

**City of Kenmore, Washington**  
**City Council Special Meeting**  
**Minutes**  
**November 3, 2014**

**CALL TO ORDER** – The special meeting of the Kenmore City Council was called to order by Mayor David Baker at 5:30 p.m.

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

**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; Richard Sawyer, Surface Water Program Manager; Lauri Anderson, Senior Planner; Cliff Sether, Police Chief; Rod Kaseguma, City Attorney; and Patty Safrin, City Clerk

**PRESENTATION**

**Presentation of Government Finance Officer Association Awards to Joanne Gregory, Finance & Administration Director, and Brian Randall, Accountant - Mayor Baker announced the receipt of the awards and congratulated Director Gregory, who was present, and Accountant Randall, who was not able to be present.**

**PROCLAMATION**

**Proclamation Declaring November 9, 2014 as Bud Eaton Day in Kenmore** – Mayor Baker read the proclamation into the record and presented it to members of Leslie G. “Bud” Eaton’s family who were present.

**CONSENT AGENDA**

**Councilmember Denuski moved to approve the consent agenda as submitted.**  
**Councilmember Curtis seconded the motion to Approve Amendment No. 2 to Contract No. 12-C1081 with Osborn Consulting and SR 522 West A Project Agreements with Comcast, Contract No. 14-C1332, and Northshore Utility District (NUD), Contract No. 14-C1335.**  
**The motion passed unanimously.**

**BUSINESS AGENDA & PUBLIC HEARING**

**Adopt Resolution No. 14-250, Approving Contract No. 14-C1254, Purchase & Sale Agreement with Main Street Property Group, LLC for Kenmore Village Commercial Property** – Rob Karlinsey, City Manager; Andrew Symons, Attorney with Inslee, Best, Doezie & Ryder; Kelly Price, Main Street President; Kim Faust, Main Street Project Manager; and Eric Campbell, Main Street CEO, were present to give a report. They were also available to answer any questions.

City Manager Karlinsey reviewed the process of the City buying the Kenmore Village properties and working to sell the properties and get them developed, including the Purchase and Sale Agreement and Development Agreement with Main Street for the former Park & Ride piece of the property. He recommended Main Street as the buyer and developer of the commercial piece of the Kenmore Village property. He stated that they have demonstrated flexibility and the ability to complete the residential piece in a timely manner, and that their offer for the commercial property was competitive. He reviewed the details of the proposed Purchase and Sale Agreement and stated that the total purchase price will be \$1.15 million.

Kelly Price introduced the Main Street team and spoke briefly about their plans for developing the property. He also spoke about their desire for the Main Street projects and the Town Green project to be in sync with each other and to create a walkable downtown. Eric Campbell reiterated that they see the Town Green and Pavilion pieces as crucial to the development of this property, so they are very supportive.

**Councilmember Smith moved to Adopt Resolution No. 14-250, Approving Contract No. 14-C1254, Purchase & Sale Agreement with Main Street Property Group, LLC for Kenmore Village Commercial Property. Councilmember Curtis seconded the motion. The motion passed 7-0.**

**September 2014 Financial Report for the City of Kenmore, Washington** – Joanne Gregory, Finance & Administration Director, was present to give a brief report. She stated that revenues are currently exceeding expenditures by \$154,000. The overall budget picture is favorable, and the current economy is showing positive signs. General Fund revenues are expected to be better than budget by about \$400,000, due largely to sales taxes and development revenues. General Fund expenditures are running several hundred thousand dollars under budget. She stated that staff is recommending any overage in General Fund reserves at the end of the biennium be transferred to the Strategic Opportunities Fund. She also summarized the Street Fund and other funds. She was available to answer any questions.

