



Agenda
City Council Regular Meeting
Tuesday, November 1, 2022
Richland City Hall Council Chambers
625 Swift Boulevard

City Council Regular Meeting - 6:00 p.m.

Welcome and Roll Call

Pledge of Allegiance

Approval of Agenda: (Approved by Motion)

Presentations:

1. Elijah Family Homes
 - Lisa Godwin, Executive Director
2. New Hires & Retirements
 - Lacey Paulsen, Human Resources Director
3. Richland Cares Employee Fall Litter Pick-Up
 - Jon Amundson, City Manager

Public Hearing: Please limit public hearing comments to 3 minutes. Comments must speak only to the item for which the hearing is convened. Records intended for Council consideration must be given to the City Clerk for distribution.

4. Proposed 2023 Budget and 2023-2028 Capital Improvement Plan, Ordinance No. 2022-39
 - Brandon Allen, Finance Director

Public Comments: Please limit public comments to 2 minutes. The public comment period is not an opportunity for dialogue with councilmembers, or for posing questions with the expectation of an immediate answer. Many questions require an opportunity for information-gathering and deliberation. For this reason, Council will accept comments, but will not directly respond to comments, questions or concerns during public comment. Records intended for Council consideration must be given to the City Clerk for distribution.

Consent Calendar: Items on the Consent Calendar have been distributed to the City Council in advance for reading and study, are considered to be routine, and will be enacted by one motion of the Council with no discussion. Councilmembers may transfer individual items to Items of Business for deliberation before voting.

Minutes:

5. Approval of the October 18, 2022 City Council Regular Meeting Minutes
 - Jennifer Rogers, City Clerk

Ordinances - First Reading:

Ordinances - Second Reading & Passage:

6. Ordinance No. 2022-35, Amending the 2022 Budget in the Streets Capital Construction Fund
 - Pete Rogalsky, Public Works Director
7. Ordinance No. 2022-37, Approving the 2023 Ad Valorem Tax and Property Tax Levies
 - Brandon Allen, Finance Director
8. Ordinance No. 2022-38, Approving a Change to the 2023 Ad Valorem Tax over the Prior Year
 - Brandon Allen, Finance Director

Resolutions - Adoption:

9. Resolution No. 2022-134, Authorizing a Water Main Oversizing and Reimbursement Agreement with LCR Construction, L.L.C. for Jericho Ridge
 - Pete Rogalsky, Public Works Director
10. Resolution No. 2022-135, Supporting Energy Northwest's New Nuclear Generation Project Study
 - Clint Whitney, Energy Services Director

Items - Approval:

11. Emergency Procurement per RMC 3.04.120
 - Joe Schiessl, Deputy City Manager

Items of Business:

12. Ordinance No. 2022-39, Approving the 2023 Budget and the 2023-2028 Capital Improvement Plan
 - Brandon Allen, Finance Director

Reports and Comments:

1. City Manager
2. City Council
3. Mayor

Adjournment

This meeting will be broadcast live on [CityView Channel 192](#) on the City's website and on the [City's YouTube Channel](#).

Richland City Hall is ADA accessible. Any individual who has difficulty attending the meeting in-person may request to provide comments remotely. (Ch. 42.30 RCW) Requests for sign interpreters, audio equipment, and/or other special services must be received 48 hours prior to the meeting by calling the City Clerk's Office at 509-942-7389.

About EFH

- Financial sustainability - own 4 duplexes and rent subsidies
- Mission - no other organization in Tri-Cities provides our services
- Answer to both poverty/homelessness and substance use disorder
- Serve families not just individuals - changing the lives of the next generation



ELIJAH
FAMILY
HOMES

HELPING ONE FAMILY AT A TIME

WE ARE A SOLUTION!

Transition to Success

- Serve low-income families
- Serve adults in recovery
- Provide families with safe and affordable housing
- Up to 3-year program
- Provide wraparound case management for each participant
- In 2021, we made a difference in the lives of 42 children and their parents
- Families who are housing insecure due to reasons other than income

Stages of the Program:

Foundation

Building

Housing Goal Realized



Parent-Child Assistance Program

01

We provide clients with outreach, case management, structured goal setting, problem-solving, life skills training, and consistent coaching for up to 3 years.

02

We support, educate, and collaborate with community service providers within Benton and Franklin Counties.

03

Clients are not asked to leave the program if they relapse or experience setbacks.

04

We serve approximately 60 clients per month by helping build alcohol/drug-free lives and prevent future births of alcohol-and drug-exposed children.





COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Minutes

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Approving the October 18, 2022 City Council Regular Meeting Minutes

Department/Office
City Clerk

Ordinance/Resolution Number:

Document Type:
Minutes

Recommended Motion:

Approve the meeting minutes from the City Council regular meeting held on October 18, 2022.

Summary:

Draft minutes from the October 18, 2022 City Council regular meeting are presented for Council's consideration and approval.

No quorum was present for the October 25, 2022 City Council workshop meeting, so no minutes are available for approval. A notice to this effect has been published on the City's website.

Fiscal Impact:

None.

Attachments:

- I. Draft October 18, 2022 City Council Meeting Minutes



MINUTES

RICHLAND CITY COUNCIL REGULAR MEETING

Tuesday, October 18, 2022

Richland City Hall ~ Council Chambers
625 Swift Boulevard

City Council Regular Meeting - 6:00 p.m.

Mayor Alvarez called the Council meeting to order at 6:00 p.m.

Welcome and Roll Call

Mayor Alvarez welcomed those in the audience and expressed appreciation for their attendance.

Attendance: Mayor Alvarez and Councilmembers Jones, Kent, Lukson, Richardson and VanDyke were present. Mayor Pro Tem Christensen was absent.

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER JONES SECONDED THE MOTION TO EXCUSE MAYOR PRO TEM CHRISTENSEN. MOTION CARRIED 6-0.

