
**OMAK CITY COUNCIL
BUDGET WORKSHOP MINUTES
November 9, 2020 – 6:00 PM**

CALL TO ORDER:

Mayor Gagne called the Omak City Council budget workshop for the 2020 Budget to order at 6:00 PM. This workshop was conducted using a Zoom meeting environment encouraging public participation.

COUNCIL AND ADMINISTRATIVE PERSONNEL:

Michael Foth	Tyler Wells, Building Official
Nattalie Cariker	Kevin Bowling, Fire Chief
Dave Womack	Jeff Koplín, Police Chief
Barry Freel	Ken Mears, Public Works Director
Steve Clark	Todd McDaniel, City Administrator
Walt Womack	Connie Thomas, City Clerk
Michelle Gaines	

RECAP OF OCTOBER 26, 2020 WORKSHOP:

City Administrator McDaniel explained to Council that since the last Budget Workshop held on October 26th changes were made to the document. He explained that he reduced all travel and training lines by half. The 2020 end of year wages for police clerical was reduced because funds were in twice for a retirement payout. The retirement payout has been rolled into the 2021 budget request. The booking fees came in under the projected budget amount therefore, that line was reduced by \$40,000. In addition, L&I rates came in lower than the estimate in the Mayor's Budget document. These changes increased the Current Expense Ending Fund Balance to \$1,009,887.63.

Administrator McDaniel told Mayor Gagné that all the Department Heads are signed into the Zoom Meeting and are available to answer any questions Council may have.

Member Foth would like to revisit the purchase of Tasers for the Police Department. Chief Koplín said that he tested the Tasers sitting in his inventory and the batteries have died and they no longer sell the batteries. He intends to purchase three Tasers in 2021 and potentially more if funds are available. He explained to Council that his priorities for 2021 are desktop computers, radios and Tasers. There was further discussion regarding Tasers as Member Foth and Member Cariker wanted to ensure funds were in the budget for the equipment. Chief Koplín explained that the increase in Police Operations, Small Tools line will be enough. Administrator McDaniel explained to Council that the budget includes funding for two full-time police officers. He doesn't anticipate that both positions will be filled until later in the year. There is a potential of unspent funds in the Police Department. He and Chief Koplín will review the department expenditures mid-year 2021 and discuss a Taser purchase.

City Administrator McDaniel explained to Council that the pump on the Fire Department ladder truck is surging or shutting down and there may be a problem with the governor. The repairs are unexpected but, he said the costs can be absorbed in the 2020 ending fund balance.

REVIEW AND DISCUSSION 2021 BUDGET:

Public Works Department – Public Works Director Mears

Street Fund 102

City Administrator McDaniel explained to Council that the labor and equipment rental in this fund was higher due to the TIB Chip Seal project in 2019. Public Works crew does all the prep work prior to the chip seal done by Okanogan County. Public Works Director Mears explained the City has a pending application to TIB for a 2021 chip seal project in the area south of the Omak High School. The labor and equipment costs will again be higher as a result in the 2022 budget. Administrator McDaniel told Council that the street fund is underfunded and the only revenue coming in is from multimodal transportation tax, fuel tax and a portion of property taxes. Public Works Director Mears told Council a Safe Routes to School grant application was submitted for sidewalks and flashing beacons near the East Omak School east of the Highway 97 overpass to Jackson Street. If awarded, the project would be one hundred percent funded by grant money. This project is not included in the 2021 budget.

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Water Fund 401

Councilmember Freel asked for an update on the Julia Maley well regards to the arsenic. Public Works Director Mears explained that the arsenic testing was not the issue but more so, the quality of water. The City is working with engineers, Gray & Osborne, Inc. on a pilot program to design an arsenic treatment plant. An application will be submitted to the Drinking Water State Revolving Fund (DWSRF) and if approved, the City would take on debt service for the design and construction of the arsenic treatment plant. The 2021 budget includes an expenditure of \$160,000 with no offsetting revenue for this project. Mayor Gagné asked if the Water Fund included an expenditure for a generator to run the wells in the event of an emergency. Member Freel understood that Okanogan County may have funding available from the Cold Springs Fire which would be obtained for the purchase of a generator. Administrator McDaniel will reach out to the County to see if funds are available. There was further discussion about what size generator would be needed, electrical connections at each wellhouse and renting a generator versus buying one. Council asked that \$160,000 be added to the 2021 water budget for the purchase of a generator.

