

**CITY OF PACIFIC
CITY COUNCIL MEETING
December 26, 2012
Council Chambers
City Hall, 6:30PM**

1. CALL TO ORDER AND FLAG SALUTE

Mayor Sun called the City Council Meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

Mayor:

Cy Sun

2. ROLL CALL OF COUNCIL MEMBERS

Leanne Guier
Gary Hulse
John Jones
James McMahan
Josh Putnam
Clint Steiger
Tren Walker

Staff present: City Clerk Patti Kirkpatrick, Finance Director Betty Garrison, Acting Public Works/Community Development Director Ken Barnett, Public Safety Director John Calkins, and City Attorney Ken Luce.

3. APPROVAL OF AGENDA

Councilmember Guier asked that Old Business Items 7A and 7B be moved to New Business as Items 8H and 8I respectively; and Councilmember Hulse asked that Nominations for Mayor Pro Tem and Council President be added as New Business Item I.

Councilmember Hulse Moved and Councilmember Guier seconded the motion to approve the agenda as amended. Councilmembers Hulse, Jones, McMahan, Putnam, Steiger, Walker and Guier voted in favor. Motion passed.

4. AUDIENCE COMMENT

Mr. Frank Hatton President of Pacific Partnerships voiced his appreciation to the City, local businesses, and residents for their generosity in providing for those individuals and families in need in Pacific, noting he was proud to live in the City of Pacific.

Mr. Stacey Jackson urged the Mayor and Council to work to find some common ground and start working together.

Ms. Anita Scroggins sought clarification regarding the article in the December 14, 2012 Auburn Reporter regarding CIAW's clarification that they did not ask the Mayor to resign; questioned how the City could afford to settle a lawsuit of the former City Clerk; and felt this is a very dysfunctional City and she would perform to be in Sumner.

Mr. Jay Roland was proud to be a citizen of Pacific and urged the Council and Mayor to work together to get the City back to where it used to be.

Ms. Carol Aguilar was proud of the Council, noting it took one person, the Mayor, less than twelve months to destroy a City that is 103 years old. She noted the Council cares about the community and hopes there will be insurance so citizens do not have to incorporate into another City.

Mr. Bill White commented that the City has a Mayor who dropped the ball and ruined the City. He noted Pacific is a good City and urged the Council to do something in regards to the Mayor and voiced opposition to annexation.

Mr. Estefan Escobar voiced his love of the City, noting the Councilmembers are an active part of the community and hoped the City will be able to resolve things without pointing fingers.

Mr. Jim Snyder has been a resident since 1965 and has never seen such a mess in his life and he urged the Council to let the Mayor run a business.

Mr. Howard Erickson questioned a statement made by Councilmember Putnam regarding the current insurance carrier wanting the Mayor out; and inquired when the City would be taking action against the newspaper companies who throw their newspaper on residents' yards unsolicited.

Mr. Chris Mott stated that someone is removing yard signs on Butte Avenue.

5. REPORTS

Mayor – Mayor Sun commented that he heard a lot of comments about him tonight and he appreciated those comments. He stated the people voted him to be Mayor and that he is doing exactly what the people voted him in to do.

Finance – Ms. Garrison reported that the State Auditor was reviewing the 2011 audit findings and she expected to have an exit interview sometime in mid-January 2013. She announced that there will be periodic closures to the payment window in early January due to conversion of the financial software that included shutting down their system completely during that process as well as for training. She planned to post times when the dates/times are known and will look into setting up an online bill paying station in City Hall or at the Community Center. The Mayor voiced his appreciation of Ms. Garrison for her hard work this year, noting she is the best financial person he has ever worked with.

Court Statistics – No report given.

Public Safety Department – No report given.

Public Works/Community Development – Mayor Sun advised he had directed Ken Barnett to serve as Acting Director of the Public Works/Community Development Department, noting Mr. Barnett has been doing a good job for the City. A written report regarding departmental update was provided to the Council.

Community/Senior/Youth Services – No report given.

