

**CITY COUNCIL MEETING  
TUESDAY, JUNE 2, 2009  
CITY HALL COUNCIL CHAMBERS  
22710 E COUNTRY VISTA DRIVE  
7:00 P.M.**

**INVOCATION**

Given by Council Member Jenkins

**PLEDGE OF ALLEGIANCE**

Led by Mayor Van Orman, City Council, and Staff

**CALL TO ORDER**

Mayor Van Orman called the meeting to order at 7:01 p.m.

**ROLL CALL**

Council Member Schuler, absent  
Council Member Olander  
Mayor Pro Tem Crump  
Council Member Langford  
Council Member Owens  
Council Member Jenkins  
Council Member Romney

Doug Smith, Director of Community Dev.  
Michelle Griffin, Administrative Receptionist  
Brian Asmus, Chief of Police  
Sean Boutz, City Attorney  
Jessica Platt, Administrative Services Manager  
Ann Marie Gale, City Treasurer

Council Member Owens moved to excuse Council Member Schuler, seconded by Mayor Pro Tem Crump. Motion passed unanimously.

**AGENDA APPROVAL**

Mayor Pro Tem Crump requested the addition of emergency Resolution No. 09-129 to the agenda. The resolution was placed after Action Items under Section 11 B. Mayor Pro Tem Crump moved to approve the agenda as amended, seconded by Council Member Langford. Motion passed unanimously.

**APPROVAL OF CITY COUNCIL MINUTES – MAY 12, 2009 & MAY 19, 2009**

Mayor Pro Tem Crump moved to approve the City Council Meeting Minutes from May 12, 2009, seconded by Council Member Jenkins. Mayor Pro Tem Crump moved to approve the City Council Meeting Minutes from May 19, 2009, seconded by Council Member Langford. Motions passed unanimously.

## **MAYOR AND CITY COUNCIL REPORTS**

Mayor Pro Tem Crump reported on the hiring of the new Health Officer, Dr. Joel McCullough, from the Spokane Regional Health District. Mayor Pro Tem Crump invited Dr. McCullough to attend a City of Liberty Lake Council meeting to have the opportunity to get acquainted with the City Council members. Dr. McCullough agreed to attend a meeting after he gets established.

Mayor Pro Tem Crump reported on the Finance Committee where they addressed financial policies and the Investment Status Report. They reviewed the vouchers and discussed issues relating to ethics from the Personnel Manual. The Administrative Services staff coverage plan was also discussed as Administrative Services Manager Platt will be out on FMLA as of June 3, 2009.

Council Member Owens reported that staff will be going out to bid later this year for a new accounting module as the City's current financial accounting module is an antiquated, DOS based system.

Council Member Olander reported on the Community Development Committee's last meeting. The primary topic was the River District SAP and there were representatives from Greenstone present. The SAP is coming out of the Planning Commission after a year of study and their recommendations will be presented to the City Council next month. The Committee wanted to give Greenstone representatives the opportunity to explain their ideas and to discuss what areas they disagreed with staff recommendations.

Mayor Van Orman reported that Council members were invited to the Council of Governments meeting on Friday, June 12, 2009 from 9 a.m. to 12:00 p.m. at the Spokane County Fairgrounds. Council Member Langford, Director of Community Development Smith and Mayor Van Orman will be attending the AWC Conference in Spokane from June 23 through June 26, 2009.

The NE Mayors Association meeting will occur in Airway Heights Thursday, June 4, 2009. Mayor Van Orman asked Tom Mattern from Emergency Management to come talk to all the jurisdictions about emergency plans. She stated that the State has grants available and they will be hosting seminars geared toward our communities.

The Buy Local Reusable Tote Bag Campaign kickoff began June 1, 2009 with the first 835 bags distributed to residents in the River District, Country Vista Apartments and Bitterroot Lodge. Residents were excited about the bags and appreciated the support for local businesses.

