

COUNCIL



MINUTES

Work Session
December 7, 2009

Call to Order / Invocation / Pledge of Allegiance

Mayor Kendall called the meeting to order at 7:00 p.m. and led those present in the Pledge of Allegiance.

Roll Call

Chief Administrative Officer Mary Swenson gave the roll call. The following staff and councilmembers were in attendance.

Mayor: Dennis Kendall

Council: Councilmember Jon Nehring, Councilmember Lee Phillips, Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, Councilmember Jeff Vaughan and Councilmember Donna Wright

Absent: None

Also Present: Chief Administrative Officer Mary Swenson, Finance Director Sandy Langdon, City Attorney Grant Weed, Chief Smith, Community Development Director Gloria Hirashima, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, Police Lieutenant Darin Rasmussen, Financial Planning Manager Denise Gritton, Administrative Division Manager Bob Dolhanyk, and Recording Secretary Laurie Hugdahl.

Committee Reports

Presentations

Discussion Items

Approval of Minutes

1. Approval of November 4, 2009 City Council Budget Workshop Minutes.
2. Approval of November 9, 2009 City Council Meeting Minutes.

3. Approval of November 16, 2009 City Council Meeting Minutes.

Consent

4. Approval of November 11, 2009 Claims in the Amount of \$409,142.07; Paid by Check No.'s 59158 through 59269 with No Check No.'s Voided.
5. Approval of November 18, 2009 Claims in the Amount of \$502,926.86; Paid by Check No.'s 59270 through 59415 with Check No. 49060 Voided.
6. Approval of November 25, 2009 Claims in the Amount of \$425,715.04; Paid by Check No.'s 59416 through 59585 with Check No. 59089 Voided.
7. Approval of December 2, 2009 Claims.
8. Approval of November 20, 2009 Payroll in the Amount of \$763,822.68; Paid by Check No.'s 22058 through 22106.

Review Bids

9. Award Ingraham Boulevard Project to SRV Construction, Inc. in the Amount of \$2,775,249.96 Including Washington State Sales Tax and Approve a Management Reserve of \$138,762.50 for a Total Allocation of \$2,914,812.46.

Public Works Director Kevin Nielsen stated that staff is very happy with the bid amount from SRV. Marsh Bank initially appeared to be the low bidder but they made a math error which changed their bid amount bottom line. Staff is eager to award this and get it constructed for the high school.

Public Hearings

10. Public Hearing to be held on December 14, 2009 to Consider a New Ordinance Chapter 3.103 of the Marysville Municipal Code Creating a Multifamily Housing Property Tax Exemption Code and Designating a Residential Targeted Area (refer to item 27).

Director Hirashima explained that this coincides with the downtown plan area and relates to new multifamily housing tax exemption.

Councilmember Rasmussen noted that the program requirements prohibit tenant displacement and state that the property must be unoccupied for 12 months. Director Hirashima explained that since it also requires that it be new construction, these will not be issues.

11. Public Hearing to be held on December 14, 2009 regarding Planning Commission Recommendation for Zoning Code Amendment: Master Planned Senior Community Code (refer to item 28).

Director Hirashima remarked that the intent of this is to allow for senior master plan communities in a variety of zones. This provides for senior housing at a planned community level.

Councilmember Rasmussen asked Director Hirashima for her input about the two acre minimum requirement which was recommended by the Planning Commission in the first draft. There was some discussion about this, but Director Hirashima informed the Council that this had been revised. The Planning Commission had eliminated the two-acre requirement and instead included a minimum unit number. Twenty units must be included and at least 50% of those must be senior units.

Councilmember Seibert expressed concerns about people who might want to change the type of use at a later date. Director Hirashima explained that there are covenants related to affordable housing. City Attorney Grant Weed further explained these restrictions. Councilmember Seibert stressed that it needs to be restricted to state that they cannot reconvert it. Director Hirashima and City Attorney Weed indicated that they would review this and make a recommendation.

New Business

12. Plat of Palmer Place – Plat Extension (PA 04-034).

Director Hirashima explained that this is a plat extension in conformance with the historic property code. The Planning Commission has reviewed this and has recommended approval of the Historic Preservation Agreement in order for the applicant to receive the requested exemption.

13. Historic Preservation Agreement between Courtney C. Williams / Marysville Opera House and the City of Marysville.

Marysville Opera House had previously applied for and received a historic property special valuation under state law. The Planning Commission has reviewed this and has recommended approval of the Historic Preservation Agreement in order for the applicant to receive the requested exemption.

14. Visitor and Community Information Center Services Agreement with the Greater Marysville Tulalip Chamber of Commerce and the City of Marysville.

