

1. CALL TO ORDER: The Regular Meeting of the Millwood City Council was called to order by Mayor Dan Mork at 7:00 p.m., October 8, 2013 at the Millwood City Hall. Council members present were: Glenn Bailey, Shaun Culler, Brian Ellingson, Kevin Freeman and Richard Schoen. Also present: Attorney Brian Werst, Treasurer Debbie Matkin, Public Works Superintendent Paul Allen and City Clerk/Planner Tom Richardson. The mayor confirmed that a quorum was present.

2. FLAG SALUTE: Mayor Mork led the Pledge of Allegiance.

3. CONSENT AGENDA: Approval of Minutes of the Regular Meeting held September 10, 2013. September Claims Register of \$93,205.05. September Payroll Register of \$41,255.76. Treasurer's report for September, 2013. Council members received a list of Claims to be paid October 8, 2013. Mr. Freeman moved to approve the Consent Agenda as presented. Seconded by Mr. Ellingson. Motion carried unanimously.

4. PUBLIC COMMENTS: None.

5. PUBLIC HEARING - 2014 REVENUES: Mayor Mork opened the hearing on projected revenues for 2014 at 7:05 p.m. Mr. Richardson presented the projected tax levy for 2014 provided by the county assessor. The highest lawful levy will be \$354,032.82. This is approximately \$3,500 more than 2013 due to higher property valuations. These numbers may be changed as the assessor finalizes them. He also presented revenue projections for other revenue sources in all funds. There were no comments from the audience. The mayor closed the hearing.

6. PRELIMINARY 2014 BUDGET: Ms. Matkin presented the council with the preliminary budget for 2014. All funds are in better shape than in previous years. The Buckeye project is included along with resurfacing a section of Bridgeport and some smaller projects in the park. A hearing on the preliminary budget will be held at the November council meeting.

7. AWC HEALTH BENEFIT TRUST INTERLOCAL AGREEMENT – RESOLUTION 2013-08: Mr. Werst explained the new interlocal agreement with Associated Washington Cities Health Benefit Trust which is necessary due to the Trust's change to a self-insured model. Mr. Culler moved to approve Resolution 2013-08 approving the agreement. The motion was seconded by Mr. Bailey. The motion carried unanimously.

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8. ACCEPTANCE OF DRINKING WATER STATE REVOLVING LOAN AGREEMENT: Necia Maiani, Welch Comer Engineers, reported on issues that she researched since the last meeting regarding the Washington State Public Works Board for a Drinking Water State Revolving Loan for the Buckeye Water Main Project. The mayor asked if we could use our funds to delay the use of loan funds. Ms. Maiani said yes that could be done. She said the staff is comfortable that the Water Fund can provide the required 12.5% operating reserve. She said the capital and emergency reserve

requirement in the Water System Plan is much higher than what is normally recommended. The city could revise the WSP before the loan is finalized next year, to set a more reasonable reserve requirement. Revising the WSP is an eligible expense under the loan program. She said after the review of the capital improvement plan and reserve requirements, the city should review the water rates in the next couple of years to make sure they are adequate to fund the loan repayment and capital projects over the next few years. Mr. Werst said to approve the loan agreement the council would have to approve the agreement and submit it to the Department of Health by October 28, and then authorize a task order for Welch Comer to initiate the amendment of the Water System Plan to bring it into compliance with the capital and operating reserve requirements of the loan. Mr. Freeman moved to accept the loan agreement and to approve a task order to amend the capital and emergency reserve requirements in the Water System Plan. The motion was seconded by Mr. Bailey.

9. CHANGE ORDERS NOS 2 AND 3 – OLD PARK WELL AUTOMATIC TRANSFER SWITCH PROJECT: Mr. Allen explained the two change orders, no. 2 in the amount of \$770.50 and no. 3 in the amount of \$557.75. The no. 2 change order approved at the last meeting did not include the contractor's request for added costs. Mr. Schoen moved to approve change orders no. 2 and no. 3. The motion was seconded by Mr. Culler. The motion carried unanimously.

10. FIRE DEPARTMENT REPORT: Chief Andy Hail said activity in Millwood has been quiet. He said the district's budget process is underway. The district's accreditation review has been completed and they passed. He said the district is working on asking the Washington Survey and Rating Bureau to improve Millwood's rating from Class 2 to Class 3 in 2014. This would benefit commercial property owners. He reminded everyone that the heating season is upon us and asked everyone to check their chimneys and heating appliances. Also people should check their carbon monoxide and smoke detectors. He asked if the city could include this information in their monthly newsletter.

