

**Budget Committee Meeting Notes**  
**June 7, 2016**

**Attendees:**

Committee members: Mayor Steve Young; Mayor Pro Tem Don Britain and Councilmember Greg Jones

Staff: Marie Mosley, Dan Legard, Ken Hohenberg, Craig Littrell, Jessica Foltz, Evelyn Lusignan

Media: None

Visitors: Elaine Allison, Humane Society

Absent: None

**1. Sales Tax Update:**

Dan Legard provided an update on sales tax receipts for May of 2016. Receipts in May were up **11.1%** from May of 2015. For the year, sales tax receipts were up **8%** through May. Year to date figures are heavily influenced by new construction, which makes up about 2% of the overall increase. Relatively low unemployment has also contributed to these trends.

**2. Potentially Dangerous Animals:**

Dan Legard provided a brief staff report to the Committee on the topic of the City's municipal code for potentially dangerous animals. Included in the definition of potentially dangerous animals is the breed of Pit Bull. Elaine Allison of the Benton Franklin Humane Society has requested for the City to consider removing Pit Bulls from this definition. Currently, because Pit Bulls are included, owners are required to obtain a \$25 license for them through Animal Control, obtain additional insurance in the form of a surety bond or additional homeowners or renters insurance, and provide an adequate enclosure. Ms. Allison believes the additional requirements deter residents from adopting Pit Bulls left at the animal shelter or with the Humane Society.

Dan Legard reminded the Committee that Council had last directed staff to work with Ms. Allison on a "good canine" program similar to the City of Pasco's that could be administered by the Humane Society. City staff met with Ms. Allison a few months ago and it did not appear that Ms. Allison was supportive of this type of program or that it was going to be feasible moving forward.

Dan Legard reiterated that Kennewick does not have a ban on pit bulls. The additional requirements in the City's municipal code for pit bulls are intended to promote responsible ownership. Further, staff feels that removing pit bulls from the definition of potentially dangerous animals in the City's municipal code would not be consistent with City Council's #1 priority area of community safety. As a result, staff's recommendation is not to move forward with any changes to the definition of potentially dangerous animals within the municipal code.

Dan Legard indicated that City staff had worked closely with Ms. Allison and wanted to provide her with an opportunity to comment. Ms. Allison handed out materials to the committee supporting her belief that there are very few pit bulls that are truly dangerous and that the City is punishing the entire breed for the actions of a few. Further, she believes that bad owners are the primary reason pit bulls have behavioral issues and that the current requirements in the City's municipal code are actually counterproductive and do not address the root problem. Ms.

Allison also expressed that there are many other breeds that act aggressively and felt that pit bulls were unfairly singled out.

Commander Craig Littrell addressed the committee and suggested that while there are other breeds that act aggressively, those breeds do not have the size and power of pit bulls to inflict injury. Commander Littrell went on to mention multiple recent pit bull issues. He also reiterated that any breed of dog that exhibits dangerous behavior would be labeled a dangerous animal and treated accordingly under the City's code. Listing pit bulls as potentially dangerous is more of a proactive approach for this particular breed.

Discussion ensued amongst the committee members, staff, and Ms. Allison.

After a lengthy discussion, the committee thanked Ms. Allison and stated that it agreed with staff's recommendation not to recommend any changes to the City's municipal code at this time.

### **3. Project Fund – Bob Olson Parkway:**

Marie Mosley provided an update to the committee on project funding for the completion of Bob Olson Parkway. At this point, staff hopes to finalize design of the project and to bid it out in mid to late June. This would then allow for the City to award the project and obtain Council approval in July, with construction beginning shortly thereafter.

Marie Mosley then provided an update on funding for the outside 2-lanes of the project, which are an addition to the original project that included only the 3 "core" lanes. Previously, City staff had been working towards the formation of a reimbursement area for the costs of the outside lanes, which would have allocated the estimated cost of the 2 outside lanes, sidewalks and landscaping to property owners whose property abutted the road since these property owners would have been responsible for putting the roads in when they developed their property over time. The allocation amongst these property owners would have been based on frontage and overall size of their parcel(s). The assessments to each property owner would have only been collected if the property owner developed their property within 15 years of the reimbursement area being formed. Additionally, each property owner would have received a credit against their assessment for any transportation impact fee (TIF) they paid as a result of the development occurring on their property.

Ms. Mosley reported that the reimbursement area was controversial with many of the property owners due to their belief that it wasn't an equitable way of allocating the costs of the project. Additionally, staff completed an analysis of the TIF each property owner was likely to pay, as well as TIF expected to be collected from parcels in close proximity, and determined that the TIF would likely offset a majority of the assessments that would be collected under a reimbursement area anyway. As a result, staff is recommending not to form the reimbursement area and instead utilize TIF proceeds to reimburse the City for costs associated with completing the full build out of Bob Olson Parkway.

The committee concurred with this direction.

Dan Legard also provided a brief update to the committee regarding his recommendation for the City Council to pass a reimbursement resolution at the same time it approves the project award for Bob Olson Parkway. This resolution provides the City with the flexibility to reimburse

itself with future bond (or other financing) proceeds. Without such a resolution, the City would be limited in its ability to reimburse itself for project costs prior to the issuance of bonds. Dan Legard also clarified that the reimbursement resolution did not commit the City to issuing bonds at a later date.

The committee concurred with this recommendation as well.

**4. Budget Calendar:**

Dan Legard provided the committee with a brief overview of the proposed budget calendar for the preparation of the City's 2017/2018 biennial budget. Departments will be issued budget instructions on June 29<sup>th</sup>, with their department requests due back to the Finance Department by August 5<sup>th</sup>. Finance will compile department request for the City Manager during the month of August. September will then be used to review the budget and make decisions on what to include in the City Manager's proposed budget, which will be discussed with Council at the conclusion of October and in early November. The schedule calls for adoption of the budget on November 15<sup>th</sup>.

Mayor Young commented that he liked the approach taken during the 2015/2016 biennial budget process, which was to focus on how Council's priorities are being met within the proposed budget, rather than reviewing a great deal of administrative detail with Council. Because the Council's role is to set policy, his preference is to devote Council's time ensuring their policy direction is being met.

**5. Banking Services RFP:**

Dan Legard provided the committee with an update on the City's request for proposal (RFP) for banking services that was issued on June 1<sup>st</sup>. Traditionally, this has been an RFP that generates a lot of interest in the local community. The RFP was placed on the City's website and advertised in the Tri-City Herald. Proposals will be due back to the City by the end of June, at which time they will be evaluated and a decision will be made on a provider. The final contract will come to Council for approval at the August 16<sup>th</sup> or September 6<sup>th</sup> council meeting.

Councilmember Jones inquired about the criteria for selecting a provider. Dan Legard answered that the City evaluates each bank's ability to provide the specific services required by the City, which including the institution's financial strength and capacity. This is then evaluated in conjunction with the proposed pricing structure (total cost of services to the City) to arrive at a decision.

**6. Next Meeting Date:**

The next meeting for the Budget & Administrative Committee is currently scheduled for July 5, 2016.