

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

**City Council Regular Session  
City Hall Council Chambers  
November 13, 2006, 7:30 P.M.**

**CALL TO ORDER AND FLAG SALUTE:**

Mayor Wise called the meeting to order at 7:34 p.m. Council Member Hogan led the Pledge of Allegiance. L. Reynolds arrived at 7:45 p.m.

**ATTENDANCE:**

Council Members Jensen, Coats, Mahelona, Beckwith, L. Reynolds, Ennis and Hogan were present. Also present were Mayor Wise, City Clerk Hopkins, City Administrator Bauer, Parks Director Fetter, Public Works Director Searcy, City Attorney Reynolds, Media Services Director Funfar, Fire Chief Kolisch, Finance Director Smalling, Community Development Director Thomas, Community Services Director Baer and Police Chief Zoll.

**ADJUSTMENTS TO THE AGENDA:**

Mayor Wise announced that they would be adding 3.A.5. to Announcements and pulling 3.A.3. under Announcements. They will be adding a solid waste and cardboard collection discussion to New Business.

**ANNOUNCEMENTS AND PRESENTATIONS:**

**A. ANNOUNCEMENTS**

1. City Offices Will Be closed November 23 & 24, 2006, to Observe the Thanksgiving Holiday

Mayor Read

2. Status of Enhanced Utility Billing Project

Stephanie McKenzie, City Accountant, gave details of the new Incode Utility Billing System. This system gives more customer service and information, along with monthly meter readings. Stephanie then discussed the new system's utility delinquency notices. She thanked the Public Works and Finance staff for their hard work on the new system. She gave details of some of the minor problems such as the payment plan. She stated that the online website payment will be up soon and they are working on a bank draft option.

Beckwith asked if the website payment is more expensive to the City. Stephanie stated that it would be cheaper than customers coming into the office to pay, but the City has to absorb the same credit card fee.

Mayor Wise gave thanks to the Public Works and Finance staff for working on this.

Smalling stated that Stephanie is the project manager on this project and has done an outstanding job.

3. King County Council Unanimously Approved the Agreement to Transfer King County Fairgrounds to Enumclaw on Monday, October 30, 2006. – PULLED
4. 2007 Calendar of City-Wide Events Available for Free at City hall, Chamber of

Commerce, and Courier Herald Newspaper  
Fetter passed out the 2007 Calendar.

5. Storm Flooding

Mayor Wise thanked the high school students that helped with the flooding problem from last week at the fire department.

B. PRESENTATIONS

1. New Gallery 2006 Artist, Lisa Parsons with Show “La Manzanilla Mexico” from November 1-December 20, 2006, at City Hall

Fetter read the presentation.

C. PUBLIC HEARING AND MEETING ANNOUNCEMENTS

1. Public Hearing – Setting the 2007 Property Tax levy for Monday, November 27, 2006, at 7:30 p.m. at City Hall
2. Public Hearing – 2007 Preliminary Budget for Monday, November 27, 2006, at 7:30 p.m. at City Hall
3. Budget Workshops: Thursday, November 16 and Monday, November 20, 2006, at 7:00 p.m. at City Hall

Mayor read the public hearing and meeting announcements

D. COMMUNITY EVENTS

1. “Thanks for Giving” the Annual Hometown Hero Dinner Hosted by the Chamber of Commerce, Wednesday, November 15, 2006, at 6:00 p.m. at Enumclaw High School Commons
2. “A Cowboy Christmas” Christmas Parade, Saturday, December 2, 2006, at 6:00 p.m. on Cole Street

Mayor read the events.

**COMMENTS FROM THE AUDIENCE:**

None.

**PUBLIC HEARING:**

- A. Setting the 2007 Property Tax Levy – Ordinance No. 2322

Mayor Wise noted that this hearing was a continuation of the October 23, 2006, City Council Meeting.

Mayor Wise asked Council and the City Clerk if they have received any communication regarding this issue. The City Clerk and Council Members replied none.

