

MARYSVILLE CITY COUNCIL WORK SESSION

April 5, 2004

7:00 p.m.

City Hall

CALL TO ORDER / INVOCATION / PLEDGE OF ALLEGIANCE

Mayor Dennis Kendall called the April 5, 2004 work session of the Marysville City Council to order at 7:00 p.m. There was no invocation. Mayor Kendall led those present in the Pledge of Allegiance.

ROLL CALL

Finance Director Sandy Langdon called the roll. The following staff and councilmembers were present.

Mayor: Dennis Kendall

Council: Lee Phillips, Jeff Seibert, John Soriano, Lisa Vares, Jeff Vaughan and Donna Wright.

Staff: Grant Weed, City Attorney; Sandy Langdon, Finance Director; Dave Ostergaard, Development Services Manager; Phil Williams, Interim Public Works Director; Kevin Nielsen, City Engineer; Greg Keith, Public Works Operations Manager; Jim Ballew, Parks and Recreation Director; and Laurie Hugdahl, Recording Secretary.

Mayor Kendall noted that Mayor Pro Tem Jon Nehring was away on vacation. **Motion** made by Councilmember Seibert, seconded by Councilmember Vares to excuse his absence. **Motion** passed unanimously (6-0).

COMMITTEE REPORTS

None.

PRESENTATIONS

A. Proclamation: Public Health Week (April 5-11, 2004); Community Health Assistant Director Charlene Crow-Shambach.

Mayor Kendall read a proclamation declaring April 5-11, 2004 as "Public Health Week." Community Health Assistant Director Charlene Crow-Shambach was present for the reading of the proclamation. She thanked Mayor Kendall for the recognition and described many of the benefits of community health.

DISCUSSION ITEMS

A. Utility Project Financing.

Finance Director Sandy Langdon summarized how the finance-related agenda items relate to each other and to this topic.

Lee Voorhees, Bond Counsel, Foster, Pepper & Shefelman

Mr. Voorhees explained how the interim utility financing would provide a revolving line of credit for the City to borrow up to \$30m for the specific purpose of financing water/sewer projects. He then solicited questions. There were none.

Steve Gaidos, Financial Advisor to the City

Mr. Gaidos spoke about the financing mechanism. He explained that there are two options, prime rate or LIBOR. Of the two, he recommended the prime rate option and explained why. He noted that this is a very flexible agreement. Bank of America would be the lending institution. Permanent financing would occur at some point in the future. He discussed possible refinancing, which could result in approximately \$300,000 savings per year. He also pointed out that there would be an interest penalty if not enough money was borrowed. He then solicited questions. There were none.

Discussion

Sandy Langdon added that she did not believe there would be a problem with the penalty associated with not borrowing enough money.

Councilmember Jeff Seibert referred to page five, section 3, which lists the principal amount as \$41,719,000.00. He asked if this was a bit high. Ms. Langdon agreed that it might be, but that it was much easier to do it this way up front.

Councilmember John Soriano then asked about possible fluctuations in the prime rate due to the election season. Mr. Gaidos explained that this was not typical.

ACTION ITEMS

A. Independent Contract Agreement for Interim Softball Coordinator.

Parks and Recreation Director Jim Ballew explained the need for this position and outlined its responsibilities. There was no discussion.

Motion made by Councilmember Jeff Vaughan, seconded by Councilmember Vares to approve the contract. **Motion** passed unanimously (6-0).

B. Professional Services Agreement – Community Participation Expanded Outreach and Vision Workshops for Comprehensive Plan; Makers, Inc.

Motion made by Councilmember Vares, seconded by Councilmember Wright to approve the selection of Makers Inc., approve the professional services agreement for the required work and authorize the Mayor to sign the appropriate documents. Motion passed unanimously (6-0).

Other Items Scheduled for April 12, 2004 Meeting

CONSENT

- A. Approval of March 24, 2004 Claims in the Amount of \$369,548.56; Paid by Check No. 14011 through 14172.
- B. Approval of March 31, 2004 Claims.
- C. Approval of April 7, 2004 Claims.
- D. Approval of March 20, 2004 Payroll in the Amount of \$492,579.75; Paid with Check No. 12339 through 12410.
- E. Approval of New Liquor License Application for Vi and Glynn's Tavern.

There were no comments or questions regarding this item.