City Council – Councilmember Steiger explained that an untruth had been posted by the Mayor regarding his purchase of two vehicles from the City in the last several years. The Councilmember noted that he has purchased, through the City's surplus process, a 1996 S-10 pickup and a 1974 dump truck, both of which had been through the City's bid process and that no City funds had been expended on these purchases. He asked Finance Director Garrison to confirm there was a clear record of these two transactions, who verified that the City has the receipts.

Councilmember Jones voiced his displeasure that the Mayor hired Ken Barnett as the Building Inspector/Code Enforcement Officer and then moved him to Acting Director. He was concerned that a union employee could not also hold an administrative position; that the Council turned down Mr. Barnett for the Director's job; and did the union agree in writing with this change? Mayor Sun stated he was trying to save the City money and that since taking office in January, he has done both jobs and knows how much time and effort it takes for all City departments to operate effectively; and that this was a temporary appointment and he recognized that he did not keep the council fully informed, but he felt this was his decision as the Executive Branch of the government.

In response to Councilmember Guier, City Attorney Luce advised that legally a position cannot be filled while it is still being advertised. The Mayor stated he would take that into consideration and discuss it.

Councilmember Putnam responded to an earlier citizen comment regarding newspapers on people's lawns, noting that legal research was done on this item earlier in the year and there was strong precedence allowing newspapers to distribute. He opposed taking any further action on this matter other than to encourage citizens to help each other out and pick up the newspapers. Additionally, he clarified that CIAW declined to extend coverage and asked that they be notified if there was a change in the Executive Branch of the City.

Personnel – City Clerk Kirkpatrick advised that the current ad for a new Public Works/Community Development Director will close on December 31, 2013, and it is the desire for the Mayor to form a hiring committee to review the applications and interview the top candidates.

Councilmember Walker inquired as to the status of the hiring of two police officers; and the Mayor stated he was thinking about the hiring, and that it may take a long time to happen as he is more concerned with funding for the City. The City Attorney explained

that the Mayor is the Chief Administrative Officer of the City and he has a responsibility to fill the vacant positions through his own process.

Councilmember Walker Moved and Councilmember Hulsey seconded the motion urging the Mayor to fill the two vacant police positions.

Council discussion ensued regarding the need to fill the vacancies to help reduce overtime and potential loss of employees due to poor working conditions.

Mr. Jerry Neitsche, Mr. Stacey Jackson, Ms. Carol Aguilar, Mr. Gary VanHee, Ms. Lynette Green, Mr. Jay Brolin voiced their support of filling the vacant police officer positions.

Councilmembers Jones, McMahan, Putnam, Steiger, Walker, Guier, and Hulsey voted in favor. The motion passed.

Committee Boards

Park Board – No report provided.

Public Works – No report provided.

Civil Service – No report provided.

Planning Commission – No report provided.

South King County Transportation Board (SKTBD) – No report provided.

Pierce County Regional Council (PRCR) – No report provided.

Suburban Cities Association (SCA) – No report provided.

Valley Regional Fire Authority (VRFA) – No report provided.

6. PUBLIC HEARING –NONE

7. OLD BUSINESS

A. Adoption of Resolution No. 12-1219, Authorizing the Mayor to Execute Supplemental Agreement No. 10, with Skillings Connolly for Time Extension

The City Clerk provided a staff report noting that the Senior Project Manager, Mr. Gary Richardson, has requested a time extension only in order to complete the project improvements. This item was postponed to this meeting date to ensure there would be insurance coverage.

Councilmember Jones Moved and Councilmember Steiger seconded the motion to adopt Resolution No. 12-1219, authorizing the Mayor to execute Supplemental Agreement No. 10, for time extension only with Skillings Connolly for Stewart Road/Thornton Avenue Improvements Project to December 31, 2013. Councilmembers McMahan, Putnam, Steiger, Walker, Guier, Hulsey, and Jones voted in favor of the main motion as amended. The motion as amended passed.

