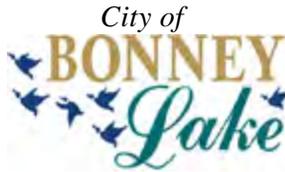


**CITY COUNCIL &
PLANNING COMMISSION
COMBINED WORKSHOP**

**January 19, 2010
5:30 p.m.**

AGENDA



*"Where Dreams Can
Soar"*

The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

Website: www.ci.bonney-lake.wa.us

The City Council may act on items listed on this agenda, or by consensus give direction for future action. The council may also add and take action on other items not listed on this agenda.

I. Call to Order:

Mayor Neil Johnson @ Bonney Lake City Hall - 19306 Bonney Lake Blvd.

II. Roll Call:

Elected Officials: Mayor Neil Johnson, Jr., Deputy Mayor Dan Swatman, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin and Councilmember Jim Rackley.

Planning Commission: Chairperson Grant Sulham, Vice-Chairperson Katrina Minton-Davis, David Eck, Brandon Frederick and Winona Jacobsen.

Expected Staff Members: City Administrator Don Morrison, Chief Financial Officer Al Juarez, Public Works Director Dan Grigsby, Community Development Director John Vodopich, Police Chief Mike Mitchell, Community Services Director Gary Leaf, Administrative Services Director/City Clerk Harwood Edvalson and City Attorney Jim Dionne.

III. Agenda Items:

- A. Combined Presentation: AB10-31 - Shoreline Master Plan.
- B. Motion of the Bonney Lake City Council and Planning Commission to Close the Combined Portion of the Meeting and Continue with the City Council Workshop.
- C. Presentation: AB10-30 - Resolution 2009 - A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign the 2010 Lake Tapps Area Water Resources Agreement.
- D. Council Open Discussion
- E. Review of Draft Council Minutes: January 5, 2010 Workshop and January 12, 2010 Meeting Minutes.
- F. Discussion: Proposed Agenda for Council Retreat on February 27, 2010.

IV. Executive Session:

Executive Session: Pursuant to RCW 42.30.110, the City Council may meet in executive session. The topic(s) and duration will be announced prior to the executive session.

V. Adjournment:

For citizens with disabilities requesting translators or adaptive equipment for communication purposes, the City requests notification as soon as possible of the type of service or equipment needed.

THE COUNCIL MAY ADD AND TAKE ACTION ON OTHER ITEMS NOT LISTED ON THIS AGENDA.

**City of Bonney Lake, Washington
City Council Agenda Bill (C.A.B.) Approval Form**

<u>Department / Staff Contact:</u> CD / Heather Stinson	<u>Workshop / Meeting Date:</u> 19 Jan 2010	<u>Agenda Bill Number:</u> AB10-31
<u>Ordinance Number:</u>	<u>Resolution Number:</u>	<u>Councilmember Sponsor:</u>

Agenda Subject: Presentation of the Shoreline Master Plan Update

Proposed Motion:

Administrative Recommendation:

Background Summary: Under the Shoreline Management Act each city and county with "shorelines of the state" must adopt a Shoreline Master Program (SMP) that is based on state laws and rules but tailored to the specific geographic, economic and environmental needs of the community. The SMP is essentially a shoreline comprehensive plan and zoning ordinance with a distinct environmental orientation applicable to shoreline areas and customized to local circumstances.

State mandate also requires the city to update our SMP by 2012 and has provided a grant to help pay for the work. Staff will present an overview of the work the city will be doing in the next 3 years to accomplish this task.

BUDGET INFORMATION:

Budget Amount	Required Expenditure	Budget Impact	Budget Balance
----------------------	-----------------------------	----------------------	-----------------------

Budget Explanation:

COMMITTEE/BOARD REVIEW:

Subcommittee Review Date: -
 Commission/Board Review Date: -
 Hearing Examiner Date:

COUNCIL ACTION:

Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s):	Tabled To Date:

Signatures:

Director Authorization	Mayor	Date City Attorney Reviewed
------------------------	-------	-----------------------------

Frequently Asked Questions about the Shoreline Master Plan Update:

1. Will property owners along the lake who have permitted uses such as docks and bulkheads have to remove any of them as a result of this process?

No. The only thing that would trigger the new regulations is if the property owner is replacing an amenity.

2. Will property owners along the lake who have amenities that may NOT have been permitted have to remove any of them as a result of this process?

No. The only thing that would trigger the new regulations is if the property owner is replacing an amenity or a complaint is filed with the City.

3. If new dimensional standards are adopted that make existing amenities (permitted / not permitted) non-conforming, will the non-conforming uses have to be removed or made to be conforming?

No. The City's non-conforming uses standards apply.

4. Are there uses that have been allowed near the lake before that won't be anymore?

Possibly - it is too early in the process to tell.

5. Are there setbacks from the Ordinary High Watermark that will be a baseline requirement?

Yes, there is a baseline setback now and there will continue to be a baseline setback requirement, but it is too early to tell what it will be. It is usually based on the existing conditions around the lake (the goal being no net loss of ecological function).

Introduction to the Shoreline Management Act

Washington's [Shoreline Management Act](#) (SMA) was passed by the State Legislature in 1971 and adopted by the public in a 1972 referendum. The overarching goal of the SMA is "to prevent the inherent harm in an uncoordinated and piecemeal development of the state's shorelines."

Where does the SMA apply?

With respect to Lake Tapps, the SMA applies to the lake itself plus lands within 200' of the shoreline (Ordinary High Water Mark) plus the wetland at the northeast end of the lake (but not the lands adjacent to the wetlands)

Policies of the SMA

There are three basic policy areas to the Shoreline Management Act: shoreline use, environmental protection and public access. The SMA emphasizes accommodation of reasonable and appropriate uses, protection of shoreline environmental resources and protection of the public's right to access and use the shorelines (see [RCW 90.58.020](#)).

1. Shoreline use: The SMA establishes the concept of *preferred uses* of shoreline areas. The Act requires that "uses shall be preferred which are consistent with control of pollution and prevention of damage to the natural environment, or are unique to or dependent upon use of the states' shorelines..." . "Preferred" uses include single family residences, ports, shoreline recreational uses, water dependent industrial and commercial developments and other developments that provide public access opportunities. To the maximum extent possible, the shorelines should be reserved for "water-oriented" uses, including "water-dependent", "water-related" and "water-enjoyment" uses.

2. Environmental protection: The SMA is intended to protect shoreline natural resources, including "...the land and its vegetation and wildlife, and the water of the state and their aquatic life..." against adverse effects. All allowed uses are required to mitigate adverse environmental impacts to the maximum extent feasible and preserve the natural character and aesthetics of the shoreline.

3. Public access: Master programs must include a public access element making provisions for public access to publicly owned areas, and a recreational element for the preservation and enlargement of recreational opportunities.

The overarching policy is that "the public's opportunity to enjoy the physical and aesthetic qualities of natural shorelines of the state shall be preserved to the

greatest extent feasible consistent with the overall best interest of the state and the people generally. "Alterations of the natural conditions of the shorelines of the state, in those limited instances when authorized, shall be given priority for...development that will provide an opportunity for substantial numbers of people to enjoy the shorelines of the state."

The SMA also implements the common law [Public Trust Doctrine](#). The essence of this court doctrine is that the waters of the state are a public resource for the purposes of navigation, conducting commerce, fishing, recreation and similar uses and that this trust is not invalidated by private ownership of the underlying land. The doctrine limits public and private use of tidelands and other shorelands to protect to public's right to use the waters of the state.



Shoreline Master Programs (SMPs)

Under the SMA each city and county with "shorelines of the state" must adopt a [Shoreline Master Program](#) (SMP) that is based on state laws and rules but tailored to the specific geographic, economic and environmental needs of the community. The SMP is essentially a shoreline comprehensive plan and zoning ordinance with a distinct environmental orientation applicable to shoreline areas and customized to local circumstances.

The SMA establishes a **balance of authority** between local and state government. Cities and counties are the primary regulators. Ecology acts primarily in a support and review capacity, but is required to approve certain kinds of permits (*conditional use and variance permits*) and must approve new or amended shoreline master programs.

Local governments may **modify** master programs to reflect changing local circumstances, new information, or improved shoreline management approaches. All changes to master programs require public involvement. At a minimum, local governments must hold public hearings. Substantial revisions are usually written with help from citizen advisory committees.

Master program amendments are effective only after **Ecology approval**. In reviewing master programs, Ecology is limited to a decision on whether or not the proposed changes are consistent with the policy and provisions of the SMA and the state master program guidelines.

