

**City of Kenmore
City Council Regular Meeting
Minutes
July 16, 2018**

CALL TO ORDER - Mayor David Baker called the meeting to order at 7:00 p.m.

Councilmembers present:

Mayor David Baker
Deputy Mayor Nigel Herbig
Councilmember Joe Marshall
Councilmember Milton Curtis
Councilmember Debra Srebnik
Councilmember Stacey Denuski
Councilmember Brent Smith

CALL MEETING TO ORDER

ROLL CALL

FLAG SALUTE

AGENDA APPROVAL

CITIZEN COMMENTS

Vicki Grayland
20308 73rd Avenue NE
Kenmore, Washington 98028

Nickole Dixon
7614 NE Bothell Way
Kenmore, Washington 98028

Paul O.
18255 73rd Avenue NE #C302
Kenmore, Washington 98028

BUSINESS AGENDA

Kenmore Business Incubator Report - Nancy Ousley, Assistant City Manager

Assistant City Manager Ousley provided an update on the activities of the Kenmore Business Incubator, accompanied by the Program Consultant and the heads of two Kenmore Business Incubator client companies. The most recent Council briefing on the program was in June 2017.

The Council approved initiating the program in 2013. The Incubator provides low cost office space and business development consultation to companies to grow their businesses. The City added the Virtual Incubator program for companies who don't need office space but can benefit from business development training and consultation.

The Kenmore Business Incubator has worked with a total of 34 companies since the program began in 2013. Over 300 jobs are associated with client companies. We are currently working with 20 companies as Incubator clients; six are located at the Incubator and fourteen are Virtual Incubator clients. In addition to this ongoing effort, the Kenmore Business Incubator has provided Business Acceleration Training in 2016 and 2018 with funding from the Port of Seattle's Economic Development Partnership Grant.

Financial Assistance Strategies for the Mobile Home Parks (MHPs) - Arthur Sullivan, ARCH; Debbie Bent, Community Development Director and Lauri Anderson, Senior Planner
Staff explained that on July 9, the Planning Commission presented their recommendations on treatment options for the City's six mobile home parks (MHPs). Accompanying the land use approaches are several direct financial assistance strategies for Council consideration. These approaches include:

- Transfer of development rights (TDR)
- Fee-in-lieu
- Reduced property-owner operating costs
- Relocation assistance

Arthur Sullivan with ARCH was present to offer a primer on these strategies in advance of your continuing MHP discussion on July 23.

Property Acquisition - Rob Karlinsey, City Manager

On June 11, 2018, the City Council authorized the City Manager to enter into a purchase and sale agreement for the City of Kenmore to potentially acquire the property located at 6646 NE 202nd Street in Kenmore. The city manager subsequently sent adjacent neighbors a letter notifying them that the purpose of the potential property purchase may be for a public works facility. In response, the neighbors have been very vocal in their opposition to the city purchasing the property for this purpose.

Given the neighborhood response, the city manager recommends that the city no longer consider purchasing the property for the purpose of a public works facility. The City may still wish to:

City of Kenmore - City Council Meeting Minutes
July 16, 2018

- Purchase the property for open space purposes.
- Purchase the property, hold it for a while to determine future open space needs, and then sell all or a portion of the property back to the private sector for residential uses.
- Not purchase the property at all.

The City is still in the 90-day feasibility period for the property and therefore has not closed on the sale. This feasibility period will end in mid-September. Prior to the end of the feasibility period, the city manager will report the property due diligence findings to the City Council, and the City Council will then decide whether to move forward with the purchase.

MOTION: Councilmember Curtis made a motion to authorize the City Manager to enter into a Purchase and Sale Agreement for the Property Located at 6646 NE 202nd Street for potential open space and not for a Public Works facility, and to be able to dispose of any residual property back to the private sector, Councilmember Smith seconded the motion. The motion passed 6-1-0 with Councilmember Marshall opposed.

Willamette Dental Employee Benefit Option - Joanne Gregory, Finance and Administration Director

The Employee Benefit Review Team has been meeting on a regular basis since its formation in January 2017 in an ongoing effort to explore and evaluate health care plan options.

During that process staff noted that the AWC Trust offers two dental provider choices for employers and employees. The City has historically offered a Delta Dental plan and the Trust allows cities to also offer a Willamette Dental plan; employees would be allowed to choose one or the other.

The greatest advantage to the Willamette plan is the orthodontia benefit. Delta Dental has a \$2,000 lifetime cap on orthodontia services and a \$1,500 cap on other dental coverage. Willamette has no cap for comprehensive orthodontia services and only requires \$1,000 copay. There is also no annual maximum on other dental coverage and \$10 copays apply.

The most restrictive aspect of Willamette is that services must be provided at Willamette Dental clinics; there are 22 in Washington State with the closest being in Everett, Lynnwood, Bellevue and Northgate. Delta Dental has a much larger network of providers across the region and generally great benefits with no copay. Overall, employees tend to choose Delta Dental because of the greater choice of providers, per AWC.

The Willamette \$10 copay plan is recommended by the Employee Benefit Review Team. Premium differences between Willamette and Delta Dental are as follows:

	Delta Premium	Willamette Premium
Employee	\$55.22 per month	\$60.79 per month

City of Kenmore - City Council Meeting Minutes
July 16, 2018

Employee + one	\$105.90	\$113.87
Full Family	\$197.31	\$181.43 (yes, less than Delta)

Based on the current elections for the City's 30 covered employees, if everyone were to switch to Willamette, the monthly savings would be about \$116.00. However, it is not expected that many employees will switch from Delta to Willamette, except when needing the more generous orthodontia coverage, since it would also require the whole family to receive dental care at a Willamette clinic. It is difficult to predict what plan employees will choose, but no significant financial impact is expected either way.

With City Council approval, the Willamette Dental benefit could be offered as soon as September or October 2018 which would allow a special enrollment period for those employees who might wish to change. Thereafter changing between Delta Dental and Willamette Dental will generally only be an option during open enrollment which is once a year.

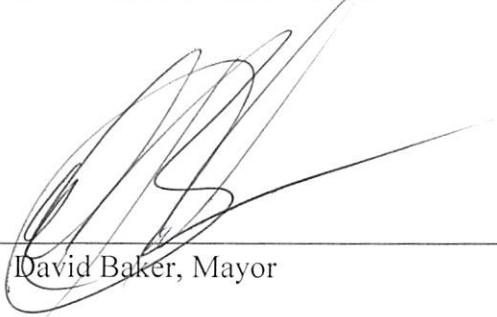
The consensus of the Council was to approve the benefit and add it to the employee benefit package.

STAFF REPORT

Rent Increase Notification Requirements - Lauri Anderson, Senior Planner

ADJOURNMENT

The meeting adjourned at 9:43 p.m.



David Baker, Mayor

ATTEST:



Kelly M. Chelin, City Clerk