

**City of Kenmore
City Council Meeting
Special & Regular Meeting Minutes
Tuesday, November 12, 2024**

These minutes are created to capture Council action. This is not a verbatim transcript.
Meeting video and audio is available on the City YouTube channel.

PRESENT:

Councilmembers: Mayor Nigel Herbig
Deputy Mayor Melanie O’Cain
Councilmember Joe Marshall (excused)
Councilmember Debra Srebnik
Councilmember Valerie Sasson
Councilmember Jon Culver
Councilmember Nathan Loutsis

Staff: City Manager Rob Karlinsey
Deputy City Manager Stephanie Lucash
City Attorney Dawn Reitan
City Clerk Anastasiya Warhol
Deputy City Clerk Michelle Kang
Finance & Administration Director Melinda Merrell
Assistant to the City Manager/DEIA Coordinator Garrett Oppenheim
Community Development Director Debbie Bent
Principal Planner Todd Hall
Development Services Director Samantha Loyuk

Public Comments Speakers:
Edouard Lassalle, Kenmore Resident
Patrick O’Brien, Kenmore Resident
David Dorrian, Kenmore Resident (virtual)
Stacey Valenzuela, Kenmore Resident (virtual)

Public Hearing #1 Speaking Guests:
Patrick O’Brien, Kenmore Resident
Elizabeth Mooney, Kenmore Resident
Stacey Valenzuela, Kenmore Resident (virtual)

Public Hearing #2 Speaking Guests:
Patrick O’Brien, Kenmore Resident

Elizabeth Mooney, Kenmore Resident
Stacey Valenzuela, Kenmore Resident (virtual)
Edouard Lassalle, Kenmore Resident

CALL SPECIAL MEETING TO ORDER

Mayor Herbig called the special meeting to order at 6:15 PM.

EXECUTIVE SESSION

Pursuant to RCW 42.30.110(1)(i), the City Council entered an executive session to discuss pending and potential litigation. This executive session was slated to last approximately 45 minutes. The Council exited executive session at 7:00 PM. No final action took place.

ADJOURN SPECIAL MEETING

Mayor Herbig adjourned the special meeting at approximately 7:02 PM.

CALL REGULAR MEETING TO ORDER

Mayor Herbig called the regular meeting to order at 7:02 PM.

LAND ACKNOWLEDGEMENT

Mayor Herbig read the Land Acknowledgement Honoring First Peoples.

FLAG SALUTE

Mayor Herbig led the Council in the Pledge of Allegiance.

AGENDA APPROVAL

The agenda was approved as presented.

WHERE'S THE FUN?

Deputy City Clerk Michelle Kang highlighted the Inglemoor High School Women's Crew Team's win at the Head of Lake Regatta on November 3, 2024. The Varsity Lady Vikes completed their fall season by sweeping all events they raced in this year.

PUBLIC COMMENTS

The City Council received comments.

Timestamped link here:

<https://www.youtube.com/live/t5ZEo13dzuo?si=639zcDJ4m39die28&t=3123>

CONSENT AGENDA

- A. Approve the City Council Special and Regular Meeting Minutes from Monday, October 21, 2024.

[City Council Special and Regular Meeting Minutes from October 21, 2024](#)

- B. Approve the City Council Regular Meeting Minutes from Monday, October 28, 2024.
[City Council Regular Meeting Minutes from October 28, 2024 \(added 11/8\)](#)
- C. Adopt Resolution No. 24-422, approving the City of Kenmore's 2025-2026 allocation for the Regional Crisis Response (RCR) Agency budget.
[Agenda Bill - RCR Budget Allocation](#)
[Attachment 1 - Proposed Resolution No. 24-422](#)
[Attachment 2 - RCR Budget Memo](#)
- D. Authorize the City Manager to execute Agreement No. 23-C2994 with Osborn Consulting, Inc. for \$3,090,680, to provide on-call consulting services to the Environmental Services Department.
[Agenda Bill - Contract No. 23-C2994](#)

MOTION: Approve the consent agenda outlined above.