Councilmember McMahan Moved and Councilmember Putnam seconded the motion amending Resolution No. 12-1219 by striking the words, “Mayor Pro Tem” and inserting the words “authorizing the Mayor to sign

Supplemental Agreement No. 10 with Skillings Connolly.” Councilmembers Putnam, Steiger, Walker, Guier, Hulsey, Jones, McMahan voted in favor. The motion to amend passed.

8. NEW BUSINESS

A. Adoption of Ordinance No. 12-1839, Amending the Budget for the Year 2012; Amending Ordinance No. 1814, Adopted December 27, 2011

Finance Director Garrison provided a staff report, noting that the ordinance amended the 2012 budget adjusting projected beginning balances to actual; adjusting revenue and expenditures to allow for increased collections and expenses; adjusting the salary schedule for changes in police staffing levels; adjusting for grants received; and adjusting the ending fund balances to reflect the changes.

Councilmember Hulsey Moved and Councilmember Putnam seconded the motion to adopt Ordinance No. 12-1839, amending the budget for the Year 2012; and amending Ordinance No. 1814, adopted on December 27, 2011.

B. Adoption of Ordinance No. 12-1840, Amending Pacific Municipal Code Chapter 9.97.020 Relating to the Adoption of Statutes Relating to Influence of Alcohol or Drugs

Public Safety Director Calkins provided a staff report, noting that the State of Washington establishes the various criminal statutes and the City has in the past adopted by reference numerous criminal codes for the health, safety and welfare of its citizens. Recently the State made some changes to RCW 46.61.50 and 46.61.5249, which the ordinance adopts by reference into the City’s Municipal Code.

Councilmember Hulsey Moved and Councilmember Jones seconded the motion to adopt Ordinance No. 12-1840, amending Pacific Municipal Code Chapter 9.97.020 relating to the adoption of statutes relating to the influence of alcohol or drugs.

C. Adoption of Resolution No. 12-1223, Authorizing the Mayor to Bind Insurance Coverage for the City of Pacific

City Clerk Kirkpatrick provided the staff report, noting that insurance coverage for general liability and property insurance was found through its Broker, Arthur J. Gallagher. The Broker will be able to finalize the comprehensive/collision portion of the auto policy later this week and asked the Council to approve binding the contract in substantially the form as presented. The one year policy will allow the City of Pacific to remain as a City and allow staff the opportunity to continue working with the Broker to secure more affordable insurance in the coming years.

Councilmember Hulsey Moved and Councilmember Jones seconded the motion to adopt Resolution No. 12-1223, authorizing the Mayor to bind insurance coverage for general liability and property insurance effective

December 31, 2012 through December 31, 2013, Option 1 in substantially the form presented in the Broker's Proposal, incorporated herein as Exhibit A.

Mr. Darin Puryear, with Arthur J. Gallagher Brokerage Firm went over the two options as well as the additional coverage for business interruption insurance.

In response to Councilmember McMahan, the Mayor stated that he was comfortable with Option 1 and Councilmember Putnam concurred.

Mr. Don Thompson stated the Mayor took it upon himself to cut costs, to not follow procedures to replace staff, the insurance company declined coverage, and now the City is paying a higher premium for less coverage. If this is how the Mayor cuts costs to save taxpayer money, that he please stop.

Councilmembers Guier, Hulsey, Jones, McMahan, Putnam, Steiger, and Walker voted in favor. The motion passed.

D. Adoption of Resolution No. 12-1224, Authorizing the Mayor to Execute Amendment No. 2 to the SCORE Jail Contract Regarding Portacourt Video Arraignments

Public Safety Director Calkins provided the staff report, noting there is no additional cost to the City as the SCORE facility will provide all of the equipment and it will save the City money in 2013 as we will no longer need to transport prisoners to and from the City Courtroom.

Councilmember Hulsey Moved and Councilmember Putnam seconded the motion to adopt Resolution No. 12-1224, authorizing the Mayor to execute Amendment No. 2 to the SCORE Jail Contract regarding Portacourt Video Arraignments. Councilmembers Hulsey, Jones, McMahan, Putnam, Steiger, Walker and Guier voted in favor. The motion passed.