**City of Bonney Lake, Washington
City Council Agenda Bill (C.A.B.) Approval Form**

<u>Department / Staff Contact:</u> PW / DIRECTOR DAN GRIGSBY	<u>Workshop / Meeting Date:</u> 19 Jan 2010	<u>Agenda Bill Number:</u> AB10-30
<u>Ordinance Number:</u>	<u>Resolution Number:</u> 2009	<u>Councilmember Sponsor:</u>

Agenda Subject: 2010 LAKE TAPPS AREA WATER RESOURCE AGREEMENT

Proposed Motion: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN THE 2010 LAKE TAPPS AREA WATER RESOURCES AGREEMENT.

Administrative Recommendation:

Background Summary: The Four Cities (Auburn, Bonney Lake, Buckley, and Sumner) have been negotiating this agreement with CWA since January 2009. Cascade Water Alliance ("Cascade") is preparing to issue their DEIS in February anticipating that this agreement will be signed by all five parties. The benefit to Bonney Lake (COBL), as a participant in this agreement, is to receive future water supplies at a substantially cheaper rate than could be negotiated with Tacoma Public Utility (TPU) utilizing current TPU rates. This is because COBL would be able to purchase TPU water from Cascade at the rates Cascade paid to TPU in October 2005. The total requirement for additional wholesale water by COBL in 2040 is 4 MGD in addition to the 2 MGD we purchased from TPU in 2005. In this agreement, COBL has an option to purchase 2 MGD during peak demand periods from CWA using TPU water and 2 MGD year round water rights from the White River Basin using CWA water rights. This does not include any fee should the City not use TPU water.

Attachments: Resolution 2009, 2010 Lake Tapps Area Water Resources Agreement, COBL Wholesale Water Demand Table, Cost to Purchase CWA-TPU and CWA-Water Rights.

BUDGET INFORMATION:

Budget Amount	Required Expenditure	Budget Impact	Budget Balance
----------------------	-----------------------------	----------------------	-----------------------

Budget Explanation:
\$5.05 million funding to pay for this 4 MGD water supply will come from Water Fund System Development Charges. Payment will not be required until use of the TPU water begins or the City locates a water well on the East side of Lake Tapps and obtains water rights from the state. Charges are locked in at the 2009 negotiated rate established by this agreement.

COMMITTEE/BOARD REVIEW:

Subcommittee Review Date: -
Commission/Board Review Date: -
Hearing Examiner Date:

COUNCIL ACTION:

Workshop Date(s): 19 January 2010	Public Hearing Date(s):
Meeting Date(s): 26 January 2010	Tabled To Date:

Signatures:

Director Authorization	Mayor	Date City Attorney Reviewed
------------------------	-------	-----------------------------

RESOLUTION NO. 2009

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BONNEY LAKE, PIERCE COUNTY, WASHINGTON,
AUTHORIZING THE MAYOR TO SIGN THE 2010 LAKE TAPPS
AREA WATER RESOURCES AGREEMENT.**

WHEREAS, Cascade Water Alliance (“Cascade”) has entered into an agreement with Puget Sound Energy “PSE” to purchase PSE’s interest in Lake Tapps, and associated equipment related to PSE’s former power generation operations at Lake Tapps; and

WHEREAS, Cascade has applied to the Washington State Department of Ecology (“Ecology”) for a permit to utilize Lake Tapps as a municipal water supply, although said permit has not yet been granted. This application will convert the water right from its current hydropower production purpose, which is a non-consumptive use that keeps water in the basin, to a recreation and municipal water supply purpose, which is a consumptive use that will result in water being taken out of the basin. The cities of Auburn, Bonney Lake, Buckley, and Sumner (“Four Cities”) believe that this conversion and removal of water from the watershed of origin, without addressing the needs of communities in the watershed, is inconsistent with the goals and intent of state laws including laws relating to growth management, watershed planning, water resource management and environmental policy; and the Cities intend for this Agreement to, at least partially, address the Cities’ concerns about removal of substantial amounts of water from the basin; and

WHEREAS, Each of the Four Cities is located in close proximity to Lake Tapps, and Bonney Lake borders on the Lake; and,

WHEREAS, Lake Tapps is an important resource for the Four Cities and the East Pierce County region, for both recreation and municipal water supply purposes; and

WHEREAS, Each of the Four Cities is located in close proximity to the White River, and three of the cities (Auburn, Buckley and Sumner) border on the River; and

WHEREAS, The White River is an important resource for the Four Cities and the watershed for fisheries, recreation and municipal water supply purposes; and

WHEREAS, The Four Cities each have a duty and responsibility to provide water to serve their growing communities, and face significant challenges securing future water supplies in a basin that is closed to new withdrawals; and

WHEREAS, Cascade also has purchased significant amounts of water from, and paid system development charges to, Tacoma Public Utilities (“TPU”) for municipal water; and

WHEREAS, The Four Cities each have a present need for additional water, but Cascade's ownership of the Lake Tapps water right and its operation and utilization of the Lake as a municipal water supply may impair the Four Cities' ability to secure future water supplies for their citizens; and

WHEREAS, Ensuring that the Four Cities can meet the future water demands of their growing communities is in the public interest; and

WHEREAS, In recognition of the need to maintain Lake Tapps as a recreation resource, Cascade has entered into a Definitive Agreement with the Lake Tapps Community Council ("LTCC") that obligates Cascade to maintain water levels in the Lake at "normal full pool" during the summer months; and

WHEREAS, The Four Cities seek to mitigate the possible adverse effects of Cascade's operation of Lake Tapps on the Four Cities while cooperating with Cascade's efforts to develop Lake Tapps as a water supply source.

NOW, THEREFORE, In accordance with the terms of this Agreement and RCW 39.34.215(5) and in consideration of the terms, conditions, and performance contained herein and in the attached agreement made part hereof, the City Council of the City of Bonney Lake, Washington, does hereby resolve that the Mayor is authorized to sign the **2010 LAKE TAPPS AREA WATER RESOURCES AGREEMENT**.

PASSED by the City Council this 26th day of January, 2010

Neil Johnson Jr., Mayor

ATTEST:

Harwood T. Edvalson, CMC
City Clerk

APPROVED AS TO FORM:

James Dionne, City Attorney

January , 2010

Mr. Chuck Clarke
CEO, Cascade Water Alliance
11400 SE 8th Street, Suite 440
Bellevue, WA 98004

Dear Chuck,

The Cities of Auburn, Bonny Lake, Buckley, and Sumner have completed negotiations with Cascade Water Alliance on the 2010 Lake Tapps Area Water Resources Agreement (Agreement), whereby Cascade agreed to assist the cities in meeting their respective future water supply needs. As the four Mayors representing the Cities of Auburn, Bonney Lake, Buckley, and Sumner we have found it prudent to submit this letter to you on behalf of our cities detailing the timing and quantity of our respective water supply needs for the resources being made available to our cities by Cascade. We understand that the quantities listed below are subject to the following combined limits in the Agreement: (1) with respect to Regional Reserved Water for mitigation purposes, 7 cfs for average daily demand and 10 cfs for peak demand; and (2) with respect to Tacoma Wholesale Water, 6 million gallons per day (MGD) of Cascade's Guaranteed Reserve Capacity and four 4 MGD of Cascade's Permanent Capacity, plus a peaking factor of 1.33.

The Cities agree among themselves that the sources of supply provided by Cascade Water Alliance will be allocated as outlined below for each source provided, and that these allocations will be needed by approximately the years listed below. Any changes of allocation between the cities from the amounts reflected below will be subject to mutual written agreement of all four cities and a revised notice to Cascade.

City of Auburn Schedule and Allocation:

Mitigation Flows (Regional Reserved Water):

MGD ADD	MGD Peak	CFS Peak
1.3	2.5	3.88

Temporary Block Water (Guaranteed Reserve Capacity):

Auburn plans to take delivery of not to exceed 5 MGD of this water supply in three (3) increments by year-end 2018.

Permanent Block Water (Cascade's Permanent Capacity):

Auburn plans to take delivery of not to exceed 2MGD ADD, 3.32 MGD Peak of this water supply in two increments by year-end 2018.

City of Bonney Lake Schedule and Allocation:

Mitigation Flows (Regional Reserved Water):

MGD ADD	MGD Peak	CFS Peak
1.0	2.0	3.1

Temporary Block Water (Guaranteed Reserve Capacity):

Bonney Lake declines to purchase any temporary block water.

Permanent Block Water (Cascade's Permanent Capacity):

Bonney Lake plans to take delivery by year-end 2018 of not to exceed 1.54 MGD ADD, 2 MGD Peak of this supply for the months of June through September only.

