

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

**City Council Regular Session
City Hall Council Chambers
June 9, 2008, 7:30 P.M.**

CALL TO ORDER AND FLAG SALUTE:

Mayor Wise called the meeting to order at 7:32 p.m. Council Member Hogan led the Pledge of Allegiance. Mayor Pro Tempore Mahelona announced all Council present.

ATTENDANCE:

Council Members Mahelona, Hogan, Ennis, Elfers, L. Reynolds, Coats, and Beckwith were present. Also present were Mayor Wise, City Administrator Bauer, City Attorney Reynolds, City Clerk Hopkins, Media Services Manager Funfar, Public Works Director Searcy, Community Development Director Thomas, Parks, Recreation and Cultural Services Director Fetter, Police Chief Zoll, Interim Fire Chief Dawson, and Interim Finance Director Housler.

ADJUSTMENTS TO THE AGENDA:

Mayor Wise announced that on page 49 in the Council Packet, Ordinance No. 2397 was mislabeled as 2347. Coats noted that some pages were missing in the lease agreement on the Consent Agenda. Council concurred to pull the lease agreement until the next Council meeting.

ANNOUNCEMENTS AND PRESENTATIONS:

A. ANNOUNCEMENTS

1. Enumclaw Arts Commission Re-granting Recipients

Fetter read.

2. Enumclaw Public Library's Summer Reading Club Registration begins Monday, June 9, 2008

Mayor read.

B. PUBLIC HEARING AND MEETING ANNOUNCEMENTS

1. Council Workshop on Community Center Options, Monday, July 7, 2008, 7:00 p.m. at City Hall

Mayor read.

C. CITY EVENTS

1. The City of Enumclaw's Gallery 2008 – Photographer Ken Strange “Expressions of Nature”, June 4 – July 1, 2008, at City Hall, 8:00 a.m. - 5:00 p.m.

Fetter read.

2. 4th of July Stars and Stripes Celebration, Downtown Enumclaw, Events Start at 12:00 Noon, Parade 6:00 p.m.

Mayor read.

D. COMMUNITY EVENTS

1. Dedication of Logging Legacy Memorial, June 14, 2008, 1:00 p.m., Griffin

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Avenue in front of Enumclaw Library

Tom Poe, Logging Legacy Chair, described the June 14th dedication of the Logging Memorial. Poe read a letter from Dave Reichert, US Congressman, stating that he had requested a flag be flown over the United States Capitol to commemorate the establishment of the Logging Legacy Memorial Park. Poe said the bronze log that will be part of the memorial will not be ready for one to three more weeks, however a natural log will be used for the dedication event. He then noted newspaper articles regarding the memorial and left invitations to the dedication for Council and staff.

The Council thanked Poe for his leadership on the memorial.

2. *My Home Town*, Comcast Community Television Filming, Tuesday, June 10, 12:15 p.m. at Logging Legacy Memorial

Mayor noted the filming and asked as many people as possible to be part of the kick-off of the *My Home Town* episode on Enumclaw.

COMMENTS FROM THE AUDIENCE:

Karen Burns, from Enumclaw, stated that she part of the non-profit group, Neighbors for Peace, and requested information on the process for the Nestles proposal. Mayor updated her and stated that an Ad Hoc committee is being formed.

PUBLIC HEARING:

None

TABLED BUSINESS:

None

COUNCIL COMMITTEE REPORTS:

A. Finance - Coats, Chair

Coats stated that the Committee last met on June 9, 2008, and discussed Ordinances 2395, 2396, and 2397, recommendation to be given at the appropriate time. They also discussed vouchers and payroll and recommend approval. The next meeting will be held on July 14, 2008, at 6:30 p.m. at City Hall.

B. Community/Economic Development – L. Reynolds, Chair

L. Reynolds stated that the Committee has not met since the last Council meeting. The next meeting is scheduled for June 17, 2006, at 6:30 p.m. at the Stevenson/Yerxa Building.

