MINUTES

RICHLAND CITY COUNCIL REGULAR MEETING
Richland City Hall ~ 505 Swift Boulevard
Tuesday, November 15, 2016

Pre-Meeting:
Mayor Pro Tem Christensen called the pre-meeting to order at 7:00 p.m. in the City Manager's Conference Room in the City Hall Annex building.

Attendance:
Mayor Pro Tem Christensen, Councilmembers Rose, Lemley, Anderson and Kent were present.

Also present were City Manager Reents, Assistant City Manager Amundson, City Attorney Kintzley, Administrative Services Director Koch, Finance Director Allen and City Clerk Hopkins.

1. Discussion of Council Meeting Agenda Items

Council and staff briefly reviewed the proposed agenda scheduled for the regular meeting.

Ms. Reents reviewed the remaining Council meeting schedule, the current Benton County Jail contract status and stated that Kennewick, Pasco and Richland are supporting the establishment of the Uber company in the area.

Regular Meeting:
Mayor Pro Tem Christensen called the Council meeting to order at 7:30 p.m. in the Council Chamber at City Hall.

Welcome and Roll Call:
Mayor Pro Tem Christensen welcomed those in the audience and expressed appreciation for their attendance.

Mayor Pro Tem Christensen, Councilmembers Rose, Lemley, Anderson and Kent were present.

Also present were City Manager Reents, Assistant City Manager Amundson, City Attorney Kintzley, Fire and Emergency Services Director Huntington, Community Development Director Jensen, Administrative Services Director Koch, Public Works Director Rogalsky, Recreation and Public Facilities Manager Roseberry, Police Services Captain Cobb, Energy Services Director Hammond and City Clerk Hopkins.

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER ANDERSON SECONDED A MOTION TO EXCUSE MAYOR THOMPSON AND COUNCILMEMBER LUZZO GILMOUR. THE MOTION CARRIED 5-0.

Pledge of Allegiance:
Mayor Pro Tem Christensen led the Council and audience in the recitation of the Pledge of Allegiance.

Approval of Agenda:

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 5-0.

Presentations:

1. CityView Video: Water2Wine Cruises
   - Kerwin Jensen, Community and Development Director

Mr. Jensen introduced the video of the new Water2Wine cruise line business in the Tri Cities area The video showcased what the cruise line will offer its customers.

Public Hearing:
City Clerk Hopkins read the Public Hearing and Public Comments procedures.

1. Proposed Amendments to the 2016 Budget - Ordinance No. 67-16
   - Brandon Allen, Finance Director

Mr. Brandon said a public hearing is necessary for Ordinance No. 67-16, amending the 2016 Budget. The public hearing notice was posted on November 13, 2016; first reading of the ordinance amending the 2016 Budget will occur on November 15, 2016; and the second reading and passage currently scheduled for the December 6, 2016, Council meeting.

The proposed Ordinance No. 67-15 will amend the 2016 budget appropriations. The increases were primarily the result of various fleet repairs, ICMA administrative allowances, salaries and benefits costs for employees who operate Benton County Emergency Services, increases in health benefit claims, Retirement Health Savings Plan opt-out expenses, Section 125 expenses, and other expenditures not originally addressed within the 2016 operating budget. New revenues support $4,571,529 of the increase. The remaining $775,147 is funded by the use of existing fund balances.

Mayor Pro Tem Christensen opened the public hearing at 7:38 p.m. and closed the hearing at 7:38:15 p.m. as there were no comments.

