

NORTH BEND CITY COUNCIL MINUTES

March 7, 2023

City Hall, 920 SE Cedar Falls Way, North Bend, Washington

CALL TO ORDER, ROLL CALL:

Mayor McFarland called the regular meeting to order at 7:00 p.m.

Councilmembers Present: Elwood, Gothelf, Koellen, Loudenback, and Miller. Councilmember Rosen was excused. Councilmember Joselyn (remote) arrived at 7:03 p.m.

CONSENT AGENDA:

Minutes – City Council Meeting of February 21, 2023

Payroll – February 17, 2023 – 28604 through **28610**, in the amount of **\$261,482.63**

Checks – March 7, 2023 – 73677 through **73744**, in the amount of **\$506,539.18**

AB23-023 – Resolution 2057 Accepting North Bend Way Sidewalk Project

AB23-024 – Resolution 2058 Accepting 2nd Street Water & Roadway Improvement Capital Project

AB23-025 – Motion Authorizing Contract with Hydrex for Leak Detection Survey

AB23-026 – Motion Authorizing 2nd Amendment to DKS Contract for Additional Transportation, Planning and Engineering Support

AB23-027 – Motion Authorizing Contract with Keithly Electric

AB23-028 – Motion Authorizing 1st Amendment to SOVA Consulting Contract

AB23-029 – Motion Authorizing Contract with The Watershed Company for Shoreline Master Program User Guide and Enhancements

Councilmember Gothelf **MOVED**, seconded by Councilmember Elwood to approve the consent agenda as presented. The motion **PASSED** 5-0.

CITIZEN'S COMMENTS:

Mary Keefe, Tukwila, WA, provided a letter from Teamsters Local 763 members regarding collective bargaining.

Councilmember Joselyn (remote) arrived at 7:03 p.m.

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

State of the City Address – Mayor McFarland

Audio: 03:53

Mayor McFarland delivered the following State of the City of North Bend 2023 Address:

“Thank you for being here this evening. And if you are a new resident in town, a special

welcome! I'm glad you are here. It is an honor to share with you the State of the City of North Bend in 2023.

As I begin, I'd like to take a moment to reflect – briefly – on this three-year journey as your mayor.

When I took office in 2020, our community was just beginning to grapple with what swiftly became a global pandemic. Folks were scared. I was scared. Not only for potential illness or worse but for what this could do to our community and our local businesses. And sure enough, over the next two years, we witnessed high rates of infection and economic whipsaws as the virus spread throughout our community and the world.

To be frank, it was an incredibly challenging start to my term, addressing big unknowns from practically day one. I'm sure you can recall the collective feeling of uncertainty and fear, combined with new communication roadblocks. Truly, it felt like an uphill battle for all of us. Yet with great support from Council and our wonderful staff, we made the best decisions we could to adapt.

And look at us now. Here we are in 2023, the start of my fourth year in office, and the message is resilience, continuity, and perseverance; just like seeing Burt Mann as he continues his daily walks through town.

At City Hall, many changes occurred during this time including organizational changes, and process and technology upgrades for flexibility. For nearly a year now, our staff has been back providing in-person customer service and we recently expanded service hours. Our public works team not only keeps multiple infrastructure projects moving but, in some instances, has stepped up delivery on projects years in the making. And our most recent upgrade is new financial software which will improve both financial reporting and provide cost efficiencies. This will in turn provide budget savings.

And our core downtown business district not only held its own but is thriving, owing to three years of extra perseverance; blood, sweat, and tears by our local businesses and nonprofit organizations.

North Bend, your community – as so much of our Valley – cultivates a small-town sense of care and fellowship that is one-to-another, honest-to-goodness interest in the welfare of our next-door neighbors and extending beyond. It involves care at many levels, be it the Snoqualmie Tribe's stewardship of the greater Snoqualmie Valley and beyond from time immemorial; be it our city's innovative environmental and conservation focus; be it the many human services organizations that continually step up to ever-increasing needs. This community of care runs through the veins of North Bend – whether you've lived here your whole life, or 2022 marked your first year. It is within this context that I look forward to sharing with you some of the highlights and milestones of this past year and upcoming changes.

Fiscal Stability

This past year we worked to deliver our city's Biennial Budget, guiding services to our citizens and investments in our collective future. After many months in the making with Council input and guidance, the budget was approved in December. This budget continues to echo our tradition of fiscal prudence, as I and Council recognize the necessity of providing for fiscally sound and sustainable city operations while reflecting our investment in community priorities and showcasing multiple ongoing and new infrastructure improvements, some of which I have the pleasure of sharing with you tonight.

