



CITY COUNCIL MINUTES

Regular Meeting
Monday – October 5, 2009
7:00 p.m.

CALL TO ORDER

Mayor Asay called the regularly-scheduled meeting to order at 7:00 p.m. and led the Pledge of Allegiance.

ROLL CALL

Council Members present were Beaudry, Drotz, Heddlesten, Neal, Sanderson, and Whalen.

Council Member Borek was absent.

STAFF PRESENT

Interim City Administrator Fessler, Police Chief Rhoads, Public Works Director Neal, Fire Chief Jaques, Finance Director Pierce, Senior Financial Analyst Tylor, and Deputy City Clerk Stevenson-Ness were present.

ADDITIONS / DELETIONS

Council Member Whalen requested a brief discussion regarding a remodel on 23rd Avenue. Mayor Asay added the discussion as Regular Agenda item C.

PROCLAMATIONS

Mayor Asay proclaimed the month of October 2009, as Domestic Violence Awareness Month and the week of October 4-10, 2009, Fire Prevention Week and urged the citizens to join her in these observances.

CITIZEN PARTICIPATION

Speaking before the Council:

Speaker	Address	Topic
Bryan Ott	102 17 th Avenue Ct	Police problems at Bud's Tavern, Death of troops in Afghanistan, requested moment of silence

Mayor Asay held a moment of silence for all troops.

CONSENT AGENDA

Approval of:

- Minutes of July 20, August 3, and August 17, 2009, regular meetings;
- Minutes of August 10, 2009 special meeting/study session;
- September 20, 2009, payroll direct deposits, checks, and benefits in the amount of \$153,105.34, and
- Checks and vouchers, numbers 18414-18427 and 18477-18525, printer error checks 18428-18476 and void checks 18346 and 18400 in the amount of \$331,758.88.

Council Member Whalen requested the minutes be pulled from the Consent Agenda.

MAYOR PRO TEM HEDDLESTEN MOVED to approve the Consent Agenda as amended. Council Member Sanderson seconded the motion.

The motion was voted on and carried 6-0.

Council Member Whalen requested more information be added to the citizen comment sections of the minutes.

COUNCIL MEMBER HEDDLESTEN MOVED to approve the minutes of July 20, August 3, and August 17, 2009, and special meeting/study session of August 10, 2009. Seconded by Council Member Whalen.

The motion was voted on and passed 6-0.

PRESENTATION

AB 09-052 - Presentation by George Reich, Bonneville Power Administration (BPA), regarding BPA Future Tier 2 Wholesale Power Source

Mr. Reich presented an update on the Tier 2 power choices available for the city. He stated the city must provide notice as to which BPA Tier 2 supply option it has decided to purchase starting October 1, 2011. On November 17, 2008, the city entered into a new Power Purchase Agreement with BPA that will be the basis of the rates the city will pay BPA for wholesale power for the next 20 years. Under the agreement, each customer has a contract-defined right to purchase an amount of power at the cost of BPA's existing system, defined as Tier 1, called the High Water Mark (HWM). BPA's obligation is to meet the city's "net" requirement but BPA will meet the load above the HWM at Tier 2 rates.

Mr. Reich explained the Tier 2 rate options. He stated they are different in terms of risk and notification. He said the Short Term Rate has the shortest commitment period and the greatest opportunity to cease purchasing Tier 2 power from BPA and is market-based. Load Growth Rate was originally designed to be a life-of-contract commitment to place Tier 2 load on BPA. It is expected to be less market-oriented and more stable than the Short Term Rate.

Mayor Asay recognized the following people to speak:

Speaker	Address	Topic
Milton Loflin	1810 11 th Avenue	Thanks to George Reich for assistance to Milton; Suggested the city join a larger utility for lower rates

There was discussion regarding which Tier 2 option would be optimal for the City of Milton.

COUNCIL MEMBER WHALEN MOVED to authorize the mayor to notify BPA of the city's decision to use Load Growth Rate for Tier 2 needs for the duration of the BPA contract. Seconded by Council Member Drotz.

The motion was voted on and carried 6-0.

PUBLIC HEARING

To review 2010 Revenue Sources and 2010 Revenue and Expenditure Summary

Mayor Asay opened the public hearing at 8:05 p.m.

Interim City Administrator Fessler and Finance Director Pierce provided a staff report on the 2009 projected expenditures and revenue sources for 2010. Ms. Fessler stated the information provides a glimpse into finances for the upcoming year. She stated the focus will be on the fund balance and whether the fund will operate in a deficit.

The 2009 projected expenditures were reviewed and it was noted the spending trends have not changed.

In reviewing the 2010 preliminary budget, Ms. Fessler noted the report is not a review of the proposed budget but are preliminary numbers presented to meet the intent of state law and provide a snapshot of what 2010 may look like. Ms. Fessler stated the 2010 expenditures maintain services at current levels and that service enhancement packages and service reduction packages would be provided with the proposed budget.

Structural changes in the 2010 budget were outlined. One major change is the consolidation of the EMS and Criminal Justice Sales Tax funds into the General Fund, so that all revenues and expenditures are in one budget. Another change is in the methodology used for distributing the cost of General Fund support services to the other operating funds. The new methodology will make GF support budgets self-contained, rather than a portion being budgeted in the utilities. The utilities' share of the General Fund support costs will be transferred into the General Fund as revenue.

Finance Director Pierce reviewed the 2009 beginning and projected ending fund balances budget summary and the 2010 budget overview

Mayor Asay recognized the following people to speak:

Speaker	Address	Topic
Milton Loflin	1810 11 th Avenue	Why the difference in the 2009 budget in water system?
Jacquelyn Whalen	1605 15 th Avenue	Support and commend making revenue expenses as lean as possible.
Bryan Ott	102 17 th Avenue Ct	Questioned the revenues of Municipal Court and how much money is in collections.