City of Buckley Schedule and Allocation:

Mitigation Flows (Regional Reserved Water):

MGD ADD	MGD Peak	CFS Peak
0.71	1.3	2.0

Temporary Block Water (Guaranteed Reserve Capacity):

Buckley would only purchase temporary block water to the extent of availability if Mitigation Flows cannot be utilized or are not available for its intended purpose.

Permanent Block Water (Cascade's Permanent Capacity):

Buckley would purchase permanent block water to the extent of availability if mitigation flows cannot be utilized or are not available for its intended purpose.

City of Sumner Schedule and Allocation:

Mitigation Flows (Regional Reserved Water):

MGD ADD	MGD Peak	CFS Peak
0.42	0.65	1.0

Subject to permitting decisions to be made by Department of Ecology, Sumner may not need peak flows above the average of 0.42 MGD (0.65 cfs).

Temporary Block Water (Guaranteed Reserve Capacity):

Sumner would not purchase temporary block water.

Permanent Block Water (Cascade's Permanent Capacity):

Sumner would not purchase permanent block water.

CITY OF AUBURN

CITY OF BONNEY LAKE

Peter B. Lewis, Mayor Date

Neil Johnson, Mayor Date

CITY OF BUCKLEY

CITY OF SUMNER

Pat Johnson, Mayor Date

Dave Enslow, Mayor Date

**2010 LAKE TAPPS AREA WATER RESOURCES AGREEMENT
AMONG THE CITIES OF AUBURN, BONNEY LAKE, BUCKLEY AND SUMNER,
AND CASCADE WATER ALLIANCE**

THIS LAKE TAPPS AREA WATER RESOURCES AGREEMENT (“Agreement”) made and entered into on the _____ day of _____, 2010, by and among the CITY OF AUBURN, (“Auburn”), the CITY OF BONNEY LAKE, (“Bonney Lake”) the CITY OF BUCKLEY, (“Buckley”) the CITY OF SUMNER, (“Sumner”) (all municipal corporations of the State of Washington, collectively, the “Four Cities”) and the CASCADE WATER ALLIANCE, a Washington non-profit corporation (“Cascade”). The Four Cities and Cascade together are sometimes collectively referred to as the “Parties.”

RECITALS – Reserved if necessary

DEFINITIONS:

“**Water Right**” shall mean the water right applications submitted to the Department of Ecology (“Ecology”) S2-29920, R2-29935, and S2-29934 in their current form or as may be modified and as approved by Ecology .

“**Cascade’s Tacoma Wholesale Agreement**” mean *the Agreement For The Sale of Wholesale Water Between The City of Tacoma, Department of Public Utilities, Water Division and Cascade Water Alliance*, dated October 13, 2005. The terms “**Capacity Reservation Fee**,” “**Peaking Factor**,” and “**System Development Charges**” are used in this Agreement as defined in Cascade’s Tacoma Wholesale Agreement.

“**City**” means one of the Four Cities individually.

“**Other Agreements**” means the *Agreement Regarding Reservoir Management Between PSE and the Lake Tapps Community*, dated March 31, 2004; *the White River Management Agreement Between the Puyallup Tribe of Indians, the Muckleshoot Indian Tribe, and Cascade Water Alliance*, dated August 6, 2008; *the Lake Tapps Water Rights Settlement Agreement*, dated August 6, 2008; *the Natural Resources Enhancement Agreement with the Puyallup Tribe of Indians*, dated August 6, 2008; and *the 2009 Agreement Regarding Lake Tapps between Cascade Water Alliance and the Lake Tapps Community*, dated May 13, 2009.

TERMS OF AGREEMENT

In consideration of their mutual covenants, conditions and promises, **THE PARTIES HERETO AGREE** as follows:

EFFECTIVE DATE AND TERM: This Agreement shall take effect when executed by the Parties and shall remain in full force and effect for fifty (50) years, unless terminated (in whole or in part) earlier in accordance with Sections 4 and 10. Provided, that any actions taken to enforce this Agreement before it expires, any conditions contained in permits issued pursuant to or implementing the terms of this Agreement, and any contracts to purchase water shall survive this Agreement. The Term of this Agreement may be extended by written agreement of the Parties.

CASCADE'S RESPONSIBILITIES:

1. **Lake Tapps Municipal Advisory Group.** Cascade agrees to the establishment of the Lake Tapps Municipal Advisory Group as follows:
 - a. The Lake Tapps Municipal Advisory Group shall consist of the elected Mayors of each of the Four Cities and three (3) members of the Cascade Board of Directors (the Cascade Board). If any of the Four Cities becomes a Member of Cascade, the Mayor of that City will not be considered a member of the Lake Tapps Municipal Advisory Group unless appointed as a representative of the Cascade Board.
 - b. The Lake Tapps Municipal Advisory Group will be a non-voting entity with the purpose of: (1) advising the Four Cities of proposed or pending Cascade decisions or actions related to the management of Lake Tapps that may affect the Four Cities; (2) advising Cascade of any issue that the Four Cities may have related to Cascade's management of Lake Tapps; (3) seeking cooperative resolution of any issues raised by Cascade or the Four Cities; and (4) any other matters related to the implementation of provisions of this Agreement.
 - c. The Lake Tapps Municipal Advisory Group will meet at least twice annually, with such meetings to be generally held in early/mid October and early/mid April, or as otherwise agreed by the members. Meetings may include staff of Cascade and the Four Cities as determined by the group. At the regular meeting of the Cascade Board immediately following a meeting of the Lake Tapps Municipal Advisory Group, a representative of the group will report on the issues discussed and present any recommendations for cooperative resolution of any issues discussed.
2. **Remedies for Negative Impact on Water Supply.** In accordance with the terms of this Agreement, if Cascade's Lake Tapps water supply operations result in a negative impact

to the water supplies of one of the Four Cities that is not a Cascade member, the City claiming a negative impact must notify Cascade of their claim and give Cascade at least sixty days to resolve the claimed impact. If Cascade fails to resolve the claimed negative impact or disputes that the negative impact exists, the City claiming the negative impact may pursue existing legal remedies in accordance with state and federal law. If a court determines that a negative impact has occurred as provided under this subsection, Cascade shall implement a remedy acceptable to the claiming City. If the affected City or Cities and Cascade can not agree on the terms required under this subsection, the court shall establish the terms for the remedy required under this Section.

3. Water Supply Assistance. Cascade agrees to assist the Four Cities in their efforts to meet their respective projected 50-year water needs by implementing one or more of the following measures:

a. Tacoma Wholesale Water. Through December 31, 2026, Cascade shall make available the following water supply that may be purchased by the Four Cities either individually or jointly: up to six (6) million gallons per day (MGD) under section 6.2 of Cascade's Tacoma Wholesale Agreement (hereinafter referred to as "Cascade's Guaranteed Reserve Capacity") and up to four (4) MGD under section 6.1 of Cascade's Tacoma Wholesale Agreement (hereinafter referred to as "Cascade's Permanent Capacity") under the following conditions:

- 1) For water supply from Cascade's Guaranteed Reserve Capacity to be available throughout the year, the City agrees to pay to Cascade an amount equal to the Capacity Reservation Fee (CRF) paid to Tacoma multiplied by the amount to be purchased in MGD (\$1,570,074.00 per MGD). It is understood that this Guaranteed Reserve Capacity water includes a peaking factor of 1.33 for the months of June through September and the City agrees to pay this fee.
- 2) For water supply from Cascade's Guaranteed Reserve Capacity to be available only during the peak season (June through September), the City agrees to pay to Cascade an amount equal to a pro-rated portion of the Capacity Reservation Fee paid to Tacoma multiplied by the amount to be purchased in MGD (1/3 of the CRF or \$523,358.00 per MGD). It is understood that this Guaranteed Reserve Capacity water includes a peaking factor of 1.33 for the months of June through September and the City agrees to pay this fee.
- 3) For water supply from Cascade's Permanent Capacity to be available either during peak period only or throughout the year, the City agrees to pay to Cascade an amount equal to the System Development Charge (SDC) paid by Cascade to Tacoma multiplied by the amount to be purchased in MGD

(\$4,121,000 per MGD) prorated by the number of months the water will be used each year. (For example, if a City purchases 1 MGD only from June through September, it would pay 1/3 of the SDC, or \$1,373,667 per MGD.) It is understood that this Permanent Capacity water includes a peaking factor of 1.33 for the months of June through September and the City agrees to pay this fee.