Shortly we will launch a comprehensive study of Fiscal Sustainability for the coming 20 years. Here, we will identify strategies for long-term city economic development and fiscal sustainability. This study will in part build on other forward-looking work in assessing housing needs, such as our first-ever broad-based community survey and an Economic Development Action Plan. These plans and several more will likely result in the years 2022 and 2023 as being the most concentrated period of looking holistically at the big picture of where and how we will meet your expectations over the next several decades.

Planning for our future

Planning for a sustainable future requires more than a financial roadmap. Forward-looking planning on a variety of levels is essential to laying the groundwork for a sustainable future:

- The City's Comprehensive Plan, our 20-year vision underlying guide for land use and the built environment, is in its renewal cycle. This plan is required by the Growth Management Act and County-wide planning policies and it builds on the work done over decades. Council has already approved the draft Transportation Element Update, our Parks Commission is wrapping up its recommendation to Council on the Parks Element Update, and staff is tracking anticipated new requirements from the state and County which will need to be incorporated into other elements of the Plan. The complete Plan update is required to be approved by year-end 2024. It's a monumental task.
- Briefly mentioned and new for North Bend, we are finalizing our first true Economic Development Action Plan. This advisory document is intended to build on the City's Mission and Vision; and to incorporate a myriad of factual and statistical data into a set of recommended actions that will guide us toward sustainable investment, family wage jobs, and further goods, services, and amenities to better meet residents' needs. That work began with Council approval in June of 2022, with the authorization of the contract for its development by experts in the field. Its development is the result of an extensive outreach for input to citizens at large, business leaders, and property owners along with several Council feedback sessions. Following the next round of community review, it will be released this spring.

- Council also approved the updated Six-Year Transportation Improvement Program for 2023 through 2028. Known as TIP, the plan lays out projects for improving and maintaining our multi-modal transportation infrastructure and prioritizes projects by need and availability of funds. It is one of the clearest examples of the dependence our city has on regional, state, and federal funding for the improvements we all want.
- And the City recently completed an update to our Comprehensive Emergency Management Plan. This internally focused document is the City's guide to responding to and managing emergencies in their many forms, be it a wildfire, an earthquake, or a major flooding event.

Public Safety

Public safety continues to be a top priority for the City. In fact, well over half of general fund revenues are spent on police and fire services. These past years have been difficult for not only you but for our public safety personnel too. One bright spot is that last year North Bend and Snoqualmie partnered to add a Behavioral Health Specialist to the Snoqualmie-North Bend Police Department. Officer Butler began in September and immediately brought immense value to the community in her work with police, firefighters, EMTs, and social service agencies in responding to crisis calls involving people with behavioral health needs. And we are actively following and giving input to our legislative leaders on refinements to policing and safety laws for all.

In July, we welcomed Captain Brian Lynch. In all, our Police Department added eight officers to the team this past year, filling a large gap in staffing.

Community Development

A highly livable community is one that provides a diverse array of housing choices by location, type, size, and of course affordability. It is no surprise that North Bend, like communities across the state, is short on housing that meets the needs of many; especially those who work in retail and service industries; public sector roles such as teachers and municipal workers; and all others providing services to you.

This challenge is very present in my and your Councilmembers' minds. It is a complicated and controversial topic and we are responding along multiple fronts.

This past year, North Bend took the lead agency role for a \$135,000 subregional housing assessment and housing action plan grant funded by the state Department of Commerce. The needs assessment portion of the study has wrapped up and the housing action plan recommendation portion is now underway. A key finding, not unexpected, is that we need housing to serve a wider range of incomes, particularly in the lower Average Median Income (AMI) ranges. This does not mean we need to add more housing than our already adopted targets. Rather, it is the mix of housing that is out of balance and needs some

course correction.

I believe economic and housing diversity is good for our community and our local economy and will do all I can to see this gap addressed. This Action Plan, when completed, will inform our update to the Housing Element of the Comprehensive Plan, soon to start review with the Planning Commission for its recommendation to Council.

Speaking of housing, this past year we witnessed the groundbreaking of the first significant multi-family housing being built in town since the early 90s. These new home projects comprise both townhomes and apartment flats, both for rent and for sale. While not solving the shortage, these homes are a step in the right direction to address the shortage of housing diversity in our community.

