City of Kenmore, Washington
City Council Regular Meeting
Minutes
February 24, 2014

CALL TO ORDER – The regular meeting of the Kenmore City Council was called to order by Mayor David Baker at 7:07 p.m.

Councilmembers present: Mayor David Baker and Councilmembers Brent Smith, Laurie Sperry, Milton Curtis, Nigel Herbig and Allan Van Ness

Councilmembers excused: Deputy Mayor Glenn Rogers

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Joanne Gregory, Finance & Administration Director; Kris Overleese, Engineering & Environmental Services Director; Bryan Hampson, Development Services Director; Kent Vaughan, Senior Civil Engineer; Richard Sawyer, Surface Water Program Manager; Rod Kaseguma, 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.

PROCLAMATION

National Kids to Parks Day – Saturday, May 17, 2014

Mayor Baker read the proclamation into the record.

CITIZEN COMMENTS

G. Hernandez, 15545 65th Place, Kenmore, was present to share an e-mail he received from Verizon in 2009 promising to provide cable service which never happened. He submitted a copy of the e-mail to Council.

Ken Smith, 15816 70th Avenue, Kenmore, was present to state that he supports the West Samm Bridge being added to the CIP and would like to see more citizen input on bridge replacement alternatives.

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

Bob Black, 8232 NE 166th Street, Kenmore, was present to state his concern about the proposed NUD franchise fee.

Dave Crawford, 7534 175th Street, Kenmore, was present to state his concerns about City property acquisition and use.

Robert Kinton, 6116 NE 188th Place, Kenmore, was present to state his concern about the proposed NUD franchise fee.

Mayor Baker thanked the citizens for their comments.

CONSENT AGENDA

Councilmember Van Ness moved to approve the consent agenda as submitted. Councilmember Sperry seconded the motion to Adopt the Minutes of the January 13, January 27, and February 10, 2014 City Council Meetings; Approve Check Nos. 29394 - 29452 in the Amount of $179,410.86 and Electronically Transferred Payroll Funds Totaling $62,278.30 and Payroll Check No. 211017 in the Amount of $1,426.73 for the Period Ending January 31, 2014; Approve Check Nos. 29453 - 29541 in the Amount of $1,549,821.64 and Electronically Transferred Payroll Funds Totaling $63,454.55 and Payroll Check No. 211057 in the Amount of $1,427.13, and an Investment Purchase of $1,001,486.11 for the Period Ending February 14, 2014. The motion passed unanimously.

BUSINESS AGENDA

Adopt Ordinance No. 14-0373, Northshore Utility District (NUD) Franchise Agreement – Rob Karlinsey, City Manager, and John Milne, of Inslee Best, were present and noted for the record that a public hearing for this ordinance was held two weeks ago, after having been published in the Seattle Times. The public hearing was also advertised in the City newsletter, and the franchise agreement was discussed during budget discussions for the 2013-2014 biennial budget. They stated that NUD would like to change the effective date of the agreement from March 10, 2014 to March 15, 2014 for billing purposes. City Manager Karlinsey clarified that the City is collecting a fee from the Utility District, which they can choose to pass along to customers or not, and that NUD does intend to pass the fee along to their Kenmore customers. They were also available to answer any questions.

Councilmember Herbig moved to amend the franchise agreement to specify that all revenue from the franchise fee will go into the Street Fund and be used for City streets. Councilmember Curtis seconded the motion. In discussing the motion, and with the City Attorney's opinion, it was determined that this motion was out of order and should be made after the main motion to adopt the Ordinance. A vote was taken on the amendment and the motion failed 0-6.

Councilmember Curtis moved to Adopt Ordinance No. 14-0373, Northshore Utility District Franchise Agreement. Councilmember Sperry seconded the motion.

Discussion followed.

Councilmember Herbig moved to amend existing Section 9.D. "Franchise Fee" of the draft Ordinance to include language such as the following: All Franchise Fees paid to the City by the District shall be transferred to the City's General Fund, and thereafter shall be transferred to the City Street Fund and shall be expended solely on and to pay City costs and expenses relating to the City streets. Councilmember Curtis seconded the motion. The motion failed 3-3, with Councilmembers Sperry and Van Ness and Mayor Baker voting no.

Councilmember Curtis moved to amend Section 8, "Franchise Term," to change March 10, 2014 to March 15, 2014. Councilmember Van Ness seconded the motion. The motion passed 6-0.

A vote was taken on the main motion, to Adopt Ordinance No. 14-0373, Northshore Utility District Franchise Agreement, as amended. The motion passed 5-1, with Councilmember Herbig voting no.

