

April 14, 2003

000343

Marysville City Council
7:00 p.m.

ORIGINAL
Public Safety Center

Call to Order/Pledge of Allegiance/Roll Call	CORRECTED - SEE 4/28/03 MINUTES	7:00 p.m.
Approval of Minutes		
March 24, 2003 City Council Meeting		Approved
April 7, 2003 City Council Work Session		Approved
Consent Agenda		
Approval of April 14, 2003 Claims in the Amount of \$1,716,687.72; Paid by Check No. 6334 through 6831 with Check No. 5717 and 5758 Void.		Approved
Approval of April 4, 2003 Payroll in the Amount of \$720,019.22; Paid by Check No. 10429 through 10519 with Check No. 10506 Cancelled and Check No. 10501 Voided		Approved
Acceptance of Proof of Loss Adjustment in the Amount of \$111,338.77 for Jennings Park Maintenance Building Fire.		Approved
Approval of Farmers Market Lease Renewal with Bill and Laura Hart.		Approved
Authorize Mayor to Sign Renewal of Community Service Class II Contract with the Department of Corrections.		Approved
Authorize Mayor to Sign Contract for Deferred Construction of Curbs, Gutters and Sidewalks; Leonid Vyazhevich.		Approved
Allstate Building Remodel - Small Works Contracts.		Approved
Review Bids		
Award of the bid to Rodarte Construction Inc. for the State Avenue Sewer Trunk Extension Project and rejection of the bid protest.		Approved
Public Hearings		
Limit Water and Sewer Service to Properties within City Limits.		Continued to June 16 workshop and June 23, 2003
New Business		
Approve Special Events Permit for the Turning Point Community Church with conditions.		Approved
Approve National Youth Sports Coaches Association Certification Program		Approved Res. No. 2091
Approve SR528, 47th Avenue N.E. to 67th Avenue N.E., #T0102 Property Condemnation Ordinance.		Exec Session
Approve Utility Tax & Franchise Fee Audit; Microflex.		Approved
Establish Pay Classification and Compensation for Development Services Manager (Community Development Department).		Approved
Establish Pay Classification and Compensation for Operations Manager (Public Works Department).		Approved
Policy Regarding Employees Called to Active Duty from Reserve Status.		Continued
LEGAL		
Contract for Recovery of Utility Construction Costs for Sewer; Boyden, Robinett & Associates, L.P.		Approved Utility Recovery Contract No. 254
Contract for Recovery of Utility Construction Costs for Water; Boyden, Robinett & Associates, L.P.		Approved Utility Recovery Contract No. 255

April 14, 2003

Marysville City Council
7:00 p.m.

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Contract for Recovery of Utility Construction Costs for Sewer; Bethlehem Lutheran Church.	Approved Utility Recovery Contract No. 256
Ordinances and Resolutions	
Amend City's Comprehensive Plan by the Adoption of the Marysville School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan.	Approved Ord. No. 2468
Amend City's Comprehensive Plan by the Adoption of the Lakewood School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan.	Approved Ord. No. 2469
Amend City's Comprehensive Plan by the Adoption of the Lake Stevens School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan.	Approved Ord. No. 2470
Amend Marysville Municipal Code Section 18C.06.010 Relating to Capital Facilities Plan and 18C.10.020 Relating to Impact Fee Schedule Exemptions.	Approved Ord. No. 2471
Amend MMC 11.62.020 Relating to Designation of Truck Routes.	Approved Ord. No. 2472
Authorize the Condemnation, Appropriation, Taking and Damaging of Land and Other Property for the Improvement of the Intersection at 64th Street N.E. (SR528) and 47th Avenue N.E.	Exec. Session Approved Ord. No. 2474
Amend the 2002 Budget and Provide for the Increase of Certain Expenditure Items as Budgeted for in 2002.	Approved Ord. No. 2473
Initiate Annexation of an Area Contiguous to the City Known as the Lakewood Area; Requesting the Snohomish County Council to Call an Election Thereon; and Transmit the Matter to the Snohomish County Boundary Review Board for Approval.	Approved Res. No. 2092
Affirm the Recommendation of the Hearing Examiner and Grant a Shoreline Substantial Development Permit to Allow Development of a 5.8 Acre Waterfront Park on Ebey Slough.	Approved Res. No. 2093
Adjournment	9:50 p.m.
Executive Session	10:00 p.m.
2 personnel, 2 pending or potential litigation, and 3 real estate issues. Approved Ordinance No. 2474	
Adjournment	10:42 p.m.

MARYSVILLE CITY COUNCIL MEETING

April 14, 2003

7:00 p.m.

