



NORTH BONNEVILLE CITY COUNCIL

Mayor Don Stevens
Councilmember Charles Pace
Councilmember Michael Hamilton

Councilmember Bob Bianchi
Councilmember Mike Baker
Councilmember Craig Forster

Finance Committee Meeting Minutes Tuesday, October 14, 2014 6:00 p.m.

Meeting Call to Order 6:10 PM

Roll Call Finance Committee members Mike Baker; Bob Bianchi, Charles Pace, Michael Hamilton and Don Stevens
Note: Craig Forster was excused due to business conflicts.

Unfinished Business – Continuation of budget discussion

Richard Lafayette shared information about the City's fire hydrants. He said that the public works staff has reviewed every fire hydrant to make sure they are operational. He passed out a chart that provided information about each one. He noted that several hydrants are outdated and the parts are hard to come by. He also discussed the possibility of turning off certain of the City's street lights to reduce City costs. He said that the City paid a bimonthly flat rate fee regardless if they were on or off. Hence, any effort to reduce the number of operable lights to save money would be reliant upon amending whatever agreement the City has with the PUD. He said the City could turn off approximately 60 of its 245 lights at a cost savings of about \$200 per month. Mr. Lafayette also noted that the City is paying approximately \$125 a month for electricity to the building the City is leasing to Saw tooth Technologies for \$100 a month. The finance committee was of the belief we should research the many aspects of this issue before we determined a course of action.

John Spencer was present and provided a budget update based on input from the last financial meeting as well as a two hour meeting with Steve and Mike Baker. John provided the committee with an updated budget document. He noted that the Mayor has constructed a draft budget message for the committee's review. John said that the City had determined not to transfer property tax into the street fund earlier this year and that action improves the year end general fund balance by about 20K. None-the-less the City will start 2015 with a weak cash balance and therefore needs more revenue to accommodate operating expenses. John noted that the City's monthly operating expenses were about 50k.

Steve noted that the City incurred additional costs the first four months of this year [2014] and that he had to borrow 87K from the City's money market account to make ends meet and had not been able to replenish that fund. John believes the City has no short term recourse but to borrow more revenue from its money market fund and reserve LGIP fund.

Committee member Pace noted that it is difficult to finance a City on the back of a resort and gas station and the remedy to our financial plight has to be economic development.

John suggested combining the street fund with the general fund as a way to resolve the 2104 budget deficit. Alternately, the City could rely upon another short term interfund loan. The Committee was not overly receptive to reliance on another loan to resolve budget conflict. The committee did not rule out reducing the monthly revenue supplied to the Sherriff to replenish the general fund. John also recommended the sewer and water utility tax be increased. He suggested increasing the water tax from 10 to 15 percent and the sewer tax from 10 to 25 percent. John said this budgetary action would not increase our customer's monthly utility rates. He said this action serves as a one year fix as the taxes would need to be rolled back in 2016 or there would be an adverse impact on sewer and water operations. He said that increasing the utility tax for one year would raise about \$45,000. Finally, there was a discussion about merging the North Bonneville Fire District with Skamania Fire District to gain economies of scale and avoid duplication of effort. It was noted that 70 percent of the year's North Bonneville's fire and medical responses have been attended by Fire District 5. Committee member Bianchi noted the City has increased safety exposure resulting from the fact North Bonneville firefighters work at other jobs during the day.

Adjourned at 7:04 P.M



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City Council Meeting Minutes Tuesday, October 14, 2014 7:00 p.m.

Meeting Call to Order 7:10 PM

Roll Call: Mayor Don Stevens, Councilors Mike Baker; Bob Bianchi; Charles Pace, and Michael Hamilton were present – the Council later excused Councilor Forster's absence

Pledge of Allegiance

Agenda Changes & Additions

Excusing Councilor Craig Forster under new business

Adding Resolution 476 under unfinished business as an action item

Adding the combining of the general fund with the street fund under new business as a discussion item

Public Hearing

A public hearing to consider revenue sources and Ad Valorem Tax

Mayor Stevens open the public hearing and noted this was the third one held for purpose of discussing the Ad Valorem Tax.

John Spencer advised that passage of the Ad-Valorem Property Tax would generate approximately \$2,000 and possibly a few hundred more when the Skamania County Commission confirmed the assessment roll to include new construction and property improvements.

There being no further comments the public hearing was closed

Consent Agenda

Approval of September 23 Council Minutes

Councilor Baker made a motion to approve the minutes and seconded by Councilor Bianchi Councilor's Pace and Bianchi requested some minor text changes

Yes Councilors Baker; Bianchi, Pace, and Forster

No

Abstain

Passed 4-0-0

Guest Presentations

No presentations

Public Comment

John Spencer urged the Council to combine the street and general funds to help stabilize the budget. He said that anything the City can do to grow its economy would be hugely beneficial. John provided a quick update on the status of the Public Development Authority [PDA] in their quest to open a retail

marijuana store. At present, they are contemplating a January opening provided the State Liquor Control Board approves their license application, which appears promising.

