

WALLA WALLA CITY COUNCIL
Work Session Minutes
October 12, 2015

1. CALL TO ORDER

Mayor Cummins called the meeting to order at 4:00 p.m.

Present: Councilmembers Barbara Clark, Mary Lou Jenkins, Dick Morgan, Chris Plucker, Allen Pomraning and Mayor Jerry Cummins

Absent: Councilmember Jim Barrow.

City staff in attendance: City Manager Nabel Shawa, Deputy City Manager Tim McCarty, Parks & Recreation Director Jim Dumont, Public Works Director Ki Bealey, Finance Director Jean Teasdale, Water Distribution Supervisor Adrian Sutor, CDBG Coordinators Linda Kastning and Jennifer Beckmeyer, Project Engineer Mike Laughery, Utilities Engineer Frank Nicholson, Stormwater Coordinator Brad Daly, and City Clerk Kammy Hill.

2. ACTIVE AGENDA

A. CDBG Update Years 2014-2016.

Deputy City Manager McCarty reviewed:

- History.
- Goals.
- Eligible activities.
- Action plans.
- Funding allocations for 2014-2015.
- Results for 2014-2015.
- 2016 proposed Action Plan.
- Comment period.
- Reprogramming funding allocations.

There was discussion on:

- Feedback on major changes from the CDBG program auditor. Staff plans to include more specificity in sub-recipient agreements.
- Scope of youth shelter project does not include a place to just hang out. There will be structured activities for youth that require a place to stay.

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- Proposed change to allow the City Manager to approve a substantial amendment of up to twenty-five percent or \$100,000. Council expressed concerns with the potential, by staff, to eliminate a CDBG program from the plan without Council or community involvement. Staff reported substantial amendments would require a public hearing before the City Council.

A majority of Council suggested establishing ten percent of the program budget as an acceptable authority limit for substantial amendments by the City Manager.

Mayor Cummins invited public input. No one in the audience chose to address the City Council on this issue.

B. Indigent Defense Program.

Deputy City Manager McCarty reviewed:

- Recent case law and its impact on indigent legal defense standards.
- Deficiencies noted by the court in indigent defense standards in Mount Vernon and Burlington.
- Washington Cities Insurance Authority recommendations to members to mitigate risks associated with the recent court decisions.
- City actions to date.
- Next steps for the City.

There was discussion on:

- The financial impact of the changes in indigent defense standards on taxpayers and the need to publicly communicate these impacts.
- The courts determine if defendants are entitled to indigent legal defense.
- The City currently has \$250,000 budgeted for indigent legal defense.
- The need for additional interpreters and investigators.
- How legal services are provided and costs.
- Potential liability if the City does not comply with the standards.

Mayor Cummins invited public input.

Robert Van Dorn, Indigent Defense Attorney, commented on the reasons and need for alternate public defenders.

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C. Financial planning for water, wastewater and stormwater.

Public Works Director Bealey introduced Public Works staff in attendance and John Ghilarducci, consultant with Financial Consulting Solutions. An overview of the following was provided:

- Compliance with both the Strategic and Comprehensive Plans.
- Water infrastructure funding needs.
- Infrastructure repair and replacement program and funding.
- Water distribution system funding.
- 2005 AWWA Benchmarking report.
- Water system replacement rates.
- Water loss and leaks.
- Wastewater and capital improvement project goals.
- Stormwater needs.
- Capital facilities planning 2016-2021.
- Water, wastewater and stormwater financial planning:
 - Overview.
 - Fiscal policies: Reserves, financial performance, key assumptions.
 - Water capital needs forecast and revenue requirements.
 - Wastewater capital needs forecast and revenue requirements.
 - Stormwater capital needs forecast and revenue requirements.

There was discussion on:

- Reasons the City is taxing its own utilities.
- Assumptions for outside funding made in developing revenue requirements. There are no expectations for outside funding except for the LT2 water treatment project.
- Capital plans are financially constrained.
- Staff will be attempting to level out proposed utility rate increases to ease the impact on ratepayers.
- Impact of water use reduction on rates and the need for operating reserves to address any shortfalls in revenue on a yearly basis. City would need to respond to any long-term changes.

Mayor Cummins invited public input.

Randal Son, landowner along Mill Creek, asked about the sensitivity of rates on water leakage reduction.

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Dominick Elia, 302 S. Roosevelt, Walla Walla, commented that the City raised utility taxes to thirteen percent which is an increase of \$750,000 on the utilities. Staff commented these funds were used to improve streets.

Steve Moss, 721 Village Way, Walla Walla, asked if the utilities would be impacted by mandatory actions, such as reducing water consumption. Staff responded the operating reserves are intended to address changes in use.

Sharon Schiller, 1414 Topaz, Walla Walla, asked if wastewater treatment would limit the ability of different industries, such as a food processor, to locate in Walla Walla. Staff responded a review of system capacity is performed to ensure adequate capacity is available.

3. OTHER BUSINESS

No other business was discussed.

4. ADJOURNMENT

There being no further business, the meeting adjourned at 6:31 p.m.