



NAPAVINE CITY COUNCIL MINUTES
November 11, 2017 6:00 P.M.
Napavine City Hall, 407 Birch Ave SW, Napavine, WA

Mayor Sayers called the Public Hearing on Revenues to order at 6:00 p.m.

Mayor Sayers asked Clerk Treasurer to explain the 2018 Revenues, Clerk-Treasurer Wood explained the revenues of the General Fund which consist of taxes, sales tax, property tax, utility taxes, license & permits, The property taxes consist of the 1% increase in the property tax as allowed each year by law which is \$2,912 and an additional \$2,000 for new construction. Councilor Hamilton addressed those in attendance regarding the increase of about 10% in assessed property values this year. With the property assessed values increase this year as a result of home sales that even though with the 1% increase it will actually decrease the tax levy from \$2.12 per thousand to \$1.96 per thousand. Mayor Sayers questioned what the school levy rates are in Lewis County and Napavine. Larry Stafford stated the school levies could all change with passage of state law that provides additional funding for schools. Mayor Sayers closed the public hearing at about 6:07 p.m.

CALL TO ORDER:

Mayor Sayers called the city council meeting to order at 6:07 p.m. and led the flag salute.

ROLL CALL:

Council members present: Mike Wood, Councilor #1, Larry Stafford, Councilor #2, Scott Hamilton, Councilor #3, Shawn O'Neill, Councilor #4 and Jim Haslett, Councilor #5. Mayor John Sayers was also present.

Staff Present: Bryan Morris, Public Works Director, Cris Dodd, Community Development, Chris Salyers, Chief of Police, Mary Wood, Clerk-Treasurer and City Attorney, Jim M.B. Buzzard.

CONSENT/APPROVAL OF AGENDA:

Motion to approve agenda as presented by Councilor Wood, second by Councilor Stafford, motion carried.

APPROVAL OF MINUTES FROM THE REGULAR CITY COUNCIL MEETING:

Motion to approve the minutes of regular city council meeting of October 24, 2017, by Councilor Hamilton, second by Councilor O'Neill, motion carried.

Motion to approve the November 2, 2017, 2018 Budget Workshop minutes, second by Councilor Wood. Discussion, Councilor Haslett asked if the comp time go to everybody, he knows there is for the Chief and Noel, what about the rest of the employees. Larry Stafford stated the union does not allow comp time, they are paid overtime. Councilor O'Neill explained how comp time works with his employment with the state. Mayor Sayers stated Clerk-Treasurer Wood has been working on this. Wood stated that she has spoken with City Attorney, MRSC and the Risk Management section of Choose Clear Insurance Company. During the conversations with City Attorney and the Risk Management staff it was discovered that the city's job description, policies, and state and federal law are in conflict and the policies do not authorize the cashing out of comp time. Jim Buzzard, City Attorney explained the job descriptions and personnel policies are in conflict. The policies do not address how comp time is earned and recommends the city budget for the comp time on the books. Clerk Wood stated the risk management strongly recommends an MOU drawn up between the city and the Chief with the city attorney involved. Fair Labor Standards Act states the maximum hours of comp time allowed for public safety is 400+ hours. Councilor Haslett asked if the other employees are going to be budgeted as a former manager would not allow them to turn in any overtime or comp time. Citizen Gabi Morris stated that is correct, employees were not allowed to turn in any overtime and he would determine whether they got paid or not, and if employees did turn it in there would be consequences. Councilor O'Neill addressed City Attorney Buzzard asked if the city would have to involve the union, Buzzard suggests using the collective bargaining agreement as a guideline and the FLSA addresses the litmus test if an employee is an exempt employee which is a two part test and explained how the Clerk is attempting to fill in the gaps between the policies. Larry Stafford mentioned a case where a trucking company had to pay employees for coming to work early. Attorney Buzzard stated the hours should be turned into the payroll

department for auditing and recording of such. Councilor Haslett called for question, motion carried to approve the minutes.

STAFF & COUNCIL REPORTS:

Bryan Morris, Public Works Director: reported a Utility Truck was stolen from the reservoir yard this week; the value of the truck is estimated at \$2,500. A pump went out of Washington Station, a new pump is \$15,000 and will need to come out of reserves and asked council to approve that. Morris reported there is a meeting at Lewis County Public Works building regarding traffic at Exit 72 on Monday at 2:00 p.m. and invited council to attend. Mayor Sayers stated he will attend and Councilor Haslett also state he will attend and ride with Morris.

