

CITY COUNCIL WORKSHOP

**October 4, 2016
6:00 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.

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MINUTES

"Where Dreams Can Soar"

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

- I. CALL TO ORDER** – Deputy Mayor Randy McKibbin called the workshop to order at 6:00 p.m.
- II. ROLL CALL:** Administrative Services Director/City Clerk Harwood Edvalson called the roll. Elected officials attending were Deputy Mayor Randy McKibbin, Councilmember Justin Evans, Councilmember Donn Lewis, Councilmember Katrina Minton-Davis, Councilmember Dan Swatman, and Councilmember Tom Watson. Mayor Johnson was late for the meeting, arriving during the first presentation. Councilmember James Rackley was absent.

Staff members in attendance were City Administrator Don Morrison, Administrative Services Director/City Clerk Harwood Edvalson, Police Chief Dana Powers, Chief Financial Officer Cherie Gibson, Planning and Building Supervisor Jason Sullivan, City Attorney Kathleen Haggard, and Assistant City Engineer Doug Budzynski.

Councilmember Watson moved to excuse Councilmember Rackley. Councilmember Lewis seconded the motion.

Motion approved 6 – 0.

III. AGENDA ITEMS:

- A. Presentation:** Draft Water System Plan - Geoff Dillard, RH2. *Tabled for discussion from September 20, 2016 Workshop.*

Geoff Dillard of RH2 spoke to a PowerPoint presentation regarding the Bonney Lake draft Water System Plan. He said the data used was actual data as of 2014, but that water consumption has remained relatively the same in 2015 and 2016. He is aware the Pierce County Regional Council has raised population questions, but RH2 used the data provided by the City which appears to be more accurate.

Mr. Dillard said the major elements of the plan are supply and demand, storage, major improvements and operations and maintenance. He said that Bonney Lake has a very large and complex system. He stated that current supply is adequate and good through 2030, at least on paper. He discussed some of the limitations in the City's sources, and talked about demand projects and factors impacting those projections. He also reviewed the City's facilities for storage, stating that additional storage will be needed in the future generally at Tacoma Point and Lakeridge.

He concluded with recommendations for additional supply and storage capacity, increasing operations and maintenance levels and funding of water use efficiency efforts.

Further Council discussion included questions and answers about leak detection and impacts on the system of continued efforts to tighten up the water system. City Administrator Morrison asked about the booster pump station at Prairie Ridge. Mr. Dillard discussed the need for an additional two pumps at this facility. Deputy Mayor McKibbin asked why the Reed property was not mentioned in the report. Mr. Dillard said the city's efforts on that property concluded some time ago, and he would not recommend drilling another well at that location. Councilmember Watson asked about the future for Tacoma Water. Mr. Dillard responded that they will have excess water at least for the next decade.

Deputy Mayor McKibbin asked about the next steps in the approval process. Mr. Dillard said it would be submitted to Department of Health (DOH) for review, then the City would adopt the plan and DOH would approve it. Mr. Dillard hopes to see that process concluded before the end of the year.

Mayor Johnson asked for the Council's consent to move forward Item G. There was general Council consensus in favor of the request.

- B. **Discussion:** (Previously Item G on the agenda.) AB16-108 – Resolution 2552 – Proposed Amendments to 2009 WSU Property Development Agreement for Commercial Portion of WSU Forest.

City Attorney Kathleen Haggard summarized the 2nd amendment to the original development agreement involving the Weyerhaeuser/WSU property. She said the developer, Visconsi, is responsible to construct an extension of 204th Avenue E, connecting South Prairie Road and SR410. They would also deliver a bid-ready package for the SR410 improvements, including a traffic signal. The City would pursue the construction of the SR410 improvements at its cost and give Transportation Impact Fees (TIF) credits up to \$2.5 million to Visconsi upon completion and delivery of the connecting road. She said the proposed three-party agreement between the City, Costco and Visconsi outlines how the TIF fees will be calculated, timing and distribution of TIF payments and credits, construction timelines and vested rights of construction.

City Administrator Morrison described his fiscal analysis of the agreements and impacts to the City. He concluded that the overall impact will be very beneficial to the City; however, it will be some years in the future before the City sees a positive return on its investment in the project. The City Council asked various questions of the Visconsi representative, Brad Goldberg. Mr. Goldberg said they will generally develop the other parcels in the development as retail uses, but the parcels are not limited in that way. He added that although Costco would not start development of their store until the SR410 improvements are complete, Visconsi may start earlier. Councilmember Swatman raised issues concerning potential

liabilities to the City in the proposed agreements, such as, what would happen if Costco doesn't build after the off-site improvements have been constructed. Mr. Goldberg replied that in every case of which he is aware, Costco has built on sites of which it has taken ownership.

Councilmembers Watson and Evans asked about environmental impacts and eco-friendly construction techniques. Mr. Goldberg responded that Costco and Visconsi will develop to the City's adopted standards and use practical and efficient means to develop that will be considerate of the environment. Deputy Mayor McKibbin asked about connections of internal roads. He and Mr. Goldberg discussed some specific connections and Council concerns. Councilmember Watson asked about restrictions on the use of the remaining parcels of the development other than Costco. Mr. Goldberg said that Costco requires some exclusions, particularly with retail sales that would be in direct competition with their products and services. He named Trader Joe's as an example of a specialty grocer that would not be excluded from the development. Councilmember Swatman advised the Council that every tree on the property would be removed for this development. He asked what would happen to the timber logged from the City's property. Mayor Johnson said he would look into that question and provide a response.

Asked what the next steps in this process would be, City Attorney Haggard said the amendment to the development agreement would be the subject of a public hearing at the next Council meeting.