***Staff Report:***

Finance Director Smalling gave an update on the assessed value from King County. The adjusted figures are for a constant levy from last year with only the increases for construction and other adjustments which amounted to about \$19,000. The total levy request is \$2,940,000, a 1%

increase would be \$2,133,000 and the 1% increase plus the use of the bank would be \$2,141,000. On a \$300,000 home, the extra 1% and the use of the bank would be approximately \$1.29 a month. This amount will continue to increase by 1%, possibly, until 2013, at the end of 2013 the City will have accrued 1.3 million dollars on needed projects. Extra dollars are needed, although we can live off of reserves and cut programs. If the City wants to continue to develop reserves in the funds, these increases are needed. He then advised Council to consider the full increase that administration is recommending.

Ennis asked how the new construction estimate of \$19,000 will affect the tax increases that were proposed and if will increase or decrease the bottom line. Smalling stated that it increases the cash coming in, but it is not factored into the percentage increase.

***Public Comments:***

None.

***Council Comments:***

Coats stated that he has received no comments from the public regarding this issue. He then encouraged the public to contact the City letting them know if they were for or against this issue.

**MAYOR WISE CONTINUED THE PUBLIC HEARING ON SETTING THE 2007 PROPERTY TAX LEVY TO THE NOVEMBER 27, 2006, CITY COUNCIL MEETING.**

B. 2007 Preliminary Budget

**MAYOR WISE OPENED THE PUBLIC HEARING ON THE 2007 PRELIMINARY BUDGET AT 7:54 P.M.**

***Staff Report:***

Finance Director Smalling stated that City Council is required to adopt a new budget each calendar year according to RCW 35A33. The Preliminary Budget was approved by the Mayor and published on October 20<sup>th</sup>. There are five workshops that have been scheduled by Council to discuss this budget. The budget for 2007 covers 35 funds. The Northwest Exposition Center Fund is the only new fund. The 2007 budget contains one project fund, the Wastewater Treatment Plant Expansion Fund, which will exist until the plant is completed in 2009 and all bills are paid. The Preliminary Budget is available to the public on the City's website or in the Finance Department at City Hall.

Mayor Wise asked Council and the City Clerk if they have received any communication regarding this issue. The City Clerk and Council replied none.

***Public Comments:***

Mary Ellen Stone, Executive Director of King County Sexual Assault Resource Center (KCSARC), described the program and how it is helping the victims in the City of Enumclaw. She described the budget amount for the City of Enumclaw and stated that costs are higher for services and allocations from the state and cities are going down. She then encouraged the City to maintain the \$8,000 contribution to KCSARC.

Celia Forrest, YWCA Director of Domestic Violence Services South King County, listed the allocations of the past several years and how each year this allocation has decreased. Currently, about 9 out of 10 people who are suffering from domestic violence or have been victims of rape do not report the crime. By increasing public education and community readiness, people can get the help they need. Due to the major cuts that have been happening to all Human Services programs, services will be decreased or go away all together.

***Council Comments:***

Coats asked if KCSARC does not get the funding, will they be able to provide services. Stone replied that they would have to severely cut back services to city residents and they may need to charge a fee.

**MAYOR WISE CONTINUED THE PUBLIC HEARING ON SETTING THE 2007 PRELIMINARY BUDGET TO THE NOVEMBER 27, 2006, CITY COUNCIL MEETING.**

C. Garbage and Yard Waste Increase – Ordinance No. 2324

**MAYOR WISE OPENED THE PUBLIC HEARING ON THE GARBAGE AND YARD WASTE INCREASE - ORDINANCE NO. 2324 AT 8:07 P.M.**

Mayor Wise asked Council and the City Clerk if they have received any communication regarding this issue. The City Clerk and Council replied none.

***Staff Report:***

Public Works Director Searcy discussed the reasons behind the 2006 12.5% increase. He next went over the operating expenditures, operating revenues, interfund loan repayment, and projected revenue shortfalls for 2007. He listed the significant change in 2007; Personnel- 8.33% increase, Interfund services charge – 13.6% increase, and Tipping Fees -3.3% decrease. Searcy then reviewed the 2007 – 2011 Rate Analysis goals, assumptions used, the recommended rate increase, and gave a rate comparison of local cities.

***Council Comments:***

Mahelona asked about future rate increases. Searcy stated that for 2008, a 2 ½% increase would be proposed and for 2009, a 1% increase.