Also present were City Manager Amundson, Deputy City Manager Schiessl, Assistant City Manager Florence, City Attorney Kintzley, Fire Chief Huntington, Development Services Director Jensen, Public Works Director Rogalsky, Energy Services Director Whitney, Finance Director Allen, Human Resources Director Paulsen, Police Commander Neher and City Clerk Rogers.

Pledge of Allegiance

Members of Girl Scout Troop No. 1915 led the Council and audience in the recitation of the Pledge of Allegiance.

Troop Leader Kendra Caton announced the recently commemorated 10th anniversary of the *International Day of the Girl* (IDG) on October 11, 2022. Ms. Caton thanked City Council for its support of the community and local Girl Scout troops, and for allowing members of Troop No. 1915 to participate in the meeting.

Approval of Agenda

COUNCILMEMBER LUKSON MOVED AND COUNCILMEMBER KENT SECONDED THE MOTION TO APPROVE THE AGENDA AS PUBLISHED. MOTION CARRIED 6-0.

Presentations

1. Tri-City Cushions

Chris Snapp, Founder and Board President of Tri-City Cushions, provided background to the non-profit agency's creation, mission, vision and goals. Tri-City Cushions offers

programs and services to Tri-Cities youth at no cost. The organization is based in Richland, with attempts outreach in both public and private locations, including community parks and the Jeannette Taylor Skate Park. More information about Cushions is available at tricitycushions.org. Council engaged in a question-and-answer session with Mr. Snapp.

2. Tri-Cities Regional Hotel-Motel Commission 2023 Annual Budget & Marketing Plan

Kim Shugart, Senior Vice-President of Visit Tri-Cities, presented the 2023 Tri-Cities Regional Hotel-Motel Commission (TCRHMC) Budget and Marketing Plan with the Tourism Promotion Area (TPA) budget and assessment. Additional information can be found in the presentation included in the council packet. Council engaged in a question-and-answer session with Ms. Shugart.

3. Richland Police Department Drone Program Video

A video featuring the Richland Police Department Drone Program was played for the audience. Police Commander Neher shared that the Richland Police Department acquired two (2) drones to supplement certain services to the community. Nine (9) officers have successfully completed the required Federal Aviation Administration (FAA) Part 107 Certification, which permits the operation of drones. Following the presentation, Council engaged in a question-and-answer session with Commander Neher.

Public Hearing

City Clerk Rogers read the Public Hearing and Public Comments procedures.

4. Proposed 2023 Revenue Sources Including Property Tax, Ordinance Nos. 2022-37 and 2022-38

Mayor Alvarez opened the public hearing at 6:36 p.m. and closed the public hearing at 6:37 p.m. No testimony was offered.

Public Comments

None.

Consent Calendar

City Clerk Rogers read the Consent Calendar.

COUNCILMEMBER VANDYKE MOVED AND COUNCILMEMBER RICHARDSON SECONDED THE MOTION TO APPROVE THE CONSENT AGENDA AS PUBLISHED. MOTION CARRIED 6-0.

Minutes

5. Approval of the October 4, 2022 City Council Regular Meeting Minutes

Ordinances - First Reading

None.

Ordinances - Second Reading & Passage

6. Ordinance No. 2022-36, Amending Richland Municipal Code Section 12.08.010 related to the Definition of Right-of-Way

Resolutions – Adoption

7. Resolution No. 2022-127, Authorizing a First Amendment to the Horn Rapids Farm Lease Between the City of Richland and Frank Tiegs, LLC
8. Resolution No. 2022-128, Approving the Final Plat of Wellhouse Heights
9. Resolution No. 2022-129, Approving the Final Plat of Quail Ridge II - Phase 1
10. Resolution No. 2022-130, Declaring as Surplus Approximately 694 Square Feet of the Municipal Parking Lot at the Southwest Corner of Lee Boulevard and Jadwin Avenue
11. Resolution No. 2022-131, Authorizing a Grant Application for Hotel/Motel Tax Grant Funding
12. Resolution No. 2022-132, Authorizing Award of Bid to Double J Excavating, Inc. for the 2022 Sewer Rehabilitation Project (B-Basin)

Items - Approval Expenditures - Approval

13. Expenditures from September 1, 2022 to September 30, 2022 for \$34,852,562.85 including Travel Check Nos. 20188-20205, Accounts Payable Check Nos. 304096-305184, Accounts Payable Wire Nos. 9207-9246, Payroll Wires & ACH Nos. 12924-12996 Payroll Direct Deposit & Check Nos. 197793- 199525 and Pension Check Nos. 6266-6290.

Items of Business

14. Resolution No. 2022-133, Authorizing an Interlocal Agreement with Benton County for Use of Jail Facilities

Councilmember Lukson recused himself from this item given his status as legal counsel for the Benton County Jail. After announcing his potential conflict on the record,

Councilmember Lukson exited the Council Chambers while the matter was taken to a vote by the remaining members of the Richland City Council.

City Manager Amundson stated the proposed contract is an agreement between the City of Richland and Benton County that allows Richland to house misdemeanor and gross misdemeanor defendants in the Benton County Jail. The terms are materially unchanged from the last contract iteration. The proposed interlocal agreement is effective January 1, 2023 through December 31, 2026. In addition, the Benton County Work Crew Program will be reinstated in 2023 to provide services in a variety of public locations. Council engaged in a question-and-answer session with City Manager Amundson.

COUNCILMEMBER JONES MOVED AND COUNCILMEMBER VANDYKE SECONDED THE MOTION TO ADOPT RESOLUTION NO. 2022-133, AUTHORIZING AN INTERLOCAL AGREEMENT WITH BENTON COUNTY FOR USE OF JAIL FACILITIES. MOTION CARRIED 6-0.