- 4) Each City that purchases water under this Section 3 of this Agreement will designate a delivery point and either pay Tacoma directly or reimburse Cascade for costs incurred to install necessary service taps, meters or vaults. Any infrastructure beyond the designated delivery point that may be required to deliver the purchased water to retail customers will be solely the responsibility of the City.
 - 5) Each City that purchases water under this Section 3 of this Agreement will provide Cascade with the necessary delivery scheduling information required under Cascade's Tacoma Wholesale Agreement, and will reimburse Cascade for all wholesale charges from Tacoma associated with deliveries at the City's delivery point, in accordance with the provisions of Section 9.1 of Cascade's Tacoma Wholesale Agreement, except for Cascade's obligation to pay the Minimum Monthly Bill.
 - 6) At any time prior to December 31, 2026, any of the Four Cities that have entered into wholesale water purchase agreements with Cascade under this Section 3 of this Agreement may ask Cascade to request that Tacoma make permanent the amount of water being purchased from Cascade under this Section 3 in accordance with section 15.1 of Cascade's Tacoma Wholesale Agreement. If approved by Tacoma, the requesting City agrees to pay to Cascade any amounts due from Cascade to Tacoma pursuant to section 15.1.2 of Cascade's Tacoma Wholesale Agreement for the duration of Cascade's obligation to Tacoma.
 - 7) Cascade shall not terminate, relinquish or amend Cascade's Tacoma Wholesale Agreement in any way that adversely impacts the Four Cities' ability to purchase water as set forth in this Agreement without the prior express written consent of the Four Cities.
- b. Regional Reserved Water.** Through December 31, 2030, Cascade will provide Lake Tapps Region Reserved Water ("Regional Reserved Water") to assist the Four Cities to secure or apply for alternative water supplies or water rights under the following conditions:
- 1) Cascade will include Regional Reserved Water, consistent with this Agreement,

in its State Environmental Policy Act (SEPA) Draft Environmental Impact Statement (DEIS) regarding the Lake Tapps Water Rights and Supply Project.

- 2) Subject to the SEPA DEIS process, Cascade will request approval by Ecology of the Lake Tapps municipal water right application as follows:
 - (a) Regional Reserved Water in an amount of seven (7) cubic feet per second (cfs) annual average (Qa) and ten (10) cfs maximum instantaneous (Qi) would be reserved for the use by any or all of the Four Cities to mitigate impacts on the White River of new water rights or changes to existing water rights.
 - (b) Regional Reserved Water would not be diverted into Lake Tapps, but instead be allowed to flow down the White River for potential use by any of the Four Cities.
- 3) If such Regional Reserved Water is approved by the Department of Ecology as provide in this Agreement, use of such Regional Reserved Water may be included as part of a water right application submitted individually by any of the Four Cities. Ecology approval of water rights utilizing Regional Reserved Water must be secured by the City on or before December 31, 2030. Beneficial use of such Regional Reserved Water will take place consistent with approved development schedules included in those water right approvals. Any Regional Reserved Water not authorized for use in a water right approved by December 31, 2030, shall revert to Cascade.
- 4) Cascade shall have no other obligation or involvement in any water right applications submitted by the Four Cities utilizing the Regional Reserved Water; provided however, Cascade shall not oppose such applications so long as Cascade's own right to divert, store and withdraw Lake Tapps Project water or its obligations under Other Agreements and approvals related to the Lake Tapps Project would not be impacted.
- 5) Within 90 days of any of the Four Cities receiving final approval of new or changed water rights incorporating use of Regional Reserved Water, that City shall pay Cascade a one-time Regional Water Charge equal to \$743,950.00 per cfs. If the water right includes seasonal limitations on use of Regional Reserved Water, the Regional Water Charge shall be pro-rated to reflect the seasonal availability of such water.

c. Mitigation Water from Tailrace. Subject to availability and to supporting findings in a

report of examination for one of the Four Cities' new or changed water right applications, Cascade would provide mitigation water by releasing water from the Lake Tapps Project tailrace to the White River, on terms to be negotiated by Cascade and the requesting City.

- d. **Support.** In order to support the efforts made by any of the Four Cities to acquire new water rights or transfer existing water rights, and upon request by any of the Four Cities, Cascade shall provide technical support, in the form of access to existing modeling and any other technical documentation available to Cascade. Upon request of the Four Cities and so long as consistent with Other Agreements and approvals related to the Lake Tapps Project, Cascade shall also provide letters or other documentation in support of actions taken by the Four Cities to secure new water rights or transfers of water rights, including but not limited to letters of support in establishing a finding of overriding considerations of the public interest by the Department of Ecology pursuant to RCW 90.54.020(3)(a).

4. Termination. Cascade's obligations under Sections 1 through 3 of this Agreement are in force and effect only so long as all Four Cities fulfill their obligations under this Agreement and none of the Four Cities appeal the Water Right. Cascade shall only be excused from its obligations to a City that breaches the terms of this Agreement. It shall remain fully obligated to non-breaching Cities.

5. Local Franchise and Permit Requirements. When operating in any of the Four Cities's municipal boundaries, Cascade will comply with all of that City's franchise and permitting requirements.

CITIES' RESPONSIBILITIES:

5. Purchase of Tacoma Wholesale Water. The Four Cities, collectively or individually, at each City's sole discretion, agree to buy water under Cascade's Tacoma Wholesale Agreement at the rates, including connection and wholesale charges as set forth in this Agreement. The Four Cities shall be responsible for dividing the purchased capacity among themselves, and shall negotiate wheeling or other applicable agreements either with Cascade or directly with Tacoma Water. Except as expressly provided otherwise in this Agreement, the Four Cities agree to be bound by the terms of the Cascade's Tacoma Wholesale Agreement.

6. Dismissal of Litigation. Within fifteen (15) business days after filing and/or recording of this Agreement, Auburn will withdraw and dismiss its pending lawsuit, with prejudice, against Cascade (King County Case Number 05-2-35788-6).

7. Four Cities Support of the Water Right. So long as the EISs are issued by Cascade and

the Water Right is approved by Ecology consistent with this Agreement, the Four Cities will support the EISs and the Water Right.

8. Municipal Advisory Group. The Four Cities, represented by their duly elected Mayors, will participate in the Lake Tapps Municipal Advisory Group as described in this Agreement.

9. Amending Legislation. Within thirty (30) days of issuance of the Water Right consistent with this Agreement, the Four Cities will support legislation amending RCW 39.34.215 by deleting subsections (4) (c) and (5).

10. Termination. The Four Cities' obligations under Sections 6 through 9 of this Agreement are in force and effect only so long as Cascade fulfills its obligations under this Agreement and the ROEs issued by Ecology for the Water Right are consistent with this Agreement regarding the Regional Reserved Water.

GENERAL

11. Indemnification. Each Party shall indemnify and hold the other Parties and their agents, employees, and/or officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against that Party arising out of, in connection with, or incident to the execution of this Agreement and/or the Indemnifying Party's performance or failure to perform any aspect of this Agreement; provided, that nothing herein shall require an Indemnifying Party to hold harmless or defend any other Party, its agents, employees and/or officers from any claims arising from the sole negligence of that other Party, its agents, employees, and/or officers. No liability shall attach to any Party by reason of entering into this Agreement except as expressly provided herein.

12. Compliance with regulations and laws. The parties shall comply with all applicable rules and regulations pertaining to them in connection with the matters covered herein.

13. Assignment. No Party shall assign this Agreement or any interest, obligation or duty therein without the express written consent of all other parties.

14. Attorneys' Fees. If any party shall be required to bring any action to enforce any provision of this Agreement, or shall be required to defend any action brought by the other party with respect to this Agreement, and in the further event that one party shall substantially prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's reasonable costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts.

15. Notices. All notices and payments hereunder may be delivered or mailed. If mailed, they shall be sent to the following respective addresses:

City of Auburn
25 West Main
Auburn, WA 98001-4998
Attn: Public Works Director
Phone:(253) 931-3000
Fax: (253) 931-3053

City of Bonney Lake
19306 Bonney Lake Blvd.
Bonney Lake, WA 98391
Attn: Public Works Director
Phone: (253) 862-8602
Fax: (253) 862-8538

City of Buckley
933 Main St
PO Box 1960
Buckley, WA 98321
Attn: City Administrator
Phone: (360) 829-1921
Fax: (360) 829-2659

City of Sumner
1104 Maple St.
Sumner, WA 98390
Attn: _____
Phone: (253) 863-8300
Fax: (253) 299-5509

Cascade Water Alliance
11400 SE 8th Street, Suite 440
Bellevue, Washington 98004
Attn: Chief Executive Officer
Phone: (425) 453-0930
Fax: (425) 425-453-0953

General Counsel, Cascade Water Alliance
GordonDerr, LLP
2025 First Avenue South, Suite 500
Seattle, Washington 98128-3140
Phone: (206) 382-9540
Fax: (206) 625-0675

or to such other respective addresses as any party hereto may hereafter from time to time designate in writing. All notices and payments mailed by regular post (including first class) shall be deemed to have been given on the second business day following the date of mailing, if properly mailed and addressed. Notices and payments sent by certified or registered mail shall be deemed to have been given on the next business day following the date of mailing, if properly mailed and addressed. For all types of mail, the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing.

