

COUNCIL



MINUTES

Work Session
May 4, 2009

Pledge of Allegiance

Mayor Kendall called the Work Session to order at 7:00 p.m. He 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, City Engineer/Assistant Public Works Director John Cowling, Assistant Human Resource Director Kristie Guy, Court Administrator Suzanne Elsner, Assistant Administrative Services Director Tracy Jeffries, and Recording Secretary Laurie Hugdahl.

Committee Reports

John Soriano reported on the April 28 Public Safety Committee meeting where they received an overview of the administrative division from the Administrative Division Manager Bob Dolhanyk. Crime Analyst Don Castanares also reviewed work they are doing in crime analysis and investigations.

Presentations

A. Proclamation - Marysville Juror Appreciation Week May 3 through May 9, 2009

Mayor Kendall read the Proclamation recognizing the week of May 3 through May 9, 2009 as Marysville Juror Appreciation Week. Suzanne Elsner received the Proclamation on behalf of the Court.

B. Annexation Study Presentation - Berk and Associates

Natasha Fedo and Michael Hodgins of Berk and Associates gave an update on the annexation study. Ms. Fedo discussed:

- 2009 Legislation Related to Annexations
 - Extension of sales tax credit to 2015 and other changes (SB 5321). Mary Swenson discussed issues with the “commenced annexation” portion of the bill.
 - Fire districts (SB 5808)
- Update on changes from the last meeting.
 - Changes to assumptions - recession impacts on sales tax base and development activity; fire cost assumptions
 - Utility revenue mitigation - lost revenue to utility fund from out-of-city residents switching to city resident utility rates. Mary Swenson added that staff is currently evaluating this issue.

Michael Hodgins discussed the long-term financial analysis regarding the gap between costs and revenues. He explained that the staffing summary is driven by both annexation and growth. He noted that the increment of staffing in the PAA (Potential Annexation Area) declines over time.

Mr. Hodgins also reviewed Risk Assessment - Model Scenarios including:

- Revenues - Property taxes levy rates; business taxes, utility taxes
- Expenditures - impacts on changes to rate of hiring; salary and wage escalations
- Development assumptions - ways of looking at the sales tax revenue decline: either cyclical downturn (will improve); structural (will stay lower); or somewhere in between. Marysville’s unique situation was reviewed. There was consensus to use an 80% figure in the model. Baseline assumptions for build-out of residential and commercial development were also reviewed. Mary Swenson commented that Marysville has experienced a huge amount of retail growth which is usually not sustainable for a long period of time.

Additionally the following items were discussed:

- Facilities Debt Service - city campus, court building, jail remodel; debt service term; allocation to annexation area (based on FTE or population)
- Annexation sales tax credit analysis of .1% versus .2% sales tax credit
- Utility revenue mitigation: general fund subsidy for water and sewer

Discussion Items

Approval of Minutes

1. Approval of April 20, 2009 City Council Work Session Minutes.
2. Approval of April 27, 2009 City Council Meeting Minutes.

Consent

3. Approval of April 22, 2009 Claims in the Amount of \$542,661.33; Paid by Check No.'s 54976 through 55396. Check No.'s 54669 and 54729 Voided. Check No.'s 54977 through 55176 Voided due to Printing Error.
4. Approval of April 29, 2009 Claims in the Amount of \$1,083,407.60; Paid by Check No.'s 55397 through 55544 with Check No.'s 50482 and 55281 Voided.
5. Approval of April 20, 2009 Payroll in the Amount of \$790,041.45; Paid by Check No.'s 21214 through 21273.

Review Bids

6. Award the 2009 Water Meter Equipment Procurement to Neptune Technology Group, Inc. in the Amount of \$833,307.13 Including Washington State Sales Tax.

Carmen Rasmussen commented that the sales tax rate is incorrect so the total amount is also incorrect. Staff will correct this.

Public Hearings

New Business

7. Acceptance of the Edward Springs Well 1R Project Starting the 45-Day Lien Filing Period for Project Closeout.

There were no comments or questions on this item.

