

**CITY COUNCIL WORKSHOP**

**December 2, 2008  
5:30 p.m.**

**MINUTES**

City of



*"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.*

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Audio Time Stamp ↓

**Call to Order:**

Mayor Neil Johnson called the Workshop to order at 5:30 p.m.

**Roll Call:** [A1.3]

City Clerk Edvalson called the roll. In addition to Mayor Neil Johnson, elected officials attending were Deputy Mayor Dan Swatman, Councilmember David Bowen, Councilmember Laurie Carter, Councilmember Dan Decker, Councilmember Mark Hamilton, Councilmember Dave King and Councilmember James Rackley.

[Staff Members in attendance were City Administrator Don Morrison, Public Works Director Dan Grigsby, Director of Planning and Community Development John Vodopich, Chief Financial Officer Al Juarez, Police Chief Mike Mitchell, Community Services Director Gary Leaf, City Attorney Jim Dionne, Administrative Services Director/City Clerk Harwood Edvalson, Records & Information Specialist Susan Duis, Planning Manager Heather Stinson, Senior Accountant Kassandra Raymond and Human Resources Officer Jenna Young.]

**Agenda Items:**

5:31:04

**1. Public Hearing (Continued): AB08-224 – Final Hearings on Proposed Biennial Budget for 2009-2010.**

Mayor Johnson reopened the Public Hearing at 5:31 p.m. Seeing no speakers, the Public Hearing was continued to the December 9, 2008 Council Meeting.

Councilmember King said he understood some updated revenue estimates were available that might impact the budget. Deputy Mayor Swatman said the issue would be discussed during open discussion

5:34:00

**2. Discussion: Proposed 2008 Comprehensive Plan Amendments: Downtown Designations, Hulburt Property Change of Land-use Designation, Land-use and Zoning for Properties Adjacent to Lowe's, Land-use Change of properties north of Junction 192, Land-use change and rezone of Inlet Island, Land-use change and rezone of Church Lake Tracts, and rezone of Cedar Grove.**

Deputy Mayor Swatman said the Council needs to consider the Cedar Grove rezone options. He spoke about the split between commercial and multifamily use, and noted that residential units can be built in C-2 and C-3 zones. He spoke in favor of maximizing commercial uses in the area, and suggested a split with commercial zoning South of 94th Street and residential zoning to the North.

Councilmember Hamilton spoke in favor of R-3 zoning in Cedar Grove. He said the City must balance the loss of potential housing units with the proposed R-1 rezone of

Inlet Island and the Church Lake area. He added that traffic flow problems might be an issue, and it may be premature to look at commercial use in that area. He said the Council could consider rezoning some of the area to commercial in the future, after a traffic analysis and further review by the Planning Commission.

Councilmember King restated his concerns with commercial zoning due to the traffic and topography of Cedar Grove. He also favored R-3 zoning, and said the City should wait to see what the impact of the nearby three left-hand turn lanes have on traffic. Councilmember Carter said she has spoken with residents in the area. She said one resident told the Council that he and other property owners had an offer for commercial development in the area at one point. She spoke in favor of commercial zoning on the SR 410 frontage, and residential zoning for the rest of Cedar Grove.

Councilmembers continued discussing potential uses, traffic impacts, alternate traffic flow options, and potential street and intersection improvements if the area is developed. After discussions, a majority of Councilmembers were in favor of rezoning the Cedar Grove area to R-3 residential zoning as recommended by the Planning Commission.

Councilmembers next discussed the proposed land use designation change for the Hulburt property. Councilmember Rackley said the property owners and Mr. Hulburt have come to an agreement and there is no reason not to approve the designation change. Councilmember Rackley said he understood that restrictions could be put in place when the parcel is rezoned later on. Planning Manager Stinson said in a couple of past cases, the Hearing Examiner has included special conditions with a rezone recommendation. Deputy Mayor Swatman and Councilmember Hamilton said the City would not be able to enforce a private agreement between property owners. Mayor Johnson said the Council can make recommendations to the Hearing Examiner, but they may not be included with his recommendation on a future rezone of the parcel. The City Attorney said if Council consensus is to include restrictions, he can research options and alternatives to include that in the land use designation change. He said ultimately, any private agreement is the responsibility of the property owner and neighbors, unless the Council decides to make it their responsibility.

