

**City of Benton City
Regular Council Meeting Minutes
October 3rd, 2017**

CALL TO ORDER Mayor Lehman called the October 3rd, 2017 Regular Council Meeting to order at the Community Center at 7:00 p.m.

PRESENTATION OF THE COLORS Sargeant Ken Lattin led the Council and the audience in the Pledge of Allegiance.

ROLL CALL

Council Members Present

Jake Mokler
Dave Sandretto
Lisa Stade
Vanessa Coates

City Staff Present

Stephanie Haug, CCT
Margaret Dukes, Temp. GC
City Staff Absent
Kyle Kurth, Mtnc. Foreman

Other Professionals Present

Alan Rainey, Spink Engineering LLC
Eric Ferguson, Kerr Law Group

Council Members Absent

Mary Lettau (Excused)

READING AND APPROVAL OF MINUTES REGULAR MEETING SEPTEMBER 19th, 2017

Councilmember Stade: Madam Mayor, I move to approve the Minutes as written for September 19th, 2017 Council Meeting.

Councilmember Mokler: Second.

MOTION #1 - C. L. Stade moved and C. J. Mokler seconded to approve the Minutes of the September 19th, 2017 Regular Council Meeting as presented.

VOICE VOTE #1 - All in favor.

ALL YEAS. Motion carries.

OPENING REMARKS, "HOUSEKEEPING" ITEMS, EXECUTIVE SESSION REQUESTS, ETC.

Eric Ferguson: I request to add an Executive Session for potential litigation for RCW.4231.110.II

MOTION #2 - C. V. Coates moved and C. L. Stade seconded to approve the addition to the Executive Session Item #7 under Section I - Items for Discussion Agenda.

VOICE VOTE #2 - All in favor.

ALL YEAS. Motion carries.

APPROVAL OF AGENDA

Councilmember Sandretto: Madam Mayor, I make a motion to approve the Agenda as amended.

Councilmember Lettau: I second.

MOTION #2-C. D. Sandretto moved and C. V. Coates seconded to approve the Agenda of the October 3rd, 2017 Regular Council Meeting as amended.

VOICE VOTE #2-C. D. Sandretto, C. J. Mokler, C. V. Coates, C. L. Stade

ALL YEAS. Motion carries.

VISITOR COMMENTS Non-Agenda Items. None.

REGULAR REPORTS

1. EDC REPORT

Ms. Coates: In September, Mr. Rouse visited the EDC with concerns stemming from the August Council Meeting. The monthly Chair Report Minutes from the September meeting consisted of:

- 1) Change occurring within the EDC
- 2) Prospect for acquisition of a new Coordinator

- 3) Seek agencies to handle the Coordinator position
- 4) Timeframe to finalize the budget
- 5) Modify the title from Coordinator to Executive Director

Councilmember Coates attended the Community Planning Assistant Team meeting. Attendees consisted of members from WSDOT, Council of Government, City Council and individuals from the West side of Washington State. The team conducted a walking tour of the Benton City area that included:

- 1) Stop at Red Mountain Trails for wine tasting and to view horse riding trails
- 2) Visit to local wineries
- 3) Met at the Community Building and City Park to brainstorm public event presentation ideas

2. STAFF REPORT Stephanie Haug, City Clerk/Treasurer **Treasurer Report*

Ms. Haug: Staff reports are not included in the packet because those reports are not due until the second meeting of the month.

3. COUNCIL COMMITTEE REPORTS

Councilmember Mokler: Councilmember Mokler met with Mosquito Control to discuss the budget but was unable to email information in a timely manner for inclusion in Council packets.

Councilmember Stade: Councilmember Stade met with Benton Franklin Transit (BFT) and concluded that the comprehensive study is going well and that BFT is addressing customer concerns. The recent bus accident was handled as best as it could be and injured riders are safe and have been released from the hospital. She stated that a budget retreat will be held on October 9th.

Mayor Lehman: The Association of Washington Cities Mayor's Exchange that the Mayor attended provided extremely valuable information that she will disseminate from notes into a report for Council. The Mayor stated that many cities are undertaking ingenious projects. The City of Arlington had a situation similar to Benton City, with areas that were not developed. Arlington hired a merchandising expert who went door-to-door with the Mayor to all the businesses. Merchants who agree to the three following conditions were offered free evaluations for the best method to market their merchandise:

- 1) Light shop windows at night
- 2) Remain open during certain hours
- 3) Paint their building (the city requested paint donations from local trade organizations for those buildings at no cost to the merchant)

After complying with those three conditions, within 1-1/2 years, Arlington had acquired 30 new businesses. The Mayor of Arlington has agreed to assist the Mayor with this concept for Benton City, and as it progresses, she will provide updates to Council.

