

## CITY COUNCIL WORKSHOP

October 20, 2009  
5:30 p.m.

### MINUTES



*"Where Dreams Can Sout"*

*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](http://www.ci.bonney-lake.wa.us)*

#### I. Call to Order:

Mayor Neil Johnson, Jr. called the workshop to order at 5:38 p.m.

#### II. Roll Call: [1:13]

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

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

#### III. Agenda Items:

##### A. **Presentation:** Pierce Transit Tomorrow -- System Redesign – Lind Simonsen, Community Relations Coordinator.

Mr. Simonsen provided an overview of current Pierce Transit issues and budget concerns and asked the Council and citizens to provide input on their priorities. The Bonney Lake area is served by several routes and has good ridership rates for a rural area. He said ridership has grown quickly in the past six years and particularly over the past two years when gas prices spiked and the economy slowed. He highlighted the new ORCA card, which can be used on all Sound Transit commuter rail, buses and light rail. He said seventy-three percent of the Pierce Transit budget comes from sales tax, decreased drastically in the past three years. The agency estimates it will lose \$27 million by the end of 2009, in addition to \$2 million in lost revenues in 2007 and \$12 million in 2008. He said further cuts must be made, and the agency wants to find out about people's priorities to decide where to make those cuts. The agency has scheduled community workshops throughout the service area to receive input from residents, including a meeting for Bonney Lake and Sumner riders on November 10, 2009 at the Sumner City Hall. Councilmembers said they would likely be unable to attend the November 10<sup>th</sup> meeting as there is a Council meeting that night, but they did have a strong interest in these transit issues.

Councilmembers discussed ridership trends and energy savings from the natural gas powered fleet. Deputy Mayor Swatman said if route 406 or 407 in Bonney Lake were cut, it would effectively eliminate service to the area and some residents would have no other transportation alternatives available to them. Councilmember Carter agreed and said many different groups depend on bus

5:39:20

service, including youth, the elderly, and those on a fixed income. She said it is already difficult to travel mid-day due to infrequent service. She said Pierce Transit should better educate seniors on shuttle service, which is available to those who cannot ride the bus due to medical or other issues. Mr. Lind said agency staff visit senior centers regularly, and can also schedule one-on-one training with first-time riders to show them how to plan a trip, catch their bus, and make the return trip. People can also visit [www.piercetransit.org](http://www.piercetransit.org) or call 253.581.8000 to ask questions or plan a trip with transit staff. He said many people have told them that it is important for the agency to provide service to those who have no other means of transportation.

Mr. Lind said Pierce Transit is facing difficult questions regarding how to balance costs and revenues while still providing service to those who depend on it. He encouraged everyone to attend a community workshop or fill out an online survey at [www.ptomorrow.org](http://www.ptomorrow.org). He thanked Councilmembers for their input. Mayor Johnson thanked Mr. Lind for meeting the Council and providing information.

6:05:19

- B. **Tabled for Discussion and Action:** AB09-158 – Resolution 1977 – A Resolution of the City Council of the City of Bonney Lake, Pierce County, Washington, Expressing Opposition to Initiative 1033 – Concerns State, County and City Revenues.

Councilmember King said he tabled the resolution at the October 13, 2009 meeting to give everyone time to review the City Administrator's presentation and talk with their constituents. He suggested the Council discuss the issue before moving the resolution forward for action. Councilmembers Carter, King and Rackley said they oppose Initiative 1033. Councilmembers Bowen and Decker said they would abstain from voting on Resolution 1977 because they did not believe the Council should provide a position on ballot issues. Councilmember Decker noted that a similar initiative passed in Colorado and it negatively affected schools and public health resources.

Councilmember King said it is important to note that voting 'yes' on Resolution 1977 does not mean the Councilmember supports raising taxes. He said Bonney Lake has been dedicated to frugal spending for many years and set aside funds during the good years to be used for a rainy day. He said the City's reserve funds will allow the City to sustain services through the current economic downturn without drastic cuts. He said I-1033 resets revenue calculations to recession levels and when the economy begins to recover the City will be chasing expansion and searching for funding to catch up with the rate of construction and population growth. He said he feels I-1033 does not allow the City to put the infrastructure and staff in place that are needed to serve the community in the future.

