

CITY OF CARNATION

**MINUTES OF THE REGULAR CITY COUNCIL MEETING
October 18, 2016**

- CALL TO ORDER:** The regular meeting of the Carnation City Council was called to order at 7:00 PM by Mayor Jim Berger in the Council Chambers at Carnation City Hall.
- PLEDGE OF ALLEGIANCE:** Led by Councilmember Kim Lisk.
- ROLL CALL:** Mayor Jim Berger, Deputy Mayor Fred Bereswill, Councilmember Kim Lisk, Councilmember Dustin Green, Councilmember Lee Grumman, City Manager Phil Messina, City Planner Tim Woolett, Public Works Superintendent Bill Ferry, City Clerk Mary Madole, Treasurer Kelly Hankinson Russell, and citizens present.
- APPROVAL OF AGENDA:** MOTION BY COUNCILMEMBER LISK AND SECOND BY COUNCILMEMBER GREEN TO APPROVE THE AGENDA AS PRESENTED. MOTION PASSED UNANIMOUSLY (5-0).
- CONSENT AGENDA:** MOTION BY COUNCILMEMBER LISK AND SECOND BY COUNCILMEMBER GRUMMAN TO ADOPT THE CONSENT AGENDA AS PRESENTED. MOTION PASSED UNANIMOUSLY (5-0), THE FOLLOWING ITEMS WERE APPROVED:
- Minutes of the Regular City Council Meeting – October 4, 2016.
 - Claims Check Vouchers numbered 32873 – 32901 in the amount of \$117,801.73.
- REPORTS & REQUESTS:** Deputy Mayor Bereswill reported that the American Legion is still trying to make repairs to their building following a major water leak, but is having difficulty finding an available contractor.
- Councilmember Lisk reported that she attended the Sno-Valley Senior Center Annual Dinner & Auction Benefit on October 15 and it was well attended.
- STAFF REPORTS:** City Manager Messina reported that he recently met with Sally King, King County DNRP Snoqualmie & S. Fork Skykomish Basin Coordinator, to discuss the Tolt River Corridor Plan, and a presentation to the Council has been scheduled for November 15 with a community meeting in December. Staff also met with representative from WSDOT and King County Roads on October 12 to discuss traffic operations related to SR 203 in the Carnation area. City Manager Messina attended the RSD Emergency Management Committee meeting October 13. Staff is planning to conduct an evacuation drill at City Hall at 10:20 AM on October 20 for the national Great ShakeOut, and a community meeting on earthquake preparedness is scheduled for 6:30-7:30 that evening.
- CITIZEN COMMENTS & REQUESTS:** Stuart Lisk, 4135 327th Circle NE, spoke of the SR 203/Tolt Avenue CBD Improvement Project and said that the City is in the midst of the largest project that it has undertaken since the sewer project, and he is shocked that the Council hasn't held a dedicated workshop to discuss project issues such as funding and impact to the community. He thinks that the Council needs to be more involved in the project and details. He would also like more information to be made available about the Council's current goals. He believes that the Council needs to take more of a leadership role. Mr. Lisk next spoke of the potential annexation of parcels in the potential annexation area on East Entwistle Street, and said that he does not support the annexation if the development is going to be more homes like those built at the first entrance to Swiftwater. He would like to see density maximized.
- Lisa Yeager, 5720 Tolt Highlands Drive, Sno-Valley Senior Center Executive Director, requested that the City Council consider a \$5,000 appropriation in the 2017 Budget to help support the meals that the Senior Center provides to Carnation citizens. Ms. Yeager also distributed her request in writing.
- CONTINUED DISCUSSION ABOUT** Mr. Shane Fortney, Fortwest Homes, said that he sent letters to the property owners in the potential annexation area (PAA) on East Entwistle Street inviting them to attend

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POTENTIAL ANNEXATION: the Council meeting, but none of the property owners were in attendance. General discussion took place between the Councilmembers and Mr. Fortney about the nine (9) parcels in the eastern PAA, and which of the property owners Mr. Fortney has contacted to discuss potential annexation.

PRESENTATION: WATER/SEWER UTILITY RATE STUDY. Ms. Karyn Johnson and Mr. Tage Acker, Financial Consulting Solutions Group, delivered a presentation about the preliminary results of the water/sewer utility rate study. Ms. Johnson reviewed the fundamental principles of utility finances and ratemaking, including types of utility revenues and expenses, the structure of the City's utility funds, rate funded system reinvestment, and rate revenue sufficiency. Mr. Acker reviewed the findings of the water utility rate study and the timing of anticipated capital improvement projects, and reported that the study indicates a need for water rate increases of 6.5% per year for 10 years. Mr. Acker next reviewed the findings of the sewer utility rate study, and reported that the study indicates a need for sewer rate increases of 9.5% per year for 4 years, and then 6.5% per year for the subsequent 4 years. Mr. Acker next reviewed general facilities charges (GFCs) for both the water and sewer utilities, and reported that the study indicates a need for a substantial increase to water GFCs and a moderate increase to sewer GFCs.

ADDITIONAL BUSINESS & DISCUSSION ITEMS: Continued review of 2017 Proposed Preliminary Budget: Discussion took place about the appropriation request from the Senior Center. Staff was directed to include a \$5K line item appropriation in the 2017 Preliminary Budget. City Manager Messina provided additional information about the grant received from the Port of Seattle for Carnation's portion of the Savor Snoqualmie Valley project. General discussion also took place about maintenance and repairs for the vacuum sewage collection system. The Councilmembers reviewed and discussed the items on the upcoming business list.

ADJOURNMENT: There being no further business before the City Council, the meeting adjourned by common consent at 9:38 PM.

SIGNATURES: Approved at the regular meeting of the Carnation City Council on November 1, 2016.

MAYOR, JIM BERGER

CITY CLERK, MARY MADOLE