

CITY COUNCIL MEETING

July 24, 2012
7:00 P.M.

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

Location: Bonney Lake Justice Center, 9002 Main Street East, Bonney Lake, Washington.

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the meeting to order at 7:05 p.m.

- A. Flag Salute: Mayor Johnson led the audience in the Pledge of Allegiance.
- B. Roll Call: Administrative Services Director/City Clerk Harwood Edvalson called the roll. In addition to Mayor Johnson, elected officials attending were Deputy Mayor Dan Swatman, Councilmember Mark Hamilton, Councilmember Donn Lewis, Councilmember Randy McKibbin, Councilmember Katrina Minton-Davis, Councilmember Jim Rackley, and Councilmember Tom Watson.

Staff members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Chief Financial Officer Al Juarez, Interim Police Chief Dana Powers, Administrative Services Director/City Clerk Harwood Edvalson, City Attorney Kathleen Haggard, and Administrative Specialist Renee Cameron.

C. Announcements, Appointments and Presentations:

1. Announcements:

Mayor Johnson announced and congratulated Administrative Services Director/City Clerk Harwood "Woody" Edvalson for earning his designation of Master of Municipal Clerks through the International Institute of Municipal Clerks.

Mayor Johnson announced and congratulated Chief Financial Officer Al Juarez, for earning the Washington Finance Officers Association's Professional Finance Officers Award for the past 21 years; Terrina Marchant, Finance Accountant for earning the Professional Finance Officers Award for the past 8 years; and Kassandra Raymond, Finance Accounting Manager for earning the Professional Finance Officers Award for the past 10 years.

2. Appointments: None.

3. Presentations:

a. **Proclamation**: William Knight III Day – August 16, 2012.

Mayor Johnson read the Proclamation. Interim Police Chief Dana Powers introduced William Knight III, who will be Chief for the Day on August 16, 2012

D. Agenda Modifications: None.

II. PUBLIC HEARINGS, CITIZEN COMMENTS & CORRESPONDENCE:

- A. Public Hearings: None.
- B. Citizen Comments: None
- C. Correspondence: None.

III. COUNCIL COMMITTEE REPORTS

- A. Finance Committee: Deputy Mayor Swatman said the committee met at 5:30 p.m. earlier in the evening and mainly discussed the Audit Exit Conference for fiscal 2010; a proposed resolution for an amendment to the employment agreement for John Vodopich for travel allowances as his duties have expanded to Building Official and building division manager; the possibility of a freeze on filling vacant positions; the concept of a higher deductible plan for employee benefits; provided an update on property acquisitions for the Town Center Concept; and looked at ideas/concepts for the Food Bank relocation plan.
- B. Community Development Committee: Councilmember McKibbin advised that the Committee had a number of items on tonight's agenda.
- C. Public Safety Committee: Councilmember Hamilton said the committee has not met since last meeting. The next meeting the Committee will discuss lifeguard issues at Allan Yorke Park.

Councilmember Watson read into the record the July 24, 2012 Memo from City Engineer John Woodcock regarding driver warning signs.

- D. Other Reports: None

IV. CONSENT AGENDA:

- A. **Approval of Minutes**: June 26, 2012 Meeting, July 3, 2012 Workshop, and July 10, 2012 Meeting.
- B. **Approval of Accounts Payable and Utility Refund Checks/Vouchers**: Accounts Payable checks/vouchers #64020-64023 in the amount of \$7396.72. Accounts payable check/voucher #64026 in the amount \$500.00. Accounts Payable checks/vouchers #64024, 64025, and 64027-64105 (includes wire #39048946) in the amount of \$292,486.01. Accounts Payable checks/vouchers #64106-64111 in the amount of \$172,051.53. Void Checks: 64046 – duplicate invoice. Replaced with check #64106.
- C. **AB12-108 – Resolution 2227** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing The Purchase Of Anue Wastewater Conditioning & Cleaning Systems For Lift Stations 7, 8, 20 & 21 From Correct Equipment.
- D. **AB12-109 – Resolution 2228** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Awarding A Professional Services Agreement

To Whitney Equipment Company, Inc. For The Purchase And Installation Of Flygt Pumps At Lift Stations 3, 4, 6, 7, 8, 13 And A Spare.

- E. **AB12-113 – Resolution 2229** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Approving The Mayor To Sign The Real Property Payment Voucher With Ocean Manor Apartments, LLC For The Right Of Way Acquisition Within The Main Street Intersection Improvements Project Limits.

Councilmember Rackley moved to approve the Consent Agenda. Councilmember Watson seconded the motion.

Consent Agenda approved 7-0

V. FINANCE COMMITTEE ISSUES: None.

VI. COMMUNITY DEVELOPMENT ISSUES:

- A. **AB12-103 – Resolution 2223** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Adopting A Six-Year Transportation Improvement Program (2013-2018).

Councilmember Lewis moved to approve Resolution 2223. Councilmember Watson seconded the motion.

Councilmember Hamilton inquired if the City has identified funding for the Six-Year Transportation Improvement Plan (2013-2018), and Public Works Director Dan Grigsby advised not at this time, however, a required annual report is sent to Washington State Department of Transportation for their approval, which identifies said funding.

