

TUMWATER CITY COUNCIL SPECIAL MEETING

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CONVENE: 7:00 a.m.

PRESENT: Mayor Pete Kmet, Councilmembers Joan Cathey, Betsy Spath, Ed Hildreth, Ed Stanley, Judith Hoefling, Tom Oliva, and Neil McClanahan.

Staff: City Administrator John Doan, City Attorney Karen Kirkpatrick, Finance Director Jim Hendrickson, and Recording Secretary Valerie Gow.

Councilmember Tom Oliva arrived.

EXECUTIVE SESSION: **Mayor Kmet recessed the special meeting to an executive session to discuss potential land acquisition pursuant to RCW 42.30.110(I)(b) at 7:02 a.m. for approximately 30 minutes.**

EXTENSION OF EXECUTIVE SESSION: At 7:30 a.m. Mayor Kmet extended the executive session for another 15 minutes.

RECONVENE: Mayor Kmet reconvened the meeting at 7:50 a.m.

REAL LAND ACQUISITION:

MOTION: **Councilmember Hoefling moved, seconded by Councilmember Stanley, to authorize the City Administrator to attend Thurston County Sheriff's Auction Sale of the brewery property and to use his discretion on any action necessary that may benefit the City in the best way.**

City Attorney Kirkpatrick asked for clarification as to whether the discretion by the City Administrator includes the purchase of the property if the City Administrator deemed that to be reasonable. Councilmember Hoefling said it could include either a purchase or a non-purchase. City Attorney Kirkpatrick advised that any purchase of real property will require Council approval. Councilmember Hoefling accepted the clarification

Councilmember Hildreth said that as much as he would dearly love to own this property for the City, on the advice of the City Attorney, the risks are too high and to not take into the consideration of the Council and to move forward he said he will vote against the motion. The Council has been advised by the City's Attorney and the Council understands the risk and he can't support the motion.

MOTION: **Councilmember Oliva moved, seconded by Councilmember Spath, to amend the motion to include direction to the City Administrator**

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to use discretion and if circumstances warrant to make a reasonable offer on the brewery property.

Councilmember Hoefling said she believes that the clarification provided by City Attorney Kirkpatrick stipulates that the motion already includes that option. Councilmember Stanley agreed.

Mayor Kmet said he understands that the intent of the motion is that one possible outcome is that that the City could make a reasonable offer on the property. City Attorney Kirkpatrick and Councilmember Stanley agreed that was their understanding of the initial motion.

Mayor Kmet asked if the maker of the motion would like to withdraw the amendment based on the clarification provided by the City Attorney. Councilmember Oliva said there should be an affirmative action and not an interpretative part of the original motion.

The Council discussed the intent of the amendment. City Attorney Kirkpatrick clarified the intent, which is to give direction to the City Administrator that a reasonable offer can be submitted for the purchase of the property if circumstances warrant.

MOTION:

Mayor Kmet called for the vote. Motion carried (6-1). Councilmember Hildreth opposed the amendment.

City Attorney Kirkpatrick reviewed the amended motion:

The Council is authorizing City Administrator Doan to attend the Trustees Sale later in the day and to use his discretion to take whatever action would be to the benefit of the City in the best way possible and that includes a reasonable offer of purchase.

The Council affirmed the intent of the amended main motion.

Councilmember Oliva spoke in favor of the motion and acknowledged that there is some uncertainty in this particular transaction but that he thinks it's the Council's responsibility as leaders in the community to be proactive on this and to make a reasonable review of the situation and act accordingly. It is likely the City will not be alone because if the City is successful in acquiring the property, it's likely other public grants and partners would come forward. But most of all, it would an opportunity to control the City's destiny after seven years of uncertainty.

City Administrator Doan clarified that the sale is a foreclosure sale of the brewery property.

Councilmember Hoefling spoke in favor of the City owning the brewery

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property; however, the property is encumbered in ways that the Council may not be sure of and that she wants to be sure that she, as a Councilmember, has considered the risks involved because in these economic times the Council has an responsibility to its citizens to be reasonable in its efforts. She said she wants to balance that in that the Council needs to be innovative in its efforts which is why it's important for the City Administrator, City Attorney, and the Finance Director to have the opportunity to consider this and make the best determination that would be to the benefit of the City. It is the duty of the Council to be innovative and capture opportunities. If the risk can be mitigated in a way that is known today, she would be more than willing to act on it now, but is not willing to take the risk if the City Administrator determines the risk is too great. She said she would be thrilled to work on the brewery redevelopment and hopes that occurs.

MOTION:

Motion carried (6-1). Councilmember Hildreth opposed.

ADJOURNMENT:

Councilmember Stanley moved, seconded by Councilmember Oliva, to adjourn the meeting at 8:02 a.m. Motion carried.

Prepared by Valerie L. Gow, Recording Secretary/President
Puget Sound Meeting Services