

WALLA WALLA CITY COUNCIL
Regular Meeting Minutes
December 7, 2016

1. CALL TO ORDER

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

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

Absent: None.

City staff in attendance: City Manager Nabel Shawa, City Attorney Tim Donaldson, Fire Chief Bob Yancey, Development Services Director Elizabeth Chamberlain, 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 Morgan led the pledge of allegiance followed by a moment of silence.

3. PRESENTATIONS

- A. Mayor Pomraning presented Finance Director Teasdale with the City's ninth Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. Finance Director Teasdale recognized staff for their contributions.
- B. Mayor Pomraning recognized and commended the efforts of members of the Bicycle & Pedestrian Advisory Committee and staff for receipt of the bronze bicycle friendly community award. Council suggested duplicating the signs for posting at the City's gateways.

4. PUBLIC COMMENTS

Sharon Schiller, 1414 Topaz, Walla Walla, expressed frustration with vehicles not yielding to pedestrians.

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Karen Morton, 204 Newell Street, Walla Walla, thanked Council for responses to her email regarding vacation rental houses and asked the City Council to consider a moratorium on short term rental housing due to its impacts on schools, neighborhoods, and overall community. Council commented on the importance of neighbors.

Lawrence Paoella, 253 Marcus Street, Walla Walla, commented that people make a neighborhood and he is opposed to short term rentals.

5. CONSENT AGENDA

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

- A. Washington State Liquor and Cannabis Board: Special occasion liquor license application for the Walla Walla Friends of Children on December 17, 2016.
- B. Washington State Liquor and Cannabis Board: Change of location liquor license application for Winery Fulfillment Services.
- C. Washington State Liquor and Cannabis Board: Special occasion liquor license application for Rotary Club of Walla Walla on April 1, 2017.
- D. Resolution No. 2016-151 authorizing a professional services contract with Northwest Management, Inc. to update the Mill Creek watershed community wildfire protection plan in an amount not to exceed \$24,800.
- E. Resolution No. 2016-153 authorizes an interagency agreement regarding Internet Crimes against Children.
- F. Resolution No. 2016-154 authorizing acceptance of COPS hiring grants.
- G. Resolution No. 2016-155 setting a public hearing for January 11, 2017 for the vacation of right-of-way on North Spokane Street (Cain's Addition).

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- H. Ordinance No. 2016-40 authorizing execution of permits and agreements to occupy rights-of-way for Valley Transit.

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

Councilmember Cummins moved to adopt Consent Agenda Items A through H. Councilmember Moss seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

6. ACTIVE AGENDA

- A. Ordinance No. 2016-43 establishing the 2017 compensation schedule for non-represented employees.

City Manager Shawa reported this is the annual salary adjustment for non-represented employees with the exception of the City Manager and City Attorney positions. The proposed increase is 2.5 percent which is in line with salary surveys and the City's AFSCME union.

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

Councilmember Clark moved to adopt Ordinance No. 2016-43. Councilmember Morgan seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

- B. Public hearing and Ordinance No. 2016-42 adopting the 2017-2022 Capital Facilities Plan.

City Manager Shawa reported the capital facilities plan had been reviewed at the August 8 and September 12 Work Sessions. This ordinance will provide an updated plan with budget.

Development Services Director Chamberlain and Public Works Director Bealey reviewed:

- Capital planning process.
- Planning efforts and project funding.
- Public Works planned expenses and map of projects.
- Facilities planned expenses and map of facilities.

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Mayor Pomraning declared the public hearing open at 7:47 p.m.

R.L. McFarland, 3731 Middle Waitsburg Road, Walla Walla, expressed concerns that the plan does not include reconstruction of Middle Waitsburg Road.

Terry McCoy, 236 Malcolm, Walla Walla, commented that the Senior Center parking lot is a major safety issue and needs to be repaired.

Mayor Pomraning declared the public hearing closed at 7:54 p.m.

City Manager Shawa reported the City used citizen priorities and a rating system to prioritize road projects. The Senior Center parking lot can be revisited in the six-year plan but there is currently a lack of funding for this project.

There was discussion on:

- This ordinance is not subject to referendum. The appeal period and process is limited to the Growth Management Hearings Board and is defined by statute.
- The City is responsible for relocating its water line due to Walla Walla County's project to replace Wickersham Bridge. This is generally a requirement for use of public right-of-way for utility placement.
- The City Council is able to amend this plan at any time.
- Potential funding through use of real estate excise taxes for the Senior Center parking lot project.
- Possibility of selling the Carnegie Arts building for additional funds.

Councilmember Cummins moved to adopt Ordinance No. 2016-42.
Councilmember Scribner seconded the motion.

