

BLACK DIAMOND CITY COUNCIL MINUTES

July 17, 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; Seth Boettcher, Public Works Director; Dan Dal Santo, Utilities Supervisor; Steve Pilcher, Community Development Director; Andy Williamson, Economic Development Director; Aaron Nix, Natural Resources Director; May Miller, Finance Director; Greg Smith, Fire Chief; Loren D. Combs, City Attorney and Brenda Streepy, City Clerk.

PUBLIC COMMENTS: None

PUBLIC HEARINGS:

Latecomer's Agreement

Mayor Botts announced that the Latecomer's Public Hearing is continued until the August 7th Council meeting.

UNFINISHED BUSINESS: None

NEW BUSINESS:

Ordinance No. 08-865, Mid Year Budget Amendment

Finance Director Miller reported Washington State Law requires that municipal budgets be amended by City Council when expenditures are higher than budgeted amounts, or when budget authority is exhausted from any particular fund at mid-year and/or year-end. This Ordinance consolidates many items previously approved by Council, accounts for

funding agreement expenses and reimbursements not in the 2008 budget, and corrects many items discovered during the Finance Department's audit of the 2008 budget and comparison to actual costs.

This budget change adds an additional \$8,726,247 to the original 2008 budget. All additional expenditures are re-balanced from various revenue sources and cash carryover.

Of the total amount, 46% or \$4,005,776 results from technical transfer corrections relating to reclassifying REET (Real estate Excise Tax) from Capital Project funds to Special Revenue Funds per the State requirement.

The budget also accounts for the Railroad Avenue Transportation Improvement Board grant project. The total project is \$1,075,443, which includes the \$107,500 matching transfer from the Street Fund and the remainder (90%) in grant dollars. The Water Supply Facilities Funding Agreement (WSFFA) Fund requires a budget change of \$548,150 which covers 2008 expected costs for legal services, Palmer Easement, Water Rate Study and Water System Plan plus \$300,000 for design work this year for rebuilding the springs. The \$548,150 will be reimbursed by the benefiting partners. The Water Fund and Wastewater Funds include adjustments for reallocation of labor costs to now include a storm water ("drainage") allocation. The changes also reflect the addition of the Public Works Director with funding coming from the funding agreement until rate studies are implemented, as well as rate studies, and transfers from respective utility reserve funds to meet costs. The Storm Water/Drainage Fund includes a \$75,000 Department of Ecology grant and the \$100,000 loan from the Sewer fund approved by Council on June 5, 2008, to cover stormwater planning and utility development

Of the General Fund budget change of \$2,035,006, 88% or \$1,796,615 is due to technical adjustments related to the funding agreement. This includes adjusting the positions to actual salary and benefit amounts, adjusting on-going cost to contract, and adjusting one-time only costs for equipment, furniture, and software as covered by funding agreement budget. Also included are the professional service agreements approved by Council, which are primarily financed through the funding agreement and the professional service and legal cost for the YarrowBay SEPA process. The final \$238,391 of the General Fund budget adjustment includes some salary and benefit adjustments—the primary being an unbudgeted position in the Police Department that had an allocated position but no funding—as well as other technical corrections and miscellaneous adjustments. Also included is a carry over transfer from the 2007 budget of \$29,000 for the Boat Launch Project this is combined with a \$50,000 grant from King County for a total project budget of \$79,000 in the Capital Project Funds. General Fund revenues cover all but \$178,170 of the adjustment. To rebalance the budget, that amount is required to be budgeted from carryover General Fund cash. With current budget running on target or below forecasted expenditures, the City still predicts it will end the year without needing the additional carryover cash.

Ms. Miller also mentioned that a final year-end budget change adjustment may be needed for other unknown and known expenses (such as jail costs that may be under budgeted but are unpredictable).

A **motion** was made by Councilmember Olness and **seconded** by Councilmember Mulvihill to adopt Ordinance No. 08-865, amending the 2008 Budget Ordinance No. 07-843 to reflect changes in revenues and expenditures. Motion **passed** with all voting in favor (5-0).

Ordinance No. 08-866, Tree Preservation

Community Development Director Pilcher explained how trees are an important part of the visual character of the community. They provide habitat for animals; are beneficial to stormwater and erosion control; can assist in improving air quality; and raise property values. Currently, the City does not have adequate regulations to require the retention of trees or ensure replacement in the event of their removal.

Mr. Pilcher stated the proposed new Chapter 19.30 establishes standards for maintaining significant trees in both new development and on existing developed properties. An initial draft of this chapter was prepared by Richard Weinman as part of the Zoning Code update; it has subsequently been amended by staff to address additional areas of concern, such as “heritage trees,” which are those trees that are of significance to the community.

