

CALL TO ORDER:

Mayor Sanders called the workshop to order at 7:00 p.m. and announced that agenda item #1 and #5 would be switched around.

EXECUTIVE SESSION – POTENTIAL LITIGATION RCW 42.30.110 (i)

Mayor Sanders adjourned the Council Meeting for the Executive Session at 7:05 p.m. to discuss potential litigation, as provided by RCW 42.30.110 (i) for approximately fifteen minutes, reporting that there would be no action taken. The council meeting reconvened after the session.

ROLL CALL

Present: Mayor Jeannie L. Sanders, Councilmembers Eleanor Brodahl, Larry Bray, Don Derifield, Kenneth Johnson, and Tim Wilson.

Also Present: City Administrator Ehman Sheldon. Department Heads: Debbie Kudrna, Rhonda Miller, Curt Andrews, Dick Lee and Police Chief Ron Axtman; and City Attorney James Whitaker.

Absent: Councilmembers Everett Cole and Leonard Lyon.

AQUATIC CENTER STEERING COMMITTEE

Mr. Larry Evans, Steering Committee representative, addressed the Council and Mayor with an overview of the committee's diligent work within the past several months. He noted that in compliance to the Resolution of June 23, 2003, the committee has determined an option that can be placed on the ballot, with a project and anticipated cost, which could be supported by the voters. He stated that the committee's recommendation is based on the mail-in survey's results.

SURVEY RESULTS

Mr. Greg Sloan, Steering Committee representative, reviewed the results of the survey, stating that 86% were received. Of those there was significant indication that a facility of some sort be built. A large percentage indicated an indoor lap pool with an outdoor water facility. He stated that 276 responses asked for option 1, the \$5.5 million facility; though the committee's findings are that the community's real desires could be less costly between \$4 and \$4.5 million. As for funding, the majority chose option #3 (City + school district/area-wide.) To accommodate it the committee recommends creation of a Metropolitan Park District (MPD.) It has a large amount of flexibility, with the governing body giving the city the ability to control the funds within that district, and still allows for inter-local agreements allowing the City to fund the down payment, which would relieve the tax burden on the citizens, yet still allow cross representation on the committee. Mr. Sloan reported that an acceptable response for a survey of this nature and area size is 180 and the committee's expectations for a good response was 400, yet their response total was 1002 surveys, which exceeds the standard and indicates the community's great interest.

CITY DISTRICT FUNDING OPTIONS

Mayor Sanders asked if maintenance and operations (M & O) has been looked at every two years. Ehman Sheldon, City Administrator, indicated that the statute of limitations on M & O bonds depends on the type and that it could be 4-6 years; will have to be researched to confirm.

Mr. Evans thanked the Council for letting them make their presentation, and noted that the finance committee met several times to review the surveys. He then distributed a summary of the calculations with consideration to the Council's budget and briefly reviewed it. He asked the Council to appropriate the 30% from the utility tax that currently goes into savings. This request is made for the construction of the facility, which would reflect the estimated costs by \$1,265,651. The committee strongly believes that with this support from the Council the voters would then support a \$3 million levy, which averages 35 cents for every \$1,000 or \$35 for a \$100,000 home (for the construction.) As for the M & O, this facility would be approximately \$600,000 per year. He noted with this being a service to the City that the facility should be able to create half, with the other half coming from the servicing area via a supported levy tax of 32 cents per every \$1,000 or \$32 per \$100,000 home. Combining the construction and M & O averages out to 67 cents per \$1,000 or \$67 per \$100,000 home. He stated that the committee feels it should be

appropriated for the future of Othello: community investment, a vision that Othello will grow an addition/attraction, and to raise the quality of life.

Mayor Sanders asked if we appropriate our savings portion for an aquatic center what will happen to the police vehicles, mobile data systems, ladder truck, etc. that the City is saving for? Finance Officer, Rhonda Miller referred to the Utility Tax Fund and Pool Funding Options handout, explaining that the capital is split into two parts, with the upcoming expenditures included. She continued by indicating that even after a contribution the City would still continue to grow in reserves.

AQUATIC CENTER FUNDING OPTIONS

Mr. Evans stated that grants are being applied for, and indicated that private donations, grants nor creative funding monies have been calculated into the estimated requests; noting that adjustments will be made accordingly upon notification of award; consequently lessening the original amounts. Mr. Evans noted that with conservative revenue projections, it may cover half of the M & O.

Mayor Sanders asked how the \$5.5 million was reduced to \$4.5 – 4. Chuck Allen, committee representative explained that the \$5.5 is for an enclosed slide and wave pool, and by not putting a roof on it would greatly reduce the cost; as well as by eliminating options accordingly to survey results.

Mark Yates, Pool World representative, stated that at the YMCA in Spokane the lap pool has low usage during the winter months and the rec-pool being more popular. He stated concerns of the anticipated revenues not materializing, but that he could also be totally off base. Councilmember Derifield asked if a lap pool could be used in the same manner as a rec-pool. Mr. Yates explained depth differences and noted toys in a rec-pool. Mayor Sanders questioned that in a smaller community, with only a lap-pool, wouldn't it still attract people? Mr. Yates responded yes, probably. Mr. Sloan stated that this recommendation came as a result of the survey and noted the extra expense to an indoor rec-pool. Mr. Evans emphasized the wave machine being the main attraction with great community interest. Mayor Sanders shared her concerns regarding the mail-in survey, and noted that she was pleasantly surprised with the number returned and results. Councilmember Derifield questioned the decision of the location for the facility. Mayor Sanders explained that the location would be where the present pool exists, with two accommodating parking lots and a spray ground for the smaller children.