Mayor Asay closed the public hearing at 8:45 p.m.

REGULAR AGENDA

- A. AB 09-052 – BPA Future Tier 2 Wholesale Power Source Decision**
This item was addressed earlier in the meeting.
- B. AB 09-053 – Adoption of an ordinance temporarily amending Section 13.36.010(E)(5) of the Milton Municipal Code pertaining to utility past due balances.**

Mayor Asay stated in March 2009, Council approved an amendment to Ordinance No. 1739-09, extending the temporary change in the past due balance minimum from \$50.00 to \$100.00 before accounts are subject to service interruption.

Per this ordinance, on September 30th, the minimum balance allowed on an account to avoid interruption in service reverted back to \$50.00. Mayor Asay requested that the ordinance be brought back to keep the minimum at \$100.00.

There was discussion regarding extending the 30-day time period in the ordinance to a 6-month time period.

On agreement of the council, the ordinance was amended in the following manner:

- In the third paragraph, beginning with "Whereas", to read "...until March 31, 2010," instead of "...until October 31, 2009," and
- In Section 2.E.5., to read "...until March 31, 2010," instead of "...until October 31, 2009."

COUNCIL MEMBER BEAUDRY MOVED to approve Ordinance No. 1744-09, temporarily amending section 13.36.010(e)(5) of the Milton Municipal Code pertaining to utility past due balance; establishing the effective date of said amendment and expiration date; and declaring an emergency as stated in the amended reading. Seconded by Council Member Sanderson.

The motion passed 5-1.

C. Brief discussion regarding a home remodel on 23rd Avenue.

Mayor Asay stated this issue resulted from a phone call that each council member received from a concerned citizen. She stated she did not feel it was an issue that should be discussed in open forum because there is pending litigation. She stated this is an administrative matter and offered to meet with council members to discuss the issue.

Interim City Administrator Fessler stated the concerned individual has had ongoing conversation with the city and the individual's complaints have had response. She stated the Building Official has been following the situation for a considerable length of time.

CITY ADMINISTRATOR REPORT

Interim City Administrator Fessler reviewed notable dates on the council calendar and briefly discussed items in the written report.

COUNCIL REPORTS

Council Member Heddlesten reported on:

- concerns about the possible improper use of the Oloffson land donation that should be utilized as a park.

Council Member Beaudry reported on:

- Thanked a citizen for picking up trash on his walk and urged others to take time to follow this citizen's example.

Council Member Drotz reported on:

- East Pierce Fire District Joint Meeting. Felt the meeting was very informative and all her questions were answered. Asked that annexation be made a priority

Council Member Whalen reported on:

- East Pierce Fire District meeting. Stated it was a good meeting;
- Noted the ordinance regarding the intent to annex to East Pierce was removed from the calendar; Requested the ordinance be discussed at the public safety committee
- Requested the fireworks ordinance revisions brought to the Public Safety Committee
- Public safety agenda
- Police service provided to Bud's

Councilmember Sanderson reported on:

- Inquired if the city applied for any available stimulus funds
- Inquired if the city has investigated the Shared Work Program
- Requested a status report from Friends of the Hylebos

Councilmember Neal reported on:

- Fully in support of merger with East Pierce Fire.

MAYOR'S REPORT

Mayor Asay reported that Initiative 1033 will affect the city in a dramatic way and inquired if council was interested in taking a position against the initiative.

Mayor also thanked Interim City Administrator Connie Fessler and Finance Director Pierce, and Senior Financial Analyst Tylor for the budget presentation.

Mayor Asay reported that it will take an estimated \$80,000 to \$100,000 estimate to finish the repair of 7th Avenue. She stated that 8 homes and apartments are located on Queens Street and a lot of maintenance crew time is utilized to work on the street. Mayor Asay suggested that the estimate to repair Queens Street is approximately \$30,000, and inquired if it was council's desire to repair Queens Street.

After discussion, **COUNCIL MEMBER SANDERSON MOVED** to authorize the mayor to sign a change order to the 7th Avenue Project not to exceed \$30,000 to overlay Queen's Street. Seconded by Mayor Pro Tem Heddlesten.

Speaking before Council:

Speaker	Address	Topic
Jacquelyn Whalen	1605 15 th Avenue	Requested further investigation for other streets that need repair.

There was further discussion regarding investigating other streets in the city that need repair.

Roll-call vote was taken resulting as follows:

Ayes: 3 - Heddlesten, Neal, Sanderson

Nays: 3 - Beaudry, Drotz, Whalen

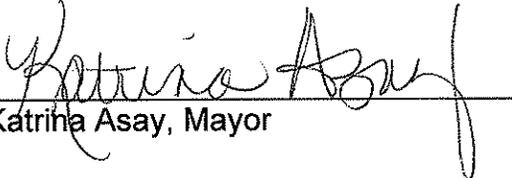
The motion failed.

EXECUTIVE SESSION

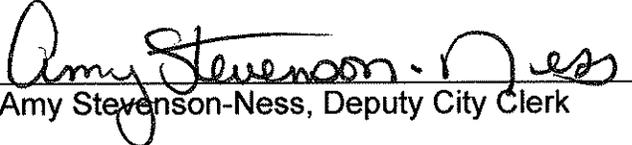
Mayor Asay postponed the executive session to the meeting on October 19.

ADJOURNMENT

COUNCIL MEMBER BEAUDRY MOVED to adjourn the meeting at 9:58 p.m.
Council Member Neal seconded the motion. The motion was voted on and carried 6-0.


Katrina Asay, Mayor

ATTEST:


Amy Stevenson-Ness, Deputy City Clerk