Of note on the new business side of changes in 2022, the Planning Commission recommended and City Council approved revisions to the City's Hotel Development Standards to better enable modern hotel design within the City's Interchange Commercial Zone, and I'm pleased to announce that an application for a Wyndham branded LaQuinta and Hawthorne Suites Hotel to be sited at the outlet mall was recently received. Staff will be working with the owners to expedite processing with a stretch goal of seeing site work start late this year. From the time I arrived in our community over 25 years ago, I've been hearing the communities' desire for new hotel services. This facility will be a big step toward meeting this long-awaited need in North Bend.

This past year we also had the pleasure of welcoming literally dozens of new businesses to our community. They span the gamut from retail shops, and professional services to contractors and included the new Columbia Factory store at the mall and many in the downtown core like Arete Coffee Bar, North Bend Trading Co., and soon-to-open Pressed on Main organic juices. We may also see the opening of our first distillery before long.

And finally, in regard to community development – a few weeks ago we launched the first-ever Citizen's Academy – a multiple-week short course on how local government operates. I'm thrilled to report that the response was overwhelming, and all feedback thus far says that class members are deeply engaged in learning. We'll be celebrating the "graduation" of our inaugural class at an upcoming council meeting.

Infrastructure and Transportation

Our commitment to maintaining our small-town character while enhancing your quality of life shines through all City projects. One of the ways we do this is by investing in critical infrastructure and 2022 saw huge strides in some of our biggest projects.

The Meadowbrook Sewer Utility Local Improvement District formation, a.k.a. the Meadowbrook ULID, was approved by Council in August following literally years of planning, petitioning by property owners, and lots of citizen engagement. This action was followed a few months later by the Council's authorization of a contract for engineering

plans and permitting. This project has long been part of the City's Comprehensive Plan and the underlying zoning of these properties. When public sewer connections become available in a few years for the western portion of town, individual property owners will finally be able to fully realize the underlying value and opportunities that these properties have been promised for so long. As many of these properties are zoned for business uses, we anticipate it will in turn provide a robust commercial tax base. Business-generated revenues lessen the reliance on residential property taxes for meeting the City's operating budget needs.

Those connections are of course dependent on the completion of the virtually all-new Wastewater Treatment Plant. I am pleased to report we made significant progress, passing the 65 percent completion stage. This \$35 million plus, multi-year improvement is a long-term investment in North Bend's critical infrastructure. Once complete, the treatment plant will provide protective redundancy to systems, decrease plant odor, double treatment capacity, improve employee safety, and most importantly, meet stricter state environmental requirements that all combined, are designed to protect the Snoqualmie River, our health, and the general environment. We anticipate being completed by the time I'm reporting to you next year.

Of course, this major construction project is being done while the treatment plant continues to operate. Council and I applaud our incredibly hardworking team who make sure it's doing its job 24 hours a day, 365 days a year. This team received the Most Outstanding Wastewater Treatment Plant Award from the Washington State Department of Ecology for the fourth year in a row. That's quite an achievement.

Before water needing treatment exits your home it enters as fresh and safe, clean water. Water is a precious resource and we recognize that a big part of responsible water use is wise use. We must minimize waste and conserve this resource. With that, this is the third year of our formal water conservation program, and it was one in which Western Washington experienced a later-than-normal, dry heat, with record-setting conditions. By making common sense, proactive measures to conserve water we stayed within usage goals and exited the conservation period, having met our obligations, in late November. Thank you for continuing to set a positive example for the entire region.

Your steps for wise use along with the City's continued work to upgrade North Bend's Water Distribution System by replacing aging water mains, aggressively fixing leaks, and a 100 percent replacement of water meters in the City all work together to protect our river environment and the natural flora and fauna it feeds. Last year we replaced degraded water mains in NE 6th Street and 2nd Street. Next up is a return to the Silver Creek neighborhood for work along Ogle Avenue NE, Merritt Avenue NE, Thrasher Avenue NE, and Pickett Avenue NE.

All this talk about water is likely not a surprise to you. Our collective lifeblood depends on it. As your city leadership it is our fundamental duty – and state law – that we serve you clean, safe water.

For over 50 years the City of North Bend and the Sallal Water Association have been the primary providers in our area of the valley connecting property owners, residents, and businesses to water. Both systems have water with constraints.

So, the problem is not solved. While Sallal has determined it has some remaining capacity, it is far short of that needed to serve all property owners within their service area. Likewise, the City has limitations, albeit for a very different reason and further in the future, to serve full buildout. While convoluted, adequate water resources to serve property owners and residents remain the bottom line for all.

Here it is – Every citizen, every business owner, every property owner inside or outside the City needs to understand that the City has a fiduciary duty to serve, codified by state law and guided by the equal application of rights for all property owners. Therefore, we must find solutions to ensure that all property owners, within both the City and Sallal water service areas, have access to water.

