

WALLA WALLA CITY COUNCIL
Regular Meeting Minutes
November 16, 2016

1. CALL TO ORDER

Mayor Pomraning called the meeting to order at 7:00 p.m.

Present: Councilmembers Barbara Clark, Jerry Cummins, Dick Morgan, Steve Moss, Tom Scribner, and Mayor Allen Pomraning.

Absent: Councilmember Jim Barrow.

City staff in attendance: City Manager Nabel Shawa, City Attorney Tim Donaldson, Public Works Director Ki Bealey, Finance Director Jean Teasdale, Police Chief Scott Bieber, Acting Parks & Recreation Director Andy Coleman, and City Clerk Kammy Hill.

2. PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

Councilmember Clark led the pledge of allegiance followed by a moment of silence.

3. PUBLIC COMMENTS

No one in the audience chose to address the City Council on any item not on the agenda.

4. CONSENT AGENDA

City Clerk Hill introduced the Consent Agenda, Items A through G, as follows:

- A. Washington State Liquor & Cannabis Board: Special occasion liquor license for the Walla Walla Community Hospice on February 11, 2017.
- B. Acceptance of resignation of Bruce Murr from the Parks, Recreation & Urban Forestry Advisory Board.
- C. Resolution No. 2016-148 authorizing a contract with Cardno-GS, Inc. to provide drainage analysis and planning for the Cottonwood Road drainage area, in an amount not to exceed \$48,645.

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- D. Resolution No. 2016- 149 accepting conditional funding from the Port of Walla Walla, Walla Walla County, and City of College Place for the Veterans Memorial Pool project and authorizing change orders with Chervenell Construction for the additive alternates in the amount of \$724,185.
- E. Ordinance No. 2016-35 adopting fees and charges for parks and recreation (Veterans Memorial Pool fees).
- F. Approval of minutes of the regular meeting held October 26, 2016.
- G. Approval of minutes of the regular meeting held November 2, 2016.

Council asked that Items C and E be removed from the Consent Agenda for separate consideration.

Mayor Pomraning invited public input. No one in the audience chose to address the City Council on any of these items.

Councilmember Morgan moved to adopt Consent Agenda Items A, B, D, F and G. Councilmember Moss seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

5. ACTIVE AGENDA

AAA. Resolution No. 2016-148 authorizing a contract with Cardno-GS, Inc. to provide drainage analysis and planning for the Cottonwood Road drainage area, in an amount not to exceed \$48,645.

City Manager Shawa reported this area was annexed in 2014. Staff has discovered significant stormwater issues in the area and needs assistance identifying potential solutions.

There was discussion on:

- This is not a cost of future development because the problem currently exists and is not directly related to any proposed new developments.
- A number of existing development challenges were discovered and this contract will seek solutions to manage stormwater in the area.
- This study will enable the City to determine if future development will be required to pay to mitigate stormwater impacts. It will also

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help identify any role the County may have in stormwater management in the area.

Mayor Pomraning invited public input.

Joyce Cox, 159 Coyote Ridge, Walla Walla, commented that the stormwater problem is in the backyard of her property.

R.L. McFarland, 3731 Middle Waitsburg Road, Walla Walla, reported there are many artesian wells in the area with a very rich water source. Errors were made in stormwater oversight when development was allowed. The developer should be participating in the study.

Councilmember Morgan moved to adopt Resolution No. 2016-148. Councilmember Moss seconded the motion. The motion carried with 5 yes votes and 1 no vote by Councilmember Cummins.

AA. Ordinance No. 2016-35 adopting fees and charges for parks and recreation (Veterans Memorial Pool fees).

City Manager Shawa reported that this ordinance will establish fees for the use of the new Veterans Memorial Swimming Pool.

Council asked if other jurisdictions would be participating in ongoing operations and maintenance costs for the pool. City Manager Shawa reported that the operational costs are generally fixed regardless of the number of participants. Increased participation helps pay for operational costs. Donors have made it clear to staff that the contributions are for additional pool components and not operations. This decision does not bind future City Councilmembers.

Councilmember Moss moved to adopt Ordinance No. 2016-35. Councilmember Clark seconded the motion.

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

The motion to adopt Ordinance No. 2016-35 unanimously carried with 6 yes votes and 0 no votes.

