

**City of Kenmore
City Council Regular Meeting
Minutes
November 25, 2019**

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

ROLL CALL

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

FLAG SALUTE

AGENDA APPROVAL

PRESENTATION

Introduce Brandon Moen, Police Chief - Rob Karlinsey, City Manager

CITIZEN COMMENTS

Phyllis Finley
5962 NE Arrowhead Drive
Kenmore, Washington 98028

Ms. Finley spoke about the Countywide planning policies.

CONSENT AGENDA

MOTION: Councilmember Denuski made a motion to approve the consent agenda, Mayor Baker seconded the motion. The motion passed unanimously.

The consent agenda included the following items:

Total Check #43731 through 43825 in the amount of \$786,573.91.
Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Account Electronic
Deposits Dated: 11/8/19 in the Amount of \$155,953.27.

City Council Meeting Minutes of October 21, 2019 and October 28, 2019

PUBLIC HEARING

Mid-Biennium Budget Adjustments for 2019-2020 and Salary Plan for 2020 - Joanne Gregory, Finance and Administration Director

Finance Director Gregory explained that on November 19, 2018 the City of Kenmore adopted the 2019-2020 biennial budget by Ordinance No. 18-0474. The city-wide budget includes revenue (\$110,138,175) and expenditure (\$106,088,340) estimates for both years which support the City Council priorities, departmental work programs, various municipal obligations, as well as Federal and State mandates.

At this time the mid biennial review of the biennial budget as prescribed by State law is complete. Per RCW 35A.34.130, cities that budget on a biennial basis must adopt an ordinance providing for a mid-biennial review and any modifications of the biennial budget. This must occur no sooner than eight months after the start (September 1, 2019) and no later than the end of the first year of the biennium (December 31, 2019). Another requirement of the mid biennial review process is a public hearing at a City Council meeting, which shall be held on November 25, 2019.

Funds affected include the General Fund, Street Fund, Transportation Capital Fund, Park Capital Fund, Park Impact Fee Fund, Sammamish River Bridge Fund, Surface Water Management Fund, and the Swamp Creek Basin Fund as described on the attached Exhibit 1.

Also included for Council consideration is an update to the Salary Plan pay ranges. The CPI-W as of June was 1.7%. This is the index typically used by the City for wage adjustments. The pay ranges in the attached Salary Plan have been updated and increased by 1.7% which would allow for this amount of a wage adjustment for all employees on January 1, 2020. Also, the Planner salary range (not a new position), which was removed from the Salary Plan in 2016, has been included.

Several staff positions are at the top of their pay range and will not be eligible for a merit increase during 2020. The adopted budget provided for an adjustment to wages and benefits in 2020; a 3.5% average increase was budgeted for salaries and a 5% increase was budgeted for medical and dental. The good news is that there will be no 2020 increase in premiums for the City's primary medical, dental or vision plans. In fact, 2019 rate increases were about 2% less than was budgeted.

After the conclusion of the public hearing, if there are no modifications to the recommended budget adjustments or Salary Plan, Ordinance 19-0500 will be presented for adoption.

Mayor Baker opened the public hearing at 7:17 p.m.

There were no comments from the audience.

Mayor Baker closed the public hearing at 7:18 p.m.

BUSINESS AGENDA

Ordinance 19-0500 Approving the Mid-Biennium Budget Adjustments for 2019-2020 and Salary Plan for 2020 - Joanne Gregory, Finance and Administration Director

MOTION: Councilmember Srebnik made a motion to approve Ordinance 19-500 Approving the Mid-Biennium Budget Adjustments for 2019-2020 and Salary Plan for 2020, Councilmember Denuski seconded the motion. The motion passed unanimously.

Ordinance 19-0501 Relating to the 2020 Regular Property Tax - Joanne Gregory, Finance and Administration Director

Finance Director Gregory explained that the mid biennium review of the adopted 2019-2020 biennial budget is complete as required by State law and November 30 is the due date for property tax levies to be set by ordinance and filed with King County.

The City Council has reviewed the proposed mid biennium adjustments and a public hearing was held November 25, 2019. A public hearing was held November 12, 2019 to receive public comment on the proposed 2020 tax levies.

Adoption of the 2020 regular tax levy is scheduled for November 25, 2019 along with adoption of the 2020 excess tax levy and the proposed amendments to the 2019-2020 Biennial Budget.

The regular property tax levy ordinance includes a levy request of \$5,307,000 which includes an increase of 3% over 2019, estimated new construction of \$99,387, and relevys of \$2,487. Since this is preliminary information from King County, the requested levy amount is rounded up to make sure it is not lower than the final determinations.

MOTION: Councilmember Curtis made a motion to approve Ordinance 19-0501 Relating to the 2020 Regular Property Tax, Councilmember Denuski seconded the motion. The motion passed 6-1-0 with Mayor Bakr opposed.

Ordinance 19-0502 Setting Excess Property Tax Levy for 2020 - Joanne Gregory, Finance and Administration Director

Finance Director Gregory explained that the 2019 excess property tax levy is necessary for repayment of the voted Walkways and Waterways bonds. In 2019 the City levied \$1,220,000 (.25/1.000 Assessed Valuation) to cover the debt service payments of \$1,223,150.

