CITY COUNCIL MEETING MINUTES

Vancouver City Hall – Council Chambers – 415 W. 6th Street
PO Box 1995 – Vancouver, Washington 98668-1995
www.cityofvancouver.us

Anne McEnerny-Ogle, Mayor
Bart Hansen · Bill Turlay · Alishia Topper · Ty Stober · Linda Glover · Laurie Lebowsky

October 1, 2018

WORKSHOPS

Vancouver City Hall - 415 W 6th Street, Vancouver WA

Councilmember Topper absent from workshops.

4:00-4:30 p.m. 2019-2024 Utility Capital Improvement Program (CIP) Update

Presenters: Chris Malone, Public Works Finance & Asset Manager, 487-7711; Dan Swensen, Engineering & Construction Services Manager, 487-7754

Summary
Staff provided Council with an overview of the 2019-2024 Utility Capital Improvement Program and reported on activities and initiatives within the utilities service areas.

5:00-5:30 p.m. Potential Zoning Options to Increase Housing Choices

Presenters: Bryan Snodgrass, Principal Planner, 487-7946

Summary
Staff provided Council with an overview of potential programs and initiatives related to zoning changes that could improve the availability and affordability of housing options in Vancouver.

COUNCIL DINNER/ADMINISTRATIVE UPDATES

Birch Conference Room – 5:30-7:00 p.m.

COUNCIL REGULAR MEETING

Pledge of Allegiance

Call to Order and Roll Call

The regular meeting of the Vancouver City Council was called to order at 7:00 p.m. by Mayor Anne McEnerny-Ogle in the Council Chambers of City Hall, 415 W. 6th Street, Vancouver, Washington.

Present: Councilmembers Lebowsky, Glover, Stober, Turlay, Hansen,
Absent: Councilmember Topper

Motion by Councilmember Hansen, seconded by Councilmember Turlay, and carried unanimously to excuse Councilmember Topper.

Approval of Minutes: September 10, 2018

Motion by Councilmember Glover, seconded by Councilmember Hansen, and carried unanimously to approve the meeting minutes of September 10, 2018.

Approval of Minutes: September 17, 2018

Motion by Councilmember Stober, seconded by Councilmember Lebowsky, and carried unanimously to approve the meeting minutes of September 17, 2018.

Proclamation: National Disability Employment Awareness Month

Mayor McEnerny-Ogle read and presented a proclamation to Meredith Hardin and Mario Eiland, representing the Washington State Department of Services for the Blind, and Meridee Potter, representing the Clark County Development Disability Advisory Board, proclaiming October as National Disability Employment Awareness Month.

Citizen Communication (Items 1-4)

Mayor McEnerny-Ogle opened Citizen Communication and, receiving no testimony, closed Citizen Communication.

Consent Agenda (Items 1-4)

Motion by Councilmember Hansen, seconded by Councilmember Turlay, and carried unanimously to approve the Consent Agenda.

1. **2018 Joint Agency Slurry Seal Project – Construction Acceptance**
   Staff Report 146-18

   Summary
   The project applied approximately 290,000 square yards, or 42 lane miles, of latex-modified slurry seal to various streets throughout Vancouver as part of the City's preventive maintenance program to extend the life of the pavement and minimize maintenance costs.

   The work was completed satisfactorily in accordance with the plans and specifications. Contract costs are summarized below:

TOTAL CONTRACT COSTS	
Labor, Equipment and Material	*$397,494.67*
Sales Tax	*$0*
Total	*$397,494.67*
Retainage	*$19,874.73*

   The original contract amount was $412,180.00. The reduction in contract value is attributed to under-running the bid item for flagging hours and the removal of several streets from the contract. After contract award, several streets were removed from the contract due to conflicts with upcoming utility projects.

   Request: On October 1, 2018, accept the 2018 Joint Agency Slurry Seal Project as constructed by Blackline, Inc, of Vancouver, Washington, and authorize release of retainage in the amount of $19,874.73, subject to receipt of all documentation required by law.