15. Ordinance No. 2022-37, Approving the 2023 Ad Valorem Tax and Property Tax Levies

With the aid of a PowerPoint presentation, Finance Director Allen provided a concurrent overview of Ordinance Nos. 2022-37 and 2022-38. Ordinance No. 2022-37 establishes the estimated amount of the regular levy, the refunded levy, and the voted library construction bond levy. Ordinance No. 2022-37 includes an increase in the regular levy by one percent (1%), or \$192,602, and is in addition to increases arising from new construction values, annexations, refunds, and increases in state-assessed property.

Finance Director Allen engaged in a question-and-answer session with Council. City Manager Amundson and Energy Services Director Whitney provided additional responses to Council queries.

COUNCILMEMBER VANDYKE MOVED AND COUNCILMEMBER JONES SECONDED THE MOTION TO ADOPT ORDINANCE NO. 2022-37, APPROVING THE 2023 AD VALOREM TAX AND PROPERTY TAX LEVIES, FOR FIRST READING, BY TITLE ONLY. MOTION CARRIED 6-0.

16. Ordinance No. 2022-38, Approving a Change to the 2023 Ad Valorem Tax over the Prior Year

Approval of Ordinance No. 2022-38 will increase the base regular levy for 2023 by one percent, or \$192,600 before new construction, annexations, refunds and increases in state-assessed property.

COUNCILMEMBER VANDYKE MOVED AND COUNCILMEMBER LUKSON SECONDED THE MOTION TO ADOPT ORDINANCE NO. 2022-38, APPROVING A CHANGE TO THE 2023 AD VALOREM TAX OVER THE PRIOR YEAR, FOR FIRST READING, BY TITLE ONLY. MOTION CARRIED 6-0.

Reports and Comments

City Manager

City Manager Amundson provided the following announcements to Council:

- A summary of the 2023 Budget will shortly be provided to Council.
- The RiverFest 2022 event was held on October 8, 2022 at Columbia Park.
- While still preliminary, the City of Richland and Public Power are anticipated to make a formal record of decision in December following Bonneville Power Administration's creation of a Reserve Distribution Clause. The electric wholesale credit expected in 2023 will ultimately help offset inflationary electrical material costs and postpone a rate increase for customers.
- The kick-off meeting for Fire Station No. 76 was held earlier in the day, and Badger Mountain South residents will be invited to participate in the planning process. The facility will be included with development of West Village Park.
- Interviews were recently held for the Parks & Public Facilities Director position, and City Manager Amundson thanked Councilmember Richardson for attending the related community reception.
- The strategic planning community focus groups will be held the week of November 7, 2022.
- Open enrollment for benefits will be held November 1-30, 2022. Questions regarding the process should be directed to Human Resources.

City Manager Amundson and staff engaged in a question-and-answer session regarding the 2023 Budget summary revisions, Bonneville Power Administration's surplus revenue, and beautification goals for the Economy Inn property.

City Council

Councilmember Richardson shared her encounter with a couple who recently relocated to the Tri-Cities who spoke highly of the quality of parks, trails, and the community in general.

Councilmember VanDyke had no comments.

Councilmember Jones inquired if it would be feasible for the City to support non-profit organizations through grant programs administered by the City. Next, Councilmember Jones thanked City Manager Amundson for actively seeking opportunities to subsidize programs and organizations to benefit businesses, organizations, and the community.

Councilmember Lukson shared that he participated in the City of Richland Employee Kickball Tournament on September 29, 2022 held at Columbia Playfields. Councilmember Lukson suggested inviting neighboring cities to participate in future city-wide events such as this.

Councilmember Kent stated she attended the annual joint Parks committee meeting,

which included representatives from the cities of Pasco, Kennewick, West Richland, Benton City and Benton County. One topic of discussion during the annual event was homelessness, and Councilmember Kent praised City Attorney Kintzley for drafting Ordinance No. 2022-19 to assist in addressing homeless issues in the City of Richland. Neighboring cities have expressed an interest in adopting a similar ordinance for their respective jurisdictions.

Councilmember Kent also thanked staff for providing detailed information and responses to Council inquiries relating to the proposed 2023 Budget.

Mayor

Mayor Alvarez expressed an interest in holding additional discussions regarding the Richland Police Department space analysis, and thanked Fire Chief Huntington for his department's role in placing an Automated External Defibrillator (AED) in Howard Amon Park.

Adjournment

Mayor Alvarez adjourned the meeting at 7:37 p.m.

APPROVED:

Michael Alvarez, Mayor

ATTEST:

Jennifer Rogers, City Clerk

DATE APPROVED:

DATE PUBLISHED:



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Ordinances - Second Reading & Passage

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 2022-35, Amending the 2022 Budget in the Streets Capital Construction Fund

Department/Office
Public Works

Ordinance/Resolution Number:
2022-35

Document Type:
Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 2022-35, amending the 2022 Budget in the Streets Capital Construction Fund to support a consultant effort to update the City's traffic impact fee program.

Summary:

Chapter 12.03 of the Richland Municipal Code governs the City's traffic impact fee program. The program assesses impact fees on new development to fund a specific set of street system improvements that are necessary to offset the effects of new users on the system. This section of the RMC requires periodic updates to stay current with the scope of necessary improvements, the cost of these improvements, and the pace of development.

The last update to the traffic impact fee program as it applies to development south of the Yakima River occurred in 2018. Since that time, the Badger Mountain South developer has completed a significant update to the traffic impact analysis associated with that development area, and plans for development of the area north of Keene Road and west of Duportail Street have matured. City staff intend to use data from these two areas as the foundation for an update to the traffic impact fee program, and to conduct a general refresh of costs and development for the area. Funding for this update was not included in the 2022 Budget.

Proposed Ordinance No. 2022-35 will add budget capacity from unappropriated fund balance generated by traffic impact fee revenue to fund the consultant work necessary to update the traffic impact fee ordinance. An expert services contract to perform the traffic impact update analysis is expected to cost \$37,900. Sufficient unappropriated funds are available in the Streets Capital Construction Fund, specifically from traffic impact fee revenue, to support the required budget adjustment.