16. Enforceability: The Parties intend this Agreement to be certain and enforceable, as well as a mechanism for ongoing collaboration as to any issues that may arise in connection with implementation of the Agreement. Except as necessary for compliance with and enforcement of this Agreement, the parties do not intend this Agreement to modify their respective rights or authorities.

17. Dispute Resolution. In the event that any dispute arises between Cascade and the Four

Cities, the aggrieved Party shall give a notice of the dispute to the other Party as provided in Section 13. Cascade and the Four Cities shall, within five (5) days of such notice, each nominate a senior officer of its management to meet at a mutually agreed location, to attempt to resolve such dispute. The Parties shall each designate a representative(s) to confer on the best and most cost effective way to resolve the dispute. By mutual agreement, they may choose direct negotiations, mediation or arbitration. If there is no agreement between the Parties on how to proceed within thirty (30) days, either Party may pursue legal action.

18. Non-Waiver. No delay or failure by a Party to exercise any of its rights, powers or remedies under this Agreement following any breach by another Party shall be construed to be a waiver of any such breach, or any acquiescence therein, or of or in any similar breach thereafter occurring, nor shall any waiver of any single breach be deemed a waiver of any other breach theretofore or thereafter occurring.

19. Severability. In the event that any of the terms of this Agreement are in conflict with any rule of law or statutory provision or otherwise unenforceable, such terms will be deemed stricken from this Agreement, but such invalidity or unenforceability will not invalidate any of the other terms of this Agreement, and this Agreement will continue in force, unless the invalidity or unenforceability of any such provisions hereof does substantial violence to, or where the invalid or unenforceable provisions comprise an integral part of, or are otherwise inseparable from, the remainder of this Agreement.

20. No Third Party Beneficiary. This Agreement is for the sole and exclusive benefit of the Parties and is not intended to and shall not confer any rights or benefits on any third party not a signatory hereto.

21. Amendment. This Agreement only may be amended or supplemented in a writing signed by the Parties.

22. Survival of Claims. Any claim that a Party has asserted by raising it under the Dispute Resolution provisions of this Agreement prior to the termination of this Agreement and that may reasonably be interpreted or construed to survive the termination of this Agreement shall survive the termination of this Agreement.

23. Signature in Counterpart. This Agreement may be executed in any number of counterparts and all of those counterparts taken together shall constitute one and the same instrument.

24. Further Assurances. Each Party covenants and agrees to do all things necessary or advisable in order to confirm and better assure the intent and purposes of this Agreement.

25. Authority. Each party, by executing this Agreement warrants that it has duly approved this Agreement and has to power to enter into this Agreement and to enforce its terms.

26. Good Faith Commitment to Support Agreement. The Parties covenant and agree to act in good faith and to support the terms and validity of this Agreement. Cascade shall, during the term of this Agreement, support and defend the validity of the Agreement and shall not seek, either directly or indirectly, to invalidate the Agreement or undermine or modify its terms and conditions through administrative, legislative, judicial or other means.

27. Nondiscrimination. Each of the parties, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or the presence of any sensory, mental or physical handicap be discriminated against or receive discriminatory treatment by reason thereof.

28. Applicable Law. This Agreement shall be deemed to be made and construed in accordance with the laws of the State of Washington jurisdiction and venue for any action arising out of this Agreement shall be in Pierce County, Washington.

29. Captions. The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions of this Agreement.

30. No Additional Entities Created. Unless otherwise specifically provided herein, no separate legal entity is created hereby, as each of the parties is contracting in its capacity as a municipal corporation of the State of Washington or as a Washington non-profit Corporation. The identity of the parties hereto is as set forth hereinabove.

31. Integrated Agreement. This Agreement constitutes the entire agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modifications or amendments of this Agreement shall be valid or effective unless evidenced by an agreement in writing signed by all parties.

32. Filing. Copies of this Agreement shall be filed with the King County Auditor's Office; the

Pierce County Auditor's Office; the Secretary of State of the State of Washington; and the respective Clerks of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF AUBURN

CITY OF BONNEY LAKE

Peter B. Lewis, Mayor Date

Neil Johnson, Mayor Date

Attest:

Attest:

City Clerk

City Clerk

Approved as to Form:

Approved as to Form:

Daniel B. Heid, City Attorney Date

James Dionne, City Attorney Date

CITY OF BUCKLEY

CITY OF SUMNER

Pat Johnson, Mayor Date

Dave Enslow, Mayor Date

Attest:

Attest:

City Clerk

City Clerk

Approved as to Form:

Approved as to Form:

Susan R. Sampson, City Attorney Date

Brett Vinson, City Attorney Date

CASCADE WATER ALLIANCE

Chuck Clarke, CEO Date

CITY COUNCIL WORKSHOP

**January 5, 2010
5:30 p.m.**

DRAFT MINUTES



“Where Dreams Can Soar”

The City of Bonney Lake’s Mission is to protect the community’s livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

Website: www.ci.bonney-lake.wa.us

I. Call to Order:

Mayor Neil Johnson, Jr. called the workshop to order at 5:31 p.m.

II. Roll Call: [A1.3]

Administrative Services Director/City Clerk Edvalson called the roll. In addition to Mayor Johnson, elected officials attending were Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember James Rackley and Councilmember Dan Swatman.

[Staff Members in attendance were City Administrator Don Morrison, Chief Financial Officer Al Juarez, Community Development Director John Vodopich, Police Chief Mike Mitchell, Public Works Director Dan Grigsby, Community Services Director Gary Leaf, City Attorney James Dionne, Judge James Helbling, Administrative Services Director/City Clerk Harwood Edvalson and Records & Information Specialist Susan Duis.

III. Agenda Items:

5:32:27

- A. **Administration of Oath of Office by Judge James Helbling:** Neil Johnson, Mayor; Randy McKibbin, At-Large Councilmember #1; Dan Swatman, Councilmember Ward 1; and Donn Lewis, Councilmember Ward 4.

Mayor Johnson welcomed new and returning Councilmembers. Judge Helbling administered the oath of office to Councilmembers Lewis, McKibbin and Swatman, and to Mayor Johnson.

At 5:36 p.m., the workshop recessed for 15 minutes for a short reception with refreshments, and so photographs could be taken of the 2010 Council and the new Councilmembers. The workshop returned to order at 5:52 p.m.

5:52:54

- B. **AB10-02** – A Motion of the Bonney Lake City Council Electing the Deputy Mayor and Assigning Councilmembers to the Council Standing Committees.

Councilmember Rackley nominated Councilmember Swatman as Deputy Mayor. Councilmember Decker seconded the nomination.

Seeing no other nominations, Mayor Johnson called for the vote.

Motion approved 7 – 0.

Deputy Mayor Swatman then appointed members to the 2010 Council Committees, per the Council’s rules, and Committee members elected their chair:

Community Development Committee: Councilmembers Lewis, McKibbin and Rackley. Committee members elected Councilmember Rackley as the chair.

Public Safety Committee: Councilmembers Carter, Decker and Hamilton. Committee members elected Councilmember Hamilton as the chair.

The Finance Committee includes the chair of each committee and the Deputy Mayor. The Finance Committee members are Deputy Mayor Swatman and Councilmembers Hamilton and Rackley.

5:56:07

C. **Council Open Discussion:**

WSU Forest: Councilmember Decker said the City should set up a fund for donations toward a YMCA as soon as possible. Councilmember Carter agreed, and said this is a good time to get included in 2011 campaign programs for United Way, federal employers and other organizations. She said the trails need to be cleaned up before they are opened to the public, and suggested that community groups be organized to help with clean up. She suggested other projects, including mapping the trails, posting rules and signs, and coordinating events like cross-country meets, nature classes and walks with schools and community members. She said she wants to ensure the trails are safe for the public and for Police officers to patrol the park once it is open. Councilmember Lewis suggested Beautify Bonney Lake could hold a smaller spring event focusing on cleaning up the WSU forest and trails. Councilmember Rackley said the Park Board should be involved in planning as well.