11. STAFF REPORTS: Tom Richardson said he would be attending the WCIA board meeting in Tukwila on November 8. He reported on the emergency amendment of the Urban Growth Area proposed by Spokane County to remove industrial zoning from the Geiger Spur area east of Fairchild Air Base.

Paul Allen said the leaf vac is ready to go for leaf season after some problems removing the old fan. The dump trucks have had the oil changed and ready to put on the leaf boxes next week. He also had the brakes checked and adjusted on one of the dump trucks. The crew installed a new drywell at the corner of Dale and Dalton eliminating the ponding that occurs there. Argonne near Trent has been repaired by Inland Asphalt to match the concrete approach. The Automatic Transfer Switch project is getting closer to completion. The conduit has been placed in the ground and the panels have been installed. The chlorine room has been built and we will have the door frames and doors installed for the pump houses next week. The anticipated completion date is the end of

October. The crew repaired a fire hydrant that was hit by a car at the alley on Dalton and Argonne. Lift station #3 at South Riverway and Sargent has had a couple of alarms from a pump that occasionally kicks the overloads and we also discovered a lag float missing a cable weight causing a high water alarm. American Leak Detection checked out a suspected leak of about 13-14 gpm in the water system at the park. Results indicate several possible smaller leaks which will be located and repaired after the system is shut down for the winter. The park will be closing for winterization in mid-October. The mayor asked if the crew had done any sidewalk grinding recently. Paul said he has not done any yet. Leaf season begins October 21st and will end November 24th, weather permitting.

12. LEGAL REPORT: Mr. Werst reported on proposed amendments for the marijuana business moratorium. He said he would be attending the required WCIA legal training tomorrow. He also worked on the AWC interlocal agreement and the water loan agreement. He also reported on the library district's proposal to create a Library Capital Facilities Area which is a financing tool which allows the issuance of bonds. The city will be asked to approve a resolution at its next meeting to consent to be included in the proposed LCFA.

13. CORRESPONDENCE: None.

14. ANNOUNCEMENTS: The mayor reminded everyone of the AWC Regional Meeting in Spokane on Oct. 17. He asked city council to confirm the appointment of Andy Van Hees to fill the position on the Planning Commission vacated by Laura Burrill. Mr. Culler moved to approve the appointment. Seconded by Mr. Bailey. Motion carried. He also announced that Paul Allen has been promoted to the position of Director of Public Works, and Matt Erdahl has been appointed to the position of Maintenance Worker II.

15. COUNCIL COMMENTS: None.

16. PUBLIC COMMENTS: Andy Hail said this coming Saturday there would be an open house at the Training Facility off of Sullivan and Marietta.

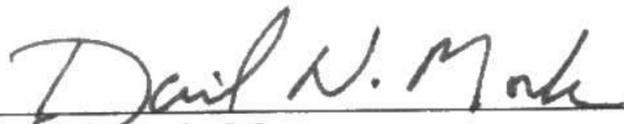
Tracy Anderson, 2610 N. Bessie Rd., said there has been a lot of vandalism in her neighborhood late at night and she requested increased sheriff patrols. The mayor said he would contact the sheriff and ask for extra attention in that area.

John Ammann, 2719 N Laura, said the edge of the asphalt edge on the south side of Buckeye Ave is damaged and the road should be widened three to four feet with a fog line added for pedestrian safety when the water line is replaced. It would also reduce the dust problem. Mr. Allen said he would look into this with the engineer.

Carole Capps, 2604 N. Bessie, said the mischief in their neighborhood extends up as far as West Valley High School. The incidents are happening all over the area late at night. She suspects they are youths. Mr. Freeman suggested that the mayor talk to the school resource officer.

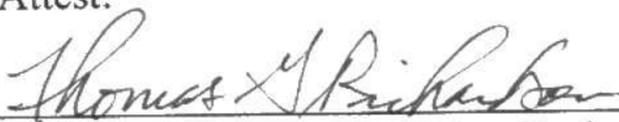
17. EXECUTIVE SESSION: None.

18. ADJOURNMENT: Mr. Culler moved to adjourn. The motion was seconded by Mr. Schoen. The motion carried unanimously. Mayor Mork adjourned the meeting at 8:01 p.m.



Daniel Mork, Mayor

Attest:



Thomas G. Richardson, City Clerk