CITY OF ELLENSBURG, WASHINGTON
Minutes of Council Meeting, Special Session
Date of Meeting October 23, 2002
Time of Meeting 7:00 p.m.
Place of Meeting Hal Holmes Center, 201 North Ruby

Councilmembers Present: Barry, Collins, Lillquist, Perrie, Savidge, Sowards and Mayor Bassett

Others present were City Manager Barkley; Finance Director Carpenter; Budget and Accounting Supervisor Snider; Public Works Director Akers; Assistant Public Works Director Bollinger; Assistant City Engineer Lyyski; Executive Assistant Dufault; and Deputy Clerk Keno.

The purpose of the special session is to review the 2003 preliminary budgets for the Public Works Department including the Engineering, Street, Water, Sewer, and Shop, Warehouse & Equipment Divisions.

ENGINEERING

The 2003 Engineering Division budget is a status quo budget. A change from the 2002 budget is the elimination of the RTPO Planning Expenditure. Rental costs increase from replacement of the engineering van in 2002. Salaries & Wages increase 3% due to a new union contract with the Office and Professional Employees (OPEIU) Union and a 2% wage increase for non-represented personnel. Personnel Benefits increase due to an increase in insurance premium cost but are slightly reduced by non-represented employees’ 5% contribution to premiums beginning in 2003.

STREET

There are no significant changes in the 2003 Street Division budget. The rental rate increase for the 2002 purchase of the new street sweeper is carried in the Street Cleaning account ($18,000 increase). In 2003 a portion of the Street Maintenance account is reallocated to the Street Preservation and Street Construction accounts to comply with new BARS manual account numbers established by the State Auditor’s office. This information was previously listed in an account titled “Traveled Way”. The seal coating program is now budgeted under the Street Preservation account at $127,444. The Street Maintenance account at $145,231 is pothole patching and other work related to traveled way. The Street Construction account ($40,000) provides funding for the ongoing reconstruction work on 15th Avenue over the last couple of years. Snow & Ice Control is down slightly ($5,360 decrease) due to historic analysis. The Street Division budget is heavily subsidized by sales tax proceeds the City receives.

The gap between revenues and expenditures continues to widen. Transportation related revenue totals $270,000; expenditures total $989,124. The passage of Referendum 51 and/or a local option tax will not make up the difference. Projects planned for 2003 include: 1) reconstruct an additional block
of 15th Avenue; 2) rebuild two Central Business District alleys; 3) sealcoat approximately five miles of City streets; and 4) continue various sidewalk improvement projects. In answer to Council inquiry, the Ancillary Operations account is the cost of all labor and supplies related to special events.

The Arterial Street Fund reflects street construction projects that are financed with gasoline tax (1/2 cent gas tax), grants, and loans from outside sources. The City is required to list projects in the budget through its Six Year Transportation Plan. One exception is the annual bridge inspection required by the Department of Transportation (DOT). The City contracts with Kittitas County to do the bridge inspection work. Central Business District alley reconstruction is done by the Street Department and built into this Fund. In 2003 the alleys behind the City library and Ellensburg Telephone Company will be done. This budget also carries forward the Umptanum Road Railroad Crossing Signals at 100% Federal reimbursement. Ten arterial street projects totaling $3,068,000 are proposed in the 2003 budget: 1) Annual bridge inspections--$3,000; 2) Central Business District (CBD) alley reconstructions--$20,000; 3) Umptanum Road Railroad Crossing Signal--$200,000; 4) Brick Road bridge deck replacement--$175,000; 5) Cascade Way bridge replacement--$380,000; 6) Cascade Way overlay— Main to Wenonah--$140,000; 7) Signal Interconnect/Optimization--$60,000; 8) Mountain View Avenue/Ruby Street Design--$180,000; 9) Helena Street— Walnut Street to a point 660' East of Alder Street--$65,000; and 10) Water Street— Fifth Avenue to Helena Street--$1,845,000.

The Sidewalk Improvement Fund was established for the purpose of repairing sidewalks in both the Central Business District (CBD) and residential areas. The main revenue in the Fund is the contribution of the ¼ percent real estate excise tax. The 2003 program includes two downtown CBD projects. One project is a local improvement district (LID) which would improve the concrete sidewalks and street lighting to paverstone sidewalks and historic street lighting along the east portion of Pearl Street from Second to Third Avenues, and along the west portion of Pine Street, from Second to Third Avenues. The second project is the reconstruction of the nodes on the north side of Third Avenue to also include a paverstone sidewalk. While both projects are included in the budget for numeric purposes, only one will be completed. Should the LID be formed and adopted, the CBD project will be deleted. The Water Street project will consume the majority of staff’ s workload in 2003. The 2003 budget also contains funds for the annual residential sidewalk repair/reconstruction program. A " 2003 Residential Sidewalk Areas Map" showing areas designated for the repair and reconstruction program was distributed. Public Works Director Akers advised Council that at some point staff will request the obligation authority be raised.