Chris Salyers, Chief of Police: reported the Trunk or Treat sponsored by the police department, and that another city employee attended, Mary Wood and we all handed out almost 500 pounds of candy had a great turn out with the community. The new Ford F150 truck is here and has been driving it and getting broke in.

Mary Wood, Clerk-Treasurer: reported that Plaza Jalisco would like to renew their liquor license, no objections from the council. Wood prepared a staff report and made a part of the minutes. Wood also reported on the cost of upgrading the current recording for security with a new HD-DVR recorder for the security system and replace and install some new cameras at an estimate between \$3,000 and \$4,000 and some funds that are available for this expense and an amendment may be necessary to utilize those funds.

Katie Clark, Court Administrator: stated she concurred the need for updating the security system for city hall as well as lighting.

Cris Dodd, Community Development: Councilor Hamilton asked about funds received for building permits from 2014 and made a part of the minutes. Councilor Hamilton asked about the water and sewer funds can only be used for water and sewer. Clerk-Treasurer Wood explained the Governmental Accounting Principles (GAAP) does not allow for Enterprise Funds which is water and sewer to be used for the General Fund. The permit fees are in the General Fund and can be used for expenses of that fund.

OLD BUSINESS:

.02 tenths of percent increase in Sales Tax: Clerk-Treasurer Mary Wood reported in her staff report after contacting Senator John Braun's office, MRSC, Dept. of Revenue and just received a report from the Dept. of Revenue of the breakdown of the sales tax the city already has implemented which includes .1 percent sales tax for criminal justice and the city cannot implement any additional sales tax for criminal justice. However, the city can implement an additional .02 percent increase in sales tax for a transportation improvement district, which the street fund does need as there are not a lot of resources available. The only other option is that the county may submit a ballot proposal to a county-wide vote for a sales tax increase of up to 0.3 percent. The proposal must be approved by a majority of the voters at a primary or general election. The text of the ballot measure must state the purposes for which the funds will be used. At least one-third of the money must be spent for "criminal justice purposes, fire protection purposes, or both. Funds from this tax may not supplant existing funds used for those purposes. Sixty percent of the funds are distributed to the county, with the cities in the county getting the remaining 40 percent on a per capita basis. The cities must spend the portions they receive in accordance with the uses stated in the ballot measure. Bobby Jackson, Lewis County Commissioner will be attending the next city council meeting and council can address this issue at that time.

Frank Dickson Property Update, Cris Dodd reported that she contacted City Attorney Jim Buzzard; Buzzard explained the legal aspects of the process per Napavine Municipal Code 16.20.070 and that Mr. Dickson should apply for a variance from the building standards to the Planning Commission and if he does not like the outcome of the planning commission he may appeal to the city council. The Legislative body, which is the city council, may amend ordinances which are the laws of the city. Under the laws of the city, Mr. Dickson needs to follow the laws of the city and if the city were to change the law it would apply to everyone in the city. Mr. Frank Dickson addressed the City Attorney of the prior council meeting, where Cris Dodd was asked to have a No Contest Agreement between Mr. Dickson and the city that the property be used only for duplexes. Jim Buzzard stated that

Mr. Dickson start over and apply for a variance to the planning commission and he will advise the city to follow the Napavine Municipal Code. Councilor Wood and Hamilton stated that Mr. Dickson will have to go to the planning commission and if they reject his plan, he can appeal to the council at that time. Cris Dodd stated that the Planning Commission only reviews development plans and not just water and or sewer. Mr. Dickson asked who is authorized to review and approve a short plat. Mr. Dickson has Knolls short plat whom did a two lot plat plan into a four lot plat for five years. Dodd stated there is nothing to hold up the short plat application and has been asked to put something together to present to the Planning Commission. Bob Bozarth addressed the council that he has been working on this for five years and the delay is a prime example of bureaucracy. Buzzard stated this council is pro development and pro-growth and agrees with his request, however, he would like the council to do the process correctly and the procedure needs to be followed. LaVerne Haslett addressed Cris Dodd regarding other people that come into the city for development are turned away and not told to go to the planning commission; Dodd stated that she does tell people that, as this are the procedures.