***Public Comments:***

None.

**MAYOR WISE CLOSED THE PUBLIC HEARING ON GARBAGE AND YARD WASTE INCREASE – ORDINANCE NO. 2324 AT 8:20 P.M.**

**TABLED BUSINESS:**

None.

**COUNCIL COMMITTEE REPORTS:**

**A. Finance - Mahelona, Chair**

Mahelona stated the Committee had met on October 24, 2006, and November 8, 2006. They reviewed Ordinances 2323 and 2325 and Resolutions 1181 and 1182; recommendations will be made at the appropriate time. They also discussed water leaks. The next meeting is November 21, 2006, at 5:30 p.m. at City Hall.

**B. Community/Economic Development – Ennis, Chair**

Ennis stated that the CED Committee met on November 7, 2006, and discussed several items which are not on the agenda tonight. The next meeting is on November 21, 2006, at 6:30 p.m. in the Stevenson/Yerxa building.

**C. Community Services – Beckwith, Chair**

Beckwith stated the Committee met on November 7, 2006, and discussed Resolution No. 1178; recommendation to be made at the appropriate time. The next meeting is November 14, 2006, at 4:00 p.m. in the Parks Office.

**D. Public Safety – Jensen, Chair**

Jensen stated the Committee had met on November 13, 2006, and discussed the Fire Department Inspection Fees. They also discussed Resolutions 1178 and 1183 along with the Police Departments radio budget request. The next meeting will be on December 11, 2006, at 6:30 p.m. at City Hall.

**E. Public Works – Hogan, Chair**

Hogan stated that the Committee met on November 13, 2006 and discussed Ordinance No. 2324 and Resolutions 1184 and 1185. They discussed the solid waste and cardboard collection and this will be brought up under new business this evening. The next meeting will be November 27, 2006, at 7:00 p.m. at City Hall.

**CONSENT AGENDA:.....**Motion to Approve****

**A. MINUTES**

1. City Council, 10/23/06
2. Council 2007 Budget Workshop, 10/25/06
3. Council 2007 Budget Workshop, 11/02/06

**B. CLAIMS**

1. Announced During the Finance Committee Report

**C. PAYROLL**

1. October 2006 Payroll Checks #8081 - #8167 and #25500 in the amount of \$240,560.54 plus 186 Direct Deposits in the amount of \$266,649.92 plus Bank Wire ICMA and 941 Taxes in the amount of \$150,545.15 for a Grand Total Amount of \$657,755.61

**D. SPECIAL EVENT**

1. Christmas Parade, Saturday, December 2, 2006, on Cole Street from Washington to Monroe at 6:00 p.m.

E. APPOINTMENTS

1. Arts Commission – New Appointment Lauri Hillberg, Position No. 2  
Term Expires 12/31/07

F. SET PUBLIC HEARING

1. Joint Planning Commission/City Council on Mixed Use Regulations and  
EMC Updates on Thursday, November 30, 2006, at 7:00 p.m. at City Hall

Mayor Wise noted the Art Commission Appointment and Public Hearing.

**BECKWITH MOVED TO APPROVE CONSENT AGENDA. COATS SECONDED.  
MOTION CARRIED 7-0.**

GENERAL BUSINESS:

A. ORDINANCES

1. Ordinance No. 2322– Setting the 2007 Property Tax Levy Amount  
(Draft 2)

**MAHELONA MOVED TO READ ORDINANCE NO. 2322 BY TITLE ONLY. JENSEN  
SECONDED. MOTION CARRIED 7-0.**

City Clerk Read by Title Only.

ORDINANCE NO. 2322

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON  
LEVYING THE GENERAL TAXES FOR THE CITY FOR THE FISCAL YEAR  
COMMENCING JANUARY 1, 2007, ON ALL REAL AND PERSONAL PROPERTY  
WITHIN THE CITY, WHICH IS SUBJECT TO TAXATION FOR THE PURPOSE OF  
PROVIDING SUFFICIENT REVENUE TO CARRY ON THE NORMAL ACTIVITIES OF  
THE CITY FOR THE ENSUING YEAR AS REQUIRED BY LAW, AND ESTABLISHING  
THE EXCESS LEVY FOR 2007.