   Nicollette Roth, Civil Engineer, 487-7763

   Motion approved the request.

2. **Construction Acceptance of the Biddle Way Trunk E3A Re-Alignment Project**
   Staff Report 147-18

   Summary
   Halme Excavating of Battle Ground, Washington, has completed construction of the Biddle Way Trunk E3A project. The project has provided new PVC sewers to replace the deteriorating concrete mains in a section of the E3A Trunk sewer north of Evergreen Highway along SE Biddle Way.

   The work was completed satisfactorily in accordance with the plans and specifications. Contract costs are summarized below:

TOTAL CONTRACT COSTS	
Labor, Equipment and Material	*$310,910.46*
Sales Tax	*$26,116.48*
Total	*$337,026.94*
Retainage	*$15,545.52*

The original contract amount, including sales tax, was $344,327.18. The final project cost was $337,026.94, which was$7,300.24 (approx. 2%) less than the original contracted amount. The difference between original contract amount and final contract amount can be attributed to the typical variances in unit prices and/or quantities commonly encountered during construction.

Request: On October 1, 2018, accept the facilities as constructed by Halme Excavating of Battle Ground, Washington, and authorize release of the retainage in the amount of $15,545.52 subject to receipt of all documentation required by law.

Sheryl Hale, Senior Engineering Supervisor, 487-7151

Motion approved the request.

3. Cement Lined Zinc Coated Ductile Iron Water Pipe, Gaskets and Fittings Bid Award

Staff Report 148-18

Summary

The public works department regularly uses ductile iron pipe and fitting on both capital projects and maintenance projects. When repairs are needed, pipe and fittings need to be readily available. Although many parts are stocked by the City, a long-term contract with a supplier ensures all the parts are readily available at a reasonable cost that has been competitively bid.

The City currently has a five-year contract with a ductile iron pipe and fitting supplier that expires in early October. A request for quotes was sent out this last summer, and on September 4, 2018, the City received three bids for the subject bid request. The bids were as follows:

SUMMARY OF BIDS

Schedule A – BIDDER	*AMOUNT*	*Schedule B - Discount*
Ferguson,Portland, OR	*$81,138.84*	*46%*
Core and Main, Vancouver, WA	*$85,496.30*	*45%*
H.D. Fowler, Vancouver WA	*$91,398.23*	*10%*

All bidders were responsive.

This material supply contract was bid using two schedules, schedule "A" for piping and gaskets and schedule "B" for fittings (elbows, bends, tees, valves, etc.). Schedule "A" used typical annual pipe quantities to establish a comparable baseline for evaluation of the bidders. The types and quantities of fittings that the City purchases are highly variable, so schedule "B" required the suppliers to provide a percentage discount off manufacturer's list price for fittings ordered by the City. Ferguson had the lowest responsive bid for both schedule "A" and schedule "B". In the last five-year contract, approximately$800,000 was spent on both pipe and fittings. In this next five-year contract, expenditures are estimated to be $1 million. The proposed contract is written as a "not to exceed" $1 million for the five-year contract term.

Request: On October 1, 2018, authorize the City Manager or his designee to execute a contract for the purchase of ductile iron water pipe, gaskets and fittings to Ferguson of Portland, OR, for a period of five years at a cost not to exceed $1,000,000.

Tyler Clary, Water Engineering Program Manager, 487-7169

Motion approved the request.

4. **Approval of Claim Vouchers**

Request: Approve claim vouchers for October 1, 2018

(Copy available upon request.)

Motion approved claim vouchers for October 1, 2018, in the amount of $2,641,145.07.

Public Hearings (Items 5-7)

5. **Proposed Partial Removal of a Development Agreement applying to five contiguous properties at 148th Avenue and Mill Plain Blvd**
Staff Report 140-18

Mayor McEnerny-Ogle read the title of the ordinance into the record.

