

**City of Kenmore, Washington
City Council Regular Meeting
Minutes
June 10, 2013**

CALL TO ORDER – Mayor Baker called the regular meeting to order at 7:01 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Bob Hensel, and Councilmembers Brent Smith, Laurie Sperry, Allan Van Ness, Milton Curtis, and 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; Jennifer Gordon, Public Works Operations Manager; Leslie Harris, Management Analyst; Cliff Sether, Police Chief; Rod Kaseguma, City Attorney; and Patty Safrin, City Clerk

FLAG SALUTE

Deputy Mark Childers led the flag salute.

AGENDA APPROVAL

It was Council consensus to modify the agenda to add a break following the proclamations. It was Council consensus to approve the agenda as modified.

PROCLAMATIONS

Childhood Cancer Awareness Week Proclamation – June 23-29, 2013

Mark Childers Day Proclamation – June 28 – Mayor Baker read the proclamation into the record and invited citizens to come forward to speak about Deputy Mark Childers. Four citizens came forward to speak. Mayor Baker thanked Deputy Childers for his many years of service on behalf of the City.

At 7:13 p.m. Mayor Baker announced a break for all present to have cake in honor of Deputy Childers. Mayor Baker reconvened the meeting at 7:21 p.m.

CITIZEN COMMENTS

Dennis Mendrey, 6410 NE 182nd Street, Kenmore, was present to thank the City for all the decisions they have made to improve the City. He also stated his concerns regarding loose steel drainage gadgets around trees and low growing trees.

Marella Alejandrino, 6424 NE 188th Street, Kenmore, was present to announce the 15th Annual Kenmore Art Show, June 27-30 at Bastyr University. She handed out invitation cards.

Dave Crawford, 7534 NE 175th Street, Kenmore, was present state his concern regarding wild horsetail, Swamp Creek, and the old fire station building.

Carl Michelman, 5727 NE 197th Street, Kenmore, was present to suggest that the Kenmore Village development be more concentrated in office space rather than retail.

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concerns regarding windmills, design elements for Kenmore Village, the Lakepointe site, and the asphalt plant.

John Hendrickson, 5919 NE 202nd Lane, Kenmore, was present to state his concerns regarding the Kenmore Village purchase and sale agreement and City finances.

Mayor Baker thanked the citizens for their comments.

CONSENT AGENDA

Councilmember Laurie Sperry moved to approve the consent agenda as submitted. Deputy Mayor Bob Hensel seconded the motion to Approve the Minutes of the May 20, 2013 City Council Special & Regular Study Session; Approve Check Nos. 27862 - 27952 in the amount of \$361,459.75 and Electronically Transferred Payroll Funds Totaling \$63,129.50 for the Period Ending May 29, 2013; and Cancel the Regular City Council Meeting for June 17, 2013 Due to the City Council Retreat. The motion passed unanimously.

BUSINESS AGENDA

Adopt Resolution Approving Kenmore Village Purchase & Sale Agreement - Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Larry Benaroya, The Benaroya Company; Mike McKernan, Real Property Investors; and Rod Stevens, Spinnaker Strategies, were present to discuss the Kenmore Village Purchase and Sale Agreement with BCC-RPI Kenmore, LLC. They were also available to answer any questions. City Manager Karlinsey reviewed the process of developing goals for Kenmore Village, identifying potential developers, and evaluating the 16 proposals that the City received. He stated that the current buyers have several key qualities, including offer price, experience and reputation, commitment to the City's goals, access to capital, and the ability to perform in a timely manner. He stated that the purchase of the lower Kenmore Village property will include the Post Office but not the Kenmore Camera property. The purchase price is \$1.8 million, which was the highest offer. There will be a 90-day environmental review period and a 180-day feasibility period before the agreement is final. He detailed the terms and plans for the site and stated that construction could begin as early as summer 2014, depending on tenant interest.

▪ Public Comment Regarding Kenmore Village Purchase & Sale Agreement

Mayor Baker opened the public comment period at 8:05 p.m.

The following citizens spoke:

Patrick O'Brien, 6330 NE 181st Street, Kenmore, was present to state his concerns regarding the purchase and sale contract.

Ken Smith, 15816 70th Avenue NE, Kenmore, was present to state his concerns regarding how changes in market conditions would be dealt with under the agreement.

Carl Michelman, 18023 62nd Avenue NE, Kenmore, was present state his concerns regarding the time involved in moving forward with the development project.