CAO Swenson stated that this is the exact same agreement as 2009. Councilmember Rasmussen asked if the quarterly meetings need to be a requirement. CAO Swenson agreed that it could be changed to an annual requirement.

15. Interlocal Agreement with Snohomish County for Emergency Management Services.

Chief Smith explained that that this is a renewal with the county for services. It went up from \$1.05 to \$1.06 per capita. Otherwise the agreement is the same. He acknowledged Bob Dolhanyk for his excellent work with DEM. He has fostered a great relationship with them. He also recognized the great work that Nancy has done

16. Buy / Sell Agreement with Habitat Bank, LLC in the Amount of \$100,800.00.

Director Nielsen stated that this is accepted by Washington Fish and Wildlife, US Army Corps, DOE, and Department of Commerce. This resides in our Watershed Area #7.

17. State Funding Agreement Supplement No. 1 with WSDOT for the 47th Avenue NE Improvements Project.

Director Nielsen stated that the project was awarded on November 9. This agreement deobligates TIB funds because the bid came in cheaper.

18. Acceptance of the 2009 Watermain Renewal and Replacement of the 47th Avenue Project Starting the 45-Day Lien Filing Period for Project Closeout.

Director Nielsen stated that the watermain is complete and tested satisfactorily. They are ready to start the 45-day lien period.

19. Interlocal Agreement between Snohomish County and the City of Marysville Concerning the Completion of Improvements to the Intersection of 51st Avenue NE and 100th Street NE.

City Attorney Grant Weed informed the Council that this type of interlocal agreement requires adoption of an ordinance by the City and adoption of a resolution by the County. An ordinance will accompany this action and be in the packet next week. This would apply anywhere they would be doing work in our right-of-way within city limits.

20. Interlocal Agreement with Snohomish County for Jail Services.

Chief Smith stated that this is a renewal with modifications. Grant Weed's office listened and got information from WCIA to shore this up. Councilmember Nehring asked about the rate. Lieutenant Rasmussen stated that the rate went down a little bit in 2010. Chief Smith added that they are working on a reciprocity agreement with other jurisdictions which will represent a 30% savings on overall jail expenditures for inmate housing next year. Councilmember Nehring asked about electronic home detention. Chief Smith stated that it is in-house and will not be contracted out with the County. CAO Swenson stated that there was a lot of concern when Sherriff Lovick took over the jails, but he has

done a great job addressing the concerns such as work release and work crews. Chief Smith also commended the work Sherriff Lovick has done.

Councilmember Soriano asked about the duration of the agreement. Chief Smith stated that it is for five years, but can probably be adjusted at any time. Councilmember Soriano referred to the formula for the use of in-custody work crews. Chief Smith said it is a general work formula that they use, but noted that Marysville does not use these at all.

21. Professional Services Agreement between the City of Marysville and Calm River, Inc. for Annexation Census Services.

Director Hirashima stated that this firm has done many censuses. This year the census is too big for the city to do internally. State law requires that it be done within 60 days. They will be setting up an office in the city and a city contact person will be designated as well. The contract amount is \$92,217 for the estimated number of housing units and \$12 for housing unit over that amount.

Councilmember Rasmussen liked the fact that they are providing a phone number that people can call in to complete the census.

Councilmember Vaughan asked who they would be sending to residences. Director Hirashima thought that it would probably be college students.

Councilmember Vaughan thought it might be nice if they hired locally. Director Hirashima said she would look into it.

Councilmember Seibert asked if they were required to do some sort of background check for the workers. Director Hirashima didn't think so, but said they are required to do a confidentiality agreement.

Director Hirashima noted that the OFM is very strict about getting names. If they do not get names the information cannot be counted.

22. Discussion of Additional 1% Utility Tax.

CAO Swenson reminded Council that this was discussed during the budget process. We are currently at 5% and have the ability to go up to 6%. She stated that it does not have to be taken on all of the utilities. In the past the City has increased this when there was a need for revenues and then backed it down. Director Langdon discussed the types of utilities this relates to.

Councilmember Seibert asked which types of telephone services would be covered. Director Langdon stated that it is for any telephone-like activity. Councilmember Rasmussen said she would not be interested in raising taxes on gas or electric since they disproportionately impact lower-income residents who may have worse insulation

and older, more poorly constructed homes. She stated that she would be interested in seeing more information about the telephone tax.

Councilmember Wright asked if this is just on residential. Director Langdon said it would be for the total city.

23. Discussion Relating to School Impact Fees and Amending Certain Sections of the Marysville Municipal Code.

Director Hirashima said the City Council asked the Planning Commission to look at the school impact fee formula. The Planning Commission reviewed this and is recommending that the discount factor be assessed at .5 instead of .25. This would be consistent with Snohomish County and surrounding jurisdictions. A second ordinance establishes an additional administrative fee for collection and accounting of school impact fees.