***Staff Report:***

Finance Director Smalling stated that he had no additional comments.

***Council Comments:***

None.

2. Ordinance No. 2323 – 3<sup>rd</sup> Quarter Budget Amendment

**MAHELONA MOVED TO READ ORDINANCE NO. 2323 BY TITLE ONLY. JENSEN  
SECONDED. MOTION CARRIED 7-0.**

City Clerk Read by Title Only.

ORDINANCE NO. 2323

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON DECLARING AN EMERGENCY EXISTS RELATING TO 2006 ANNUAL OPERATING BUDGET ORDINANCE NO. 2298 AND AMENDING THE BUDGET.

***Staff Report:***

Finance Director Smalling stated that there is only one change to Ordinance No. 2323 from the prior meeting; Section 13 notes that there is an increase in the cemetery fund. He then stated that it should be noted that Section 20, dealing with the sewer treatment plant expansion, there are four separate sections that deal with it. The combined net change in ending fund balance is a decrease of \$38,000.

***Council Comments:***

None.

***Council Committee:***

Mahelona stated that the Finance Committee has reviewed this Ordinance and recommends approval.

**MAHELONA MOVED TO APPROVE ORDINANCE NO. 2323. L. REYNOLDS SECONDED. MOTION CARRIED 7-0.**

3. Ordinance No. 2324 – Increasing Rates for Garbage and Yard Waste Collection

**BECKWITH MOVED TO READ ORDINANCE NO. 2324 BY TITLE ONLY. HOGAN SECONDED. MOTION CARRIED 7-0.**

City Clerk Read by Title Only.

ORDINANCE NO. 2324

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON AMMENDING ENUMCLAW MUNICIPAL CODE, EMC SECTION 8.12.180 TO INCREASE GARBAGE AND YARD WASTE COLLECTION RATES BY APPROXIMATELY FIVE PERCENT, EFFECTIVE JANUARY 1, 2007.

***Staff Report:***

Public Works Director Searcy stated that the only thing he had to add to his previous report is to respond to Mahelona that the number on the graph were based on the spreadsheet handed out.

***Council Comments:***

**COATS MOVED TO DELAY VOTE UNTIL AFTER NEW BUSINESS DISCUSION. MAHELONA SECONDED. MOTION CARREID 7-0.**

4. Ordinance No. 2325 – Amending EMC 14.01.010 Decreasing the Grace Period Before Utility Payment is Considered Delinquent

**MAHELONA MOVED TO READ ORDINANCE NO. 2325 BY TITLE ONLY. JENSEN SECONDED. MOTION CARRIED 7-0.**

City Clerk Read by Title Only.

**ORDINANCE NO. 2325**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ENUMCLAW, WASHINGTON, AMENDING ENUMCLAW MUNICIPAL CODE SECTION 14.01.010 DECREASING THE GRACE PERIOD FROM 30 DAYS TO 15 DAYS BEFORE UTILITY PAYMENT IS CONSIDERED DELINQUENT.

***Staff Report:***

Finance Director Smalling stated that one of the goals of the Utility billing project is to provide more detail on customer invoices. Due to the timing of events, late fees of \$2 and shut-off fees of \$20 are now in the “past due” total on invoices. By decreasing the payment period, this information will appear on the bills. The new billing cycle will allow two weeks from receipt of bill to payment. Another major goal of the project is to reduce loss due to default customers. Decreasing the utility grace period will speed up the collection of significant receivables by two weeks, reduce the loss to non-paying customers, and allow for the posting of all charges on invoices thus providing full disclosure to customers. Staff recommends approval of Ordinance No. 2325.

***Council Comments:***

Coats asked what the net affect is and what is the rational behind moving it up two weeks. Smalling stated that the shut off will be about 40 days and now they can put the late fees and shut off’s on the statement when the statement is mailed.

Beckwith asked how will citizens become aware of the new schedule. Smalling stated that they would only do shut offs for the most flagrant abusers during the transition period. For the customers who will be receiving large bills this month, the City will be setting up payment plans so that it is fair to the customers.

Beckwith stated that they may want to think of other ideas besides a note in their information billing notice as many people may not read them.

