

**City of Enumclaw
1339 Griffin Avenue
Enumclaw, WA 98022**

**City Council Regular Session
City Hall Council Chambers
September 12, 2005 7:30 P.M.**

CALL TO ORDER AND FLAG SALUTE:

Mayor Wise called the meeting to order at 7:30 p.m. Mayor Wise led the pledge of allegiance.

Jensen announced Council member S. Krebs requested to be excused from tonight's meeting.

JENSEN MOVED TO EXCUSE COUNCIL MEMBER S. KREBS FROM THE SEPTEMBER 12, 2005, COUNCIL MEETING. BECKWITH SECONDED. MOTION CARRIED 6-0.

ATTENDANCE:

Council Members Beckwith, Jensen, Ennis, Hogan, Mahelona and J. Krebs were present. Also present were Mayor Wise, City Administrator Bauer, City Attorney Reynolds, City Clerk Hopkins, Communications Coordinator Funfar, Parks/Cultural Services Director Fetter, Interim Community Development Director Harris, Finance Director Smalling, Library/Community Services Director Baer, Fire Chief Kolisch, Police Chief Zoll, and Operations Manager Flisrand.

ADJUSTMENTS TO THE AGENDA:

Mayor Wise announced the following adjustments to tonight's agenda; Pull 8.A. Consent Agenda Minutes.

ANNOUNCEMENTS AND PRESENTATIONS:

A. ANNOUNCEMENTS

1. National Assisted Living Week is September 11-17, 2005
2. September is National Alcohol and Drug Addiction Recovery Month
3. Enumclaw Rotary Club Awarded the "WA State Organizational/Advocate Award" from the Washington State Association of Senior Centers

Mayor Wise read the announcements.

B. PRESENTATIONS

1. Mayor's Day of Concern For the Hungry Proclamation

Mayor Wise read the "Concern for the Hungry" proclamation.

2. Gallery 2005 September Show Senior Center Art by Jerry Metcalf, Arts Commission member

Jerry Metcalf, Arts Commission member, announced that this month's Art display focuses on the works created by local citizens from the Senior Center. Jerry also spoke to the "Mapping Cycles" a Sculptural Installation by Artist John Grade, at J.J. Smith Elementary, September 24, 2005, Public Opening from 6:30 - 8:00 p.m. The Exhibit Runs Through October 21, 2005, and they are looking for volunteers for the event.

C. PUBLIC HEARING AND MEETING ANNOUNCEMENTS

None

D. COMMUNITY EVENTS

None

E. CITY EVENTS

1. "Mapping Cycles" A Sculptural Installation by Artist John Grade, at J.J. Smith Elementary, September 24, 2005, Public Opening from 6:30 -8:00 p.m. – Exhibit Runs Through October 21, 2005. Presentation of Event by Jerry Metclaf, Art Commission Member
2. Walk Across Washington, Friday, October 14, 2005, Rotary Centennial Park at 11:30 a.m.
3. Arbor Day Tree Dedication, October 14, 2005, by Larry Fetter, Parks/Rec/Cultural Services Director

Mayor Wise read the City Events.

Parks/Rec/Cultural Services Director Fetter announced that the Urban Forestry Committee will plant a tree and dedicate it as part of the "Walk across Washington" ceremonies.

4. Neighborhood Clean Up Week, September 26-30, 2005

Flisrand stated this is the Eighth Annual "Neighborhood Clean Up" event. He stated that customers can put additional garbage out on their scheduled garbage day with no additional charges.

COMMENTS FROM THE AUDIENCE:

None.

PUBLIC HEARING:

- a. Extending Moratorium on Utility Connections – Ordinance No. 2282

Mayor Wise read the Public Hearing Procedures.

MAYOR WISE OPENED THE PUBLIC HEARING ON ORDINANCE NO. 2282 AT 7:40 P.M.

Staff Report:

City Administrator Bauer stated Ordinance No. 2252 established a moratorium for new and unreserved residential utilities connections within the City for six months. This six-month moratorium is set to expire October 11, 2005. Because the limited capacity of the City's wastewater treatment plant has not yet been resolved, the moratorium cannot be lifted. Bauer noted the project milestones and stated that it will require at least another 24 months for completion. Ordinance No. 2282 is consistent with Ordinance No. 2093 in that it prohibits providing utility service beyond the capacity of the system. Staff recommends approval of Ordinance No. 2282.

