CITY COUNCIL WORKSHOP

May 15, 2012
5:30 P.M.

MINUTES

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

I. CALL TO ORDER – Mayor Neil Johnson, Jr. called the workshop to order at 5:32 p.m.

II. 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, City Engineer John Woodcock, Community Development Director John Vodopich, Chief Financial Officer Al Juarez, Interim Police Chief Dana Powers, City Attorney Jim Dionne, Administrative Services Director/City Clerk Harwood Edvalson, and Records & Information Specialist Susan Duis.

III. AGENDA ITEMS:

A. Council Open Discussion:

Eastown Gateway Sign Unveiling: Mayor Johnson thanked the Councilmembers and others who attended the Special Meeting for the Eastown gateway sign unveiling at 5:00 p.m. earlier in the evening.

Senior Boards: Councilmember Lewis reminded staff members and Councilmembers who are participating in the Senior Boards this year that the format has changed for the Sumner School District. He said he and others are volunteering again this year.

Sign Permits: Councilmember Watson said he received a letter from a citizen about issues related to the sign permit process. The citizen said staff members at the Permit Center counter were helpful, but the process was not clear, which caused delays. He said because the paperwork did not identify Downtown zoning requirements, the applicant had to redesign his proposal. In addition, the inspection was scheduled when the business owner was not on site, and when the inspector could not find the hole (which had been covered for safety reasons) he marked the inspection as ‘failed’ rather than calling the applicant for more information. Councilmember Watson said better communication could have resolved these issues more quickly. Mayor Johnson said the department is looking at ways to improve customer service currently.

Mayor’s Updates: Mayor Johnson said he met with the mayors of Sumner and Puyallup at Windmill Gardens. Auburn Mayor Pete Lewis said they plan to reduce speed limits on Lakeland Hills Way and East Valley Hwy, and hope to push Pierce County to support widening the Stewart Street bridge. Sumner Mayor Dave Enslow explained that the Chief of Police is serving as an interim City Administrator, and may be appointed to the position. He said Mayor Lewis plans to retire after his current term. Mayor Johnson said he and the other mayors plan to meet once per month to chat and share information.
Pierce Transit: Councilmember Lewis asked about the Pierce Transit redistricting process. Mayor Johnson said the redistricting will go into effect in June 2012. He said he is no longer on the Pierce Transit board as the new board has been seated. He said the City of Bonney Lake sales tax will be reduced from 9.4% to about 8.8% once the Pierce Transit tax is removed. He said staff are waiting for official notification from Department of Revenue of when the change will go into effect.


Councilmembers Lewis and Watson noted typographical errors in the April 17th minutes. The Council forwarded the minutes to the May 22, 2012 Meeting for action as corrected.

C. Special Public Comment Period: Proposed Sewer and Water Rate Changes.

Maryanne Zukowski, 18716 McGhee Dr E, Bonney Lake, said she purchased a house in Bonney Lake in 2002. She said she has worked for 6 different cities over fifteen years, including roles in public works and engineering. She said she was laid off in 2010 with 40 other employees. She said she applies for jobs every week but is still out of work, and times are tough for many people in Pierce County.

Ms. Zukowskki said from viewing past City records she can see there have been issues with the utility funds for some time. She asked whether the Council knows what utility rates are used to pay for, and whether the rates are justified based on updated operations and maintenance, LID figures, and planned projects. She said she reviewed the City’s 2008 water study, and at that time the Public Works director suggested the Council review rates every four to five years. She said the Council considered increasing utility rates in 2009 but did not do so. An article in the Courier Herald from 2011 stated the Council had no interest in raising sewer rates. She said the Public Works department has added staff since 2006, unlike other cities that have laid employees off. She said she does not want anyone to be laid off, but wanted to offer the Council some comparisons. She said two other cities that are similar to Bonney Lake have half the staff and much lower utility rates than in Bonney Lake. She said she is concerned the Council needs to look more closely at projects and staffing, and how long water rates can be decreased. She thanked the Council for their time.

Seeing no others coming forward to speak, Mayor Johnson closed the comment period.

D. Discussion: (Tabled from May 8, 2012)

- AB12-57 – Ordinance D12-57 – Water Rate Reduction.
- AB12-58 – Ordinance D12-58 – Sewer Rate Increase.

Deputy Mayor Swatman said the Council recognizes that not all residents in the City are connected to the sewer system, and the proposed reductions are to water rates only. Councilmember Lewis said he feels the water and sewer funds should be kept separate and not combined. He said the rates should be based on actual costs to run the system, and although it is justified to lower rates now, customers should understand the rates could go back up in the future due to water supply issues or other concerns. He said he feels the proposed rate changes are justified.