8. Data Sharing Contract between State of Washington Department of Licensing and Marysville Municipal Court.

Ms. Elsner stated that this will give the court access to up-to-date driving records and the ability to print reports to individuals at the front counter. It will also give the ability to immediately clear an FTA from someone's driving record. There is no charge for this service.

9. Third Amendment to Interlocal Agreement for Municipal Court Services between the City of Marysville and the City of Arlington Increasing Filing Fees to \$42.00 for

Infractions and \$90.00 for Criminal Citations and for Renewal of the Agreement through December 31, 2011.

Ms. Elsner explained that this will increase the fees that Arlington currently pays for filing citations with Marysville.

10. Interlocal Agreement Establishing Snohomish Regional Drug Task Force.

Chief Smith stated that this is a recurring expense, but has increased due to increases in population.

11. A **Resolution** of the City of Marysville Adopting Revised Personnel Rules of the City of Marysville and Repealing Resolution Number 810 and Subsequent Resolutions Amending Resolution 810.

CAO commended Assistant Human Resource Director Kristie Guy's work on this document. Ms. Guy reviewed the changes in the Personnel Rules. Council also commended the new document.

Councilmember Seibert referred to the reference to wearing items with city logos on page 55. He wondered if it would be acceptable to wear items with city logos to city-promoted events. Ms. Guy stated that it would.

12. A **Resolution** of the City of Marysville Repealing Resolution No. 1565 and Creating a New Grievance Procedure Under the Americans with Disabilities Act.

Ms. Guy reviewed this item.

Legal

Mayor's Business

Mayor Kendall:

- Discussed a reward program for recycling waste. Staff is looking into this.
- Fishing derby last Saturday collected 430 pounds of food. Attendance was down from last year.
- He will be in Olympia on Wednesday and Thursday at a public works board retreat.

Staff Business

Suzanne Elsner reported that Alliance One's employee has started and there has been a constant flow of people paying their fines.

Kristie Guy had no comments.

Gloria Hirashima commented that Rite Aid is stocking its shelves at Gateway.

John Cowling reported that it looks like the City will be getting a grant for Safe Roads to School.

Chief Smith had no comments

Grant Weed attended a Washington State Association of Municipal Attorneys (WSAMA) Conference. It was a great conference with lots of timely topics to cities around the state.

Sandy Langdon reported that an auditor from the State Auditors Office arrived today.

Swenson stated that staff is busy working on the budget issue. She gave an overview of department totals of possible cuts. She requested a discussion on personnel issues in executive session.

Call on Councilmembers

Donna Wright informed the Council that she will be in Washington DC next week.

Lee Phillips thought the fishing derby went well.

John Soriano agreed that the fishing derby went well. Mike Robinson did a great job. He also enjoyed the pancake feed.

Jon Nehring had no comments.

Jeff Seibert thanked the historical society for food tonight. He apologized to everyone for not being at the volunteers' event, but he had to stay home since his wife had been very sick.

Carmen Rasmussen acknowledged Councilmember Nehring's outstanding address to the volunteers at the volunteer appreciation event. She also informed Council that she would be out of town for work next week.

Mayor Kendall stated that they would be discussing collective bargaining negotiations in Executive Session for approximately 30 minutes with no action taken.

Council recessed at 8:52 p.m. until 9:00 p.m. when they entered Executive Session.

Executive Session

A. Litigation

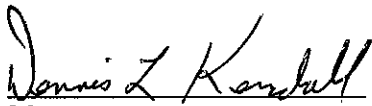
B. Personnel – One matter concerning collective bargaining negotiations, RCW 42.30.140 (4)(a).

C. Real Estate

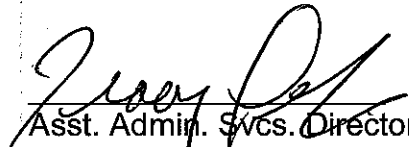
Adjournment

Seeing no further business Mayor Kendall adjourned the meeting at 9:15 p.m.

Approved this 26 day of May, 2009.



Mayor
Dennis Kendall



Asst. Admin. Svcs. Director
Tracy Jeffries