Council Comments:

Mahelona asked if a formal signed agreement has been obtained from the property owner.

City Administrator Bauer stated yes.

Public Comments:

Mike Qualls, 1239 Porter Street, Enumclaw, stated he came to see what the City's plans are for the expansion.

Mayor Wise advised him to speak to the Public Works and Community Development heads.

MAYOR WISE CLOSED THE PUBLIC HEARING ON ORDINANCE NO. 2282 AT 7:45 P.M.

B. Extending the Moratorium on Platting and Annexation – Ordinance No. 2283

Mayor Wise read the Public Hearing Procedures.

MAYOR WISE OPENED THE PUBLIC HEARING ON ORDINANCE NO. 2283 AT 7:47 P.M.

Staff Report:

Interim Community Development Director Harris stated Ordinance No. 2283 follows Ordinance No. 2282 stating that without the expansion of the wastewater treatment plant, hookups cannot be granted. He stated that the moratorium needs to be expanded another six months.

Council Comments:

Ennis stated that the CED Committee will be discussing this issue at their next meeting on Thursday, September 22, 2005, at 5:00 pm. Ennis welcomed everyone to please join the meeting.

Beckwith asked Bauer if the permit is approved ahead of time, will we be prepared to move forward quickly.

City Administrator Bauer stated there is a process to fast track it and they are looking into it.

Public Comments:

None

Beckwith asked if there is anything that can be done to speed this up.

Mayor Wise stated that they are looking into moving this forward at a fast pace.

MAYOR WISE CLOSED THE PUBLIC HEARING ON ORDINANCE NO. 2283 AT 7:49 P.M.

TABLED BUSINESS:

None

COUNCIL COMMITTEE REPORTS:

A. Finance - Mahelona, Chair

Mahelona stated that the Committee met August 24, 2005, and September 8, 2005, and audited claims #146,781 - #146,991 for the Grand Total of \$1,468,056.01. They also discussed a bid award and two resolutions, which they will have a recommendation on. The next meeting will be September 22, 2005, at 5:30 p.m. at City Hall.

B. Community/Economic Development - Ennis, Chair

Ennis stated that the Committee met September 8, 2005, and discussed several issues. They were also going to meet with Tom Poe on the Loggers Legacy, but he could not attend. The next meeting will be September 22, 2005, at 5:00 p.m. at Stevenson/Yerxa Building.

C. Community Services - Beckwith, Chair

Beckwith stated that the Committee has not met. The next meeting will be September 20, 2005, at 6:30 p.m. at City Hall.

D. Legislative Action Committee – S. Krebs, Chair

No Report at this time.

E. Public Safety - Jensen, Chair

Jensen stated that the Committee met September 12, 2005, and discussed two complaints. They also discussed the EOC, the Police Department Property Inventory program, and fire inspections. The next meeting will be October 10, 2005, at 6:30 p.m. at City Hall.

F. Public Works – Hogan, Chair

Hogan stated that the Committee met September 12, 2005, and discussed the Natural Gas Supply Cost update and the project acceptance of a waterline. The next meeting will be September 26, 2005, at 7:00 p.m. at City Hall.

CONSENT AGENDA:.....Motion to Approve

A. MINUTES

1. City Council, 8/22/05 -**PULLED**

B. CLAIMS

1. Announced During the Finance Committee Report

C. PAYROLL

1. August 2005 Payroll Checks #6653 - #6759 in the amount of \$243,771.35 plus 183 Direct Deposits in the amount of \$263,184.59 plus Bank Wire ICMA and 941 Taxes in the amount of \$154,379.00 for a Grand Total Amount of \$661,334.94

D. BID AWARD

1. ECTV Capital Equipment

E. PROJECT ACCEPTANCE

1. Water Line Crossing of Newaukum Creek Project SW0403

JENSEN MOVED TO PULL THE MINUTES FROM THE CONSENT AGENDA. HOGAN SECONDED. MOTION CARRIED 6-0.

MAHELONA MOVED TO APPROVE THE CONSENT AGENDA WITH AMENDMENT OF PULLED MINUTES. JENSEN SECONDED. MOTION CARRIED 6-0.

