MINUTES

RICHLAND CITY COUNCIL REGULAR MEETING
Richland City Hall ~ 505 Swift Boulevard
Tuesday, December 20, 2016

Pre-Meeting:
Mayor Thompson called the pre-meeting to order at 6:30 p.m. in the City Manager's Conference Room in the City Hall Annex building.

Attendance:
Mayor Thompson, Councilmembers Kent, Lemley, Luzzo Gilmour, and Rose were present.

Also present was City Manager Reents from 6:30 p.m. to 6:35 p.m. and she returned at 6:45 p.m.

Agenda Items:

1. Executive Session per RCW 42.30.110 (1) (g) Performance Review of Public Employee (15 minutes)
   - Cindy Reents, City Manager

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO MOVE INTO EXECUTIVE SESSION AT 6:30 P.M. TO DISCUSS PER RCW 42.30.110 (1) (G) PERFORMANCE REVIEW OF PUBLIC EMPLOYEE FOR 15 MINUTES. THE MOTION CARRIED 5-0.

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO EXTEND THE EXECUTIVE SESSION FOR AN ADDITIONAL 4 MINUTES AT 6:45 P.M. THE MOTION CARRIED 5-0.

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO MOVE OUT OF EXECUTIVE SESSION AT 6:49 P.M. THE MOTION CARRIED 5-0.

Staff joined the pre-meeting at 6:49 p.m. Staff members present were: Assistant City Manager Amundson, City Attorney Kintzley, Administrative Services Director Koch, Public Works Director Rogalsky, Community Development Director Jensen, and Deputy City Clerk Barham.

2. Ordinance No. 70-16, Approving the 2020 Council Compensation Plan (30 minutes)

- Cindy Reents, City Manager

Council and staff briefly discussed the 2020 Council Compensation Plan and options for medical compensation. City Manager Reents distributed a Council Compensation Comparison of Council-Manager Cities over 50,000 in population to Council from the Association of Washington Cities (AWC). Mayor Thompson recommended further dialogue regarding medical compensation options be discussed at the January 13, 2017, Council retreat.

3. Discussion of Council Meeting Agenda Items (15 minutes)

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

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

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

Mayor Thompson, Councilmembers Kent, Lemley, Luzzo Gilmour, and Rose were present.

Also present were City Manager Reents, Assistant City Manager Amundson, City Attorney Kintzley, Energy Services Director Hammond, Fire and Emergency Services Director Huntington, Community Development Director Jensen, Administrative Services Director Koch, Public Works Director Rogalsky, Parks and Public Facilities Director Schiessl, Police Services Director Skinner, and Deputy City Clerk Barham.

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO EXCUSE MAYOR PRO TEM CHRISTENSEN AND COUNCILMEMBER ANDERSON. THE MOTION CARRIED 5-0.

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

Approval of Agenda:

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

Presentations:

1. Annual Report of the Hanford Communities (15 minutes)
   - Pam Brown-Larsen, Hanford Projects Manager

Ms. Larsen first thanked Mayor Thompson who serves as Chairman of the Governing Board and Cindy Reents who serves as Chair of the Administrative Board of the Hanford Communities. She then gave the overview of the Hanford Communities 2016 activities with details on the Hanford Communities issue agenda process; ecology contract uses; briefings on current Hanford topics; variety of site management topics; Energy Communities Alliance updates; issues of local concern; combined intergovernmental working group; heritage tourism and B reactor preservation; and briefly described the 2017 goals. She offered copies of the "2016 Annual Report of the Hanford Communities" to Council.

Councilmember Lemley commented on the importance of the advocacy efforts and education regarding Hanford must start locally and radiate out.

Mayor Thompson thanked Ms. Larsen for her contributions. He then expressed a concern with the Washington State Attorney General's Office and recommended that Hanford Communities reach out to the Attorney General again to right some misconceptions. Lastly, he commented on the re-bid process and stated that parts of the new contracts will allow the communities to receive a certain percentage of those contracts and he encouraged staff, Council and Hanford Communities to consider what they should ask for collectively.

2. 2016 Economic Development Update (15 minutes)
   - Kerwin Jensen, Community Development Director

Mr. Jensen introduced Economic Development Manager Zach Ratkai. Mr. Ratkai proceeded to provide Council with a brief report regarding the 2016 economic development efforts, events, projects and successes, as well as a preview of planned projects and efforts scheduled for 2017.

Mayor Thompson thanked Mr. Ratkai for his presentation.

3. Comprehensive Plan Update (10 minutes)
   - Kerwin Jensen, Community Development Director

Mr. Jensen provided a status update of the 10-year Comprehensive Plan. He described the public input process, as well as process for updating the policies and land use. He stated the next public meeting is scheduled in February 2017 with the goal to adopt the plan in May or June 2017.

Mayor Thompson thanked Mr. Jensen for his updates.

Public Comments:
Deputy City Clerk Barham read the public comments procedure.

Kenneth Buxton, 109 Spring St., Richland, WA – expressed support for Uber in general terms; however, expressed concern about some of its business policies and practices.