**B. RESOLUTIONS**

1. Resolution No. 1178 – Fee Schedule Amendment

City Clerk Read by Title Only.

**RESOLUTION NO. 1178**

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON  
AMENDING RESOLUTION NO. 1136 AS TO INCREASES AND ADDITIONS TO THE  
PARKS, FIRE AND POLICE DEPARTMENT'S FEES.

Mayor Wise noted that the Fire Department's fee addition will be deleted from this resolution.

***Staff Report:***

Parks Director Fetter stated that the fees are established for parks and recreation services to recover reasonable costs associated with public uses of park facilities and programs. The generally recommended approach to parks and recreation fees is to simplify the fees structure and position the fees structure to maximize public use of facilities and programs. The Aquatic center is on target to generate the projected revenues for 2006. Customer trends show that by reducing the Family Splash Pass from \$360 to \$250 per year, it will result in an estimated increase of sales from 100 in 2006, to 300 anticipated for 2007. Staff recommends approval of Resolution No. 1178.

***Council Comments:***

Ennis wanted to clarify that the reason they are increasing the cemetery fee is because it is currently cheaper than other local cemeteries. Fetter stated yes and also for cost recovery.

Hogan stated that the ongoing review of the Splash Pass fee has been appreciated.

Beckwith stated that he had received a comment from a citizen concerned with the dropping of the disabled rate. He noted that not all disabled people have financial needs.

Zoll stated that they also reviewed their fees structure. Several areas have not seen increases in many years such as fingerprinting, confinement rate, and photocopying. The proposed rate changes in all three of these areas reflect the current trend.

Coats commented that 15 cents per copy is what is allowed by the statute unless you have a statement of factors and amenities that determine your cost. He believes information about the cost of the copy machine, details on how many copies could be made per minute, and the cost of color copies need to be listed.

Mayor Wise reminded Council that if recommendation to pass the resolution is made, it would be without the Fire Department Fees.

Beckwith stated that the current draft still has the disabled rate in it. Is there a draft #2? Hopkins stated that there is a draft #2 which will have both the disabled rate and the Fire Department fees deleted from it.

***Council Committee Report:***

Beckwith stated the Community Services Committee has reviewed the Resolution and recommends approval.

Jensen stated that the Public Safety Committee has reviewed the Fire Department fee amendments.

Council came to consensus to delay voting on this resolution until next meeting to wait for the Fire Department section to be added.

2. Resolution No. 1181 – Transferring Unclaimed Property to the State

City Clerk Read by Title Only

RESOLUTION NO. 1181

A RESOLUTION RELATING TO THE FINANCIAL AFFAIRS OF THE CITY, AUTHORIZING THE CANCELLATION AND TRANSFER TO THE STATE OF UNREDEEMED CHECKS AND BONDS.

***Staff Report:***

Finance Director Smalling stated that the Uniform Unclaimed Property Act specifies treatment of unclaimed property owed by the City to Claimants. Payroll checks and utility refunds are reported to the state after one year, most other items after three years. The City makes a diligent effort to contact all payees. The current resolution contains three items from 2005 ranging from \$45 to \$253. Staff recommends approval of Resolution No. 1181.

***Council Comments:***

Coats stated if Emily Max or Jay Richner is listening, they have some money coming to you.

Smalling stated that Emily Max was told she had some money coming to her and she stated that she did not want to take the time claiming it.

***Council Committee Report:***

Mahelona stated that the Finance Committee did review this and recommends approval.

**MAHELONA MOVED TO APPROVE RESOLUTION NO. 1181. L. REYNOLDS SECONDED. MOTION CARRIED 7-0.**

3. Resolution No. 1182 – Adopting Policies for Purchasing and Purchasing Cards

City Clerk Read by Title Only.

RESOLUTION NO. 1182

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON ADOPTING POLICIES FOR PURCHASING AND PURCHASING CARDS.

***Staff Report:***

Finance Director Smalling stated that the Finance Department has updated standards for the use of purchasing cards and mechanisms for payment of purchasing card expenditures. This policy relates to their distribution, authorization, control and use. It incorporates features available with the City's new Wells Fargo banking services. This policy will improve the process along with promoting impartiality, conservation of funds and competition. It will also improve accountability and citywide compliance with all legal requirements related to purchasing. Staff recommends approval of Resolution No. 1182.