The Mayor's State of the City Address was held May 21, 2009 at the HUB. The speech was posted on the City of Liberty Lake's website for residents to access. Mayor Van Orman stated that although the City of Liberty Lake is experiencing some economic downturn, the City is well positioned in this economic climate.

## REPORTS

- City – Director of Community Development, Doug Smith, discussed the priority that was established in 2006 with the annexation of the River District and additional access to the NW portion of the community. He stated that with the prioritization of the additional access, several studies have been completed and recently a Methods and Assumptions Draft document was released and reviewed by the Federal Highway Administration. The purpose of the document sets the base of the modeling activities that have occurred as well as the assumptions that go into the conclusions that warrant the next step, which is the Interstate Justification Report. These baseline conditions are then used with the Assumption Document as a historical document to identify the decision points that the Team used to move forward with the Interstate Justification Report. The Team is made up of the Federal Highways Administration, Washington State Department of Transportation, Spokane County, Spokane Valley, Spokane Transportation Regional Council, Greenstone Corporation and the City of Liberty Lake. On June 16, 2009, the Team will meet to decide whether to proceed with the Interstate Justification Report. All indicators are that the stakeholders will sign off on the Phase 1 document.

Director Smith stated that Phase II of the document will be led by WA DOT and Liberty Lake. He reported that consultants have performed much of the modeling work in the past but the responsibilities will transfer over to the Washington State Department of Transportation, which has the in-house expertise to carry this forward. The justification report follows rigid processes to get the acceptance passed. He stated that things are progressing and that he will report back to Council members after the June 16, 2009 meeting.

Director Smith reported that on June 17, 2009 there will be a luncheon to brief the elected officials within the region to involve a collaborative process to look at opportunities to form conclusions on how to develop a financially sustainable model for Spokane County. Spokane County currently has no sustainability in its financial model. As a region, officials have been working collectively to establish various scenarios to maintain the viability of Spokane County.

Director Smith reported that the concrete work for the Skate Park has been completed and the slab is in the place. The Skate Park grand opening is scheduled for July 4, 2009.

Director Smith reported that the ownership transfer documents for Rocky Hill are being prepared and staff anticipates that the State contract will arrive in July. Those documents, along with funding amounts and a construction schedule, will be forwarded to the City Council for consideration.

Director Smith reported that the CHILL day camp has been very successful this year and has reached capacity with 64 participants. This is the first year that CHILL day camp has filled. There is also a waiting list in case those registered decide to not attend.

Director Smith reported that the River District SAP is out of the Planning Commission and has been heard by the Community Development Committee. Staff met with Greenstone to begin a dialogue on further refinements to the recommendations that will be forwarded to the City Council. Staff is working on achieving a consensus which will also be forwarded to City Council.

Director Smith reported that updates to the Parks and Recreation Plan have been completed and will be presented to Planning Commission June 10, 2009 at 4:00 p.m.

The budget is in good condition despite the slip in revenues, and staff is continuing to closely monitor all expenditures. The City is at 50% budget for snow removal and staff anticipates being able to carry over the balance for next winter.

- Municipal Library – Library Director, Pamela Mogen, reported that the library hosted Mr. Sherman Alexie at the HUB and there were over 225 people in attendance. Library staff has added two additional hours to the schedule so the library will now be open until 4:00 p.m. on Saturdays. With the additional hours, the library is now open 46 hours a week. Homebound Outreach teamed with S.C.O.P.E. to offer a monthly library book delivery service to homebound residents beginning this summer.
- Public Safety – Police Chief, Brian Asmus, discussed crime statistics for the month which included 74 police cases, 39 citations and 11 arrests. The Public Safety Building dedication and Open House were held May 15, 2009 in conjunction with Law Enforcement Memorial Day.