Public Safety Center

CALL TO ORDER / PLEDGE OF ALLEGIANCE / INVOCATION

Mayor David Weiser called the April 14, 2003 meeting of the Marysville City Council to order at 7:00 p.m. He then led the assembly in the Pledge of Allegiance.

ROLL CALL

Mary Swenson, Chief Administrative Officer, called the roll. The following councilmembers and staff members were in attendance:

Council: Mayor David Weiser, Mayor Pro Tem Mike Leighan, Councilmembers: Suzanne Smith, John Soriano, Jon Nehring, Jeff Seibert, Donna Wright, and Lisa Vares.

Staff: Robert Carden, Police Chief; Mary Swenson, Chief Administrative Officer; Sandy Langdon, Finance Director; Grant Weed, City Attorney; Gloria Hirashima, Community Development Director; Jim Owens, Public Works Director, and Jim Ballew, Parks and Recreation Director.

COMMITTEE REPORTS

Councilmember Jon Nehring informed the Council that the **Library Board** met and discussed the Gellerson award to the library. The Library Board has formed a committee to decide what to do with the award. Councilmember Nehring noted that they are looking for an elected official to serve on that committee.

Councilmember Suzanne Smith commented that there was not a **Parks Board** meeting, however there will be an Arbor Day planting on April 16 at 10:00 a.m. at Jennings Park. Councilmember Smith then discussed the **Facilities** tour. She added that City Hall will be moving on June 6 and the court is planning to move the week of June 17

AUDIENCE PARTICIPATION

There was no one present who wished to participate on items not on the agenda.

APPROVAL OF MINUTES

A. March 24, 2003 City Council Meeting.

Motion by Councilmember Jon Nehring, second by Councilmember Mike Leighan to approve the minutes as presented. **Motion** passed unanimously (7-0).

B. April 7, 2003 City Council Work Session.

Motion by Councilmember Donna Wright, second by Jeff Seibert to approve the minutes as presented. **Motion** passed unanimously (7-0).

CONSENT AGENDA

Mayor Weiser asked if anyone in the audience wished to remove any of the items from the Consent Agenda for further discussion. No one indicated that they did. He then asked if any Councilmembers wished to discuss any of the items. Councilmember Mike Leighan indicated that he would like to have Item G removed. Councilmember Lisa Vares indicated that she would like to have Item A removed.

B. Approval of April 4, 2003 Payroll in the Amount of \$720,019.22; Paid by Check No. 10429 through 10519 with Check No. 10506 Cancelled and Check No. 10501 Voided.

C. Acceptance of Proof of Loss Adjustment in the Amount of \$111,338.77 for Jennings Park Maintenance Building Fire.

D. Approval of Farmers Market Lease Renewal with Bill and Laura Hart.

E. Authorize Mayor to Sign Renewal of Community Service Class II Contract with the Department of Corrections.

F. Authorize Mayor to Sign Contract for Deferred Construction of Curbs, Gutters and Sidewalks; Leonid Vyazhevich.

Motion by Councilmember John Soriano, second by Councilmember Suzanne Smith for the acceptance of Items B-F. **Motion** passed unanimously (7-0).

G. Allstate Building Remodel - Small Works Contracts.

Councilmember Mike Leighan asked about the time and materials amounts. Chief Administrative Officer Mary Swenson commented that it was easier and less expensive to do it this way. She said that there is an employee on site monitoring the activity to make sure records are being kept. She added that prevailing wage certificates have been procured for all the contractors. Sandy Langdon, Finance Director, responded that this wasn't specifically included in the budget, but that Council authorized the certificate for the purchase and remodel of the building.

John Soriano asked about Attachment A which is referred to in the project description. Ms. Swenson clarified that there was not an attachment and it should refer to the standard contract. There was then discussion about the specifics of the budget for the remodel.

Motion by Councilmember John Soriano, second by Councilmember Jeff Seibert to approve Consent Agenda Item G. **Motion** approved 5-2 with Leighan and Vares voting against.

A. Approval of April 14, 2003 Claims in the Amount of \$1,716,687.72; Paid by Check No. 6334 through 6831 with Check No. 5717 and 5758 Void.

Councilmember Lisa Vares asked about Check No. 6534, on page 7, to Dykeman Architects. Mary Swenson explained that this was the previous bill from the facilities study.

Motion by Councilmember Lisa Vares, second by Councilmember Jon Nehring to approve Consent Agenda Item A. **Motion** passed unanimously (7-0).

REVIEW BIDS

A. State Avenue Sewer Trunk Extension Project.

Jim Owens noted that the agenda bill had been redone. In response to Council's questions at the previous work session he then clarified the bid amounts including the management reserve and sales tax. Jon Nehring thanked him and then asked if they account for sales tax and the management reserve in the budget. Mr. Owens said there is money available to cover it and it would not impact the budget for the rest of the year. No one in the audience wished to participate. The item was closed to public comment.

