputy Police Chief Don Wertanen, Assistant Fire Chief Paul Dean, City Librarian Mary Thornton, City Attorney Steve Johnson, City Administrator Brian Shay, Finance Director Mike Folkers and Council Secretary Tracy Wood.

**PUBLIC HEARING
2011-2012 Budget -
Revenues**

Councilmember McMillan moved to open the public hearing at 7:01 p.m. The motion was seconded and passed by voice vote.

Mr. Folkers made a presentation to the council regarding the current revenues. The Council will speak about the 2012 tax levy at next meeting. Mr. Folkers reviewed how the property tax is split between the City, School District, State and County. He spoke briefly regarding intended cuts from the 2012 budget and increases to charges for services.

Mr. Dave Forbes, 2216 Aberdeen Avenue, Hoquiam, stated that this was a nice presentation. The only problem he had was that Mr. Folkers lumped the school and county in with the City and he doesn't believe we need to see that. Talked about increase to water would like to see a comparison.

Councilmember McMillan moved to close the hearing at 7:09 p.m. The motion was seconded and passed by voice vote.

**COMMUNICATIONS
Habitat for Humanity**

Mr. David Mistachkin, Board Member of Grays Harbor Habitat for Humanity, spoke to the council regarding a recently discovered lien on 1015 Chenault for \$10,461.49. Habitat cannot complete the paperwork with the homeowners until this lien is forgiven or paid. Habitat has built 5 new homes in Hoquiam and they thanked the city for their generosity in donating property to the program. This lien was not disclosed when the property for this home was purchased and Habitat needs to clear this up before they can sell the home to the Sebastians. It is going to be a considerable hardship to HFH if they need to pay it themselves. New homes bring more revenue



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with these properties going onto the tax levy. It is important to the family and to HFH and they are asking the city to forgive the lien.

Mr. Sebastian spoke briefly regarding their new home and the wonderful opportunity this has been for his family.

Mr. Mistachkin stated that deferring the lien violates Habitat's rules. They cannot leave a lien in place against a property when selling it to a home owner. If the lien is not forgiven – Habitat will be responsible to take care of this. Councilmember Dickhoff asked how this was overlooked. Neighborworks bought the property at a tax sale and the lien was not disclosed by the County when it was purchased. Following further discussion, Councilmember Dickhoff moved to refer this issue to the Regulatory Committee for their review and recommendation to the council. The motion was seconded. Councilmember McMillan offered a friendly amendment that Mr. Shay and Mr. Johnson be involved with negotiating with Habitat for ideas to resolve this. The motion to refer to committee passed by voice vote.

Bio-Solid Project

Mr. Tim Hume, representing HDR Engineering, made a presentation to the council regarding the recent Bio-solid Project. For 30 years the bio-solids have been stored in the lagoon. It has also served as a raw water storage area. There were three components to this project as follows - to remove the bio-solids, build dikes and force main replacement. A brief discussion on future maintenance and improvements followed. Mr. Hume stated that they are working on the facility plan now. Typically bio-solid removal it is done every two to five years. His company will be able to give a more specific answer when the plan is completed. Mr. Hume reviewed the overall costs for the project. The City had secured a \$9.47 million dollar loan (USRDA) for this project. The total project cost will come in at is \$7.17 million dollars. There are a few small items left to take care of with USRDA, with the project total being \$2.3 million less than what was estimated. Over 900 trailer loads of bio-solids were taken out of the lagoon, almost ½ mile of dikes were installed and 2,000 feet of forcemain installed. Six change orders were done throughout the project with a final change order to be approved tonight. Mayor Durney recommended that Council proceed to item 4, B on the agenda. Councilmember McMillan moved to approve the change order and to authorize



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the final payment to Quigg Brothers, Inc. The motion was seconded and passed by voice vote.

Mr. Dave Forbes, 2216 Aberdeen Avenue, stated that this was a good presentation.

