

**NORTH BONNEVILLE CITY COUNCIL**  
**Tuesday, November 12, 2013**  
**Finance Committee Minutes**

**Meeting Call to Order:** 6:00PM

**Roll Call**

Present: Mayor Don Stevens – Councilors: Charles Pace, Mike Hamilton  
Craig Forster and Mike Baker  
Councilor Bob Bianchi [excused absence]

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

**Unfinished Business**

**Marijuana Licensing**

John Spencer provided the Council with new recreational retail marijuana operation start up costs. He believes a marijuana retail outlet could financially break even after 3 or 4 months and possibly generate positive cash flow from that time forward. There would be the capacity to retire the start up indebtedness within 12 months. He also noted the State is discussing placing limitations on medical marijuana usage, and that action may enhance recreational marijuana purchasing. Councilor Pace said it was not the City's aim to be the de facto supplier of medical marijuana caused by tighter regulations and noting: medical and recreational products belonged to differing marijuana strains that served different objectives. Councilor Pace suggested we consider crowd funding as a means to assist in the payment of the startup costs. Discussion followed about the construction of a Public Development Authority [PDA] and how that entity, if created, would interface with the City. John noted that there are a number of questions about the marijuana licensing process that remain unanswered. John expressed the view there was time to move forward with creation of a PDA whose board would apply for the license before the licensing window expires December 19<sup>th</sup>. Councilor Pace noted - if a jurisdiction impeded the ability of licensee to apply for this product State agencies would intervene on behalf of the licensee.

**Budget review**

John Spencer provided the finance committee members with a budget update, noting the budget numbers have not changed substantially on the revenue side but increased on the expenditure side. Specifically, he has penciled into the budget a \$400 a month stipend for the fire chief [from the present \$150] as well budgeted for reimbursement of the chief's mileage expenses. Tom Jermann had intended to retire at the end of November from his  $\frac{3}{4}$  time planning position and return to a  $\frac{1}{4}$  time position status in December but has opted for half-time status. That action increases the City's expenses by about \$4000 this year. John envisions the City paying for a new backhoe to replace the one we have that is on its last legs through a low interest state funded loan with interest rates in the 1 to 2 percent range and a ten year payback. John has increased unanticipated expenditures in the general fund to accommodate a water fund subsidy of \$5,000, a sewer fund subsidy of \$15,000 and personnel cost in the amount of \$14,000 in the 2013 budget. By contrast, the 2014 budget reflects a small surplus in all the major funds including, streets, sewer, water and the general fund. Councilor Baker inquired whether the City had entertained providing the City Council with a dollar a month stipend, which could provide a tax advantage under certain circumstances.

**New Business**

**Adjournment - approximately 6.50 PM**



**NORTH BONNEVILLE CITY COUNCIL**  
**Tuesday, November 12, 2013**  
**Minutes**

**Meeting Call to Order:** 7:00 PM  
**Roll Call**

**Present:** Mayor Don Stevens – Councilors: Charles Pace, Michael Hamilton, Craig Forster and Mike Baker  
**Absent** Bob Bianchi, [excused absence]  
**Staff Present:** Steve Hasson, Richard Lafayette, Tom Jermann and Ken Woodrich

**Guests Present**

Approximately 30 guests were present.

**Agenda Changes and Additions**

None

**Councilor Excused Absence**

Councilor Bob Bianchi was unable to attend the meeting

Councilor Pace made a motion to excuse Councilor Bianchi – Seconded by Councilor Baker

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

**Public Hearings**

**Public hearing on Ordinance 1028** concerning the creation of the North Bonneville Public Development Authority, authorizing a charter and bylaws therefore; establishing a Board of Director's to govern the affairs of the authority and providing how the authority shall conduct its affairs.

John Spencer provided a power point presentation to familiarize the public with the public development authority [PDA] concept.

Susie Strom, John Goldring, John Mobley and Mike Hamilton expressed many concerns and/or outright opposition to this ordinance proposal.

Jerry Arthurs, Cheryl Jermann, Dan Smith, Steve Grimsurd, Charles Pace and Rachele Rice spoke in favor of this ordinance.

## **Consideration of Ordinance Number 1026 Adoption of the 2014 Budget**

John Spencer provided an overview of the 2014 budget to facilitate the discussion process.

