

City of Cosmopolis
Workshop
February 18, 2015

Mayor Frank Chestnut presided.

Councilmembers present: Jonathan Fischer, Debbi Moran, Jim Ancich, Kyle Pauley and Carl Sperring

Staff present: Attorney Stephen Hyde, Public Works Director Darrin Raines, Deputy Clerk Candice Makos

Mayor Frank Chestnut opened the workshop at 6:00 stating that Mr. Ancich would be late. Mayor Chestnut introduced Dru Garson from Greater Grays Harbor stating Mr. Garson was here to help with any questions we may have regarding the requests from Cosmo Specialty Fibers.

Mayor Chestnut stated the property tax relief is an issue for the state legislature.

The Sales and Use tax relief requesting a 100% rebate on the tax paid on the project investment in Cosmopolis. Approved on the December 3, 2014 Council meeting.

Point 09 Grant Money request for the funds and have the City of Cosmopolis act as a lead agency at Grays Harbor County for 5 years. Approved on the December 3, 2014 Council meeting.

Mayor Chestnut stated that the Utility Tax Rate relief is serious money. We need to put a note of finality on this issue. It's a pile of money we don't have and it will put the city in a bind. Mayor Chestnut stated it might mean into the 6 figures. The project is still a go as Dru Garson had heard nothing to the contrary.

Discussed a feasibility study for a Sewer treatment plant and thought it would not be a good thing for the City to put money into the study right now. But leave it open to talk about it at a future date.

Mike Olden of Gibbs and Olson discussed the water system plan update, Water Use Efficiency program and the Capital Improvement program and the financial program. We need to do a water system plan before any wells can be dug. Mr. Olden passed out a population growth graph showing historical growth in the City of Cosmopolis. He stated that our system is adequate and reliable. We must have a Water Use Efficiency program within the water system plan documents. We must do two things, set a goal and implement water use efficiency measures. The City's goal is to have a 5% saving in water demand in the next 6 years. We have already implemented a water rate structure that meets the water use efficiency issue. We might use a 2 tier structure in the future possibly charging more for usage over 1000 cubic feet. Capital Improvement Plan will require a small increase each year for the next 6 years. Mike passed out another table showing what the costs might be as we dig more wells. We probably would not see a dramatic increase in cost until we dig more than 3 wells. At that point we would need to treat each well for water quality. The savings of putting in the first well would be approximately \$20,000 if it can pump 20 gallons a minute. He also passed out a 10 year spreadsheet projecting our costs and any revenue increases also accounting for inflation. We will need to authorize Darrin to submit our Water System Plan to the Dept. of Health, G.H. County and the City of Aberdeen for their review. We will wait of the reviews and the try for the water rights.

Workshop concluded at 6:55.

Deputy Finance Director

Attest:

Mayor