NEW BUSINESS:

VOUCHERS: November 14, 2017, Accounts Payable 34284 – 34329 in the amount of \$91,287.25; Payroll vouchers 34282-34283 in the amount of \$753.75, electronic payments (EFT) from 10/25/2017 – 11/14/2017 in the amount of \$18,733.79 and payroll direct deposit on 11/2/2017 in the amount of \$15,360.59 for a grand total of \$126,135.38. Motion by Councilor Hamilton to approve the vouchers, second by Councilor Haslett, motion carried.

Set Public Hearing 2018 Preliminary Budget: Clerk-Treasurer Mary Wood stated the law requires two public hearings on the budget and recommends set the public hearing for November 28, 2017 at 6 pm. Motion by Councilor O'Neill to set the public hearing for November 28th at 6 p-m, second by Councilor Haslett, motion carried.

Set Public Hearing for 2018 Budget: Motion by Councilor Haslett to set the final hearing on the 2018 Budget for December 14, 2017 at 6 pm, second by Councilor Wood, motion carried.

Resolution 17-11-89 1% Property Tax Increase: Motion by Councilor Haslett Resolution 17-11-89 Property Tax Increase to approve e, second by Councilor Wood, discussion Hamilton stated that this is a 1% increase that we pass every year and is a renewal, called to question, motion carried. Note a copy of the resolution is attached and a part of the minutes.

Ordinance 569 Ad Valorem Tax: Motion by Councilor Haslett to approve Ordinance 569 to raise property tax revenue in the amount of \$300,000, second by Councilor Stafford, discussion, Councilor Hamilton stated that this does not mean that we are raising property taxes to \$300,000; motion carried.

ORDINANCE NO. 569

AN ORDINANCE OF THE CITY OF NAPAVINE, WASHINGTON, DETERMINING AND FIXING THE AMOUNT OF REVENUE TO BE RAISED BY AD VALOREM TAXES DURING THE CALENDAR YEAR 2018.

Ordinance 570 Surplus Property Disposal: Bryan Morris advised council that he contacted MRSC regarding scrap junk that the city cannot even give away junk, it is considered gifting of government funds. This ordinance addresses the process of disposal of surplus property and also addressed during the city's last audit at a recommendation from the State Auditor's Office. Motion to approve Ordinance 570 Surplus Property Disposal on First Reading by Councilor Hamilton, second by Councilor Wood, motion carried.

ORDINANCE NO. 570

AN ORDINANCE ADDING A SECTION TO CHAPTER 3.60 REVENUE AND FINANCE OF THE CITY MUNICIPAL CODE TO AUTHORIZE THE DISPOSAL OF SURPLUS PROPERTY.

Ordinance 570 Surplus Property Disposal – Second Reading: Motion by Councilor Hamilton to approve Ordinance 570 Surplus Property Disposal on second reading, second by Councilor Stafford, motion carried.

Ordinance 569 Ad Valorem Tax – Second Reading: Motion by Councilor Haslett to approve Ordinance 569 Ad Valorem Tax on second reading, second by Councilor Stafford, motion carried.

Jerome W. Morissette & Associates Well #6 Pilot Test Contract: Bryan Morris, PW Director reported that he went through MRSC to seed a different engineer for the monitor of the pilot test. JWM & Associates came highly recommended and he has also spoke with a few cities that are using the Water Plus system and this firm. Motion to approve the contract with Jerome W. Morissette & Associates for the pilot test, second by Councilor Haslett, motion carried.

TIB LED Streetlight Conversion Grant: Bryan Morris reported LC PUD to cut the rate for LED conversion to submit the TIB grant which the city portion is zero, the incentive from PUD is \$13,240. Motion by Councilor Hamilton to approve the TIB Relight Washington grant, second by Councilor Wood, motion carried.

Parade Permit Form: Cris Dodd - reported the Chief and herself had concerns for parades and she came up with this form with a fee and looking for feedback. Years ago it was determined that Funtime does not pay for parades, the school did pay for the street use fee and supplied the people to man the barricades.