C. Community Services – Beckwith, Chair

Before his Committee report, Beckwith noted Enumclaw High School's graduation ceremonies being held on June 9, 2008, and offered his congratulations to the graduates, especially Alex Folkerth, the son of former Council Members, Jennifer Krebs and Sean Krebs, who was graduating with honors. The Committee last met on June 4, 2008, and went on a tour of some sites. They looked at possible locations for the Skate Park in the event that it would have to be moved and also new locations for the BMX Park. They toured the Boise Creek Drainage Project

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and Beckwith was impressed with how well it is working. They also looked at possible locations for a new eastside park. The next meeting is scheduled for June 18, 2008, at 5:00 p.m. at the Expo Center.

D. Public Safety – Mahelona, Chair

Mahelona stated that a special meeting of the Committee was held on June 3, 2008, requested by the Interim Fire Chief. They discussed submitting an application for grant funding and the Committee gave its approval for that. Staff also updated the Committee on combining fire services with District 44. Mahelona then asked Bauer to update the full Council. Bauer stated that staff has met on two occasions with District 44. Two financial proposals have been received from them on the cost of services to the City. Staff is still reviewing those documents and recommendation should be given soon. The next meeting will be held on June 16, 2008, at 6:30 p.m. at City Hall.

E. Public Works – Hogan, Chair

Hogan stated that the Committee last met on June 9, 2008. They discussed Ordinance No. 2398 and Resolution 1286. They also discussed the Transportation Improvement Plan and the Wastewater Treatment Plant. The next meeting will be held June 23, 2008, at 6:30 pm. at City Hall.

F. Expo Center – Ennis, Chair

Ennis stated that the Committee last met on June 2, 2008. They discussed the Expo Center Business Plan. The Puyallup Fair Manager attended the meeting and gave his perspective on Fairground-type facilities . They also discussed purchasing horse stalls. The next meeting will be held June 18, 2008, at 6:00 p.m. at the Expo Center.

G. Committee on Committees– Mahelona, Chair

Mahelona stated that the Committee met on June 4, 2008, in response to the direction of Council at the June 2, 2008, City Council Workshop. They discussed forming an ad hoc committee on the Nestles Water issue. He asked Council for input on forming a committee.

Hogan inquired as to the purpose of the new Committee and what the next step is. Coats replied that the Committee would look at all issues surrounding the potential Nestles Water Plant. The Committee would set their agenda when it is formed. Beckwith stated that the Committee would look at benefits as well as the negatives of the proposal for the City and for water utility customers.

Beckwith asked Council if they are in favor of continuing looking into the proposal. Hogan and L. Reynolds stated they are not in favor of moving forward with this proposal. Coats stated that he has not made up his mind yet, so he would like the proposal to be investigated further to determine if it would benefit the City. Mahelona stated he also has not made up his mind and would like to look at the pros and cons, and would like to take it to the vote of the people. Elfers concurred that he wants all the facts before he makes up his mind. Ennis stated that he wants to understand the issue completely before making a decision. He supports sending the issue to an ad hoc committee.

L. Reynolds questioned whether the City wanted to accept this business into the community, since the Nestles Company depends on the non-renewable resources for its product.

Mahelona inquired what the Administration's view was on this issue. The Mayor said he would like the Committee and the public to get enough information to weigh the pros and cons to make an informed decision. He supports the formation of an ad hoc committee.

MAHELONA MOVED TO FORM AN AD HOC COMMITTEE WITH ENNIS AS CHAIR, BECKWITH AND MAHELONA AS COMMITTEE MEMBERS. COATS SECONDED. MOTION CARRIED 5-2. HOGAN AND L. REYNOLDS OPPOSED.

Ennis stated the suggested meeting day is Thursdays. Thomas and Searcy confirmed that they are available. The first Committee meeting will be held on June 19, 2008, at 6:00 p.m. at City Hall.

L. Reynolds inquired if minutes would be taken at the meeting. Ennis confirmed that they would. Coats said the meeting would be published in the newspaper and also advertised on the City website. Mahelona stressed that it is a public meeting and citizens are invited to attend.

