



**Finance Committee Meeting Minutes
Tuesday October 13, 2015
6:00 p.m.**

Roll Call: all present

Continued Business: Budget Review

Steve provided an overview of the budget and discussed a number of financial matters. He provided the monthly budget to actual report that shows the City has spent less revenue overall than contemplated by this time of the year and meantime generated more revenue than expected. The report reflects that revenues appear to be improving by the month as the economy slowly stabilizes. He noted that the State Auditor's Office is doing its biannual audit review of the City's finances, and as part of that effort, they want to know how the City's financial picture has improved since the last audit. In response, Steve has written a letter to that agency identifying a number of items the City has initiated the past two years to enhance its financial position. He handed out a copy of that response.

Steve also handed out 3 budget reports provided by John Spencer, these being: an expenditure summary; revenue summary and 2016 payroll report. He noted these were updated budget documents that would continue to be modified depending on Council decisions. Steve noted that he did not have a draft Ad Velorum resolution for the Council to review because the supporting tax information comes from the County Assessor's office and they have yet to provide the computations.

He advised that Mr. Spencer was recommending the internal sewer utility tax that was increased last year from 10% to 25% be reduced back to 10% at the end of the year, but that the water tax that had been increased for 10% to 15% at the same time - remain in place through 2016 to help defray water infrastructure improvement costs.

Councilor Hamilton suggested the sewer rate be reduced from 25% to 15%, rather than from 25% to 10% to provide a little financial cushion and noting the City's sewer system continues to have problems. Council appeared to concur with his assessment. Steve noted that the advertisement for lift station 3 construction bids is underway with contractors interested in constructing this facility needing to submit their bid by November 12th. Steve also noted that the Lewis and Clark RV Park has connected up to the City's water system and that action should generate another \$25,000 to \$30,000 in revenues that will help to offset utility costs.

Adjournment: 6:44 P.M.



**City Council Meeting Minutes
Tuesday October 13, 2015
7:00 p.m.**

Meeting Call to Order 7:07 PM

Roll Call: All present and noting one Council position is vacant

Audience: 10 persons present

Pledge of Allegiance

Agenda Changes & Additions

Councilors determined to hear from the Council candidates under new business

Public Hearing: Revenue hearing on 2016 Budget and related matters

Mayor Stevens opened up the public hearing noting the City is required to have two hearings during the budgeting process to assure adequate public input. He noted that next year's budget is predicted to be slightly smaller than this year due to a decrease in utility tax revenues and because considerable of the CDBG funds that were placed in this year's budget as grant income will be expended in 2015. He noted the Ad Velorum Tax, the 1% property tax, will generate approximately \$2000 in new monies. There was no public input and so the hearing was closed.

Consent Agenda

Approval of September 22, 2015 Minutes

Councilor Bianchi made a motion to approve the minutes and seconded by Councilor Baker

Councilor Hamilton noted that it was Emily Sabo rather than Elaine Sabo that spoke at the last council meeting [this error will be corrected]

Yes Councilors Bianchi, Forester and Baker

No

Abstain Councilor Hamilton

Passed 3-0-1

Guest Presentations: None

Public Comment:

Diane Hamilton said the September 8th Council meeting characterizes her as being in favor of Councilors receiving compensation for their service. She said that is incorrect, rather she is against that action and asked the record be amended to reflect that perspective. She handed out a news article for the Council to review reflecting the need for Councilors to follow the law. She questioned the previous Council minutes that would suggest the Mayor's pay will increase the first of the year.

BreAnna Mendoza commented that she had her water shut off by the City for non-payment when in fact she had been making payments on her bill. She advised that she did not receive any forewarning that her utility would be shut off for nonpayment either from information found on the City's utility bill or a posting of her property and noting that she had discovered the City normally posts properties it intends

to shut off the water meter for nonpayment. She did acknowledge that her water had been turned back on. She said she had researched the law concerning the manner in which her water had been shut off and concluded that the City did not have authority to take that action because it had not provided her adequate notice. Additionally, the City had not afforded her Constitutional due process because there was no informal process available for her to dispute the billing had she wished to do so. There was a formal process but the law dictated an informal process. In essence: the City had violated her rights and it needed to make amends for that action. She offered her services to help review the laws and construct documents that would assure Citizens rights were not violated. She noted she had served on City Council and said the high water billings were never contemplated on her council watch and questioned why the current fees were so high and noting so many people had a hard time paying this utility bill.