E. Adoption of Resolution No. 12-1225, Affirming an Administrative Interpretation of Pacific Municipal Code Section 17.08.060(c) Requiring Updated Building Standards for an Existing Home Moved to Another Location

Acting Public Works/Community Development Director Barnett provided a staff report, noting this is a one-time request for waiver of Pacific Municipal Code 17.08.060(c) regarding the Inch and Abernathy purchased homes from the White River Estates Flood Zone.

Councilmember Putnam Moved and Councilmember Hulsey Seconded the motion to adopt Resolution No. 12-1225, affirming the Building Official's Administrative Interpretation No. 12-001, attached to and incorporated herein as Exhibit A, regarding necessary upgrades to homes relocated from White River Estates to nearby neighborhoods in Pacific.

Councilmember discussion ensued regarding the procedure to concur with building official decisions, and whether the Acting Department Director had authority to make that determination. The City Attorney commented that the City is covered in this instance and that whether the Mayor properly appointed Mr. Barnett is a separate issue.

Mr. Jay Brolin requested the City look into the neglect of his former property, noting there is tall grass and asked for enforcement requiring the owner to better maintain that property.

Ms. Sheila Martin, spoke on behalf of Carol Inch, asking the Council to affirm the Building Inspector's decision as they are financially unable to bring the home up to code.

Ms. Jean Fancher recalled that when a Mr. Dent was moving a home from the White River Estates, former Public Works Director Jay Bennett indicated that future issues would be negotiated as they came up. This is a fairness issue and hoped the Council would accommodate the requests.

Mr. John Abernathy urged the Council to approve the waiver as he is financially unable to bring the four homes up to code.

Councilmembers McMahan, Putnam, Steiger, Walker, Guier, and Hulsey voted in favor. Councilmember Jones voted in opposition. The motion passed.

F. Adoption of Resolution No. 12-1226, Authorizing the Expenditure of Funds with Gerina Dahl for Utility Billing System Audits; Managing Month End Processing; and Management of the Migration from Springbrook Version 6 to Version 7

Finance Director Garrison provided the staff report, noting this is a continuation of Ms. Dahl's existing contract approved in November 2011.

Councilmember Putnam Moved and Councilmember Steiger seconded the motion to adopt Resolution No. 12-1226, authorizing the Mayor to execute an agreement/scope of work, attached hereto as Exhibit A, with Gerina Dahl for an additional (up to) six month period and expends funds in the estimated amount of between \$15,000 and \$30,000. This agreement may be extended on a month by month basis at the end of six months as required and mutually agreed. Councilmembers McMahan, Putnam, Steiger, Walker, Guier, Hulsey and Jones voted in favor. The motion passed.

G. Discussion: Cities Insurance Association of Washington (CIAW) Extended Reporting Period – Wrongful Acts Coverage

City Clerk Kirkpatrick provided the staff report, noting that CIAW was offering an endorsement for wrongful acts for up to two years. The additional coverage is recommended as CIAW is a "claims made" policy and if a claim is made after the

coverage ends, then there would be no coverage unless the City pays for the extended reporting period coverage.

Council discussion ensued with direction given to place this item on the next Council Workshop agenda.

H. Adoption of Resolution No. 12-1217, Consenting to the Annexation of the Territory of the City of Pacific, Washington into the City of Auburn, Washington Simultaneous with the De-Annexation of the City of Pacific Pursuant to RCW 35.10.217(2)

The following motion was made at the December 10, 2012, and remains on the floor for Council action:

Councilmember Putnam Moved and Councilmember Guier seconded the motion to adopt Resolution No. 12-1217, consenting to the annexation of the Territory of the City of Pacific, Washington into the City of Auburn, Washington simultaneous with the de-Annexation of the City of Pacific pursuant to RCW 35.10.217(2)

Councilmember Guier Moved and Councilmember Putnam seconded the motion to postpone Resolution No. 12-1217 indefinitely. Councilmembers Putnam, Steiger, Walker, Guier, Jones, and McMahan voted in favor. Councilmember Hulsey voted in opposition. The motion passed.