Councilmember Comments

Councilor Pace advised that he intended to make a motion for purpose of combining the street and general funds and requesting the Mayor and staff construct the appropriate documents for next Council meeting.

Councilor Hamilton wished to express thanks for the generosity extended by many to his family in these trying times.

Councilor Bianchi recounted recent meetings with the fire chief. From those conversations he determined the City does not have firefighters to fight fires during the daytime Monday through Friday as they are employed or attending classes during that time period. He expressed concern about the NB Fireman's Association not having a 501(c)(3) designation as evidenced by the lack of their filing public documents and hence the possibility of taxing and/or gifting liabilities.

Councilor Baker wished to thank Richard Lafayette and his staff for their effort to make all the fire hydrants operable and he also expressing dismay about the fire chief's lack of enthusiasm to assist public works in that effort.

Councilor Pace suggested that instead of a motion on the combining of funds - that a Council consensus to pursue that course of action might be appropriate. A nodding of heads confirmed that direction.

Administrator's Report

Steve noted that during the finance meeting there was interest in exploring a utility tax increase to help address budget woes and suggested this item be added under the Council meeting "New Business" section for discussion purposes; Council concurred with this suggestion.

City Attorney's Report

Attorney Woodrich noted that he had recently attended a WSAMA conference where he gained insight on a whole host of legal issues and their disposition.

Unfinished Business

Resolution 476 approving the one percent property tax increase [Ad-Valorem] for 2015

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

Yes Councilors Baker; Bianchi, and Pace

No Councilor Hamilton

Abstain

Passed 3-1-0

New Business

Excusing Councilor Forster

Councilor Pace made a motion to excuse Councilor Forster and seconded by Councilor Bianchi

Yes Councilors Baker; Bianchi, Pace, and Hamilton

No

Abstain

Passed 4-0-0

Council Directive for staff to draft an resolution to combine the Street and General funds

This matter will be brought to the October 28th Council meeting for discussion and possible action.

Resolution 479 - Adoption of a policy protecting individuals engaged in nonviolent civil

rights demonstrations

Councilor Hamilton made a motion to approve and seconded by Councilor Pace

- Yes Councilors Baker; Bianchi, Pace, and Hamilton
- No
- Abstain
- Passed 4-0-0

Resolution 480 – Adopting a residential displacement and relocation assistance plan

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

Councilor Hamilton expressed his displeasure with this resolution suggesting it was a form of forced Fascism

- Yes Councilors Baker; Bianchi and Pace
- No Councilor Hamilton
- Abstain
- Passed 3-1-0

Modifying Contract with Ron Bush to be in concert with CDBG procurement requirements

Councilor Pace made a motion to approve and seconded by Councilor Baker

- Yes Councilors Baker; Bianchi, Pace, and Hamilton
- No
- Abstain
- Passed 4-0-0

Possible combining of Skamania Fire District 5 and the North Bonneville Fire District [a discussion item]

The Mayor and Council continued this item for more review.

Utility Tax increase [a discussion item]

John Spencer recommended increasing the sewer and water utility tax with the water tax increased from 10 to 15 percent and the sewer tax increased from 10 to 25 percent. If this action is approved it would be for a one year period with the taxes rolled back in 2016. This action would not increase the City utility rates and would raise about \$45,000.

The Council directed staff to craft an ordinance for the Council’s review and possible action. Staff will schedule this item for the October 28th Council meeting

Closing Public Comments

Mary Armantrout expressed concern about the lack of firefighter coverage during the day and particularly given the number of oil train shipments that pass through North Bonneville daily.

Closing Council Comments

Councilor Hamilton requested that his comments concerning the passage of Resolution Number 480 be inserted in the minutes.

Councilor Pace noted that he has provided comments on a federal rule making – concerning Burlington Northern’s transport of volatile petroleum products through our community. He expressed the opinion there may be an opportunity to work with the railroad to the City’s benefit.

Councilor Baker requested staff make an effort to rebuild the money market fund.

Councilor Bianchi suggested that other City employees could provide fire service backup or perhaps we should go door to door to solicit for this type support. He will be meeting with the fire chief in the near future to relay a number of concerns.

Councilor Pace said he hoped we could develop the Central Business District and stabilize City funding on this Council's watch.

Mayor Stevens lamented the negative reception he has received to date from the County Commission and the Port District Commission with respect to making the Cascade Business Park available for I-502 initiatives. He plans to continue banging the drum for this type of economic development and would appreciate Council's support.

Adjournment

Councilor Baker moved to adjourn and seconded by Councilor Bianchi

Yes Councilors Baker; Bianchi, Pace, and Hamilton

No

Abstain

Passed 4-0-0

Adjourned approximately 8.10 PM

Mayor

City Clerk