A. Public hearing on preliminary 2017-2018 biennium budget.

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City Manager Shawa reviewed:

- Primary goals are to provide a balanced program of municipal services; develop a sustainable general fund budget where ongoing expenses are equal to or less than ongoing revenue; have an ending general fund balance of fifteen percent; and maintain a ten percent fund balance for utilities.
- Revenue highlights.
- Property tax comparison.
- Economic development prospects.
- Significant new general fund expenditures and restored/new positions.
- General fund recap.
- Streets and utilities projects.
- Overview of average residential utility rates.

Mayor Pomraning declared the public hearing open at 7:37 p.m.

David Woolson, Executive Director of the Walla Walla Valley Chamber of Commerce, spoke in opposition to imposition of a business license program and associated revenue proposed for inclusion in the 2017-2018 biennium budget.

Andre Sulfa, 1800 Evergreen Street, Walla Walla, expressed concerns with implementation of a business license program, expansion of library services, and the hiring of part-time versus full-time library employees.

There being no further public comment, Mayor Pomraning declared the public hearing closed at 7:54 p.m.

B. 2017 Property tax levies.

City Manager Shawa and Finance Director Teasdale reviewed the property tax allocations and tax comparison with surrounding jurisdictions. The levies for voted debt are based on the actual debt payments. The general ad valorem property tax levy is a proposed increase of .953 percent.

Ordinance No. 2016-36 fixing the amount of the excess ad valorem property tax levy necessary to raise the amounts needed to meet the debt service obligation association with improvements to the Fire Station facilities.

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

Councilmember Cummins moved to adopt Ordinance No. 2016-36. Councilmember Morgan seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

Ordinance No. 2016-37 fixing the amount of the excess ad valorem property tax levy necessary to raise the amounts needed to meet the debt service obligation associated with improvements to Police Station facilities.

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

Councilmember Cummins moved to adopt Ordinance No. 2016-37. Councilmember Clark seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

Ordinance No. 2016-38 fixing the amount of the excess ad valorem property tax levy necessary to raise the amounts needed to meet the debt service obligation associated with improvements to Veterans Memorial Pool.

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

Councilmember Cummins moved to adopt Ordinance No. 2016-38. Councilmember Scribner seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

Ordinance No. 2016-39 fixing the amount of the regular ad valorem tax levy necessary to raise the additional amounts needed between estimated revenues from sources other than ad valorem taxes for certain funds and the estimated expenditures for said funds; levying the regular annual ad valorem taxes for the year 2017 of the 2017-2018 fiscal biennium; and apportioning the same to certain funds for certain purposes.

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

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**Councilmember Clark moved to adopt Ordinance No. 2016-39.
Councilmember Moss seconded the motion. The motion carried with 4
yes votes and 2 no votes by Councilmembers Cummins and Morgan.**

- C. Resolution No. 2016-150 accepting the Lodging Tax Advisory Committee's recommendation for allocating 2017 lodging tax funds.

Councilmember Scribner, Chair of the Lodging Tax Advisory Committee, reported that sixteen organizations had submitted applications for lodging tax funds. The Lodging Tax Advisory Committee met to determine how to allocate funds; met after receiving applications for presentations by each of the requesting organizations; and then met to determine funding levels. These funds are restricted by statute on how they may be spent. The committee members emphasis was on "heads in beds" and is recommending approximately fifty percent be allocated to Visit Walla Walla for marketing and fifty percent to other organizations for events. The recommended allocations are:

Blue Mountain Arts Alliance	\$1,000
Blue Mountain Land Trust	\$1,000
Chamber of Commerce	\$15,000
Chamber Music Festival	\$7,500
City of Walla Walla (includes \$75 for Borleske Stadium)	\$140,000
Danza Classic Ballet Foundation	\$2,500
Downtown Walla Walla Foundation	\$90,000
Fort Walla Walla Museum	\$35,000
Guitar Festival	\$12,500
Kirkman House Museum	\$2,000
Visit Walla Walla (includes \$25,000 to advertise programs at the GESA Powerhouse Theatre in out-of-area markets)	\$450,000
Walla Walla Wine Alliance	\$100,000
Reserve Account	\$18,500

There were comments on the importance to look at the long term benefits of tourism marketing and its impacts to the lodging tax fund.

Mayor Pomraning invited public input.