Pursuant to RCW 35.33.091, a duly noticed public hearing was held on September 20, 2022 regarding the increase in appropriations from beginning fund balance in the Streets Capital Construction Fund and from an interfund transfer from the Streets Capital Construction Fund into the Streets Maintenance Fund where the consultant effort will be expensed.

Staff recommends approval of Ordinance No. 2022-35 for second reading and passage.

Fiscal Impact:

The proposed ordinance will appropriate \$37,900 from existing fund balance to complete this work.

Attachments:

- I. Ordinance No. 2022-35

ORDINANCE NO. 2022-35

**AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON,
AMENDING THE 2022 BUDGET TO PROVIDE FOR ADDITIONAL
APPROPRIATIONS AND DECLARING THAT A PUBLIC
EMERGENCY EXISTS IN THE CITY'S STREETS CAPITAL
CONSTRUCTION FUND.**

WHEREAS, on November 16, 2021, Richland City Council approved Ordinance No. 39-21 approving the 2022 Budget; and

WHEREAS, this Ordinance No. 2022-35 will accomplish budget adjustments in the 2022 Budget necessary for the effective delivery of services to the public; and

WHEREAS, the City collects road impact fees to finance road improvements to maintain adequate transportation and traffic service levels; and

WHEREAS, the traffic impact fees require periodic expert review to ensure adequate funding for future road improvements; and

WHEREAS, an expert services contract to perform the traffic impact update analysis is expected to cost \$37,900.00; and

WHEREAS, no funds were appropriated in the Streets Maintenance Fund for a traffic impact fee study; and

WHEREAS, sufficient unappropriated funds are available in the Streets Capital Construction Fund to support the required budget adjustment; and

WHEREAS, pursuant to RCW 35.33.091, a duly noticed public hearing was held on September 20, 2022 regarding the increase in appropriations from beginning fund balance in the Streets Capital Construction Fund and from interfund transfers into the Streets Maintenance Fund.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. Facts Constituting Emergency. The expenses contained within this Ordinance were not anticipated when the 2022 Budget was approved.

Section 2. Declaration of Public Emergency. Due to circumstances described above, the City Council declares that a public emergency exists in the Streets Capital Construction Fund.

Section 3. Amendment of the 2022 Budget. The 2022 Budget is hereby amended to provide additional appropriations in the Streets Maintenance Fund from interfund transfers and in the Streets Capital Construction Fund from unappropriated fund balance as follows:

Streets Maintenance Fund

Current Appropriation: \$ 3,709,672

Increase in Appropriation: \$ 37,900

Amended Appropriation: \$ 3,747,572

Streets Capital Construction Fund

Current Appropriation: \$ 29,296,626

Increase in Appropriation: \$ 37,900

Amended Appropriation: \$ 29,334,526

Section 4. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 1st day of November, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: September 20, 2022

Second Reading: November 1, 2022

Date Published: November 6, 2022



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Ordinances - Second Reading & Passage

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 2022-37, Approving the 2023 Ad Valorem Tax and Property Tax Levies

Department/Office
Finance

Ordinance/Resolution Number:
2022-37

Document Type:
Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 2022-37, approving the 2023 ad valorem tax and property tax levies.

Summary:

City Council sets the property tax levy during the annual budget process. Ordinance No. 2022-37 establishes the estimated dollar amount of the regular levy, the refund levy, and the voted library construction bond levy. Ordinance No. 2022-37 also authorizes the levies to be certified to the Benton County Board of Commissioners and the Benton County Assessor.

The amounts in the Ordinance are based on preliminary numbers received from the Benton County Assessor. Amounts certified to Benton County limit the final calculated levy, so care must be taken to avoid locking in a levy amount that is too low before the values for all add-ons are known. Attached is an analysis of three options for the levy: a 1% increase, a 0% increase, and the maximum lawful levy.

For 2023, Ordinance No. 2022-37 includes an increase in the regular levy by 1%. This increase is in addition to increases arising from new construction values, annexations, refunds, and increases in state-assessed property ("add-ons").

Staff recommends approval of Ordinance No. 2022-37 for second reading and passage.

Fiscal Impact:

At this time, the state-assessed property values and new construction values are still preliminary. As such, the estimated 2023 levy is still subject to change. However, any changes at this point should be relatively minor.

Attachments:

- I. Ordinance No. 2022-37

ORDINANCE NO. 2022-37

**AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON,
RELATING TO THE AD VALOREM PROPERTY TAX LEVIED
FOR THE CALENDAR YEAR 2023.**

WHEREAS, pursuant to RCW 84.55.120, the City of Richland duly noticed the public hearing held on October 18, 2022 to consider the City of Richland's revenue sources for the City's following year current expense budget; and

WHEREAS, the Richland City Council, after hearing, and after duly considering all relevant evidence and testimony presented, has determined that the City of Richland requires an increase in property tax revenue from the previous year, in addition to increases resulting from the addition of new construction, annexation, any refunds, improvements to property and any increase in the value of state-assessed property in order to discharge, in its best interests, the expected expenses and obligations of the City of Richland.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. In accordance with RCW 84.52.020, the City Clerk is hereby directed to certify to the Benton County Board of Commissioners and the Benton County Assessor that the Richland City Council requests the following levy amounts be collected in 2023 as provided in the City's budget, which was adopted after the October 18, 2022 public hearing:

Regular Levy:

General Fund and RAISE Area Debt Service Fund	\$20,164,000 (Preliminary Estimate)
Refund Levy	\$ 35,880
Library Debt Service Fund	\$ 1,535,950
TOTAL	\$21,735,830 (Estimated)

Section 2. The taxes shall be collected and paid to the City Treasurer at the same time and in the same manner as provided by the laws of the State of Washington relating to collection of taxes in the cities of the first class.