For 2020 the levy recommendation is \$529,000 which would result in a tax rate of approximately \$.10 per \$1,000 AV to fund the debt service principal and interest payments of \$529,650. The issuance of additional bonds may not occur in 2019 therefore no levy is requested for 2020. Ordinance No. 19-0502 to approve the excess tax levy for 2020, in the amount of \$529,000 to satisfy debt service on the 2016 Unlimited Tax General Obligation Bonds is recommended for adoption by the City Council.

MOTION: Deputy Mayor Herbig made a motion to approve Ordinance 19-0502 Setting Excess Property Tax Levy for 2020, Councilmember Smith seconded the motion. The motion passed 6-1-0 with Mayor Baker opposed.

Resolution 19-332 Adopting City of Kenmore's 2020 Fee Schedule - Tela Whiteman, Permit Specialist

Permit Specialist Whiteman explained that annually the City of Kenmore's fee schedule is reviewed and updated as provided for in Ordinance 02-0139. City staff is proposing the following revisions and additions to the 2020 Fee Schedule:

1. To increase the Development Services fees (Section 4) by the Consumer Price Index (CPI), 1.7% including transportation impact fees, not including appeal fees, park and school impact fees, utility right of way application fee, annual use right of way, SR-522 connection permits, special events permits, and memorial signs;
2. Page 2, Housing Code Enforcement – Changed fee to match hearing examiner appeal;
3. Page 3, Code Enforcement – Added Code Enforcement administrative fee per Ord 11-0328;
4. Page 3, Zoning and Land Use – Added legal lot status request. The fee was inadvertently removed from the 2019 fee schedule and is being re-added;
5. Page 11, Transportation Impact Fees – Added townhomes to condominium category;
6. Page 12, Parks Impact Fees – Added townhomes to multi-family category;
7. Page 12, Parks Impact Fees – Updated fees per Ordinance 19-0483, attached Exhibit B;
8. Page 12, School Impact Fees – Updated fees per Ordinance 19-0478, attached Exhibit C and council direction on 9/9/19;
9. Page 13, Utility Right of Way Permits – Changed the name of “Violation of Work Hours” to “Violation of Lane Closure Hours”, no change to fee;
10. Page 13, Utility Right of Way Permits – Added Accelerated Job Start fee per Public Works Engineering Division;
11. Page 16, Miscellaneous – Revised city sponsored event vendor fees for food and craft vendors, no change to non-profit booth or vendor;
12. Page 16, Miscellaneous – Added City Hall Facilities rental fees per Resolution 11-189;
13. Page 16, Miscellaneous – Added Hangar deposit costs per Hangar Building Facility Use Policy which was approved by City Council on June 10, 2019;

14. Page 17, Surface Water Management Service Charge – Updated fees per Resolution 18-315, Surface Water Annual Service Charges, attached Exhibit D;
15. Page 17, Stormwater Capital Facilities – Added new section for single family residential development and all other development per Ordinance 19-0480, effective March 5, 2019, see attached Exhibit E.

MOTION: Councilmember Smith made a motion to approve Resolution 19-332 Adopting City of Kenmore's 2020 Fee Schedule, Councilmember Curtis seconded the motion. The motion passed unanimously.

Resolution 19-333 Adopting Changes to the City's Personnel Policies to Revise Language to Section 6.4 Vacation and Sick Leave Donation (Shared Leave) - Rob Karlinsey, City Manager

City Manager Karlinsey explained that in Section 6.4 of the City's Personnel Policies allows for shared leave, meaning employees can donate vacation leave to employees who suffer, or have immediate family members suffering from, an illness, injury, impairment, or physical or mental condition which is of an extraordinary or severe nature and which has caused, or is likely to cause, the employees to go on leave without pay status or to terminate his or her employment with the City. In these cases, the vacation leave being donated is converted to sick leave for the receiving employee.

Currently, the policy requires the receiving employee to deplete his or her total of accrued leave in order to receive donated leave from another employee. The proposed amendment would allow the receiving employee to maintain 40 hours of accrued leave. This change would allow for the employee to have a small amount of leave upon their return to work available for doctor appointments or other purposes.

In addition, the proposed amendment to Section 6.4 would allow sick leave (not just vacation leave) to be donated. Sick leave would be donated on an hour for hour basis.

MOTION: Deputy Mayor Herbig made a motion to approve Resolution 19-333 Adopting Changes to the City's Personnel Policies to Revise Language to Section 6.4 Vacation and Sick Leave Donation (Shared Leave), Councilmember Denuski seconded the motion. The motion passed 6-1-0 with Councilmember Curtis opposed.

Receive and File the September, 2019 Financial Report for the City of Kenmore - Joanne Gregory, Finance and Administration Director

The Financial Report for September 2019 was unanimously received and filed.

STAFF REPORT

City of Kenmore - City Council Meeting Minutes
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Update on Amendments to the King County Countywide Planning Policies (CPP) - Debbie Bent, Community Development Director

ADJOURNMENT

The meeting was adjourned at 7:57 p.m.



David Baker, Mayor

ATTEST:



Kelly M. Chelin, City Clerk