There were comments regarding the usefulness of the plan and the good work by staff in developing this capital facilities plan.

The motion to adopt Ordinance No. 2016-42 unanimously carried with 7 yes votes and 0 no votes.

- C. Ordinance No. 2016-41 adopting a business license program with an effective date of January 1, 2018.

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City Manager Shawa reported City business licenses are not an uncommon regulatory requirement and reviewed:

- Business licensing is a method to identify, authorize, track and report on various commerce enterprises operating within the City; and ensuring compliance with City ordinances. They are authorized under RCW 35A.82.020.
- Out of 281 cities in Washington, 223 require a business license. The average fee for all business licenses is \$71. Walla Walla is proposing a flat \$50 fee which is estimated to raise \$175,000. Businesses with less than \$5,000 revenue would be exempted.
- Walla Walla is the only city in Washington with a population between 30,000 and 49,999 that does not require business licenses.
- Business license fees for larger Eastern Washington cities range between \$15 and \$1286. Smaller Eastern Washington cities range between \$0 and \$600.
- Business licensing provides for:
 - Improved administrative efficiency.
 - Better data and knowledge of the business sector.
 - Improved policy analysis and development.
 - Revenue to assist in funding business support and required administration.
 - Tracking when a business moves or closes.
 - Tracking outside businesses conducting business within the City limits.
 - Verification of zoning compliance for business activity and location.
 - Collection of data to help with grant applications, economic development, and policy development.
 - Tracking annual insurance updates from tenant and property owner for sidewalk signs and outdoor seating.
 - Identification of business activities that require fats, oils and grease monitoring activities.
- Current business registration fee inefficiencies.
- Advantages of using the Department of Revenue Business Licensing System.
- Business licenses are an approved revenue source utilized by many cities to assist with costs associated with businesses.
- There is no charge for Walla Walla to join and utilize the State's Business License Service (BLS). New businesses pay a one-time \$19 BLS application fee and an \$11 annual renewal fee.

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- This proposal provides a reasonable time to implement a new business licensing process, is neither extraordinary nor exorbitant, and will result in more efficient administration, better data, and revenue to support business-related costs.
- The City is a low business tax city.

There was discussion on:

- Total number of businesses.
- Anticipated revenue versus expenses.
- Renewal fee of \$11 would be in addition to the City's \$50 business license fee.
- All businesses are currently required to register with the State.
- Presentations were made at the Chamber of Commerce board meeting and to the Union Bulletin editorial board.
- State statutes prescribe the referendum process that is included in the proposed ordinance.
- Whether the data the City is seeking is already available through the State.

Mayor Pomraning invited public input.

John Gahbauer, 389 S. Palouse Street, Walla Walla, expressed concerns with the proposed business license program.

Councilmember Barrow moved to adopt Ordinance No. 2016-41.
Councilmember Clark seconded the motion.

Councilmember Cummins moved to amend the Ordinance to change the business license fee in Section 5.05.070 from \$50 to \$25. Councilmember Moss seconded the motion.

There was additional discussion on:

- Opposition to business licensing has been strident. Many business owners may panic because they have not been licensed with the State.
- Ordinance allows for a year before the program takes effect which will allow for outreach and education.
- The reduction in the amount of the fee is likely to be irrelevant to a business.
- The reduction in the fee may make the program more palatable to businesses as a compromise.

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- The business license program is important to business and consumers and will help the whole community.

The motion to amend the Ordinance to change the business license fee in Section 5.05.070 from \$50 to \$25 failed with 3 yes votes by Councilmembers Cummins, Moss and Morgan and 4 no votes by Councilmembers Barrow, Clark, Scribner and Mayor Pomraning.

Councilmember Cummins moved to amend the Ordinance to change Section 5.05.070 to add the sentence "The basic charge shall be in addition to registration and other charges imposed by the Business License Service." Councilmember Barrow seconded the motion.

There were comments on:

- The fee being imposed on businesses is actually \$61 per year and potential hardship on businesses.
- The businesses subject to licensing by the State and associated fees.
- Lack of two-way communications and need for more outreach by staff.

The motion to amend the Ordinance to change Section 5.05.070 to add the sentence "The basic charge shall be in addition to registration and other charges imposed by the Business License Service." unanimously carried with 7 yes votes and 0 no votes.

There was additional discussion on:

- Whether postponement for additional outreach would impact implementation. Staff disagreed that the business license proposal had not been adequately communicated to the business community.
- Investments made by the City in the business community.
- This has been an ongoing issue and the Chamber of Commerce Public Policy Committee has not addressed it.
- Opposition is to the business license fee, not the program.

The motion to adopt Ordinance No. 2016-41, as amended, carried with 5 yes votes and 2 no votes by Councilmembers Moss and Scribner.