You may know that Sallal and North Bend have attempted to reach a Water Supply Agreement for over 15 years now. This effort has received renewed effort in the past few months, and I will say I'm as optimistic as I've ever been that we may find a path to agreement. The City remains highly concerned about water availability and discussions continue as we work with Sallal to help ensure we can supply all property owners. Other options remain available, but no one would be happier than I to reach an agreement and not have to turn to alternatives.

Another integral component of a highly livable community is reliable, consistent solid waste collection. It is a necessity for residents and businesses. North Bend experienced a major service outage last winter, starting off with a record-setting snowstorm which not only kept people home, but it halted collection. Worse, however, is that as the weather cleared our waste collector halted service due to a garbage strike which together meant no collection for between three and five weeks, depending on your location. In response, I issued an Emergency Health and Safety Order, and our Public Works crews took on solid waste operations with the help of a separately contracted vendor.

Not only were customers paying for service not received, but the City also incurred unbudgeted costs to provide collections. It was a major disruption. I remind you of that experience as I share that it also happened at the tail end of a decade-long contract. There's nothing like an experience of this nature to focus us on service expectations as we entered the process of evaluating proposals for a new solid waste contract.

The last contract was negotiated during a significant recession and much has changed after 10 years. The City solid waste procurement process is drawing to a close, and I expect to have a new long-term contract proposal in front of Council before month's end.

On the transportation front, the TIP mentioned earlier continues to guide us through a series of re-paving projects, removing sidewalk and trail gaps, general safety

enhancements, and new roundabouts.

Have I mentioned I love roundabouts! This also included major progress on our sidewalk reinvestment program, with crews repairing more than 50 sidewalk hazards in Forester Woods and downtown North Bend and the completion of a sidewalk along North Bend Way between Ballarat Avenue and Park Street thus filling that gap in connectivity.

Looking forward, I'll call your attention to two grants received by the City for important traffic flow and connectivity projects. One is for the design work for a North Bend Way / Mt. Si Road roundabout and the other is for the design of a new pedestrian bridge across the Snoqualmie River South Fork. The former will alleviate traffic congestion at the increasingly busy Mt Si Road intersection for both local traffic and those visiting the community to hike areas of Mt Si and Mt Teneriffe. The latter is an exciting addition to our trail connectivity which will vastly improve biking and walking safety between the downtown area and Tollgate Farm Park, and beyond.

This administration and your Council are continually engaged in seeking ways to improve all alternatives for moving in and around our town to bring greater connectivity, safety, and overall health benefits to you.

One of the biggest planning efforts currently underway is looking at how to transform what, in decades past was a highway corridor, into a more esthetically pleasing, safe, and functional travel route that meets the diverse needs of both you and the businesses you want to reach. Known as a "Complete Streets Corridor Plan," this effort, funded by a \$300,000 Transportation Improvement Board Grant, is evaluating our main spine of North Bend Way from city limits east to west. This plan will guide future improvements all along the North Bend Way corridor including formal sidewalks, pedestrian and biking paths, traffic flow, parking, landscaping, lighting, utility undergrounding, and more – essentially all aspects of how we interact and use the public right of way to get where we're going in all our travel modes.

You'll be hearing more about Complete Streets soon as we enter the community feedback stage to get your input on the conceptual alternatives that have been developed. These concepts are built on a foundation of best practices across the country, local constraints and opportunities, and the guidance provided by our Comprehensive Plan and its underlying development standards and design codes. We're shooting to bring the best elements together which serve our community best, and your feedback is essential to that.

Parks

Integral to a healthy community is accessible parks and open spaces that meet the diverse needs of residents and visitors alike. When I speak of parks and open spaces, I'm also talking about public corridors. Earlier this evening, I mentioned a variety of trail and path projects. Those, along with our general approach to landscaping are part of that. We've made a lot of progress on park planning and implementation in 2022, consistent with our

Parks Element, and often in partnership with our great local Si View Metropolitan Park District. The fruits of all this planning and activity will continue to bloom in the coming year and beyond.