2. Consideration of the Dallas Road/Cowlitz Boulevard Annexation Request - Ordinance No. 68-16
   - Rick Simon, Development Services Manager

Mr. Simon said the public hearing concerns the proposed annexation of a 2.3-acre parcel located in South Richland, east of Dallas Road and north of Cowlitz Boulevard. The owners of the property requesting annexation are RP and Linda Anatatmula. Council has reviewed this proposal previously through the adoption of Resolution No. 112-16, which authorized the commencement of annexation proceedings. The Planning Commission held a public hearing and recommended adoption of R1-10 Single Family Residential zoning for the property and the Benton County Boundary Review Board approved the proposal. A formal annexation petition was authorized by Council through Resolution No. 173-16 and the signed petition was officially certified by the County Assessor. The final step in the annexation process beyond Council conducting the public hearing requires the adoption of an ordinance approving the annexation request.

Mayor Pro Tem Christensen opened the public hearing at 7:40 p.m. and closed the hearing at 7:40:15 p.m. as there were no comments.

3. 2017 Community Development Block Grant and HOME Funding Recommendations - Resolution Nos. 214-16 and 215-16
   - Kerwin Jensen, Community Development Director

Mr. Jensen said the 2017 Annual Action Plan (AAP) for the City of Richland and the Tri-Cities HOME Consortium is a supplement to the 2015-2019 Consolidated Plan. It describes proposed uses of 2017 funding from the U.S. Department of Housing and Urban Development (HUD) and 2017 anticipated program income from repaid housing loans via the HOME Investment Partnership and Community Development Block Grant (CDBG) programs.

On June 22, 2016, the Planning Commission held a public hearing to receive citizen comments on the needs for the use of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) and HOME funds.

The Planning Commission recommended the following use of CDBG funding: $23,228 Elijah Family Homes; $8,500 Senior Life Resources; $9,072 Arc of Tri Cities; $65,000 Richland Public Works; $121,604 Richland Parks and Facilities; and $48,400 for program administration.

HOME funds will be used for Consortium-related programs and expenses: Administration of the HOME Program $46,833; Consortium Administration of Proposed Program Income $10,000; Consortium Community Housing Development Organization (CHDO) $70,249; and Consortium Down Payment Program $351,248. Reinvestment of Consortium estimated Program Income into the Down Payment Program $270,000.

The Planning Commission's recommendations have gone through a 30-day public comment period that ended on November 2, 2016.

The public hearing is an additional opportunity to receive comments on Richland's proposed use of CDBG funds and HOME funds (administered by Richland) for all three cities.

Each respective city will have undergone public comment periods, advisory board review and Council consideration of this matter prior to submittal to HUD by April 15, 2017. The submittal of the Annual Action Plan maintains the Tri-Cities HOME Consortium's ability to receive 2017 HOME Investment Partnership funding, but not the obligation.

Mayor Pro Tem Christensen opened the public hearing at 7:43 p.m. and closed the hearing at 7:43:15 p.m. as there were no comments.

4. Consideration of a Capital Facilities Plan to Support the Proposed Urban Growth Area Expansion North of Horn Rapids Road - Resolution No. 217-16
   - Rick Simon, Development Services Manager

Mr. Simon said the City and the Port of Benton have received 1,341 acres from the U.S. Department of Energy to provide local government with land for future industrial growth. In order for the City to be able to extend utilities to make the land suitable for industrial development, the City must first expand its Urban Growth Area (UGA) boundary to include this area. Under the Growth Management Act, the City must justify to Benton County that the land is needed and that the City has the capacity within its utility systems to serve the area.

A Master Plan for Urban Growth Area Expansion/Capital Facilities Analysis has been completed that demonstrates the City has adequate capacity to serve the area. The plan was reviewed by the Planning Commission at their regular meeting of October 26, 2016, and they have recommended adoption of the plan.

Mayor Pro Tem Christensen opened the public hearing at 7:45 p.m. and closed the hearing at 7:45:15 p.m. as there were no comments.

5. Relinquishment of Easements at Rossell Avenue and Hunt Avenue - Resolution No. 218-16
   - Pete Rogalsky, Public Works Director

Mr. Rogalsky said this public hearing is regarding the proposed relinquishment of a sewer easement and associated encroachment permit at 413 Rossell Avenue and a sewer easement at 1312 Hunt Ave.