Councilmember Johnson asked that by creating a MPD, are we creating another taxing district and would it be tied into the existing taxing funds? Ms. Miller stated that a new taxing district would be created but no funds are available from 590, and the indebtedness would go against the new district itself. Mr. Sheldon explained that the MPD can be comprised, created and structured, or however the Council wants. A committee is elected at first, then it goes out for bonding and levies their own funding structures. He noted that the land would remain City property, but an inter-local agreement could be created. He also stated that the next step for the committee is to present an option for the Council to consider a resolution. Councilmember Johnson asked if the bond issue and MPD could be placed on the same ballot. Mr. Sheldon indicated that it is being looked into and he will have an answer by the next meeting. Councilmember Derifield asked if the county park district is being considered to be a part. Mayor Sanders stated that the park district commissioners had been invited to attend a meeting sometime ago. Councilmember Bray noted that a couple commissioners attended but they didn't know what their part in it was. He questioned the need to create another park district. Mr. Sloan stated that the Park and Recreation District is more restrictive than a MPD would be. Mayor Sanders stated that the P & R District is part of 595. Ms. Miller noted that the P & R Dist. falls below the MPD and that if there were any funding available it would go to the MPD. Mr. Sloan asked if it could be used for other things other than the pool? Mr. Sheldon responded that it is a bond issue and by statute has to be appropriated by the county treasurer.

Public Works Director, Dick Lee asked how the \$600,000 was estimated for the M & O. Mr. Yates stated that he provided pool figures, based on figures in from the Hermiston facility, to ALSC for the calculation. Mr. Sheldon noted that ALSC presented high numbers in order to avoid finding out later that it may cost more. ALSC has indicated that once the Council sets "X" amount of dollars, then ALSC will refine the concept to match those numbers. Mr. Yates gave an overview of staffing.

Mayor Sanders then asked the Council what their opinions are in regards to the anticipated admission fee of \$2. Councilmember Derifield asked what the current pool fee is and how many are subsidized? Mayor Sanders stated that the group that requests subsidizing did not ask for it this year. As for in-city and out-of-city attendees, Mr. Sheldon reported that a study is presently being conducted to find out city and county patron usage. Councilmember Brodahl stated her concerns in regards to Othello being a poor community, with a high number of students being on reduced lunch and not being able to participate due to the fee increase. Mr. Sloan stated that meetings have been held with local youth where they were asked what they might be expected to pay and their responses were \$4. Councilmember Brodahl stated that 21% of the households in Othello are made up of only one adult. Mr. Sloan stated that sponsorships could be made from businesses to give children the opportunity to earn their way in. He also stated that he too would hate to see any child go without the chance to go. Mr. Allen noted that an estimation of \$40,000 is currently being subsidized. Councilmember Wilson stated he feels \$2 is very reasonable. Mr. Sloan indicated that consideration is being taken to out-of-area patrons, since a tax would not be imposed on them. Councilmember Johnson stated that he'd like to see the fee low and asked what the other cities are doing, and if Othello could somehow set a new standard. Mr. Sloan offered a free day or a 2-hour period at no charge to accommodate those citizens who can't afford it. Ms. Miller noted several different ways to work in lesser fees: senior rates, child and adult rates, ½ day rates, etc. Mr. Sheldon referenced survey comments of user fees paying for the M & O. Mr. Sloan noted some comments that have been brought to his attention, such as, "We want to make sure that if we're going to do this everybody pays their way," "no free-bees", and "only genuine contributions". Mayor Sanders suggested if \$2 turns out to be too much then the fee should be reconsidered in the future.

Councilmember Brodahl, commented on the number of available free programs for children and that if it wasn't free they wouldn't be there. Mr. Evans readdressed the award system of earning pool admission, and Mr. Sloan noted consideration to family passes annually/monthly/weekly.

Mayor Sanders thanked the committee for all the hard work and time involved, and noted local schools and other cities having interests in using the indoor pool. Concession revenue was discussed further. Mayor Sanders asked for any public input; Mr. Tom Haworth stated that there are many kids that go to the movies spending more than \$5, and feels that \$2 isn't very much; consideration to earning their way is good, and maybe kids will appreciate it more and take care of it. In closing, Mr. Sloan acknowledged all the time and money put into an aquatic center and thanked everyone's participation.

AQUATIC CENTER SURVEY RESPONSE-DRAWINGS

Mayor Sanders thanked each of the businesses for their donations to the survey drawing.

ADJOURNMENT

With no other business to discuss, Mayor Sanders adjourned the meeting at 8:36 p.m.

By: _____
JEANNIE L. SANDERS, Mayor

ATTEST:

By: _____
DEBBIE L. KUDRNA, City Clerk