Section 3. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

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PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 1st day of November, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: October 18, 2022

Second Reading: November 1, 2022

Date Published: November 6, 2022



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Ordinances - Second Reading & Passage

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 2022-38, Approving a Change to the 2023 Ad Valorem Tax over the Prior Year

Department/Office
Finance

Ordinance/Resolution Number:
2022-38

Document Type:
Ordinance

Recommended Motion:

Give second reading and pass Ordinance No. 2022-38, approving the 2023 ad valorem tax increase over the prior year.

Summary:

Richland City Council sets the property tax levy during the annual budget process. For 2023, it is proposed that the City approve an increase of 1% to the regular levy. The 1% increase is prior to changes arising from new construction values, annexations, refunds, and increases in state-assessed property ("add-ons").

Ordinance No. 2022-38 authorizes, as required by statute, the increase of the regular levy over the prior year in terms of dollar amount and percentage. Upon approval, the City Clerk is directed to certify the increase to the Benton County Board of Commissioners and the Benton County Assessor by providing a certified copy of the Ordinance.

Staff recommends approval of Ordinance No. 2022-38 for second reading and passage.

Fiscal Impact:

Approval of Ordinance No. 2022-38 will increase the base regular levy for 2023 by \$192,600 before new construction, annexations, refunds and increases in state-assessed property.

Attachments:

- I. Ordinance No. 2022-38

ORDINANCE NO. 2022-38

**AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON,
RELATING TO THE INCREASE IN THE CALENDAR YEAR 2023
AD VALOREM PROPERTY TAX LEVY OVER THE AMOUNT
LEVIED IN THE PREVIOUS YEAR.**

WHEREAS, the Richland City Council has met and considered its budget for the calendar year 2023; and

WHEREAS, the Richland City Council, after hearing, and after duly considering all relevant evidence and testimony presented, has determined that the City of Richland requires an increase in property tax revenue from the previous year, in addition to increases resulting from the addition of new construction, annexation, refunds and improvements to property and any increase in the value of state-assessed property, in order to discharge the expected expenses and obligations of the City of Richland and in its best interest; and

WHEREAS, the City of Richland's actual regular levy amount from the previous year was \$19,260,195; and

WHEREAS, the population of the City of Richland is more than 10,000.

NOW, THEREFORE, BE IT ORDAINED by the City of Richland as follows:

Section 1. An increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2023 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be one hundred ninety-two thousand, six hundred two dollars (\$192,602) which is a percentage increase of one percent (1%) from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state-assessed property, any annexations that have occurred and refunds made.

Section 2. The City Clerk is hereby directed to provide a certified copy of this Ordinance to the Benton County Board of Commissioners and the Benton County Assessor.

Section 3. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

This space intentionally left blank.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the 1st day of November, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: October 18, 2022

Second Reading: November 2, 2022

Date Published: November 6, 2022



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Resolutions - Adoption

Core Focus Area 2 - Manage & Maintain Infrastructure & Facilities

Subject:

Resolution No. 2022-134, Authorizing a Water Main Oversizing and Reimbursement Agreement with LCR Construction, L.L.C. for Jericho Ridge

Department/Office
Public Works

Ordinance/Resolution Number:
2022-134

Document Type:
Resolution

Recommended Motion:

Adopt Resolution No. 2022-134, authorizing the City Manager to sign and execute a Water Main Oversizing and Reimbursement Agreement with LCR Construction, L.L.C. for Jericho Ridge.

Summary:

Richland Municipal Code Section 18.34.020 authorizes the City to participate in the cost of water system pipeline extensions completed by others when the City's future needs require larger pipelines than those required of the builder based on applicable standards.

The developer of the Jericho Ridge subdivision, LCR Construction, L.L.C., has constructed the infrastructure for the preliminary plat pursuant to a construction permit issued by the Public Works Department under Chapter 12.08 RMC. The developer's project could have been successfully completed, and all applicable standards met, by installing an 8-inch diameter water pipeline. Instead of an 8-inch pipe, the City asked the developer to install an 18-inch ductile iron water main in the Columbia Park Trail right-of-way to accomplish a portion of a planned water system improvement project documented in the City's Water System Plan. The developer agreed to increase the size of the water pipeline in the Columbia Park Trail right-of-way from an 8-inch pipe to an 18-inch pipe so long as the City reimburses the developer for the increased costs associated with the larger pipe. This arrangement is customary and has occurred several times over the years.

The City Engineer reviewed cost records for the work and has validated the estimate of costs to be borne by the City. The funds needed to reimburse the developer are available in the Water Fund. The City's best interests are served by reimbursing the developer for installing the oversized pipe to obtain a segment of the City's planned water system improvement.

Staff recommends adoption of Resolution No. 2022-134.

Fiscal Impact:

The agreement facilitates completion of a segment of the City's planned water system improvement, which is funded through the Water Utility Fund. The total cost to the City will be \$188,948.62. Currently, the Water Utility Fund has an available balance of approximately \$9,053,000, which is sufficient to reimburse the developer for the additional costs resulting from the larger diameter pipe requested by the City.

Attachments:

1. Resolution No. 2022-134
2. Proposed Jericho Ridge Water Oversizing Agreement

RESOLUTION NO. 2022-134

A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON, AUTHORIZING A WATER MAIN OVERSIZING REIMBURSEMENT AGREEMENT WITH LCR CONSTRUCTION, L.L.C. FOR JERICHO RIDGE.