Motion by Councilmember Jeff Seibert, second by Councilmember Lisa Vares to approve the award of the bid to Rodarte Construction Inc. for the State Avenue Sewer Trunk Extension Project and to reject the bid protest for the reasons stated in the packet. **Motion** passed unanimously (7-0).

PUBLIC HEARINGS

A. Limiting Water and Sewer Service to Properties within City Limits.

Public Works Director Jim Owens updated Council on the number of connections there are outside the city limits and the amounts that those connections generated. He said that this supports the 401 budget. If they were annexed the revenue would not be at the same level as if those properties were serviced outside the city limits. There was some discussion about the costs of the sewer upgrade.

CORRECTED: SEE 4/28/03
MINUTES JCM

David Toyer, 335 - 116th Avenue SE, Bellevue, WA 98004

Mr. Toyer expressed concerns about limiting utility service. He referred to comprehensive plans that the City has for sewer and water service and the City's current binding agreements. He said that under GMA, cities are considered to be the most appropriate units of government to provide service. He noted that these are areas that the City is likely to annex. He then said that the county requires that those areas have sewer and water hookups before they can be developed. He felt the City would be creating a situation of economic duress. He believes that since the City has the ability to provide these services it should. He referred to people who are planning to develop and are counting on Marysville to provide them with utility services. Mr. Toyer felt the City was leaving them with no other option. He then discussed vested rights. He claimed the City would find itself with legal problems in deciding who they would serve and not serve. Finally, he said he felt there would be unintended consequences if the City decided to limit utility service.

Councilmember Lisa Vares asked what his position would be on the City setting a future boundary on an extended GMA that the City would not provide services until those parcels are annexed. He responded that Marysville should not be making the decision alone, but it should be a regional discussion with the county and other service providers to monitor the land use in the unincorporated land areas.

Jim Fenstermaker, Marysville School District, 4220 80th Street NE, Marysville, WA 98270

Mr. Fenstermaker was opposed to limiting the utility service as it would impact the school district. He said that they are trying to convert schools that are on sewer system and some new properties which they hope to add to the system. There are also other properties they are looking at which could be impacted by this issue. He requested that Council delay a decision until after the legislative decision.

Councilmember Jeff Seibert asked if the school district had any objection to annexing its property when it is an available option to state law. Mr. Fenstermaker did not believe that they did. Councilmember John Soriano asked if any of the sites considered for the high school were within the city limits. Mr. Fenstermaker replied that they were not.

Greg Wright, 4802 76th Street, Marysville, WA 98270

Mr. Wright also was opposed to limiting service. He asserted that limiting connection fees would mean that residents' sewer fees would go up. Mr. Wright then lamented that annexation would mean that an election needs to be held. He had concerns about the costs of those elections. He asked about the ramifications for the school districts or

other businesses that might want to come into the area, but would not because sewer was not available.

Councilmember Jon Nehring reminded Mr. Wright that Council had decided to have a public hearing to discuss the matter so that they could get public input. Mr. Nehring asked what good it would do the City if this wasn't done and the tax dollars continue to go to the county. The tax dollars would benefit the City in terms of roads, police protection, etc. Mr. Wright said they should make it more attractive to be in the City and that the City should be marketing itself to get people to want to annex. Mr. Nehring said he understood that, but for the short term it might not be possible. He asked why the folks of Marysville should provide sewer to the people outside the City without getting some of the economic benefits of those people. Mr. Wright commented that the City needs only be more competitive and look more appealing than Snohomish County. Mr. Nehring said that annexation is not about competition. He felt that it wasn't possible to logically convince some people that it is better. If there is a large section that refuses to consider annexation then the rest of Marysville pays for the infrastructure. He commented that once the sewer is serviced the City has no card to play. Mr. Wright said he was in favor of annexation and willing to work on that issue.

Councilmember Jeff Seibert then discussed the REET taxes. The money would go to the City instead of the county if those areas were annexed. He said that part of the problem with this issue is the misconception that the City is considering not serving outside the city limits. He clarified that what the City really wants is to require annexation before serving.

Councilmember Suzanne Smith noted that the City realizes that there are a multitude of prior contracts that have to be fulfilled and they will be. What is being suggested is that anything outside the city limits that does not already have a contract would need to be annexed. She explained that there is housing going into the county that has different standards than the City. The City is getting no benefit, but is feeling the impact of that housing. She added that the money that goes to the county can go anywhere, not just to Marysville. She further stated that sewer hook up fees don't pay for roads. They have to stay in the sewer fund. She felt that the competitive advantage is the sewer. She said that it's becoming difficult to take on these burdens. The City will continue to take them on, but they just want to realize the benefits of those burdens.