Moved by Culver, seconded by Loutsis.

VOTE: Consent Agenda was approved by Unanimous Consent.

PUBLIC HEARINGS

- A. Proposed Ordinance No. 24-0617, Amendments to the 2023-2024 Biennial Budget, presented by Finance & Administration Director Melinda Merrell, *for public hearing*
[Agenda Bill - Amendments to the 2023-2024 Biennial Budget \(updated 11/4\)](#)
[Attachment 1 - Proposed Ordinance No. 24-0617](#)
[Attachment 2 - 2024 Recommended Budget Adjustments](#)
[Presentation - Amendments to the 2023-2024 Biennial Budget \(added 11/8\)](#)

The Finance and Administration Director explained that expenditures cannot exceed legally adopted budgets; therefore, adjustments must be made to reflect budget changes, and any previously approved Council direction or action. The impacted funds are the General Fund, the SWM Fund, Lakepointe Fund, KAPE Fund, ARPA, and Public Art Fund. The detail is as follows:

- Lakepointe Fund:
A new fund will be created, supported by a \$1.3 million bond anticipation note, \$650,000 transfer from the General Fund, and \$290,000 transfer from the Surface Water Management Fund. Expenditures include \$1.5 million for a property deposit, \$533,174 for consulting, and \$115,615 for legal and other expenses.
- Kenmore Automated Photo Enforcement (KAPE) Fund:
Expenses increase by \$200,000 to cover unbudgeted program costs, with an equivalent \$200,000 revenue adjustment for alignment with actual projections.

- Public Art Fund:
An additional \$50,000 is allocated for Storypole costs and use taxes, leaving a \$71,125 fund balance, with no revenue adjustments.
- ARPA Fund:
An increase of \$203,103 to fully utilize remaining funds for police contract services, leaving a zero-fund balance, with no revenue adjustments.
- The total proposed adjustments amount to \$3,541,892 in expenditures and \$2,440,000 in revenues.

Mayor Herbig opened the Public Hearing at approximately 7:26 PM.

The City Council received testimony.

Timestamped link here:

<https://www.youtube.com/live/t5ZEo13dzuo?si=bQXVK8y2s4jCq2Kc&t=4352>

Mayor Herbig closed the Public Hearing at 7:35 PM.

Councilmembers asked whether the Lakepointe Fund will be formally voted on. City Manager Karlinsey explained that the City Council will need to vote on any final purchase of the Lakepointe property. In response to a question about grant funding, Mr. Karlinsey also noted that the City has received some grant funding not only toward necessary due diligence, but also property acquisition.

- B. Preliminary 2025-2026 Biennial Budget, presented by Finance & Administration Director Melinda Merrell, *for public hearing*
[Agenda Bill - Preliminary 2025-2026 Biennial Budget](#)
[Attachment 1 - Summary of Revenues and Expenditures by Fund](#)
[Presentation - Preliminary 2025-2026 Biennial Budget \(added 11/9\)](#)

Finance and Administration Director Melinda Merrell provided a Budget Overview:

- Total proposed revenues: \$89.66 million
- Total proposed expenditures: \$110.57 million, with a notable allocation toward operating costs and capital projects

General Fund:

- Largest funding sources: Property taxes (36%) and sales taxes (26%)
- Significant operating costs include salaries/benefits (\$15.08 million), police contracts (\$9.54 million), and insurance costs (\$1.62 million)

New Positions from General Fund:

- Business & Community Engagement Coordinator (1 FTE)
- Budget Manager (1 FTE)

- Public Works (PW) Manager (1 FTE)
- Engineering Inspector (0.25 FTE funded by multiple sources)
- Civil Engineer (0.25 FTE funded by multiple sources)
- Modified Positions:
 - Increase Building Official from 0.75 to 1.0 FTE
 - Increase Permit Coordinator from 0.625 to 1.0 FTE

Capital Projects:

- Focused on parks, transportation, and surface water management with major funding through impact fees, real estate excise taxes, and grants

Parks:

- Total (2025-2026): \$286,400
- Key Projects:
 - Accessible Playground Feasibility Study (\$60,000)
 - Rhododendron Park Boathouse Pavilion (\$6,400)
 - Various waterfront and athletic field improvements.

