

NORTH BONNEVILLE CITY COUNCIL
Tuesday, October 22, 2013
Finance Committee Minutes

Meeting Call to Order: 6:00PM

Roll Call

Present: Mayor Don Stevens – Councilors: Charles Pace, Bob Bianchi, Craig Forester and Mike Baker

Mike Hamilton [excused absence]

Staff Present: Steve Hasson, Richard Lafayette, and Ken Woodrich

Unfinished Business

Marijuana Licensing

The Council discussed the prospects of a marijuana retail store being located in North Bonneville as a result of I502.

John Spencer provided the Council with updated information about startup costs associated with a marijuana retail store based on his initial pro forma. He advised the committee the initial cost outlay was in the neighborhood of \$145,000. John said his model predicted a business startup breakeven point somewhere in the 18 month to two [2] year range with a return on investment of \$65,000 per year after that timeframe. His figures do not take into account other sources of funding that will be received on-going from the expenditure. He noted his figures were conservative with some exceptions. The discussion shifted to creation of a Public Development Authority [PDA] with the Mayor observing these types of entities are relatively common in Washington State and noting that Pike's Market in Seattle is a PDA. If the City moves forward with efforts to procure a retail store, it should consider relying on this type of public corporation for providing that service. Under this scenario the City would retain some level of business oversight with the corporation assuming the majority of the risk associated with running this type operation.

Budget review

John Spencer provided the finance committee members with a budget update. He noted the numbers were settling into place with small reserves in most funds. John noted that the street fund has been beefed up considerably because of that fund's financial plight. A discussion followed about increasing the fire chief's monthly stipend with a general consensus to increase his monthly rate of pay. As a fallback position there was discussion about possibly folding the City's Fire District into another one with Fire District 5 a likely candidate. John noted the revenues from the Bonneville Hot springs convention center were penciled into the budget because of the increasing certainty that structure will be built. There was discussion about reactivating the Ad Velorum property tax measure. The Mayor advised the City had acquired a credit card reading device and would start accepting credit cards next week. Steve urged the Council to read the draft capital facilities plan that will be before Council for possible action at the November 12 Council meeting. John noted the capital facilities plan is an integral part of the budgeting process and likewise - urged the Council to review and comment on this draft document.

New Business

Adjournment 6.51 PM



NORTH BONNEVILLE CITY COUNCIL
Tuesday, October 22, 2013
Minutes

Meeting Call to Order: 7:03 PM

Roll Call

Present: Mayor Don Stevens – Councilors: Charles Pace, Bob Bianchi, Craig Forester and Mike Baker

Absent: Mike Hamilton [excused absence]

Staff Present: Steve Hasson, Richard Lafayette, and Ken Woodrich

Guests Present

Approximately 15 guests were present.

Agenda Changes and Additions

Councilor Pace requested that the term medical marijuana be stricken from the new business portion of the agenda as the subject is recreational marijuana

Councilor Bianchi asked that the Ad Velorum property tax measure be added to unfinished business

Public Hearings

None

Consent Agenda

The following items were presented for approval:

October 8th Council Minutes

Vouchers for the 4th Tuesday in October

Councilor Baker moved to approve the consent agenda - this action was 2nd by Councilor Bianchi

Councilor Bianchi requested some changes to the minutes that have been fixed

The Council questioned the payment to Skamania Fire District 1 without supporting information

Councilor Pace requested this invoice be set aside until clarified and seconded by Councilor Baker

Amended motion to approve [not paying the invoice at this time]

Yes Councilors Bianchi, Pace, Forester and Baker

No

Abstain

Passed 4 – 0 - 0

Motion as amended

Yes Councilors Bianchi, Pace, Forester and Baker

No

Abstain

Guest Presentations

No guest presentation

Public Comment

Marfa Scheratski expressed her opposition to a marijuana dispensary

Tom Flanagan expressed concerns about marijuana usage

Diane Hamilton expressed concerns about marijuana usage – called for a town hall meeting on the subject

Cynthia Lewis expressed concerns about marijuana usage

Council Member Comments

Councilor Bianchi advised that he was looking into the possibility of the City expending hotel/ motel proceeds for establishing an electric vehicle charging station. He asked Council if they had objections to him pursuing this matter – there was no objection. .

Councilor Pace expressed concerns about bringing up the Ad Velorum property tax matter this evening and observing it had not been noticed on the agenda. He also acknowledged and addressed the concerns of those present who spoke against the City's possible participation in the siting and operation of a marijuana retail store.

Councilor Baker also spoke to the concerns of those present about the City or a PDA operating a marijuana retail store noting the City's interest in this matter is primarily to safeguard public interest by controlling this product – he also observed the public introduction of marijuana in the community reflects the desire of a majority of the State and North Bonneville voters.

Administrator's Report

Discussion on pedestrian traffic in proximity to the Chevron Station

Steve noted there were concerns about how our citizens access the Chevron Station and observing there are no traffic controls that provide guidance to how that ought to occur.