Councilmember Seibert said he would like to see a letter from the school district expressing support of this. CAO Swenson said they would try to get something in writing. Director Hirashima pointed out that the district representatives did not say they were supportive of this; they just said they would not oppose it. Councilmember Rasmussen did not feel it was necessary to get something in writing since Mr. Baker was already sent to testify on behalf of the school district. Director Hirashima commented that the school district representatives seemed to feel that the discount factor was a preferred way of adjusting the formula.

Councilmember Soriano asked Director Hirashima for a picture of the market conditions in 2001 when the .25 amount was proposed. Director Hirashima indicated she could provide building permit information from 2001 versus now, but her opinion was that it was more of a political decision of the Council at that time as opposed to a reflection of the economic climate. Councilmember Seibert discussed other factors that may have been part of that decision.

24. Discussion Relating to Admission Tax.

CAO Swenson discussed activities which would be impacted by the proposed admission tax.

Councilmember Rasmussen said she would not be in favor of admission tax for items 3, 4, and 5. She asked for more information about item 2. CAO Swenson said there are only two establishments in Marysville that charge cover charges, JR Phinickey's and The Village (only occasionally). Both of these establishments have pull tabs and gambling so are already set up to report to the city on a regular basis. City Attorney Weed said that item 2 closes a loophole for businesses that would otherwise charge an admission tax. He noted that the golf course would be covered, but other government-

sponsored functions would be exempted. He pointed out that under number 6, has a very narrow list of businesses that would be taxed. This is not as broad as many cities.

25. A Resolution Supporting the Application to Snohomish County for a Community Development Block Grant (CDBG).

There were no questions regarding this.

26. A Resolution of the City of Marysville Establishing a Non-Discrimination Policy for City Parks and Recreation Facilities and Programs.

Director Ballew stated that this is legislatively required as of 1/1/10.

27. An Ordinance of the City of Marysville, Washington Enacting a New Chapter 3.103 Marysville Municipal Code Entitled Multifamily Housing Property Tax Exemption.

(Covered above)

28. An Ordinance of the City of Marysville, Washington Establishing Development Regulations for Master Planned Senior Communities, Amending MMC 19.08.030 to Add Master Planned Senior Communities to the Table of Residential Land Uses, and Adopting a New Chapter 19.47 of the Marysville Municipal Code.

(Covered above)

29. An Ordinance of the City of Marysville, Washington Amending the 2009 Budget and Providing for the Adjustment of Certain Expenditure Items as Budgeted for in 2009 and Amending Ordinance No. 2751, Amending Ordinance No. 2761, Amending Ordinance No. 2764 and Amending Ordinance No. 2777.

Finance Director Langdon reviewed the amendments.

30. An Ordinance of the City of Marysville, Washington Adopting an Update to the City's Surface Water Comprehensive Plan.

Director Nielsen pointed out that there is a CD behind the executive summary. Overall, surface water program is doing very well, but in the coming years they will be spending more money on the regulatory program activities (NPDES Phase II permit). CAO Swenson commended Kevin Nielsen for the work that he has done. She noted that the City is very far ahead of other jurisdictions.

31. An Ordinance of the City of Marysville, Washington Amending Marysville Municipal Code Section 19.14.095 Related to Small Lot Single Family Development Standards.

Director Hirashima explained that this is an ordinance revising the single-family design standards. The revisions would provide more flexibility for builders and allow them to meet the design standards goals in a variety of ways.

32. An Ordinance of the City of Marysville, Washington Amending Marysville Code Section 19.14.080 Related to Temporary Uses-Permitted Uses.

Director Hirashima said this is a revision to allow for temporary sales trailers to be located in subdivisions.

Other:

Jim Ballew informed Council that a lease agreement for the tenants of the Mother Nature's Window property would be on the agenda for next week.

Legal

Mayor's Business

Motion made by Councilmember Seibert, seconded by Councilmember Nehring, to appoint Donna Wright as a representative of the Snohomish Health District. Motion passed unanimously (7-0).

Staff Business

Chief Smith:

- He referred back to the discussion about the work release formula and clarified that we do not do work release so the formula is irrelevant.
- There will be no Public Safety meeting this month.
- A memorial will be held tomorrow for the four Lakewood officers.
- The remodel is nearing the end. He commended Mike and Marty for the work that they have done. This will help the department expand and provide more room.
- The Night Team is checking out the annexed area and it looks like the police will be busy with this area.
- He praised Sgt. Larry Buell and Officers Mike Buell, Wallace Forslof, Adam Vermeulen and Josh Benson who all went over to the Brenton house and put up Christmas lights and decorations last week.
- Sergeant interviews recently were very intense; there were some very tough choices. He announced that Joby Johnson will be promoted to sergeant on December 16.
- Lieutenant testing has been happening also.
- They are pulling a community policing strategy together.