Councilmember Rackley noted that the proposed initiative would not allow the City to react to swings in the economy, disasters, or other unexpected changes. He said it could negatively affect the City's credit rating as well. Deputy Mayor Swatman said if a larger retailer like Costco came to Bonney Lake, new sales tax revenues over the revenue cap would be deflected to reduce property taxes, and could not be put to use in the City for new needs. He said the proposed initiative uses the 'implicit price deflator' for calculations, but this is not the standard currently used by the City or its unions to calculate changes in wages, fees, etc.

City Administrator Morrison said the indexes the City currently uses (Consumer Price Index and Construction Cost Index) are usually higher than the implicit price deflator values. As an example, he said if costs for health care increased 15%, but the implicit price deflator was only 1%, the City would have to move funds from another source to make up the difference. He said construction costs and health care costs have generally increased faster than the implicit price deflator index.

Deputy Mayor Swatman said the initiative does allow for citizens to vote to increase the amount of revenues a City can take in, but reminded the Council that the City's most recent election cost \$40,000 for a single ballot item.

**Councilmember King moved to approve Resolution 1977 and to open the floor to public comment. Councilmember Rackley seconded the motion.**

City Attorney Dionne said the Council should allow equal time for the public to speak for and against the proposed resolution. He reminded Council that voting in favor of Resolution 1977 is a vote in favor of *opposing* Initiative 1033.

Mayor Johnson opened the floor to members of the public to speak in favor of or against the resolution; no speakers came forward to speak in favor of or in opposition to Resolution 1977. Councilmember Bowen reiterated that he would abstain from voting on an issue on the public ballot, but said he had no problem with the City publishing the City Administrator's presentation from October 13, 2009 on the City website. Councilmember Decker said he would also abstain from voting because I-1033 is before the voters on the November ballot.

**Motion approved 5 – 0 – 2.  
Councilmembers Bowen and  
Decker abstained from voting.**

Mayor Johnson called for a five-minute break at 6:21 p.m. He brought the workshop back to order at 6:31 p.m.

6:31:19

**C. Presentation: AB09-155 Eastown Utility Latecomer Agreement (ULA).**

Public Works Director Grigsby presented information to the Council based on several weeks of working with staff, consultants and property owners on options for sewer service in Eastown. He explained several options for sewer and water service construction projects, and the benefitting areas, project cost comparisons, and preliminary assessment rolls for each. He said his estimates include construction of two water lines; one to be constructed during the WSDOT road-widening project on SR 410, and the other to be constructed along 214<sup>th</sup> Ave E for the Compass Pointe Development. Construction of a lift station is required for sewer service. Potential additional sewer projects include a gravity line along 214<sup>th</sup> and 96<sup>th</sup> St E, a pressure line from Compass Pointe to the Peaking Storage Tank site, and crossings under SR 410 at 233<sup>rd</sup> Ave E and 225<sup>th</sup> Ave E to provide sewer service to properties south of SR 410.

He said his project cost and assessment roll estimates include all potentially benefitting property owners, and stressed that the estimates are likely low because

they do not include fees, debt service costs, and additional costs for design, right of way and easement acquisitions, etc.

Councilmembers discussed whether properties farther away from the proposed lift station should be included in the ULA benefit district, as it is unlikely they would have sewer service quickly even if the lift station is built.

Director Grigsby said the City could fund the project with System Development Charges (SDCs), a utility bond, an interfund loan or some combination of sources. City Administrator Morrison said a utility bond may be the most practical option, as it would not completely deplete existing SDC funds, but would allow the City to use some SDC funds to pay off the bond. Chief Financial Officer Juarez said he would work on calculating potential bond options and debt service costs based on the information available and provide it to the Council.

Director Grigsby said if the Council wants to begin immediately, he felt design on the water lines, lift station, and SR 410 under crossings could be designed, advertised, and possibly completed by October 2010. He said if the Council wanted to work on designing the frontage road and gravity lines, purchasing easements right-of-way, etc., this could delay the project and it is difficult to determine how much time those negotiations would require. He noted that it is probably too late to include the City's proposed crossings under SR 410 in the advertisement for WSDOT's road widening project, but it could still be included as a change order once the City completes its designs. He said that design work could begin now and still be included as part of a future ULA.

