



MINUTES

CITY COUNCIL SPECIAL MEETING / WORKSHOP

Richland City Hall ~ 505 Swift Boulevard

Tuesday, June 24, 2014

City Council Special Meeting, 6:00 p.m. (City Hall Council Chamber)

Call to Order:

Mayor Rose called the Council special meeting to order at 6:00 p.m. in the Council Chamber.

Pledge of Allegiance:

Mayor Rose led the Council and audience in the recitation of the Pledge of Allegiance.

Attendance:

Mayor Rose, Mayor Pro Tem Lemley, Council Members Anderson, Christensen, Jones, Kent and Thompson present.

Also present were City Manager Johnson, Deputy City Manager King, City Attorney Kintzley, Administrative Services Director Koch, Public Works Director Rogalsky, Energy Services Director Hammond, Human Resources Director Jubb, Chief Electrical Engineer Whitney and City Clerk Hopkins.

Approval of Agenda:

MAYOR PRO TEM LEMLEY MOVED AND COUNCIL MEMBER KENT SECONDED A MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 7-0.

Agenda Items:

Mayor Rose noted no public comments will be taken on the agenda items and that Council will vote by electronic ballot.

1. Resolution No. 87-14, Adopting the Shoreline Master Program Update

Council Member Thompson said although he was absent from the June 17, 2014, Council meeting, he reviewed the staff reports available on the topic and watched the meeting on CityView. He believes he is ready to make a decision on this topic.

Council Member Jones said that he was absent from the June 17, 2014, Council meeting as well, however, he reviewed the staff reports and watched the meeting on CityView and is ready to make a decision on this topic.

MAYOR PRO TEM LEMLEY MOVED AND COUNCIL MEMBER KENT SECONDED A MOTION TO APPROVE RESOLUTION NO. 87-14, ADOPTING THE SHORELINE MASTER PROGRAM UPDATE. THE MOTION CARRIED 7-0.

2. Resolution No. 89-14, Adopting 2015-2020 Transportation Improvement Program (TIP)

Council Member Jones said he was absent from the June 17, 2014, Council meeting, but watched the meeting on CityView and reviewed the staff report and said he is ready to make a decision. He believes the alternative analysis and stop gap measures in place for a future east/west collector road in the TIP will ensure careful planning and will include input from stakeholders.

Council Member Thompson said he was absent from the June 17, 2014, Council meeting, however, he watched the meeting on CityView and read all the material and staff reports on the topic. He said he did not see any new information regarding the need for an east/west collector road from past TIP updates. He noted that at this point, the collector road is a place holder in the TIP and alternative analysis is in place for a future Council to make that decision. He said he is ready to make a decision.

MAYOR PRO TEM LEMLEY MOVED AND COUNCIL MEMBER KENT SECONDED A MOTION TO APPROVE RESOLUTION NO. 89-14, ADOPTING THE 2015-2020 TRANSPORTATION IMPROVEMENT PROGRAM.

Council Member Christensen said initially, he was in favor of the TIP to plan for the future. He changed his mind after the public hearing comments from the residents of Rachel Road and those concerned about preserving the Amon Basin. He said he will stand by his no vote from the June 17, 2014, meeting.

Council Member Kent explained that her no vote was due to the number of people who spoke against Rachel Road as a potential site for a collector road. She said the residents in that area do not want a collector road and she does not believe that a collector road needs to be identified at this time. She said she will honor her no vote from the June 17, 2014, meeting.

Council Member Jones said the TIP is a planning tool and that state law requires it to be updated. He said alternative analysis on the location of the collector road will be done by the City when the need arises to actually build one.

THE MOTION CARRIED 5-2. CHRISTENSEN AND KENT WERE OPPOSED.

Adjournment:

Mayor Rose adjourned the special meeting at 6:14 p.m.

City Council Regular Workshop, 6:15 p.m.
(Discussion Only - City Hall Council Chamber)

Call to Order:

Mayor Rose called the Council workshop to order at 6:15 p.m. in the Council Chamber.