Gloria Hirashima had no further comments.

Jim Ballew stated that he had a great time this weekend. The weather was good and there was a good turnout.

Kevin Nielsen:

- Mike and Marty are the two people in PW who work in facilities. They have done an amazing job at the police department as well as the golf course.
- The striping on 27th is done.
- Anti-icing agent is currently being put on the road.
- He confirmed the January 8 Public Works committee meeting.
- He discussed new positions in public works.

Sandy Langdon reported that there would be no Finance Committee meeting for December.

Grant Weed:

- Discussed an audit on land use and development regulations that was required by the WCIA. He recognized the huge amount of work Gloria Hirashima and the Community Development department have done. He added that over the last year there have been a large number of development code related ordinances. This has been a good year to look at regulations since applications were down, resulting in extra time. They have done a great job of bringing code and new ideas to Council for consideration.
- He discussed an article and picture in the *Marysville Globe* regarding a mysterious safe that the original mayor of Marysville had. He pointed out that the picture was featured above an advertisement about "breaking the bank".
- He stated the need for an Executive Session to consider two potential litigation matters - one labor negotiations item and one item concerning lease of real property. He estimated that they would need 30 minutes. Action was expected on one item concerning real property lease.

Mary Swenson:

- Great job by the Parks department over the weekend.
- Golf course restaurant is coming along very nicely.
- Gloria Hirashima has been named *Public Employee of the Year* by Master Builders of King and Snohomish County and APA.
- Regarding the police shootings in Lakewood, there was an immediate response at the department. Chief Smith has spent time with every crew discussing safety. The Chief also spent some time with the Brentons and posted a car there for a 24-hour period. She discussed reactions to the shootings. The City will have representatives at the funeral. Chief Smith also went down to Lakewood and visited with the department. He extended offers of any help that they might need.

Call on Councilmembers

Jeff Vaughan had no comments.

Carmen Rasmussen:

- She commended Parks staff for the Merrysville for the Holidays.
- She asked if the meeting with the Tribes has been cancelled. Mayor Kendall stated that it had been.
- She extended condolences to the City of Lakewood, families, the police department and the law enforcement community as a whole. She was pleased that the city was able to offer support to the community.
- She asked if the "Buy Local" campaign was assisting sales tax revenues. Mary Swenson said they are still waiting for numbers from October, but she thought that they were doing well. She noted that Everett sends out notices in their utility bills to remind citizens to buy local. The city is considering doing that.

Jon Nehring asked about supporting the t-shirt program for Officer Brenton's family. Mary Swenson indicated they would look into that.

Donna Wright had no comments.

Lee Phillips had no comments.

John Soriano was glad the city was able to offer support to Lakewood.

Jeff Seibert:

- Christmas in the Park was very well-attended. It was a nice event.
- Cedar Street got tagged a couple weeks ago. He asked if notices had been sent out about cleanup. The Park-and-Ride was also tagged.

Mayor Kendall informed Council that the official dedication of the Park and Ride would be next Tuesday at 10 a.m. CAO Swenson commented that Mayor Kendall went out there at 4:00 in the morning when they started service to meet the first bus.

Jim Ballew informed Council that Mickey Schroeder, a volunteer at the senior center for many years, passed away over the weekend.

Mayor Kendall recessed the meeting at 8:56 p.m. before reconvening into Executive Session to discuss two potential litigation items expected to take 30 minutes with action expected on one item concerning a real property lease.

Executive Session

A. Litigation – one item concerning labor, pursuant to RCW 42.30.110(1)(i)

B. Personnel

C. Real Estate – one item concerning lease of real property, pursuant to RCW 42.30.110(1)(b)

Motion made by Councilmember Phillips, seconded by Councilmember Rasmussen, to extend the Executive Session 30 minutes. **Motion** passed unanimously (7-0).

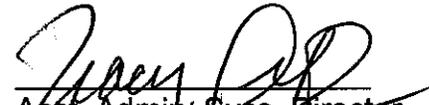
Motion made by Councilmember Phillips, seconded by Councilmember Rasmussen, to approve the Lease with NW Food and Beverage LLC as discussed in Executive Session. **Motion** passed unanimously (7-0).

Adjournment

Seeing no further business Mayor Kendall adjourned the meeting at 10:00 p.m.

Approved this 11th day of January, 2009.


Mayor
Dennis Kendall


Asst. Admin. Svcs. Director
Tracy Jeffries