Call to Order:
Mayor Johnson called the November 7th Council Workshop to order at 5:30 p.m.

Roll Call:
Also in attendance were Deputy Mayor Dan Swatman, Councilmember David Bowen, Councilmember Dave King, Councilmember Cheryle Noble and Councilmember Jim Rackley. Councilmember DeLeo arrived at 5:32 p.m. Councilmember Mark Hamilton arrived at 6:19 p.m.

[Staff members attending were City Administrator Don Morrison, Planning and Community Development Director Bob Leedy, Public Works Director Dan Grigsby, Police Chief Mike Mitchell, Community Services Director Gary Leaf, Chief Financial Officer Beth Anne Wroe, City Attorney Kathleen Haggard, Administrative Services Director / City Clerk Harwood Edvalson, City Engineer John Woodcock, and Records & Information Specialist Virginia Phelan.]

Agenda Items:

1. **Action: AB06-206** – A Motion Of The Bonney Lake City Council Approving The Final Plat For Indigo Ridge Subject To The Approved Terms And Conditions Of The Preliminary Plat.

   Councilmember Rackley moved to approve AB06-206. Councilmember Noble seconded the motion.

   City Engineer Woodcock confirmed that the sight distance requirement has been met per the conditions of the preliminary plat.

   **Motion approved 6 – 0.**

2. **Discussion: AB06-203** – Ordinance D06-203 – Proposed Changes to Transportation Impact Fee CCI Charges.

   Public Works Director Grigsby promoted retaining CCI annual adjustments for the Transportation Impact Fees. He brought forward two options for Council, option A was to eliminate the annual adjustment entirely and Option B was to change the adjustment period from October thru October instead of July thru July as it is now. He explained that option B would allow the increases to be effective in January as are the City’s other annual adjustments.
Councilmember Bowen said he would prefer the Council to determine the annual increases instead of following a schedule which may be lagging actual current construction costs. Councilmember Rackley supported using the automatic annual adjustment as long as the fees are recalibrated every few years and whenever a large project is added to the capital facilities plan. Councilmember King reminded Council that allowing the automatic adjustment will not limit their power to make changes to the fees in the future. Council consensus was to move forward with Option B.

[This discussion was moved ahead to allow Councilmember Hamilton to participate in Item 3.]

Chief Financial Officer Wroe and City Administrator Morrison showed a PowerPoint presentation highlighting the details of the preliminary budget. Administrator Morrison explained that this is the City’s first attempt at a biennal budget. He said the budget is split into year 2007 and year 2008 revenues and expenditures, but the City can technically spend any of the budgeted monies any time during the two year period. He went on to say that they do not intend to move money between the two years unless it is an emergency or something the Council explicitly requests.

CFO Wroe discussed the top five revenues for the City and their projected totals for the coming two years. She explained that they are estimating revenue growth conservatively and will continue to monitor the actual numbers as they come in and make adjustments as necessary. She said the general fund ending balance is estimated to be about 5 million dollars. Administrator Morrison said 2.5 million of the balance will be used to acquire downtown property and another half a million will be used for possible downtown acquisition. CFO Wroe further explained that $650,000 would go towards the Contingency fund to increase the “Rainy Day” fund up to a million dollars and $600,000 would be put in the Parks CIP for future use. End fund balance for 2007 was estimated to be a million dollars.

Key programs and projects in the budget were discussed, including: new staff positions, council agenda automated system, expansion of special events, increase in senior lunch program, photo enforcement, expanded police cadet and crime prevention program, stream team program, initiation of household waste collection day, pole mounted radar and flashing signals for school zones, engineering evaluation of Ball Park Well water quality, and major CIP projects like park, intersection, sewer, storm and drainage improvements, land acquisition and a Public Works maintenance facility. CFO Wroe also mentioned which projects are not funded.

Council discussed the value of the new positions being created as well as the merit of the projects being funded. The Mayor suggested Council continue to review the budget and email questions to the City Administrator in advance of the first scheduled public hearing on the budget. Administrator Morrison said they hope the budget will be adopted at the December 12th Council Meeting.

3. Presentation and Discussion: AB06-214 – Calculation of Transportation Impact Fees.
[This discussion was delayed to allow Councilmember Hamilton to participate.]

City Engineer Woodcock described the process the City uses for calculating Transportation Impact Fees. He said the TIF is set at about $4,000, which is multiplied by the expected trips to the business during peak traffic hours to get the total fee. He went on to explain how the City
uses Trip Generation manuals to estimate how many trips certain types of land uses generate, but also allows businesses the alternative of having a Traffic Impact Analysis done if they feel the manuals do not have a case which applies to them.

In response to Council questions, Director Grigsby and City Engineer Woodcock described how much the fees have contributed to current projects. Council discussed how the City can collect additional fees for changed uses when different tenants come into a building or a business changes. City Administrator Morrison noted the ordinance only allows the City to withhold a building permit while awaiting payment of the TIF. He said once a building is built, unless there are improvements, there is no way to enforce the increase in fees. City Attorney Haggard agreed. There was debate on the value of changing the language of the ordinance to allow enforcement of the increase. Discussion was also had on the benefits of reassessing fees for businesses which have previously paid. There was disagreement over whether the fees should be charged to the builder or the business. Council decided to have the administration work on more solutions to making the process fair and to return to this topic at future Council sessions.

Mayor Johnson announced a 10-minute break at 7:21 p.m. The meeting reconvened at 7:32 p.m.

