

UNION GAP CITY COUNCIL REGULAR MEETING
Council Chambers, City Hall
Union Gap, Washington
November 9, 2009

Call to Order Mayor Pro Tem Wentz called the Regular Meeting of the Union Gap City Council to order at 7:01 p.m.

Council Members Present Council Members David Butler, Dan Olson, Dan Vanover, Roger Wentz, Dave Matson, and James Murr were present.

Staff Present Robert Noe, City Attorney; William Rathbone, Development Coordinator; Bill Steele, Fire Chief; Chase Kellogg, Police Sergeant; Karen Clifton, City Treasurer; and Kathryn Thompson, City Clerk were present.

Audience Present Chad Lenz, Michael & Stephanie Murr, Fred Thomson, Raymond & Sylvia Sanchez, Jo Collier, Debbie Matson, Aubrey Reeves, Mike Lindsey, Lewis Beddoe, Mary Place, Scott Steinloski, John Cooper, Kirsten Danielson, John Hodgkinson, Gloria Waltman, and others were present.

Pledge of Allegiance Council Member Murr led the Pledge of Allegiance.

Consent Agenda Motion by Council Member Vanover, seconded by Council Member Butler to approve the consent agenda, as follows:

Approve the Regular Council Meeting Minutes, dated October 26, 2009, as sent out on pages 4993 through 4998 of the Minute Book.

Approve Petty Cash Check Nos. 1572 through 1576, issued and paid in the month of September, in the amount of \$390.30.

Approve Municipal Court Check No. 3236, issued and paid in the month of September, in the amount of \$48,976.21.

Approve Advanced Travel Check No. 1076, issued and paid in the month of September, in the amount of \$395.00.

There were no Treasurer's Checks issued in the month of September.

Approve Claim Voucher Nos. 75799 through 75837, in the amount of \$262,444.41 dated October 29, 2009 and transfer from the operating funds to the Claims Fund.

Approve Payroll Voucher Nos. 32982 through 33055, in the amount of \$150,219.93 dated October 29, 2009 and transfer from the operating funds to the Payroll Fund.

Approve Claim Voucher Nos. 75838 through 75893, in the amount of \$260,620.71 dated November 9, 2009 and transfer from the operating funds to the Claims Fund.

Ordinance No. 2645 – Establishing Water & Sewer Benefit Area and Connection Fees in the South Broadway Area Adopt and Publish Ordinance No. 2645, An Ordinance creating Chapter 12.06 of the Union Gap Municipal Code, entitled “South Broadway Capital Cost Recovery Area – Water and Sewer Connection Fees”; establishing a South Broadway Capital Cost Recovery Area; establishing connection fees; establishing the fees for connections to sewer stubs on Pioneer Street; providing for severability; and, establishing an effective date.

Resolution No. 829 – Utility Construction Agreement with WSDOT for I-82/Valley Adopt Resolution No. 829, A Resolution authorizing the Mayor to sign a Utility Construction Agreement with the Washington State Department of Transportation authorizing the State to make improvements to City's utilities that are impacted by the State's I-82 Valley Mall Boulevard Interchange project.

Mall Blvd. Phase IV
Resolution No. 830 –
Supporting Anti-Gang
Legislation

Adopt Resolution No. 830, A Resolution supporting a request to the State Legislature to consider and adopt new legislation designed to curb gang activity through the use of a state-wide anti-gang civil injunction, among other measures.

Resolution No. 831 –
Authorizing 2010
Yakima Valley Visitors
Guide Adver. Agree.

Adopt Resolution No. 831, A Resolution authorizing the Mayor to execute the attached 2010 Visitors Guide Advertising Contract with Yakima Valley Visitors & Convention Bureau.

Declare Project
Complete & Authorize
Acceptance

Acceptance of the Wide Hollow Creek Pathways Phase 2 Project as complete and authorizing Final Progress Estimate No. 2 in the amount of \$35,464.94, after all conditions in the attached letter from Huibregtse, Louman Associates, Inc. are met.

Approval of Change
Order – VMB Phase III

Authorization for the Mayor to accept and sign Valley Mall Boulevard Phase III Project Change Order No. 16, in the amount of \$38,199.56.

