

BLACK DIAMOND CITY COUNCIL MINUTES

December 4, 2008

Council Chamber, 25510 Lawson Street, Black Diamond, Washington

CALL TO ORDER, FLAG SALUTE:

Mayor Botts called the regular meeting to order at 7:00 p.m. and lead us all in the Flag Salute.

ROLL CALL:

PRESENT: Mayor Botts, Councilmembers Hanson, Bowie, Boston, Olness and Mulvihill.

ABSENT:

Staff present were: Gwendolyn Voelpel, City Administrator; Dan Dal Santo, Utilities Supervisor; Seth Boettcher, Public Works Director; Steve Pilcher, Community Development Director; Aaron Nix, Natural Resources/Parks Director; Andy Williamson, Economic Development Director; Jamey Kiblinger, Police Chief; Kaaren Woods, Court Administrator; May Miller, Finance Director; Greg Smith, Fire Chief; Tom Guilfoil, Assistant City Attorney; Loren D. Combs, City Attorney and Brenda L. Streepy, City Clerk.

PUBLIC COMMENTS:

Jamie Kazaro-Baliant, 30009 SE 384th Enumclaw YarrowBay in-house attorney spoke in regards to annexation and distributed to Council a letter from YarrowBay. Ms. Baliant stated YarrowBay has some land they would like to include in their MPD, but before they can do that the land needs to be annexed into the City of Black Diamond. The land is included in the Black Diamond Urban Growth Area Agreement (BGUGGA), and is referred to as the east and south annexation areas. They would like to get the annexation proceedings started as they are time consuming. She added YarrowBay is prepared to submit their annexation petitions but before they can do that the BDUGGA requires they satisfy multiple conditions, with one of those being of particular concern tonight and the letter she handed out relates to that concern. She added the BDUGGA requires that prior to annexation water and sewer service and major road access for both the east and south annexation area are available a the time of annexation or contract for construction of such infrastructure have been awarded, or commitments to construct and provide such infrastructure are in place so that service can be provided at the time of project completions. She mentioned water and sewer service are available to these areas, however the main lines for these services are not in yet. Currently the property has gravel

roads, which would not satisfy the requirement. She explained YarrowBay would like to do the latter of these three options, which is to enter into a commitment to construct and provide such infrastructure are in place so that the service can be provided at the time of project completion. This is not out of the ordinary as it was done in the past with the West Annexation Area where similar commitments were entered into. In addition, Ms. Balian explained attached to the letter is a draft agreement, which she prepared by using the West Annexation Area as a model and she believes in conjunction with the existing agreements between YarrowBay and the City should satisfy the requirements of the BDUGGA. She asked Council to direct staff on how they would like to proceed with resolving this issue.

PUBLIC HEARINGS:

2009 Proposed Budget

Finance Director Miller presented the 2009 proposed budget, which includes a 1 percent property tax increase, 2009 Capital Improvement Projects, addition of a Stormwater Utility, water and sewer pass-through increases, and a 5 percent COLA increase for staff. Ms. Miller added the proposed 2009 budget is scheduled for adoption at the December 18, 2008 Council meeting.

In addition, Ms. Miller distributed to Council the October financials. She explained the General Fund revenue has decreased by 7.1 percent from September, which was 3 percent under budget. The report also included up to date information on tax revenue, permit activity, REET collections, and utility funds.

Mayor Botts opened the 2009 proposed budget public hearing at 7:21 p.m. No public comments were heard and Mayor Botts closed the public hearing at 7:21 p.m.

Granting “Treasured Status” to Cahill Short Plat

Natural Resource/Parks Director Nix reported this issue has been brought forward to the Council at a previous meeting. At that time, Council asked staff to move this issue through the process and come back with a recommendation from the Planning Commission whether or not to grant “treasured” status for this project. The Planning Commission offered to grant “treasured” status to this parcel, with the condition that an easement be granted across the buffer behind lots 1, 2 and 3 in order to maintain access through the parcel for the regional trail system. Mr. Nix added this issue is up for public hearing this evening and Staff is looking for Council guidance in moving this forward.

Mayor Botts opened the public hearing at 7:31 p.m.

Dan Dal Santo, Black Diamond resident is concerned as this is the first time the Council will be granting “treasure status” and Council will be setting the bar for what is a treasured place and feels if approved Council will be setting the bar very low and asked Council to take this in to account when making the decision.

Mayor Botts closed the public hearing at 7:32 p.m.