City Attorney Dionne asked Council to run through each of the seven proposed Comprehensive Plan changes individually. He asked to see whether there was consensus to include each proposal as an individual Ordinance to be considered as part of a single motion at the December 9, 2008 Council Meeting. Council consensus was to bring the following proposed Comprehensive Plan changes forward for a vote:

1. Lowe's Site – change to Commercial land use designation and C-2 zoning (same as the Planning Commission recommendation).
2. Hulburt – change 4 parcels to High Density Residential land use designation (same as the Planning Commission recommendation).
3. City Property – change to Public Facilities land use designation (same as the Planning Commission Recommendation).
4. Cedar Grove – rezone from R-2 to R-3 (same as the Planning Commission recommendation).
5. Inlet Island – rezone from R-2 to R-1 (against the Planning Commission recommendation).
6. Moody Property – no change (same as the Planning Commission recommendation).

7. Annexed Property – no change (same as the Planning Commission recommendation).
8. Adopt “Retail Mix Use” designation (same as the Planning Commission recommendation).
9. Assign “Downtown Core” as implementing zone of “Retail Mix Use” (same as the Planning Commission recommendation).
10. Assign “Retail Mixed Use” to all properties currently zoned Downtown Core (same as the Planning Commission recommendation).
11. Assign Downtown Mixed as the implementing zone for “Mixed Use” land use (same as the Planning Commission recommendation).
12. Church Lake – change land use designation to Single-Family Residential and zoning to R-1 from R-2 (same as the Planning Commission recommendation).

Councilmember King said only the Hulburt land use designation change seems to be contentious. He stressed that residents adjacent to the Hulburt property should not expect the City to enforce any private agreement, unless a specific restriction is included by the Hearing Examiner.

**Mayor Johnson recessed the meeting for a five minute break at 6:26 p.m. The meeting reconvened at 6:34 p.m.**

6:34:53

3. **Action: AB08-277 – A Motion of the Bonney Lake City Council Appointing Proposition No. 1 For and Against Committees for Voter’s Pamphlet – Charter Petition Special Election – February 3, 2009.**

Administrative Services Director/City Clerk Edvalson explained that State law requires the City Council to select “For” and “Against” Committees for the special election. If the Council does not appoint committees, the County Auditor may do so. He asked the Council to consider the item so the committees can be submitted to the County before the upcoming deadline.

**Councilmember Bowen nominated Lynda Dabson and Dan Decker to the “For” Committee. Councilmember Rackley nominated Dan Decker to serve as the Committee spokesperson.**

Deputy Mayor Swatman said Ms. Dabson runs a website in favor of the Charter election. The City Clerk confirmed that the Council did not have to name three members, if another person was not nominated.

**Appointment of “For”  
Committee members  
approved 7 – 0.**

**Appointment of Dan Decker  
as Spokesperson of the “For”  
Committee approved 7 – 0.**

**Councilmember Carter nominated Fred Jacobsen, Dave Schulte, and Heather Stinson to the “Against” Committee.**

Councilmember Carter confirmed that all three nominees wished to serve on the committee.

**Appointment of “Against”  
Committee members  
approved 7 – 0.**

**Councilmember Rackley nominated Heather Stinson to serve as the Committee Spokesperson.**

**Appointment of Heather  
Stinson as Spokesperson of  
the “Against” Committee  
approved 7 – 0.**

**Deputy Mayor Swatman moved to approve the “For” and “Against” Committees and Spokespersons. Councilmember Carter seconded the motion.**

**Motion approved 7 – 0.**

Mayor Johnson asked the committee appointees to provide their contact information to the City Clerk as soon as possible. City Clerk Edvalson said he would attempt to contact those who were not in attendance at the Workshop.

6:43:54

4. **Discussion:** AB08-218 – D08-218 – 2009 Non-represented Employee Salary Plan.

Human Resources Officer Jenna Young summarized the classification tables and salary rates provided. She said the tables are based on a very extensive salary survey from the Association of Washington Cities’ (AWC) 2008 Salary Survey, work analysis, and comparable worth study of positions that were not represented in the AWC Salary Survey. She confirmed that the revised salary tables are included in the currently proposed 2009-2010 Budget.

City Administrator Morrison said two versions of Table A-3 were provided: an updated ‘step increase’ table like the City has used for several years, and a new ‘open range,’ option that includes only minimum and maximum salary amounts. He said he is in favor of switching to the open range salary table, while the HR Officer is in favor of continuing to use the step increase table. He said the open range table allows more flexibility and costs less when the cost of living adjustment (COLA) is applied each year. He said the ‘step increase’ table is easier to administer, simpler for employees to understand, and may give employees higher salaries with COLA increases. Ms. Young explained the current Payroll system pulls salary information from the tables, and an ‘open range’ scale would require more work to enter individual salary scales for each employee.