CONSENT AGENDA:

A. MINUTES

1. City Council, 5/27/08

B. VOUCHER AND PAYROLL CERTIFICATION

1. Accounts Payable Vouchers #156562-156876 - \$2,822,342.96
2. May 2008 Payroll Vouchers #9825-9900 - \$275,691.98; Payroll Direct Deposits - \$314,720.31; Payroll Tax and Benefits - \$167,989.70

C. SPECIAL EVENT

1. Enumclaw High School Walkathon, June 11, 2008, 10:15 a.m. – 1:40 p.m., from EHS to Dwight Garrett Park
2. Independence Day Block Party, July 4, 2008, 10:00 a.m. – 11:00 p.m., from 303 Jewell Street to 323 Jewell Street
3. Art Walk 2008, August 16, 2008, 12:00 p.m. – 9:00 p.m., Cole Street from Initial Avenue to Marshall Avenue

D. LEASE AGREEMENT

1. Peak Gymnastics Lease of Activity Hall at Enumclaw Expo Center

ELFERS MOVED TO APPROVE THE CONSENT AGENDA, PULLING ITEM D.1. LEASE AGREEMENT. COATS SECONDED. MOTION CARRIED 7-0.

GENERAL BUSINESS:

A. ORDINANCES

1. Ordinance No. 2395 – Budget Beginning Balances

COATS MOVED TO READ ORDINANCE NO. 2395 BY TITLE ONLY FOR THE FIRST READING. ELFERS SECONDED. MOTION CARRIED 7-0.

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City Clerk Read by Title Only

ORDINANCE NO. 2395

AN ORDINANCE OF THE CITY OF ENUMCLAW, WASHINGTON, DECLARING AN EMERGENCY EXISTS RELATING TO 2008 ANNUAL OPERATING BUDGET ORDINANCE NO. 2381 AND RECONCILING THE DIFFERENCES BETWEEN ESTIMATED BEGINNING FUND BALANCES AND ACTUAL BEGINNING FUND BALANCES MOVING THOSE AMOUNTS TO ESTIMATED ENDING FUND BALANCES.

Staff Report:

Interim Finance Director Housler stated that Ordinance 2395 adjusts the beginning fund balances of City funds. After closing year 2007, actual ending fund balances (EFB) are compared with the estimates made during the 2008 budget process. The difference between the actual and estimated amounts is used to correct the 2008 estimates for actual beginning and estimated ending balances. The adjusted ending fund balance for all funds is \$21,267,658, a decrease of \$220,369 from the adopted budget. The general fund ending fund balance is \$1,954,349, up \$190,173 from \$1,764,176. Staff recommends approval.

Council Comments:

None

- 2. Ordinance No. 2396 – Budget Re-appropriation

COATS MOVED TO READ ORDINANCE NO. 2396 BY TITLE ONLY FOR THE FIRST READING. ELFERS SECONDED. MOTION CARRIED 7-0.

City Clerk Read by Title Only

ORDINANCE NO. 2396

AN ORDINANCE OF THE CITY OF ENUMCLAW, WASHINGTON, DECLARING AN EMERGENCY EXISTS RELATING TO 2007 ANNUAL OPERATING BUDGET ORDINANCE NO. 2381 AND APPROPRIATING ADDITIONAL RESOURCES TO PAY FOR GOODS AND SERVICES THAT WERE AUTHORIZED BUT NOT ACQUIRED IN 2007 FROM ESTIMATED ENDING RESERVES.

Staff Report:

Housler stated that Ordinance 2396 re-appropriates funds budgeted in 2007 but not used until 2008, because of problems such as items were ordered but not delivered or projects were started, but not finished. The total budget adjustment is \$44,689. The unused money "rolls" into the 2008 Available Ending Fund Balance (EFB). This ordinance re-budgets those funds. Staff recommends approval.