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The following expressed concerns with the proposed allocation of funds resulting in a reduction of funding for Visit Walla Walla:

- James Payne, Executive Director of Fort Walla Walla Museum, 721 Pearson, Walla Walla.
- Dan Leeper, General Manager of the Marcus Whitman Hotel and Conference Center, 6 W. Rose Street, Walla Walla.
- Ron Williams, Executive Director of Visit Walla Walla, 416 E. Main Street, Walla Walla.
- Zachary Frazier, 1006 S. Division Street, Walla Walla, representing Visit Walla Walla Board of Directors.
- Scott Peters, 159 Austin, Walla Walla, representing Visit Walla Walla Board of Directors.
- Chris Coates, 1089 Aubin, Walla Walla, director of sales at the Marcus Whitman Hotel and Conference Center.
- Abigail Schwerin, Sapolil Cellars.
- Allyn Griffin, 692 Wayne Lane, Walla Walla.
- John Walker, 1236 Forrest Lane, Walla Walla.
- R.L. McFarland, 3731 Middle Waitsburg Road, Walla Walla, read a letter on behalf of Joyce Smith, Waitsburg Commercial Club.

The following spoke regarding the use of lodging tax funds and the need to fund events in the area:

- Elio Agostini, Executive Director of the Downtown Walla Walla Foundation, 27 Beam Court, Walla Walla.
- David Woolson, Executive Director of the Walla Walla Valley Chamber of Commerce.

The meeting was recessed at 9:06 p.m. and reconvened at 9:15 p.m.

There were comments on:

- Audit finding in 2014 regarding accountability for use of lodging tax funds.
- Lodging Tax Advisory Committee recommendations for the use and purpose of the funds. The final decision of the committee was unanimous.

Councilmember Scribner moved to adopt Resolution No. 2016-150. Mayor Pomraning seconded the motion.

There was additional discussion on:

- Benefits of tourism and having a mixed economy. Years ago the City chose an organizational model to have the majority of lodging

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- tax revenues allocated to a tourism promotion agency. The recommendation of the Lodging Tax Advisory Committee moves away from this model.
- The stewardship of Visit Walla Walla is outstanding and old history appears to be coloring tonight's debate.
 - The audit finding was against the City for not adequately monitoring the contract with Tourism Walla Walla. There was no malfeasance or misappropriation of funds.
 - Tourism promotion needs a clear, concise and consistent message. The Lodging Tax Advisory Committee should further review and find a way for all agencies to work together.

The motion to adopt Resolution No. 2016-150 failed with 2 yes votes by Councilmember Scribner and Mayor Pomraning and 4 no votes by Councilmembers Clark, Cummins, Morgan and Moss.

Councilmember Cummins moved to refer the recommendation back to the Lodging Tax Advisory Committee using the previous ratios. Councilmember Clark seconded the motion.

There was clarification on the intent and purpose of the motion.

Councilmember Cummins, with the consent of Councilmember Clark, withdrew the motion.

Councilmember Cummins moved to propose, to the Lodging Tax Advisory Committee, allocations to Borleske Stadium Association for \$75,000; Fort Walla Walla Museum for \$35,000; Downtown Walla Walla Foundation for \$36,000; Walla Walla Wine Alliance for \$100,000; and Visit Walla Walla for \$654,000. Mayor Pomraning seconded the motion.

There was discussion about having money set aside for a reserve fund for lodging taxes.

Councilmember Cummins moved to amend the motion to reserve to the City's lodging tax account any lodging tax revenues in excess of \$900,000. Councilmember Morgan seconded the amendment.

There was discussion on the proposed allocation to the Walla Walla Wine Alliance of \$100,000.

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The amendment to reserve to the City's lodging tax account any lodging tax revenues in excess of \$900,000 unanimously carried with 6 yes votes and 0 no votes.

The motion to propose, to the Lodging Tax Advisory Committee, allocations to Borleske Stadium Association for \$75,000; Fort Walla Walla Museum for \$35,000; Downtown Walla Walla Foundation for \$36,000; Walla Walla Wine Alliance for \$100,000; and Visit Walla Walla for \$654,000; with any lodging tax revenues in excess of \$900,000 staying in the City's lodging tax reserve account, carried with 5 yes votes and 1 no vote by Councilmember Scribner.