AN ORDINANCE relating to Comprehensive Plan and Zoning for the City of Vancouver and Vancouver Municipal Code (VMC) Title 20; partially rescinding a Development Agreement applying to five contiguous properties zoned Community Commercial (CC) at approximately 148th Avenue and Mill Plain Boulevard, specifically 14799, 14800, 14900, 14930 and 15000 Mill Plain Blvd, parcel numbers 167676000, 164700000, 164699000, 167650000, and 167633000; and authorizing the City Manager to enter into a Develop

Summary
The 2008 DA is derived from a 2002 concomitant rezone agreement which covered two additional properties east of the site, and included additional use restrictions. The site is surrounded by the East Vancouver Police Precinct to the east, a residential subdivision to the north, a credit union to the west and a senior housing facility to the south across Mill Plain Blvd. Within the site the westernmost three of the five properties are undeveloped, while the other two contain a long standing tavern, and a commercial mini-mall built in 2007. Mill Plain Blvd. is a major east-west corridor with existing bus service and planned Bus Rapid Transit improvements, and contains a landscaped center median extending along most of the site frontage
.

Proposed Amendments:
Based on Council direction, staff recommends amending the DA regarding allowed uses as follows:

- *Continue to prohibit 24-hour uses, car washes, auto body shops, auto sales and rental, manufacturing and production, bulk sales and outdoor sales*
- *Allow self-storage and non-accessory parking only on parcel #164699000, located behind the mini mall and tavern and removed from Mill Plain.*
- *Allow drive through uses and gas stations.*

Other DA provisions would be as recommended by the Planning Commission.

Request: On Monday, October 1, 2018, subject to second reading and public hearing, approve the ordinance.

Bryan Snodgrass, Principal Planner, 487-7946

Mr. Snodgrass provided an overview of the proposal and the site history. Eric Hahn, Senior Civil Engineer, was available to address Council questions.

Mayor McEnerny-Ogle opened the public hearing noted that the City had received several communications from citizens about the proposal and copies of those comments were available. She stated anyone may respond to those comments by testifying. Council received the following testimony:

- Edwin Kawasaki, Vancouver, East Mill Plain Neighborhood Association, stated he is the owner of a self-storage facility in the neighborhood directly adjacent to the subject property. He expressed concerns about the proliferation of self-storage facilities in the area over the last five years, and stated the proposed revisions to the DA would exacerbate that situation.

- Michelle Drake, Vancouver, representing the East Mill Plain Neighborhood Association, spoke in opposition to the proposal, noting that the neighborhood association had unanimously voted in favor of keeping the current DA, especially in regards to the allowed uses for the subject site. She stated she understood the need for developing that site, but there are options to do so under the current allowed uses.

- Stephen Schmidt, Vancouver, spoke in opposition to the proposal, echoing the concerns of the first two testifiers, and expressing a concern about over saturation of self-storage facilities in Vancouver.

- Steve Morasch, representing the applicant, spoke in support of the proposal, stating it is an issue of fundamental fairness in applying the same standards to all property owners. He noted that this was not a commercial corridor when the DA was originally applied to the site, but now all of the surrounding area is zoned commercial and so the same concerns that the City originally had no longer apply. He stated it is in the best interest of the community for the City to apply the development code equally. He stated the applicant would agree to keeping all of the current provisions of the DA if the design restrictions relating to the buffer and set back were removed.

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Councilmember Stober requested staff display a map of the subject site and discussed the challenges of the surrounding street system. Mr. Hahn described the property access points and circulation limitations on that part of Mill Plain Blvd. He noted one of the key issues is cross access, and one of the reasons staff has requested that provision remain in the development agreement.

Councilmember Stober stated it does not seem like the City would be addressing one of the underlying problems with this property with the DA because access will still be encumbered. He stated it is as if this property has been land banked for decades because of the restrictions, and the City and developer are unable to resolve the impediments of development because the City is unable or unwilling to come up with a viable transportation plan. He stated it is the City's responsibility at this point to come up with a plan that will maximize the potential of one of the last green field spaces in this corridor because there is much higher potential for what this part of the City could be.

Councilmember Lebowsky asked if there are any subarea plans within this area. Mr. Snodgrass stated there are not any nearby.