The Liberty Lake Police participated in the Law Enforcement Torch Run May 27<sup>th</sup> to raise money for the Special Olympics. The week of May 25<sup>th</sup> was the last week of the Too Good for Drugs Program. Chief Asmus finalized the paperwork from FEMA to receive partial reimbursement for the cost of snow removal during the record winter storm. The City should receive \$13,000 from FEMA to offset costs related to the storm. June 5, 2009 is emergency vehicle operation training at the Deer Park Municipal Airport. Sergeant Gibson is working with the Garage Sale Committee to create an Incident Action Plan for the event and there will be extra patrols on duty for the event.

- Planning Commission – Planning Commissioner, Dennis Paul, reported that during Council's deliberations on the SAP that Commission members will be available to explain the debate behind their decisions on the SAP. In July, they will start another round of the amendment process. Commissioner Paul also welcomed Ryan Romney to the City Council.
- Fire District – Deputy Chief, Larry Ryder, reported on hazards in the Spokane River and warning signs that have been placed along the river to warn the public that the water is high and moving very fast. He reported that this is also a responder issue as the water is running so high it poses dangers for the professionals who have to rescue those who enter the river.

- Sewer and Water District – Commissioner Frank Boyle reported that the Sewer and Water District has not had many hookups or new connections this past month so things have been slow for them.

## **PRESENTATION**

Mayor Van Orman thanked Pat and Linda Dockery of Dockery Mechanical for their generous contribution of \$5,000 for the new Skate Park and presented them with a commemorative plaque. The Skate Park dedication is scheduled for July 4<sup>th</sup>. Council members thanked the Dockery family for helping to make the new Skate Park a reality.

Mayor Van Orman shared a thank you letter from Jeff Bryant, President and Chief Executive Officer of the Inland Northwest Blood Center (INBC), for the City's participation in the May 16, 2009 blood drive. The City partnered with Greenstone Corporation and INBC to help maintain a safe and adequate blood supply for patients such as Jayson Hunnel, who needed blood after surviving a horrific car crash. She thanked everyone for donating and giving the "gift of life".

## **ACTION ITEMS**

- a. Consent Agenda – Vouchers, June 2, 2009  
Mayor Pro Tem Crump moved to accept voucher #11150 through #11205 for June 2, 2009 in the amount of \$479, 690.08, seconded by Council Member Jenkins. Motion passed unanimously.
- b. Agreement for Services – Liberty Lake Community Theater  
Mayor Van Orman presented the Recreational Services Agreement for the Liberty Lake Community Theater to host a summer theatre camp during the week of July 13 to July 17, 2009. Students will be able to explore areas of theatre including sets, makeup and costumes as well as receiving acting and choreography tips. The Agreement was reviewed by City Attorney Sean Boutz.

Council Member Owens moved to accept the Agreement for Recreation Services for the Liberty Lake Community Theatre, seconded by Council Member Langford. Motion passed unanimously.

## **RESOLUTION NO. 09-128**

Michelle Griffin, Administrative Receptionist, read Resolution No. 09-128 into the record, establishing the intent of the City for reviewing and spending the tax increment financing revenue generated within City boundaries under the community revitalization funding for planning and projects.

Council Member Jenkins gave a presentation on the TIF Resolution. He explained that the resolution came out of the Community Development Committee and why they recommended it. The Committee had concerns regarding shortcomings on the TIF agreement. The TIF was created in 2005 and it was put together on the expectation

that we would work through the details as they arose. He explained that part of this resolution is to help work through the details.

He articulated the difference between LIFT and TIF. Both have very similar boundaries and they have a similar purpose, which is to increase the commercial footprint in the community. The revenue and reimbursements from TIF come from property taxes. The reimbursement on any project that comes from LIFT comes from sales tax increments. He stated that what they are looking for tonight is a consolidated voice of the City Council representing our position on LIFT.

The Community Development Committee has come up with what they believe is a consistent message representing the needs of the Council and they are looking for Council members to validate that this is the direction of the entire City Council.