GENERAL BUSINESS:

A. ORDINANCES

1. Ordinance No. 2282 Extending Moratorium on Utility Connections
 - a. City Clerk Read Ordinance by Title Only for First Reading

JENSEN MOVED TO READ ORDINANCE NO. 2282 FOR FIRST READING BY TITLE ONLY. ENNIS SECONDED. MOTION CARRIED 6-0.

City Clerk Read by Title Only

ORDINANCE NO. 2282

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON AMENDING ORDINANCE NO. 2252, WHICH ORDINANCE EXTENDED A MORATORIUM ON THE ISSUANCE OF UTILITY CONNECTIONS, TO PROVIDE AN

ADDITIONAL EXTENSION ON THAT MORATORIUM FOR NEW UNRESERVED UTILITY CONNECTIONS FOR RESIDENTIAL USE.

Staff Report:

City Administrator Bauer stated he had no additional comments.

Council Comments:

None

2. Ordinance No. 2283 Extending Moratorium on Platting and Annexations
 - a. City Clerk Read Ordinance by Title Only for First Reading

JENSEN MOVED TO READ ORDINANCE NO. 2283 FOR FIRST READING BY TITLE ONLY. ENNIS SECONDED. MOTION CARRIED 6-0.

City Clerk Read by Title Only

ORDINANCE NO. 2283

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WAHSINGTON ESTABLISHING AND CONTINUING A MORATORIUM ON ANNEXATIONS, EXCEPT FOR MUNICIPAL PURPOSES, AND PLATS, WITHOUT UTILITY CONNECTION, AMENDING ORDINANCE NO. 2251, FOR AN ADDITIONAL SIX (6) MONTHS AND SETTING FORTH FACTS.

Staff Report:

Interim Community Development Director Harris stated he had no further comments.

Council Comments:

None

B. RESOLUTIONS

1. Resolution No. 1104 – Authorizing Interfund Loans and Establishing Repayments Terms
 - a. City Clerk Read Resolution by Title Only

City Clerk Read by Title Only

RESOLUTION NO. 1104

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE FOLLOWING INTERFUND LOANS AND ESTABLISHING REPAYMENT TERMS.

Staff Report:

Finance Director Smalling stated there are two loans on the Resolution. One is from the Equipment Rental Fund to the Facilities Fund, and the other is from the Wastewater Fund to the Solid Waste Fund. The Facilities Fund is responsible for paying the City's insurance premium to the WCIA. Last year it cost \$258,000.00. This is due again in January. This year the fund borrowed the money from the Equipment Rental Fund, and unlike last year was unable to pay the money back prior to year-end. It is therefore necessary to create this as a loan and establish a large enough ending fund balance so it is not necessary to get loans from funds. The other loan is to expedite the new recycling program. The Solid Waste Fund would require an interfund loan for \$115,000.00 to purchase the bins. The loan would come from the Wastewater Fund. Both loans are for three years at 4% interest calculated on month-end balances. Staff recommends approval of Resolution No. 1104.

Council Comments:

Hogan stated the Public Works Committee discussed the recycle containers and noted that all of the containers would be out by the end of the year. He stated that the Committee supports the Resolution.

City Administrator Bauer stated this loan would result in a rate increase and an additional rate increase may be needed as a result of inflation that will be discussed during the budget process.

Mahelona asked if the passage of the Resolution would mean that all of the containers would be distributed this year.

City Administrator Bauer stated yes.

Committee Report:

Mahelona stated that the Finance Committee discussed this Resolution and recommends approval.

MAHELONA MOVED TO APPROVE RESOLUTION NO. 1104. HOGAN SECONDED. MOTION CARRIED 6-0.

J. Krebs asked if this meant we would have to take the facility loan as part of the budget process.

Finance Director Smalling stated yes.