Transportation:

- Total (2025-2026): \$16,248,229
- Key Projects:
 - 61st Ave Sidewalk Replacement (Phase 1: \$3.76M; Phase 2: \$792K)
 - Burke-Gilman Trail Accessibility Project (\$1.66M)
 - Pavement Preservation (\$1.73M)

Surface Water Management (SWM):

- Total (2025-2026): \$7,202,180
- Key Projects:
 - Little Swamp Creek Relocation (\$1.47M)
 - Fish Passage Culvert Replacements (multiple, ~\$2.08M combined)

City Facilities:

- Total (2025-2026): \$19,675,000
- Key Projects:
 - Public Works Operations Center Design & Construction (\$16.08M)

Mayor Herbig opened the Public Hearing at approximately 7:52 PM.
 The City Council received testimony.
 Timestamped link here: <https://www.youtube.com/live/t5ZEo13dzuo?si=-kn2LJvZpdOGDWsa&t=5879>
 Mayor Herbig closed the Public Hearing at 8:04 PM.

BUSINESS AGENDA

- A. Proposed Ordinance No. 24-0617, Amendments to the 2023-2024 Biennial Budget, presented by Finance & Administration Director Melinda Merrell, *for adoption*
[Agenda Bill - Amendments to the 2023-2024 Biennial Budget \(updated 11/4\)](#)
[Attachment 1 - Proposed Ordinance No. 24-0617](#)
[Attachment 2 - 2024 Recommended Budget Adjustments](#)
[Presentation - Amendments to the 2023-2024 Biennial Budget \(added 11/8\)](#)

Staff provided a brief history of the American Rescue Plan Act (ARPA) Funds in response. No additional presentation provided.

MOTION: Adopt Ordinance No. 24-0617, amending the 2023-2024 Biennial Budget. Moved by Srebnik; seconded by O'Cain
VOTE: 5 Yes – Srebnik, Loutsis, Sasson, O'Cain, Herbig; 1 No - Culver; 0 Abstain.
MOTION PASSES.

- B. Preliminary 2025-2026 Biennial Budget, presented by Finance & Administration Director Melinda Merrell, *for discussion and direction*
[Agenda Bill - Preliminary 2025-2026 Biennial Budget](#)
[Attachment 1 - Summary of Revenues and Expenditures by Fund](#)
[Presentation - Preliminary 2025-2026 Biennial Budget \(added 11/9\)](#)

The Council had no substantive changes.

- C. City Manager's Financial Sustainability Plan Recommendations, presented by City Manager Rob Karlinsey, Finance & Administration Director Melinda Merrell, and Assistant to the City Manager/DEIA Coordinator Garrett Oppenheim, *for discussion and direction*
[Agenda Bill - City Manager's FSP Recommendations \(added 11/7\)](#)
[Attachment 1 - City Manager's FSP Report and Recommendations \(added 11/7\)](#)
[Presentation - City Manager's FSP Recommendations \(updated 11/12\)](#)

The presentation outlined the City Manager's Financial Sustainability Plan (FSP) recommendations for Kenmore, focusing on long-term strategies to address budget challenges. Mr. Karlinsey reviewed the efforts of the 2024 FSP Task Force, which developed recommendations to adapt to inflation, rising costs (e.g., police and insurance), and flat or declining revenues. Community engagement, including surveys, online tools, and public meetings, informed these recommendations. Key strategies include expenditure reductions, operational efficiencies, and new programs such as the Utility Tax Assistance Program and a Human Services Case Worker, piloted with one-time funds in 2025-2026. Continued funding for these programs beyond 2026 will require additional revenue.