Deputy Mayor Swatman said he has concerns related to the budget and employee pay. He said the proposed COLA is a 4% raise for every employee. He said nearly all City employees get their step increase each year, so overall most employees would get over 6% increase in their salaries over the upcoming year. He also expressed concern with the updated salary scales comparing Bonney Lake with cities in the 15,000 to 30,000 population range (in the past, comparison was made with cities in the 7,500 to 15,000

range). HR Officer Young confirmed that the proposed COLA is based on the CPI-U for the Seattle-Tacoma-Bremerton area.

Councilmember King said he is ambivalent about the salary scale adjustments. He said the City needs to look to the future and make salaries competitive. However, he noted some employees whose salaries were found to be below average would receive a larger pay raise if the Council approves that change. He said the Council needs to consider the current economy and Bonney Lake's financial position.

City Administrator Morrison said Ms. Young's salary survey is reliable and the results are similar to what a private consultant would have found. He said even in this challenging economy, most cities are still giving their employees a COLA that is close to the CPI. Ms. Young said the City has struggled with recruiting for higher level positions such as Finance Director. She said she hopes that by using the 15,000-30,000 population range to compare salaries, the City can improve retention and reduce disruptions, stress and quality of service. Deputy Mayor Swatman said several positions would get double-digit pay increases if the new scales are approved. The City Administrator noted that the salaries being raised have been below market value for a number of years.

Mayor Johnson said the proposed budget is balanced as it stands, and does pull some funds from savings. He said the staff and Finance Committee will have to watch expenditures very carefully, look at quarterly reports, and react quickly if necessary. He said the City needs to be competitive and provide a good work environment. Councilmember Bowen said the City should hold the line, retain employees, and not spend down the savings to show present and future employees that the City is fiscally sound. Chief Financial Officer Juarez reminded Council of their recent vote to purchase water from Tacoma Public Utilities. He said the salary table revision, like the water purchase, can be viewed as an investment in the future.

Councilmembers requested more information on potential costs and savings between the 'open range' and 'step increase' salary tables. The item was forwarded to the December 9, 2008 Meeting for Council action.

7:22:34

5. **Review of Council Minutes:** November 18, 2008 Council Workshop.

By consensus of the Council, the minutes were forwarded to the December 9, 2008 Council meeting for action with one correction: on p. 8, change the last line to read "Craig Sarver" instead of Chris Sarver.

**At 7:23 p.m., Mayor Johnson recessed the Workshop for a five minute break. The Workshop reconvened at 7:35 p.m.**

7:35:55

6. **Council Open Discussion:**

Employee Kudos

Mayor Johnson shared an email from Bonney Lake residents thanking Public Works staff for their professional manner and efficiency in helping them with a drainage issue on their street. They congratulated the entire team for their work.

Greenwood Development Update

Councilmember Rackley asked the Council if developer Raymond Frey could have ten minutes to give the Council an update on the Greenwood development and updated design drawings.

**Councilmember Rackley moved to allow Mr. Frey 10 minutes to speak.  
Councilmember King seconded the motion.**

**Motion approved 7 – 0.**

Mr. Frey said all the required documents have now been submitted to the City for the completed road extension. He said the revised project design has now been through the design review process. He showed the Council elevation drawings of the planned townhomes and apartment building for the site. He said the townhome units on the North of the development site will be built first, and they expect the first sale in December. He said due to the economy, plans have shifted from single-family homes to rental townhomes, which could be converted back to condos later. He said it would be great if the street opening and ribbon-cutting ceremony could happen during the holiday season.

Rainier Cable Commission

Councilmember Rackley provided Councilmembers with a handout titled “Video Production Sharing in the Combined RCC/RMC,” which shows the funds required to have full television coverage of Council meetings and promotions in 2009 and 2010. He said the Council should keep it in mind if Council meetings will start being televised once the new Council chambers are available in the Interim Justice Center.

Tacoma Public Utilities Water Purchase

Councilmember Hamilton asked why the Tacoma Public Utilities (TPU) board did not approve Bonney Lake’s offer to purchase water. Director Grigsby said the board had a workshop prior to the vote regarding necessary rate increases and the ‘take or pay’ policy they plan to impose in 2009. He said they decided not to vote on the City of Bonney Lake’s offer and have tabled it indefinitely.

