

NAPAVINE CITY COUNCIL

May 28, 2009~5:30 P.M.
City Hall, 407 Birch Avenue SW, Napavine

BUDGET MEETING-5:30 P.M.

The meeting was called to order by Mayor Nicholas Bozarth. The flag salute was given. Present were council members Larry Stafford, Ken Williams, John Sayers, Paula Sandirk, and Dave Williams. The Mayor opened the meeting with any discussion the council wished to have on the budget.

Councilor Paula Sandirk presented her analysis on the budget figures (made a part of these minutes.) The solution she suggested is included in her notes i.e. cut positions. Councilman Ken Williams commented he was willing to look at these figures if it would alleviate some of the problem as to sewer rates. Councilman Dave Williams commented he thought there was a revenue shortfall. Councilman John Sayers commented about reorganizing court. Mayor Bozarth asked staff to comment. Clerk/Treasurer LaVerne Haslett that four months into the year was too early to determine any revenue shortfall. The revenues to this point are consistent with last year. The same is true of expenditures. The appropriation for sale tax is \$100,000 less than last year. There are two departments that have jeopardized the budget at this point, court and law enforcement. This is due to additional salary related items. There is no need to panic at this point and think you have to cut something. As long as we will stay within our budget as related since January, we will be okay. The Mayor still has a freeze on spending. Councilman Ken Williams commented what happens when we wait until December. The clerk stated we shouldn't wait until December, but look at everything in July. In the meantime stick to the budget. Councilman John Sayers commented that the big issue is the sewer rates and the council doesn't want to wait until December. Clerk/Treasurer LaVerne Haslett stated that water and sewer is a different issue. A report will be forthcoming at the next meeting in regards to sewer. The committee has met and Jim McNelly is preparing a report for the next meeting. Councilman Ken Williams pressed Jim Haslett about the results of the committee findings. Jim stated he was not the chairman, there are some serious issues to look at, but Jim McNelly is the chairman and he will present it. Discussion about cuts and staffing. Mayor Bozarth commented that last year when we cut, it left things at a minimum, and to cut further would be detrimental to the city in regards to staff. It is a good decision to review this however. Public Works Steve Ashley stated a matter of history, years ago when the city instituted the sewer the city chose to grow, unfortunately the growth has slowed and Napavine is dependent on growth. Sewer issues are at hand and minimum of employees to meet the needs. Even if you choose to cut staff, you will have the cost due to overtime or extra help as you go along. You can't avoid it. Costs aren't based on labor costs going up but mandates that have been pushed on you. Councilor Paula Sandirk asked Steve about time allocations for sewer help. Steve addressed her recommendation to reallocate sewer hookup fees; it is important to put them in capital improvement for infrastructure. Councilor Paula Sandirk explained how she arrived at the figures she shows. Clerk/Treasurer LaVerne Haslett stated taking just the sales tax, that based on Paula's figures, she would agree. However, the biggest revenue months for sales tax are Sept-Dec. and based on that, we are consistent with making the appropriation of \$200,000. Some of the other items listed were discussed. State Shared Revenues are fixed revenues that will be received. Sewer items continued to such time the sewer committee can present a report. Discussion on the rates and trying to get a loan to fund the new city hall. Jim Haslett related results of telephone conversation with USDA. Cheryl

Williams interrupted and said that an employee was on the committee. Mayor Bozarth stated that city staff was utilized to provide information needed for the committee. Cheryl stated Jim Haslett was a city employee, according to him. Jim stated he was not an employee, he was a volunteer for park maintenance, he receives no pay check. Mayor Bozarth asked that comments be directed to the council and when again Cheryl interrupted he stated to wait until recognized by the mayor. He wanted to make sure we didn't interrupt each other. Councilman Ken Williams stated we weren't through with this. Cheryl Williams stated money has been spent on the skate board park and she hasn't received a fence around her property bordering the ballfields. Further disruptive conversation resulted in Mayor Bozarth calling an end to it.

Councilman Ken Williams stated he would agree with Cheryl. Further discussion resulted in difference in conversations the Mayor had with the council. The Mayor stated he specifically asked Ken and he said to put him down with a yes, to which Ken disagreed. Councilman Dave Williams also disputed what the conversation was with him. Mayor Bozarth stated expense accounts are set by council. Then the mayor proceeds to do that as seen fit. He quoted RCW 35A.33.120 about transfers among the fund. Councilman Dave Williams questioned the money being spent intended for maintenance. Mayor Bozarth stated that the expected maintenance expenses have in a lot of ways, been taken care of by volunteers and the ball association. The budget is a plan, but plans sometimes are changed.

Rob McNelly stated that (tape count 1973) there is a skateboard ramp (bleep address) where you are currently living, does that play into this fact at all? Mayor Bozarth stated "I'm not currently living there." Rob: There's a skateboard ramp directly in front of your residence there, so does that—and also are you aware that there are seven L& I violations in this picture. Mayor Bozarth: First of all, Mr. McNelly, to bring in my personal life, I live, in the city limits of Napavine, and for you to bring this up, and in essence stalk my girlfriend, is inappropriate. I'm not going to engage in that, so we're going to end that dialogue, certainly. Mayor Bozarth asked for a motion to adjourn this meeting in order to move into our regular meeting? Motion by Councilor Paula Sandirk to adjourn the budget meeting, second by Councilman Dave Williams, motion carried, one opposed, John Sayers. Meeting adjourned.

REGULAR MEETING-630 P.M.