Motion carried unanimously.

Public Hearing –
Property Taxes &
Revenue Sources for
2010 Budget

At 7:02 p.m. Mayor Pro Tem Wentz opened the public hearing to consider oral and written comments for the 2010 Revenue Sources, including Ad Valorem Property Taxes.

The City Clerk announced no written comments have been received.

There was no one present wishing to speak.

At 7:03 p.m. Mayor Pro Tem Wentz closed the public hearing.

Public Hearing – 2010
Preliminary Budget

At 7:03 p.m. Mayor Pro Tem Wentz opened the public hearing to consider oral and written comments for the 2010 Preliminary Budget.

The City Clerk announced no written comments have been received.

John Hodkinson stated he is curious about the water/sewer enterprise fund rates keeping up with the bonds, and would like to know what our bond rating is today.

The City Treasurer stated she does not know what the City's current bond rating is.

Council Member Olson stated if the City went out for bonds right now we would be paying the highest rating because we are not keeping up and following what we are supposed to in the enterprise funds. He stated he has been trying to get the bond counsel here to talk to the Council, but the bond counsel is not welcome so he will not come to a meeting.

There being no one else wishing to speak, Mayor Pro Tem Wentz closed the public hearing at 7:06 p.m.

Ordinance No. 2648 –
Fixing the 2010 Ad
Valorem Property
Taxes

Motion by Council Member Vanover, seconded by Council Member Murr to adopt and publish Ordinance No. 2648, An Ordinance fixing the estimated amount of ad valorem taxes to be levied to meet the financial requirements of the City of Union Gap, Washington for the year 2010. Motion carried: Council Members Butler, Vanover, Wentz, Matson, and Murr voting in favor; Council Member Olson voting no.

Council Member Olson stated he does not agree with increasing taxes to the public.

Presentation from Mary Place, Yakima County Local Government Representative for the Census

Mary Place, Yakima County Local Government Representative for the Census informed every ten years the Federal Government takes a census and this is local government's chance to get federal and state money back to the community. The community receives \$2,700 for every person counted in the census. She informed questionnaires will be mailed out the middle of March and April 1st is census day. There are ten questions to be answered by the first person in the family and seven questions for others in the family. She informed they are asking each community to identify a place to help people fill out the census forms because they are complicated. She also stated the forms are only mailed to street addresses; those with post office boxes will have a census taker come to their home. Yakima County is asking each city to pick someone to be in charge of the census to get the information out, and to provide a location where people can receive assistance in filling out the forms. She informed she made a presentation at Yakima County Conference of Governments and Council Member Olson picked up the City's packet. She informed she would also be sending a proclamation for the first part of March and would like to list the location for help in the proclamation.

Council Member Olson stated it is important that everyone in the household be counted.

It was the consensus of the Council to have the City Clerk be the person at the City for Mary to communicate with and send information to.

Presentation from Mike Lindsey, Yakima Valley Newspapers, Regarding the 2010 Visitor Guide

Mike Lindsey, Owner/Publisher of Yakima Valley Newspapers, distributed copies of the 2009 Yakima Valley Visitor Guide and stated Union Gap has been a part of this guide for years and years. This year instead of coming before the Council, they were asked to make a presentation to the Lodging Tax Committee. At the first Lodging Tax meeting there was no quorum and no presentations were taken, at the second Lodging Tax meeting there was no quorum but presentations were taken. He stated he understands the need to cut budgets as he has had to cut from 30 employees to 15 employees, but the funding for his magazine was totally eliminated, not just cut. He informed the amount requested for advertising in his magazine was \$3,450 and it was deleted from the budget. The Visitor & Convention Bureau (VCB) is receiving \$30,000 and the two books do not go to the same places. He informed the comment made at the Lodging Tax meeting was that his book is local, but it is not local. He explained they print 60,000 books that go to Seattle, Portland, Spokane, the I-5 Corridor, the Columbia Gorge, to all Chamber of Commerce Offices, and all advertisers. He informed the cost of the book is about six cents each and the tri-fold brochure the Lodging Tax Committee voted to place in rack cards costs about 40 cents each. He informed he is not asking for the full funding, but he is asking that Union Gap still put an ad in the magazine so there is not a hole in it. He stated the rack cards are being increased and he was completely cut out of the budget. He also stated he does not know if it is a conflict or not, but the Director for the Lodging Tax Committee is also a voting member on the VCB board. He stated people do use his magazine and Union Gap will be hurt if they are not included. He informed if the Council would like a smaller ad, the cost is \$1,500 per page.

