



**CITY OF LA CENTER CITY COUNCIL
REGULAR MEETING
October 26, 2016**

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City Council*

REGULAR MEETING:

1. Mayor Thornton called the meeting to order at 7:00 p.m.
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL:**

Council:

Councilmember Birdwell-Currey	Present
Councilmember Luiz	Present
Councilmember Williams	Present
Councilmember Valenzuela	Absent/Excused
Councilmember Cerveny	Present
Mayor Thornton	Present

Staff:

Marc Denney, Chief of Police
Dan Kearns, City Attorney
Suzanne Levis, Finance Director/Clerk
Jeff Sarvis, Public Works Director

Guests:

Doug & Beverly Boff	Judy Hickman	Jeremy Smith
Doug & Barbara Burtwell	Jim & Candi Irish	Chris Swindell
Skip Carlson	Jack LaBounty	Andy "Sheriff" Taylor
Jack & Rosemary Davis	Larry Lewton	Rick & Suzi Terrell
Ray Denny	Joe Melroy	Linda Workman
Donna Emerson	Nelda Perryman	
Al Filla	Robert & Yvonne Russell	

4. **CONSENT AGENDA**
 - A. **APPROVAL OF CLAIMS/ADJUSTMENTS – 10.12.16**
 - B. **REGULAR MEETING MINUTES – 09.28.16**
 - C. **REASSIGNMENT OF PLANNING COMMISSION APPOINTMENTS**
 - D. **RESOLUTION NO. 16-412 SURPLUS PROPERTY (PD)**

MOTION MADE BY COUNCILMEMBER BIRDWELL-CURREY, SECONDED BY COUNCILMEMBER CERVENY AND CARRIED BY MAJORITY TO APPROVE THE OCTOBER 26, 2016 CONSENT AGENDA.



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5. COUNCIL STAFF REPORTS/ANNOUNCEMENTS.

A. MAYOR'S REPORT.

- The reassignment of Planning Commission members that was approved by Council in today's Consent Agenda is as follows: Raymond Denny, who has served as Commissioner for several years, is now an Alternate; and Dennis Nuttbrock, who has served as an Alternate, is now a Commissioner.
- Members of La Center City Council will be attending the AWC (Association of Washington Cities) Regional Meeting for elected officials. The City of Woodland is hosting the meeting in their Council Chambers on November 3, 6-8 p.m. AWC staff will share news about our legislative agenda and program updates, and talk about issues of importance in our region.
- The next Mayor's Town Hall meeting is scheduled for Wednesday, November 2, 6:30 p.m. at the Public Works office. Everyone is welcome.
- The I-5 Junction development design and planning (charette) meetings with stakeholders and facilitated by Planning Consultant Eric Eisemann are scheduled for November 1 (3-5 p.m.) and November 2 (9-11 a.m.) at the Public Works office. On November 7, 6:30-8:00 p.m., the public is invited to attend an open house to participate with the architectural and design team on the I-5 junction development plans.

B. ATTORNEY'S REPORT – CITY ATTORNEY DAN KEARNS. The two land use appeals challenging the county's urban growth area (UGA) expansion are pending. The schedule of hearings continues to be updated, as property owners intervene in the case. La Center and Ridgefield have completed their UGA annexations and have moved to be removed from the case. The final schedule of hearings is expected soon with a decision by January 2017.

C. COUNCIL COMMENTS.

- **COUNCILMEMBER BIRDWELL-CURREY** invited everyone to the La Center Wildcat's final football game this Friday.
- **COUNCILMEMBER LUIZ** reminded everyone to be alert for trick-or-treaters' safety on Halloween.
- **COUNCILMEMBER WILLIAMS** – The Chelatchie Railroad's Headless Horseman Halloween Train is scheduled for October 29-30 in Yacolt.



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- **COUNCILMEMBER VALENZUELA** – Absent/Excused.
- **COUNCILMEMBER CERVENY** – None.

D. STAFF REPORTS - DIRECTOR SUZANNE LEVIS, FINANCE DEPARTMENT.

The November 23 City Council meeting has been rescheduled to Tuesday, November 22; staff is researching tablet options with the goal of going paperless by year-end; the ordinance passed by the Salary Commission in September reduced the stipend for Councilmembers from \$60 to \$50 per meeting and capped the total number of paid meetings at 40 per year; the bond ordinance continues to be negotiated and will be presented by the City's bond counsel for Council approval when finalized.

In order to reduce costs, cancelling the fireworks display at the Christmas Festival was discussed. It was the consensus of Council that the fireworks display proceed as budgeted.

The 3rd quarter financial report was presented. Updates were provided on the General, Impact Fees, Capital Projects, and Sewer (operations) Funds (report made a part of these Minutes and available on file).

6. CITIZEN'S PUBLIC COMMENT.

JAMES IRISH, 1653 E. HERITAGE LOOP, recommended re-establishing a reserve officer position in the City's Police Department to cut overtime costs and relieve workloads.

