

**SPECIAL CITY COUNCIL MEETING
TUESDAY, DECEMBER 13, 2011
CITY HALL
22710 E. COUNTRY VISTA DRIVE
6:00 P.M.**

INVOCATION

Given by Mayor Van Orman

PLEDGE OF ALLEGIANCE

Led by Mayor Van Orman, City Council, and City Staff

CALL TO ORDER

Mayor Van Orman called the meeting to order at 6:03 p.m.

ROLL CALL

City Council Members:

Mayor Pro Tem Crump
Council Member Owens
Council Member Langford
Council Member Schuler
Council Member Romney
Council Member Beckett (absent)
Council Member Kaminskis

City Staff:

Ann Swenson, City Clerk
Sean Boutz, City Attorney
Doug Smith, Community Development Director
Brian Asmus, Liberty Lake Police Chief
RJ Stevenson, Finance Director
Pamela Mogen, Liberty Lake Library Director

Council Member Owens moved to excuse Councilman Beckett and Councilman Romney, seconded by Mayor Pro Tem Crump. Motion carried unanimously.

AGENDA APPROVAL

Due to the nature of the special meeting, Mayor Van Orman announced the agenda would stand as presented.

MAYOR AND CITY COUNCIL REPORTS

There were no reports from the Mayor or City Council members, however, municipal consultant, Mike Cecka, reported on the tasks he has been working on, including review of policies and employee compensation schedules. Mayor Pro Tem Crump requested that Mr. Cecka submit his comparison information so that it be included as part of the public record.

At 6:06 p.m., Councilman Romney arrived to the meeting.

CITIZEN COMMENTS

Pat Dockrey, 22213 E. Henry Road, Liberty Lake, WA: commented specifically on the utility tax. He referenced last week's citizen comments from those asking that the utility tax be eliminated. Mr. Dockrey stated by doing so, that would put the city in a very difficult position over the next several years. He addressed two prior comments; one regarding that the tax is regressive, the other about the city needing to live within its means. Mr. Dockrey commented the only way you can have a non-regressive tax is to have an income tax. He also stated the person who commented about the city needing to live within its means needs to come and listen to what has happened. Mr. Dockrey said he thinks the city has done a really good job of doing the things that were necessary last year to stay within the budget.

PUBLIC SERVICE RECOGNITIONS

Mayor Van Orman spoke about the celebration of the past four years as well as the past 10 years. She stated Mayor Pro Tem David Crump and Council Member Judi Owens are trailblazers, who have provided a path for others to follow, and asked, "how many [people] can say they actually started a city?" Mayor Van Orman highlighted accomplishments over the city's decade-long history and commended Mayor Pro Tem David Crump and Councilwoman Judi Owens for their participation in those accomplishments as well as the many local and state boards in which each has served on. She then presented an honorary award to each elected official.

STAFF PRESENTATION

City Finance Director, RJ Stevenson, gave a presentation regarding the 2012 Budget. Council members again visited items brought forth from the December 6, 2011 meeting and continued discussion regarding community art, the City Council retreat, clarification of interest from the police car lease, proposed salary schedules, debt reduction, and utility tax reduction options.

At 8:30 p.m., Mayor Van Orman called for a five-minute recess. At 8:42 p.m., Mayor Van Orman called the meeting back to order.

ORDINANCE SECOND READ

Ann Swenson, City Clerk, read Ordinance No. 190-B into the record, an Ordinance amending Ordinance 190 passed by the City Council on December 21, 2010, entitled "An Ordinance of the City of Liberty Lake, Washington, Adopting a Budget for the Period January 1, 2011 through December 31, 2011, Appropriating Funds and Establishing Salary Schedules for Established Positions."

Mayor Pro Tem Crump moved to approve Ordinance No. 190-B as presented, seconded by Council Member Langford. Mayor Van Orman invited citizen comments.

Steve Peterson, 719 N. Lancashire Lane, Liberty Lake, WA: commented he appreciated the City Council's decision to bring on expertise who really look in depth into the city's finances. He explained the nice thing about the golf course bond being retired is that it sends a good message. Mr. Peterson recommended the Council pass Ordinance No. 190-B.

Mayor Van Orman then called for the vote. Motion carried unanimously.

Ann Swenson, City Clerk, read Ordinance No.188-A into the record, an Ordinance of the City of Liberty Lake, Washington amending the utility tax rate to provide revenue for city services and capital requirements; and establishing an effective date.

Mayor Pro Tem Crump moved to adopt Ordinance No. 188-A, seconded by Council Member Kaminskis.

Council Member Romney moved to amend the Ordinance by adopting the ala carte option presented by Finance Director Stevenson earlier this evening, which would leave solid waste, cable, and telephone services at a 6% tax, and reduce gas and electricity from 6% to 2%, seconded by Council Member Schuler.

Council Member Langford moved to table Ordinance No. 188 until 2012 in order to provide council members ample opportunity to consider all the information which is still outstanding regarding this tax. Council Member Owens seconded the motion.

Mayor Van Orman then invited citizen comment.