- D. Approval of minutes of the special Work Session held October 24, 2016.

Councilmember Clark moved to approve the minutes of the special Work Session held October 24, 2016. Councilmember Moss seconded the motion. The motion unanimously carried with 5 yes votes, 0 no votes, and 1 abstention by Councilmember Morgan.

- E. Approval of the accounts payable register dated October 31, 2016 containing check numbers 190498 through 190892, 990769 through 990770, and 8768 through 8790 totaling \$5,014,980.27.

Councilmember Cummins moved to approve payment of the check to the Department of Corrections. Councilmember Moss seconded the motion. The motion unanimously carried with 5 yes votes, 0 no votes, and 1 abstention by Councilmember Morgan.

Councilmember Cummins moved to approve payment of the accounts payable register dated October 31, 2016 containing check numbers 190498 through 190892, 990769 through 990770, and 8768 through 8790 totaling \$5,014,980.27 with the exception of the checks to Jerry Cummins and Steve Moss. Councilmember Clark seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

Councilmember Clark moved to approve payment of the checks to Jerry Cummins and Steve Moss. Councilmember Morgan seconded the motion. The motion unanimously carried with 4 yes votes, 0 no votes and 2 abstentions by Councilmembers Cummins and Moss.

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6. COUNCIL MEMBER MEETING REPORTS

Councilmember Moss reported attendance at the Solid Waste Advisory Committee meeting held November 3; the Work Session held November 7; the Planning Commission meeting held November 7; the entrance conference with representatives of the State Auditor's office held November 10; the Work Session held November 14; the Planning Commission meeting held November 14; and a meeting with staff regarding landfill and solid waste rates held November 16.

Councilmember Morgan had no meetings to report.

Councilmember Cummins reported attendance at the Public Works Board meeting held November 4; the Work Session held November 7; the Good Roads Committee meeting held November 9; the entrance conference with representatives of the State Auditor's office held November 10; the Veterans Day parade review held November 11; the Borleske Stadium Association Board meeting held November 14; the Work Session held November 14; the Blue Mountain Humane Society Board meeting held November 15; Leadership Walla Walla government day presentation held November 16; the Chamber of Commerce legislative luncheon held November 16; and a meeting with staff regarding landfill and solid waste rates held November 16.

Councilmember Clark reported attendance at the Work Session held November 7; the Bicycle & Pedestrian Advisory Committee meeting held November 8; the LEOFF 1 Disability Board meeting held November 8; the Isaacs Avenue project open house held November 8; the Washington State food system roundtable held November 8; the Veterans Day Parade held November 11; the Work Session held November 14; the Borleske Stadium Association Board meeting held November 14; the Port of Walla Walla economic development listening session held November 15; the Sustainability Committee meeting held November 15; the Chamber of Commerce legislative luncheon held November 16; a meeting with staff regarding landfill and solid waste rates held November 16; and the Civil Service Commission meeting held November 16.

Councilmember Scribner reported attendance at the Work Session held November 7; the Work Session held November 14; and the Public Library Board meeting held November 16.

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Mayor Pomraning reported attendance at a meeting with Chamber of Commerce representatives held November 2; a meeting with citizens regarding homeless issues held November 4; the Work Session held November 7; the LEOFF 1 Disability Board meeting held November 8; the Good Roads Committee meeting held November 9; the agenda preparation meeting held November 10; the Work Session held November 14; and the Chamber of Commerce legislative luncheon held November 15.

7. UNFINISHED AND NEW BUSINESS

Councilmember Moss moved to reappoint David Fogarty, Allen Litzenberger, and Amber Delph to the Planning Commission for terms expiring December 31, 2019. Councilmember Morgan seconded the motion. The motion unanimously carried with 6 yes votes and 0 no votes.

Council suggested a future Work Session topic on leaf pickup and coordinating the pickup schedule with block captains so neighbors can be advised to have cars off the street.

City Manager Shawa reported:

- Walla Walla has received the bronze bicycle-friendly community award.
- At the suggestion of Councilmember Moss, staff worked with the vendor of the landfill compactor. Due to various reductions a savings of \$38,000 will be realized.
- The leadership team is working on identifying sustainability goals for 2017.

8. ADJOURNMENT

There being no further business, the meeting adjourned at 11:06 p.m.