WHEREAS, Richland Municipal Code (RMC) Section 24.20.050 requires that new subdivisions be provided with a potable water distribution system and fire protection; and

WHEREAS, RMC 18.34.020 requires developers of new property to provide the potable water distribution system at their expense; and

WHEREAS, RMC 18.34.020 also allows the City to financially participate in the expense of constructing the potable water distribution system when doing so would provide capacity beyond the developer's needs to the benefit of the City's potable water distribution system; and

WHEREAS, the City's chosen vehicle for participating in the cost of oversized water pipelines is through a reimbursement agreement once the pipeline is installed by the developer; and

WHEREAS, LCR Construction, L.L.C. (the "Developer") has constructed the preliminary plat known as Jericho Ridge, approved by Richland City Council through the adoption of Resolution No. 147-21; and

WHEREAS, Developer has completed the work as required by the right-of-way construction permit issued under Chapter 12.08 RMC for public infrastructure; and

WHEREAS, Developer was required by Titles 18 and 24 of the RMC to install an 8-inch diameter water pipeline within the development; and

WHEREAS, during construction, the City asked Developer to install an 18-inch ductile iron water main in the Columbia Park Trail right-of-way to accomplish a portion of a planned water system improvement; and

WHEREAS, Developer agreed to increase the size of the water pipeline in the Columbia Park Trail right-of-way from an 8-inch pipe to an 18-inch pipe, provided the City reimburse Developer for the increased costs associated with the larger pipe; and

WHEREAS, the cost estimated to be borne by the City have been validated by qualified staff and the funds needed to reimburse Developer are available in the Water Fund; and

WHEREAS, the City's best interests are served by reimbursing Developer for the installation of the oversized pipe to obtain a segment of the City's planned water system improvement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that the City Manager is authorized to sign and execute an agreement with LCR Construction, L.L.C. to

reimburse costs related to oversizing the water main that lies in the Columbia Park Trail right-of-way in the Jericho Ridge subdivision.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 1st day of November, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



WATER MAIN OVERSIZING AND REIMBURSEMENT AGREEMENT

RE: Jericho Ridge

THIS AGREEMENT made and entered into this ____ day of _____, 2022, by and between the **City of Richland**, a Washington municipal corporation (“City”), and **LCR Construction, L.L.C.**, a limited liability corporation (“Developer”) with service at 2524 Robertson Drive, Richland, WA 99354. Developer and City are referred to collectively herein as the “Parties.”

WHEREAS, Developer has constructed the preliminary plat known as Jericho Ridge, approved by the Richland City Council by Resolution No. 147-21 on December 7, 2021; and

WHEREAS, Developer has completed the work as required of the right-of-way construction permit pursuant to Chapter 12.08 RMC for public infrastructure; and

WHEREAS, Developer’s project could have been successfully completed, and meet all applicable standards, by installing an 8-inch diameter water pipeline; and

WHEREAS, the City requested that the Developer install an 18-inch ductile iron water main in the Columbia Park Trail right-of-way to extend domestic water to his development to accomplish a portion of a planned water system improvement; and

WHEREAS, Developer agreed to increase the size of the water pipeline in the Columbia Park Trail right-of-way from 8-inch pipe to an 18-inch pipe provided the City reimburse Developer for the increased costs associated with the larger pipe; and

WHEREAS, the Developer’s completion of a portion of the planned City water system improvement is a cost-effective means for the City to accomplish its planned improvements; and

WHEREAS, the City's best interests are served by coordinating with Developer to install oversized pipe in exchange for the increased cost of installing the oversized pipe; and

WHEREAS, Richland Municipal Code Section 18.34.020 authorizes the City to participate in the cost of water system pipeline extensions to provide for future requirements.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

Section 1: Developer's Obligation. Developer shall install approximately 1,277 linear feet of oversized 18-inch ductile iron water main in place of an 8-inch PVC water main within the Columbia Park Trail right-of-way in accordance with the Jericho Ridge engineering construction plans approved and permitted by the City on August 14, 2019.

Section 2: City's Obligation. After construction and satisfactory testing and inspection, the City shall accept the 18-inch water main and will own, operate and maintain it as part of City's domestic water system.

Section 3: Payment. City will reimburse Developer for the cost difference between 8-inch PVC pipe and 18-inch ductile iron pipe. The basis of determining the reimbursable amount is the actual construction costs paid by Developer for the 18-inch pipe minus the estimated cost of installing 8-inch PVC pipe, subject to review and approval by the Richland Public Works Director. The total oversizing costs incurred by the Developer is \$188,948.62, based on actual construction prices.

Section 4: Term. This Agreement shall terminate upon payment by the City as described in Section. 3 above; provided, however, that Section 10 shall survive termination.

Section 5: Notice. Whenever either party hereto shall desire to give or serve upon the other any notice, demand, request or other communication, each such notice, demand, request or other communication shall be in writing and shall be given or served upon the other party by

personal delivery (including delivery by written electronic transmission) or by certified, registered or express United States mail, or Federal Express or other commercial courier, postage prepaid, addressed as follows:

Notice to City:

Public Works Director
625 Swift Blvd., MS-26
Richland, WA 99352

Notice to Developer:

Lee Petty
2524 Robertson Dr.
Richland, WA 99354

Section 6: Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable as written, the remainder of the Agreement or the applications of the remainder of the Agreement shall not be affected. To this end, the terms and conditions of this Agreement are declared severable.

Section 7: Jurisdiction/Venue. Jurisdiction and venue for any action relating to the interpretation, enforcement, or any dispute arising from this Agreement shall be in Benton County Superior Court. This Agreement shall be construed, and the legal relations between the parties hereto shall be determined in accordance with the laws of the State of Washington. Lourdes expressly consents to personal jurisdiction in Benton County Superior Court.

Section 8: Integration. This Agreement and the application contain all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties.

Section 9: Waiver. No waiver by any Party hereto of any terms or conditions of this Agreement shall be deemed or construed to be a waiver of any other term or condition, nor shall the waiver of any breach be deemed or construed to constitute a waiver of any subsequent breach, whether of the same or any other term or condition of this Agreement.