CITIZEN COMMENTS:

LaVerne Haslett asked a question about the sign ordinance and where are we at with it. Dodd stated that she asked them to come to the Planning Commission for feedback on the sign ordinance and they did that. They provided information on the changes they would like to see and Dodd will be putting together an ordinance for legal review. Per Dodd, Larry Hamilton on the Planning Commission would like to receive comment from the community. John Sweeny volunteered to head up the business owners to work on changes to the sign ordinance and Don Webster also from the Planning Commission is working with Sweeny to ask for feedback. Councilor O'Neill asked if the council gave Let's Play Something until the end of the year for a variance on the sign ordinance, Councilor Wood stated no, two months and he reminded her of that because her sign had to be taken down during the construction. Toni from Let's Play Something has been involved and has been persistent about input and feedback.

Bob Bozarth is on the Senior Citizen's Board and the Senior Center is being turned over to the private sector and he will be asking all the municipalities for a donation to help fund the senior center if the city has any extra money they can donate. He will be coming back next meeting with a formal form asking for financial support. Councilor Wood asked what the board does, Bozarth replied that there are several seniors that don't have the money for food and some are eating dog food because they can't afford meals. They will be working with the seniors to help them raise funds for this program. Councilor Hamilton stated there are several agencies in the county and also questioned what is the role of city government and to fund the basic services and would be difficult to provide financial support. Bozarth stated it cost \$700,000 to run the program and they only have \$300,000 and is asking for an opportunity to make this program solvent.

Councilor Hamilton reported that all the homes on Parkside Loop are selling before the homes are obtaining occupancy permits and will start four new homes after the first of the year. **Cris Dodd** reported that there are plans to build several more homes on Parkside and Camden and Fenway area. **Mary Wood** reported that Rob Rice Homes is not planning on building any more homes in Stadium Estates anytime soon due to no crews to build here in Napavine, he is building in Olympia.

Councilor Wood questioned the cracking of pavement down at Exit 72 done by Lakeside that is not even two months old yet. Wood stated it is cracked in three spots in the turn lane. Bryan stated that was not his area, it was Cris Dodd's. Dodd stated she will look into it.

ADJOURNMENT:

Motion by Councilor Hamilton to adjourn, second by Councilor Wood, motion carried. Council meeting adjourned at 7:49 p.m.

These minutes are not verbatim. If so desired, a recording of this meeting is available online at <http://media.avcaptureall.com/index.html#/?search=agency:%20City%20of%20Napavine,%20WA> and can be heard.

Respectfully submitted,

Mary Wood, Clerk-Treasurer

John Sayers, Mayor

Councilor



Ordinance / Resolution No. 17-11-89
RCW 84.55.120

WHEREAS, the Council of City of Napavine has met and considered its budget for the calendar year 2018; and

WHEREAS, the districts actual levy amount from the previous year was \$291,221.63; and

WHEREAS, the population of this district is less than 10,000; and now, therefore,

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2018 tax year.

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ 2,912.22 which is a percentage increase of 1% from the previous year.

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this day of

Three horizontal lines for signature or date entry.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc.

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Staff Report

To: Mayor Sayers, Napavine City Council
From: Mary Wood, City Clerk-Treasurer
Date: November 14, 2017
Re: Treasurer's Report

Treasurer's Report:

During my research of the possibility of the city increasing sales tax by 0.2% (.002) percent from 7.8% to 8.0% with the assistance of the Office of Senator John Braun, MRSC and Dept. of Revenue, I learned that our local sales tax rate of 1.3% consists of the following:

- .005 (0.5) local sales tax (45) effective date 4/1/1971 no expiration
- .005 (0.5) optional portion of local sales tax (51) effective date 1/1/1986 no expiration
- **.001 (0.1) Criminal Justice Sales tax (85) effective 12/1/1993 no expiration**
- .001 (0.1) Juvenile detention local sales tax (91) effective 1/1/2002 no expiration
- .001 (0.1) Mental Health local sales tax (151) effective 10/1/2011 no expiration

There are no specific statutory authorizations for criminal justice sales tax beyond the 0.001 (0.1 percent) and there are no additional sales tax options that would provide increases in sales tax that the city could use for an additional police officer. The city already imposes this 0.1 percent sales tax for criminal justice purposes. The distribution of this tax is the DOR administrative fee of 1%, the remaining tax revenue is split between the City at 85% and Lewis County receives 15%.