WATER

The Water Department is staffed by seven employees working a 5/8 schedule. The Department maintains two reservoirs, seven wells and 82 miles of pipeline. The City’ s water system is beginning to show some age. The 2003 budget is status quo. In 2003 crews will: 1) build a watermain to connect Umptanum Road to South Canyon Road ($130,000); 2) replace a failing watermain on 11th Avenue between Delphine Street and Columbia Street ($100,000); 3) Install new fire hydrants at Shady
Brooke Mobile Home Park and Hillcrest Mobile Home Park ($37,000); and 4) Stub a new watermain from the 24” transmission main in Water Street towards the Kiwanis Well ($10,000).

Additional Capital Outlay projects in 2003 include: 1) new meter installations ($20,000); 2) main line extensions ($20,000); 3) 50 hydrant adapters ($6,000); 4) window replacement at City Wells ($2,000); and 5) computer/printer for foreperson ($2,000). Total Capital Outlay for 2003 is $327,000. Operating Supplies and Expenses increases $29,000 in 2003 to cover the City’s share of the reconstruction of Keechelus Dam by the Bureau of Reclamation. This will be an ongoing expenditure for the next four years.

SEWER

The 2003 Sewer Division budget is a status quo budget. Minor changes include an increase in Maintenance Supplies and Expense ($13,000) due to the 2002 purchase of the vactor truck to replace the jet rodder. The monthly replacement cost for the vactor truck is significant. The 2003 Capital Outlay budget was reviewed and totals $523,000. This will be the third year of a four-year project to replace eight aerators in the basins at the Wastewater Treatment Plant. Two aerators will be replaced in 2003 at a cost of $45,000. The storm line reconstruction at Third and Pearl ($8,000) may not occur depending upon the outcome of the Third Avenue LID project.

The operational piece of the budget is status quo. Analysis of the Water and Sewer utilities indicates rate increases are not needed at this time. A Cost of Service Analysis (COSA) of the Water utility indicates a rate increase is not necessary in the near term. The budget does not include costs for implementing the City’s Water Plan. From staff’s preliminary discussions with the Department of Ecology (DOE) it appears the DOE will buy in on the Plan’s recommendation to drill replacement wells—saving the City dollars and negating the need for a surface filtration plant. The City has been denied the Naneum surface water right in the Yakima River adjudication. The City has one more chance to appeal and will probably do so.

The Water Construction and Sewer Construction Funds have no planned expenditures for 2003 from bond proceeds. All projects planned under the Water Construction and Sewer Construction Funds are now complete with the exception of $285,000.00 for work on the Brooklane Well modification. Central Washington University (CWU) will perform the Brooklane Well work under an economic stimulus package. City involvement will be limited to specing and sizing the pump; the City and will save approximately $265,000. The result is a restricted balance in both Funds--$420,000 in the Water Construction Fund and $139,000 in the Sewer Construction Fund. When projects are known and brought back to Council for approval, the monies in the Sewer Construction Fund will most likely be transferred to the Water Construction Fund.

SHOP, WAREHOUSE & EQUIPMENT

The Shop, Warehouse & Equipment Division is comprised of four employees who provide other City
departments with warehousing, inventory and central purchasing services, as well as maintaining a fleet of 120 vehicles and pieces of equipment that are utilized by various Departments in the City. One fourth of the salaries for the Assistant Public Works Director and Operations Analyst are budgeted in this Division.

Equipment purchases proposed for replacement in 2003 total $474,335. Major purchases include a new bucket truck for the Light Division ($136,000); a new loader for the Street Division ($146,205); and replacement of a 4 x 2 backhoe ($59,565). Public Works Director Akers advised Council the aging equipment in the Parks Department is becoming a significant problem and at some point the City will have to look at buying new equipment for this Department. This budget proposes the purchase of a chipper ($27,075) for the Street and Light Divisions with funding coming from monies accumulated from the replacement of a crack router.

Building/facility improvements total $29,500 and include: 1) completion of the carpenter shed ($8,000); 2) swale construction south of the Mechanic’s Shop ($8,000); 3) asphalt grinding reuse/sealing ($6,500); and 4) I-Net wiring in the Mechanic’s Shop ($7,000).

In answer to Council inquiry, the City bids a fuel contract for its vehicles with the exception of CNG vehicles fueled at the City Shop. A small amount of diesel fuel is stored at the Shop as well.

The City is paying significant dollars to transfer its street sweeper waste to a landfill in Wenatchee. This is necessitated by the significant amount of petroleum waste that is picked up by the sweeper.

**ADJOURN** Adjourn at 8:15 p.m. Lillquist Affirmed

Mayor

ATTEST:

City Clerk