Councilmember Glover stated that the City may be a little late to the table but the Council has expressed an interest in developing a subarea plan in this area. She stated she was satisfied with the current proposal as a fair compromise.

Councilmember Turlay stated there is a lot of open land to the east of this site, and therefore sufficient opportunity for mass transit facilities to be added in the future, He stated this seems like a reasonable request.

Mayor McEnerny-Ogle stated it is frustrating there is not a better solution, but noted the Council had asked for a compromise on this development agreement and stated she was satisfied with the current proposal.

Motion by Councilmember Turlay, seconded by Mayor McEnerny-Ogle, and carried 5-1, to approve Ordinance M-4238. Councilmember Stober voted no.

6. Vancouver Police Department 2016-2020 Staffing Plan – Revenue replacement plan
Staff Report 130A-18

Mayor McEnerny-Ogle read the title of the ordinance into the record.

AN ORDINANCE amending Vancouver Municipal Code (VMC) Sections 5.04.020, 5.04.075, 5.04.090, 5.04.095, 5.92.010, 5.93.010, 5.94.030, 14.04.210, 14.14.230, and 14.09.060 to amend business license fee limitations and exemptions; to increase water, sewer, and stormwater rate and taxes; and to increase solid waste taxes to fund additional police protection services; and repealing Section 5.04.096 business license fees based on square footages for commercial, industrial, and multi-family residential rental properties; providing for savings, severability, ratification, and an effective date.

Summary

In February 2017 the City Council adopted a revenue and staffing package (herein referred to as "resourcing package") to support an increase in sworn and civilian positions that would close identified gaps in key service areas of the Vancouver Police Department (VPD). The resourcing package is intended to add 42 sworn and 19 civilian positions to VPD by 2020.

The package was designed to be implemented over a 5-year period, with staffing increases generally matched with a concurrently phased in set of revenues. The package was adopted based on Community Resource Team recommendations, which were developed through a broad-based, inclusive community engagement effort over the preceding 10 months.

This revenue package adopted by City Council included a $20 increase in the existing per FTE business license surcharge (to a total of $90 per FTE per year), a 3.4% increase to the utility tax rate on City-owned utilities (sewer, water, drainage, garbage) and a new indoor space business license fee surcharge for retail, commercial and industrial businesses and a per-unit surcharge for leased multi-family residential units. The new business license surcharges (per square foot and per multi-family unit) were approved to become effective on 1/1/2019, while other funding components of the package have already been implemented. Of the total combined resources dedicated to police, the new business license surcharges represent $6.1 million in annual revenue. This dollar amount included the costs for the City to administer the new tax, which was estimated to be approximately $0.25 million annually; the net revenue dedicated to police would have been approximately $5.8 million.

The Council action to adopt a multi-year funding package for police included legislative intent to consider alternative funding sources to the new surcharges in the context of a larger, more comprehensive plan for sustainable, stable and streamlined resourcing for all City services.

As a result, the City initiated an extensive community engagement effort in the spring of 2017 referred to as Vancouver Strong. Central to the Vancouver Strong engagement efforts is the Executive Sponsors Council (ESC), a nine-member advisory group composed of leaders from business, not-for-profit, diverse and volunteer communities. Since May 2017 the ESC has been engaged in developing a recommended comprehensive, long-term, streamlined funding solution to close identified gaps in core City services and to more fully implement the City's strategic plan. The first actionable component of their work is the replacement revenue source for the business license surcharge portion of the original police resourcing package.

In June of 2018, the ESC presented at a Council workshop their recommendation for replacement revenue to fund police. The ESC recommendation includes replacing the per square foot and per multi-family unit surcharge with a combination of increased utility tax on water, sewer, drainage and solid waste and an expansion of the per FTE business license surcharge to cover the not-for-profit organizations, as well as eliminating the 400 FTE cap per business. Their recommendation included a recognition that Council may wish to consider phasing in implementation of the replacement revenue, as well as take into account the unique considerations of including nonprofits as subject to the FTE surcharge.