***Council Comments:***

None.

***Council Committee Report:***

Mahelona stated that the Finance Committee has reviewed this Resolution and recommends adoption.

**MAHELONA MOVED TO APPROVE RESOLUTION NO. 1182. ENNIS SECONDED. MOTION CARRIED 7-0.**

4. Resolution No. 1183 – South Prairie Jail Services Agreement

City Clerk Read by Title Only

RESOLUTION NO. 1183

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE TOWN OF SOUTH PRAIRIE FOR JAIL SERVICES.

***Staff Report:***

Police Chief Zoll stated that the Police Department has been actively seeking additional cities for contracting jail services. Although the town of South Prairie does not anticipate heavy usage, having the approved contract on file will assure entitlement without delay when the need arises. The Police Department has both the staff and facilities to oversee this agreement without incurring additional costs. Staff recommends approval of Resolution No. 1183.

***Council Comments:***

Coats stated that under paragraph 3 it states that the City "shall accept". What happens if the City does not have the room? Zoll answered that they can turn them away if they do not have the room.

Beckwith asked what the payment amount the City is receiving to house the prisoners. Zoll stated that it is \$50 a day.

M. Reynolds stated the fee is in the fee resolution that is referenced in the resolution.

Hogan asked if the City is now the only source for South Prairie prisoners or are they just adding another option for them. Zoll stated that the City is just adding another option.

***Council Committee Report:***

Jensen stated that the Public Safety Committee has reviewed this resolution and recommends approval.

**JENSEN MOVED TO APPROVE RESOLUTION NO. 1183. ENNIS SECONDED. MOTION CARRIED 7-0.**

5. Resolution No. 1184 – Amending Professional Services Contract with Roth Hill

City Clerk Read by Title Only

**RESOLUTION NO. 1184**

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ROTH HILL ENGINEERING PARTNERS LLC FOR THE WATERCRESS PUMP STATION IMPROVEMENT PROJECT.

***Staff Report:***

Public Works Director Searcy stated that Council approved a professional services agreement with Roth Hill to complete predesign of the Watercress Pump Station Improvements Project in an amount not to exceed \$186,306. Council approved amendment #1 to remove sub consultant work and reduced the amount to \$105,761. Completion of the Water Resources Evaluation portion of the project determined that the existing spring collection gallery should be replaced by two wells rather than expanded in its existing form. Due to complications with a combination of surface and groundwater right, only one of these wells can be developed immediately. The second well will require a water right change. This change in design scope for Well #1 will result in additional design work. The cost of this has been estimated at \$11,830. Staff recommends approval of Resolution No. 1184.

***Council Comments:***

None.

***Council Committee Report:***

Hogan stated that the Public Works Committee has reviewed this resolution and recommends approval.

**HOGAN MOVED TO APPROVE RESOLUTION NO. 1184. BECKWITH SECONDED. MOTION CARRIED 7-0.**

6. Resolution No. 1185 – Settlement With Utility Commission

RESOLUTION NO. 1185

A RESOLUTION OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE A STIPULATED AGREEMENT TO CLOSE DOCKET WITH THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION RELATING TO VIOLATIONS OF COMMISSION RULES REGARDING THE CONDITION OF THE CITY'S NATURAL GAS LINES AND ITS POLICIES AND PROCEDURES.

***Staff Report:***

Public Works Director Searcy stated that the Washington State Utilities and Transportation Commission (WUTC) staff conducts routine inspections of the City's natural gas distribution system. Past inspections have identified both "probable violations" and "areas of concern" that City staff has addressed through revisions to the Operations and Maintenance Manual, system modifications or changes in operating conditions. Staff has met with WUTC staff several times pursuant to an inspection conducted in January 2006 during which they identified several probable violations of rules and regulations. Since then, City crews have addressed all physical system issues through modifications or repairs. Searcy then discussed the issues that remain outstanding. In lieu of pursuing fines for the probable violations, WUTC staff has suggested a Stipulated Agreement to Close Docket as an alternative, which Searcy has attached, to address the outstanding issues. The 2007 Preliminary Budget addresses compliance with the agreement and will not impact gas rates. Staff recommends approval of Resolution No. 1185.