4. ENGINEER REPORT Alan Rainey, City Engineer, Spink Engineering LLC

Mr. Rainey: Currently, Spink is completing the Water Plan and will review the Sidewalk Project layout with Mr. Kurth and Councilman Sandretto. Apollo anticipates commencement of work on the Solar Panel Project next week, but a completion deadline has not been submitted. Spink is continuing design work on the Force Main project.

ITEMS FOR APPROVAL

1. SECOND READING – ORDINANCE 975-2017 BUDGET AMENDMENT

Councilmember Stade: Madam Mayor, I move to approve on its Second Reading, Ordinance 975 of the City of Benton City amending the 2017 budget, as adopted by Ordinance 966.

Councilmember Mokler: Second.

MOTION #3-C. L. Stade moved and C. J. Mokler seconded to approve on its Second Reading, Ordinance 975 of the City of Benton City amending the 2017 budget, as adopted by Ordinance 966.

**VOICE VOTE #3-C. D. Sandretto, C. J. Mokler, C. V. Coates, C. L. Stade
ALL YEAS. Motion carries.**

2. RESOLUTION #2017-31 – 2017 COMPREHENSIVE PLAN AMENDMENT- ADOPTION CONFIRMATION

Ms. Haug: Department of Commerce requested specific language be included in the plan that was submitted that will state that no changes were adopted for developmental regulations and the critical area ordinance.

Councilmember Sandretto: Madam Mayor, I move to approve Resolution #2017-31, a resolution of the City of Benton City affirming completion of Benton City's periodic review and update, as needed, of its Comprehensive Plan, Development Regulations, and Critical Areas Regulations in compliance with R.C.W. 36.70.A.130 and related provisions.

Councilmember Stade: Second.

MOTION #4 - C. D. Sandretto moved and C. L. Stade seconded to approve Resolution #2017-31, a resolution of the City of Benton City affirming completion of Benton City's periodic review and update, as needed, of its Comprehensive Plan, Development Regulations, and Critical Areas Regulations in compliance with R.C.W. 36.70.A.130 and related provisions.

VOICE VOTE #4-C. D. Sandretto, C. J. Mokler, C. V. Coates. C. L. Stade

ALL YEAS. Motion carries.

3. VOUCHERS

Councilmember Mokler: Madam Mayor, I move to approve payment of Claim Check Numbers 28770 to 28805 with EFTs as listed in the amount of \$146,996.37 this 3rd day of October, 2017.

Councilmember Sandretto: I second.

MOTION #5 – C. J. Mokler moved and C. D. Sandretto seconded for the City Council of the City of Benton City, Washington, to hereby authorize payment of Claim Check Numbers 28770 to 28805 with EFTs as listed in the amount of \$146,993.37, this 3rd day of October, 2017.

ROLL CALL VOTE #5 – C. L. Stade, C. D. Sandretto, C. V. Coates, C. J. Mokler

ALL YEAS. Motion carries.

ITEMS FOR DISCUSSION

1. EDC CONTRACT C. V. Coates Excused During Discussion

Ms. Haug: The city is seeking guidance from Council regarding terms of the contract that was drafted by the City Attorney's office. Following the last Council meeting, the EDC submitted an invoice and the 2017 Work Plan included in Council packets. Packets also contain performance criteria that the Mayor would like addressed. Prior to Council's decision whether to retroactively fund the EDC contract, Work Plan actions with completion criteria need to be determined to satisfy an audit. An example of Prosser's EDA second quarter report that details how their EDA tracks items in progress are also included in Council's packets.

Councilmember Discussion: Councilmember Sandretto requested that an updated Work Plan rather than a "copy and paste" version containing previous year's officer names be submitted to Council, but to date that has not occurred. Councilmember Stade indicated that the EDC's monthly and quarterly reports have been accepted by Council, yet Council has not informed the EDC whether their reporting method was satisfactory or if the contract would be renewed. The EDC has been working in good faith with the previous year's contract, so that is what the Council should judge. Requirements that have been completed and how deliverables are accomplished need addressed by the EDC. Preparation for the 2018 EDC contract that shows the direction that Council expects the EDC to go needs solidified and in place. Once the EDC presents deliverables from the previous year, there should not be an issue retrofitting payment. Actions in the plan must be measurable and deliverable to ensure that Council is being responsible with city funds. Council should work with and retro-pay the 2017 contract so that the EDC has funds available to hire a coordinator, and then additional measures will be set forth for the 2018 contract. Councilmember Stade suggested that the EDC submit work in progress to Council in the form of a calendar, list of daily activities or a report that shows the title and status of each project on a

timeline with the following data: businesses visited, actions accomplished, items discussed, issues resolved, Council suggestions, plans established for future events and projects completed.