Cheryl Jermann said it was important that the proceeds available from a marijuana retail operation be used prudently and primarily for addressing public infrastructure needs.

## **Capital facilities Plan Resolution 465**

Steve Hasson provided an overview of the reasoning for a capital facilities plan.

Tom Jermann also provided input noting the approved document makes the City eligible for loans and grants and provides investors some level of certainty the City is committed to addressing infrastructure needs.

Mary Armantrout urged the Council to pass this document to provide some level of community planning predictability.

## **Consent Agenda**

The following items were presented for approval:

- October 22nd Council Minutes
- Vouchers for the 4<sup>th</sup> Tuesday in October
- Payroll for Month of October

Councilor Pace made a motion to accept the minutes, vouchers and payroll – seconded by Councilor Baker

Steve called attention to the invoice payment to Skamania County Fire District Number 1, in the sum of \$1100, the Council set aside at the last council meeting until more information could be provided. Steve said the invoice dealt with a radio monitoring agreement. The City pays an annual fee for the radio frequencies we are reliant for dispatching emergency calls. The Council was comfortable with this explanation and Steve will bring back the invoice at the next council meeting.

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

## **Guest Presentations**

No guest presentation

## **Public Comment**

Cheryl Jermann suggested the City look into having a boat or raft at Greenleaf Lake for safety reasons.

## **Council Member Comments**

Councilman Baker thanked the audience for their comments on the formation of a public development authority.

Councilman Hamilton read a memo in which he discussed issues relating to the one percent property tax increase and public pursuit of a marijuana operation.

The Mayor read a letter from TJ Baxter who expressed support for the formation of a PDA.

Councilor Pace requested the City keep focused on storm water management as part of the capital facilities planning process. He requested further actions to pare the Council minutes and also asked for a status update on grant application efforts prior to the end of the year.

**Administrator's Report**

None

**Attorney Report**

Ken brought the Council up to date on the transfer of the municipal court to Skamania County and the contemplated costs associated with that endeavor and some of the logistics involved in the transfer process.

**Unfinished Business**

None

**New Business:**

**Passage of Ordinance 1028 concerning the creation of the North Bonneville Public Development Authority**

Councilor Pace made a motion to approve Ordinance 1028 – seconded by Councilor Baker

Councilor Pace amended his motion to approve the ordinance, charter and bylaws subject to editing or clarification requests consistent with the Council discussion – the amendment was seconded by Councilor Baker.

Vote on the amendment:

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

Vote on the motion as amended:

- Yes Councilors Pace, Baker and Forster
- No Councilor Hamilton
- Abstain
- Passed 3-1-0

**Authorization for the City to provide the North Bonneville Development Authority with assistance during its start up and application for a retail marijuana license**

The Council approved this authorization by consensus with only Councilor Hamilton in opposition.

**New Contract with Pulse Consulting to assist with PDA transition process and address other public matters**

Councilor Pace moved to approve the contract subject to a number of modifications that were expressed by Council and seconded by Councilor Baker

- Yes Councilors Pace, Baker and Forster
- No Councilor Hamilton
- Abstain
- Passed 3-1-0

## **Approval of the Capital Facilities Plan Resolution 465**

Councilor Pace moved this item be tabled to the November 26<sup>th</sup> Council meeting along with relaying to the State Auditor's office a message we are moving towards its approval and seconded by Councilor Forster

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

Approving the North Bonneville Planning Commission's recommendation to appoint Jacob Meyer to Position 4 and Steve Whitcomb to Position 1

Councilors voted on these appointments separately

Councilor Pace made a motion to appoint Jacob Meyer to Position 4– seconded by Councilor Baker

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

Councilor Pace made a motion to appoint Steve Whitcomb to Position 1 – seconded by Councilor Hamilton

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

### **Closing Citizen Comments**

Cheryl Jermann reminded those who would serve on the PDA they will assume considerable responsibility for the public's safety

### **Closing Council Comments**

Councilor Forster thanked the audience for their public comments at this evening's meeting. Councilor Hamilton restated his belief a public agency should not be involved in the marijuana business. Councilor Pace said even though he supports formation of a PDA the action makes him nervous.

### **Adjournment**

Councilor Forster moved to Adjourn and 2<sup>nd</sup> by Councilor Hamilton

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

Adjourned approximately 9:50 PM

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**Mayor**

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**City Clerk**