The proposed regulations provide an exemption for properties that are already preserving at least 40% of their total site area as open space. Consistent with State law, they also include a provision establishing a 6-yr. development moratorium on any site for which a Class II or III Forest Practices Permit has been issued. This effectively prevents the clear-cutting of a site in preparation to filing a development application.

If significant trees are removed from a site, replacement is required. The number of replacement trees varies depending on the size of tree(s) removed.

Councilmember Olness would like to see a sanction on the property for a six year period if there is a violation of the code.

City Attorney Combs explained that he could add additional language to the code that would address violations.

A **motion** was made by Councilmember Olness and **seconded** by Councilmember Mulvihill to adoption Ordinance No. 08-866, creating a new chapter 19.30 of the Black Diamond Municipal Code regarding tree preservation with amendments suggested relating to the City shall not accept and/or issue any land use or building permit for a period of six years from the date of verification that any significant tree has been removed from a site if a tree removal permit was not first obtained pursuant to this chapter and whenever trees are removed in violation of this chapter, replacement shall be required per 19.30.070 prior to the City accepting and/or issuing any land use or building permit. Motion **passed** with all voting in favor (5-0).

Resolution No. 08-529, Puget Sound Regional Council Interlocal Agreement

Community Development Director Pilcher stated the Puget Sound Regional Council (PSRC) is an association of cities, counties, ports and state agencies that serves as a forum for developing policies and making decisions about regional growth management, environmental, economic, and transportation issues for the four county region of King, Pierce, Kitsap and Snohomish counties. PSRC also serves as the regional Metropolitan Planning Organization (MPO), which is required for receiving federal transportation funds. Currently, PSRC includes 71 of the region's 82 cities and towns. Neighboring jurisdictions of Enumclaw, Auburn, Covington, Kent and Maple Valley are all members. Mayor Pro Tem Sue Singer of Auburn is the current PSRC President.

Mr. Pilcher explained that PSRC provides data collection and analysis services, primarily in relation to transportation planning. This includes monitoring of land use and development activity and the modeling of traffic trips throughout the region. This information is made available to member jurisdictions to assist in their local land use and transportation planning efforts.

Mr. Pilcher mentioned given the current population of Black Diamond, yearly membership dues will be \$557.00. Assuming positive action by the Council, action by the PSRC Board could occur at its July 24th regular meeting.

A **motion** was made by Councilmember Boston and **seconded** by Councilmember Hanson to adopt Resolution No. 08-529, authorizing the Mayor to enter into an Interlocal Agreement with the Puget Sound Regional Council. Motion **passed** with all voting in favor (5-0).

Resolution No. 08-530, Professional Services Agreement with Parametrix, Inc. for the Springs and Transmission Improvements

Public Works Director Boettcher explained the City is partnering with the major developers to improve the Spring Water Source Collection and Transmission System as contemplated in the Water Supply Facilities Funding agreement. The City started this effort in 2004 with an initial \$15,000 feasibility report with PACE. Various alternatives were evaluated but a preferred alternative was not identified at that time. Since that time, some water right laws have changed, drilling requirements have changed and further refinement of the alternatives will be needed in order to make a decision and move forward with a design.

Mr. Boettcher stated City staff evaluated the qualifications of nine consultants who submitted their qualifications to the City and had expertise in water systems. From that evaluation process Parametrix was selected to design the springs and transmission main rehabilitation. The primary intent of this phase of engineering is to refine the alternatives further, explore other options, and advance the engineering to provide enough information to identify a preferred alternative. The second major task of this contract is

to design the project to a 30% level and submit all of the environmental permits that will be needed.

Councilmember Bowie asked if there is a driving reason that Council adopt this tonight as the Utilities Committee has not met on this project.

After discussion there was Council consensus to postpone Resolution No. 08-530 to a date to be determined.

Resolution No. 08-531, Interlocal Cooperation Agreement with King County for 2009-2011

Mayor Botts reported adoption of this Resolution would continue the City's participation in the King County Community Development Block Grant (CDBG) Consortium and the King County HOME Investment Partnerships Program (HOME) Consortium. The current Interlocal Cooperation Agreement for these two federally-funded programs covers 2006-2008 and it is now time to renew for the 2009-2011 period.

Mayor Botts stated the purpose of this Interlocal Cooperation Agreement is to continue the urban county consortium, for planning the distribution and administration of Community Development Block Grant Funds (CDBG), HOME Program, and other federal funds received on behalf of the Consortium from HUD.