The only other option for a 0.3 percent sales tax under **RCW 82.14.450** which states the county legislative body may submit a ballot proposal to a county-wide vote for a sales tax increase of up to 0.3 percent. The proposal must be approved by a majority of the voters at a primary or general election. The text of the ballot measure must state the purposes for which the funds will be used. At least one-third of the money must be spent for "criminal justice purposes, fire protection purposes, or both. Funds from this tax may not supplant existing funds used for those purposes. Sixty percent of the funds are distributed to the county, with the cities in the county getting the remaining 40 percent on a per capita basis. The cities must spend the portions they receive in accordance with the uses stated in the ballot measure.

There are a couple of options that may provide some income to the general fund that would allow the general fund to re-direct some of its resources to public safety, such as:

- Transportation Benefit District (RCW 36.73.050) – optional sales tax 0.2 percent is available by statute, but requires a vote of the people. Per statute this is during a general or primary election

Local sales and use tax changes may take effect no sooner than 75 days after the Department receives notice of the change and only on the first day of January, April, or July per RCW 82.14.055. A Transportation Benefit District will require more extensive research. If the city should desire to go this direction, the city could eliminate the \$48,000 transfer from the General Fund to the Street Fund.

I spoke with Steve Sweet from Fusion Security about the current DVR recorder, which is not responding and is getting antiquated and unreliable. The cost to replace the DVR to a HD DVR recorder which can be viewed on our computer or smart phone is \$750 plus sales tax. I also asked about the costs of replacing the current camera's in city hall that are blurry and where we handle cash would cost \$120 to upgrade to HD quality in the Clerk-Treasurer's Office. To upgrade camera's in the individual departments the cost is \$120 per camera plus tax. I recommend this be an individual decision for each department to cost allocate out of their budget.

Per Steve Sweet the city can save on labor if a city employee runs the cable for three new camera's from the camera location to the HD DVR spot in the attic. Two new exterior camera's would be located at the north side of city hall facing the water reservoir and well house #4 and storage yard would cost \$300 each plus labor to install and one new camera at the front of city hall. To replace the one camera outside near the Clerk-Treasurer's office to upgrade to HD with a wider range camera is \$175.00 plus tax. The total cost is around \$3,000 and could be less if our staff runs the cable.

The funds that are available to share in this cost is the 002 Fund Substance Abuse Fund which was established quite some time ago where we can use it for the security of evidence and might require an amendment to the ordinance establishing the fund to allow the expense of equipment for the care and custody of evidence.

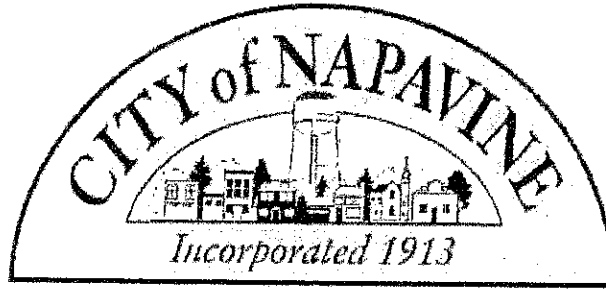
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John Sayers
Mayor

Cris Dodd, Community
Development
Administrative Assistant

November 14, 2017

To: City Council

From: Community Development

Councilman Hamilton requested building fees for the year 2017 at the last meeting. I have compiled the building fees for 2013 through November 8 2017. The attached sheet shows the building fees, water and sewer connection fees as well the new construction for that year.

You can see the significant increase in building and the money that has been brought in through the Community Development Department.

Cris Dodd
Administrative Assistant
Community Development

Year	Building Fees	Water	Sewer	Total Fees	New Construction
2013	\$11,994.26	\$4,700.00	\$6,700.00	\$23,394.26	3 Homes
2014	\$15,246.17	\$25,033.60	\$27,800.00	\$68,079.77	1 Home & Starbucks
2015	\$24,077.93	\$36,100.00	\$46,000.00	\$106,177.93	6 Homes
2016	\$19,145.02	\$18,800.00	\$26,800.00	\$64,745.02	6 Homes
2017	\$53,249.17	\$62,000.00	\$75,200.00	\$190,585.17	8 Homes, Taco Bell/ Arby's