Council Member Olson commented the City has been advertising in this magazine for years; the Council worked with Yakima Valley Newspapers' predecessor, Flint Publishing, long before there was a Lodging Tax Committee.

Motion by Council Member Olson, seconded by Council Member Vanover to approve 2 pages of advertising in the 2010 Yakima Valley Visitor Guide with Yakima Valley Newspapers for the cost of \$3,000.

Scott Steinloski, Tourism Promoter, stated the Lodging Tax Advisory Committee spent about 2 ½ hours going over the budget and they did not feel it

was a good return on the investment for the cost to advertise in this magazine. They also already advertise in the VCB Visitors Guide. Mayor Pro Tem Wentz questioned if there is a way to track what publications bring people here.

Scott Steinloski stated it is very difficult to track that information, unless the hotels were to ask people to fill out questionnaires.

Mayor Pro Tem Wentz stated it might be worthwhile to ask them to track that information to attempt to see which publication brings people here.

Council Member Olson stated we are trying to get information out to everyone, part of the Tourism Promoter's responsibility is marketing also, and we need to keep getting the message out. He stated he likes the way the magazine opens up and shows two Union Gap pages.

Mr. Lindsey informed they also promote Union Gap events in the Toppenish Review, the Business Journal, and on their website.

Mayor Pro Tem Wentz called for a vote on the motion by Council Member Olson, seconded by Council Member Vanover to approve 2 pages of advertising in the 2010 Yakima Valley Visitor Guide with Yakima Valley Newspapers for the cost of \$3,000. Motion carried: Council Members Olson, Vanover, Wentz, Matson, and Murr voting in favor; Council Member Butler voting no.

Council Member Olson stated he understands where the hotels are coming from, but he is concerned about some of the comments he read in the minutes. He stated Old Town Days and the parade have to do with local people, but after making cuts, it is bad timing to request an increase. He suggested taking a vacation from Old Town Days for one or two years and trying to get a committee active again.

Recommendation from
the Lodging Tax
Advisory Committee –
Increase Tourism
Promoter's Contract to
add Old Town Days

Council Member Butler commented the Citizens for Union Gap's Future Committee dissolved, but he believes we need to run with this and not let it die out. He stated the Lodging Tax Committee wanted to try this for one year.

The Tourism Promoter informed it only increases the budget \$2,500 over last year because last year's budget had \$65,000 for his contract, but he was paid \$60,000. He informed he originally requested \$10,000 for the Christmas parade and bazaar and Old Town Days, but the Lodging Tax Committee did not feel the Christmas parade and bazaar brought in enough tourism.

Council Member Olson commented \$60,000 is a lot of money plus the operating budget and the Council needs more reports on what the Tourism Promoter is doing for \$60,000.

The Tourism Promoter stated the Lodging Tax Committee spent 2 ½ hours on the budget and they cut about \$40,000 before presenting the budget to Council. He stated the Mayor requested he take on these additional events, so he took the request before the Lodging Tax Committee.

Motion by Council Member Butler, seconded by Council Member Vanover to approve the request to increase the Tourism Promoter's contract by \$7,500 for the year 2010 to promote and oversee Old Town Days; and authorize the City Attorney to prepare a resolution and amended contract for the next Council meeting. Motion carried: Council Members Butler, Vanover, Wentz, and Matson voting in favor; Council Members Olson and Murr voting no.

Mayor Pro Tem Wentz commented there is an \$11,000 increase in the budget on page 1.

Proposed 2010 Lodging
Tax Committee Budget

The Tourism Promoter informed part of the increase is his contract and the other part is money for the Agricultural Museum.