- F. **Authorize Mayor to Sign Acknowledgement of Aquatic Easement Numbers 51-026231 and 51-024341 Forfeiture for Nonuse Letter; Washington Department of Natural Resources.**

Interim Public Works Director Phil Williams reviewed the background on this document. City Attorney Grant Weed added that this letter does not address the issue of possible future removal of the pipes. The original agreement did not include any language assigning responsibility for this and he did not feel it should be included in this one.

Councilmember Seibert commended him for his work on this and for focusing on the intent of the original agreement.

- G. **Authorize Mayor to Sign Coordinated Prevention Grant Offer; Grant #G0400178 – Multi-family Recycling Program; Washington State Department of Ecology.**

Greg Keith, Public Works Operations Manager, reviewed this two-year grant from the Department of Ecology for the total amount of \$26,615. He noted the City has an obligation to match \$4,436 per year for two years. He pointed out that the contract with Blue Marble Environmental under New Business would be the companion contract with this. There was general discussion regarding these agreements.

H. Authorize Mayor to Sign State Avenue Improvements/Ebey Slough Park PUD Pole Relocation Easement.

Phil Williams explained that this easement would address the need to move three utility poles on State Avenue. Grant Weed noted the revisions they are hoping to make to the PUD's original document. He suggested developing a standard easement to offer to the PUD in the future and indicated this is something they are working on.

I. Authorize Mayor to Sign Contract for Farmer's Market; Laura Hart.

Jim Ballew noted that this was a two-year extension request. Councilmember Wright referred to a previous issue with Farmers Market and the Homegrown Festival. There was discussion about the need for better communication between the two events.

J. Authorize Mayor to Sign Contract to Allow Refrigerated Drop-Off and Pick-Up Booth for Water Samples Be Placed in Lloyd Taubeneck Building; Edge Analytical.

Phil Williams summarized the agreement with Edge Analytical. He noted that it was a win-win situation for both parties.

K. Establish Pay Classification of Athletics Coordinator at N7 in the Non-Representative Grid.

Sandy Langdon explained that the position is currently vacant. There were no comments or questions regarding this issue.

L. Authorize Mayor to Sign Nonexclusive Communication Site Subleases with US Coast Guard & Department of Justice.

City Attorney Grant Weed addressed this topic. Councilmember Siebert asked about the previous discrepancy in prices between the two entities. Mr. Weed explained that they had better information now and a better understanding of what the fair market rate is.

REVIEW BIDS

A. 2004 Annual Concrete Construction.

Interim Public Works Director Phil Williams noted that there had been five bids submitted. Staff is recommending award of the bid to the apparent low bidder R&J Landscape and Construction.

PUBLIC HEARINGS

None.

CURRENT BUSINESS**A. Economic Development Committee Chair Goal Statement Recommendation.**

Placeholder.

NEW BUSINESS**A. 2004 Strawberry Festival Proposal.**

Strawberry Festival representatives were present to discuss this year's proposal. The changes discussed were:

1. Trike race being moved to Asbery Field – this is still under discussion with the school district.
2. Berry Run will be on Saturday before the parade starts. The route was reviewed.

B. Variance Request from Pacific Coast Feather.

Interim Public Works Director Phil Williams reviewed the history of this situation. He pointed to previous concerns about Pacific Coast Feather's intentions to recycle. Mr. Williams noted that staff was not recommending approval of the variance, but has become convinced that Pacific Coast Feather is serious about investigating recycling options. Staff recommends denying the increase, but is in favor of extending the current variance. He added that an extension of the variance would enable the company to hire 13-14 employees. There was discussion about other benefits to the City such as the sale of water.

Councilmember Seibert had concerns about residential customers being surcharged in the summer, but not commercial customers. There was discussion about this.

C. Revise MMC 7.08.065; Solid Waste Management Accessibility of Cans.

Public Works Operations Manager Greg Keith explained that this code revision would allow the City to charge in the event of a dumpster being blocked.

D. Supplemental Agreement for Stillaguamish Water System Improvements Project Design Services.

City Engineer Kevin Nielsen reviewed the redesign for the Stillaguamish filtration plant. He referred to the attachment which shows the before and after. He noted that this was facilitated by Arlington changing its code.

E. Wehmeyer Annexation Notice of Intent; PA 04008.

There were no comments or questions regarding this item.

F. Professional Services Agreement for Multi-Family Recycling; Blue Marble Environmental.

This was discussed under *Consent Agenda, Item G* above.

G. Letter of Engagement for Bond Counsel; Foster, Pepper & Shefelman.

This was discussed under *Discussion Items, Utility Project Financing* above.

