



**Finance Committee Meeting Minutes  
Tuesday September 22, 2015  
6:00 p.m.**

**Roll Call:** all present

**New Business: Budget Review**

Steve provided an overview of the budget process and provided three [3] handouts reflecting current budget thinking. Specifically, he handed out a revenue summary sheet that provides a five [5] year picture of the City's revenue that is helpful for trending purposes. The five [5] year overview shows the City's revenue streams are improving but we still need to be cautious in our allocations. The second handout is the updated public works wish list. This list has been modified considerably since the September 8<sup>th</sup> Council meeting. Items have been added and subtracted and costs have been clarified. This list, for the time being, should be considered a work in progress. The third handout is a five [5] year snapshot of expenditures. At present our 2015 revenues appear to more than offset our expenditures but circumstances could change. It appears we will spend more money on certain budgets than was adopted in the 2015 budget and thus we will need to shore up some of these accounts before year end to make all budgets in the black [positive]. Generally, City finances are improving and next year they should finally stabilize after years of financial uncertainty.

**Adjournment:** 6:40 P.M.



**City Council Meeting Minutes  
Tuesday September 22, 2015  
7:00 p.m.**

**Meeting Call to Order** 7:02 PM

**Roll Call:** Councilor Hamilton Absent – note Mr. Forster was present but not a voting member until later in the meeting

**Audience:** 13 persons present

**Pledge of Allegiance**

**Agenda Changes & Additions**

Excusing Councilor Hamilton under consent agenda

**Consent Agenda**

Approval of September 8, 2015 Minutes and September 22, 2015 invoices

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

Yes Councilors Pace, Bianchi, and Baker

No

Abstain

Passed 3-0-0

**Excusing Councilor Hamilton**

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

Yes Councilors Pace, Bianchi, and Baker

No

Abstain

Passed 3-0-0

**Guest Presentations**

Robyn Legun, Cannabis Corner Manager, provided a status update on the retail marijuana outlet, advising that the store had been open for about 6 months and that it had gone through several transformations during that time period. The latest changes reflect Washington State legislative actions that modified the tax rate structure. She said the store had gross sales of about \$200,000 last month in tax receipts but that sum is likely to diminish with the fall/winter season and due to decrease in tourism which is a large component of their operation. Of the \$200,000 in monthly revenue, approximately \$56,000 of that is paid out in taxes to Washington State. The City receives a small portion of that revenue from the state each month in the form of sales tax. After paying all monthly costs there is about \$30,000 in surplus. A good portion of the surplus revenues are used to pay off debt service and noting the store has about \$250,000 in loans to repay with interest payments that balloon the longer they remain unpaid. However, in addition to paying debt service, Cannabis Corner is in the earlier stages of making a major

landscaping investment on Evergreen Drive that will help beautify the City. In response to a comment concerning youth's exposure to marijuana she noted that the average age of the clientele was 42-47 years of age and that interestingly, less than 2 percent of the clientele was in their early 20's. The next business transformation will result from Oregon State authorizing retail marijuana operations that will create a new form of market competition. Currently, Washington State is working on rules that will allow its retail operations to apply for a medical marijuana endorsement. Cannabis Corner will apply for one of these endorsements and noting that Skamania County has no medical marijuana dispensaries. Engaging in medical marijuana will create new challenges but also provide new financial opportunities. Sometime in the near future the store should start generating a cash flow surplus that will afford \$50,000 to \$100,000 in revenues to be invested into the community annually to help defray public costs. The Council thanked Ms. Legun for her presentation.

#### **Public Comment:**

**Julie Sabo** spoke on a number of topics and made several assertions. Among them the City is applying for a transportation grant on Evergreen Drive but unspoken is the fact this action is intended to improve transportation access to the marijuana store. She noted that Craig Forester had unwillingly returned to his Council position under force of threat [he had been coerced]. She noted the lights in front of her residence had been shut off when her husband started to speak out at the PDA meetings. She also suggested the streetlight had been turned off because the marijuana operation worked better in the dark. Mrs. Sabo said she did not support paying the Councilors for their service. Finally, she revisited a previous concern she conveyed about their being a connection between Eric Kackley and construction of pump track.

**Jane Jackson** spoke about the Lewis and Clark RV Park's pending connection to the City's water system which will cause the park patrons to pay a monthly water bill. She noted that the RV Park is the City's primary source of affordable housing, which is helpful to those who are financially down on their luck. She said the extra utility expense will be more than some could afford and thus inquired whether some consideration could be made to help defray this cost for those who were in dire financial straits.

#### **Councilmember Comments**

**Mr. Forster** noted that he was not coerced to rejoin the Council but is doing so of his own volition in response to encouragement from his neighbors that are concerned about how some citizens would like to redirect the City's focus in what they view as a negative fashion. He said his immediate focus was providing for a well balance budget.

**Councilor Bianchi** said the County is looking for persons who have ham radio operating skills that can be utilized in the event of an emergency where other forms of communication are disabled. He said the County is offering the City two [2] ham radios if we can enlist individuals to acquire amateur ham operating licenses. He also noted emergency management meetings are held the 2<sup>nd</sup> Tuesday of every month at the emergency operations center located in the basement of the County Jail in Stevenson.