The plan proposes various revenue-generating initiatives: a Metropolitan Park District levy, a property tax levy lid lift for public safety and human services, and expansions to the Kenmore Automated Photo Enforcement (KAPE) program. Additional measures include increasing rental fees for picnic shelters, implementing public safety and transportation sales taxes, and leveraging grants for parks and infrastructure projects. The presentation emphasized the urgency of these strategies to balance the budget, as projections show expenditures outpacing revenues without intervention, threatening the city's financial health. The City Manager's recommendations aligned with the Task Force's proposals, prioritizing sustainable funding for essential services and infrastructure.

The Council discussed the timing of any possible ballot measures, considering the county and local agencies going to voters as well. Councilmembers requested a table outlining the City Manager's recommendations in comparison to those of the Financial Sustainability Task Force. Councilmembers also brought up looking into business and occupation (B&O) tax and holding a card room in the City of Kenmore as revenue sources. Councilmembers also asked questions about regionalized police models, or alternative models in bringing public safety in-house.

At 8:55 PM, the Council took a break and resumed the meeting at 9:05 PM.

- D. Comprehensive Plan: Housing Element and Land Use Element, presented by Community Development Director Debbie Bent and Principal Planner Todd Hall, *for discussion and review*

[Agenda Bill - Housing Element and Land Use Element](#)

[Attachment 1 - Draft Housing Element \(updated 11/5\)](#)

[Attachment 2 - Draft Land Use Element](#)

[Attachment 3 - City Council Questions and Staff Responses \(from 10/28 Meeting\) \(updated 11/12\)](#)

[Attachment 4 - Equity Analysis Report](#)

[Attachment 5 - Eastside for All Report](#)

[Attachment 6 - Land Capacity Analysis Memorandum \(updated 11/5\)](#)

Community Development Director Debbie Bent explained that the Planning Commission submitted their formal recommendation to the Council earlier this year. Now that the Land Capacity Analysis Report has been received, a public hearing will be held. The staff is now looking for additional substantive changes which can be presented at the public hearing.

MOTION: Explicitly call out small houses on small lots as a potential strategy.
Moved by Srebnik; seconded by Herbig.
VOTE: 6 Yes – Culver, Srebnik, Loutsis, Sasson, O’Cain, Herbig; 0 No; 0 Abstain.
MOTION PASSES.

The Council agreed that maps or data of racially restrictive covenants should be included in the “Equity” section of the element. The Council also requested an opportunity to discuss the land capacity analysis report in detail; staff agreed to host a 2025 joint study session with the Planning Commission.

- E. 2025 Fee Schedule, Resolution No. 24-420, presented by Development Services Director Samantha Loyuk, *for adoption*
[Agenda Bill - 2025 Fee Schedule](#)
[Attachment 1 - Proposed Resolution No. 24-420](#)
[Attachment 2 - Proposed Resolution No. 24-420, Exhibit A - 2025 Fee Schedule](#)
[Attachment 3 - Summary of Changes](#)
[Attachment 4 - Northshore School District 2024 Capital Facilities Plan](#)
[Attachment 5 - 2024 Fee Schedule](#)

Development Services Director Samantha Loyuk briefly introduced the fee schedule included in the packet. Mr. Karlinsey highlighted the varied picnic rental shelter rates for residents vs. non-residents. Ms. Loyuk also noted that the City is due to conduct a fee study in 2025.

MOTION: Adopt Resolution No. 24-420, the 2025 Fee Schedule.
Moved by Srebnik; seconded by Herbig.
VOTE: 6 Yes – Culver, Srebnik, Loutsis, Sasson, O’Cain, Herbig; 0 No; 0 Abstain.
MOTION PASSES.

STAFF REPORTS

City Manager Rob Karlinsey reminded the Council that there is a Special Meeting in a few days, Thursday, November 14, 2024.

ADJOURNMENT

Mayor Herbig adjourned the meeting at approximately 9: 41 PM.


Nigel G. Herbig (Dec 4, 2024 11:48 PST)

Nigel Herbig, Mayor


Anastasiya Warhol (Dec 3, 2024 12:23 PST)

Anastasiya Warhol, City Clerk

City Council Special and Regular Meeting Minutes from Tuesday, November 12, 2024

Final Audit Report

2024-12-04

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