Council Member Jenkins reviewed the following suggestions and action plan developed by the Community Development Committee:

1. As development begins in the LIFT and TIF regions, have a consolidated group, consisting of staff members and Council members, to represent the City in monthly project status meetings with the developer and the County. One concern is that the City of Liberty Lake Council does not have a legal seat to approve or deny the projects that will be reimbursed.
2. Amend City plans to help guide TIF/LIFT funds into desired projects.
3. Pass resolution to formally state City policies and priorities relating to LIFT and TIF.

Council Member Jenkins stated the resolution has the following five goals:

1. Re-affirm priorities from April 2008
2. Ensure that costs are reasonable
3. City concurrence needed for projects within City limits
4. Focus on retail, not residential
5. City can act as a TIF developer

He reviewed the Committee's priorities for this resolution as follows:

1. To reaffirm City priorities
  - a. I-90 interchange is top priority
  - b. Sewer and water infrastructure are high
  - c. Retail development is higher priority than residential
  - d. Larger sports parks are higher than small neighborhood parks
  - e. Pedestrian bridge is lower priority
2. Ensure reasonable costs
  - a. TIF agreement does not have provisions preventing unreasonably high expenditures (initial TIF expenditure included attorney's fees that were high)
  - b. TIF agreement should be amended to limit expenditures to reasonable rates.
3. City Concurrence
  - a. TIF agreement gives County authority to approve TIF expenditures
  - b. City asked permission for joint approval authority over TIF expenditures within City limits.

- c. County rejected request
- 4. Focus on retail
  - a. Primary goals of TIF and LIFT are to attract retail businesses near I-90, generate sales tax revenue, to level the playing field with Idaho, and to attract large businesses.
- 5. City can be TIF developer
  - a. TIF agreement wording implies that only developers can receive TIF funds.
  - b. City should be able to receive TIF funds for reimbursement of City-built projects.
  - c. TIF agreement should be amended to make that clear.

Council Member Jenkins stated that the reasons to formalize a resolution are to establish a City policy, leave a trail for future City Councils to refer back to, provide City staff with clear guidance for City projects and tasks, and to improve the City's negotiating position.

Council Member Owens moved for approval of Resolution 09-128, seconded by Council Member Langford.

City Attorney Boutz stated that a resolution is intended to express the priorities and intentions of the City Council. This resolution is attempting to express the City's opinion as it relates to the TIF Agreement that was entered into with Spokane County and other public entities. From a legal perspective he stated he did not feel this resolution is in conflict with the TIF Agreement or that it alters the terms of that Agreement. The TIF Agreement governs how those funds are to be spent and the County has the authority and control in which to make those decisions. This resolution is an attempt by the City Council to express to the County Commissioners the City Council's opinions and intentions for being able to make decisions for the funds that would be spent within City limits.

Council Member Olander emphasized that, from a TIF funding point of view, larger parks are more important than smaller parks because TIF funding should be used for projects that are hard to build or hard to get started. So when it is stated that larger parks are more important, it is only from the TIF point of view and he clarified that smaller parks are fairly easy to build.

Council Member Olander discussed the latter part of the presentation by Council Member Jenkins and why the City should pass Resolution 09-128. He felt that it is to provide City staff clear guidance and to give staff and the Mayor tools to be able to negotiate well during the next 24 years. He also stated that he felt that the resolution is a forward-looking, positive resolution.

Council Member Langford stated that Council members should be at the table to be able to decide how and when the money gets spent and on what projects. He stated that they are telling us sure we will work with you BUT you won't accomplish anything because the County decides how to spend the money. He applauded the resolution but questioned the value of it.

Council Member Jenkins responded that the Council does not have final approval authority.

Council Member Owens stated that she appreciated the work that has been done on the resolution. She stated that she would like to go forward on a positive note. The County has the final authority but they also were elected by the citizens of Liberty Lake and they should have a good eye on what is happening with the money and they should be working with us. She said that this resolution is stating Council's intentions and everyone should have a good grasp of what it is that we want to accomplish in Liberty Lake and we want to make sure the monies that are reimbursed are used to develop retail income in the city. She supports the resolution and wants to work with the County and with Greenstone to move forward and it is in the best interest of residents of Liberty Lake.