LEGAL

A. Recovery Contract for Trunk F to Trunk A Intertie.

There was discussion about the area included within the boundaries. Kevin Nielsen indicated they would need to recalculate the numbers and come back with revised information.

ORDINANCES & RESOLUTIONS

A. An Ordinance of the City of Marysville Annexing and Zoning Certain Unincorporated Area, Known as the Gribble – Center Construction Annexation into the City of Marysville and Repealing Ordinance No. 2505 (2-Parcel Gribble – Center Construction Annexation).

Councilmember Jeff Vaughan asked about notification of those involved. Grant Weed agreed that they should be notified if that has not already been done. He added that there was not a legal requirement to hold another hearing although one could be held. Mayor Kendall stated they would definitely make an effort to advise those concerned that May 1, 2004 would be the annexation date.

B. An Ordinance of the City of Marysville Relating to the Waterworks Utility of the City; Specifying, Adopting and Ordering the Carrying Out of a System or Plan of Additions to and Betterments and Extensions of that Waterworks Utility; Authorizing the Issuance of Not to Exceed \$30,000,000 Principal Amount of Its Water and Sewer Revenue Bond Anticipation Note (Revolving Line of Credit) Pending the Issuance of Water and Sewer Revenue Bonds Authorized Herein; Fixing the Date, Form, Maturity, Options of Setting the Interest Rate Index, Terms and Covenants of the Note; Establishing a Note Redemption Fund; and Authorizing the Issuance and Providing for the Delivery of the Note to Bank of America, N.A. of Seattle, Washington.

This ordinance was discussed earlier under *Discussion Items, Interim Utility Financing*.

C. An Ordinance of the City of Marysville Establishing and Amending Procedures for Processing and Review of Site Plans and Master Plans, Amending MMC 19.06 Adding Definitions, Amending MMC 15.03.020 Relating to the Authority of the Community Development Director, Amending MMC 15.03.040 Relating to the Authority of the Planning Commission, Amending MMC 15.03040 Relating to the Authority of the Hearing Examiner, Amending MMC 15.09.020(1) Relating to Administrative Approval without Notice, and Amending MMC 15.09.030(1) Relating to Administrative Approval Subject to Notice.

Grant Weed briefly reviewed the changes included in this ordinance.

INFORMATION ITEMS

A. Mayor's Business

Mayor Kendall reminded Council of the Easter Egg Hunt on Saturday at 10 a.m. at Jennings Park.

B. Staff Business

Phil Williams addressed the **Wastewater Treatment Plant Upgrades – Phase II; Change Order #1**. Councilmember Seibert referred to problems with as-builts. Mr. Williams and Mr. Nielsen indicated that better procedures are now in place to deal with this.

Kevin Nielsen had no comments.

Dave Ostergaard had no comments.

Grant Weed had no comments.

Sandy Langdon addressed the **Declaration of Official Intent to Reimburse Expenditures from Proceeds of Bonds**. She also noted that e-mail was now up and running.

C. Call on Councilmembers

Lisa Vares had no comments.

Jeff Vaughan referred to complaints about scooters. Grant Weed indicated that they are compiling information to bring back to Council as a discussion item.

Jeff Seibert commended progress by the contractor on the State Avenue Project.

Lee Phillips had no comments.

John Soriano asked if anyone would be attending the 10th Anniversary of the Naval Station. Mayor indicated that the City would have a representative there.

Donna Wright reviewed some Health Board issues that included discussion of a smoking/tobacco ban and significantly increased fees for hand-washing stations.

ADJOURNMENT

Mayor Kendall recessed at 9:10 p.m. into Executive Session, which was to begin at 9:15 p.m. There was one real estate issue to be discussed with possible action to be taken.

EXECUTIVE SESSION


Council convened into Executive Session at 9:18 p.m.; discussed one real estate item; and reconvened into Regular Session at 9:23 p.m.

Motion by Councilmember Seibert, second by Councilmember Vares to approve the real estate transaction as discussed in Executive Session. Motion passed unanimously (6-0).

ADJOURNMENT

Mayor Kendall adjourned the April 5, 2004 City Council Work Session at 9:26 p.m.

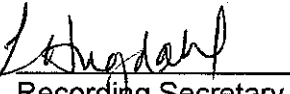
Approved this 12th day of April, 2004.



Mayor
Dennis Kendall



City Clerk
Gerry Becker



Recording Secretary
Laurie Hugdahl