



MINUTES

RICHLAND CITY COUNCIL REGULAR MEETING

Richland City Hall ~ 505 Swift Boulevard

Tuesday, December 18, 2018

City Council Pre-Meeting Workshop - 6:15 p.m.

Mayor Thompson called the pre-meeting workshop to order at 6:15 p.m. in the City Manager's Conference Room in the City Hall Annex building.

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

1. Executive Session per RCW 42.30.110 (1) (g) Performance Review of Public Employee (45 minutes)

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER ALVAREZ SECONDED A MOTION TO MOVE INTO EXECUTIVE SESSION AT 6:15 P.M. TO DISCUSS PER RCW 42.30.110 (1) (g) PERFORMANCE REVIEW OF PUBLIC EMPLOYEE FOR 45 MINUTES. THE MOTION CARRIED 7-0.

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER ALVAREZ SECONDED A MOTION TO MOVE OUT OF EXECUTIVE SESSION AT 7:00 P.M. THE MOTION CARRIED 7-0.

Joining the meeting were City Manager Reents, Assistant City Manager Amundson, City Attorney Kintzley, Finance Director Allen, Community Development Director Jensen, Parks and Public Facilities Director Schiessl, Energy Services Director Whitney and City Clerk Hopkins.

2. Disposition of 840 Northgate Building and Property (Development Services Center) (15 minutes)

Mr. Schiessl said the U.S. Department of Energy is interesting in trading 24 parking spaces that could be used for the new City Hall for the 840 Northgate building. As demolishing the Northgate building costs more than the value of the building, Mr. Schiessl was interested in the offer and needed Council's input. Council advised to continue negotiations with the trade.

Mr. Amundson gave more details concerning Resolution No. 186-18 on the agenda, explaining that he had been working with Martell Properties on the purchase of the Horn Rapids property for some time before the recent assessment of the properties. The decision was made to sell the property at the previous value of the land.

Ms. Reents said the Ben Franklin Transit Board is requesting the two principals from the City attend their meetings. Mayor Thompson requested that another Councilmember be appointed to attend the meeting instead of himself.

3. Discuss Meeting Agenda Items (15 minutes)

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

City Council Regular Meeting - 7:30 p.m.

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.

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

Also present were City Manager Reents, Assistant City Manager Amundson, City Attorney Kintzley, Finance Director Allen, Public Works Director Rogalsky, Fire and Emergency Services Director Huntington, Community Development Director Jensen, Parks and Public Facilities Director Schiessl, Energy Services Director Whitney, Interim Police Services Director Taylor and City Clerk Hopkins.

Pledge of Allegiance

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

Approval of Agenda

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

Presentations

4. Annual Hanford Communities Report (10 minutes)

Ms. Larsen gave the annual Hanford Communities report that included briefings on current Hanford topics, K Basin sludge removal, contract updates, Energy Communities Alliance issues, Heritage Tourism and B Reactor preservation, intergovernmental working groups, and advocacy issues of local concerns.

Council had a question and answer period with Ms. Larsen.

Public Hearing

No public hearings.

Public Comments

City Clerk Hopkins read the Public Comments procedure.

David Brager, 517 Newcomer Street, Richland, WA, gave his views on cannabis.

Brent Martell, 1008 Paddington Lane, Richland, WA, said he would like to complete the purchase of the property in Horn Rapids from the City by the end of the December, but could wait until the end of January, if necessary.

Consent Calendar

City Clerk Hopkins read the Consent Calendar.

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER ALVAREZ SECONDED A MOTION TO APPROVE THE CONSENT AGENDA AS AMENDED BY PULLING ITEM NOS. 15,16, AND 21 TO PLACE UNDER ITEMS OF BUSINESS. THE CARRIED MOTION 7-0.

Minutes

5. Approve the Minutes of the City Council Meeting Held on December 4, 2018

Ordinances - First Reading

6. Ordinance No. 01-19, Amending Richland Municipal Code Section 15.20.020 related to Recycling Rates
7. Ordinance No. 02-19, Approving a Zone Change on 6.15 Acres from Agriculture (AG) to Retail Business (C-2)

Ordinances - Second Reading/Passage

8. Ordinance No. 63-18, Amending Richland Municipal Code Title 17: Sewers, related to Maintenance of Building Sewers
9. Ordinance No. 67-18, Approving the 2022 Council Compensation Plan

10. Ordinance No. 68-18, Amending Chapter 2.12 of the Richland Municipal Code related to the Library Board
11. Ordinance No. 69-18, Amending Chapter 2.17 of the Richland Municipal Code related to the Arts Commission

Resolutions – Adoption

12. Resolution No. 174-18, Authorizing an Aquatic Lands Easement with the Washington State Department of Natural Resources for Fiber Optical Cables related to Duportail Bridge Project
13. Resolution No. 175-18, Authorizing an Aquatic Lands Easement with the Washington State Department of Natural Resources for Electrical Power Lines related to Duportail Bridge Project
14. Resolution No. 176-18, Authorizing an Aquatic Lands Easement with the Washington State Department of Natural Resources for Water Main Pipelines related to the Duportail Bridge Project
15. Resolution No. 177-18, Declaring Surplus Certain Remnant Portions of Lawless Park
Mayor Pro Tem Christensen pulled Item No. 15 from the Consent Calendar to place it under the Items of Business.
16. Resolution No. 178-18, Authorizing a Purchase and Sale Agreement for Surplus Property Formerly Associated with Lawless Park
Mayor Pro Tem Christensen pulled Item No. 16 from the Consent Calendar to place it under the Items of Business.
17. Resolution No. 179-18, Reauthorizing the Purchase and Sale Agreement with River Trails Club, LP
18. Resolution No. 180-18, Awarding Bid to DW Excavating, Inc. for the Sanitary Sewer Lift Station Replacement Project at Keck Boulevard
19. Resolution No. 184-18, Approving a Purchase and Sale Agreement with MK Holdings, LLC

20. Resolution No. 185-18, Terminating Easement No. 51-022179 with the Washington State Department of Natural Resources

21. Resolution No. 186-18, Authorizing a Purchase and Sale Agreement with Martell Properties, LLC

Mayor Pro Tem Christensen pulled Item No. 21 from the Consent Calendar to place it under the Items of Business.