Department or Project	Fund	Amount
Police Department	General 001	\$ 9,679
Library	Library 120	22,293
Fire Department	Fire/EMS 160	12,717

Total Use of Ending Fund Balances

\$44,689

Council Comments:

Elfers inquired as to the legal reason for this ordinance being termed an emergency as it appeared to be routine. M. Reynolds replied that State Statute mandates that you must state a reason the City was not aware of these adjustments at the beginning of the budget process, therefore, it needs to be declared an emergency in the ordinance.

3. Ordinance No. 2397 – Budget Amendments

COATS MOVED TO READ ORDINANCE NO. 2397 BY TITLE ONLY FOR THE FIRST READING. ELFERS SECONDED. MOTION CARRIED 7-0.

City Clerk Read by Title Only

ORDINANCE NO. 2397

AN ORDINANCE OF THE CITY OF ENUMCLAW, WASHINGTON, DECLARING AN EMERGENCY EXISTS RELATING TO 2008 ANNUAL OPERATING BUDGET ORDINANCE NO. 2381 AND AUTHORIZING ADJUSTMENTS TO THE BUDGET.

Staff Report:

Housler stated that Ordinance 2397 subtracts \$362,651 (total revenues \$6,298,973 less total expenditures \$6,661,624) from the citywide estimated ending fund balance. The net total citywide effect of all adjustments is a decrease in the estimated ending fund balance of \$627,709. The effect of ordinances # 2395 and #2396 leaves the estimated ending fund balance of the General Fund at \$1,944,670. This Ordinance includes \$105,883 for re-budgeting needs which decreases this balance to \$1,838,787. Nevertheless, there is a net increase of \$74,611 to the General Fund EFB. Staff recommends approval.

Council Comments:

None

4. Ordinance No. 2398 - Amend EMC 14.04.195 Capital Facilities Charges

L. REYNOLDS MOVED TO READ ORDINANCE NO. 2398 BY TITLE ONLY FOR THE FIRST READING. BECKWITH SECONDED. MOTION CARRIED 7-0.

City Clerk Read by Title Only

ORDINANCE NO. 2398

AN ORDINANCE OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON AMENDING ENUMCLAW MUNICIPAL CODE SECTION 14.04.195 CAPITAL FACILITIES CHARGES TO BE BASED ON EQUIVALENT RESIDENTIAL UNITS.

Staff Report:

Public Works Director Searcy stated that Enumclaw Municipal Code (EMC) 14.04.195 establishes Capital Facilities Charges (CFCs) for water. The CFCs are used to fund capital construction projects. CFCs are currently determined by water meter size. CFCs have been charged strictly on the size of meter service which is typically determined by short-duration peak demand of domestic plumbing fixtures. Certain land uses may have water demand characteristics that would require a meter size that does not represent the true impact of the land use on the water system. Examples would be manufacturing, food processing, beverage bottling and other similar industrial uses that may have production lines running 24 hours per day. Land uses such as these can equate to hundreds of ERUs of water demand whereas the required meter size may only represent a connection charge equivalent to 25 or 50 ERUs in terms of the financial charge itself. The Rate and Charge Study completed in 2005 used the average day demand of the single family residential water customer class to determine the CFC amount. That amount was 258 gallons per day per equivalent residential unit (ERU). This figure is recommended for defining an ERU for the purposes of calculating CFC amounts. Staff recommends approval.

Council Comments

Mahelona inquired what would the charge be for this type of high usage. Searcy replied that it would be approximately \$3.4 million in connection charges.

Coats asked what the impact would be on the Y Bar S residents. Searcy replied that their connection charge would stay as planned, as the amount was based on the study done specifically for Y Bar S acquisition.

Elfers asked Searcy to clarify whether this plan is intended to stop a company from coming into the City or is it just increasing the cost of water connection. Searcy replied that the intent is to base the charge on actual demand on the water system.

B. RESOLUTIONS

1. Resolution No. 1286

City Clerk Read by Title Only

RESOLUTION NO. 1286

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ENUMCLAW, KING COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE A DRINKING WATER STATE REVOLVING FUND LOAN AGREEMENT WITH THE WASHINGTON STATE PUBLIC WORKS BOARD TO ACQUIRE THE Y BAR S WATER SYSTEM AND MAKE IMPROVEMENTS.

