



CITY COUNCIL MINUTES

Regular Meeting
Monday – August 3, 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, Borek, Drotz, Heddlesten, Sanderson, and Whalen.

COUNCIL MEMBER BEAUDRY MOVED to excuse Council Member Neal.
Seconded by Council Member Heddlesten.

The motion was voted on and carried 6-0.

STAFF PRESENT

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

ADDITIONS / DELETIONS

Mayor Asay requested that item 6a be delayed until Chief Thorson arrived.

CITIZEN PARTICIPATION

Speaking before the Council:

Speaker	Address	Topic
Craig Hamry	1109 9 th Avenue	Rumble strips on Kent Street
Brian Ott	102 17 th Ave Ct	Interurban Trail
Debbie Perry	1205 Hemlock	Water utility issues

CONSENT AGENDA

Approval of the July 20, 2009, payroll, direct deposits, checks and benefits in the amount of \$163,145.24, and checks/vouchers, numbers 18087-18165, in the amount of \$349,898.79; and the purchase of a replacement pump for Well #5, in the amount of \$21,860.00.

Council Member Whalen requested the vouchers be pulled from the consent agenda.

Council Member Borek requested the purchase of a replacement pump for Well #5 be pulled from the consent agenda.

COUNCILMEMBER BEAUDRY MOVED to approve the Consent Agenda as amended. Councilmember Drotz seconded the motion. The motion was voted on and carried 6-0.

Voucher Approval

Council Member Whalen requested clarification on check nos. 18092, 18111, 18150 and 18165; staff provided the information.

MAYOR PRO TEM HEDDLESTEN MOVED to approve the checks/vouchers, numbers 18087-18165, in the amount of \$349,898.79. Council Member Borek seconded the motion.

The motion was voted on and carried 4-2.

Purchase of a replacement pump for well #5

Council Member Borek requested further information regarding the process to obtain quotes for the replacement pump. Public Works Director Neal stated she obtained quotes from 3 suppliers and took the best quote available.

COUNCIL MEMBER WHALEN MOVED to approve the purchase of a replacement pump for Well #5, in the amount of \$21,860.00. Mayor Pro Tem Heddlesten seconded the motion.

The motion was voted on and carried 6-0.

REGULAR AGENDA

AB 09-040 - Second Quarter Financial Report

Director Pierce provided a staff report on the second quarter financial status stating the sales tax and development fees are down. She provided highlights on the major funds and discussed the percentage of revenues collected and the amount of budget spent to date.

There was discussion regarding the change in state laws regarding "point of sale" versus "point of delivery" sales tax; the BPA credit; and anticipated use of the General Fund ending fund balance to offset expenditures.

AB 09-039 – Approval of Interlocal Agreement for Administrative Services with East Pierce Fire & Rescue

Interim City Administrator Fessler reviewed the agreement. She stated that it's the first step toward consolidation and after the administrative services agreement is signed, Chief Thorson will be the chief and Chief Jaques will become a deputy chief in the East Pierce organization structure. If passed, the agreement will be executed on September 1, 2009, with a 10-year term. If the city is not annexed to the fire district, there is an option to terminate the administrative agreement with six months notice. She stated that in moving forward with the agreement, the next step is to meet with Edgewood and East Pierce to develop a timeline for consolidation.

There was discussion regarding who would cover the IT duties for the city once Chief Jaques moves into his responsibilities with East Pierce; how the King County residents of Milton will be taxed for fire and emergency medical services; and how the fire district's property tax levy will affect Milton's property owners

Interim City Administrator Fessler stated the issues of the property tax levy and King County portion of the city are very complex and will require research and analysis before the issue can be resolved.

Mayor Asay stated the city has already started researching the tax levy issues; and the agreement allows the administrations to begin working together.

Chief Thorson stated that annexation is a very complicated issue that is further complicated by part of the city being located in King County. He said the agreement will facilitate bringing the organization together and provide for a full service fire department.

Mayor Asay recognized the following people who spoke on the issue:

Speaker	Address
Jackie Bertolino	1308 11 th Avenue
Jacquelyn Whalen	1605 13 th Avenue
Debra Perry	1205 Hemlock

COUNCIL MEMBER DROTZ MOVED to authorize the Mayor to execute an interlocal agreement with East Pierce Fire and Rescue for administrative services. Council Member Sanderson seconded the motion.

Roll-call vote was taken resulting as follows:

Ayes: 5 - Beaudry, Borek, Drotz, Sanderson, Whalen
Nays: 1 - Heddlesten

The motion passed.