Items for Approval

22. Authorize a Salary Adjustment for the City Manager of 3.25% and a Performance Incentive of \$7,250 for the City Manager

Expenditures - Approval

23. Expenditures from November 26, 2018 - December 7, 2018 for \$13,977,521.05 including Check Nos. 262738-263405, Wire Nos. 7226-7255, Payroll Check Nos. 141444-141974, and Payroll Wire/ACH Nos. 10748-10763

Items of Business

24. Resolution No. 187-18, Authorizing a Ninth Amendment to the Purchase and Sale Agreement with The Crown Group, Inc.

Mr. Schiessl said on March 17, 2015, Council authorized a Purchase and Sale Agreement (Contract No. 54-15) with The Crown Group, Inc. ("Crown") for the sale and development of 650 George Washington Way. Since its execution, the Agreement with Crown has been amended eight times.

On Friday, November 30, 2018, just days before the transaction was scheduled to close, Crown discovered that the property is encumbered by a flowage easement held by the U.S. Army Corps of Engineers ("Corps"). The flowage easement was missed during Crown's initial title review and feasibility period, and was a complete surprise to Crown and the City. The flowage easement is an encumbrance that requires relinquishment in order to make the property marketable and/or viable for development. The City and Crown believe the flowage easement is excess to the Corps needs as the property is located entirely above standard project flood elevation, and that it will be relinquished. However, the relinquishment process takes time based on Corps staff availability and the level of review required by federal law.

Crown is asking for an extension of the closing date to no later than May 5, 2019 to accommodate the relinquishment process. Crown remains committed and deeply invested in the project, and both parties continue to work together in good faith and

remain enthusiastic about the Park Place Apartments, which will drive density into Richland's downtown consist with Council's vision.

Ms. Kintzley said the project was ready to close on time with no remaining issues up until the flowage easement held by the U.S. Army Corps of Engineers came up.

Council had a question and answers with Mr. Schiessl.

COUNCILMEMBER LEMLEY MOVED AND COUNCILMEMBER LUKSON SECONDED THE MOTION TO ADOPT RESOLUTION NO. 187-18, AUTHORIZING A NINTH AMENDMENT TO THE PURCHASE AND SALE AGREEMENT WITH THE CROWN GROUP, INC. THE MOTION CARRIED 7-0.

25. Resolution No. 177-18, Declaring Surplus Certain Remnant Portions of Lawless Park

Mayor Pro Tem Christensen was concerned that the surplus of property and the sale of said property is on the agenda at the same time. He is concerned that it could look like bad optics. He made assurances that this and all agenda items are extensively researched and reviewed by staff members. He also wanted to know what the property will be used for.

Mr. Schiessl said it is planned for residential and commercial development.

MAYOR PRO TEM CHRISTENSEN MOVED AND MAYOR THOMPSON SECONDED THE MOTION TO ADOPT RESOLUTION NO. 177-18, DECLARING SURPLUS CERTAIN REMNANT PORTIONS OF LAWLESS PARK THE MOTION CARRIED 7-0.

26. Resolution No. 178-18, Authorizing a Purchase and Sale Agreement for Surplus Property Formerly Associated with Lawless Park

MAYOR PRO TEM CHRISTENSEN MOVED AND COUNCILMEMBER LUKSON SECONDED THE MOTION TO ADOPT RESOLUTION NO. 178-18, AUTHORIZING A PURCHASE AND SALE AGREEMENT FOR SURPLUS PROPERTY FORMERLY ASSOCIATED WITH LAWLESS PARK. THE MOTION CARRIED 7-0.

27. Resolution No. 184-18, Approving a Purchase and Sale Agreement with MK Holdings, LLC

Mr. Amundson said he has been working with MK Holdings on the purchase of the sale of the property since June 2013 and, at that time, they established a sale price based on the then current, 2013 assessed value. Another appraisal was conducted on the property in November 2018 and the value of the property increased. He recommends the property be sold to MK Holdings at the 2013 value as that was the negotiated price

they agreed on in June. MK Holdings also agreed to grade the property instead of the City.

Council had a question and answer period with Mr. Amundson.

MAYOR PRO TEM CHRISTENSEN MOVED AND MAYOR THOMPSON SECONDED THE MOTION TO APPROVE RESOLUTION NO. 184-18, APPROVING A PURCHASE AND SALE AGREEMENT WITH MK HOLDINGS, LLC. THE MOTION CARRIED 7-0.

Reports and Comments

City Manager

Ms. Reents noted the next Council meeting is Wednesday, January 2, 2019, as the New Year holiday falls on the regular Council meeting night.

City Council

Councilmember Anderson said Council will be discussing the cannabis issue at the end of January. He praised Ms. Larsen's report on the Hanford Communities.

Mayor Thompson and all of the Councilmembers thanked Ms. Reents and staff for their excellent work and service to the City and express their wishes for all to enjoy a merry Christmas and a happy New Year.

Adjournment

Mayor Thompson adjourned the meeting at 8:49 p.m.

Respectfully Submitted,



Marcia Hopkins, City Clerk

FORM APPROVED:



Robert J. Thompson, Mayor

DATE APPROVED:

January 2, 2019

DATE PUBLISHED

January 3, 2019