Gary Wright, 5533, Parkside Drive, Marysville, WA 98270

Mr. Wright began by stating that the negative impacts of this proposal are too numerous to outline. First of all it would cause considerable financial loss to developers who have installed lines with the expectation that they would have access to city sewer service. People have in good faith invested in the City. Developers need to have predictability and be able to depend on the City. He also felt it would invite lawsuits to the City for its unfairness. He believes it would undermine and negate the

City's effort to encourage businesses to remain here in the City. He commented that a preferable method would be to provide a level playing field with Snohomish County with regard to fees. People think that the City charges higher fees. He said that it has to not be a detriment to the property owner to annex.

Jeff Seibert thanked Mr. Wright for coming. He asked what economic benefit it would be to the City to provide sewer service to the Lakewood area when it would not be getting any sales tax. Mr. Wright said he believes it could be beneficial. He believes there will be more annexations if the City offers good services and has rates comparable to others.

Jon Nehring also thanked Mr. Wright for his comments. He referred to the sewer as a commodity that the City owns. He said the City was not forcing anyone to annex, but it has a commodity that they desire. In order to get that commodity they need to pay the going price. Mr. Wright responded that he would rather attract and entice than compel. He said that a lot of people in the county have already invested in the sewer. This affects the predictability and credibility of the City. Mr. Nehring said that he also does not want to interfere with people who already have agreements or expectations for the service, but proposed drawing a line for some future point to have a better arrangement.

Councilmember Suzanne Smith referred to utility LIDs and recovery contracts. She said that many of Council's prior discussions have revolved around the idea that those would be honored. Mr. Wright responded that for a lot of those situations there are no contracts, there are just lines in the ground. She said that it was their intention that all of those would be honored. He said he was not aware of that and that it might make it a little less objectionable, but still a problem. Councilmember Smith stated that houses sold in the county would have impact on the City, but the monies would be collected and distributed in the county. Mr. Wright replied that many of those residents come into the City to do their shopping so the benefit would be in the form of sales tax.

David Toyer

Mr. Toyer concurred with Mr. Wright that the residential developments would be contributing to the City by their proximity. He had some concern about what the process would be for folks annexing into Marysville. He felt the City was making a mistake by forcing the issue. He made reference to cases which said that if a City holds itself out as the only service provider in an area it has a public duty to serve that area. Councilmember Jon Nehring asked if Mr. Toyer was aware that they were not planning on denying service. Mr. Toyer said he was not aware of that, but he said this issue still has a lot of unintended consequences.

Greg Wright

Mr. Wright claimed that the impact fees that the City wasn't getting were already being spent by the county. He did not feel that the City was losing out on those impact fees. He then commented that he is pro-annexation.

Discussion:

Mayor Weiser attempted to clear up some misstatements. He asked if there are any large areas that are presently zoned commercial and/or industrial outside the city limits and in the UGA other than those mentioned. Gloria Hirashima, Community Development Director, said there are not because they have been previously annexed. Mayor Weiser then discussed the upgrade issue. He referred to the rate structure and the water Comprehensive Plan that the City Council approved. He said that most of the money from the rates and the loans would be spent taking care of increased requirements and upgrades.

Councilmember Donna Wright was concerned about the lines that are close enough that they could reasonably expect hookup, but outside the boundary. She asked if those areas would be included. Gloria Hirashima explained that it would depend on Council's actions and the way it was worded. Councilmember Wright then said that there are large areas in the Allen Creek area that are still on septic systems. They are getting older and beginning to fail. Some of them need emergency hookups. This could be a health and environmental issue if hookups are not allowed in these instances.

Councilmember Lisa Vares asked City Attorney Grant Weed if there is anyone in the UGA who has made an investment who would feel that they had an implied contract with the City to provide sewer system. Mr. Weed responded that there likely would be because the City has a history of providing these services. He noted that there are two lines of thinking on this issue. Some property owners in the UGA feel that they have an implied right from the GMA to the City's utilities. Some cases say that cities have a right to serve utilities outside city limits, but it is not mandatory. He noted that the City does have agreements that could be construed as contracts. Those agreements would likely be binding to the City, but Council is already aware of those.

Councilmember Vares then asked Gloria Hirashima if there are sewer systems that are in the ground that homes have not hooked up to yet that are not under contract or if there are people who might lose out because they did not have a contract with the City. Ms. Hirashima replied that possibly that could be the case, but there would likely be a way for those recovery contracts to be filed. Mr. Weed commented that once a city has issued a letter of utility availability developers often will move forward with their investment.