Ms. Haug: If Council decides to retroactively pay the EDC, deliverables for the first three quarters of the year need to be created or the city will receive findings from the auditor. The Mayor requests that the EDC provide a list of specific projects, their status, a timeline with deliverables and how those deliverables are achieved and measured. Currently, the city receives an invoice from the EDC with only a list of items with a flat dollar amount. That is not what the auditor requires. Auditors expect to see a list of projects showing progress, accomplishments, and completions. Council does not expect the EDC to duplicate the work that Prosser is doing, rather, Council requests that the EDC report work in progress in a manner similar to the way Prosser reports work. Work that is currently in the Work Plan and how it is accomplished toward deliverables is what Council expects the EDC to measure. Ms. Deckert stated that the Port of Benton does not request that type of reporting detail.

Mayor Lehman: Benton City is totally different from the Port of Benton. The main funding beneficiary to the EDC is the City; therefore, to satisfy an audit, billing must occur upon completion of a project or for specific work that has been completed for that project.

Eric Ferguson: The city is bound by the constitutional requirement that it will not gift public funds. Therefore, the city must show that a bill (or unit of a bill) is being paid, and that the city is not giving a grant. The contract will be required to list deliverables, and at this point, deliverables have not been determined. Going forward, when a contract is approved, items in the Work Plan that are complete will need to be precise, justifiable, and measurable.

Open Discussion: Ms. Lorna Deckert from the EDC addressed concerns regarding the updated Work Plan. She stated that the work of the EDC remains the same each year; therefore, it is not feasible to rearrange wording and paragraphs to satisfy the request to resubmit the plan to Council. When the plan was submitted in December, officers for the following year had not been elected, so the plan contained names of officers from the previous year. She stated that the Mayor has requested quantifiable data that cannot be produced. Mr. Larry Howell, Past President from the EDC, stated that Benton City's EDC cannot be compared with Prosser's EDA because Prosser has a full-time 40-hour a week coordinator who is paid \$90,000 per year. In order to accomplish all that would be expected from a full-time coordinator, Benton City would need to triple funding to the EDC. Bea Baker implied that the EDC has to be very careful not to cross the line by calling an individual an employee instead of a contractor, and the EDC must speak in general rather than specific terms to keep from being caught up in a situation. She stated that one entity cannot dictate what the EDC needs to do. The EDC can provide guidelines to a contractor, but cannot be super-specific with what is said or done. Ms. Baker expressed that an ongoing issue is that the EDC does not know what Council actually wants. The EDC submits what it thinks Council has requested, and after Council review, the EDC is then told to re-do it. This situation has occurred over and over again for many years. The EDC requests that specifics from Council are outlined in black-and-white. According to this discussion, Council requests that items in an EDC report be broken down into categories. Deliverables should be tracked under each category with the work product listed and percentage of time and work hours expended from both the coordinator and volunteers. Ms. Deckert clarified that funds received from the City are utilized to fund the coordinator, pay rent and other expenses. The EDC will submit the 2018 Work Plan at the end of the month.

Mayor Lehman: Council understands and agrees that both Council and the EDC need better dialogue and communication between the two entities. The Mayor stated that the EDC can provide contractors with a scope of work that agrees with the Work Plan.

Ms. Haug: To date, the city has not received any invoices or request for payment for the entire year. Generally, the city receives quarterly invoices, but with no contract in place, invoices have not been received. If Council determines to retro-pay, the city requires detailed invoices with items listed under deliverables from the Work Plan for each quarter.

Councilmember Discussion: Council will be in agreement to retro-pay as long as criteria to satisfy an audit can be met. The 'assumed' contract that the EDC is currently working under was in good faith and should be approved for this year, and then any changes should be addressed in the 2018 contract. Council has committed that the EDC can count on funding for the new Coordinator, but for legal purposes, the contract under discussion must be presented to Council for vote. **Councilmember Coates returned to the building**

2. PARK FEE ORDINANCE REVIEW Mayor Lehman

Ms. Haug: Council requested that the city attorney and Mr. Kurth provide information from surrounding areas with regard to Park Fees. It appears that other jurisdictions (Kennewick and Richland) are in the process of changing their fees, and after new fees are adopted, that information will be provided. Flat fees are the most widely utilized in most cities. Zillah charges a percentage per square foot of subdivision. Kennewick currently charges one acre per every 330 individuals, but that will change. To revert from acreage to impact fees, additional changes are required, but the formula can be updated to reflect a higher percentage.

Eric Ferguson: With recommendations from the Homebuilders Association, legislation was passed that allowed home builders to defer impact fees until after home purchases were finalized so that the association did not tie up funds. This allowed the association to defer payment for up to five years until all homes in the subdivision were sold. This may not be the best method for Benton City. Currently, the way it is set up is in lieu of dedication in order to receive the final plat.

