



**CITY OF RIDGEFIELD, WASHINGTON
CITY COUNCIL MEETING MINUTES
NOVEMBER 2, 2023**

Regular Meeting - 6:30 PM

I. GENERAL SESSION CALL TO ORDER - 6:30 PM

- 1. Flag Salute**
- 2. Roll Call**

Present:

Mayor Jennifer Lindsay
Mayor Pro Tem Rob Aichele
Council Member Matt Cole
Council Member Lee Wells
Council Member Ron Onslow
Council Member Judy Chipman
Council Member Clyde Burkle - Virtual

- 3. Late changes to the agenda**

II. PUBLIC COMMENT

Anyone requesting to speak to the Council regarding all items not subject to a specific Public Hearing may come forward at this time. Please state your name and limit comments to three minutes. Written comments may be submitted to the Clerk prior to the meeting.

Comments received during public testimony can be heard on the City's website under <https://ridgefieldwa.us/165/City-Council-Meeting-Audio-Files>.

III. CONSENT AGENDA

MOTION TO APPROVE AS PRESENTED.

RESULT:	(UNANIMOUS)
MOVER:	Mayor Pro Tem Rob Aichele
SECONDER:	Council Member Matt Cole
AYES:	Mayor Lindsay, Mayor Pro Tem Aichele, Council Member Cole, Council Member Wells, Council Member Onslow, Council Member Chipman, Council Member Burkle

1. **Approval of Claims And/Or Payroll**
2. **Approval of Minutes from the October 26, 2023 Meeting**

IV. PRESENTATION

1. **Investment Grade Audit - Preliminary Project List - Kirk Johnson, Finance Director**

The City has contracted with the Washington State Department of Enterprise Services to complete an investment grade energy audit to identify potential energy-saving projects at the Public Works Operations Center and City Hall. The consultant, Willdan, was awarded a contract through DES to provide consultant services and eventually design/build services for any projects the council chooses to move forward with. Willdan and the DES project manager presented project recommendations to council for consideration.

V. PUBLIC HEARING/BUSINESS

1. **Public Hearing on 2024 Property Tax Levy and Revenue Sources - Kirk Johnson, Finance Director**

The council conducts a public hearing annually to review proposed revenue sources as part of the budget adoption process.

Mayor Lindsay Opened the Public Hearing: 7:51PM

No testimony was received.

Mayor Lindsay Closed the Public Hearing: 7:52PM

VI. BUSINESS

1. **First Reading of Ordinance No. 1411 - 2024 Property Tax Levy and Revenues - Kirk Johnson, Finance Director**

The 2024 budget includes a statutory maximum 1% increase in the current property tax levy exclusive of additional revenue resulting from new construction, improvements to property, any increase in the value of state assessed property, and annexations that have occurred, and including any refunds made. The Implicit Rate Deflator (IPD) Rate Exceeds 1% for Setting 2024 Property Taxes: The IPD inflation rate as of September 25, 2023 is 3.67%. This means all taxing districts with populations 10,000 or greater can take the full 1% levy increase in 2024 without adopting a resolution/ordinance of "substantial need." The 2023 regular levy amount was \$2,193,906. The statutory 1% increase would raise the property tax levy by \$21,939. In addition to the 1% increase, the Clark County Assessor's office has preliminary estimates showing the City's assessed value for new construction will add approximately \$168.2 million to the City's assessed value, adding approximately \$109,508 in property tax revenue. The Department of Revenue is still in the process of valuing state assessed utilities. These numbers should be available shortly. The value of the 2023 tax roll for state assessed utilities was \$19.6 million. To date, the estimated 2024 taxable assessed values for Ridgefield is \$3,811,838,441. The Assessor must certify the assessed values by November 14, 2023. The City must hold a revenue hearing and certify a property tax levy to the County by November 30, 2023. The City's current forecast for the 2024 property tax levy is \$2,340,000, an increase of \$131,000 from the amended 2023 budget. The estimate is for the City of Ridgefield levy amount to be 61.2 cents per \$1,000 assessed value a decrease of 3.9 cents from the 2023 levy amount.

First reading conducted.

2. **First Reading of Ordinance No. 1412 - 2024 Water Utility Rate Code Amendment - Kirk Johnson,**

Finance Director

City staff conducted an updated comprehensive rate study in 2023 to determine the revenue requirements for the next 10 years in the water fund. The study reviews estimated expenses for operations, capital, and reserve requirements to fund the water utility. The rate model that has been developed out of the periodic rate studies is updated annually as part of the budget process. The study concluded that the water rates should be increased annually by an inflationary factor of 3% to insure the water fund can meet ongoing obligations to maintain the water system. The rate analysis analyzes expenses and revenues for the next 10 years for the Water Utility. Factors included assumptions for inflationary cost escalators, labor agreements, capital facility plans and growth assumptions. As a result of the update to the rate model, it was determined that rates for 2024 should increase at a minimum inflationary rate of 3%. Inflation is expected to continue at a higher than normal level through 2023. As a result of the growth in accounts and water usage, staff have calculated the rate increase can be maintained at the minimum inflationary rate of 3%. The city has been able to limit rate increases over the past several years due to the rapid growth in the customer base. Rates have not increased in 4 of the past six years with the only increase in January 2020 at 1.5% and January 2023 at 3%.