CONSENT AGENDA

Councilmember Hyde moved for the approval of items a through d as presented. The motion was seconded. Those items appearing on the consent agenda were as follows:

- a. The City Council Minutes of October 24, 2011;
- b. The Regulatory Committee report recommending approval and payment of claim check numbers 73368 through 73463 in the amount of \$1,182,439.85; ACH payments in the amount of \$280,119.02; Electronic Fund Transfers in the amount of \$157,794.30 and payroll check numbers 24954 through 25030 in the amount of \$214,560.50;
- c. A request for approval of acceptance and release of retainage and bonds for JMS Masonry for the City Hall Masonry repairs;
- d. A request for release of timber sale bonds for Sierra Pacific for Timber Sale LH-1-2011.

The motion for approval of the consent agenda passed by voice vote.

OFFICER REPORTS

Warrant Sweeps #10 and #11

A written report was presented to the Council from Chief Myers regarding the recent Weekend Jail #10 and #11. The jail was open for 11 consecutive days. Over \$24,000 in bail was collected and 77 warrants were cleared.

Adoption of Tree Inventory and Community Urban Forest Management Plan

City Planner Alissa Thurman provided information to the Council regarding the completion of a tree inventory and Community Urban Forest Management Plan for the City. The City had received a \$10,000 grant to hire a professional arborist to complete these two items. The project has been completed and staff recommends that the City Council adopt the inventory and management plan as presented. Councilmember Hyde moved for adoption, the motion was seconded and passed by voice vote.

MAYOR'S REPORTS

Liens Against Properties

Mayor Durney asked staff to do research on other projects that have been completed and had liens assessed against the



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properties. Two other liens have been discovered that that were not assessed with almost \$10,000 owed on those projects. Mayor Durney also discussed a lien that the city filed against 501 Ontario for \$33,000. A recent interested party was told that the lien against the property was now \$42,612. The County is charging penalties and interest on our liens.

**LEGAL BUSINESS
ORDINANCES**

Natural Gas Franchise

An Ordinance granting to Cascade Natural Gas Corporation, a Washington Corporation, its successors, and assigns, a franchise for the purpose of furnishing the citizens of Hoquiam, Washington, with gas for light, heat, fuel, or any other lawful purposes, and the right, privilege and franchise to construct, maintain, and operate pipes and mains in the streets, alleys, avenues, highways, and other public places of the municipality of Hoquiam and to convey, distribute, and sell gas and specifying the limitations and conditions of such grant and repealing ordinance no. 96-25 of said city. Councilmember Dickhoff moved for adoption of the ordinance and the motion was seconded. Following a brief discussion, Mr. Folkers read the ordinance by title a second time after which the motion for approval passed by unanimous roll call vote.

Ward Boundaries

An Ordinance relating to City Council Ward Boundaries; amending Sections 1.28.011, 1.28.021, 1.28.031, 1.28.041, 1.28.051 and 1.28.061 of the Hoquiam Municipal Code. Councilmember McMillan moved for approval of this ordinance and the motion was seconded. Mr. Johnson explained that there were some minor corrections to the ward legal descriptions. Following the second reading, the motion to approve the ordinance passed by unanimous roll call vote.

RESOLUTIONS

Surplus Property

A Resolution declaring certain personal property owned by the City to be surplus items pursuant to Hoquiam Municipal Code Section 1.64.005, 1.64.010 and 1.64.020. Councilmember McMillan moved for adoption of the resolution. The motion was seconded and passed by voice vote.

NEW BUSINESS

Council Size

Councilmember Hyde stated that several years ago the Council considered a reduction in the number of councilmembers. It was not passed by the Council at that time. Currently Bremerton is considering reducing the size of their council and the City of Aberdeen has recently been talking about downsizing their council. He believes it is time that council look at this issue again.



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Forum – GH College

Councilmember Dickhoff will be speaking at a forum regarding why people don't get interested in state and local budgets. It will be Wednesday from noon to 3:00 at Grays Harbor College.

7th Street Theatre

Councilmember McMillan reminded Council that the 7th Street Theatre will be showing It's a Wonderful Life on the 25th and 26th.

Excuse Absent Members

Councilmember McMillan moved to excuse the absent members. The motion was seconded and passed by voice vote.

ADJOURNMENT

Councilmember Moir moved to adjourn the meeting at 8:20 p.m. The motion was seconded and passed by voice vote.

JACK DURNEY – Mayor

TRACY WOOD – Council Secretary