While eliminating the 400 FTE cap per business ultimately applies to a relatively small number of all businesses in Vancouver, in some instances the difference between the current cap and actual FTEs subject to the fee is substantial. By providing for a two-year phase out of the cap, the City provides a longer transition period and multiple fiscal periods for effected businesses to plan for and accommodate the change.

At the June workshop, Council expressed an interest in additional engagement with the nonprofit sector to gather feedback on the recommendation to include them as subject to the surcharge. Council was further interested in additional phasing scenarios of the proposed fee and surcharge. On September 10, 2018, three additional scenarios of generating the replacement revenue for the police resourcing package were presented to Council. All three scenarios preserved the main replacement revenue principles as presented by the Vancouver Strong Executive Council. Those principles included:

- *Expanding the base of the current business license surcharge to the greatest extent possible;*
- *Closing the remaining gap through a utility tax increase; and*
- *Considering phasing options to ease implementation.*

Council supported the scenario that increased the business license fee from the current $125 to $200 per year, reduced exemptions from the business license fee while maintaining the current exemptions from the business license surcharge, and removed the cap on the number of FTEs per company subject to the business license surcharge over a two year period. The scenario also maintained a utility tax increase of 4% over the two-year time period.

The proposed ordinance reflects changes to the respective ordinances in accordance with the above mentioned scenario: a phasing proposal, with the cap of FTEs per business being increased from 400 to 799 per company in year 2019, and removing the cap in 2020; an increase in the business license fee per company or nonprofit organization per year from $125 to$200; and reduction in exemptions from the business license fees. The City would also utilize a combination of its undesignated General Fund in 2019 to offset the lost revenue in 2019. The utility tax increase on water, sewer, drainage and solid waste is recommended at 2.4% in 2019 and an additional 1.6% in 2020.

In addition to the changes above, the 2017 Washington State Legislature passed a law requiring cities with business licenses to administer their business license program through the state's Business Licensing System by 2022 or File Local by 2020 and to adopt the model ordinance by October 17, 2018. The model ordinance includes a mandatory definition of "engaging in business" and a minimum threshold exception to establish when out-of-town or transient businesses are required to be licensed. The City is already administering its business license program through File Local and has current provisions compliant for the most part with the model ordinance. The model ordinance has recommended including a $2,000 threshold level, or higher, per year for out-of-city businesses. The city's current limit is $12,000 per year. The proposed ordinance brings the City in compliance with the model ordinance, but does not recommend changing income thresholds

Request: On October 1, 2018, subject to second reading and public hearing, approve ordinance.

Natasha Ramras, Chief Financial Officer, 487-8484

City Manager Eric Holmes provided background information and set the context for this item. Ms. Ramras provided an overview of the details of the proposal.

Councilmember Stober stated that staff had previously provided Council with a comparison of business tax rates for municipalities across Washington, and noted that Vancouver was the only one that called out exempt organizations. He asked why that was and for a description of what those exemptions are.

Mr. Holmes explained that the document Councilmember Stober referenced was provided in response to Council's request to see examples of other cities that charge a business license surcharge fee, and noted that the state compiles that list. He explained the list references the nuances of each city's program and that the summary is very basic and is not inclusive of all business license fees for all cities.

Councilmember Stober asked which types of nonprofit entities are exempt from paying a per-FTE business license surcharge and not included under the 501c3 status. Ms. Ramras explained that credit unions may be exempt, though not all are, and it depends on the source of their charter.

City Attorney Bronson Potter explained that the city is federally prohibited from imposing fees on credit unions if they have a federal charter.

Councilmember Stober noted that PeaceHealth also does not pay a per-FTE business license surcharge because of its nonprofit status. He stated this proposal includes two large holes, as some credit unions and PeaceHealth, one of the city's largest employers, do not pay that surcharge. He stated he just wanted to point out these omissions.

Mayor McEnerny-Ogle opened the public hearing received the following testimony:

- Jeanne Kojis, Executive Director of the Nonprofit Network of Southwest Washington, spoke in opposition to the proposal, reading a letter on behalf of the board of directors of the organization. She thanked the Council for listening to the nonprofits and making progress, but stated the $200 annual business license fee would be a burden for smaller nonprofit organizations.