Councilmember Comments

Councilor Hamilton thanked Attorney Woodrich for acknowledging the legal advice he offered concerning the reinstatement of Craig Foster to City Council had been incorrect.

Councilor Baker noted that finally the City was going out for bid on the lift station made available through a CDBG grant.

Councilor Bianchi noted that the Emergency Management Center would hold a meeting October 14th at the Rock Creek Community Center for purposes of reviewing the Cascadian Earthquake drill that will be initiated next year during Gorge Days. He advised that citizens are welcome to attend that meeting.

Councilor Hamilton inquired why Terry Norris was not asked to serve as a Councilor to take Charles Pace's place.

Administrator's Report

Steve noted that the State Auditor's Office is reviewing the City's finances as part of its standard auditing process and has inquired how the City's financial picture has improved since the last audit. Steve said he provided them with a written response identifying a number of things the City has done the past two years to enhance its financial position. He noted the City Council should be recognized for the many things it has done to improve the City's quality of life and financial picture.

City Attorney's Report

Attorney Woodrich said he had attended a conference where he gained information about the latest court rulings and their implications. He advised BreAnna Mendoza there were things she said he agreed with and things he did not agree with. He thanked her for bringing this important issue to the Council's attention and hoped the administration would follow up in an effort to address these concerns.

He also acknowledged Councilor Hamilton's comment and apologized for having been in error.

Unfinished Business: None

New Business

Accepting Sherry Hughes' bid for cleaning services

Steve noted that the City had advertised for cleaning services and received three bids. Ms Hughes had provided the lowest bid and met all business requirements.

Councilor Baker made a motion to accept the cleaning contract and seconded by Councilor Forster.

Yes Councilors Bianchi, Forster and Baker

No

Abstain Councilor Hamilton

Approved 3-0-1

Council Consideration of Councilor Candidates and Possible Action

It should be noted that Charles Pace has stepped down from his Councilor position, and in response to that action, the City advertised for a Councilor replacement. Subsequently, the City received three applications from individuals who offered to serve in this position until the end of the year. Those who submitted applications were Tom Flanagan, Joshua Hughes and Judith Whitcomb. Applicants were provided an opportunity to make a presentation. Tom Flanagan and Joshua Hughes explained to the Council why they desired to serve in this temporary role. Ms. Whitcomb was not available due to a family emergency.

After consideration, Councilor Hamilton made a motion to appoint Tom Flanagan to serve in this interim Council position and seconded by Councilor Bianchi

Yes Councilors Hamilton and Bianchi

No Councilor Baker

Abstain Councilor Forster

Approved 2-1-1 [note Attorney Woodrich opined in this instance Councilor Forster’s vote would be considered as in the affirmative]

Joshua Hughes was thanked for his offer to serve on Council

Closing Public Comments

Diane Hamilton noted the issue of separation of church and state was actually instituted to provide the church safeguard against state intervention with respect to what a person believed, rather than the church does not have the right or capacity to involve itself in state matters.

BreAnna Mendoza said the City has horrible transparency. She added she was not in favor of the Public Development Authority and its providing for a retail marijuana operation in the community. She said the City should consider the impact of water shutoff on vulnerable populations. She said the City’s water rates were extreme.

Closing Council Comments

Councilor Forester thanked Mrs. Mendoza for her comments

Councilor Bianchi said the City would research the manner in which it provided for utility billing and adjust the process as necessary to assure it was equitable.

Council Hamilton thanked Mrs. Mendoza and noted the high poverty rate existing in the community.

Mayor Stevens noted the City is working with Municipal Research Services Center [MRSC] and our insurance carrier WCIA to review the manner in which we do our utility billing process and on the basis of that review will make changes to the utility process [as necessary] to assure we are following proper legal procedure.

Adjournment

Councilor Baker made a motion to adjourn the meeting and seconded by Councilor Forster.

Yes Councilors Bianchi, Baker, Hamilton and Forster

No

Abstain

Approved 4-0-0

Meeting was adjourned approximately 8:12 PM

Mayor

City Clerk