In addition to several upgrades and repairs made at existing City parks under the guidance of the Parks Commission, highlights include:

- The Tenant Trailhead Park, a new city park with a regional reach, had a groundbreaking this year, and under the stewardship of Si View Metro Parks, the first phase is now under construction;
- A second new city park, the Dahlgren Family Park, was designed and permitted in coordination with the Department of Natural Resources. Starting construction later this spring, this park will connect with the neighborhood and provide further connectivity to the Snoqualmie Valley Trail and the King County Tanner Landing Park with its river access. Soon you will be able to walk or ride from downtown along North Bend Way and then cross directly to river access;
- Farmstead improvements, a cricket pitch, and more continue at the City's Tollgate Farm Park in partnership with and under the professional management of Si View Metro Parks;
- And as we celebrate the first 25 years of stewardship of the Meadowbrook Farm open space, I am excited to share that we anticipate a new management framework in partnership with the Snoqualmie Tribe, the City of Snoqualmie, Si View Metro Parks, and the Meadowbrook Farm Preservation Association to take us through the next 25 years and beyond.

Finally, and coming back to community input, after extensive research and engagement with many interested residents and groups, conceptual design work is underway for a fully redeveloped Taylor Park (a.k.a. Train Depot Park) and the first true improvements of Riverfront Park along the South Fork Snoqualmie next to Bendigo Boulevard. Engagement will continue as plan alternatives are vetted.

IN CLOSING

The themes throughout my comments tonight have been of community engagement, of connectivity, and much about grant-funded projects. Let's see if I can tie it together. First comes basic services – we are dependent on water, on waste handling, on having shelter and food, and being safe in our community.

With these basics met, we look to how we move about our community, whether by car, bike, walking, or other. And much of that movement is to get to the store, the retail shop, the restaurant... and to the parks and open space we so cherish. It's all tied together and dependent on the other.

Most fundamental of which, from a thriving community standpoint, is that we need to meet our obligations in the basic services category – for water, for waste, and especially doing our part for housing a growing society. The grants that feed improvements in our roadways and the development of the park and open space we desire start with eligibility because we must responsibly meet our obligations to provide service. We all know we live in an interdependent world, and this is one reflection of it.

I love our community. All our community. And for as long as I'm your Mayor, I'll continue to work for the best outcomes and future of the whole community. That's my promise to you.

Thank you for the opportunity to reflect on this past year and share our future direction with you. I and the City Council are here for you, and we could not do it without the hard work and dedication of our staff, and you, our residents."

INTRODUCTIONS:

AB23-030 – Ordinance Adopting NBMC 3.78 Multi-Family Tax Exemption Program **Audio: 40:28**

City Attorney Marshall provided the staff report.

Councilmember Loudenback **MOVED**, seconded by Councilmember Gothelf to approve AB23-030, approving as a first reading an ordinance adopting North Bend Municipal Code 3.78 relating to a Multifamily Tax Exemption Program and setting a public hearing and final reading for the March 21, 2023 City Council meeting. The motion **PASSED** 6-0.

AB23-031 – Motion Authorizing Contract with Quality Control Corporation For WWTP/SCADA Upgrade **Audio: 1:01:20**

City Engineer DeBerg provided the staff report.

Councilmember Loudenback **MOVED**, seconded by Councilmember Miller to approve AB23-031, authorizing a contract with Quality Controls Corporation, Inc. to Upgrade SCADA Communications and Controls, in an amount not to exceed \$332,990, in a form and content approved by the City Attorney. The motion **PASSED** 6-0.

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Joselyn thanked the Mayor for the State of the City Address.

Councilmember Gothelf commented that he is looking forward to spring and with increased daylight hours pedestrian safety was important.

Councilmember Elwood thanked the Mayor for the State of the City Address. He appreciated hearing that the City has an award-winning staff and hats off to the team who made it work.

Councilmember Loudenback thanked everyone who attended the meeting and thanked the hardworking staff.

Mayor McFarland spoke regarding the following items:

- AWC Well City Award
- March 2023 Resilience Month Proclamation
- City Hall Expanded Hours – Open During the Lunch Hour

EXECUTIVE SESSION:

Mayor McFarland recessed the regular meeting for an Executive Session at 8:21 p.m. to discuss collective bargaining negotiations, pursuant to RCW 42.30.140(4). No action was anticipated as a result of the Executive Session, which was expected to last thirty minutes and videotaping of the meeting ceased.

At 8:51 p.m. it was announced to audience members outside the adjournment room that the Executive Session was expected to last an additional ten minutes.

The regular meeting reconvened at 9:01 p.m.

ADJOURNMENT:

Councilmember Loudenback **MOVED** to adjourn, seconded by Councilmember Gothelf. The motion **PASSED** 6-0.

The meeting adjourned at 9:01 p.m.

ATTEST:

Rob McFarland, Mayor

Jennifer Bourlin, Deputy City Clerk