Mayor Johnson distributed a memorandum with his recommendations. He suggested the City get the project started as quickly as possible by focusing on constructing the lift station, water lines and SR 410 crossings under a ULA at this point. He said he feels development will begin to take place once the lift station is constructed, and the City cannot wait for a private developer to take action. He questioned whether it was realistic to expect the City to plan and construct a system to serve the entire Eastown area immediately, or to start with one stage of the project now, and continue with other phases in the future. He said he received a letter from a group of Eastown property owners who have been involved in the process on October 20<sup>th</sup>, and he wanted to wait until they could meet with him before discussing the recommendations in his memo further.

Councilmember Bowen asked the Council to discuss the option to allow property owners to install temporary septic systems for small scale commercial development until they have access to sewer lines. He said property owners have assured them they would be willing to sign an agreement that they would hook into the sewer system as soon as it was at their property, and decommission the septic system. He said these property owners want another option for development in the interim, as it may take many years for the sewer system to extend throughout Eastown. Councilmembers stressed that they did not want any single property owner to be able to hold others 'hostage' by not allowing sewer lines to run through their property. Mayor Johnson said the City would need to get all property owners to agree on sewer lines through their property so no one could block the extension to a neighboring property.

Councilmember Rackley agreed that outlying properties in Eastown will be at a disadvantage. He said property owners should decide now where the sewer lines will run and include that in the initial process so there is no confusion or arguments later on. Councilmember Hamilton agreed, and said the frontage road and sewer line placement should be determined at the beginning. He said this would allow property owners to plan how they can develop or sell their land based on the actual alignments, and avoid temporary commercial structures that would have to be torn down when sewer is available. Deputy Mayor Swatman said once alignment agreements are in place, it will be easier to determine how long it will take to get sewer to specific properties. He said the City can address a possible ordinance for temporary septic systems after these agreements are in place.

Councilmembers noted that property owners on the South side of SR 410 would gain sewer access via the SR 410 undercrossings. However, while a group that owns property to the North of SR 410 have come together to work with the City, property owners to the South have not come forward as a group. The northern property owners have worked to come to consensus on services, frontage road alignment and placement of sewer lines, but it seems likely that a more detailed design can be completed for the properties South of SR 410 at this time.

Councilmembers returned discussions to temporary septic systems. Councilmember Hamilton said if temporary septic systems are allowed they should be structured like Falling Waters, where the property owner built the system and the City manages it. Councilmember Carter said she is not in favor of allowing temporary septic systems in Eastown. She said the Falling Water system failed, and the recent CUGA study shows that there are many failing septic systems in potential annexation areas. Councilmember Rackley said he does not support temporary septic systems at this time, but if it sounds like the sewer project will take more than 1.5 to 2 years, he would be willing to consider it.

Mayor Johnson said if the property owners cannot agree on placement of the frontage road and to allow easements across their properties, the City cannot move forward and begin spending money on a project that could be delayed by individual property owners. He said though some property owners may not be happy with all the plans, the project needs to get started at some point and the City needs to take the lead. Councilmember Hamilton thanked the Mayor for his efforts to get sewer service in Eastown, which he started working on as a councilmember. He said the City has a workable plan and he hopes it can move forward with property owners soon.

**At 8:07 p.m. Councilmember Bowen moved for a five minute break. Councilmember Rackley seconded the motion.**

**Motion approved 7 – 0.**

Mayor Johnson brought the workshop back to order at 8:16 p.m.

8:07:24

**D. Council Open Discussion.**

Employee Recognition: Mayor Johnson congratulated Community Development Director John Vodopich for receiving the 20 year service award from the

International City/County Management Association (ICMA). He also congratulated Permit Coordinator Jen Francis, who received the 'Member of the Year' award from the Washington Association of Permit Technicians.

Election Day Workshop: Deputy Mayor Swatman said the November 3, 2009 workshop is scheduled on Election Day. He suggested this workshop be cancelled to encourage people to take part in elections. Councilmembers King and Carter said the items on the proposed workshop agenda need to be discussed further by the Public Safety Committee, and would need to be pushed back in any case.