Ms. Vares then said that people opposed to annexation often state it is because of the septic system issue. She suggested that it might increase urban sprawl because you

can't get the density with the septic. She also stated that in terms of businesses outside of the city limits, but close to the City, the City probably does benefit.

Finally Ms. Vares asked Mayor Weiser for clarification about the loans for the sewer upgrade. He said they received \$11 million in loans. Part of the monthly rates has to go for paying for the loans. He outlined the portion of the upgrades that was due to increased capacity and also to new state and federal regulations. He further clarified that folks who are annexed to the City do not have to hook up to the sewer system with a few exceptions such as if the sewer fails and if they are within 200 feet of an existing sewer line.

Councilmember Mike Leighan noted that at one time people did want to annex into the City. The discussion tonight has been about annexing property that does not have a lot of people on it. He discussed the sales tax issue and commercial development going into the Lakewood area. He said it would be great if it was developed within the City, but if not it was better to have it in the UGA than in another area. He then discussed recovery contracts. He asked if a developer that put in a sewer line would have a claim to the City if he wasn't allowed to hook anyone up to that line. He also noted the sewer could be looked at as a business. Next, Mr. Leighan discussed septic systems and REET taxes. He commented that it is up to the Council to promote annexations. Finally Councilmember Leighan noted that Marysville has been touted again in the newspaper as the affordable housing capital of the area. He commented that the City needs to focus on the quality of the residential side and limit the number of entry level houses.

Councilmember Jeff Seibert reiterated that his intent was not to deny services, but simply to require annexation.

Councilmember John Soriano said he was not ready to make a decision on this due to the school district's development concerns and legislative decisions still up in the air. He asked Gloria Hirashima if there are any municipalities that charge a significantly different rate than Marysville in terms of rates inside and outside the city limits. She said it really varies. Some have a fair size differential and others were not so great. Mr. Soriano asked if that was an incentive to annex. She said that historically it has been, although obviously has not been significant lately. Existing residents want to know how much it will cost them to be in the City. Mr. Soriano then proposed delaying a decision on this matter.

Councilmember Suzanne Smith once again stated that all existing contracts would be honored. She stated that just because an area was annexed did not mean that they had to hook up. She then asked Gloria Hirashima if every line had a service area. Ms. Hirashima said that was not generally the case. There was some discussion about developers recovering costs. Councilmember Smith said that she had assumed that failing septic systems would be allowed to hook up because that is a health issue. Vital services such as schools or hospitals would also be allowed to hook up.

Councilmember Jeff Seibert then said his understanding is that the City cannot serve outside the UGA at this time. Mr. Weed explained that this is correct. Mr. Seibert then referred to some recovery contract areas which are presently outside the UGA. Mr. Weed said he would need more information. Gloria said if the area was not in the UGA they would not be connected at this time. She also said that the county is looking at amending the code so that under certain circumstances a city can service outside the UGA. Grant Weed added that just because there is a recovery contract does not mean that there will be service. Gloria added that a recovery contract is good for a fifteen-year period and there is no guarantee that there will be recovery of the costs. Mr. Seibert said this is one reason why he feels this should be changed proactively to require annexation first. Mr. Seibert reiterated that folks who annexed would not be required to be on the sewer unless their septic was failing and they lived within 200 feet of an existing line. He commented that he lives in the City and his property has been on septic for a number of years. He then referred to city code which states that the City does not have an implicit responsibility to provide utility service. He said the sooner the new rule is established the better the benefits will be. He indicated that he did not want to wait.

Councilmember Lisa Vares referred to the bonding issue and asked Grant Weed if this issue could affect that. He tried to clarify the issue by saying that lenders will look at how they rate your bonds based on what your present and future outlook is in terms of rates. Sandy Langdon explained that companies look at the availability of funds to determine if a City can pay back the bond. Ms. Vares then asked if it could affect the outfall project. Ms. Langdon said that it could. Councilmember Vares asked about Strawberry Fields. Ms. Langdon said it would not affect the ability to bond, but perhaps the interest rate. Councilmember Suzanne Smith then asked how much this decision could impact or alter the plan. Ms. Langdon said it was a factor, but she was not sure how much the rating companies would look at the issue. Councilmember Vares commented that the outfall project is such a big project that if they increase the percentage rate even a little bit it could be very expensive. Suzanne Smith commented that she believes that there is a lot of development that is going to happen and this is going to allow it to happen in the City.

Councilmember Donna Wright stated that because this would affect regional relationships, vesting interests, health and environmental issues, bond rating and interest, she would be voting no.