Sewer Fund 402

Administrator McDaniel told Council that the Sewer Fund was healthy and there was over one million in the Sewer Reserve Fund. The current sewer project will come in under budget so, he recommends moving forward with sewer design in 2021 for the next phase. Public Works Director Mears explained to Council that Gray & Osborne, Inc. has some of the pre-design completed for the next phase. This project area may include the area south of Second Street to Sixth Street west of Ash Street. Administrator McDaniel added \$300,00 for sewer design and 2022 construction expenses. Mr. Mears explained to Council about each of the capital requests in the sewer fund. There were no questions.

Storm Drain Fund 405

Administrator McDaniel reminded Council that they increased storm drain fees for 2020. The fund is seeing reserves because of it. The Asotin Storm Drain project that was funded by the Community Development Block Program (CDBG) has been awarded and will begin this month and be final in 2021.

Airport Fund 406

Administrator McDaniel told Council that the only change in the airport fund was to reduce the transfer in from Current Expense. The agreement with Airways East was completed in 2020.

Equipment Rental 501

Public Works Director Mears told Council that in the equipment rental fund the account for Small Tools & Equipment was increased to purchase a bridge jack. Member Gaines asked about the water fountain and Mr. Mears explained that the water fountain was for the shop. The Building Operations, operating supply line was increased by \$2,000 to cover the purchase.

Equipment Rental Capital 508

There was discussion about the capital equipment that is scheduled for replacement in 2021. Public Works Director Mears explained that his vehicle, a Ford F150 is scheduled to be replaced and was overlooked in the Mayor's Budget. The replacement cost of \$39,500 and was then added into the budget. Mr. Mears said that he would like to replace his Ford F150 with a Ford Explorer. His vehicle is used for employee training travel and touring project sites. Having the extra seating will allow the vehicle to be used universally throughout the City. City Administrator also shared with Council the replacement schedule for the city's equipment. This scheduled details the purchase price, cost to operate and the rental cost to each department. He also shared what the revenue contributions versus the expenditures for equipment purchase would look like for each year through 2050. Member Gaines did notice that the replacement costs in the Mayor's Budget was not the same as the End of Life Replacement in the schedule. Administrator McDaniel overlooked that and, the changes were made.

Mayor Gagné asked if Council had any further questions. Member Cariker brought to Council's attention the full-time firefighter mentioned in Chief Bowling's budget narrative. She inquired about the status of the position. As Chief Bowling had left the meeting, she was going to reach out to him directly about this. City Administrator McDaniel explained to Council that he has prepared an Ordinance for a budget amendment to the garbage fund. This Ordinance will appear on the agenda for Monday evening as a first read. The projected revenue and expenditure for the contracted services will exceed the request. There was discussion about the

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Abatement Fund as the 2020 end of year projections is only \$770. Administrator McDaniel explained that Mayor Gagné recently tasked him with researching the abatement process. There was discussion about the labor and how that should be reflected in the fund going forward. There was also discussion about contracting out those labor services versus using Public Works crew. Administrator McDaniel and Building Official Wells will continue to research this topic.

As there were no further questions or comments, Mayor Gagné asked Council if they would like to schedule another Budget Workshop. Council didn't need an additional workshop. City Administrator McDaniel explained to Council that the only items pending and unknown for the 2021 budget are the Teamsters negotiations and the 2021 insurance rates from Martin Morris. All members agreed to proceed with the first budget reading at the November 16, 2020 regular Council Meeting.

The budget workshop was adjourned at 9:00 PM.



Connie Thomas, City Clerk



Cindy Gagné, Mayor