

**City of Kenmore, Washington
City Council Regular Meeting
Minutes
February 10, 2014**

CALL TO ORDER – The regular meeting of the Kenmore City Council was called to order by Mayor David Baker at 7:31 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Glenn Rogers and Councilmembers Brent Smith, Laurie Sperry, Milton Curtis and Nigel Herbig

Councilmembers excused: Councilmember Allan Van Ness

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Debbie Bent, Community Development Director; Dawn Reitan, City Attorney; and Patty Safrin, City Clerk

FLAG SALUTE

Mayor Baker led the flag salute.

AGENDA APPROVAL

It was Council consensus to approve the agenda as submitted.

CITIZEN COMMENTS

Ann McBride, 3014 10th Avenue W, Seattle, was present as a board member from Friends of Youth and as a former Kenmore resident. She stated that she is proud that the City has elected to provide funding for an extended care facility so that foster care youths can continue to have housing until age 21.

Carl Michelman, 18023 62nd Avenue NE, Kenmore, was present to state his concern about the NUD franchise fee to be discussed at the public hearing this evening.

Ken Smith, 15816 70th Avenue NE, Kenmore, was present to state his concern about infrastructure, such as roads, bridges and sidewalks.

Dave Crawford, 7534 NE 175th Street, Kenmore, was present to state his concern about increased taxpayer expenses and City property acquisition.

Matthew Meadows, 18015 83rd Avenue NE, Kenmore, was present to state his concerns about the NUD franchise fee to be discussed at the public hearing this evening.

John Hendrickson, 5919 NE 202nd Lane, Kenmore, was present to state his concerns about City financing for road maintenance.

Mayor Baker thanked the citizens for their comments.

CONSENT AGENDA

Councilmember Rogers moved to approve the consent agenda as submitted.

Councilmember Herbig seconded the motion to Approve Check Nos. 29291 - 29357 in the Amount of \$622,781.16 for the Period Ending January 17, 2014; Approve Check Nos. 29358 - 29393 in the Amount of \$276,948.97 and Electronically Transferred Payroll Funds Totaling \$62,124.01 and Payroll Check No. 210978 in the Amount of \$276.79 for the Period Ending January 17, 2014; Approve Northshore Utility District (NUD) Interlocal Agreement for 0057 Stormwater Project, Contract No. 14-C1244; and Cancel the Tuesday, February 18, 2014 City Council Regular Holiday Schedule Meeting. The motion passed unanimously.

PUBLIC HEARING

Public Hearing to Receive Public Testimony Regarding Ordinance No. 14-0373 – Northshore Utility District (NUD) Franchise Agreement, Contract No. 13-C1241 – Rob Karlinsey, City Manager, and John Milne, Attorney with Inslee, Best, Doezie & Ryder, were present to give a brief staff report. City Manager Karlinsey stated that this ordinance will be on the February 24th agenda for Council decision. He stated that the City grants NUD the right to perform services for the citizens and that over the ten years since the franchise agreement has been adopted there have been changes in State law, and other changes needed to be made in the contract as well. He detailed the key provisions of the agreement. He noted that currently the City has no franchise or utility fees and that, even with this fee, we will be at or below what the four surrounding cities pay in fees. They were also available to answer any questions.

Mayor Baker invited NUD Commissioner Wiggins, who was present in the audience, to come up to the speakers' table and speak. She stated that the change in the franchise agreement was carefully negotiated over a long period of time with City staff and Northshore Utility District staff. She also spoke about enforcement for nonpayment of bills.

Mayor Baker opened the public hearing to receive public testimony on this issue at 8:06 p.m.

The following citizens spoke:

Carl Michelman, 18023 62nd Avenue NE, Kenmore, was present to state his concern about the franchise fee.

Ken Smith, 15816 70th Avenue NE, Kenmore, was present to state his concern about lack of citizen involvement in the process.

Dave Crawford, 7534 NE 175th Street, Kenmore, was present to state his concern about the franchise fee.

Matthew Meadows, 18015 NE 83rd Avenue, Kenmore, was present to state his concern about the franchise fee.

John Hendrickson, 5919 NE 202nd Lane, Kenmore, was present to make several suggestions regarding the City budget and its uses.

As there was no further testimony, Mayor Baker closed the public hearing at 8:25 p.m.