The benefits of continuing participation in these Consortia include: low and moderate income homeowners in the City of Black Diamond can apply for grants or loans to repair their homes, low and moderate income residents who are at risk for homelessness, eviction or foreclosure may be eligible for emergency grants and/or loans to help them remain in their homes or move into permanent housing, nonprofit organizations that serve the City can apply for funds for human service programs that serve low and moderate income residents, the City and affordable housing developers serving the City may apply for HOME funds to support the rehabilitation and preservation of affordable housing within the City as well as apply for HOME funds to help meet locally identified affordable housing needs, including affordable rental housing and first-time homeownership programs plus, the City can participate in the city/county working groups that develops recommendations for the Joint Recommendation Committee (JRC) on specific projects to receive CDBG and HOME funds as well as program guidelines.

A motion was made by Councilmember Hanson and seconded by Councilmember Boston to adopt Resolution No. 08-531, authorizing the Mayor to execute an Interlocal Cooperation Agreement with King County regarding the Community Development Block Grant Program for the years 2009-2011.

DEPARTMENT REPORTS:

Community Development

Director Pilcher stated that in accordance with the approval of the Special Events Permit obtained by YarrowBay a six month review completed to see how things were going. Staff has contact those property owners who had concerns with the issuance of the permit and find that they are satisfied. Staff has no objections with the office being located at the current residence and recommends another update in six months.

Affected property owner stated the location of the office is working quite well. Although in the last few days there has been a lot of traffic coming to and from their office.

Ryan Kohlman spoke on behalf of YarrowBay stating that unfortunately it was not good planning on their part as a two day planning charrette was scheduled and apologized to those property owners. He also mentioned that is not a common practice, however it may occur every three months or so.

Councilmember Hanson asked that YarrowBay notify property owners prior to any such event.

Following discussion there was Council consensus to review the permit in three months.

Public Works

Director Boettcher reported on the hiring of summer help, Railroad Avenue project, Lake Sawyer Overlay project, the rate model for water and sewer and the anticipated dates for adoption.

Natural Resources

Director Nix updated Council on the status of the Critical Areas Ordinance, Comprehensive Park Plan, and Boat Launch project. He also mentioned that he has been working on water quality issues around town and will be meeting with Ecology in respect to the City's NPDES Phase II Permit.

Finance

Director Miller reported to Council on the Capital Improvement Plan process and explained that in order to expend our Real Estate Excise Tax dollars the City must adopt a Capital Improvement Plan that prioritizes projects and estimates what funding will be used to pay for those projects.

Councilmember Hanson exited the meeting.

MAYOR'S REPORT:

Mayor Botts asked Council to entertain a motion to authorize VSI Law Group to perform certain work on the Carson and Ecret lawsuits and to represent the City during labor negotiations with the newly formed Police Guild.

A **motion** was made by Councilmember Mulvihill and **seconded** by Councilmember Bowie to authorize VSI Law Group to perform certain work associated with the Carson and Ecret lawsuits and to represent the City during labor negotiations with the newly formed Police Guild. Motion **passed** with all voting in favor (4-0).

Mayor Botts announced the joint meeting of the Black Diamond, Covington and Maple Valley Council's will be held on August 23, 2008 at the Black Diamond Elementary School gym at 6:30 p.m.

COUNCIL REPORTS:

Councilmember Boston reported on the Economic Development Forum he and Economic Development Director Williamson attended in Maple Valley regarding the Four Corners Sub Area Plan. After attending this meeting he left feeling very proud of our Mayor, staff, administration, legal counsel and past Councils and felt we know what we are doing and thanked them all for doing it well.

ATTORNEY REPORT:

City Attorney Combs reported there will be an Executive Session on litigation and labor negotiations.

PUBLIC COMMENTS: None

Councilmember Hanson reentered the meeting.

CONSENT AGENDA:

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

Minutes – Council Meeting of June 19, 2008

Claim Checks – July 17, 2008 No. 31869, 31870, 31932 through 31942, 31944 through 31948, 31949 through 31948 (voided check 31943) in the amount of \$819,144.01.

EXECUTIVE SESSION:

Mayor Botts recessed the regular meeting for an Executive Session at 8:36 p.m. to discuss litigation and labor negotiations. No action is to follow the Executive Session, which was expected to last fifteen minutes.

Mayor Botts announced at 8:51 p.m. that the Executive Session would last an additional five minutes.


The regular meeting was reconvened at 8:55 p.m.

ADJOURNMENT:

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

ATTEST:


Howard Botts, Mayor


Brenda L. Streepy, City Clerk