- JoAnn Crabtree, representing Washington Nonprofits, read a letter on behalf of the executive director of Washington Nonprofits, which opposed the current proposal due to the impact on nonprofit organizations.

- Fred Meurer, Vancouver, stated the City should not impose the fee on nonprofit organizations and instead impose a tax on citizens to pay for police services.

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Councilmember Glover asked how the City would identify the nonprofit organizations to implement the fee. Ms. Ramras stated the City would contact all known nonprofits and request information about their organizations. She stated the organizations would self-report their annual income, which is the process the City uses for all for-profit organizations as well. Councilmember Glover stated it is a challenge to find a plan that would be as fair as possible but stated she was comfortable with the proposal.

Councilmember Turlay stated that police and fire services are provided to all residents and organizations in Vancouver, and the Council is asking the nonprofit organizations to help contribute towards those services.

Councilmember Lebowsky asked if nonprofit organizations are represented on the Executive Sponsors Council. Mr. Holmes confirmed they are.

Councilmember Stober asked where the $12,000 annual income exemption comes from. Ms. Ramras stated that exemption has always existed in City code, and it is a much higher threshold than the state recommends.

Motion by Councilmember Hansen, seconded by Councilmember Glover, and carried unanimously to approve Ordinance M-4239.

7. Garbage, Yard Debris and Recycling Collection Rate Increases for 2019
Staff Report 131A-18

Mayor McEnerny-Ogle read the title of the ordinance into the record.

AN ORDINANCE relating to the collection of solid waste, recyclable materials and yard debris, and amending certain sections of VMC 6.12 to increase rates and charges consistent with approved utility user taxes and rates and in accordance with current contracts for the coming year; providing for savings, severability and an effective date.

Summary
City Council is the rate-making authority for garbage, residential recycling, and yard debris collection services within the City of Vancouver. The City contracts with a private hauling company, Waste Connections of Washington, to provide comprehensive garbage, recycling and yard debris collection services to residents and businesses within city limits. The contract terms authorize Waste Connections to receive annual adjustments to customer rates based on changing operating conditions including: an inflation adjustment factor tied to a percentage of the CPI and fuel costs, disposal tip fees, the number of customers served and fees paid to the City to support solid waste related programs. All adjustments to rates are made in accordance with Exhibit D of the contract. Garbage rates also include the City’s utility tax embedded within them. The City’s utility tax does not apply to recycling or yard debris services.

For 2019, Public Works staff updated the model consistent with the contract and the anticipated increase in the utility tax and determined that garbage rates will need to increase by 6.6 percent while recycling and selected other fees, not linked to the disposal tip fee, will need to increase by 4 percent, effective January 1st. Key reasons for this increase are a 3.61 percent increase in the CPI, a 19.68 percent increase in the diesel fuel index, and a 2.7 percent increase in the disposal tip fees.

Inflation Adjustment Factor

Under the contract, collection costs for garbage, recycling and yard debris adjust at 80 percent of a blended and combined CPI (92 percent) and diesel fuel index (8 percent) factor which leads to a 3.91 percent increase for the collection cost component and other miscellaneous fees. New this year, the CPI specified in the contract (Consumer Price Index First Half for the Portland Metropolitan Area for Urban Wage Earners and Clerical Workers, All Items (Revised Series) (CPI-W, 1982-1984=100), prepared and reported in August each year by the United States Department of Labor, Bureau of Labor Statistics) is no longer being calculated by the Bureau of Labor Statistics (BLS). Therefore, the parties have agreed to a replacement index as is permissible under the contract. The new CPI is the First Half for all items in Seattle-Tacoma-Bellevue, WA, urban wage earners and clerical workers, not seasonally adjusted (1982-84=100).