5. Discussion: Follow-up to Public Hearing – Increased Storm Water Rates.

City Administrator Morrison explained that the proposed increase is spread out over 5 or 6 years because the generated revenues are tied to the 6 year planning model. He said the increase should be sufficient to make the fund healthy. He further described some of the planned improvements in the coming years. Deputy Mayor Swatman questioned the reasoning behind having the Stormwater fund as an enterprise account. Director Grigsby said it does not have to be, but unique utilities are often set up this way.

Council discussed the possibility of offering discounts to homeowners who have some sort of stormwater retention system in an attempt to reward those who are mitigating the stormwater runoff problems on their property. Deputy Mayor Swatman said it does not seem right to charge the same fee to all residents when some are contributing much more to the problem than others. Councilmember DeLeo suggested the public would be more accepting of the increase if it included a possible discount. Mayor Johnson recommended incorporating rewards like this discount into a conservation program and said the topic should be returned with changes. Council agreed that the utility needs to be looked at in more detail and decided to address the topic in March. They also decided to push the first year of increases forward now because the stormwater utility is very under-funded.


Emergency Preparedness. Mayor Johnson relayed a Thank You from Dave Wakefield of East Pierce Fire and Rescue, who said there had been full attendance at the last few emergency preparedness meetings. He said there had also been a Thank You from Sumner’s City Administrator for help Bonney Lake staff provided during this rain storm.

Water Conservation. Deputy Mayor Swatman expressed dismay that the City had not previously known about hot water circulation loops. He said these devices make hot water immediately available from taps so that water is not wasted waiting for it to heat up. He said if this could have been a requirement 20 years ago a lot of water could have been saved.
Future Council Dates. Deputy Mayor Swatman recommended cancelling the December 26th Council meeting. There was agreement that the January 2nd Council Workshop should be cancelled as well. Administrative Services Director Edvalson commented Council traditionally cancels the last two Council sessions of December. It was decided to leave the December 19th Workshop on the schedule for the time being.

Annexation Concerns. Deputy Mayor Swatman questioned the need for the City to require decommissioning of a well for property owners who connect to City water. He said if the residents disconnect the well from their living quarters it should be sufficient to address the backflow issues. Councilmember King suggested it may be a legal requirement from the state. Director Grigsby offered to research the matter and present his findings to Council. Deputy Mayor Swatman further inquired about the ordinance requiring people to connect to sewer. He said there is no way to enforce it. Director Grigsby explained the rules and said he would have to investigate into how it is enforced.

School Impact Fees. Mayor Johnson said the Sumner School District wants to increase their impact fees to keep up with Pierce County. He said their fees are only set at about half of what is allowed and they are hoping for Council support for an increase. They are planning to ask for a comprehensive plan amendment next year. Planning & Community Development Director Leedy explained that the City does not actually collect the fees, nor does the City question them. He said the fees are based on a Capital Facilities Plan the School District developed and they will be spending the money based on it. Deputy Mayor Swatman requested an ordinance to make this happen.

Traffic Circle Removal. Deputy Mayor Swatman asked about the removal of the traffic circle near Bonney Lake High School. Director Grigsby explained that the circle was misaligned and was causing problems for the school busses as they tried to navigate it.

Rhodes Lake Corridor. Deputy Mayor Swatman said he and Councilmember Hamilton had talked with developers for Cascadia, Plateau 486, and Falling Waters, among others, about building the 60-80 million dollar corridor. He said the County does not want to participate in this project and Falling Waters is not going to be able to provide funding unless they are able to increase their density, which would require them to have sewer. There was general discussion on the possibility of annexing the entire area in order to control the growth, which will ultimately affect the City, whether it is inside or outside of the City limits.

Possible Revenue Generator. Mayor Johnson said he had been approached by a company wanting to buy power generated from the fluid traveling down the hill on Hwy 410. He said they want to resell it to Puget Sound Energy.

Locust Sidewalk Extension. Councilmember Rackley said the Locust Sidewalk Extension project went out to bid and returned at approximately $25,000 more than expected due to increases in construction prices. Councilmember King pointed out that the section of sidewalk being planned is adjacent to the apartment building which recently burned down and was condemned. He suggested the sidewalk be a requirement for the owner when a new building is constructed. Mayor Johnson recommended waiting to see what happens. Director Grigsby said this year’s budget for this project can be carried over to next year.
Clearwire Business. Councilmember Hamilton announced that there is a new business in Bonney Lake called Clearwire which provides broadband internet service. He said it is cheaper than cable, but more expensive than DSL.

Decrepit Building on Locust Ave. Councilmember King inquired about the recent meeting held regarding the decrepit building on the corner of Locust Ave and Bonney Lake Blvd. Director Leedy said he thought the information had been emailed, but would make sure to send it out again.

Traveling County Council. Mayor Johnson said Pierce County Councilmember Shawn Bunney wants to host a traveling county council meeting at Bonney Lake City Hall Council Chambers on December 5th from 4:00 – 5:30 p.m. before the Council Workshop. He said it would be a good opportunity for the City Council to talk to the Pierce County Council and the workshop could be started late.

7. Review of Minutes: October 17th Council Workshop and October 24th Council Meeting

Council had no changes for the minutes.

8. Executive Session: None.

9. Adjournment

At 8:37 p.m., Councilmember Rackley moved to adjourn the meeting. Councilmember Bowen seconded the motion.

Motion approved 7 – 0.

Harwood T. Edvalson, CMC
City Clerk

Mayor Neil Johnson, Jr.

Documents submitted for the November 7, 2006 City Council Workshop:

- City of Bonney Lake – Biennial Budget PowerPoint – Chief Finance Officer Wroe.
- City of Bonney Lake – SOP# PW-ENGR-001: Transportation Impact Fee Calculation – City Engineer Woodcock.