Councilmember Jeff Seibert then referred to the tribal situation and said that if it was established under ordinance or code that all government entities would be treated the same. Grant Weed said that if the City is going to distinguish between groups of people the City needs to be able to say rationally why it is distinguishing between those classes of people or governments. Councilmember Seibert asked if Mr. Weed could write in an ordinance the conditions that they talked about where there are obligations that the City has already met. Mr. Weed indicated he could, but that the exceptions would be the complicated part.

He noted some of the areas that would need to be examined:

- Amendments to Comprehensive Plan
- Comprehensive Water Plan document
- Amendments to the RUSA code
- Amendments to Boundary Review Board or changing service to the existing areas
- Utility rate review
- Impact on potential bonding
- Annexation policy resolution

Motion by Councilmember Jeff Seibert, second by Councilmember Lisa Vares to continue the discussion during the last workshop and last council meeting in June with the goal to try to require annexation before service and with the city attorney to come back with more information. Councilmember Donna Wright noted that this is adding staff time and is costing the taxpayers more money. Mike Leighan concurred with John Soriano's suggestion to delay this matter until after the legislative decision and also with Donna Wright's comment about tying up staff time. **Motion** approved 5-2 with Councilmembers Leighan and Wright voting against.

There was a recess from 9:15 to 9:20.

NEW BUSINESS

A. Special Events Permit; Turning Point Community Church.

Motion by Councilmember Donna Wright, second by Councilmember Mike Leighan to approve the Special Events Permit for the Turning Point Community Church with conditions. **Motion** passed unanimously (7-0).

B. National Youth Sports Coaches Association Certification Program.

Motion by Councilmember Suzanne Smith, second by Councilmember Jon Nehring to adopt Resolution 2091. **Motion** passed unanimously (7-0).

C. SR528, 47th Avenue N.E. to 67th Avenue N.E., #T0102 Property Condemnation Ordinance.

Grant Weed said he could update Council on the status of negotiations at the Executive Session. This item was moved to Executive Session.

D. Utility Tax & Franchise Fee Audit; Microflex.

Motion by Councilmember Jeff Seibert, second by Jon Nehring to approve the contract and audit with Microflex. **Motion** passed unanimously (7-0).

E. Establish Pay Classification and Compensation for Development Services Manager (Community Development Department).

Motion by Councilmember John Soriano, second by Councilmember Donna Wright to approve the pay classification and compensation for Development Services Manager. **Motion** approved 6-1 with Councilmember Leighan voting against.

F. Establish Pay Classification and Compensation for Operations Manager (Public Works Department).

Mary Swenson explained that this was the combination of two positions and would result in cost savings and greater efficiency. She noted that an organizational chart has also been added to the packet. Councilmember Mike Leighan asked if people working under this person would have greater certification than this person would be required to have. Grant Weed explained that none of the employees would have greater certification than the manager. Suzanne Smith asked for clarification of the flow chart. Jim Owens explained the flow chart and the resulting changes.

Motion by Councilmember Mike Leighan, second by Councilmember Lisa Vares to approve the pay classification and compensation for Operations Manager in the Public Works Department. **Motion** passed unanimously (7-0).

G. Policy Regarding Employees Called to Active Duty from Reserve Status.

Mary Swenson asked that this be postponed.

LEGAL

A. Contract for Recovery of Utility Construction Costs for Sewer; Boyden, Robinett & Associates, L.P.

Councilmember Jeff Seibert asked if the developer realizes that the three properties are not in the UGA and will probably not be recovering the costs in the future. Community Development Director Gloria Hirashima indicated that this developer is very aware of the boundaries because they frequently work with this area. City Attorney Grant Weed added that a challenge for developers is that they have to request the recovery contract within thirty days. Councilmember Seibert suggested adding something to the agreement alerting the developer to the fact that part of the area is not in the UGA and they might not be recovering the costs in the future.

Motion by Councilmember Lisa Vares, second by Councilmember Seibert to approve Utility Recovery Contract No. 254 with Boyden, Robinett & Associates. **Motion** passed unanimously (7-0).

B. Contract for Recovery of Utility Construction Costs for Water; Boyden, Robinett & Associates, L.P.

Motion by Councilmember Donna Wright, second by Councilmember Leighan to approve Utility Construction Costs for Water No. 255. **Motion** passed unanimously (7-0).

C. Contract for Recovery of Utility Construction Costs for Sewer; Bethlehem Lutheran Church.

Motion by Councilmember Vares, second by Councilmember Mike Leighan to approve Utility Recovery Contract No. 256. **Motion** passed unanimously (7-0).