Mayor Johnson said he recently spoke with YMCA of Pierce and Kitsap Counties CEO Bob Ecklund, and plans to invite him to speak to the Council later in the month. He said he also plans to meet with Pete Lymberis of Quadrant to follow-up on the agreement and next steps. Community Services Director Leaf said he is planning to walk the trails with staff to see what kind of work needs to be done and identify hazard trees or other risks. Mayor Johnson said he also would like to see a needs assessment for parks and recreation around the City and plateau. He said the City needs to figure out what kind of recreational facilities are needed and what options are available. Councilmember Carter noted that Pierce County recently finished a master recreation plan that the City could use to start its evaluation. Councilmember Hamilton said he hopes the City will consider the Moriarty property during its needs assessment. He said he would like to see this property opened to public access soon as well.

Mayor Johnson said the WSU forest would be on the agenda for the upcoming Council retreat.

Public Art: Councilmember Carter said etched glass panels originally created for transit shelters are available for public art uses. She suggested the panels could be used for public art at the Interim Justice Center.

National League of Cities: Councilmember Carter said the NLC has a small cities prescription savings program that provides discounts for prescriptions to residents. She said the City is not currently a member of NLC, but might want to consider future membership and this program specifically.

Water Agreement: Deputy Mayor Swatman asked the CDC to let him know when it has reviewed the proposed agreement with Joe Fesler regarding water service.

WSU Site Medical Center: Deputy Mayor Swatman asked if the proposed medical center on the WSU forest site has moved forward. Community Development Director Vodopich said the City received the preliminary site plan, and storm water plans were just submitted on Wednesday, December 30, 2009. He said he believes they plan to build on the site during 2010. The proposed medical building and parking will be on the southeast side of the WSU property.

Legislative Agenda: Mayor Johnson said he received a letter from Sumner Mayor Dave Enslow regarding their legislative and State agenda, which he would forward to the Council. He said the Council will discuss its own agenda during the Retreat, and share the information with Sumner. Councilmember Rackley said he met with Mayor Enslow over the holidays, and they briefly discussed sewer treatment facility usage.

Valley Fire District: Mayor Johnson said he spoke with Auburn Mayor Pete Lewis regarding reports that the Valley Fire District was planning to annex an area that is currently in East Pierce Fire & Rescue’s (EPFR) service area. Mayor Lewis assured him that Auburn has no plans to annex that far south on Lake Tapps, and that he was not aware of a flyer that was given to area residents about annexing to Valley Fire District. EPFR Deputy Chief John McDonald said the Valley Fire District is a regional fire authority that serves Auburn, Pacific and Algona. He said the district follows the cities’ boundaries and UGAs for the service area, and cannot expand unless a city expands its own city limits or UGA boundaries.

6:24:23

D. **Review of Council Minutes:** December 15, 2009 Workshop and December 22, 2009 Meeting.

Councilmember Lewis requested the following corrections to the December 22, 2009 minutes: on p. 1, Councilmember Bowen joined the Council in 2006, not 2008; on p. 3, change from “incumbent” to “Councilmember-elect.” The minutes were forwarded, with corrections, to the January 12, 2010 Meeting for approval.

By Council consensus, Item F., 2010 Outlook for East Pierce Fire and Rescue, was changed to Item E. on the agenda.

6:26:02

E. **Presentation:** 2010 Outlook for East Pierce Fire and Rescue - Deputy Chief John McDonald.

Deputy Chief McDonald offered Councilmembers information on the fire districts plans and issues for 2010. He said like other agencies, the district’s budget has been cut due to decreased revenues. The district is working on a merger with Pierce County Fire District 8, in Edgwood. The issue comes before voters in the February 2010 election. EPFR has also spoken with the City of Milton about fire services, but the City lies on the Pierce/King County line, making funding more complex. The district is working on a strategic leadership plan, and is reviewing all station locations and future needs currently. He said the Washington legislature would likely adopt the 2009 Fire Code soon, which the City will need to review and incorporate later this year.

Councilmembers asked Deputy Chief McDonald about high-density residential units. He said it is difficult for cities to pass more stringent fire codes than the State. He said the residential fire codes are a major concern and EPFR will continue to work closely with the City on these issues.

The Deputy Chief addressed concerns about fire service in the North Lake Tapps area. He said EPFR has concerns that Auburn intends to annex farther south. He said the Valley Fire District told Mayor Johnson they do not intend to move south, but recently built a firehouse on the border of their jurisdiction, which caused some concern for EPFR. He said if Valley Fire annexed this area, EPFR could lose revenues.

Councilmembers asked for an update on Orting's fire service. Deputy Chief McDonald said EPFR loaned Dave Wakefield to serve as Orting Fire's interim chief, and they have now hired an Interim Chief, Paul Webb. He said Orting will vote on whether to annex into EPFR soon. Orting is bordered by EPFR's service area on three sides.

City Administrator Morrison said he has spoken with EPFR's Chief Jerry Thorsen about areas that may annex into the City in the future. He said these areas on the plateau are already in EPFR's service area. He said the City would likely approach the fire district with an interlocal agreement as annexation discussions progress.

Mayor Johnson thanked Deputy Chief McDonald for his time and information.

6:52:46

F. **Discussion:** AB10-16 – Approving the Planning Commission Workplan for 2010.

Director Vodopich said this outline workplan offers potential issues for 2010 through 2012. He asked Councilmembers for their input on these and other issues they would like the Planning Commission to focus on in the coming months.

Deputy Mayor Swatman said the Shoreline Master Plan (SMP) has criteria about what types of lakes and streams qualify. He said only Lake Tapps qualifies under the SMP, and he is more concerned with Lake Bonney and area streams than Lake Tapps. Director Vodopich said the City is required to have an updated SMP by State mandate, and the City has received grant funding for the project.

Deputy Mayor Swatman asked for more information on the recommendation from WCIA to change language on tree retention in the City's code. He expressed concern that the Council was not aware of the WCIA audit or its findings. City Administrator Morrison explained that the City's insurance agent, WCIA, reviews a specific business area each year for a survey and audit. In 2009, they sent a survey about land use, and the City submitted a questionnaire and policies for review. WCIA made recommendations for changes to the City's policies that would reduce the city's risk. He said the recommendations are not mandatory. In the case of tree retention, WCIA recommends the City clarify its language and set up criteria for specific retention requirements. Mayor Johnson said the Council has not been directly involved with the WCIA audits in the past, but this information could be provided via the Finance Committee in the future, if the Council is interested. The survey usually occurs in October.

Mayor Johnson said the Planning Commission has two vacancies and he is still accepting applications. He said the proposed workplan is a framework and can be revised at any time. He suggested the workplan be tabled to a future workshop after the new Commissioners are appointed and after the Council Retreat in January.

7:18:55

G. **Discussion:** Council Retreat and Town Hall Meeting Dates.

City Administrator Morrison asked Councilmembers to consider when and where to hold their yearly retreat and a Town Hall meeting for citizens. Councilmembers scheduled a Town Hall Meeting on Saturday, January 30, 2010 at the Senior Center. Mayor Johnson suggested another Town Hall could be held later in 2010, in conjunction with an open house for the new Interim Justice Center.

The Council Retreat was scheduled for Saturday, February 27, 2010 at the Washington National Golf Club in Auburn. He said the cost is about \$1,000 for facility use and three meals for all councilmembers, staff and their spouses. He said in the past, dinner costs have run about \$600-700 so this is a good price for the full day and meals. He added that the cost would be reduced if spouses did not attend.

IV. **Executive Session:** None.

7:52:26

V. **Adjournment:**

At 7:52 p.m., Councilmember Rackley moved to adjourn the workshop. Councilmember Lewis seconded the motion.

Motion approved 7 – 0.

Harwood T. Edvalson, CMC
City Clerk

Neil Johnson, Jr.
Mayor

Items submitted to the Council Workshop of January 5, 2010:

- City of Bonney Lake – *Council Retreat Agenda – Initial Discussion Draft* – Don Morrison.
- City of Bonney Lake – *Suggested 2010 Open Houses* – Don Morrison.

CITY COUNCIL MEETING

**January 12, 2010
7:00 P.M.**



The City of Bonney Lake's Mission is to protect the community's livable identity and scenic beauty through responsible growth planning and by providing accountable, accessible and efficient local government services.

DRAFT MINUTES

"Where Dreams Can Soar"

Website: www.ci.bonney-lake.wa.us

Audio Time
Stamp ↓

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 7:01 p.m.

A. Flag Salute – Mayor Johnson led the audience in the Pledge of Allegiance.

B. Roll Call:

City Clerk Harwood Edvalson called the roll. In addition to Mayor Neil Johnson, Jr., elected officials attending were Deputy Mayor Dan Swatman, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin and Councilmember Jim Rackley.