- D. Final hearing and Ordinance No. 2016-44 adopting the 2017-2018 biennium budget.

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

Council thanked the Finance Committee and staff for their work on the budget.

Councilmember Barrow moved to adopt Ordinance No. 2016-44. Councilmember Scribner seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

- E. Approval of minutes of the special Work Session held November 7, 2016.

Councilmember Cummins moved to approve the minutes of the special Work Session held November 7, 2016. Councilmember Clark seconded the motion. The motion unanimously carried with 6 yes votes, 0 no votes, and 1 abstention by Councilmember Morgan.

- F. Approval of minutes of the Work Session held November 14, 2016.

Councilmember Scribner moved to approve the minutes of the Work Session held November 14, 2016. Councilmember Moss seconded the motion. The motion unanimously carried with 5 yes votes, 0 no votes, and 2 abstentions by Councilmembers Barrow and Morgan.

- G. Approval of minutes of the regular meeting held November 16, 2016.

Councilmember Morgan moved to approve the minutes of the regular meeting held November 16, 2016. Councilmember Moss seconded the motion. The motion unanimously carried with 6 yes votes, 0 no votes, and 1 abstention by Councilmember Barrow.

- H. Approval of the November 30, 2016 accounts payable register containing check numbers 190893 through 191267, 990771, 990772, and 8791 through 8797 totaling \$3,162,980.97.

Councilmember Cummins moved to approve the November 30, 2016 accounts payable register containing check numbers 190893 through 191267, 990771, 990772, and 8791 through 8797 totaling \$3,162,980.97 with the exception of the checks to Department of Corrections and Jerry

Cummins. Councilmember Moss seconded the motion. The motion unanimously carried with 7 yes votes and 0 no votes.

Councilmember Barrow moved to approve payment of the checks to Department of Corrections and Jerry Cummins. Councilmember Scribner seconded the motion. The motion unanimously carried with 5 yes votes, 0 no votes, and 2 abstentions by Councilmembers Cummins and Morgan.

7. COUNCIL MEMBER MEETING REPORTS

Councilmember Moss reported attendance at the employee recognition luncheon held November 17; the Sherwood Trust Leadership alumni meeting held November 17; the State Housing Finance Commission meeting held November 21; a tour of a local short-term rental house on December 1; and the Walla Walla County Affordable Housing Committee meeting held December 6.

Councilmember Morgan had no meetings to report.

Councilmember Barrow reported attendance at the special Work Session held November 7; a presentation by Washington State University students on their Mill Creek visioning project on November 9; the entrance audit conference with representatives of the State Auditor's office held November 10; the agenda preparation meeting held November 10; the agenda preparation meeting held November 30; the Water Partnership Board meeting held December 6; and the Blue Mountain Action Council Board meeting held December 7.

Councilmember Cummins reported attendance at the employee recognition luncheon held November 17; the CenturyLink fiber optic meeting held November 17; the Valley Transit Board meeting held November 17; the Public Works Board meeting held December 2; a meeting with Councilmembers Scribner and Clark and City Manager Shawa on December 5 regarding lodging tax funds; the Housing Authority Board retreat held December 6; and the "Affirming our Community" meeting at the Public Library held December 6.

Councilmember Clark reported attendance at the employee recognition luncheon held November 17; the Sherwood Trust Leadership alumni meeting held November 17; the Bicycle & Pedestrian Advisory Committee meeting held November 8; the LEOFF 1 Disability Board meeting held

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November 8; the Civil Service Commission meeting held November 16; and the "Affirming our Community" meeting at the Public Library held December 6.

Councilmember Scribner reported attendance at a tour of a local short-term rental house on December 1; a meeting with Councilmembers Cummins and Clark and City Manager Shawa on December 5 regarding lodging tax funds; and the "Affirming our Community" meeting at the Public Library held December 6.

Mayor Pomraning reported attendance at the employee recognition luncheon held November 17; the Valley Transit Board meeting held November 17; the agenda preparation meeting held November 30; a meeting with City Manager Shawa held November 30; the College Avenue ribbon-cutting ceremony held December 1; the bronze bicycle friendly community award presentation held December 2; and the Transportation Benefit District Board meeting held December 7.

8. UNFINISHED AND NEW BUSINESS

Council commented on:

- The annual retreat is scheduled for January 14.
- The homeless issues and response is scheduled for the first Work Session in January.
- An Executive Session is scheduled for December 21 to evaluate the performance of the City Manager and City Attorney.

Council asked for a report on police data including how the increases in police officers are impacting citizens.

City Manager Shawa thanked the City Council for passing the 2017-2018 biennium budget.

9. ADJOURNMENT

There being no further business, the meeting adjourned at 10:04 p.m.