Mayor Asay recessed the meeting at 8:51 p.m. and reconvened the meeting at 9:01 p.m.

AB 09-041 – Report on Community Development service options and revised Community Development budget

Interim City Administrator Fessler discussed the alternatives that were considered when deciding how to mitigate the reduction of permit revenue in the Planning & Community Development Department. She explained the options in the report: maintaining status quo, a 50% staffing reduction, a 25% staffing reduction, outsourcing to a consulting firm and outsourcing to another city.

COUNCIL MEMBER WHALEN MOVED to request an Executive Session to discuss in entirety the reasons why the city has eliminated the Planning positions. The motion was seconded by Council Member Drotz.

After further discussion on the subject of staff reduction, Council Member Whalen withdrew his motion and Council Member Drotz withdrew her second to the motion.

There was discussion on the revised budget numbers used in the analysis. Interim City Administrator Fessler stated there were several factors in the difference, including a payment that was received from Lloyd's in 2009 for 2008 billings, and that the permit technician position salary was not removed from the 2009 budget.

AB 09-034 - Approval of interlocal agreement with the City of Fife for current and long-range planning services.

Mayor Asay tabled the interlocal agreement with the City of Fife until August 17, 2009.

AB 09-042 – Report on the results of preliminary engineering work for the repair of 20th Avenue Court, Hylebos Court, and hillside failure located along 7th Avenue above the West Milton Ball fields.

Public Works Director Neal stated the 20th Avenue Court and 7th Avenue repair geotechnical investigations are complete. The repair on 20th Avenue Court and Hylebos Court is needed due to poor compaction during construction of the sewer line. She said because the cost of restoring the lines to their full depth is extreme, city crews can repair the upper layer of the trench to restore the roadway, drastically decreasing the city's cost.

Director Neal stated the investigation for 7th Avenue indicated that the slide for the slope failure is relatively shallow and was triggered by the saturation of the loose soils along the roadway. She said the solution is to stabilize the roadway and waterline through the use of berms, trenches and stormwater improvement.

Director Neal advised the council that the 7th Avenue project was an unplanned project and was not included in the 2009 budget. The funds budgeted for 20th Avenue Court and Hylebos Court that were adopted in the 2009 budget will cover both the material costs of the 20th Avenue Court and Hylebos Court repairs and a contracted construction project for repair of 7th Avenue.

CITY ADMINISTRATOR REPORT

Interim City Administrator Fessler briefly mentioned the cable renegotiations and budget billing information that are in the report in response to council member questions regarding those topics.

She also reminded the council of the Tri-jurisdictional meeting to be held on August 4, at the Edgewood City Hall.

COUNCIL REPORTS

Council Member Sanderson reported on:

- His vacation week on Decatur Island.

Mayor Pro Tem Heddlesten reported on:

- Property tax. Stated his taxes went down which means that revenue for the city is going down.

MAYOR'S REPORT

The mayor announced that the Signal had made an error by publishing that there would be fireworks at the block party portion of the Milton Days celebration. She stated there would be no fireworks and that the Signal would print a retraction but not until after event.

Mayor Asay also reported that \$815,000 in federal stimulus money was awarded to six agencies in Pierce County.

EXECUTIVE SESSION

Mayor Asay announced that Council will be convening into Executive Session at 9:45 p.m. to discuss personnel issues pursuant to RCW 42.30.110(1)(g) for 20 minutes.

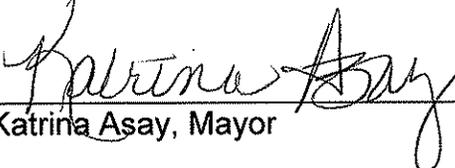
At 10:05 p.m. the executive session was extended for 20 minutes and at 10:25 the executive session was extended for an additional 20 minutes.

Mayor Asay reconvened the regular meeting at 10:43 p.m.

ADJOURNMENT

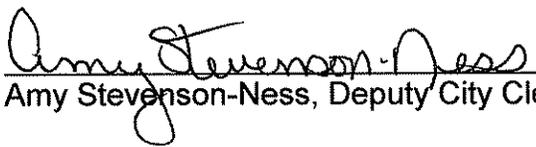
MAYOR PRO TEM HEDDLESTEN MOVED to adjourn the meeting at 10:43 p.m. Councilmember Beaudry seconded the motion.

The motion was voted on and carried 6-0.



Katrina Asay, Mayor

ATTEST:



Amy Stevenson-Ness, Deputy City Clerk