[Staff members in attendance were City Administrator Don Morrison, Chief Financial Officer Al Juarez, City Engineer John Woodcock, Police Chief Mike Mitchell, Community Development Director John Vodopich, Community Services Director Gary Leaf, City Attorney Jim Dionne, Administrative Services Director/City Clerk Harwood Edvalson, Human Resources Officer Jenna Young and Records & Information Specialist Susan Duis.]

C. Announcements, Appointments and Presentations:

1. Announcements: None.

2. Appointments:

a. **AB10-26** – A Motion of the Bonney Lake City Council Appointing a Representative and Alternate Representative to the Pierce County Regional Council.

Deputy Mayor Swatman nominated Councilmember Rackley as the representative and Councilmember Hamilton as the alternate representative to the Pierce County Regional Council.

Motion approved 7 – 0.

3. Presentations: None.

D. Agenda Modifications: None.

7:03:06

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

A. Public Hearings: None.

B. Citizen Comments:

Lora Butterfield, Chamber of Commerce President, gave the Council an update on the Chamber of Commerce's activities and plans for 2010. A new Goodwill store and

a restaurant, Zato Grill, recently opened in Bonney Lake. The South Sound Legislative Coalition, including 9 area Chambers, met on January 8, 2010. The Chamber moved its Tuesday networking meetings to Zato Grill, and Chamber luncheons will be held at the Swiss Hall. Special Events Coordinator David Wells will attend the next luncheon to present information on upcoming City events and sponsorship opportunities. The Chamber will be unveiling a new website at www.bonneylakechamber.com soon. The new page will include new features including specials at area businesses, job postings, events, business listings, YouTube video feeds, news feeds and calendars. The existing website, www.bonneylake.com, will be redesigned later this year; this page will focus on resources for people who want to visit or relocate to Bonney Lake. It will also provide local community organizations with a space to create their own web pages. Ms. Butterfield said the Chamber is currently accepting nominations for its annual 'Citizen of the Year' awards banquet. She thanked Councilmember Carter for suggesting she come to talk with the Council, and said she hopes to regularly attend Council meetings and give updates.

- C. Correspondence: None.

7:09:25

III. COUNCIL COMMITTEE REPORTS:

- A. Finance Committee: Deputy Mayor Swatman said the committee met at 5:30 p.m. earlier in the evening and welcomed its new member, Councilmember Hamilton. The committee discussed Resolution 2005 (AFSCME contract), Resolution 2008 (joint recreation program), Resolution 2004 (emergency management interlocal agreement), and Resolution 2000 (conservation management grant application), which are planned for the current or upcoming agendas. The committee also discussed a grant for AEDs in City buildings, utility billing services, minutes, false alarm fees, and coordination of Council Committees.
- B. Community Development Committee: Councilmember Rackley said the committee met on January 4, 2010 and moved Resolutions 1993, 1994, 1995, 1998, and 1999 to the current agenda, and recommended passage of all these items.
- C. Public Safety Committee: Councilmember Hamilton said the committee met on January 11, 2010 and heard from East Pierce Fire & Rescue Assistant Chief McDonald about NIMS training and fire ordinances related to night clubs. The committee also discussed 2010 goals and will continue working on the Metro Animal Services contract and boat noise issues. The committee will also review a request to expand tow truck service from a business located in Pacific, Washington.
- D. Other Reports:
- Annexation: Deputy Mayor Swatman said he met with the Autumn Crest Homeowner's Association to discuss the possibility of annexing into the City. He said residents seemed receptive to the idea.

Pam Roach Town Hall: Councilmember Carter said Pam Roach held a town hall meeting at the Bonney Lake Senior Center on January 9, 2010. She and Councilmembers Lewis, Rackley and Swatman attended, but did not sit together.

Community Leaders Coffee: Councilmember Carter said the next event is on January 27, 2010 and people should RSVP by January 22 if they plan to attend.

Community Pancake Breakfast & Town Hall: Councilmember Carter said the Council has scheduled a Town Hall meeting and Pancake Breakfast on Saturday, January 30, 2010 from 8:30 a.m. to 10:30 a.m. She encouraged citizens to attend.

Zato Grill Opening: Mayor Johnson attended the opening of the new restaurant, as did County Councilmember Shawn Bunney and State Representative Pam Roach. He said he also learned that Design Commissioner Raymond Bunk plans to run for a State Representative position.

Frank Miller Celebration of Life: Mayor Johnson said Frank Miller, who worked as a cook in the Senior Center for many years, passed away on January 9, 2010. At Mr. Miller's request, a 'celebration of life' will be held instead of a funeral. The event will be held later in the month at the Senior Center. He said Frank was a wonderful person with a ready smile, and will be greatly missed by the community.

7:20:18

IV. CONSENT AGENDA:

- A. **Approval of Corrected Minutes:** December 15, 2009 Workshop and December 22, 2009 Meeting.
- B. **Accounts Payable Checks/Vouchers:** Accounts Payable checks/vouchers #57569 thru 57606 (including wire #'s 121709 & 28128495) in the amount of \$2,535,963.43; Accounts Payable checks/vouchers #57607 thru 57659 (including wire # 142010) in the amount of \$1,091,236.60; Accounts Payable checks/vouchers #57660 thru 57665 for Utility Refunds in the amount of \$332.15.
- C. **Approval of Payroll:** Payroll for December 1- 15 2009 for checks 28670-28690 including Direct Deposits and Electronic Transfers in the amount of \$ 379,633.74. Payroll for December 16- 31 2009 for checks 28691-28720 including Direct Deposits and Electronic Transfers in the amount of \$ 589,140.78.
- D. ~~**AB10-03 – Resolution 1993** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing a Contract with RH 2 for the Design of Leaky Water Main Replacement – Phase 2C. Moved to Community Development Issues, Item B.~~
- E. **AB10-04 – Resolution 1994** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Intolight Contract to Install 15 Street Lights in the SR 410 Medians in Easttown between 214th Avenue East and 234th Avenue East.
- F. **AB10-05 – Resolution 1995** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign the Puget Sound Energy, Inc. Easement on Parcel #920000-007-0 to Serve the Greenwood Apartments.
- G. **AB10-08 – Resolution 1998** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign the SR

410 City Median Maintenance Agreement GM-1539 from the State of Washington Department of Transportation.

- H. ~~**AB10-09 – Resolution 1999**~~ – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign the SR 410, 214th Ave. E. to 234th Ave. E. Stormwater Mitigation Properties Agreement GCA 6371 from the State of Washington Department of Transportation. *Moved to Community Development Issues, Item A.*
- I. **AB10-22** – A Motion of the Bonney Lake City Council Voting for Mark Hamilton as the At-large Position #2 Representative to the Zoo/Trek Authority Board.
- J. **AB10-24 – Resolution 2006** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign an Interlocal Agreement with the City of Buckley for Planning Services.

Consent Agenda approved 7 – 0.

7:22:07

V. FINANCE COMMITTEE ISSUES:

- A. **AB10-23 – Resolution 2005** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Approving and Authorizing the Mayor to Sign a New Collective Bargaining Agreement with the American Federation of State, County, and Municipal Employees, Local No. 120, for the Years 2010-2012.

Deputy Mayor Swatman moved to approve Resolution 2005. Councilmember Carter seconded the motion.

Human Resources Officer Jenna Young said negotiations have been underway since October 2009 to reach this tentative agreement. She said one of the bigger changes is that the Union has agreed to change its medical benefits plan now, rather than waiting until 2012 when the City will be forced to switch to a new medical plan. She said changing plans now represents a cost savings to the City. The wage scales have also been adjusted to bring salaries in line with the market value, as was done for non-represented employees in 2009. She said thirteen employees currently earn less than the minimum. The agreement proposes bringing these salaries up to the minimum on the new scales in four installments during 2010 and 2011, similarly with how the non-represented employees' salaries were revised. Beyond this adjustment, there are no salary increases for union employees in 2010, except for employees who qualify for 3% step increases this year.

Deputy Mayor Swatman noted that in general, employees receive the 3% step increase, which was based on performance and length of employment. Ms. Young said she has worked hard with supervisors on regular employee evaluations so issues are addressed before it is time to consider giving a step increase. Mayor Johnson congratulated Ms. Young on increasing the rate of completed employee evaluations from supervisors to 97% recently. City Administrator Morrison said that in the AFSCME agreements, step increases are based on longevity, not on performance. Mayor Johnson thanked Jenna for her hard work and success in serving as the lead negotiator for the City in this process.

Motion approved 7 – 0.

- B. **AB10-27 – Resolution 2008** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing an Interlocal-Agreement Between the Sumner School District and the Cities of Bonney Lake and Sumner to Operate a Joint Recreation Program.