Update on Low-Impact Development Design Project in Northlake Heights – Kris Overleese, Engineering & Environmental Services Director, and Richard Sawyer, Surface Water Program Manager, were present to provide an overview of the project. Program Manager Sawyer reviewed that the current site was selected for the project because the drainage facilities on the site are very inadequate by today's standards. He detailed what the actual proposal is and noted that a 30% design plan was recently submitted to the Department of Ecology. Next steps include a public open house and reaching out to neighbors for involvement. He was also available to answer any questions.

Motion to Initiate Enforcement Actions with Frontier Communications Related to Cable Television Franchise Agreement Requirements – Nancy Ousley, Assistant City Manager, was present to provide information on this motion. She was also available to answer any questions.

She stated that Verizon, as a new provider to the City in 2008, was the first holder of this franchise. In 2009, after a lengthy review process, the franchise was transferred to Frontier Communications. Frontier Communications has not fulfilled the terms of the agreement, and discussions with them were begun in late 2011. In April 2012, senior management of Frontier came forward with a plan which was supposed to be finished by December 2013. To date they have completed a small project to the North, but have not applied for permits or done anything about service to the South side. Staff recommendation is to move forward with enforcement actions that are available to the City according to the franchise agreement.

Councilmember Herbig moved to Initiate Enforcement Actions with Frontier Communications Related to Cable Television Franchise Agreement Requirements. Mayor Baker seconded the motion. The motion passed 6-0.

December 2013 Financial Report Presentation – Joanne Gregory, Finance & Administration Director, was present to report on the City's financial position as of the end of the 4th quarter of 2013, 50% of the way through the biennial budget period. She stated that year-to-date revenues exceeded expenditures by $83,634. Potentially troublesome costs coming up include the need to replace our current jail contract, a higher caseload of transactions handled by District Court, and unexpected litigation for 2014. She stated that she is "watchfully positive" about the remainder of the biennium. She was also available to answer any questions.

Councilmember Curtis moved to Accept the December 2013 Financial Report. Mayor Baker seconded the motion. The motion passed unanimously.

2013 Development Services Year-in-Review Presentation – Bryan Hampson, Development Services Director, was present to give an overview of development services activities for 2013, including land-use applications, engineering permits, building permits, inspections, and review team meetings. He was also available to answer any questions.

Adopt Ordinance No. 14-0376, Capital Improvement Program (CIP) Amendment: West Samm Bridge – Kris Overleese, Engineering and Environmental Services Director, and Kevin Kim, Senior Structural Engineer from Jacobs Engineering, provided a PowerPoint presentation. Director Overleese stated that this ordinance modifies the City's current CIP project for the West Samm

Bridge. The Jacobs Engineering team have said that this is clearly a replacement project rather than a rehab because the pilings are not very deeply embedded in competent soil. Overleese stated that staff is recommending Alternative 2, a 52-foot-wide bridge, and she detailed the reasons for that recommendation. She discussed project costs and possible funding sources, and stated that the goal would be for construction in 2018-2019 and closing out the project in 2020. They were also available to answer any questions.

Councilmember Sperry moved to Adopt Ordinance No. 14-0376, Capital Improvement Program (CIP) Amendment: West Samm Bridge. Councilmember Smith seconded the motion. The motion passed 6-0.

STAFF REPORT

City Manager Karlinsey thanked Kris Overleese and Jennifer Gordon for their help with the NUD Franchise negotiations. He announced the Business Incubator Open House coming up on Thursday, March 13th and the Business Plan Seminar to be held on Thursday, March 20th.

CITY COUNCILMEMBER REPORTS & COMMENTS

Councilmember Van Ness reported on a recent Eastside Transportation Partnership (ETP) meeting.

Mayor Baker noted that Senator Cantwell, Representative Del Bene and Senator Murray have all communicated with the Army Corps of Engineers in support of Kenmore's dredging request. The King County Council and the Ferry District have also weighed in on Kenmore's behalf. The Mayor asked for agreement to sign an AWC letter supporting marijuana revenue sharing among cities, which probably would not affect Kenmore, as we are not one of the cities chosen as a retail site.

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), and Property Acquisition, pursuant to RCW 42.30.110(1)(b). He stated that the executive session will last for approximately 20 minutes and that no action is anticipated when the meeting is reconvened.

ADJOURNMENT

Mayor Baker adjourned the regular meeting at 10:00 p.m.

David Baker, Mayor

ATTEST:

Patty Safrin, City Clerk