Mayor Van Orman stated that she has been in contact with the County and set up a meeting on June 18, 2009 to meet with all three commissioners and Greenstone Corporation. She is hoping that this meeting will get us further than just a resolution.

City Attorney Boutz clarified that the TIF Agreement is based on generating property tax. He discussed the legislation behind TIF is intended for developers to make the determination on their own as to whether or not they want to make public improvements then they will seek reimbursement for those improvements.

Mayor Pro Tem Crump asked why the Council needs a resolution if it does not establish City policy. He commented that the Council does not need a resolution to state what we have already stated in the former 2008 resolution. He said he agrees with the priorities and that the City of Liberty Lake is doing well because of the mix of residential and retail. He agrees with stating what we want for the next 24 years. He commented that the TIF/LIFT is great for the City of Liberty Lake.

City Attorney Boutz responded that the resolution is a reaffirmation of the priorities from the previous resolution that was passed in 2008. The resolution is to say that City Council is speaking as a unified voice on the City's position regarding the priorities.

Mayor Pro Tem Crump discussed addressing the other entities and people involved and that the Council should address the concerns and get a written statement from the Fire District and other entities saying they have no problem bringing in the City of Liberty Lake.

Council Member Owens responded that it is important that Council state what they would want. She said that even if the County does not agree to amend the Agreement maybe they can accept the concept that the City of Liberty Lake Council members will be involved to a greater degree than was originally suggested.

Council Member Langford asked if the timing for passing this resolution had to be immediate or if it could wait until Council members have the opportunity to talk to the other involved parties.

Council Member Jenkins responded that this resolution is for the Council and there is a timing element to it. He stated that it would be helpful to have the full voice of the Council before entering into negotiations.

Council Member Olander agreed that there is timeliness to this. It would be a powerful tool to bring this policy document to this meeting with the County Commissioners.

Mayor Pro Tem Crump asked why the City wants to be a developer?

Director Smith responded that there is language that would allow for the City to participate and seek reimbursement through TIF. However, the Agreement is silent on the idea of the City being a participant using TIF funds for projects. It is specific that developers would be the ones to receive the reimbursement.

There was discussion on the legal background of the TIF/LIFT and if the Agreement is amended then all parties involved would have to agree for an amendment to work.

Council Member Langford discussed Item #6 of the resolution and whether or not it is necessary for this document. He moved to strike Item #6

Council Member Owens moved to accept Resolution 09-128 striking Item #6, seconded by Council Member Langford with the deletion of the 6<sup>th</sup> whereas. The revised Resolution 09-128 was passed unanimously.

#### **EMERGENCY RESOLUTION NO. 09-129**

Michelle Griffin, Administrative Receptionist, read Resolution No. 09-129 into the record, establishing an emergency order directing the public not to intentionally enter, swim, dive or float, with or without a boat, raft, craft or other flotation device, in or upon the water of the Spokane River within the unincorporated area of Spokane County located between the Barker Road Bridge and the Harvard Road Bridge.

Mayor Van Orman stated that emergency Resolution 09-129 is before the City Council because Sheriff Ozzie Knezovich asked the Council members to support a resolution asking Liberty Lake area residents to stay out of the Spokane River as there are serious hazards due to the fast moving water. Spokane County has passed a similar resolution to protect residents in Spokane.

Pro Tem Crump moved to accept Resolution No. 09-129, seconded by Council Member Owens. The vote was 5 to approve Resolution No. 09-129 and one opposed vote. Council Member Romney opposed the motion and stated that he did not understand the need for the resolution.

At 9:01 p.m. there was a request to take a brief five-minute break. The meeting reconvened at 9:06 p.m.