Pat Dockrey, 22213 E. Henry Road, Liberty Lake, WA: spoke in agreement with Councilman Langford. He commented, "if you pass this tonight, you're making decisions based on no information." He posed the question whether the council wanted to pay down the debt and if so it would be impossible to do. He said once taxes are reduced, there will be no money to pay down the debt.

Shane Brickner, 24318 Marti Court, Liberty Lake, WA: talked about the discussions he has heard on future growth of the city. He commented adjustments can be made for them if needs are perceived in the future to do so. He advocated for making a decision to reduce the tax from 6% to 3%, stating "we owe it to our citizens to drop this."

Steve Peterson, 719 N. Lancashire Lane, Liberty Lake, WA: addressed how he was opposed to a reduction in the utility tax rate in November, wanting to eliminate all together. He said, after receiving further information, the situation now brings him to realize a rate reduction is not a bad idea and that taxation needs to be looked at from an investment standpoint.

Rudy Schuler, 24020 E Broadway Court, Liberty Lake, WA: commented the decision should be a common sense one. He spoke about the agreement from the council to reduce the tax if it was not needed, and how it would leave a sour taste in people's mouths if they chose not to make the reduction. He spoke in favor of the 3% reduction of the tax. Mr. Schuler also suggested that since the City is in a fortunate position to have some money, it would make good sense to pay off on some debt and set emergency funds aside.

After no further comments, Mayor Van Orman called for motion to table Ordinance No. 188-A. Motion failed 1-5, with Council Member Langford in favor, Mayor Pro Tem Crump, and Council Members Kaminskas, Schuler, Owens and Romney.

Prior to calling for the vote on the motion to reduce electrical and gas from 6% to 2%, with all other utility taxes remaining at 6%, she opened the floor for council discussion. Mayor Pro Tem Crump and Councilwoman Owens' spoke against this option; Council Members Romney and Schuler spoke in support of it. After a brief discussion amongst the council, Mayor Van Orman opened the floor to receive citizen comments.

Shane Brickner, 24318 Marti Court, Liberty Lake, WA: again urged the council to consider the ala carte option. He believed that option would not put more of the burden onto the citizens vs. the businesses. He commented that when looking at families who are struggling, pennies can make a difference and, at same time, "we've lost an incredible amount of businesses because they couldn't afford it out here." He said choosing the ala carte option would appease the whole.

Mayor Van Orman then called for the vote on the ala carte option. Motion failed 3-3, with Council Members Romney, Kaminskas, and Schuler voting in favor, and Council Members Owens and Langford and Mayor Pro Tem Crump opposed.

Mayor Van Orman then called for the vote on the original motion to reduce the utility tax from 6% to 3%. Motion carried unanimously 6-0.

Ann Swenson, City Clerk, read Ordinance No. 196 into the record, an Ordinance of the City of Liberty Lake, Washington, adopting a budget for the period January 1, 2012 through December 31, 2012 appropriating funds and establishing salary schedules for established positions.

Council Member Langford moved to pass the 2012 budget with the caveat of freezing all revenue expenditures designated as raises, step increases, and anything other than just meeting regular payroll or what the city has been bound by in the collective bargaining agreement, seconded by Council Member Schuler.

Council Member Romney made a friendly amendment to modify the original motion, reducing the budget for the Council retreat/ advance from \$5000 to \$2,100. Council Member Langford accepted the friendly amendment.

Council Member Schuler moved to not fund the \$160,000 for the proposed City Administrator position, seconded by Council Member Romney.

After a brief discussion about the need for a City Administrator, Mayor Van Orman invited citizen comments.

Shane Brickner, 24318 Marti Court, Liberty Lake, WA: said the city needs to have the option for a City Administrator position in the 2012 budget. He spoke in opposition to \$5,000 for funding public art, and spoke in favor of increasing the funding for the Officer I position to be commensurate with time served and more comparable with an entry-level Officer II salary position.

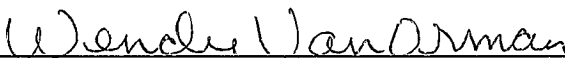
Steve Peterson, 719 N. Lancashire Lane, Liberty Lake, WA: stated it was proper to hold the salary schedules off until further review and that he believed the council should pass the budget with the salary schedule as 2011, noting a budget amendment can be made if necessary.

Mayor Van Orman called for the vote on the motion to eliminate funding for the City Administrator position. Motion failed 1-6, with Council Member Schuler voting in favor, Mayor Pro Tem Crump, Council Members Kaminskis, Langford, Owens, and Romney opposed.

Mayor Van Orman called for the vote on the original motion to adopt the 2012 budget, to freeze salaries, including the step, but excluding the police department and the collective bargaining agreement and to freeze the salaries to look in the future date at both positions of the police officer and Planning and Building Manager, as well as reducing the council retreat from \$5,000 to \$2,100. There were no additional citizen comments. Motion carried unanimously.

ADJOURNMENT

The meeting adjourned at 9:55 p.m.



Wendy Van Orman, Mayor
City of Liberty Lake



Notes and Transcription by Ann Swenson, City Clerk. This Council meeting was also audio taped. Anyone desiring to listen to the recording may contact the City Clerk.