Mayor Pro Tem Wentz commented in 2010 the Tourism Director Contract will be \$67,500.

The Tourism Promoter informed when the budget was first presented there was an issue with giving the money to the Agricultural Museum to pay their utilities and maintenance. Since that meeting that money was moved back to parks, and the museum board prefers to have the City handle that money.

Mayor Pro Tem Wentz questioned the money to hire a part time Museum Coordinator.

The Tourism Promoter stated that money will be given to the Ag Museum and they will hire a coordinator.

Mayor Pro Tem Wentz questioned if the Museum Coordinator will be an employee of the City.

The Tourism Promoter stated no, they will be hired by the non-profit Ag Museum.

Council Member Olson questioned why the Ag Museum utilities and maintenance were reduced.

The Tourism Promoter stated the utilities and maintenance were reduced based on actual costs.

Mayor Pro Tem Wentz questioned what the ending fund balance is for the Convention Center Reserve Fund.

The Tourism Promoter stated the ending fund balance at the end of October was \$317,000.

Mayor Pro Tem Wentz expressed concern about depleting the fund, stating the fund had \$375,000 at the beginning of 2009 and generates about \$165,000 a year. The 2010 proposed budget is \$250,000, so if it drops about \$85,000 a year it will be depleted in about three years.

The Tourism Promoter stated a lot of money is going into helping the Ag Museum get to a point where they draw more visitors to the area and he believes as tourism increases and the economy improves the funding will go up each year.

Mayor Pro Tem Wentz questioned if the Tourism Promoter anticipates the lodging tax revenue to increase above inflation and make money each year.

The Tourism Promoter stated the Yakima Valley is doing much better than other areas and he believes that will increase.

Council Member Olson informed he is concerned about the increase each year; the City spent \$6,000 for a study on a conference center and money needs to be put away so someday a conference center can be built. He stated this money is for all tourism in Union Gap not just heads in beds, and if it is all spent there will be nothing to show for it.

The Tourism Promoter informed there will be other things that need funding in the future and if he is doing his job the City will take in more and more revenue

each year. This will take time, but he does not know how many years.

Motion by Council Member Vanover, seconded by Council Member Butler to approve the 2010 Lodging Tax budget for inclusion in the City’s 2010 Budget, with the addition of \$3,000 for the Yakima Valley Newspapers Visitors Guide. Motion carried: Council Members Butler, Vanover, Wentz, Matson, and Murr voting in favor; Council Member Olson voting no.

Discussion Regarding
Municipal Court
Overtime Costs

Mayor Pro Tem Wentz stated the Judge is not present, and in light of recent conversations, he does not believe the Council can discuss this without the Judge being present.

Council Member Olson commented the Municipal Court has overspent their overtime budget by \$1,093 and that is illegal. He stated they need to have someone checking their budget.

The City Treasurer stated the Judge gave her ideas on how he might want to cover these expenses, but he should be present to discuss this with the Council.

It was the consensus of the Council to table this item to the November 23, 2009 meeting for the Judge to be present.

There was no one present wishing to speak.

Items from the
Audience

Develop Agenda for
Nov. 23, 2009 Council
Meeting

Council Member Olson stated he would like the Council to invite the City’s bond counsel to come to a future Council meeting and explain the City’s bond status.

Mayor Pro Tem Wentz suggested inviting the bond counsel in January.

It was the consensus of the Council to invite the bond counsel to a future Council meeting.

Departmental Reports

Mayor Pro Tem Wentz informed the following reports are in the packet and questioned if the Council has any questions of the departments: Building/Mechanical & Plumbing Report – October 2009; Tourism Promoter Status Report – October 2009; and Treasurer’s Reports – August & September 2009.

Communications/
Questions/Comments

There were no communications/questions/comments.

Adjournment

At 7:49 p.m., Mayor Lemon adjourned the Regular Council meeting.

These minutes dated November 9, 2009 were approved at the Regular Council Meeting of November 23, 2009.

Jim Lemon
Mayor

ATTEST:

Kathryn Thompson, CMC
City Clerk