Ms. Haug: If the city changes the calculation formula from acreage to impact fees, homebuilders could potentially defer payment until building permit applications are completed and then pay impact fees for each home, which could take longer to accrue funds.

Eric Ferguson: This method is much different from homebuilders who received final plats that included roads and other items required to be met and accepted by the City. This is much different from permitting for each individual home. Instead of dedication of land, homebuilders could opt to pay lump sum park fees in order to receive the final plat approval, and the city received those funds at once. This is the current method according to the city code.

Council Discussion: Since this code has not been revisited since 1981, it needs to be addressed. Currently, homebuilders submit impact fees on a per-dwelling basis, which is a more uniform method for the city to receive funds quickly. The Mayor's chief concern is that the city attains more actual park land per subdivision rather than the receipt of payments per dwelling. One of the cities that the Mayor visited required that 25% of the land for a subdivision includes parks and roads, and out of that parcel, it must connect to the next nearest subdivision. There are quite a few creative methods that the city can utilize to accomplish this, but the goal should be to attain more open space. Funds are not as important to the Mayor as provision of land for parks. The current code states that one acre per every 450 individuals will be dedicated for parks. That is not a very large parcel of land, so the ratio calculation should be revisited. Councilmember Stade added that if a park location has not been included up front during the permitting process, builders would just pay impact fees, and then subdivisions would not acquire parks. Ms. Haug stated that review of plats is presented to the Planning Commission and Council; therefore, accepting impact fees in lieu of parks would ultimately be determined by Council. Neighboring parks or open space may already be available. If so, funds could be utilized to improve those parks. Currently there is not much available land, so it is not feasible to have postage stamp size parks. The current ratio for Benton City is 450 individuals per one acre of land; therefore, 450 divided by 2.8 is quite a bit of land. Acreage is pro-rated based on the number of individuals. Twenty percent is the state's average per street and infrastructure; therefore, only 5% of the subdivision is dedicated toward land for parks. Councilmember Stade stated that the city had accepted \$8,500 for a particular subdivision in lieu of a postage size piece of land for a park so that ratio would be the same for other subdivisions because of uniformity. Mr. Ferguson implied that he is only familiar with cities that are based on the flat fee method.

As a policy matter, the city could become so arduous with requirements that it impedes building progress, but at the same time, Benton City is extremely low compared to other city ratios. To review ratio and cost, the Mayor suggested that the city utilize a 60-acre tract of land as an example to compare the recommended new formula to the current formula. Councilmember Sandretto recommended that the city utilize an updated formula, and then add an addenda item that states if park area allocation is less than half an acre, homebuilders will be required to install a full half-acre park. In the Wrangler development, one-half acre park would be ample enough land to provide playground equipment and a grassy area for people to gather.

3. PART-TIME/TEMPORARY CLERK POSITION Mayor Lehman

Mayor Lehman: The city hired Margaret Dukes as a temporary part-time clerk for the city. Margaret has performed well, and definitely an asset to the city. The Mayor urged Council to consider retaining Margaret as a part-time clerk because the city is behind on a variety of work. In the upcoming 2018 budget, the Mayor recommended that Council include funds for her salary.

4. ED'S DISPOSAL – ANNUAL CPI RATE ADJUSTMENT

Mr. Dave Atwell (Manager of Ed's Disposal): It is the time of year for the annual CPI review. In 2017, Ed's Disposal experienced a 1.9% change over the previous year, which equates to a 1.71% increase in rates. For a 96-gallon residential container, that translates to a 31 cent rate increase from \$18.32 to \$18.63. For the 64-gallon container for senior citizens, that would equate to a 19 cent increase. Mr. Atwell clarified that recycling refuse is transferred to the transfer station and then bundled up.

5. EXECUTIVE SESSION – R.C.W.42.30.110-1(b) Real Estate Acquisition (01:17:51*)

Mayor Lehman: I now close this meeting to go into Executive Session for 30 minutes. (01:18:12*Audio recording ends)

**** Executive Session begins at 8:18 p.m. ****

**** Executive Session extended ten minutes at ___ p.m. ****

***** Executive Session ends at ___ p.m. *****

GENERAL COUNCIL COMMENTS None

ADJOURNMENT Mayor Lehman

Councilmember Coates: *Madam Mayor, I make a motion to adjourn.*

Councilmember Mokler: *Second.*

MOTION #6–C. V. Coates moved and C. J. Mokler seconded to adjourn the October 3rd, 2017 Regular Council Meeting at 8:48 p.m.

**VOICE VOTE #6–C. D. Sandretto, C. J. Mokler, C. V. Coates
ALL YEAS. Motion carries.**

Meeting adjourned at 8:48 p.m.



Linda Lehman
Mayor, City of Benton City



Stephanie Haug, MMC
City Clerk-Treasurer

Date: 10/17/17