***Council Comments:***

Ennis verified that the City would be hiring more gas utility workers and that this has already been incorporated into the budget. Searcy stated yes, the budget is requesting two new positions, both of which would be dedicated to the gas department.

Ennis asked if they would then meet with the State's requirement. Searcy answered yes. He then clarified that the agreement does not say that they have to hire a new staff member; one just needs to be assigned to the gas utility, although hiring is recommended.

Jensen asked if a head hunter will be used to fill this position. Searcy stated that the City will try to locate a person.

Coats wanted to point out to the Council all the areas in the agreement where the City agrees that the City is in violation. This is something that needs to be taken very seriously in the upcoming year.

Mahelona asked what is the issues regarding the report which addresses physical system through modifications and repairs. Searcy stated that after the inspection, what was most concerning is the repeat violations and how these were addressed. He then gave examples of repeat violations.

L. Reynolds asked if this was the first time these violations have been discussed.

Searcy stated that they have not brought Council annual inspection in the past. The Commission wants the City to be more proactive by doing its own inspections. The Commission does not want to assess fines because this hurts the rate payer so the agreement is to resolve these issues.

Bauer stated that past annual inspections resulted in minor corrections. This year the Commission have stepped up the inspection criteria for all cities. Ten years ago they went through a similar process.

Coats asked if the City is doing this to avoid a penalty. Bauer stated that this agreement is to avoid going through a potential contested hearing process and a fine.

Coats asked what the fine would be. Searcy stated that it was not part of the discussion.

Hogan stated that he had dealt with this group in his job at Puget Sound Energy. He then stated that he thinks this is a good agreement and that the RCW defines fines, but the agencies do not want to hurt the rate payer. He believes that good changes have come out of this.

***Council Committee Report:***

Hogan stated that the Public Works Committee has reviewed this resolution and recommends approval.

**HOGAN MOVED TO APPROVE RESOLUTION NO. 1185. COATS SECONDED. MOTION CARRIED 7-0.**

**C. GENERAL ITEMS**

1. Action Items.....Council Action

2. Informational Reports

a. Tourism/Marketing Plan by Mike Thomas, Community Dev. Director

Bauer stated that they are still under evaluation and they have no new time line.

b. Welcome Center by Mike Thomas, Community Dev. Director

Thomas stated that they are making progress on the contract and it should be ready by the end of the year.

c. Waste Water Treatment Plant by Chris Searcy, Public Works Director

Searcy read an email from the biologist from the National Marine Fishery Service who is working for US Fish and Wildlife Service trying to get their side of the issue on bull trout taken care of; a decision was made to consult informally and a letter is in the works.

Ennis asked if they were still on schedule. Searcy replied that they were ahead of schedule, but they would not be changing the construction dates which are on track.

Coats asked if they were collecting data in regards to the additional work that had to be done on the wetland mitigation as a result of the negligence of the prior consultant. Searcy stated that they are aware of it. The work product that was produced has no issues; it was more of lack of responsiveness. Coats stated concern that money was spent for work that had to be done over.

3. Monthly Reports
  - a. Court
  - b. Fire Run Count
  - c. Parks: Aquatics; Cultural Programs; Cemetery; Parks; Recreation; Golf Course
  - d. Police
4. Board and Commission Minutes
  - a. Planning Commission, 9/28/06
  - b. Fire Commissioners, 11/3/06

Bauer noted Monthly, Board and Commission Reports.

**COMMENTS FROM THE AUDIENCE:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

Hogan stated that there have been 2 issues that have come out of the Public Works Committee; the status of the cardboard collection site and the solid waste collection. They have looked at privatizing solid waste collection and the fact that two new garbage trucks are needed. Rates have been increased but they have are comparable to other cities. There has been some confusion as to what Council wants to do and what direction they want staff to go. There are three options, the City could privatize collection, the City could maintain the utility but outsource the hauling, or the City could do nothing and continue as they have been, but new trucks would need to be purchased.