#### **WORKSHOP DISCUSSIONS**

Administrative Services Manager Platt discussed the updated Financial Management Policies. She discussed the background and how the policy was adopted in 2002. She stated that financial policies are typically updated annually or on an as-needed basis and that these policies help demonstrate good accountability and stewardship of city resources. Staff began this process in February 2009 and worked closely with the Washington State Auditor's Office along with incorporating recommendations from the Government Finance Officers Association. These policies were reviewed by the Finance Committee and were e-mailed to Council members for review.

Council Member Olander requested that staff incorporate a change specifying the types of investments the City can make under Policy 1240.

Council members gave feedback on the draft and requested that staff make job titles in the document more consistent and that the section on Employee Travel needed to be updated.

Mayor Pro Tem Crump requested that staff change Item B2 and Page 42 on the definitions of Small Works, along with Page 36 and 3B where it discusses projects over \$300. He asked staff to ensure that dollar amounts are consistent throughout the document.

Council Member Langford discussed Page 15, Item #3. He asked how a County Ordinance works into a City Ordinance and felt there should be a strike out there. On Page 18 he requested that "resolution" should be changed to an ordinance. He asked staff to make revisions to Page 19 and 20, Item 7 and to specify who is responsible for hiring decisions. He asked that the "be commensurate of the employees normal standard of living" for travel reimbursement expenses language be struck. He stated that if this language is in the original ordinance then that ordinance will also need to be updated.

Mayor Pro Tem Crump discussed the rates of reimbursement for per diem. He asked if it is a national standard. He also asked for consistency in the document where it states that the Mayor has approval authority up to \$4,999. He commented that there is another section in the document that refers to that amount as \$5,000 (on Pages 32 and 38). He asked to make this figure consistent throughout the document.

### **Comprehensive Transportation Program (CTP), 2010 – 2016**

Community Development Director Smith discussed a roster of nineteen projects that have been identified for consideration by City Council. He stated that this document is a requirement for participation with our Metropolitan Planning Organization (MPO) and is a condition to receive any outside funding. Staff identified these projects so the plans could be incorporated into the MPO. The Community Development Group and the City Engineer have both reviewed the roster of projects.

### **Televised City Council Meetings**

Community Development Director Smith reported that a Council member had expressed interest in exploring the idea of televising the City's public meetings. He

asked Council members if they were interested in having staff research the costs associated with this idea. He stated that Comcast could provide the connection but the costs depend on the negotiation of the franchise agreement. There are a range of fees but the estimate is \$100,000 to get televised public meetings at City Hall. He stated that there is the possibility that this could be negotiated as part of a service package.

Council members expressed interest in having staff explore the costs behind this proposal and they liked the increased transparency it would give the residents of Liberty Lake. Council members expressed interest in finding ways to increase public input and stated that it is Council's responsibility to reach out to residents. Council members were also interested in exploring other venues for allowing better access of city government and they asked if internet streaming of the meetings would be a possibility. Council members requested that staff explore the cost of this proposal.

Council Member Jenkins recommended that the Finance Committee review this issue.

### **UNFINISHED / NEW BUSINESS**

Council Member Owens asked about the status of paperless packets.

Mayor Van Orman responded that staff could research paperless packets and report their findings back to Council members. She added that Council members currently receive packets electronically and if they wanted to bring in their own laptops they could make the switch to paperless packets.

Council Member Owens responded that she would bring in her own laptop as long as everything was web based and all the information would be kept on the web.


Mayor Van Orman stated that staff will need to ensure the servers are up to date and that the issue would be turned over to the Technology Team for more in-depth research and cost analysis.

### **ADJOURNMENT**

The meeting adjourned at 9:46 p.m.

These minutes are approved on June 16, 2009.

  
\_\_\_\_\_  
Wendy Van Orman, Mayor  
City of Liberty Lake

  
\_\_\_\_\_  
*Notes and Transcription by Michelle Griffin, Administrative Receptionist. This Council meeting was also audio taped. Anyone desiring to listen to the recording may contact the Deputy City Clerk*