

MINUTES OF THE CASHMERE CITY COUNCIL MEETING
MONDAY JULY 22, 2024, AT CASHMERE CITY HALL – In-Person and Digital

OPENING

Mayor Fletcher opened the regular City Council meeting at 6:00 p.m. at City Hall. Clerk-Treasurer Kay Jones took minutes.

The public can attend the council meeting in person, by phone, or by digital conference.

ATTENDANCE

	<u>Present</u>	<u>Not Present</u>
Mayor:	Jim Fletcher	
Council:	John Perry Chris Carlson Shela Pistorosi Jayne Stephenson Jeff Johnson	
Staff:	Kay Jones, Clerk-Treasurer Steve Croci, Director of Operations	

ANNOUNCEMENTS

Mayor Fletcher announced NCW Libraries will complete an interior redesign of Riverside Center for the new library that will enhance the public's use of the space for years to come. The library is holding public meetings to receive input on how the community currently uses the library, and how they would prioritize future improvements.

Councilor Johnson announced that Chelan-Douglas Transportation Council is requesting feedback on the Pathways Master Plan. Johnson encouraged the members to provide feedback. Director Croci stated that the Planning Commission provided comments.

PUBLIC COMMENT

No public present for comment.

APPROVAL OF AGENDA

MOVED by Councilor Carlson and seconded by Councilor Stephensen to approve the agenda as presented.

MOVED by Councilor Johnson and seconded by Councilor Perry to add Item #4 Development Code Discussion. Motion carried unanimously.

Motion to approve the agenda that was amended carried unanimously.

CONSENT AGENDA

Minutes of July 8, 2024, Regular Council Meeting

Payroll and Claims Packet Dated July 22, 2024

Claims Direct Pay and Check #43583 through #43604 totaling \$220,852.49

Manual Check #43580 through #43582 not needing prior approval

Check #43044 replacing #43579 for \$150.00

MOVED by Councilor Carlson and seconded by Councilor Pistoresi to approve the items on the Consent Agenda. Motion carried unanimously.

AGREEMENT WITH BLADES CODE SERVICES FOR BUILDING DEPARTMENT DUTIES AND INSPECTION SERVICES

MOVED by Councilor Johnson and seconded by Councilor Carlson to approve the agreement with Blades Code Services. Motion carried unanimously.

LOCALTEL LETTER OF ASSIGNMENT REQUEST – LOCALTEL ASSIGNING TO ZIPLY FIBER NORTHWEST, LLC

The letter of assignment is acknowledging notice, that Computer 5, Inc., d/b/a LocalTel Communications has entered into an agreement to sell substantially all of their assets to Ziplly Fiber Northwest.

MOVED by Councilor Perry and seconded by Councilor Stephensen to authorize the mayor to sign the Letter of Assignment. Motion carried unanimously.

DEVELOPMENT CODE PROCESS DISCUSSION

Councilor Johnson expressed his concern, and initiated a discussion, about the need for the city to review its development codes and the impacts that a development has on the city's roads and residents. Providing some background, Fletcher told the Council members that few small cities, including Cashmere charge a fee to developers for impacts to the city that do not occur directly in front of the developer's property.

Johnson explained that his concern is about the impacts developers are having on city streets. Development doesn't only impact the street they are developing on; it also impacts the access roads in that area. His view of "growth pays for growth" means that, the city nor the residence are on the hook for any additional expenses of that local area that is being developed. The Developer should be responsible for frontage of the development and there should be impact fees for access roads.

A specific example that Johnson considered problematic is on Kennedy Road, a developer has created a cul-de-sac with the backyards facing the street and so the developer does not have to improve the street. Kennedy is a single lane road, and the additional homes will add even more traffic to the narrow road, making it even more of a safety issue for traffic and pedestrians.

Johnson stated that he is not anti-development, he just wants to know why the city is passing the cost of development onto the residents of the city and not forcing the developer to pay for improvements to roadways impacted by a new development.

Following additional discussion, the Council recommended that the Cashmere Planning Commission investigate the issue, and potential options for how to address future development.

SALES AND USE TAX FOR TRANSPORTATION BENEFIT DISTRICT – AN ALTERNATIVE TO INCREASING PROPERTY TAX

Mayor Fletcher spoke about the need for increased revenue to make up for the increased costs for public safety. In two years, costs for public safety, which includes law enforcement, jail fees and fire protection, have increased \$172,000 (24%) to \$887,000. This increase reduces the city's ability to sustain adequate maintenance of all other city services and specifically reduced the funds budgeted for transportation capital improvements by half, (\$400,000 reduced to \$200,000). Most city streets are not eligible for grants, reduced capital funding results in less street repair and improvement.

Public safety is a priority, thus funding for other city services has been reduced to stay in budget. Reduced service will not maintain Cashmere as our citizens are expecting. Therefore, to restore the quality of service some increased tax revenue is required.

Alternatives for increasing public safety costs are limited to increasing property taxes or adopting a sales tax. The sales tax option allowed by state law is a temporary solution to future transportation maintenance, while property tax increase could be a permanent increase in future revenue.

State law (RCW36.73.065) allows a city to establish a transportation benefit district and fix a sales tax for the specific purpose of funding transportation improvements identified in city transportation improvement plans.

- Sales tax of one-tenth cent may be set by City Council
- Voter must approve a Sales Tax more than one-tenth but not to exceeding three-tenths cent
- Sales taxes may not exceed a period of ten years.

If the city created a Transportation Benefit District the new entity would be able to establish a .1% to .3% sales tax to help the city pay for increased expenses. The maximum of .3% would require voter approval. That option would likely not be able to be on the ballot for another year, according to Fletcher. To help cover an unexpected \$75,000 increase from Chelan County for the costs of jail services, council members suggested setting up a TBD as soon as possible, and implementing a .1% sales tax, which would not require a public vote. Fletcher thought this would generate revenue by January 2025. Once that was implemented, Council members suggested then moving forward with getting voter input and placing the additional .2% tax on the ballot. Every .1% in sales taxes would generate approximately \$75,000 in revenue.

Cashmere's expenses have substantially increased. Several council members, and the mayor, expressed the importance of making it clear to the public that additional revenue is required to cover the city's rising costs, and that the long-term plan will be to increase the Transportation Benefit District's tax rate from .1% to .3%. Any TIB tax funds received are required to be spent on roadways and other transportation related projects, freeing up funds that can then go to public safety cost.

The consensus of the council was to have Mayor Fletcher move forward with steps to create a new Transportation Benefit District (TBD).

PROGRESS REPORTS

Waste Management increasing garbage rates 3.26%.

Project Manager Dorien McElroy reported:

Water Quality CCR is completed

UV refurbishment was completed – dialed in settings

DOE site visit – introducing new staffing at Ecology

W&C has a new employee starting this week

EPA – performed a desktop audit – where they reviewed the past 2 years of data, which resulted in an Expedited Settlement Agreement. The Settlement resulted in a fine of \$4,125 for late reporting and being out of compliance. These events happened during the transition period with W&C.

The upsets in the plant created from the large dischargers are what brought attention to the plant.

ADJOURNMENT

Mayor Fletcher adjourned the meeting at 7:30 PM



James Fletcher, Mayor

Attest:



Kay Jones, Clerk-Treasurer