**By Council consensus, the November 3, 2009 Workshop was cancelled.**

Cascadia Updates: Deputy Mayor Swatman said the Cascadia Project LLC developer has filed for Chapter 11. He said the City should be at the table as things move forward to be sure Bonney Lake's interests are represented. Mayor Johnson said he spoke with Patrick Kuo recently and was assured that development will go forward and they have financing lined up. CFO Juarez said the City is working with Cascadia and representatives from Cascadia have assured him that they want to resolve their account with the City. He said he is keeping the City Attorney's office informed of all correspondence related to the bankruptcy proceedings since the City is an unsecured creditor. Councilmembers agreed that the City needs to keep a close eye on the proceedings.

Abatement Fund: Councilmember Carter asked if the City is working on a possible 'abatement fund' to help property owners clean up junk vehicles and garbage. She said the City should talk with D.M. Disposal since the contract is being reviewed for renewal currently.

Homelessness Issues: Councilmember Carter noted the Council briefly discussed homelessness with State Representative Chris Hurst last week. She said recent statistics show there are at least 200 homeless students in the Sumner School District currently. She said many homeless children are also victims or witnesses of domestic violence as well. She suggested Councilmembers forgo giving each other Christmas gifts with personal funds again this year, and instead donate to local charities, such as the food bank, Lions 4 Kids, Helping Hands House, or Exodus Housing.

Beautify Bonney Lake: Councilmember Carter said she received a press release regarding this year's Beautify Bonney Lake event. She asked how many staff participated this year and how much overtime hours were incurred? Community Services Director Leaf said four staff members participated as employees, but most took compensatory time instead of overtime. He said department heads and the City Administrator participated but did not include the event as work time. He said the costs to the City were minor and reduced quite a bit from last year. He said participants in BBL volunteered about 1,000 hours, and one of the many projects was installing wood chips for the Lake Bonney bioswale.

Sonic Burger Restaurant Grand Opening: Mayor Johnson said he and several staff members attended the ribbon cutting ceremony for the new Sonic Burger Restaurant in Bonney Lake on October 19, 2009. Restaurant owner Dave Orem said he was very impressed to hear of the strong turnout at the Beautify Bonney

Lake event. Mayor Johnson said Sonic had a 'soft' opening so it was easier to manage the crowds. Police Chief Mitchell said they have had steady traffic but no major problems.

Abbey Road Litigation: Deputy Mayor Swatman said the City received the State Supreme Court's recent decision in favor of the City regarding the Abbey Road Development. He said the case relates to the proposed development of 525 condominiums on 37 acres along a hillside. He said the court's ruling allows more appropriate land use based on the zoning. He said no trees had been cut down and that he considers the ruling a great victory for citizens.

Councilmember Bowen said he is glad the Council shares good news like that about Beautify Bonney Lake, when so much negative news about the economy is being published. He said people's emotions affect their living and spending habits, and it is important to stay realistic but also positive.

8:33:30

- E. **Review of Council Minutes:** September 15, 2009 Workshop Minutes, September 22, 2009 Meeting Minutes and September 26, 2009 Special Meeting Minutes, October 6, 2009 Workshop Minutes, and October 13, 2009 Meeting Minutes.

Councilmember Carter said p.2 of the September 15<sup>th</sup> minutes should be revised to state: "retroactive to begin June 1, 2009, to begin at the same time other incentive ordinances went into effect, and sunset in December 2011..." On the same page, the discussion regarding tree cutting should include the following: "Councilmember Hamilton suggested the City contact tree-cutting services to make sure they are aware of City ordinances." She said the October 13<sup>th</sup> minutes should be corrected to state that Boy Scout Troop #595 led the audience in the pledge of allegiance. The minutes were forwarded to the October 27, 2009 Meeting for approval with these corrections.

**IV. Executive Session:** None.

**V. Adjournment:**

**At 8:35 p.m. Councilmember Rackley moved to adjourn the workshop. Councilmember Carter seconded the motion.**

**Motion approved 7 – 0.**

  
 Harwood T. Edvalson, CMC  
 City Clerk

  
 Neil Johnson, Jr.  
 Mayor

Items submitted to the Council Workshop of October 20, 2009:

- Pierce Transit – *Pierce Transit Presentation* – Lind Simonsen.
- City of Bonney Lake – *Eastown Utility Latcomer's Agreement Establishment Presentation* – Public Works Director Dan Grigsby.
- City of Bonney Lake – *Memo re: Eastown ULA Recommendations* – Mayor Neil Johnson