Disposal Tip Fees
On January 1st, the disposal tip fee is scheduled to increase$2.49 per ton due to growth in the CPI (Waste Connections receives 75 percent of the CPI change). This $2.49 per ton increase in the tip fee will take the current tip fee at the transfer stations from $93.22 per ton to $95.71 per ton (a 2.7 percent increase). The proposed tip fee for 2019 also includes a continuance of $1.43 per ton surcharge approved by the Clark County Council to make up for a reduction in Department of Ecology grant funds of approximately $540,000 per year in the 2017-2019 biennium, and an additional 9 cents per ton surcharge for the acquisition and development of private land near the Central Transfer Station to be developed into a drop lane for customers entering the transfer station heading south on SR 503. Those latter improvements were deemed necessary to handle increased traffic at Central Transfer Station.

Recycling Fees
The rates proposed for January 1, 2019, include adjustments to these fees based only on the Inflation Adjustment Factor detailed above. As a result of international recycling market conditions over the past 6 to 9 months, Columbia Resource Company (the designated processor of recyclable materials collected under this contract and a wholly owned subsidiary of Waste Connections of Washington) has requested increased compensation to offset increased processing costs as well as decreased market revenue. No specific strategy or a particular surcharge has been agreed to at this time, however, the City should anticipate that with involvement of Clark County and other cities that contract for recycling collection, some further increase to the recycling fee(s) may be proposed later this year or early in 2019.

City Fee
Garbage rates were last increased in January 2018 after remaining flat since 2013. Customer rates for those operating cost factors were kept stable by offsetting Waste Connections' contractually allowed cost increases using a combination of the Solid Waste Fund's Operating and Rate Stabilization Reserve and a reduction in the franchise fee paid by Waste Connections to the City used to fund the City's solid waste program. Increases to customer rates in January 2016 and April 2017 were a pass through of the City-imposed Utility Tax on garbage services.

These adjustments are in line with the City policy to maintain steady rates to customers with reasonable increases. For 2019, contractual rate adjustments are proposed to be passed on to the customers. The combination of tip fee increases and the inflation adjustment factor results in a proposed rate increase of approximately 7.0 percent for most customer rates. For example, the typical customer with a 32 gallon cart currently *pays $20.87 per month for garbage and recycling services. With the proposed increase, for 2019 that service would cost $22.22 per month. Households with subscription yard debris service currently pay $7.15 per month and with the proposed increase that rate would grow to $7.43 per month.*

Staff recommends increasing customer rates to meet the contractual obligations of adjusting collection services by the defined Inflation Adjustment Factor. Garbage rates, which include disposal costs, will increase 7.0 percent while residential recycling, yard debris and other rates, which do not include disposal costs, will increase by about 4% as detailed on a two-page Proposed Rate Summary for 2019. All adjustments will be effective January 1, 2019.

Request: Approve ordinance on first reading, setting date of second reading and public hearing for Monday, October 1, 2018.

Tanya Gray, Solid Waste Supervisor, 487-7163

Mr. Holmes explained that this item serves two purposes – making rate adjustments as provided for in the City's solid waste contract, as well as adjusting the rates to cover the utility tax adjustment that was just passed with the action of Item 6.

Tanya Gray, Solid Waste Supervisor, provided an overview of the proposed adjustments, as well as information regarding the solid waste services provided by the City and its vendor.

Mayor McEnerny-Ogle opened the public hearing and received the following testimony:

- Fred Meurer, Vancouver, stated Vancouver has some of the highest solid waste rates he's seen on the west coast.

There being no further testimony, Mayor McEnerny-Ogle closed the public hearing.

Motion by Councilmember Stober, seconded by Councilmember Lebowsky, and carried unanimously to approve Ordinance M-4240.

Communications

A. From the Council

B. From the Mayor

C. From the City Manager

Adjournment

8:40 p.m.

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Anne McEnerny-Ogle

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Anne McEnerny-Ogle, Mayor

Attest:

DocuSigned by:

Carrie Lewellen

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Natasha Ramras, City Clerk
By: Carrie Lewellen, Deputy City Clerk

Meetings of the Vancouver City Council are electronically recorded on audio and videotapes. The audio tapes are kept on file in the office of the City Clerk for a period of six years.