First reading conducted.

3. First Reading of Ordinance No. 1413 - 2024 Storm Water Utility Rate Code Amendment - Kirk Johnson, Finance Director

The public storm water collection and treatment systems located within the City of Ridgefield must be maintained and repaired by the City's Public Works Department. The Storm Water Utility was created in 2005 with the plan that the fees charged would be used to perform the required long-term management, maintenance and repair to the storm water systems, providing good stewardship of the environment, while correspondingly reducing the financial burden on the City's General Fund. Ordinance No. 1413 provides an amendment to the rate structure and a step toward generating the necessary revenue to assist in funding the Storm Water Utility. The ordinance includes the implementation of a new system development charge (SDC) for new development connected to the city's storm water system. The City will be required to provide additional storm water treatment, inspection and compliance measures due to the population growth and NPDES Phase II Municipal Storm Water permit requirements beginning in 2024. As a result, staff have been proactively increasing maintenance to the storm water treatment system to be able to meet the new requirements of the future permit. Expenses have significantly increased over the past few years and the city uses a rate model to forecast revenue requirements to meet the operating and capital expense needs of the utility. The City conducted a comprehensive rate study in 2023 to determine the revenue requirements for the next 10 years for operations and capital. The study recommended adding a storm water system development charge for new development, at \$935 per equivalent dwelling unit (EDU) and increasing the bi-monthly bill to \$24.00, a \$3.00 increase bi-monthly. Staff continue to identify potential grant opportunities and/or low-cost loans to help fund the capital projects. The City obtained a \$2.4 million Public Works Board loan to finance the construction of 4 high priority storm water projects in the downtown core in 2024. The 2024 expense operating budget is expected to increase 12% over the 2023 operating budget. The 2024 operating budget when compared to the 2020 operating budget has increased 121% due to the additional storm water management requirements the City has been planning for. The main reasons for the increase is the additional personnel and equipment required to meet the compliance needs for storm water drainage management. In addition, the storm water capital budget will increase by 211% in 2024. The addition of the storm water SDC will assist in funding future capital projects. Rate revenue is expected to increase 22.5% due to growth in accounts and the recommended rate increase. The City is budgeting a Department of Ecology grant for \$130,000, available to be used in 2024-2025 for assistance in meeting compliance requirements as part of the new Storm

Water Phase II permit. Ordinance No. 1413 proposes a \$3.00 per bi-monthly billing increase, per Equivalent Dwelling Unit (EDU). The 2024 rate would be increased to \$24.00 per EDU. The 2024 SDC charge will be \$935 per EDU.

City Council conducted discussion and directed staff not to implement storm water system development charge for new developments.

First reading conducted.

4. Second Reading of Ordinance No. 1410 - Designation of a Tax Increment Area - Kirk Johnson, Finance Director

The Washington State Legislature approved HB 1189 in 2021. The bill provided a new financing tool for cities, counties and port districts to fund capital infrastructure projects that help drive private development using tax increment financing. The new legislation is codified in RCW 39.114 Tax Increment Financing. The city is considering the use of the tax increment financing tool to construct several critical transportation infrastructure projects that will help spur private development around the I-5 junction on both the west and east sides of the city. The tax increment financing tool will create a tax increment area located on both sides of I-5 and consists of undeveloped land that is lacking transportation infrastructure to allow developers to build over the next 25 years. The city's comprehensive growth management plan identified several goals over the next 20-years to bring living wage jobs to Ridgefield and become an employment center in North Clark County. The project estimates \$700 million in private development and 2,370 jobs, including 1,890 full-time positions in Ridgefield and the remaining indirect jobs spread throughout the county. The economic forecasts include over \$1.25 billion in economic output during construction with \$295 million in economic output annually. Tax revenues during the construction phase are estimated to generate \$26.5 million in state and local taxes and \$104.3 million in federal taxes. When development is completed, tax generation will include \$3.4 million in state and local taxes and \$7.2 million in federal taxes annually. During the last three citizen surveys, residents have listed several top priorities, including improvements to the transportation network, including multi-modal options and better shopping choices from grocery stores to restaurants and specialty stores. The project list includes the widening of Pioneer Street from S 56th to S 51st Street. This is the main ingress and egress to the city and has been identified in traffic studies as a potential bottleneck that could limit development if the road is not improved. The previous surveys also mentioned this as a priority to the residents to improve this road. Staff worked with a consultant team to prepare a project analysis which was sent to the Washington State Treasurer for review. Staff and the consultant team have also met individually with all impacted taxing districts, including Clark Cowlitz Fire Rescue, Fort Vancouver Library District, The Port of Ridgefield, and Clark County. Staff also met with the Ridgefield School District, The Ridgefield Chamber of Commerce, Clark Regional Wastewater District and several developers to discuss the tax increment area and project list. The city council held two public briefings to provide information to the public and have included a project page with relevant data about the project on the city's website. Staff from the City and Clark Cowlitz Fire Rescue had multiple conversations about the impact of the proposed TIA on the fire service and the potential for mitigation measures, which resulted in a voluntary mitigation agreement described in Section 10(b) of Ordinance No. 1410.

