



MINUTES

RICHLAND CITY COUNCIL WORKSHOP MEETING

Richland City Hall ~ 505 Swift Boulevard

Tuesday, January 22, 2019

City Council Workshop 6:00 p.m.

Mayor Thompson called the Council workshop to order at 6:00 p.m. in the Council Chamber at City Hall.

Attendance: Mayor Thompson, Mayor Pro Tem Christensen, Councilmembers Alvarez, Lemley, and Lukson were present.

Also present were City Manager Reents, Assistant City Manager Amundson, Energy Services Director Whitney, Interim Police Services Director Taylor, Fire and Emergency Services Director Huntington and City Clerk Hopkins.

Agenda Items

1. Letter to the Governor Requesting a \$750,000 Reduction in the WA State Budget (10 minutes)

Mr. Whitney said the City was asked to be a signatory on a letter asking Washington State Governor Inslee to remove \$750,000 from the state's proposed budget. The purpose of the budget item is to study the economic, social impacts and mitigation costs associated with removal of the lower Snake River Dams. The state study would duplicate a federal effort already several years into the process as part of the Columbia River Systems Operations Environmental Impact Statement (EIS). The state study also would not fit the requirements of National Environmental Policy Act (NEPA). In summary, the Governor's budget request does not provide decision makers with a beneficial product or appear to be the best use of tax payer resources. Staff's recommendation is to sign the letter along with TRIDEC, local PUD's, County Commissioners, City Mayors, and Chambers of Commerce.

The Councilmembers discussed the letter and agreed to sign it. Ms. Reents said the letter will be signed the following day.

2. Electrical Cost of Service Analysis (20 minutes)

Mr. Whitney said Financial Consulting Solutions (FCS) Group will present the latest results from the Cost of Service Analysis (COSA) for the electric utility. The last COSA update was performed in early 2018 with a forward rate plan based upon projected expenses and revenues. This COSA update is driven by the decreasing

unrestricted cash trend of the electric utility with consideration of reserve levels and bond covenant requirements for debt service coverage ratios greater than 1.25. Increases in wholesale power costs from BPA's decreasing secondary sales, additional restrictions on hydro operations, and financial policy changes are causing additional rate pressure. The recommended rate increase provides the funding necessary to maintain the capital improvement plan to ensure a safe and reliable system while maintaining low costs for electric rate customers.

Mr. Whitney introduced Mr. Tarasov, consultant for the FCS Group, working on the cost of service analysis. Mr. Tarasov discussed the details of the study.

Councilmembers had a question and answer period with Mr. Whitney and Mr. Tarasov.

3. Benton County All-Hazard Mitigation Plan Review (20 minutes)

Benton County Emergency Services Manager Deanna Davis, reviewed the Benton County All Hazard Mitigation Plan update, development process, and timelines with Council. Ms. Davis said that in order to get grant funding for mitigation projects, an updated All Hazard Mitigation Plan must be in place. Fire Chief Huntington gave examples of mitigation projects.

Councilmembers had a question and answer period with Ms. Davis and Fire Chief Huntington.

Other Business:

Ms. Reents said an email was sent to Councilmembers that stated misinformation about her. Ms. Reents said she will be sending a correcting rebuttal to the individual and Council.

Adjournment

Mayor Thompson adjourned the meeting at 7:19 p.m.

Respectfully Submitted,



Marcia Hopkins, City Clerk

FORM APPROVED:



Robert J. Thompson, Mayor

DATE APPROVED:

February 5, 2019

DATE PUBLISHED

February 6, 2019