Attendance:

Mayor Rose, Mayor Pro Tem Lemley, Council Members Anderson, Christensen, Jones, Kent and Thompson were present.

Also present were City Manager Johnson, Assistant City Manager Amundson, Deputy City Manager King, City Attorney Kintzley, Administrative Services Director Koch, Public Works Director Rogalsky, Energy Services Director Hammond, Chief Electrical Engineer Whitney, Redevelopment Project Supervisor Moore, Human Resources Director Jubb and City Clerk Hopkins.

Agenda Items:

1. 2015 Budget Process
 - Cathleen Koch, Administrative Services Director

Ms. Koch made the following report: In accordance with Washington State Law (RCW 35.33.075), the final budget passed by Council for next year must be a balanced budget, in which expenditure appropriations do not exceed the total of estimated revenues plus unencumbered fund balances estimated to be available at the end of the current year. A balanced budget will be prepared for Council consideration, along with a proposed Capital Improvement Plan (CIP).

In order to prepare a balanced budget, a budget calendar, parameters, assumptions, and trends are drafted and brought to a workshop for discussion. Once finalized, the parameters, assumptions, and the City's Strategic Leadership Plan is utilized to prepare a budget for Council consideration.

Council had a general discussion regarding the 2015 budget.

2. Smart Grid Assessment Update
 - Bob Hammond, Energy Services Director

Mr. Hammond introduced Chief Electrical Engineer Whitney and Utility Advisory Committee (UAC) Vice-President Dave Larkin.

Mr. Whitney provided an update on the Smart Grid assessment process and gave status on the final assessment report prepared by the consultant UtiliWorks. He presented a power point presentation that explained what the Smart Grid is, the quantitative benefits, the scenarios modeled, the scenario results and the UAC comments.

Mr. Larkin said the technology is mature with over 40% of the electrical customers being used nationwide. He said the UAC members are confident in Energy Services staff's analysis on the cost saving, its impact on other City departments, using a phased implementation approach, how it will impact the public and the need for public education on the Smart Grid system.

3. 2015 Electric Utility Rates Update

- Bob Hammond, Energy Services Director

Mr. Hammond gave the following report: Each Spring, Energy Services Department (RES) staff, with the assistance of rates consultant FCS Group (FCS) prepares a cost of service analysis for future "test years." The objective is to determine the amount of revenues that are required to be collected through electric power retail rates in order to cover the projected operating expenditures of the utility.

This involves a complicated process of allocating estimated expenditures across a dozen differing customer classes and then projecting load requirements for each of these classes.

He spoke on the results of the COSA for test year 2015 and the key policy considerations being addressed with the Utility Advisory Committee. He identified the proposed schedule to process any resulting RES recommendations for increasing the retail electric rates.

Council had a general discussion of the 2015 electric utility rate updates.

4. Economic Development Update

- Bill King, Deputy City Manager

Mr. King and Mr. Moore gave an update on the recent economic initiatives happening in the City. They reviewed the Horn Rapids Industrial Park, the downtown area, the old Community Center site, Columbia Point and the Tapteal area.

Ms. Johnson gave a report on the Economic Development Conference she attended and said the City needs to reach out more to developers to promote economic development.

Council had a general discussion on economic development in the City.

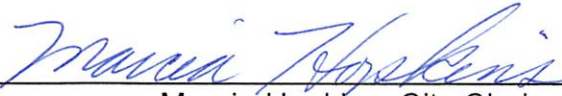
Other Business:

Mayor Rose said that he is in favor of the Richland Municipal Code that states Council action on items that require a public hearing should be taken a week after the public hearing is held.

Adjournment:

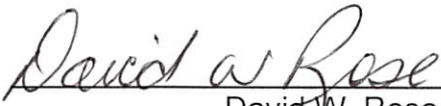
Mayor Rose adjourned the workshop at 7:54 p.m.

Respectfully Submitted,



Marcia Hopkins, City Clerk

FORM APPROVED:



David W. Rose, Mayor

DATE APPROVED:

July 15, 2014

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