Staff Report:

Searcy stated that on January 28, 2008, City Council approved Resolution No. 1261 authorizing the Public Works Department to proceed toward acquisition of the Y Bar S Water Company and to transfer the applicant status of a DWSRF loan application from the private water company to the City. On March 4, 2008, the state Public Works Board approved the City's DWSRF loan application of \$730,248.18. The total cost of acquiring the Y Bar S Water Company and

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constructing improvements to the Y Bar S water system is estimated to be \$1,637,300. The loan provides approximately 45% of the total project cost on a reimbursement basis up to the total amount of the loan, less a 1% loan fee. The balance of the cost will be funded by a grant from the Water System Acquisition and Rehabilitation Program (WSARP) and a local improvement district (LID) assessment against the properties within the Y Bar S Water Company service area, with the loan being repaid through the LID. The WSARP grant agreement was approved by Council on April 14, 2008. The formation ordinance for the LID was passed by Council on April 28, 2008, and the 30-day period for filing a lawsuit against the formation of the LID ended on May 28, 2008. Staff recommends approval.

Council Comments:

None

Committee Report:

Hogan stated that this is the next step in the acquisition of the Y Bar S System and this loan will be specifically for the Y Bar S System and does not impact the rate-payers of the existing water system. The Committee has reviewed it and recommends approval.

HOGAN MOVED TO APPROVE RESOLUTION NO. 1286. SECONDED BY L. REYNOLDS. MOTION CARRIED 7-0.

Committee Report:

C. GENERAL ITEMS

1. Action Item

2. Informational Reports

a. Welcome Center by Mike Thomas, Community Development Director

Thomas stated that staff is working on State and Federal regulations regarding the impact on the site. Coats appreciated the letters of support for the Welcome Center in the packet. Beckwith stated that the letters do show commitment from the future tenants of the Center, however he is still concerned with the potential cost to the citizens. He reiterated his belief that it is a great project if funding can be found separate from taxpayers. Coats noted that taxpayers support the federal and state governments as well as local government, therefore tax dollars will pay for the Welcome Center in spite of where the funds come from. L. Reynolds thanked Thomas and staff for planning the Welcome Center as an environmentally-friendly building.

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

Searcy discussed budget for construction, noting that approximately 46% of the budget has been spent. The wetland mitigation part of the project is behind schedule due to the weather; however, the rest of the project is on schedule. Ennis inquired whether the project is on track with the estimated time frame of spending budgeted money. Searcy replied that it is within 5 – 10% of the projected time frame. Ennis asked for a copy of Searcy's original estimate and where the project is to date to show if it is on track. Searcy stated that he has given that information to the Public Works Committee and will bring it to full Council. Coats stated he would understand some change orders for increased costs for materials, but there should not be

change orders regarding labor costs due to the detailed work done on estimates prior to the project start.

- c. Enumclaw Expo Center Marketing & Branding Plans by Larry Fetter, Parks/Rec/Cultural Services Director

Fetter stated that there will be more discussion on branding at the Expo Center Committee meeting. Coats asked for a status report on the branding. Fetter replied that it is still in Committee and they would like to complete discussion before reporting to the Council as a whole.

3. Routine Reports
 - a. Fire Run Count
 - b. Police

Bauer noted the routine reports.

L. Reynolds thanked Zoll and Dawson for their adept handling of the past week's tragedies. Ennis commented to Dawson that he appreciated that the Fire inspections appear to be back on track.

COMMENTS FROM THE AUDIENCE:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

None

EXECUTIVE SESSION:

None

ADJOURNMENT:

COATS MOVED TO ADJOURN THE MEETING. L. REYNOLDS SECONDED. MOTION CARRIED 7-0.

Meeting adjourned at 8:39 p.m.

Respectfully Submitted,

Marcia Hopkins
City Clerk