After much discussion the council by consensus, asked staff to devise a suggested course of action for further council consideration. It was recommended the shrubbery on the City's parking strip be reduced or eliminated to enhance the driver's view shed.

Update on utility accounts in arrears

Steve noted there are several individuals who at any one time are delinquent in their utility payments and the trend is toward larger amounts of debt for longer periods of time and thus the City staff intends to be a little more aggressive in its effort to keep people's delinquencies' to a minimum through increased interaction with the customer base and water shut off measures where necessary. Additionally, staff will be constructing delinquency policies for the Council to evaluate.

The Department of Ecology award

Steve noted the Washington State Department of Ecology has recognized the City of North Bonneville public works' staff for their outstanding contributions to water and wastewater efficiency during the year 2012.

Attorney Report

Ken said he was close to having an understanding with the County concerning the municipal court matter. He also provided an overview of the marijuana retail store issue noting that there is an uncommon tension between State and Federal rules regarding marijuana usage that will need to be resolved. He also noted many Washington municipalities are placing restrictions, prohibitions or moratoria on its usage in their community. However, these actions only forestall the inevitable - that publicly sanctioned marijuana usage will be arriving there shortly and acknowledging its presence rather than kicking the can down the road may result in better

outcomes. He observed there was merit in addressing this issue headlong as the City is entertaining.

Unfinished Business

Michael Hamilton excused absence Councilor Pace made a motion to excuse Councilor Hamilton Councilor - Baker seconded

Yes Councilors Bianchi, Pace, Baker and Forester

No

Abstain

Passed 4-0-0

Medical Marijuana Retail Store License

Councilor Pace moved that the Council instruct the Mayor, Staff and any consultants to develop the rules and structure for a public development authority [PDA] for the sole purpose of procuring a recreational marijuana retail store license. Additionally, they assess the requirements for submitting an application to the Washington State Liquor Control Board and report back their actions and findings at the first Council meeting in November. The intent would be to hold a public meeting at that time [November 12] and move forward toward a decision with possible action to apply for a license no later than the first meeting in December.

Mike Baker seconded

Yes Councilors Pace, Baker and Forester

No Councilor Bianchi

Abstain

Passed 3-1-0

Pulse consultants contract for finance and management services

Mike Baker made a motion to approve the contract whereby Mr. Spencer would provide ad hoc type consulting services on an as needed basis within the monetary framework – seconded by Councilor Bianchi

Yes Councilors Pace, Baker, Bianchi and Forester

No

Abstain

Passed 4-0-0

Resolution No. 461 setting 2014 Ad Valorem tax rates

This item has not been noticed on this evening's agenda; rather it was brought up during the course of the meeting, hence a need to suspend the rule that advises: items should be placed on the agenda in order to proceed with an action.

Councilor Forester made a motion to suspend the rules in order to take an action on Resolution 461 which, if approved, increases the City's property tax by one [1] percent or approximately 1952 dollars – seconded by Bob Bianchi

Yes Councilors Pace, Bianchi and Forester

No Councilor Baker

Abstain

Passed 3-1-0

Councilor Bianchi made a motion to approve Resolution Number 461 seconded by Craig Forester

Yes Councilors Pace, Bianchi, Baker and Forester

No

Abstain

Passed 4-0-0

New Business:

Resolution 464 extending several interfund loans and creating new repayment schedules

This resolution extends the duration of interfund loans by a one year period to improve the City's financial position.

Councilor Pace made a motion to extend several interfund loan payments and create new replacement schedules specifically: loan from the lodging tax fund to the general fund; loan from tourist facility reserve fund to the general fund; loan from capital improvement fund to general fund; loan #1 from general fund to water fund; loan 2 from general fund to water fund; and, loan from water reserve fund to the sewer fund. The motion was seconded by Bob Bianchi

Yes Councilors Pace, Bianchi, Baker and Forester

No

Abstain

Passed 4-0-0

Water Loss

There was a consensus by the Council to have staff evaluate and repair the main water meter as a means to address water loss

Closing Citizen Comments

Irene Bitikofer noted that she worked for the City when the Chevron Station was approved and she recollected that an obligation was placed on the business to mark the driveways with entrance and exit signage. She also expressed dismay that the City had money to hire consultants and now exhibited more employees than it has ever had.

Diane Hamilton expressed concerns about the City's action to pass the one percent property tax increase.

Closing Council Comments

Councilor Forester thanked the public for their comments.

Councilor Pace advised there would be an open seat available after the first of the year because he had accepted a position in Portland Oregon that would interfere with his continuing in this leadership role and encouraged those present to consider this opportunity to serve the public.

Adjournment

Councilor Bianchi moved to Adjourn and 2nd by Councilor Baker

Yes Councilors Bianchi, Pace, and Forester

No

Abstain

Passed 4-0-0

Adjourned approximately 8:37 PM

Mayor

City Clerk