Section 10: Mutual Indemnification. Developer will indemnify, defend, and save City, its successors, assigns, and agents harmless from any and all claims, liability, losses, costs, charges,

or expenses which City may incur as a result of any act or omission of Developer arising under this Agreement. City will indemnify, defend, and save Developer, its successors, assigns, and agents harmless from any and all claims, liability, losses, costs, charges, or expenses which Developer may incur as a result of any act or omission of City arising under this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement at Richland, Washington, the day and year first written above.

CITY OF RICHLAND

LCR CONSTRUCTION, L.L.C.

Jon Amundson, City Manager

Lee Petty, Authorized Agent or Owner

Attest:

Jennifer Rogers, City Clerk

Approved as to Form:

Heather Kintzley, City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Resolutions - Adoption

Core Focus Area 1 - Promote Financial Stability & Operational Effectiveness

Core Focus Area 2 - Manage & Maintain Infrastructure & Facilities

Core Focus Area 3 - Increase Economic Vitality

Core Focus Area 4 - Manage our Natural Resources

Subject:

Resolution No. 2022-135, Supporting Energy Northwest's New Nuclear Generation Project Study

Department/Office
Energy Services

Ordinance/Resolution Number:
2022-135

Document Type:
Resolution

Recommended Motion:

Adopt Resolution No. 2022-135, allocating \$100,000 in Energy Services funding in support of Energy Northwest's new nuclear generation project study.

Summary:

Nuclear energy and advancements in small modular reactors provide clean, reliable power that aligns with state and federal climate change initiatives. Nuclear power generation provides baseload energy that complements hydrogeneration and intermittent generation resources such as wind and solar while supporting the increasing power needs required for continued economic development.

As members of Energy Northwest and with two existing sites previously identified for nuclear projects, the City of Richland and other Tri-Cities utilities are well-positioned to meet future load growth with a potential small modular reactor project. Energy Northwest (ENW) has the resources and expertise to explore new nuclear generation projects with incentives from the recent Inflation Reduction Act 2022 (IRA).

City staff recommends supporting ENW's new nuclear generation project study that will include project costs, funding opportunities, planning and development schedules, and risk analysis. Resolution No. 2022-135 will authorize the City to contribute \$100,000 of Energy Services funding to ENW's efforts.

Staff recommends adoption of Resolution No. 2022-135.

Fiscal Impact: \$100,000 is available in the approved 2022 Energy Services budget.

Attachments:

- I. Resolution No. 2022-135

RESOLUTION NO. 2022-135

**A RESOLUTION OF THE CITY OF RICHLAND, WASHINGTON,
AUTHORIZING CITY PARTICIPATION IN A NEW NUCLEAR
POWER GENERATING PROJECT STUDY WITH ENERGY
NORTHWEST.**

WHEREAS, the City of Richland operates an electric utility providing customers reliable service at the lowest reasonable cost through wholesale power purchases, efficient operations and energy efficiency; and

WHEREAS, the City's strategic focus includes financial stability, managing infrastructure and facilities, increasing economic development, managing natural resources, maximizing community amenities, and enhancing neighborhoods and community safety; and

WHEREAS, electricity is a vital resource that enables customers to live and function more comfortably, increases community safety, and helps businesses operate competitively; and

WHEREAS, a cost-effective baseload power resource serves the City's economic development interest by attracting larger companies to the region, thereby creating more jobs and increasing the City's tax base; and

WHEREAS, nuclear power generating projects support state and federal climate initiatives with clean, carbon-free power; and

WHEREAS, Energy Northwest, as a joint operating agency, has the expertise and resources available to conduct a study to explore the costs, risks and benefits of a new nuclear power generating project in Washington State; and

WHEREAS, the City's best interests are served by participating in the study with Energy Northwest.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Richland that \$100,000 of Energy Services funding is hereby allocated for payment to Energy Northwest in support of Energy Northwest's study of a new nuclear power generating project in Washington State.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

ADOPTED by the City Council of the City of Richland, Washington, at a regular meeting on the 1st day of November, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Items - Approval

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Emergency Procurement per RMC 3.04.120

Department/Office
City Manager

Ordinance/Resolution Number:

Document Type:
General Business Item

Recommended Motion:
None.

Summary:

On October 26, 2022, the City entered into a small works contract under the authority of RMC 3.04.120 for emergency repair of a side sewer service.

The contract was awarded to Clearwater Tech., LLC, d/b/a Roto Rooter Services, who was tasked with replacing the side sewer in its entirety. The contract is valued at \$36,950.67. The work has been satisfactorily completed.

The attached memo to the file satisfies a municipal code requirement to notify the City Council of emergency procurements, and to document the contract file with the basis for the emergency and the basis for choosing the particular contractor. See RMC 3.04.120(C).

No action is required by Richland City Council.

Fiscal Impact: The contract is valued at \$36,950.67.

Attachments:

- I. Memo to File - Emergency Procurement of Roto Rooter



MEMORANDUM

TO: File (per RMC 3.04.120(B))

FROM: Joe Schiessl, Deputy City Manager

DATE: October 28, 2022

SUBJECT: Determination to Use Emergency Procurement of Services

On October 26, 2022, the City had need to procure the services of Clearwater Tech., LLC, d/b/a Roto Rooter Services for emergency sewer repair. The work consisted of replacing a side sewer service line for 1501 and 1503 Thayer Drive that was inadvertently yet irreparably damaged by planned maintenance activities performed by Richland Energy Services (i.e., pole replacement). The emergency procurement was authorized pursuant to RMC 3.04.120(A).

Roto Rooter was the particular contractor chosen based on availability and ability to timely complete the necessary repairs.

The small works contract issued for this emergency procurement is valued at \$36,950.67.