Mark Lambert, 292 Meadow Hills Drive, Richland, WA – commented on Mr. Jensen's 10-year Comprehensive Plan presentation and stated that having apartments downtown would meet the Comprehensive Plan goals and it relates to the core of Richland. He explained the purpose of his comments was related to a resolution he and staff have come to regarding his proposed project at 650 George Washington Way. He encouraged Council to adopt the Fifth Amendment to his purchase and sale agreement.

Laurel Newberry, 618 Muriel St., Richland, WA – stated that a vigil was held after the recent election for venerable / at-risk communities and encouraged the City of Richland to reach out to these communities and create more culturally diverse functions that promotes all groups within the city.

Martin McBriarty, 704 Wright Ave., Richland, WA - seconded the comments of the previous speaker regarding marginalized sectors of the community's ability to interact with other factions of the community.

Consent Calendar:
City Clerk Hopkins read the Consent Calendar.

Minutes:

1. Approve Minutes of the Meeting Held December 6, 2016
   - Heather Kintzley, City Attorney

Ordinances - First Reading:

2. Ordinance No. 70-16, Approving the 2020 Council Compensation Plan
   - Cathleen Koch, Administrative Services Director

Ordinances - Second Reading/Passage:

3. Ordinance No. 72-16, Recodifying RMC Chapter 5.22 Related to Taxicabs and Establishing Regulations for Transportation Network Companies (TNCs)
   - Heather Kintzley, City Attorney

Resolutions – Adoption:

4. Resolution No. 230-16, Authorizing Execution of an Interlocal Agreement with Energy Northwest for Technical Services
   - Bob Hammond, Energy Services Director

5. Resolution No. 231-16, Authorizing Execution of an Interlocal Agreement First Amendment with Benton PUD, Franklin PUD, and Energy Northwest for Installation of Electric Vehicle Charging Stations
   - Bob Hammond, Energy Services Director

6. Resolution No. 235-16, Authorizing an Agreement with Stanley Consultants, Inc. for Electrical Distribution Design and Construction Standards Development
   - Bob Hammond, Energy Services Director

7. Resolution No. 236-16, Authorizing Submission of an Application to Benton County for Urban Growth Area Expansion
   - Kerwin Jensen, Community Development Director

8. Resolution No. 237-16, Authorizing a First Amendment to Purchase and Sale Agreement (Contract No. 125-14) with Energy Northwest
   - Kerwin Jensen, Community Development Director

9. Resolution No. 238-16, Awarding Bid to Wheeler Excavation LLC for the Queensgate Pathway Project
   - Pete Rogalsky, Public Works Director

10. Resolution No. 241-16, Authorizing Execution of an Interlocal Agreement with Franklin County for Employee Services
    - Tom Huntington, Fire and Emergency Services Director

<u>Items for Approval</u>:

11. Approval of City Manager's Performance Review
    - Cindy Reents, City Manager

<u>Expenditures - Approval</u>:

12. Expenditures from November 28, 2016 - December 9, 2016 for $11,880,434.62 including Check Nos. 239955-240565, Wire Nos. 6303-6316, Payroll Check Nos. 113272-113770, and Payroll Wire/ACH Nos. 9700-9724
    - Cathleen Koch, Administrative Services Director

COUNCILMEMBER KENT MOVED AND COUNCILMEMBER LEMLEY SECONDED A MOTION TO APPROVE THE CONSENT CALENDAR WITH AN AMENDMENT TO CONSENT ITEM NO. 11, APPROVAL OF CITY MANAGER'S PERFORMANCE REVIEW MODIFYING THE TWO PERCENT BASE SALARY INCREASE TO A PERCENTAGE REFLECTIVE OF A BASE SALARY OF $180,000 FOR THE CITY MANAGER. (COUNCIL FURTHER AUTHORIZED $7,500 FOR ACHIEVING PERFORMANCE GOALS, EFFECTIVE DATE TO BE CONSISTENT WITH UNAFFILIATED PERFORMANCE PLAN.) THE MOTION CARRIED 5-0

Items of Business:

1. Resolution No. 242-16, Authorizing Amendment No. 5 to the Purchase and Sale Agreement with The Crown Group, Inc. for 650 George Washington Way
   - Kerwin Jensen, Community Development Director

Mr. Jensen provided a brief background of the purchase and sale agreement with The Crown Group and Council's previous actions on the four amendments brought forward by them. He reviewed the proposed Fifth Amendment that included the following amendments:

- Staff recommended financial assistance to relocate the current sewer line up to a maximum of $67,233. This funding would come from the Industrial Development Fund and would be reimbursed only when an occupancy permit was issued once the project is completely done;
- Staff made the following recommendations related to a retaining wall along Amon Park Drive:
  - Provide financial assistance to build a retaining wall by providing fifty percent of the overall cost to build it, not to exceed $72,830;
  - The City would pay any additional costs for aesthetic control beyond the base price of the wall to make certain that the wall facing the Community Center is aesthetically pleasing;
  - These costs would be reimbursed only when an occupancy permit was issued once the project is completely done;
- Staff did not recommend waiving the first $75,000 of the park district impact fee;
- Staff did not recommend waiving the building permit fee for the retaining wall, and
- Staff did not recommend the applicant's request for the City to give, lease, or sale a public parking lot strip of land or for the City to develop that land as overflow parking for the Community Center or allow The Crown Group to develop that land for public parking. Instead, staff recommended that the applicant pursue the surplus of land process to purchase the property at the fair market value. This strip of land is currently zoned as park property.