LARRY LEWTON, 1109 W. C AVE., suggested posting messages on the reader board on game days in support of the local sports teams. October 27 marks the 241st birthday of the Navy.

7. PRESENTATIONS – None.

8. ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS.

A. 2017 PRELIMINARY BUDGET. Mayor Thornton acknowledged Councilmembers, consultants, staff, and volunteers who participate in the budget preparation process. In anticipation of the possible significant reduction in cardroom revenues in 2017 with the opening of the new casino at the I-5 junction, a cut in gaming tax from 10% to 5% for the period May 1 to December 31, 2017 is proposed.

Financial Consultant Paul Lewis presented the 2017 Draft Preliminary Budget (presentation made a part of these Minutes and available on file).



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Public hearings and adoption of the 2017 budget will take place in November and December.

A final Preliminary Budget will be available on November 2.

B. PUBLIC HEARING – 2017 BUDGET – REVENUE SOURCES – (PROPERTY TAX, EXCISE TAX, AND HOTEL-MOTEL TAX).

Revenue sources for 2017 was presented at the October 12 Public Hearing by Finance Director Levis. Today is the second opportunity for public comment on revenues sources as well as the 2017 Draft Preliminary Budget.

At 8:00 p.m., Mayor Thornton opened public comment.

NELDA PERRYMAN, 824 E. PIONEER LOOP. Before cutting gaming taxes to 5%, more data should be collected. Other taxes have increased, and increasing property taxes would be an additional, undue burden on citizens. There is no need to spend more money on a new Community Development Director, because the City currently contracts with a planning consultant. It is her understanding that the City's Reserve Fund is to be used for budget situations that are being addressed today.

SUZI TERRELL, 1534 W. E PLACE. It is too soon to cut gambling taxes in half. A 2% reduction would be more in line, if ascertained at a later date it is needed. The City should consider withholding pay increases for City staff, especially with property tax increases and new utility taxes.

RAY DENNY, 722 E. 18TH ST. The reduction of cardroom gambling taxes should be considered on a month-to-month contingent basis based on actual reductions in revenues. Property taxes are better than utility taxes long-term because low income residents typically have to pay more on (necessary) utility taxes, and property taxes can be deducted.

AL FILLA, 152 W. 15TH ST., urged Council to keep the fireworks display at the annual Christmas festival in the budget.

BOB RUSSELL, 1056 HERITAGE LOOP, doubts the cardrooms will close. They make a lot of money, even with the gambling tax. If a reduction is made, it should be postponed until the 3rd or 4th quarter next year. He is against adding a new City Community Development Director to the budget.

At 8:15 p.m., Mayor Thornton closed public comment.

Council discussion ensued.



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COUNCILMEMBER LUIZ is against decreasing the cardroom gambling taxes in half at this time without more information, as well as adding a Community Development Director to the budget with the risk of cutting established and qualified City services in the future.

COUNCILMEMBER WILLIAMS is against decreasing the cardroom gambling taxes in half at this time without more information, and questions bringing in a Community Development Director at a time when the City will potentially be experiencing budget constraints.

COUNCILMEMBER CERVENY approves of the draft Preliminary Budget that includes the reduction of the cardroom gambling taxes to 5%. It would be proactive for the City to give the cardrooms the opportunity for economic development and reservice closed facilities to provide services to the City such as a grocery store. The Community Development Director position is vital to the City's future job and revenue development.

MAYOR THORNTON: The new Community Development Director position is imperative to the City of La Center's future development in conjunction with the anticipated increased activity at the I-5 junction. The new director will be a skilled and experienced advocate for the community in the area of development and will work with the City's partners, developers, and neighboring cities. The cardrooms have been a critical part of our community for many years providing revenue and services. There is a risk of the cardrooms closing, if they experience a sharp reduction and their revenues. The reduction of the gambling taxes from 10% to 5% will be for a limited period of time in 2017. If the cardrooms' revenues do not decrease as anticipated, City Council has the authority to change the tax rate before the 2018 budget season.

- C. ORDINANCE NO. 2016-09 BUDGET AMENDMENT.** Finance Director Suzanne Levis presented. The amendment is for the Economic Development Study at the La Center junction for \$100,000, as presented by Planning Consultant Eric Eisemann at the October 12 City Council meeting. (The remainder of the project's budget will be in the 2017 budget, as it will not be completed in 2016.)

MOTION MADE BY COUNCILMEMBER CERVENY, SECONDED BY COUNCILMEMBER BIRDWELL-CURREY AND CARRIED BY MAJORITY TO APPROVE ORDINANCE NO. 2016-09 AMENDING THE ADOPTED BUDGET FOR THE CITY OF LA CENTER, FISCAL YEAR 2016.

9. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None.

10. **UNFINISHED BUSINESS** – None.



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11. **NEW BUSINESS** – None.

12. **ADJOURNMENT.**

Meeting was adjourned at 8:30 p.m.

Mayor Greg Thornton

Suzanne Levis, Finance Director/Clerk