Councilmember Hanson asked if treasured status is mainly for those parcels that can not be developed. Councilmember Bowie stated he believes it is crafted for something unique that the City wants to protect.

Mr. Nix stated this piece of land is part of the core and is wet. He also added the City does have the ability to some things as the property has potential for becoming a trailhead for the City's trail system and based on the square footage possibly a structure.

City Attorney Combs clarified that treasured status only applies to lot 4.

Councilmember Hanson added the City needs to have trails in this area that link it to the historic part of town. City Administrator Voelpel also added this is an area that is under developed for parks.

Following further discussion there was Council consensus for staff to prepare an ordinance for formal action on granting treasured status to the Cahill Short Plat.

UNFINISHED BUSINESS: None

NEW BUSINESS:

Ordinance No. 08-879, Revising Water Service Rates

Finance Director Miller reported Black Diamond's water service rates were last increased February 19, 1998. Since that time costs have increased and the rates are no longer providing the revenues needed to pay the Water Fund's maintenance, operating and debt service costs. PacWest Engineers were retained to complete an extensive rate study analysis. The results have been presented to Council at committee meetings, work study sessions, and at a public hearing on November 20, 2008.

Although a 27% rate increase to keep up with inflation is warranted, a more moderate, smoothed approach is recommended. By using some cash from the Water Reserves, and deferring projects, the rates are recommended to be increase by 15%, with an additional consumption rate increase to encourage conservation. An additional rate increase is expected next year to provide the revenue needed to cover operating costs.

Over 50 percent of our customers use an average of 470 cubic feet of water per month. Using that consumption, a customer will see an increase of \$3.43 per month, from the current bill of \$23.17 per month to the new rate of \$26.60 per month. Comparison worksheets are included showing the impact of other consumption amounts as well as a schedule of comparable rates of other jurisdictions. The rates for connection charges and other water charges will be reviewed by PacWest and presented at a later time in a separate ordinance.

Ms. Miller added the increase to water service rates will be effective on the first billing cycle after January 1, 2009. This should reach customers around the end of January 2009.

A **motion** was made by Councilmember Mulvihill and **seconded** by Councilmember Olness to adopt Ordinance No. 08-879, amending section 13.04.280 of the Black Diamond Municipal code relating to water service rates. Motion **passed** with all voting in favor (5-0).

Ordinance No. 08-880, Authorizing the Mayor to Adopt Administrative Regulations

City Administrator Voelpel explained this is some what of a housekeeping item. Ms. Voelpel added ordinances and resolutions are often very general in nature and provide limited guidance to administrative staff. As an example she mentioned city code does not spell out all the materials needed for a building application. Official policies and procedures can help clarify how to implement legislative directives as well as provide a basis for training new staff and providing consistency in processes for current staff.

A **motion** was made by Councilmember Boston and **seconded** by Councilmember Mulvihill to adopt Resolution No. 08-880, authorizing the City to adopt administrative regulations. Motion **passed** with all voting in favor (5-0).

Ordinance No. 08-881, Establishing Duties and Authority of the Position of City Administrator

Mayor Botts explained the position of City Administrator has existed and been utilized in Black Diamond for many years and is authorized in the Council's adoption of the annual budget. However, the position has never been adopted in the Municipal Code. This ordinance makes no changes to the duties, authority or compensation for the position but only formally creates the City Administrator function in code. Mayor Botts added this action will assist the current administrator in applying for national credentialing through the International City-County Management Association.

A **motion** was made by Councilmember Mulvihill and **seconded** by Councilmember Olness to adopt Ordinance No. 08-881, adding a new chapter 2.10 to the Black Diamond Municipal Code, establishing the duties and powers of the position of City Administrator, and including new sections 2.10.010; 2.10.020; 2.10.030; and 2.10.040. Motion **passed** with all voting in favor (5-0).

Resolution No. 08-558, Adding Temporary Sign Fee to General Fee Schedule

Economic Development Director reported with the emergency closure of State Route 169 there is a need for businesses to add additional signage so folks know they are still open for business. It has been determine to allow temporary signage in the City rights of ways when an emergency situation exists, such as this one. Adoption of this resolution will set

the installation fee at \$5.00, with signs being installed by the City's Public Works Department.

A **motion** was made by Councilmember Olness and **seconded** by Councilmember Hanson to adopt Resolution No. 08-558, authorizing adding to the City fee schedule a fee for the installation of temporary open for business signs. Motion **passed** with all voting in favor (5-0).