The current property owner at 413 Rossell Avenue, Ms. Shameka J. Yanes, is requesting that a sewer easement on her property that was originally established with the Plat of Richland in 1956 be vacated. The easement was originally established to provide sewer service to 411 Rossell Avenue. The City's 2010 C-Basin Sewer project constructed a new direct sewer service to 411 Rossell Avenue, thereby negating the need for the easement. In addition, an Encroachment Permit was recorded under AFN 2006-039846 to construct a covered patio that encroached on the easement. This Encroachment Permit would no longer be needed and could, therefore, be relinquished.

At another location, a sewer easement was established at 1312 Hunt Avenue with the Plat of Richland to provide sewer service to 1308 Hunt Avenue. In 2000, a new direct sewer service was established to 1308 Hunt Avenue, thereby eliminating the need for the easement.

Staff have reviewed both of these locations and have determined that the easements and associated encroachment permit are no longer necessary for providing utility service. Therefore, staff recommends the identified easements and associated encroachment permit be relinquished.

Mayor Pro Tem Christensen opened the public hearing at 7:47 p.m. and closed the hearing at 7:47:15 p.m. as there were no comments.

Public Comments:
None.

Consent Calendar:
City Clerk Hopkins read the Consent Calendar.

Minutes:

1. Approve the Minutes of the Meeting Held on November 1, 2016
   - Heather Kintzley, City Attorney

Ordinances - First Reading:

2. Ordinance No. 65-16, Amending RMC Title 3: Finance, Chapter 3.24 Funds
   - Cathleen Koch, Administrative Services Director

3. Ordinance No. 66-16, Amending RMC Chapter 11.40, Stopping, Standing, or Parking Restricted or Prohibited
   - Pete Rogalsky, Public Works Director

4. Ordinance No. 67-16, Approving Amendments to the 2016 Budget
   - Cathleen Koch, Administrative Services Director

5. Ordinance No. 68-16, Approving the Dallas Road/Cowlitz Boulevard Annexation
   - Kerwin Jensen, Community Development Director

6. Ordinance No. 69-16, Approving a Change in Zoning on 1.1 Acres Located at 2682 Van Giesen Street (Bender) (Closed Record)
   - Kerwin Jensen, Community Development Director

Ordinances - Second Reading/Passage:

7. Ordinance No. 60-16, Adopting the 2017 Budget and 2017-2030 Capital Improvement Plan
   - Cathleen Koch, Administrative Services Director

8. Ordinance No. 61-16, Amending RMC Title 15, Solid Waste Relating to Rates and Other Administrative Matters
   - Pete Rogalsky, Public Works Director

9. Ordinance No. 62-16, Proposed Increase in Appropriations of the Parks Capital Project Fund and Revising the 2016 Capital Improvement Plan
   - Joe Schiessl, Parks and Public Facilities Director

10. Ordinance No. 63-16, Adopting the Proposed 2016 Amendments to the Comprehensive Plan
    - Kerwin Jensen, Community Development Director

Resolutions – Adoption:

11. Resolution No. 162-16, Authorizing Execution of a Purchase Agreement with Myers Power Products, Inc. for the Purchase of Two Metalclad Switchgears for the Snyder Substation and Leslie Rd Substation Facilities
    - Bob Hammond, Energy Services Director

12. Resolution No. 199-16, Approving a First Amendment to the 2009 Wholesale Water Supply Agreement with the City of West Richland
    - Pete Rogalsky, Public Works Director

13. Resolution No. 214-16, Authorizing Submission of Grant Forms to the U.S. Department of Housing and Urban Development for HOME Investment Partnership Program and Authorizing its Use for the City's 2017 Homeownership Program
    - Kerwin Jensen, Community Development Director

14. Resolution No. 215-16, Authorizing Submission of Grant Forms to the U.S. Department of Housing and Urban Development for Community Development Block Grant Funds for 2017
    - Kerwin Jensen, Community Development Director