Council members asked clarifying questions during the presentation, which Mr. Jensen provided answers.

MAYOR THOMPSON MOVED AND COUNCILMEMBER ROSE SECONDED A MOTION TO ADOPT RESOLUTION NO. 242-16, AUTHORIZING AMENDMENT NO. 5 TO THE PURCHASE AND SALE AGREEMENT WITH THE CROWN GROUP, INC. FOR 650 GEORGE WASHINGTON WAY.

Councilmember Kent said that she would like to be supportive; however, she stated she voted against the previous amendment to the purchase and sale agreement. It was a nice project but the wrong location. She further stated that she would be voting against Amendment No. 5.

Councilmember Luzzo-Gilmour discussed the original purchase price of $800,000 and the subsequent reductions of that purchase price in the pending and previous amendments. She expressed concern about the project as it is now and said it is not a good fit for property. She stated that she would be voting against Amendment No. 5.

Councilmember Lemley asked for the current price per-square-foot for the 650 George Washington Way property and was it comparable to land sale prices within the area.

Mr. Jensen explained that the original sale price of $800,000 was slightly less than the Benton County Assessor's Office assessed value of the property and stated it was not formally appraised at the on-set of the process.

Councilmember Lemley expressed concern about the proposed Fifth Amendment to the Purchase and Sale agreement due to the concessions already provided to the applicant, as well as his disagreement with selling park property.

Mayor Thompson summarized the process regarding the sale of 650 George Washington Way, the vision for the development on the property and dealings with The Crown Group. He stated the City, Council, staff and the developer, have devoted so much time to developing this property. Staff and the developer have finally come to an understanding and are truly working together to create a viable development on that property and Council is the wildcard. He expressed concern about the surplus of park property; however, he recommended that Council pass the Fifth Amendment to the Purchase and Sale agreement with The Crown Group.

Councilmember Rose reminded Council when the City advertises property for sale that there are upfront costs paid for by the developer, including preliminary plans, amendments to those plans as they go through the purchase process and there is give and take with finalizing the plans. He further stated that 650 George Washington Way is a unique piece of property and it is going to take special concessions to get it developed. He expressed support for the Fifth Amendment to the Purchase and Sale agreement and thanked staff for bringing this amendment forward as a business item.

City Manager Reents explained that the City always goes through a negotiation process for every development such as this. Every negotiation will be different; however, the City treats each developer the same and negotiates the development based on Council's parameters. As far at the surplus of park property, this amendment stipulates that the applicant may initiate the process to surplus City-owned land and that is a separate process to this Purchase and Sale Agreement. Lastly, she stated that the City has recently surplussed and sold park property for development.

MAYOR THOMPSON MOVED AND COUNCILMEMBER ROSE SECONDED A MOTION TO ADOPT RESOLUTION NO. 242-16, AUTHORIZING AMENDMENT NO. 5 TO THE PURCHASE AND SALE AGREEMENT WITH THE CROWN GROUP, INC. FOR 650 GEORGE WASHINGTON WAY. THE MOTION CARRIED 3-2 OPPOSED WERE COUNCIL MEMBERS KENT AND LUZZO GILMOUR

Reports and Comments:

1. City Manager Reents announced this was the last Council meeting of the year, noting the City's many accomplishments in 2016 as detailed in Mr. Ratkai's Economic Development report and including the motion just approved by Council for 650 George Washington Way property. She is very encouraged that the City can move

forward, fill in the hole at 650 George Washington Way, and build density in the downtown area.

2. Council:

Councilmember Kent commented about Stick and Stone Neapolitan Pizzeria, a new business, located in the Queensgate area and she wished everyone happy holidays and a Merry Christmas.

Councilmember Luzzo Gilmour commented about the new interim Library Manager Leslie Campbell Hime and Richland's awesome library. She also wished everyone happy holidays and New Year.

Councilmember Lemley also wished everyone a Merry Christmas and safe New Year.

3. Mayor Thompson encouraged everyone to shake it up, celebrate your accomplishments, and hug the ones you love and looking forward to seeing everyone in 2017.

Adjournment:
Mayor Thompson adjourned the meeting at 9:04 p.m.

Respectfully Submitted,

Debby Barham

Debby Barham, Deputy City Clerk

FORM APPROVED: Robert J. Thompson

Robert J. Thompson, Mayor

DATE APPROVED: January 4, 2017

DATE PUBLISHED: January 9, 2017