Resolution No. 08-559, Authorizing Purchase Authority for Mayor

Finance Director Miller reported adoption of this resolution establishes purchasing authority for the Mayor to enter into contracts for the purchase of goods or services where the amount is \$7,500 or less or greater than \$7,500 if it is a line item in the City Budget. This will help to streamline the purchasing process for the City and be more cost efficient. This will also save Council time for those minor purchases that can be handled more timely by the Mayor and staff.

Councilmember Bowie state he would like to add a dollar amount to authorized line item in the budget.

A motion was made by Councilmember Olness and seconded by Councilmember Mulvihill to adopt Resolution No. 08-559, authorizing the Mayor to enter into contracts for the purchase of goods or services where the amount is \$7,500 or less or greater than \$7,500 if it is a line time in the City budget.

A motion was made by Councilmember Hanson and seconded by Councilmember Bowie amend the motion to add a dollar amount of \$15,000 for those line items authorizing in the City Budget. Motion passed 3-2 (Olness, Mulvihill).

Main Motion – Main motion passed as amended (5-0).

Resolution No. 08-560, Adopting Financial Policies

Finance Director Miller explained this resolution provides written financial guidelines for Black Diamond. Ms. Miller added financial policies contribute to sound decision-making that safeguards core services and helps the City withstand economic fluctuations, maintain focus on the entire financial picture and adjust to the changing needs of the community. These guidelines will also assist City staff and elected officials in evaluating whether individual budget decisions accurately reflect overall goals of the City Council and community at large.

Ms. Miller stated the stewardship of public funds is one on the greatest responsibilities given to City officials and managers, therefore the establishment and maintenance of wise fiscal policies contributes to the on-going protection of City assets and helps ensure public trust. She also added these guidelines in no way restrict Council's budgetary decision-making authority.

A **motion** was made by Councilmember Olness and **seconded** by Councilmember Mulvihill to adopt Resolution No. 08-560, adopting a set of fiscal management policies for 2009 to ensure the most efficient use of resources and to meet accounting and auditing rules. Motion **passed** with all voting in favor (5-0).

Resolution No. 08-561, King County I-Net Contract Renewal

Police Chief Kiblinger reported the police department currently connects to the internet through King County I-Net. In 2007 the City signed a one year contract, which is due to expire. Adoption of this resolution would continue this service which necessary for the police department to communicate with ACCESS.

Councilmember Bowie asked to remove Cedar Downs on page 14 of 33.

A **motion** was made by Councilmember Boston and **seconded** by Councilmember Olness to adopt Resolution No. 08-561, authorizing the Mayor to execute Contract No. 01COBD09 with King County for Institutional Network Services (I-Net). Motion **passed** with all voting in favor (5-0).

DEPARTMENT REPORTS: None

MAYOR'S REPORT:

Mayor Botts asked Council if they wish to set an additional meeting in Janaury as the first meeting is cancelled because of the holiday.

A **motion** was made by Councilmember Bowie and **seconded** by Councilmember Hanson to add January 8, 2009 as a regular Council meeting date. Motion **passed** with all voting in favor (5-0).

COUNCIL REPORTS: None

ATTORNEY REPORT:

City Attorney Combs reported there will be a thirty minute executive session to discuss potential litigation, litigation and property acquisition.

PUBLIC COMMENTS: None

CONSENT AGENDA:

A **motion** was made by Councilmember Bowie and **seconded** by Councilmember Hanson to adopt the Consent Agenda. Motion **passed** with all voting in favor (5-0). The Consent Agenda was approved as follows:

Claim Checks – December 4, 2008 No. 32540 through No. 32652 (voided check 32541) in the amount of \$80,810.62

Minutes – Council Meeting of November 6, 2008, November 13, 2008, November 20, 2008 and Workstudy Notes of November 13 and November 20, 2008

EXECUTIVE SESSION:

Mayor Botts recessed the regular meeting for an Executive Session at 8:44 p.m. to discuss litigation, potential litigation and property acquisition. No action was anticipated to follow the Executive Session, which was expected to last thirty minutes.

Mayor Botts announced at 9:14 p.m. that the Executive Session would last an additional thirty minutes.

Mayor Botts announced at 9:44 p.m. that the Executive Session would last an additional ten minutes.

The regular meeting was reconvened at 9:51 p.m.

ADJOURNMENT:

A **motion** was made by Councilmember Bowie and **seconded** by Councilmember Olness to adjourn the meeting. Motion **passed** with all voting in favor (5-0).

ATTEST:



Howard Botts, Mayor



Brenda L. Streepy, City Clerk