ORDINANCES AND RESOLUTIONS

A. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Marysville School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

Motion by Councilmember Mike Leighan, second by Councilmember Jeff Seibert to approve Ordinance No. 2468. **Motion** passed unanimously (7-0).

B. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Lakewood School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

Motion by Councilmember Lisa Vares, second by Councilmember John Soriano to adopt Ordinance No. 2469. **Motion** passed unanimously (7-0).

C. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Lake Stevens School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

Motion by Councilmember Jeff Seibert, second by Councilmember Jon Nehring to adopt Ordinance No. 2470. **Motion** passed unanimously (7-0).

D. An Ordinance of the City of Marysville, Washington Amending Marysville Municipal Code Section 18C.06.010 Relating to Capital Facilities Plan and 18C.10.020 Relating to Impact Fee Schedule Exemptions.

Motion by Councilmember Suzanne Smith, second by Councilmember Jeff Seibert to adopt Ordinance No. 2471. **Motion** passed unanimously (7-0).

E. An Ordinance of the City of Marysville Amending MMC 11.62.020 Relating to Designation of Truck Routes.

Motion by Councilmember Donna Wright, second by Councilmember Jeff Seibert to adopt Ordinance 2472. **Motion** passed unanimously (7-0).

F. An Ordinance of the City of Marysville, Washington, Authorizing the Condemnation, Appropriation, Taking and Damaging of Land and Other Property for the Improvement of the Intersection at 64th Street N.E. (SR528) and 47th Avenue N.E.

Moved to Executive Session.

G. An Ordinance of the City of Marysville Amending the 2002 Budget and Providing for the Increase of Certain Expenditure Items as Budgeted for in 2002.

Motion by Councilmember Suzanne Smith, second by Councilmember Mike Leighan to adopt Ordinance No. 2473. **Motion** passed unanimously (7-0).

H. A Resolution of the City of Marysville Initiating Annexation of an Area Contiguous to the City Known as the Lakewood Area; Requesting the Snohomish County Council to Call an Election Thereon; and Transmitting the Matter to the Snohomish County Boundary Review Board for Approval.

Motion by Councilmember Jon Nehring, second by Councilmember Jeff Seibert to adopt Resolution 2092. **Motion** passed unanimously (7-0).

I. A Resolution of the City of Marysville Affirming the Recommendation of the Hearing Examiner and Granting a Shoreline Substantial Development Permit to Allow Development of a 5.8 Acre Waterfront Park on Ebey Slough.

Motion by Councilmember John Soriano, second by Councilmember Lisa Vares adopting Resolution No. 2093. **Motion** passed unanimously (7-0).

ADJOURNMENT

Mayor dispensed with the Information Items as there were seven items scheduled for the Executive Session. The regular meeting was adjourned at 9:50 with Executive Session to begin at 10:00 p.m. and expected to last for 45 minutes.

EXECUTIVE SESSION

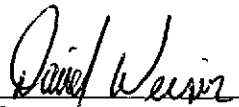
Council convened in Executive Session to discuss two personnel issues, two pending or potential litigations issues, and three real estate issues.


Council reconvened into Regular Session at 10:40 p.m. **Motion** by Councilmember Leighan, second by Councilmember Nehring to approve Ordinance No. 2474 , an Ordinance of the City of Marysville, Washington authorizing the condemnation, appropriation, taking and damaging of land and other property for the improvement of the intersection at 64th Street N.E. (SR528) and 47th Avenue N.E. Motion carried 6-1 with Councilmember Smith against.

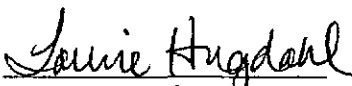
ADJOURNMENT

Mayor Weiser Adjourned the April 14, 2003 City Council meeting at 10:42 p.m.

Approved this 28th day of April, 2003.


 Mayor
 David Weiser


 City Clerk
 Gerry Becker


 Recording Secretary
 Laurie Hugdahl

MARYSVILLE CITY COUNCIL WORK SESSION

April 7, 2003

7:00 p.m.

Public Safety Center

CALL TO ORDER / PLEDGE OF ALLEGIANCE

Mayor David Weiser called the April 7, 2003 Work Session of the Marysville City Council to order at 7:00 p.m. He then led the assembly in the Pledge of Allegiance.

INVOCATION

Pastor Victor Rodriguez of the Marysville Free Methodist Church presented the invocation.

ROLL CALL

Mayor Weiser asked Mary Swenson to call the roll. The following councilmembers and staff members were in attendance:

Council: Mayor David Weiser, Mayor Pro Tem Mike Leighan, Councilmembers: Jon Nehring, Jeff Seibert, Suzanne Smith, John Soriano, Donna Wright, and Lisa Vares.