I. Adoption of Resolution No. 12-1218, Calling for a Special Election on February 12, 2013, Concerning the Disincorporation of the City of Pacific

Councilmember Guier Moved and Councilmember Putnam seconded the motion to postpone Resolution No. 12-1218, indefinitely. Councilmembers Guier, Hulsey, Jones, McMahan, Putnam, Steiger, Walker voted in favor. The motion passed.

J. Council Nomination for Mayor Pro Tem

Councilmember Walker Moved and Councilmember Guier seconded the motion to nominate James McMahan as Mayor Pro Tem for 2013. Councilmembers Hulsey, Jones, McMahan, Putnam, Steiger, Walker, and Guier voted in favor. The motion passed.

K. Council Nomination for Council President

Councilmember Walker Moved and Councilmember Putnam seconded the motion to nominate Leanne Guier as Council President for 2013. Councilmembers Jones, McMahan, Putnam, Steiger, Walker, Guier, and Hulsey voted in favor. The motion passed.

9. CONSENT AGENDA

- A. Approval of the December 3, 2012, Workshop Meeting Minutes
- B. Approval of the December 3, 2012, Special Meeting Minutes
- C. Approval of the December 10, 2012, Council Meeting Minutes
- D. Approval of the December 17, 2012, Council Meeting Minutes (continued from 12/10/12)
- E. Approval of the December 17, 2012 Workshop Meeting Minutes

Councilmember Putnam Moved and Councilmember Jones seconded the motion to approve the Consent Agenda except for Payroll. Councilmembers McMahan, Putnam, Steiger, Walker, Guier, Hulsey, and Jones voted in favor. The motion passed.

- F. Approval of Payroll for period of December 1, 2012 through December 15, 2012, and Claim Vouchers for December 11, 2012 through December 26, 2012.

Councilmember Putnam asked the Finance Director to explain where claim settlement money comes from within the Budget. Ms. Garrison noted there is a specific BARS line item for settlements in the general fund and that is where the funds to pay the claim came from.

Councilmember McMahan questioned the payment structure for the Acting Public Works/Community Development Director; and Ms. Garrison stated at the time the payroll was processed, Mr. Barnett was paid as the Building Inspector/Code Enforcement Officer; and in order to be paid anything in addition, he would have to be paid *out of class*.

Councilmember Guier inquired as to the status of the following:

- Sound Inspections. Mr. Barnett explained that when he came on board in December, he worked closely with Sound Inspections to get up to speed and the Mayor has sent a letter advising the City will no longer need their services as of January 1, 2013. Councilmember Guier noted the Council did not authorize a contract with Sound Inspection for December.
- Sewage Spill. The Mayor advised that this happened November 26, 2012, and provided a memo and photos of the incident. He stated this was an emergency situation and he found a contractor to perform the work, for what he considered a reasonable price, and that he intended to advise the Council of this matter when it was fully settled and the property owners were not going to sue the City.

Councilmember Jones stated this item was brought up at the last Public Works Committee meeting and it was his understanding that the Mayor would be bringing the matter to the Council's attention.

Councilmember Putnam reminded the Council that when they review the payables they are not reviewing the policy behind them, rather the debt the City owes. The rest of it is lessons learned for the future.

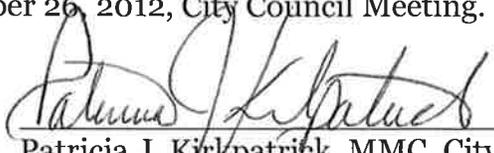
Councilmember Putnam Moved and Councilmember Jones seconded the motion to approve the Payroll and Payables. Councilmembers Putman, Steiger, Walker, Guier, Hulsey, Jones, and McMahan voted in favor. The motion passed.

Councilmembers Guier and Putnam expressed their appreciation to City Clerk Kirkpatrick for all of her assistance in securing insurance coverage for the City of Pacific.

10. EXECUTIVE SESSION – NONE

11. ADJOURN

At 9:11 p.m. Mayor Sun adjourned the December 26, 2012, City Council Meeting.



Patricia J. Kirkpatrick, MMC, City Clerk