The meeting was called to order by Mayor Nick Bozarth. The flag salute was given. Present were councilmembers Larry Stafford, Ken Williams, John Sayers, Paula Stafford and Dave Williams.

Motion by Councilman John Sayers to approve the minutes of the previous meeting, second by Councilor Paula Sandirk, motion carried.

Councilman John Sayers asked about approve the treasurer's report from the previous meeting. Motion by Councilman John Sayers to table the treasurer's report to the next meeting, second by Councilman Dave Williams, motion carried.

COUNCIL/STAFF REPORTS The Clerk's report presented in writing, made a part of these minutes. Councilman Larry Stafford asked if revenues are being received by Cummins, answer, yes. Councilor Paula Sandirk asked that future conversations be by e-mail. Councilman Dave Williams stated it was brought to his attention about material stored under the Pedestrian Overpass. Mayor

Bozarth stated the material is secure where it is. Councilman Dave Williams stated it isn't secure where it is. Mayor Bozarth asked, what he was talking about, to which he answered numerous plastic containers. Mayor Bozarth informed him those were for flowers at the park. Councilman Dave Williams stated he wanted to recognize Christy McNelly for being here 24 years and resigned post, and the second thing it has been brought to his attention about you (the mayor) residing in the city limits. Mayor Bozarth: Again, I live within the city limits. Dave: You rent in the city limits. Mayor Bozarth: I live in the city limits of Napavine. I'm not going to engage that conversation anymore. Councilman Dave Williams: (inaudible) five days a week. Mayor Bozarth: I live at my house in Napavine, I don't know what else to defend in that, I really don't know where you are going with this. Councilman Dave Williams: To be the mayor of this city you must reside in the city limits. Mayor Bozarth: Again, I'm not going to engage this any further, there is nothing to defend in this matter. Councilman Ken Williams: So, you're not going to state whether you do or don't. Mayor Bozarth: I do!! I just said that. Councilman Ken Williams: So, you're there every day? Mayor Bozarth: Yes, well, do I go out of town, I'm not going into my personal business with you guys. I live in the city limits; I don't know why this is even being brought up. (inaudible, between Ken and Dave). Mayor Bozarth: Let the record reflect, I reside in the city limits of Napavine. Anything else. Councilman Dave Williams asked about the badge for Shelby. Mayor Bozarth stated it came today (the plague) he will follow up on the badge.

CITIZEN BUSINESS Cheryl Williams asked about the fencing issue being looked into. Mayor Bozarth stated he would work with public works about the fence. She again brought up the skate board park that he needed to bring it up to the public on whether they want it or not.

Rob McNelly asked if he was aware of violations in the picture. Mayor Bozarth asked him to come into his office, take under advisement.

SETTING OF AGENDA. Councilor Paula Sandirk asked that an item to new business to set a line item limit on budget items. Mayor Bozarth asked to strike D) Appointment of Judge and A) Gray and Osborne, under New Business. Motion by Councilor Paula Sandirk to set as amended, second by Councilman Dave Williams, motion carried.

NEW BUSINESS Mayor Bozarth presented an Ordinance to restructure the clerk's office by eliminating the deputy clerk position and making a clerk position and a treasurer position. Councilman Dave Williams stated he couldn't see doing this because of budget constraints, not for it. Mayor Bozarth called for motion, died for lack of motion.

LEASE AGREEMENT Community Development Director Steve Ashley reported there has been interest in a lease of the old city hall, presented information to the council. Discussion. Motion by Councilor Paula Sandirk to move to draw a lease, second by Councilman Ken Williams, discussion of various aspects of a prospective lease, left to attorney to negotiate lease, motion carried.

LATE COMERS Latecomer's Agreement for the Rush Road Water Line presented. Motion by Councilman Larry Stafford to approve the latecomer's agreement for Hamilton's Walnut Shade LLC for fifteen years, second by Councilman Ken Williams, motion carried.

APPOINTMENT OF

CLERK/TREASURER Mayor Bozarth announced that he is appointing Mary Todd as Clerk/Treasurer. Motion by Councilman Ken Williams to approve, second by Councilman Larry Stafford, motion carried. Oath of Office administered by Mayor Bozarth.

LEMAY

Lemay representative presented information for a rate increase according to contract. Discussion.

LIMITS ON SPENDING

Motion by Councilman Paula Sandirk that due to a couple of things that happened in the last two weeks and the budget shortfall to set a rule that any spending over \$100 be submitted to council including changes to telephone service, and monthly contracts, with certain exceptions of equipment repairs, payroll, excise taxes required by law, and emergency repairs, and have an ordinance ready if needed at the next council meeting for adoption on first and second reading. Second by Councilman Dave Williams, motion carried. Discussion, Attorney Dana Williams stated the council can make any motion they want, but whether it is an appropriate limit to be placed on the mayor or not as long as he stays within the budget, he will have to research it and advise them regarding it. Until you pass an ordinance, it isn't effective anyway. Councilman Larry Stafford opposed.

VOUCHERS

Motion by Councilor Paula Sandirk to approve the vouchers in the amount of \$170,831.99, second by Councilman Larry Stafford, motion carried.

GOOD OF THE ORDER

Motion by Councilman Ken Williams to buy a plaque for Christy McNelly for 24 years of service, second by Councilman Dave Williams, motion carried.

Motion by Councilman Ken Williams to adjourn the meeting, second by Councilman Dave Williams, motion carried.

Respectfully submitted.

LaVerne Haslett
Interim Clerk/Treasurer

Mayor

Councilman