Councilmember Minton-Davis said the City requires new homes to have sprinkler systems installed. She noted that these systems require 1" pipes. She said that therefore, the base rate should be the same for 5/8" to 3/4" pipes as it is for homes with 1" pipes and
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fire sprinklers. She suggested the availability rate be reduced to $14.00 for both types of customers. City Administrator Morrison said the suggestion is appropriate. Deputy Mayor Swatman said he agrees with this proposed change.

Councilmember Hamilton asked how the ordinance presented at the workshop differs from the original proposal to reduce water rates by $5.00. He said the original water rate reduction was intended to balance out the sewer rate increase. Mayor Johnson said the revised ordinance lowers the availability rate by $2.69 instead of $5.00, but also decreases the volumetric (use) rates. City Administrator Morrison added that the consumption rates are split into several blocks with a higher conservation rate for the highest usages. Mayor Johnson said customers can also benefit on their sewer rates, which are tied to water volumetric usage.

Councilmember Watson said a study by FCS Group in 2010 advised the Council to increase utility rates. He asked if there is excessive spending for public works staff or projects. Mayor Johnson said all departments are evaluated to be sure the City is on par with other similar cities. He noted that Bonney Lake's utilities are somewhat unique due to the number of customers outside city limits. He said these are complex issues and he will continue to evaluate staffing and other budget concerns in preparation for the next biennial budget. City Administrator Morrison said based on the numbers from the State Auditor, Bonney Lake is in line with other cities for utility spending per capita.

Deputy Mayor Swatman said he received a letter from a resident in Falling Water, which uses a dry line septic system and is not on City sewer, though the City maintains their system. The resident said Falling Water is a special situation and should not pay higher sewer rates. Deputy Mayor Swatman said he does not want to create any special classes of customers. He said the residents in this area will eventually connect to City sewer when it is available. Councilmember Lewis agreed that these customers should not be separated out.

Councilmember Watson asked whether the Council will evaluate the sewer rate increases each year before they go into effect. Mayor Johnson said it is up to the Council but the rates could be reviewed yearly or whenever the Council desires. Deputy Mayor Swatman asked when the new rates would go into effect. City Administrator Morrison said proposed ordinances put the new rates in effect on July 1, 2012. The new rates would impact the next billing cycle. He said staff need time to make changes to the billing system but this timeline should work if the Council adopts the ordinances as planned.

Council consensus was to forward Ordinance D12-57 and Ordinance D12-58 to the May 22, 2012 Meeting for action.


Planning Manager Heather Stinson said this ordinance corrects unintended deletions and an incorrect reference that occurred when the Council adopted a zoning matrix for Eastown per Ordinance 1416. She said it was not the Council’s intent to make these changes, and the proposed ordinance brings the code back in line. Council consensus was to forward Ordinance D12-68 to the May 22, 2012 Meeting for action.
F. Discussion: AB12-75 – Ordinance D12-75 – Amending BLMC Chapter 19.08 Related to School Impact Fees.

City Administrator Don Morrison said the proposed ordinance revises School Impact Fees to the same rate used by other cities in Pierce County. He said Sumner School District Superintendent Craig Spencer and Attorney Mary Urback were in attendance to answer questions.

Ms. Urback said the City Council lowered the School Impact Fee from $2,780 to $1,300 per Ordinance 1420 in March 2012. She said the School District did not intend to request this lower fee amount. She said the error was due to communication issues and the district is now requesting the fee be raised to $3,005. She said this is the amount set by other cities and Pierce County for the school district and is based on the district’s current capital improvement plan.

Councilmembers noted that the district initially requested a school impact fee of $4,488 per single family residence, and asked why the proposed fee in this ordinance is lower. Ms. Urback said other agencies in the school district, including Pierce County, have set their fees to the $3,005 rate, which provides consistency for builders. Councilmembers discussed the proposed impact fee and the actual costs to the district. Deputy Mayor Swatman said the fee should be set at a rate that actually covers the costs for adding homes to the district. Mayor Johnson said he wants to fully support the school district.

Consensus of the Council was to forward proposed Ordinance D12-75 with a fee of $4,488 to the May 22, 2012 Meeting for action. Councilmembers requested a copy of the capital improvement plan from the district prior to the upcoming meeting.

IV. EXECUTIVE SESSION:

Pursuant to RCW 42.30.110(1)(b), the Council adjourned to an Executive Session with the City Attorney at 7:55 p.m. for 10 minutes to discuss property acquisition. The Council returned to Chambers at 8:06 p.m. No action was taken.

V. ADJOURNMENT:

At 8:06 p.m., Councilmember Rackley moved to adjourn the Council Meeting. Councilmember Lewis seconded the motion.

Motion to adjourn approved 7 – 0.

Haywood Edvalson, CMC
City Clerk

Neil Johnson, Jr.
Mayor

Items presented to Council at the May 15, 2012 Workshop: None.