**Mayor Stevens** noted that the transportation improvement on Evergreen Drive is intended to extend from Highway 14 to the bridge over Hamilton Creek and therefore to characterize it as for purpose of accommodating the Cannabis Corner is totally inaccurate. Rather, that improvement, if funded, will accommodate all the businesses along that stretch of roadway. He noted the street lighting cost savings effort is back on track. There was a miscommunication between the City and the PUD but it has been resolved. He advised: if your streetlight has been turned off and you want it back on for safety purposes come see us and we will likely turn it back on. With respect to the assertion the Cannabis Corner wants the lights off because it does better work in the dark. It should be noted this retail outlet has been open since March and it closes at 7:00 P.M. and that closure period is before sunset. The notion that Volcanic Bikes [Eric Kackley] has something to gain from his participation in pump track construction is ludicrous and noting this business caters to law enforcement and will not personally gain from his participation in

this sporting activity. Rather, Mr. Kackley's interest in a pump track is the same as mine - he is a mountain bike enthusiast and enjoys this sport. The reason for building a pump track is the same reason we constructed a disc golf course: to attract citizens, visitors and businesses to our community.

**Councilor Pace** said that he was frustrated by the attacks against the Council that suggested this body was doing things in an underhanded manner and noting all the Council's actions are captured on a recorder and placed on the City's website for citizens to review. He noted he was further frustrated by the fact that a councilmember is leaving the impression we do things in a deceptive fashion. He said if we were doing things wrong then no doubt those actions would be captured on tape and that is not the case. For those audience members who have bought into this notion that the Council is engaging in wrong doing that you believe needs remedied by citizen action - I ask you to be careful least you run the risk of creating a personal liability.

**Administrator's Report** none

**City Attorney's Report** The attorney apologized for providing inaccurate information about the manner in which Councilor Forster could be reinstated.

### **Unfinished Business**

#### **Payment of Hearing Examiner [Joe Turner] Invoice 23245**

Councilor Pace made a motion to approve the invoice and by seconded by Councilor Baker  
Councilor Baker said he was receptive to paying the bill but the ordinance creating the hearing examiner position needs to be modified to clarify who pays for this service.

Yes Councilors Pace, Bianchi and Baker

No

Abstain

Approved 3-0-0

### **New Business**

#### **Craig Forster reappointment to City Council**

Councilor Baker made a motion to reappoint Craig Forster to City Council and seconded by Councilor Bianchi.

Yes Councilors Pace, Bianchi and Baker

No

Abstain

Approved 3-0-0

Immediately thereafter the Mayor administered the Oath of Office and thereby swearing Mr. Forster into the Council position

**Note:** because Mr. Forster was reappointed to Council - he is in the position to vote on all subsequent Council business.

**Note:** Councilor Pace left the Council meeting

#### **Approval of water payment plan associated with connection of Lewis and Clark RV Park to City water system**

Councilor Bianchi made a motion that affords the owner of the Lewis and Clark RV Park to pay their 2" meter connection fee of \$6500 over a one year period at a rate of roughly \$542 a month; this action was seconded by Councilor Forster

Yes Councilors Bianchi, Baker and Forster

No

Abstain

Approved 3-0-0

**Approval of phone system upgrade**

Councilor Forster made a motion to approve a phone contract with Broadvoice for \$129.18 per month and seconded by Councilor Baker

Yes Councilors Bianchi, Baker and Forster

No

Abstain

Approved 3-0-0

**Ordinance 1054 an ordinance creating a new section of municipal code that would provide Council members a monthly stipend and increase the Mayor’s pay.**

Councilor Baker made a motion to approve a \$25 per regular Council meeting Councilor stipend [not to exceed payment for two [2] meetings per month] as well as a pay increase for Mayoral services of \$200 a month effective the beginning of the new calendar year [2016] and seconded by Councilor Forster.

**Note:** the present City Council members must run for reelection in order to receive this stipend.

Additionally, councilors must invoice the City for services rendered in order to receive this compensation.

Yes Councilors Bianchi, Baker and Forster

No

Abstain

Approved 3-0-0

**Closing Public Comments**

**Terry Norris** asked if the Council stipend would be subject to tax deduction. The answer is yes.

**Elaine Sabo** said that she thought it was not quite right that Councilor Pace should speak disparagingly of a member not present; additionally, she did not agree with some of his comments.

**Closing Council Comments**

**Councilor Baker** acknowledged that Councilor Pace had lost his temper but had made some valid points. He noted Mrs. Sabo’s comments about the transportation grant application intended to enhance the retail marijuana operation was a misplaced notion.

**Mayor Stevens** said he could understand Councilor Pace’s frustration given the many personal attacks that have been generated and particularly related to the marijuana operation. He said there have been many unfounded rumors about the nature and design of that business operation. He also noted that his personalized license plate was the outgrowth of pejorative statements and a desire to promote that operation.

**Adjournment**

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

Yes Councilors Bianchi, Baker and Forster

No

Abstain

Approved 3-0-0

Meeting was adjourned approximately 8:23 PM

\_\_\_\_\_  
**Mayor**

\_\_\_\_\_  
**City Clerk**