15. Resolution No. 216-16, Establishing a Date to Meet with the Proponents of the Jericho Road Annexation
    - Kerwin Jensen, Community Development Director

16. Resolution No. 217-16, Adopting the Capital Facilities Plan for the Proposed Urban Growth Expansion Area North of Horn Rapids Road
    - Kerwin Jensen, Community Development Director

17. Resolution No. 218-16, Authorizing Relinquishments of Easements at Rossell Avenue and Hunt Avenue
    - Pete Rogalsky, Public Works Director

18. Resolution No. 222-16, Awarding Bid to Carpenter Drilling, LLC for Jason Lee Irrigation Well Drilling Project
    - Pete Rogalsky, Public Works Director

Expenditures - Approval:

19. Expenditures from October 24, 2016 - November 4, 2016 for $12,909,003.17 including Check Nos. 239181-239574, Wire Nos. 6281-6293, Payroll Check Nos. 112239-112754, and Payroll Wire/ACH Nos. 9661-9682
    - Cathleen Koch, Administrative Services Director

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER ANDERSON SECONDED A MOTION TO APPROVE THE CONSENT CALENDAR AS PUBLISHED. THE MOTION CARRIED 5-0.

Items of Business:

1. Resolution No. 221-16, Authorizing a Fourth Amendment to the Purchase and Sale Agreement with The Crown Group, Inc. for 650 George Washington Way
   - Kerwin Jensen, Community Development Director

Mr. Jensen said adopting Resolution No. 221-16, will authorize the City Manager to sign and execute a fourth amendment to the purchase and sale agreement with the Crown Group, Inc. providing for an alternative development concept of residential/retail at 650 George Washington Way.

He explained the amendment has no financial impact to the City under the existing purchase and sale agreement with The Crown Group, Inc. The total sale price after development credits are applied is $501,940. Net proceeds after closing will be deposited into the Industrial Development Fund. Development of the property will also result in increased property tax and sales taxes.

Council Comments:
Councilmember Anderson said he does not support of the amendment because he believes the Council's original vision for the property, which also included citizen input, was for retail, office and some residential space and the amendments are not consistent with that vision.

Councilmember Kent thanked the developer for their efforts, but also believes the amendments are inconsistent with Council's original vision for the gateway property and the proposed amendment does not meet that vision with the number of housing units proposed.

Councilmember Lemley believes other retail opportunities exist in the downtown area and believes the residential units are an acceptable amendment.

COUNCILMEMBER LEMLEY MOVED AND COUNCILMEMBER ROSE SECONDED A MOTION TO ADOPT RESOLUTION NO. 221-16, AUTHORIZING A FOURTH AMENDMENT TO THE PURCHASE AND SALE AGREEMENT WITH THE CROWN GROUP, INC. FOR 650 GEORGE WASHINGTON WAY PROPTERY.

Mayor Pro Tem Christensen said the citizens and the City are looking to develop the site and he is in favor of residential units located in the downtown core.

THE MOTION CARRIED 3-2. COUNCILMEMBERS KENT AND ANDERSON OPPOSED.

Reports and Comments:

1. City Manager Reents attended the one-year anniversary of the Manhattan Project National Historical Parks and gave updates on the park. She also thanked staff for setting up the holiday lights along George Washington Way.

2. Mayor Pro Tem Christensen said he attended the ribbon cutting event for the Ben Franklin transit trolley busses. He believes they will be something the public will want to ride and they will be a boost to economic development.

Adjournment:
Mayor Pro Tem Christensen adjourned the meeting at 8:05 p.m.

Respectfully Submitted,

Marcia Hopkins

Marcia Hopkins, City Clerk

FORM APPROVED: Robert J. Thompson

Robert J. Thompson, Mayor

DATE APPROVED: December 6, 2016

DATE PUBLISHED: December 13, 2016