Resolution 2223 approved 7-0

VII. PUBLIC SAFETY COMMITTEE ISSUES: None.

VIII. FULL COUNCIL ISSUES:

- A. **AB12-49 – Resolution 2199** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Authorizing Establishment Of The Eastown Utility Latecomer Agreement.

Councilmember Rackley moved to approve Resolution 2199. Councilmember Watson seconded the motion.

Councilmember Watson said he is not really in favor of the agreement and is concerned about the hesitations expressed by the property owners. Councilmember Rackley said he heard a rumor that a check was going to be presented this evening. Mayor Johnson stated he wants a vote on the merits of the agreement, not on what may or may not occur regarding presentation of a check tonight. Councilmember Rackley added that he supports the agreement.

Councilmember Minton-Davis said she cannot support this agreement, because it seems the City is speculating with public money. She explained that although the City would be reimbursed, there is a time limit to the agreement, which is a risk to the City. She noted that investment in the properties under the agreement would have to occur in the first ten years in order for the City to recoup its full initial outlay. Councilmember Minton-Davis observed that 40% of the property is owned by three individuals and questioned if this project is really in the best public interest. She also added that building the sewer project is more expensive as a public project than it would be if built by a private developer. She said she would prefer to see the economic development of available properties in the Midtown area occur before venturing further out to Eastown.

Deputy Mayor Swatman questioned the timing of the participation payment from the LLC, and felt it should have been received by July 17th. He advised he would be willing to add a condition to the agreement before the Council to authorize the Mayor to enter into the agreement after receipt of the funds from the Eastown Sewer Development LLC. Assistant City Attorney Kathleen Haggard advised that such an amendment would be acceptable.

Deputy Mayor Swatman moved to amend the agreement to allow the Mayor to enter into the agreement only after receipt of the contribution from the Eastown Sewer Development LLC. Councilmember Lewis seconded the motion.

Motion to amend approved 4-3. Councilmembers Hamilton, McKibbin and Minton-Davis voted no.

Deputy Mayor Swatman advised the Council that he sees the development of sewers in Eastown as a critical path element for the City. He said it must be done before economic development will bring the needed revenues to the City to address other issues. He said the project is too large for any single developer to tackle. He acknowledged there is some risk to the City for funding 95% of the project, but also sees the potential for increased general fund revenues from development.

Councilmember Lewis noted that this current effort to develop sewers started some five years ago. He noted some of the milestones accomplished by the City and property owners along the way. He added that he was somewhat embarrassed by the recent demands of the LLC and could understand Councils' concerns regarding those remarks. However, he said, now is the time to show solidarity among the Council in support of the forward movement of this long-awaited project.

Councilmember Watson reiterated that he does not support moving forward with the project. He said the City can work with private developers and that too many new questions and concerns have been expressed.

Mayor Johnson said that while he hopes this plan will move forward, the Council must consider allowing these properties to develop on septic if the agreement is voted down. Councilmember Hamilton cited the Falling Waters residential development as an example of the use of septic to allow growth. Deputy Mayor Swatman said if the current agreement is defeated, the Council and City need a coordinated plan for the development of Eastown.

Councilmember Hamilton said he is voting no on the agreement. He feels this is not a good partnership when the minority partner complains about the majority partner. He said he also feels an obligation to protect the sewer ratepayers in the City. Councilmember Rackley said the City needs to be ready for growth as the nation comes out of the recession. He said he would support development in Eastown on septic, but is concerned for the environment of Fennel Creek. He suggested a table of the issue tonight might result in a workable compromise.

Mayor Johnson suggested that the agreement has received enough Council discussion and input. He suggested the Council move it forward, or find a different way to allow development to occur in Eastown. He hoped that if the Council chooses to table the agreement for further discussion, that there will be concrete solutions offered. Councilmember Lewis urged the possible temporary use of septic in Eastown, only until sewer becomes available. Deputy Mayor Swatman expressed concern that a defeat of the current sewer development agreement tonight will result in a loss forever of the opportunity to see a sewer system in Eastown. Public Works Director Grigsby observed that the current climate for bids on public works projects has typically resulted in bids coming in well below the engineer's estimates. He said the future bidding climate is uncertain at this time.

Mayor Johnson called for a hand vote of the Council on the main motion as amended.

The amended main motion was defeated on a vote of 3-4. Councilmembers Hamilton, McKibbin, Minton-Davis and Watson voted no.

- B. **AB12-111 – Resolution 2230** – A Resolution Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Approving The GMG Final Plat

Councilmember Rackley moved to approve Resolution 2230. Councilmember Lewis seconded the motion.

Hamilton stated that this is another way the City is doing to help this development move forward.

Resolution 2230 approved 7-0

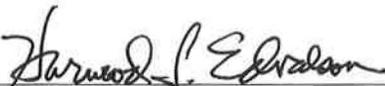
IX. EXECUTIVE SESSION:

None.

X. ADJOURNMENT:

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

Motion to adjourn approved 7-0.



Harwood Edvalson, CMC
City Clerk



Neil Johnson, Jr.
Mayor

Items presented to Council at the July 24, 2012 Meeting:

- Councilmember Tom Watson – *Memorandum to Members of the Council from John Woodcock July 24, 2012, regarding traffic signs*