**Councilmember Rackley made a motion to approve Resolution 2008.
Councilmember Lewis seconded the motion.**

Councilmember Rackley noted that this continuing agreement has been in place for many years. Mayor Johnson said the joint program provides valuable services to Bonney Lake residents and others in the area. He said that even with budget cutbacks last year, the program was able to provide many great programs and events.

Motion approved 7 – 0.

7:29:50

VI. COMMUNITY DEVELOPMENT COMMITTEE ISSUES:

- A. **AB10-09 – Resolution 1999** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing the Mayor to Sign the SR 410, 214th Ave. E. to 234th Ave. E. Stormwater Mitigation Properties Agreement GCA-6371 from the State of Washington Department of Transportation. (Moved from Consent Agenda, Item H.)

Councilmember Rackley moved to approve Resolution 1999. Deputy Mayor Swatman seconded the motion.

Mayor Johnson invited those who had signed up to speak to come forward.

Mary Miller, 23015 Hwy 410 E, Bonney Lake, lives in Eastown and said she needs assurances from the City that she will be granted an easement for sewer service on her property. She said her property will not abut the sewer or frontage road, and she will not be able to access the sewer line unless one of her neighbors gives her access. She asked the City to provide her an easement so she is not held back from developing or selling the property later.

City Engineer Woodcock said the City’s intent is to give all property owners an easement to hook into the sewer system. He explained that the sewer line will be installed first, then inspected and, if accepted, transferred to the City. Therefore, the City will not own the property for some time. He said the City could also try to work with the Department of Transportation during the process to work out agreements earlier. Councilmember Hamilton pointed out that this specific resolution does not address Ms. Miller’s concerns. He said even if the City takes over the stormwater ponds, different agreements would need to be in place related to a sewer easement.

Marian Betzer, 19812 82nd St Ct E, Bonney Lake, spoke about her concerns that these ponds will negatively affect the headwaters of Fennel Creek. She said the ponds will have a cumulative affect over the years. She said the current ponds are

already completely full with the recent rainy days, and cannot handle more water. She said the City will also incur the cost of maintaining the ponds, which will increase over time as well. She invited Councilmembers to visit the site and see where the water comes in and leaves the area, and how these pond will affect the area.

Ms. Betzer responded to Councilmembers questions about the area. She said fill was placed on the French property in 2007, but the tributary waters are still underground and water continues to flow in. She said she is not opposed to commercial development but wants to the City to perform balanced, responsible assessments.

City Engineer Woodcock said the Department of Transportation designed the ponds to Department of Ecology standards, which are the most stringent requirements. He said they design these ponds to match the flow ingress and egress before and after construction, not to change how much water comes in or out overall. The ponds are designed to handle the increased runoff from SR 410 after the highway is expanded. He confirmed that environmental studies were completed to ensure Fennel Creek would not be endangered by the project. He said if the new ponds work as designed, they should actually improve the water quality in the creek and reduce pollutants.

Mayor Johnson said once the City takes on maintenance of the ponds, staff will have more control and oversight. Mr. Woodcock added that NPDES Phase II requires cities to monitor water discharged from storm ponds, so the City will be able to evaluate how the ponds are affecting the creek. He said this is an unfunded mandate, however, and funds still need to be identified for this task. Councilmember Rackley noted that the area Ms. Betzer refers to has flooded in the past, before and after the current ponds were installed. He said the DOT project is already designed and out for bids, and the City cannot stop construction at this stage. He said the ponds should not make water issues worse, but improve or at least keep the flows the same.

Charlotte Kontos, 22305 96th St E, Buckley, provided the City Clerk with a list of questions and a photograph of the culvert along her property. She said the pond near her property has no capacity left and she is concerned it will erode away her driveway. She said she is willing to transfer part of her property to the City if she can get access on a neighbor's property. Mr. Woodcock reiterated that the ponds are designed to keep the flows in and out about the same as they were before construction. He showed Councilmembers the locations of the three ponds on a map. He pointed out that the pond Ms. Kontos refers to is currently on County land.

Mayor Johnson reminded the Council that the proposed resolution is for the City to maintain the ponds, only.

Motion approved 7 – 0.

- B. **AB10-03 – Resolution 1993** – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Authorizing a Contract with RH-2 for the Design of Leaky Water Main Replacement - Phase 2C (Moved from Consent Agenda, Item D.).

Councilmember Rackley moved to approve Resolution 1993. Councilmember Hamilton seconded the motion.

Deputy Mayor Swatman expressed concern that the CDC committee forwarded this item without reviewing any data showing that continued repairs are necessary. He said at this point the City's water loss is flat and wants to ensure that spending funds for additional leak repairs is justified.

City Engineer Woodcock said that specific leaky mains were added to the project list based on leak detection services and maintenance reports from City crews, who have to repair lines when major leaks or breaks occur. He said most of the City's pipes are over 50 years old and will need to be replaced in coming years. He added that the pipes are under high pressure and water sometimes leaks directly into the ground and is wasted.

Mr. Woodcock noted that early leaky main repair phases cost more since the price of steel was high, but recent projects have been coming in far under budget and the City may be able to get more work done with its funds. City Administrator Morrison said this phase of the leaky main project may be one of the last, since the City has done a lot to reduce water loss in recent years. Councilmember Rackley said that according to Assistant Public Works Director Charlie Simpson, the difference between the amount of water billed vs. pumped is still off by about 2 million gallons. He said the water is being lost through leaks, faulty equipment or bad readings. He said the CDC committee will discuss options to improve water meters and measurements in the future. Deputy Mayor Swatman said he supports the leaky mains project in general, but wants to be sure the committee carefully studies all projects and reviews current data. He said replacing old pipes also helps resolve water pressure issues, since the City can install larger-sized pipes when it replaces old lines.

Motion approved 7 – 0.

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

8:16:58

VIII. FULL COUNCIL ISSUES:

- A. **AB10-16** – A Motion of the Bonney Lake City Council Approving a Planning Commission Annual Work Plan for 2010.

Councilmember Decker moved to approve motion AB10-16. Councilmember Lewis seconded the motion.

Councilmembers Rackley and Hamilton said they felt a Historical Element should be included with the Comprehensive Plan, and the work plan should include this topic. Deputy Mayor Swatman said he included the motion on the agenda because the Planning Commission expressed confusion about what they should be working on in early 2010. The Council will discuss planning issues at its Retreat in February, and new Planning Commissioners need to be brought on board as well. He said that after

that, the Council can discuss the work plan at a workshop and make changes as needed. The Council can also revise the plan at any time during the year.

Motion approved 7 – 0.

8:21:33

IX. EXECUTIVE SESSION:

Pursuant to 42.30.110 (1)(b), the Council recessed to an executive session with the City Attorney at 8:31 p.m. to discuss property acquisition for fifteen minutes. The Council returned to Chambers at 8:49 p.m. No action was taken.

8:49:48

X. ADJOURNMENT:

At 8:49 p.m. Councilmember Rackley moved to adjourn the meeting. Councilmember Lewis seconded the motion.

Motion approved 7 – 0.

Harwood Edvalson, CMC
City Clerk

Neil Johnson
Mayor

Items submitted to the Council Meeting of January 12, 2010:

- Bonney Lake Citizen – *Letter re: “Please answer these questions for me”* – Charlotte Kontos.
- Bonney Lake Citizen – *Photograph of Culvert* – Charlotte Kontos.
- Bonney Lake Citizen – *Letter re: “Eastown Stormwater Management”* – Marian Betzer.

Agenda

Council Retreat

Saturday, February 27, 2010
Washington National, Auburn, WA

8:00am Continental Breakfast

8:30am Council Member Roundtable

- Why I ran for Council, and what I'd like to see

Council Visioning and Goal Setting

- Briefly Review/Update Council Vision Statements
- Review/Update Council Goals

Rest Break:

10:15am Council Strategy Sessions

- 2011-2012 Budget Process and Emphasis
- CUGA Annexation
- Legislative Agenda (What we'd lobby the county, state, and feds to do for Bonney Lake)

Lunch:

1:00pm Council Strategy Sessions Continued

- Long Range Sewer System Goals
- Downtown Civic Center

Rest Break:

2:45pm Council Strategy Sessions Continued

- Long Range Park, Trail, Open Space and Recreation Goals
 - Long range recreation service structure
 - Park planning, development and financing
 - YMCA/Community Center

4:00pm Open Council Discussion

- IJC Council Chambers Features (time available basis)
- Council Committee Operations (time available basis)

5:00pm Wrap-up and Recess to Dinner

5:30-7:00 Dinner Meeting