2. Resolution No. 1105 –Authorizing Write-Off of Uncollectible Accounts
 - a. City Clerk Read Resolution by Title Only

City Clerk Read by Title Only

RESOLUTION NO. 1105

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS IN THE AMOUNT OF \$229,824.00

Staff Report:

Finance Director Smalling stated that write-offs of debts to the City should be done on an annual basis especially when they have a low probability for collection. He stated not doing so overstates assets and distorts financial statements used by investors and the public. Smalling noted that most City receivables are in the Utility Funds. Resolution 1105 will remove 320 accounts, valued at \$230,000.00 from City assets. Many of these accounts date from the early 1990's. Writing off these debts does not mean the City is giving up on collections. Liens have been filed against properties, and thousands have been sent to collections. The City will start strictly enforcing a 30-day shut-off for water and gas accounts as directed by code. With Councils approval, new utility software will enable better tracking of accounts. Staff recommends approval of Resolution No. 1105.

Council Comments:

J. Krebs asked if six months is standard for writing off accounts.

Finance Director Smalling stated yes, but they will still pursue collections.

Council Committee Report:

Mahelona stated that the Finance Committee recommends approval of the Resolution.

MAHELONA MOVED TO APPROVE RESOLUTION NO. 1105. HOGAN SECONDED. MOTION CARRIED 6-0.

3. Resolution No. 1106 – Enumclaw Welcome Center
 - a. City Clerk Read Resolution by Title Only

City Clerk Read by Title Only

RESOLUTION NO. 1106

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON AUTHORIZING THE MAYOR TO EXECUTE A LOCAL AGENCY AGREEMENT WITH WASHINGTON STATE DEPARTMENT OF TRANSPORTATION OBLIGATING \$1,825,688 OF FEDERAL TRANSPORTATION FUNDING FOR THE ENUMCLAW WELCOME CENTER.

Staff Report:

City Administrator Bauer stated that this is a \$5.7 million high-priority project that would serve as a Visitor's Information and Gateway Interpretive Center at the western terminus of Hwy 410. The project received \$1,277,419.00 of Federal Transportation Funding for preliminary engineering. The funding program requires a 20% local match. Work has not commenced and expenditures have not occurred because the City has yet to budget matching funds. Staff applied for funding through the Public Lands Highway Discretionary Program, which resulted in an additional \$1,825,688.00 for this project. WSDOT requests that a Local Agency Agreement be executed by the City and returned to their office by September 16, 2005, to ensure processing time by the Federal Highway Administration. Another \$2.9 million in funding will be required to complete the project. Staff recommends adoption of Resolution No. 1106.

Council Comments:

Hogan asked if by accepting this grant we are committed to build the center or buy the property.

City Administrator Bauer stated no.

J. Krebs asked about the letter from the Department of Transportation and how the funding works.

City Administrator Bauer stated the Federal Government only released \$625,000.00. Since that time Congress did finalize the bill, and we will get the remaining dollars. This Resolution will allow us to get the full amount.

J. Krebs stated that the local agency agreement is blank and she is reluctant to approve the contract when it is not in a form that can be executed.

City Administrator Bauer stated he does not have a completed copy with him tonight, but they will get one.

Mayor Wise called a one-minute recess to get the supplemental agreement copy to Council.

MAYOR WISE RECESSED THE COUNCIL MEETING AT 8:11 P.M.

MAYOR WISE RECONVENED THE COUNCIL MEETING AT 8:14 P.M.

J. Krebs reviewed the supplement and noted that it does not show the full amount.

City Administrator Bauer stated when we receive the remainder, it will be updated.

Council Committee Report:

Hogan stated that the Public Works Committee would like the Community Economic Committee to review this issue.

Beckwith asked if there is time to have this reviewed by another committee.

City Administrator Bauer stated it must be back by September 16, 2005.

BECKWITH MOVED TO APPROVE RESOLUTION NO. 1106. ENNIS SECONDED. MOTION CARRIED 6-0.

GENERAL ITEMS

- 1. Action Items.....Motion to Approve
 - a. Set Date for Joint Council/Fire Commissioner Meeting by Mark Bauer, City Administrator

Staff Report:

City Administrator Bauer stated another meeting needs to be set and asked for suggested dates.

Council Comments:

Council consensus is Monday, October 3, 2005 at 7:30 p.m.

- b. Adopt Revised Council Goals

Staff Report:

City Administrator Bauer asked Council to act, if desired, to accept revised Council goals.

Council Comments:

MAHELONA MOVED TO ACCEPT REVISED COUNCIL GOALS. J. KREBS SECONDED. MOTION CARRIED 6-0.