BUSINESS AGENDA

Approve Resolution No. 14-230 – Trust Fund Awards for A Regional Coalition for Housing (ARCH) Projects - Debbie Bent, Community Development Director, and Arthur Sullivan, ARCH, were present to give a brief staff report. Director Bent detailed Kenmore's share of the trust fund request and the housing projects that would be supported by the funds. She also reviewed the City's ARCH funds and budget. They were also available to answer any questions.

Councilmember Curtis moved to Approve Resolution No. 14-230 – Trust Fund Awards for A Regional Coalition for Housing (ARCH) Projects. Councilmember Rogers seconded the motion. The motion passed 6-0.

Approve A Regional Coalition for Housing (ARCH) 2014 Administrative Budget & Work Program - Debbie Bent, Community Development Director, and Arthur Sullivan, ARCH, were present to review the Interlocal Agreement with ARCH and the administrative budget. They were also available to answer any questions.

Councilmember Rogers moved to Approve A Regional Coalition for Housing (ARCH) 2014 Administrative Budget & Work Program. Councilmember Smith seconded the motion. The motion passed 6-0.

Kenmore Business Incubator – Discussion of Consideration for City Support in 2015-2016 Biennium – Nancy Ousley, Assistant City Manager, and Barry Weisband, Business Incubator Consultant, were present to give a brief staff report. Assistant City Manager Ousley detailed the reasons for continuing the business incubator program and some of the ways that we know the program is successful. City Manager Karlinsey added that all three of our business incubator companies have been in the spotlight, which has provided good media exposure for the business incubator and the City. Mr. Weisband reviewed some of the services that are being provided to the business incubator, some of which also benefit other local entrepreneurs and businesses. They were also available to answer any questions.

Adopt Ordinance No. 14-0375 – ECityGov Alliance Revised Interlocal Agreement, Contract No. 14-C1251 – Nancy Ousley, Assistant City Manager, was present to give a brief staff report. She stated that the ECityGov Alliance has been in existence for some time now and that Kenmore was one of the original cities. This agreement reorganizes the corporate status of the organization into a nonprofit, which provides better legal protection for the cities. She noted that the agreement also clarifies the status of the intellectual properties of ECityGov programs, such as MyBuildingPermit.com, which would be shared by the member cities should the Alliance end. She was also available to answer any questions.

Councilmember Curtis moved to Adopt Ordinance No. 14-0375 – ECityGov Alliance Revised Interlocal Agreement, Contract No. 14-C1251. Councilmember Sperry seconded the motion. The motion passed 6-0.

STAFF REPORT

City Manager Karlinsey stated that 70% of the Kenmore Village development, the Spencer 68 apartments and Kenmore Camera, is doing very well, and the City is in discussions with a potential buyer for the remaining three acres. He reported on a recent King County City Managers' meeting at which one of the topics was human trafficking. He noted that he recently visited the Cemex plant and that they will provide data on complaints they have had as well as data on the health effects of exposure to asphalt. He will facilitate tours for any interested Councilmembers.

CITY COUNCILMEMBER REPORTS & COMMENTS

Mayor Baker reported on a meeting with the Army Corps of Engineers in Washington, DC, last week regarding getting the City on their schedule for dredging. Representative Del Bene wrote to the Corps urging them to do something, and Senator Cantwell sent a letter to the Corps recommending four dredging projects, including Kenmore's.

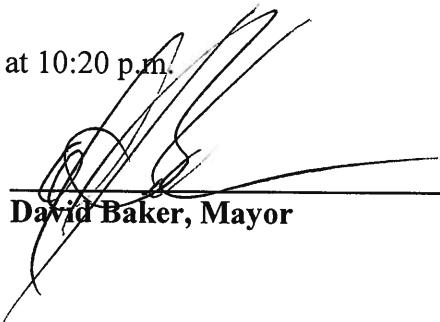
EXECUTIVE SESSION

Mayor Baker recessed the regular meeting to an executive session at 9:40 p.m. to discuss Potential Litigation, pursuant to RCW 42.30.110(1)(i). He stated that the executive session will last for approximately 20 minutes and that action may be taken when the meeting is reconvened.

Mayor Baker extended the executive session for 20 minutes at 10:00 p.m.

ADJOURNMENT

Mayor Baker adjourned the regular meeting at 10:20 p.m.



David Baker, Mayor

ATTEST:



Patty Safrin, City Clerk