Dave Crawford, 7534 NE 175th Street, Kenmore, was present to state his support for the purchase and sale agreement.

Dennis Mendrey, 6410 NE 182nd Street, Kenmore, was present to state his support for the purchase and sale agreement.

Mark Prince, 19330 55th Avenue NE, Kenmore, was present to congratulate the City on the potential sale and to state that he hopes the Post Office will remain in the City.

John Hendrickson, 5919 NE 202nd Lane, Kenmore, was present to state his concerns regarding the purchase price for the property.

As there were no other citizens wishing to speak, Mayor Baker closed the public comment period at 8:22 p.m.

Councilmember Van Ness moved to Adopt Resolution No. 13-218, Approving Kenmore Village Purchase & Sale Agreement with BCC-RPI Kenmore, LLC. Councilmember Rogers seconded the motion. The motion passed unanimously.

Mayor Baker recessed the meeting for a 5-minute break at 8:24 p.m.

Councilmember Sperry left the meeting at 8:30 p.m.

Adopt Zayo Group Franchise – Ordinance No. 13-0359 – Jennifer Gordon, Public Works Operations Manager, was present to give a brief staff report regarding the franchise. She was also available to answer any questions.

Councilmember Van Ness moved to Adopt Ordinance No. 13-0359, Zayo Group Franchise. Councilmember Curtis seconded the motion. The motion passed 6-0.

Adopt 2012 Washington State Building Codes with Amendments – Ordinance No. 13-0360 – Bryan Hampson, Development Services Director, and Jeff LaFlam, Northshore Fire Marshall, were present to give a brief staff report regarding the amended State Building Codes. They were also available to answer any questions. They stated that the State changes the building code every three years, and that it is important for the City to update our code as well in order to maintain local amendments and address any changes in the State code. They stated that the changes were minimal this time, with no significant new additions.

Deputy Mayor Hensel moved to Adopt Ordinance No. 13-0360, 2012 Washington State Building Codes with Amendments. Councilmember Van Ness seconded the motion. The motion passed 6-0.

STAFF REPORT

City Manager Karlinsey stated that staff will have a large amount of work to do over the next 90 days regarding the Kenmore Village purchase and sale agreement. He reminded Council of the

Joint Kenmore/Lake Forest Park City Council Meeting, Thursday, June 13 at 6:00 p.m. at Lake Forest Park City Hall and the City Council Retreat at Bastyr University Board Room, Monday, June 17 at 5:00 p.m.

CITY COUNCILMEMBER REPORTS & COMMENTS

Councilmember Smith stated that last fall he updated the Council on an issue involving easements that the City of Bothell is trying to acquire to the west of the health and wellness center. The City of Bothell wanted to pay a small amount to the Northshore Parks and Recreation Service Area for the easements. With the assistance of our City Attorney working with the City of Bothell Attorney, they came up with a much better solution, which did not involve payment but allows the Senior Center to potentially use that space in the future, and does not diminish the utility of the land as much. He stated that he will forward the Council the resolution that was passed by the Board at their meeting last week.

Mayor Baker reported on a meeting he had with Seniors last Monday. He will attend a Transportation Forum at Bellevue City Hall on June 19th. Mayor Baker stated that the City is going to bring forward a resolution in support of Shoreline for a light rail station at 145th Street and I-5.

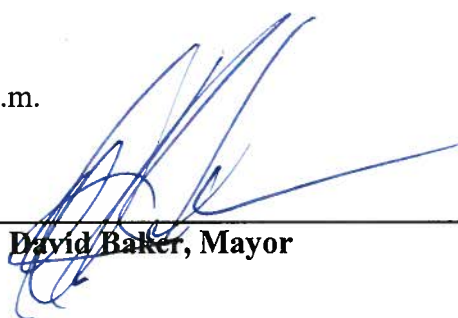
EXECUTIVE SESSION

Mayor Baker recessed the meeting at 8:55 p.m. to an executive session to discuss Litigation, pursuant to RCW 42.30.110(1)(i). He stated that the executive session will last for approximately 25 minutes and that no action is anticipated when the meeting is reconvened.

Mayor Baker extended the executive session for ten minutes at 9:20 p.m.

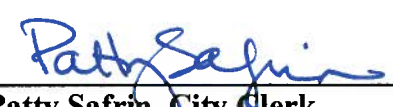
ADJOURNMENT

Mayor Baker adjourned the meeting at 9:30 p.m.



David Baker, Mayor

ATTEST:



Patty Safrin, City Clerk