Searcy asked what is Council's goal - cheaper rates, less work for staff? Once that is agreed upon, they need to discuss if the City wants to maintain control of the service and rates or do they just want to get rid of it. The union and their involvement will depend on which direction they go.

Bauer stated that if the City is going to run the Solid Waste Utility they need to get on with the business of the utility.

**COATS MOVED THAT THEY ANSWER THESE QUESTIONS BY THE END OF THE FIRST QUARTER OF 2007 AND SEND IT TO PUBLIC WORKS COMMITTEE TO REVIEW FOR A RECOMMENDATION.**

Beckwith asked what criteria was to be used to direct staff to prepare an analysis.

Coats stated they have the numbers on the rates and could have more questions to staff by the end of January and by the end of March, those questions should be answered.

Ennis asked what would happen to the two trucks in the budget. Searcy stated that they would leave them in the budget pending the decision.

Mahelona stated that years ago, when this same issue was on the table, they were considering the same things. Currently, the rates are competitive and the service is very good. He would vote to keep the Solid Waste Collection that they currently have.

Hogan agreed that the rates are competitive and service is good, however, it is not the City's priority. L. Reynolds agrees with Mahelona and Hogan.

Ennis stated that rates are competitive; Public Works Committee can look at it if they wanted to.

Beckwith said that they should take a look at this issue, but the timing is bad. Searcy's focus should be on the Wastewater Treatment Plant. This issue should be looked at later.

Jensen agreed that the Council should look at this issue.

Coats stated that now is the time or else it is off the table. This issues needs to be handled and not delayed any longer. They currently have ½ million dollars for new trucks budgeted; rates are increasing, and now is the time to make the decision.

Mayor stated that from a consensus from the Council, they should move forward with the operation that they currently have. Bauer clarified that in the budget; they have proposed to move forward with the purchase of the new garbage trucks. Deliveries of these trucks are one year out and should not increase rates.

Mayor Wise called for a second.

**COATS MOTION DIED FOR A LACK OF A SECOND.**

Hogan stated that the Public Works Committee was advised that the staff had looked at getting rid of the cardboard collection area. This would save the City around \$20,000 a year. They were concerned about downtown business owners disposing of their cardboard. While this would save the City dollars, it would put some of the business owners in a bind with being unable to dispose of their cardboard.

Searcy stated that the King County Transfer Station has more restrictive hours and days so it is not as available, but it is only a mile up the road and it can be used. Businesses with a large amount of cardboard can contract with Rainier Management Business for disposal. The cardboard collection area needs work and is being abused.

Bauer asked if the disposal cost of the city for cardboard savings could be factored into solid waste rates.

Hogan stated that the Public Works Committee has recommended closing of this facility.

Mahelona stated his concern that businesses can't get rid of the cardboard and this will mean seeing more cardboard in the downtown corridor.

Ennis asked what the volume is. Searcy stated that it was emptied about 16 to 20 times a month or about 2 tons.

Coats stated that if the citizens can use the King County Transfer Station, they should shut it our site down.

Beckwith asked who hauls it away. Searcy stated that a waste management company collects it and it costs about \$900 a load. They typically get a credit back for the cardboard recycling.

Beckwith asked if the cardboard starts going to the King County Transfer Station, is this going to overwhelm them? Searcy stated that as long as they are given a heads up, it should be fine.

Jensen stated that he uses the King County Transfer Station and it's not that far to go.

L. Reynolds, Ennis and Hogan stated that they are in favor of closing the facility.

Beckwith stated that they should put off voting on the garbage rate increase/decrease until it can be adjusted.

**BECKWITH MOVED TO CLOSE THE CARDBOARD FACILITY. COATS SECONDED. MOTION CARRIED 7-0.**

Mayor noted that they will wait on passing Ordinance No. 2324 until the next meeting.

Beckwith suggested forming a new committee to deal with the fairgrounds and the variety issues that will arise.

**EXECUTIVE SESSION:**

None.

**ADJOURNMENT:**

**COATS MOVED TO ADJOURN THE MEETING. BECKWITH SECONDED. MOTION CARRIED 7-0.**

Meeting adjourned at 10:06 p.m.

Respectfully Submitted,

Marcia Hopkins  
City Clerk