- c. Natural Gas Supply Cost by Mark Bauer, City Administrator

Staff Report:

City Administrator Bauer reviewed the newest numbers since the staff report was written. Bauer stated Council approved purchase authority from November 2005 through October 2006 at a maximum price of \$8.50 per deca-therm. The current price from November 2005 through October 2006 is \$10.08, while November 2006 through October 2007 is about \$8.77. All future prices are indicative of the market conditions and are subject to change. Hurricane Katrina has affected the production and price of crude oil prices. Bauer listed the options available along with their pros and cons. He stated that current supply costs along with new debt service related to the high-pressure gas main replacement would result in a rate increase of approximately 66%. A recommendation will be provided following a review by the Public Works Committee.

Council Comments:

Hogan stated that the Public Works Committee discussed this and concluded that the cap and collar strategy was not cost effective based on the prices and the recommendation from IGI. Hogan also stated that going with the index pricing would expose the consumers to too much price fluctuation. The Committee recommends the option of purchasing gas for five months for \$11.35 a deca-therm or 12-months for \$10.39 a deca-therm. Hogan stated that the impact to the rate payers is being reviewed and they do not want to lock in at certain prices not knowing how the rates will fluctuate.

Beckwith wanted to clarify that the prices Hogan quoted are for today and could change tomorrow. He also asked that Administration keep a daily watch on the prices until next Council meeting.

Hogan stated that the Consultant recommended that we lock into the prices within the next two weeks, as the price will likely climb. He stated what is needed tonight is the authority to give staff a higher cap to lock into the current prices.

Jensen asked what the budget goals are for gas reserves.

Finance Director Smalling stated he is not prepared to report on that tonight.

Mahelona noted that the long-term rate for the year is less than the next five months. He asked if the Consultant thinks this will ease up.

Beckwith stated that the supplier said in his opinion this is about as bad as it will get.

J. Krebs pointed out that the next five months are higher because, traditionally, winter prices are higher.

Hogan noted that the summer prices could drop.

Jensen stated he is in favor of the five-month commitment.

J. Krebs is also in favor of five months.

Hogan is also in favor of five months.

Beckwith is also in favor of five months.

Mahelona is undecided but will follow Council member's decision.

HOGAN MOVED TO APPROVE TO LOCK IN FIVE MONTHS OF NATURAL GAS PRICES WITHIN THE NEXT TWO WEEKS UNLESS A LOWER PRICE SHOULD ARISE BEFORE NEXT COUNCIL MEETING. BECKWITH SECONDED.

City Administrator Bauer stated that the Consultant stated that lower prices are already being seen and is in agreement with only locking in five months.

MOTION CARRIED 6-0.

2. Informational Reports
 - a. Budget Calendar by Gary Smalling, Finance Director

Staff Report:

Finance Director Smalling noted the calendar passed out is the most current calendar that also lists the deadline requirements.

Council Comments:

Hogan asked Finance Director Smalling about the Budget Workshop dates, Smalling responded that he will start working on the schedule and communicating with Council about the dates.

- b. Transportation Projects Impacted by Initiative 912 by Mark Bauer, City Administrator

Staff Report:

City Administrator Bauer noted the Transportation Projects report in the packet.

Council Comments:

None.

3. Monthly Staff Reports
 - a. Arts Commission
 - b. Police

City Administrator Bauer noted the monthly routine staff reports.

COMMENTS FROM THE AUDIENCE:

None.

UNFINISHED BUSINESS:

Hogan commended the Staff for the Kasey Kahne Day events.

Beckwith stated he also was very pleased with the event and commended the Committee members. He also asked about the street sign and granite plaque and if they were put in place.

Finance Director Smalling stated that the street signs are up and the granite plaque is being worked on.

Beckwith noted that many people have already asked him about selling the street signs and asked if this could be done.

City Administrator Bauer stated they are looking into this and Staff will add the street sign onto the Fee Schedule.

NEW BUSINESS:

EXECUTIVE SESSION:

ADJOURNMENT:

**BECKWITH MOVED TO ADJOURN THE MEETING. JENSEN SECONDED.
MOTION CARRIED 6-0.**

Meeting adjourned at 8:45 p.m.

Respectfully Submitted,

Marcia Hopkins
City Clerk