**It was Council consensus to receive and file the September 2014 Financial Report.**

**PUBLIC HEARING to Receive Public Testimony on Proposed 2015-2016 Budget and Capital Improvement Program (CIP) for 2015-2020** – Joanne Gregory, Finance & Administration Director, was present to give a brief report. She stated that the budget is on the City website and available for review. She highlighted the Proposed Preliminary 2015-2016 Budget and noted that it was developed using the priority-based budgeting process. She detailed some of the changes for 2015-2016, including continued interest in development of multimodal safety. She also reviewed the proposed CIP projects for parks, transportation, and surface water. She was available to answer any questions.

**Mayor Baker opened the public hearing to receive public testimony on this issue at 6:24 p.m.**

The following citizens spoke:

Andrea Laltoo, 6117 NE 188<sup>th</sup> Place, Kenmore, was present to thank the City Council for including the safety improvements in the budget, and asked that they keep it in mind for future budget years as well.

Elizabeth Harrison, 32418 NE 50<sup>th</sup> Street, Carnation, housing manager for Hopelink and manager of the Kenmore shelter, was present to ask the Council to fund human services at least at the current level and to thank Council for funding the work they do to help families and seniors.

Karissa Webster, 15325 75<sup>th</sup> Avenue NE, Kenmore, was present to thank the Council for all the work that is currently being done on pedestrian and bicycle safety. She stated that she appreciates that Council is willing to ask the citizens for more money to fund these improvements and hopes that this will continue to be a priority.

Clifford (“Chip”) Davidson, Northlake Marina, Kenmore, sent an e-mail to Council, stating his concern regarding development height limits in the proposed Waterfront Commercial Zone.

Barbara Thompson, NAMI Eastside, Redmond, mailed a statement to Council, thanking them for past support and requesting that the Council continue to support the Alliance of Eastside Agencies and its member human service agencies.

**As there was no further testimony, Mayor Baker closed the public hearing at 6:31 p.m.**

**Review and Discussion of Proposed Preliminary 2015-2016 Budget for the City of Kenmore, Washington** – Rob Karlinsey, City Manager; Joanne Gregory, Finance & Administration Director; Nancy Ousley, Assistant City Manager; Leslie Harris, Management Analyst; Cliff Sether, Police Chief; Kris Overleese, Engineering & Environmental Services Director; Lauri Anderson, Senior Planner; Bryan Hampson, Development Services Director; and Jennifer Gordon, Public Works Operations Manager were present to report on the various cost centers of the General Fund, and Richard Sawyer, Surface Water Program Manager, was present to report on the Surface Water Fund. They were also available to answer any questions.

City Manager Karlinsey stated that formerly nondepartmental costs are now being allocated to the various departments, linked to department programs. He noted that the final budget narrative sections will explain some of the differences between past budgets and the budget created using the priority-based budgeting process.

**It was Council consensus that they would like to have a printout of the priority-based budgeting quartile rankings added as an appendix to the budget.**

**It was Council consensus that they would like to receive a report showing the changes in the programs from 2014 to 2015 and to 2016.**

## **STAFF REPORT**

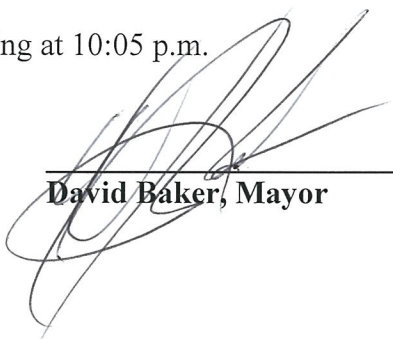
City Manager Karlinsey thanked the staff team that made the Kenmore Village sale possible.

## **CITY COUNCILMEMBER REPORTS & COMMENTS**

Councilmember Smith stated that he has spoken with Matt Porteous about including some sort of unobtrusive veteran's element into the southwest corner of the Town Green. He requested input from the other Councilmembers, and a discussion followed.

## **ADJOURNMENT**

Mayor Baker adjourned the regular meeting at 10:05 p.m.

  
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**David Baker, Mayor**

**ATTEST:**

  
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**Patty Safran, City Clerk**