COUNCIL AGENDA ITEM COVERSHEET

Council Date: 11/1/2022

Agenda Category: Items of Business

Core Focus Area I - Promote Financial Stability & Operational Effectiveness

Subject:

Ordinance No. 2022-39, Approving the 2023 Budget and the 2023-2028 Capital Improvement Plan

Department/Office
Finance

Ordinance/Resolution Number:
2022-39

Document Type:
Ordinance

Recommended Motion:

Give first reading, by title only, to Ordinance No. 2022-39, approving the 2023 Budget and the 2023-2028 Capital Improvement Plan.

Summary:

Richland City Council received the proposed 2023 Budget and 2023-2028 Capital Improvement Plan (CIP) on September 29, 2022. On October 18, 2022, the City Manager issued the budget transmittal letter to Council. A revenue hearing was also conducted at the October 18, 2022 City Council meeting. The preliminary hearing and presentation of the budget and CIP will be held at the City Council meeting on November 1, 2022, followed by the final budget hearing on November 15, 2022.

The first reading of the ordinance adopting the 2023 Budget is scheduled for November 1, 2022. The second reading and passage of the 2023 Budget ordinance is scheduled for November 15, 2022.

Staff recommends approval of Ordinance No. 2022-39 for first reading, by title only.

Fiscal Impact:

The proposed total 2023 budgeted appropriations for all funds is \$300,187,184.

Attachments:

- I. Ordinance No. 2022-39

ORDINANCE NO. 2022-39

AN ORDINANCE OF THE CITY OF RICHLAND, WASHINGTON, ADOPTING THE 2023 ANNUAL BUDGET FOR THE CITY OF RICHLAND INCLUDING THE 2023-2028 CAPITAL IMPROVEMENT PLAN.

BE IT ORDAINED by the City of Richland as follows:

Section 1. Budget Adopted. The Annual Budget of the City of Richland for the year 2023, including the 2023-2028 Capital Improvement Plan, and each and every fund thereof as fixed and determined in the Proposed Budget for the year 2023, as revised by the City Council, is hereby adopted as the Budget of the City for the calendar year 2023. The total appropriations for each of the funds of the City of Richland are as follows:

Funds	Total Estimated Revenues	Appropriated Beginning Fund Balances	Est. Revenues & Approp. Fund Balance	Total Appropriations
General Fund	\$ 66,762,936	\$ 5,338,701	\$ 72,101,637	\$ 72,101,637
Special Revenue Funds:				
City Streets	3,518,176	514,701	4,032,877	4,032,877
Transportation Benefit District	1,032,000	35,377	1,067,377	1,067,377
Park Reserve	644,286	32,037	676,323	676,323
Industrial Development	3,247,664	1,324,899	4,572,563	4,572,563
Criminal Justice	101,418	-	101,418	79,019
Public Safety Sales Tax	2,384,560	268,190	2,652,750	2,652,750
BCES Operations	7,063,790	-	7,063,790	7,063,790
Hotel/Motel Tax	1,007,000	-	1,007,000	1,007,000
Special Lodging Assmnt	550,000	-	550,000	550,000
Community Dev. Block Grant	351,658	102,020	453,678	453,678
HOME	4,550,672	-	4,550,672	4,550,672
Debt Service Funds:				
LTGO Bonds	1,289,340	-	1,289,340	1,278,470
Fire Station 74	671,956	-	671,956	669,756
Library Remodel	1,556,250	60,000	1,616,250	1,616,250
LRF Debt Service	656,435	-	656,435	656,435
LID Guaranty	6,525	-	6,525	25
Special Assessment	6,976	-	6,976	-
Capital Projects Funds:				
Streets Capital Projects	10,714,180	-	10,714,180	10,704,180
Capital Improvement	3,014,000	2,194,364	5,208,364	5,208,364
Parks Capital Projects	2,402,000	-	2,402,000	2,402,000
General Government	712,500	-	712,500	712,500

Funds	Total Estimated Revenues	Appropriated Beginning Fund Balances	Est. Revenues & Approp. Fund Balance	Total Appropriations
Enterprise Funds:				
Electric	78,895,763	8,123,037	87,018,800	87,018,800
Water	16,185,947	6,413,355	22,599,302	22,599,302
Wastewater	11,031,132	1,384,837	12,415,969	12,415,969
Solid Waste	11,555,017	539,935	12,094,952	12,094,952
Stormwater	1,985,692	-	1,985,692	1,967,832
Golf Course	2,314,334	-	2,314,334	2,274,044
Medical Services	6,577,900	1,927,628	8,505,528	8,505,528
Broadband	460,200	164,501	624,701	624,701
Internal Service Funds:				
Equipment Maintenance	5,569,381	508,437	6,077,818	6,077,818
Equipment Replacement	6,168,554	-	6,168,554	3,577,678
Public Works Adm & Eng.	4,794,103	-	4,794,103	4,794,103
Workers Compensation	837,900	199,636	1,037,536	1,037,536
Employee Benefits	12,242,000	1,283,370	13,525,370	13,525,370
Unemployment	91,000	-	91,000	81,050
Post Employment Benefit	1,505,700	31,135	1,536,835	1,536,835
Totals	\$ 272,458,945	\$ 30,446,160	\$ 302,905,105	\$ 300,187,184

Section 2. Salaries and Wages. The total cumulative salaries and wages set forth in the budget document represent the maximum approved expenditure, subject to the requirements and limitations set forth in the Compensation Plan for Unaffiliated Employees and Collective Bargaining Agreements for Affiliated Employees, or other contracts approved by Council. In the interests of operational efficiency and business need, the City Manager may amend salaries and wages within departments and divisions as long as the total labor budget is not exceeded.

Section 3. This Ordinance shall take effect the day following its publication in the official newspaper of the City of Richland.

This space intentionally left blank.

PASSED by the City Council of the City of Richland, Washington, at a regular meeting on the _____ day of _____, 2022.

Michael Alvarez, Mayor

Attest:

Approved as to Form:

Jennifer Rogers, City Clerk

Heather Kintzley, City Attorney

First Reading: _____

Second Reading: _____

Date Published: _____