MOTION: MOVED TO ADOPT ORDINANCE NO. 1410 AS PRESENTED.

RESULT:	(UNANIMOUS)
MOVER:	Council Member Ron Onslow
SECONDER:	Council Member Matt Cole

AYES:	Mayor Lindsay, Mayor Pro Tem Aichele, Council Member Cole, Council Member Wells, Council Member Onslow, Council Member Chipman, Council Member Burkle
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5. Motion - Approval of Interlocal Agreement With the Port of Ridgefield for Specialized Services and Public Works Construction - Kirk Johnson, Finance Director

The City of Ridgefield and the Port of Ridgefield are partnering on a project to complete a master plan for a waterfront park located on Port of Ridgefield property along Lake River. Staff from both public entities have discussed the possibility of partnering on future projects for both engineering/design and construction for additional cost savings and efficiency. The interlocal agreement allows the City and the Port to partner together on these projects and have one entity take the lead on the project and share costs on joint projects.

MOTION: MOVED TO AUTHORIZE THE CITY MANAGER TO SIGN THE INTERLOCAL AGREEMENT FOR SPECIALIZED SERVICE AND PUBLIC WORKS CONSTRUCTION WITH THE PORT OF RIDGEFIELD.

RESULT:	(UNANIMOUS)
MOVER:	Council Member Ron Onslow
SECONDER:	Council Member Lee Wells
AYES:	Mayor Lindsay, Mayor Pro Tem Aichele, Council Member Cole, Council Member Wells, Council Member Onslow, Council Member Chipman, Council Member Burkle

6. Motion - Approval of Interlocal Agreement with Clark County designating Clark County as the lead agency for the revision to the Comprehensive Solid Waste Management Plan - Chuck Green, Public Works Director

Solid waste services are provided to the City of Ridgefield through contract with Clark County via an interlocal agreement (ILA) between the City and County, with the exception of trash, recycling and yard debris services, which operate under a contract between the City and Waste Connections. The previous ILA was executed in 2015, and is due to expire at the end of 2023. The core of the ILA designates Clark County as the lead agency for developing the Comprehensive Solid Waste Management Plan (CSWMP) in cooperation and coordination with the cities within the county. All of Clark County's cities and towns are signatory to this agreement. Clark County is in the process of developing an update to the CSWMP in conjunction with the Comprehensive Plan. As part of the update, the plan will provide information for all existing and proposed solid waste handling facilities, a comprehensive waste reduction and recycling element, and the county's moderate risk management plan. A component of the updated plan is assessing the public ownership of transfer facilities, which are currently operated under contract with Columbia Resource Company. It is anticipated that the County will adopt the updated plan by June 30, 2025. Council will be asked to review and approve the draft plan prior to that date (likely in 2024). This ILA guides the planning and development effort of the CSWMP including identifying the advisory bodies to that effort: Solid Waste Advisory Committee (SWAC) and the Regional Solid Waste System Steering Committee (RSWSSC). The Public Works Director is a member of the RSWSSC.

MOTION: MOVED TO APPROVE THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF RIDGEFIELD AND CLARK COUNTY, DESIGNATING CLARK COUNTY AS THE LEAD AGENCY FOR THE REVISION OF THE COMPREHENSIVE SOLID WASTE MANAGEMENT PLAN.

RESULT:	(UNANIMOUS)
MOVER:	Council Member Judy Chipman

SECONDER:	Council Member Clyde Burkle
AYES:	Mayor Lindsay, Mayor Pro Tem Aichele, Council Member Cole, Council Member Wells, Council Member Onslow, Council Member Chipman, Council Member Burkle

VII. PUBLIC COMMENT

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VIII. COUNCIL/PRESIDING OFFICER/STAFF REPORTS

1. Council

Council Member Cole - Thanked the CCF&R Commission board and Chief Nohr for working together to come up with a mitigation plan. Helped at the High School concession stand. Trunk or Treat with the Mayor at RORC.

Council Member Chipman - Gave out lots of candy to the kids during Halloween.

Council Member Wells - Attended City Manager briefing, drove through downtown during trick-or-treat.

Mayor Pro Tem Aichele - Attended City Manager briefing.

Council Member Burkle - Out of town the last few weeks.

Council Member Onslow - Attended City Manager briefing, AWC District 5 meeting scheduled for November 3rd.

2. Mayor

Read to kindergarten kids at Union Ridge. Trunk or Treat at RORC.

3. City Manager

City Manager Steve Stuart - Kudos and appreciation to City staff for all their work during city events and patrolling during Halloween festivities. Tree planting at Horns's Corner and Main Street wine walk is scheduled for November 4th. Wertz property right of way closing update.

Public Works Director Chuck Green - Public works projects updates provided.

Deputy City Manager Lee Knottnerus - Call to Artists updates provided.

IX. ADJOURN

8:35PM



Julie Ferriss, City Clerk



Jennifer Lindsay, Mayor