- C. **Discussion:** (Previously Item B on the agenda.) AB16-104 – Ordinance D16-104 – System Development Charge Surcharge for Fennel Creek Sewer Lift Station. *Tabled for discussion from September 20, 2016 Workshop.*

Mayor Johnson invited Councilmember Minton-Davis to lead the discussion and ask questions related to this topic. Councilmember Minton-Davis referred to past Capital Improvement Plans (CIP) which showed the proposed lift station as being part of the plan upon which System Development Charges (SDC) were collected. She said analysis suggests the current proposed surcharge should be significantly less. She said an additional cost added to the SDC rate creates an additional development burden to developers in the City. In counterpoint, Councilmember Swatman said the CIP data could be interpreted to show that any funds collected in SDCs to date have largely gone to the expansion of the waste water treatment plant in Sumner, and that none of the SDCs have gone toward the Fennel Creek Lift Station. City Administrator Morrison suggested the City could use the lower number of \$2,568 as the proposed surcharge until an analysis could be performed by the FCS Group. A majority of the Council indicated they would like to see the issue moved forward for action with the lower surcharge rate placed in the ordinance. They also expressed the desire that the rate analysis move forward as soon as possible.

- D. **Discussion:** (Previously Item C on the agenda.) AB16-95 – Ordinance D16-95 – Increased Utility Tax on Cable TV. *Tabled for discussion from September 20, 2016 Workshop.*

Mayor Johnson invited the Council's discussion on this topic. Councilmembers spoke both for and against implementing an increase in the utility tax on Cable TV. Councilmember Swatman objected to the modification of the agenda bill to add additional information without prior Council consent, particularly since it was tabled from a previous meeting. He agreed the information regarding the federal Cable Communications Policy Act was useful, but felt it should have been inserted elsewhere in the documents, identified as coming from staff. Deputy Mayor McKibbin said he had asked for the inclusion of the information, not recognizing it would be added to the agenda bill.

Council discussion continued on the merits of the proposed increase, the impacts on the citizens and the uses and merits of additional revenue in the budget. A majority opposed increasing the tax to its maximum of 6%. A compromise was reached to move an increase in the tax to the 4% level in January 2017, with an additional 2% added in January of 2018 raising the tax to the maximum of 6%. The discussion concluded with a majority consensus to move the item forward for Council action.

- E. **Council Open Discussion:** (Previously Item D on the agenda.)

Regional Legislative Priorities: Councilmember Lewis said PCRC is looking for input on legislative priorities. He added the Association of Washington Cities is also asking for input on legislative priorities.

White River Family First Coalition: Councilmember Lewis said he attended the White River Family First Coalition meeting in September where survey results were distributed on attitudes toward and use of drugs and alcohol by school-aged children of the White River School District. He distributed to members of the Council an information test regarding the legal ages to obtain such things as e-cigarettes, marijuana and marijuana edibles, alcohol, etc. He said the informational test's purpose is to heighten awareness of legislative changes and standards in legal age limits for various substances and devices. Councilmember Lewis also distributed information sheets on the effects of marijuana and marijuana edibles and urged Council to read the material commenting on apparent shifts in student attitudes toward these substances. Councilmember Watson said he would like to discuss the City's marijuana moratorium in a near future workshop and see if councilmembers attitudes and positions have changed.

- F. **Review of Draft Minutes:** September 20, 2016 Workshop and September 27, 2016 Meeting. (Previously Item E on the agenda.)

The minutes were forwarded to the next Council meeting for action without correction.

- G. **Discussion:** (Previously Item F on the agenda.) AB16-79 – Ordinance D16-79 – Establishing Process for Development Agreements.

Councilmember Swatman moved to table discussion of this item to the next Council workshop. Councilmember Watson seconded the motion.

Motion approved 5 – 1.
Councilmember Minton-Davis voted no.

- H. **Discussion:** (Previously Item G on the agenda and moved to Item B for discussion above.) AB16-108 – Resolution 2552 – Proposed Amendments to 2009 WSU Property Development Agreement for Commercial Portion of WSU Forest.

- I. **Discussion:** AB16-114 – Parking License for Lease of Municipal Lots to Renwood, LLC.

Deputy Mayor McKibbin said he asked for this item to be placed on the agenda so the full council would have an opportunity to discuss the proposal. City Administrator Morrison said the Finance committee discussed it and moved it forward to the next Council meeting’s consent agenda. He explained Renwood would have use of the overflow parking lot across from the library from 5 p.m. to 8 a.m. weekdays and 48 hours on the weekends. He said the lease rate is \$750/mo. He added that Renwood would “police” parking during their leased hours. Councilmember Lewis asked about the term of the agreement. City Administrator Morrison replied that it is indefinite, but allows for 30-day notice by either party for termination. Councilmember Minton-Davis asked if Renwood was moving forward with their plans to restripe their own parking lots. City Administrator Morrison said he has not heard any update on that previously proposed action.

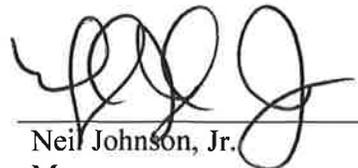
IV. EXECUTIVE/CLOSED SESSION: None.

V. ADJOURNMENT:

At 8:03 p.m., and with no voiced opposition from the City Council, Mayor Johnson adjourned the meeting.



Harwood Edvalson, MMC
City Clerk



Neil Johnson, Jr.
Mayor

Items presented to Council at the October 4, 2016 Workshop:

- Geoff Dillard, P.E. – *City of Bonney Lake, Water System Plan Update* – Consultant.