Councilmember Rackley said he and Director Grigsby spoke with Tacoma Mayor Bill Baarsma about the issue, who advised them to keep negotiating and see what the board decides. Councilmember Decker said the City should consider membrane plants and reclaiming water. Councilmember Hamilton said it is imperative to secure water rights soon, as the City will be forced to pay higher rates the longer they wait.

Eastown Sewer Line

Deputy Mayor Swatman asked for an update on discussions among Eastown property owners on the placement of a sewer line. Director Grigsby said the Eastown property owners agreed on a line placement, but the attorneys for Compass Pointe reviewed it and do not think the Public Works Director can approve an alternate route from what is in the Eastown Plan. Director Grigsby said he is waiting for guidance from the City Attorney’s office.

Councilmember Bowen said he is one of the six property owners who are on the East side of Compass Pointe. He said the group has agreed on placement of the sewer line near the northern borders of their property lines. The Community Development

Committee felt the sewer line revision did not need to come before Council as a Comprehensive Plan amendment. The developer, Rick Gienger, is reluctant to work on a new design that is in conflict with the original, Council-approved plan. Mayor Johnson said he was not aware of this concern and would work with the developer to resolve these issues. Councilmember Bowen also noted that the property owners have not agreed on placement of the frontage road. He said his group plans to market their property for development together. Director Grigsby said there is a 41-foot sewer easement, and said he has always made it clear the sewer line will go in along the frontage road Right of Way. He noted that the sewer line proposed by the property owners would run South at the end of Eastown and under SR 410 with a gravity line.

#### Proposed 2009-2010 Biennial Budget

City Administrator Morrison provided the Council with two proposed amendments to the budget. The first covers the costs to purchase the 2009 Washington Association of Building Officials (WABO) code books. The other change adds \$365,000 to the Street CIP for street lighting on SR 410. He said Public Works wants this project to coincide with the road widening on 410. He said funds for this change came from the 2009 street lighting and 2010 street overly & street reconstruction budget lines. The project could also be partially funded with TIF funds. Director Grigsby said the road widening project is still on track to be completed in 2010.

The City Administrator said he shares the Deputy Mayor's concerns about the budget, and is less optimistic than he was several weeks ago after reviewing the figures received in late November. He said based on these figures, he thinks the City will draw down more of the ending fund balance than originally anticipated. He said he does not think the Council should begin cutting away at the budget at this late date. His recommendation was for the Council to direct the Mayor to prepare a contingency budget plan. The plan would be submitted to the Finance Committee and presented to Council at its retreat in early 2009. He said depending on future revenues, the City may need to consider freezing discretionary spending and/or spending cuts.

Councilmember Hamilton said the administration has always looked conservatively at revenue streams and has limited spending, and he is confident in the budget. He said the budget must be closely monitored and appropriate decisions made when necessary. He spoke against making decisions that would damage the City in losing employees or not providing services. Councilmember King suggested the Council should review the budget after figures are available in late February or March. Mayor Johnson said he has heard that the cuts made in Gig Harbor recently may have been too great, and they are losing good staff. He said communication and commitment is key to the City's success. He said the City will continue to work closely with federal, state and local agencies on funding and grant opportunities.

7. **Executive Session:** None.

8. **Adjournment.**

8:38:22

**At 8:38 p.m., Councilmember Rackley moved to adjourn the meeting. Deputy Mayor Swatman seconded the motion.**

Councilmember King said he sent an email suggesting Councilmembers purchase gifts or food for the Citywide Toy & Food drive rather than buying gifts for each other. Mayor Johnson volunteered to collect the gifts or cash to distribute to Lions 4 Kids, the Food Bank, and Toys for Tots. Councilmember King said Councilmembers can contribute whatever they want, but in the past Councilmembers have given \$10 gifts to each other Councilmember, or \$70 total for each Councilmember.

Councilmember Carter reminded the Council that the tree lighting ceremony takes place Saturday, December 6, 2008 at 6:00 p.m. at the Public Safety Building.

**Motion approved 6 – 1.  
Deputy Mayor Swatman  
voted no.**

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Harwood T. Edvalson, CMC  
City Clerk

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Neil Johnson, Jr.  
Mayor

Items submitted to the Council Meeting of December 2, 2008:

- City of Bonney Lake – “*Video Production Sharing in the Combined RCC/RMC*” – Councilmember Jim Rackley.
- City of Bonney Lake –*2009 WABO Book Order* – City Administrator Don Morrison.
- City of Bonney Lake – *2009-2010 Biennial Budget Amendment (p. 5-35)* – City Administrator Don Morrison.