Staff: Mary Swenson, Chief Administrative Officer; Sandy Langdon, Finance Director; Grant Weed, City Attorney; Gloria Hirashima, Community Development Director; Jim Owens, Public Works Director; Jim Ballew, Parks and Recreation Director; Gerry Becker, City Clerk; Kevin Nielsen, Interim Assistant City Engineer; and Doug Buell, Community Information Officer.

COMMITTEE REPORTS

Councilmember Donna Wright reported that the Public Health Implementation Plan was now available. She noted the input by the Snohomish County Health District and encouraged everyone to take a look at the plan.

Councilmember Wright then updated Council on the **Public Safety Committee** meeting. She said there had been a demonstration of a polygraph at the meeting. There had also been a report on reduced health care in jails. It was noted that 22 citizens were attending the Police Citizens Academy.

DISCUSSION ITEMS**A. P.U.D. Utility Easement.**

Mayor Weiser explained that this was the result of a radio system upgrade, which needs a larger space. City Attorney Grant Weed further explained that they had been able to

negotiate this easement to fit only the specific needs of the P.U.D. He recommended that Council authorize the easement.

Mayor Weiser solicited public input. There was no one present who wished to comment.

Motion by Councilmember Donna Wright, second by Councilmember Mike Leighan to authorize the Mayor to sign the easement for underground utility vault with the P.U.D. No. 1 of Snohomish County. **Motion** passed unanimously (7-0).

B. Water Purification Technology Briefing.

Based on a request from Council for more information on the City's decision to choose the Zenon filtration system, Kevin Nielsen presented an overview of water filtration system options. He first described the reason the system was needed – to filter the dirty Stillaguamish River water due to excessive turbidity. He then briefly discussed all the filtration processes that were researched including: conventional filtration; direct filtration; in-line filtration; automatic backwash filters; two stage filtration; direct "pressure" filtration; pre-coat filtration; slow sand filtration; cartridge and bag filtration; and micro filtration and ultra filtration. The City ultimately had decided upon the Zenon micro filtration and ultra filtration system because of its efficiency and because it does not require the use of chemicals.

CONSENT AGENDA ITEMS

A. Approval of April 14, 2003 Claims.

B. Approval of April 4, 2003 Payroll.

C. Acceptance of Proof of Loss Adjustment in the Amount of \$111,338.77 for Jennings Park Maintenance Building Fire.

Parks and Recreation Director, Jim Ballew, explained the purpose of this Proof of Loss Adjustment for the Jennings Park fire.

D. Approval of Farmers Market Lease Renewal with Bill and Laura Hart.

Mr. Ballew described the details of this lease.

E. Authorize Mayor to Sign Renewal of Community Service Class II Contract with the Department of Corrections.

Jim Ballew explained the purpose of the contract. There was some discussion about the determination of wages.

F. Authorize Mayor to Sign Contract for Deferred Construction of Curbs, Gutters and Sidewalks; Leonid Vyazhevich.

Councilmember Siebert asked when the curbs, gutters and sidewalks might be built. Mayor Weiser explained that it used to be done house by house, but now they were done in blocks to be more efficient.

Councilmember Mike Leighan commented that the Deferment Contract form requests that the information be typed. He commented that it should probably be changed to reflect the fact that most people do not use typewriters.

REVIEW BIDS

State Avenue Sewer Trunk Extension Project.

Councilmember Jon Nehring referred to the difference in the engineers' estimates and the budgeted amount. He wondered why there was such a difference. Public Works Director Jim Owens said he would look into the matter.

Next Councilmember Mike Leighan asked who filed the protest. Mr. Owens responded that it was the apparent second low bidder.

Councilmember Jeff Seibert clarified the total amount of the bid. He asked that the amount with the sales tax be included in the future. Public Works Director Jim Owens said he would have those numbers as well as the budgeted amount for the next meeting. Councilmember Seibert asked the City Attorney if he had anything else to add. Mr. Weed said that he did not.

There was no further discussion on this issue.

NEW BUSINESS

A. Special Events Permit; Turning Point Community Church.

There was no discussion on this issue.

B. National Youth Sports Coaches Association Certification Program.

Councilmember Jon Nehring asked for clarification regarding the requirements of parents. He wanted to make sure that a child would not be excluded from participation if his parents could not attend the meeting. Mr. Ballew assured him that would not happen and that they would work with the parents.

Councilmember Suzanne Smith had questions about the Athletic Coordinator becoming a Certified Clinician. Mr. Ballew explained that this would be updated yearly. Councilmember Smith asked if coaches would receive updated training annually as well.

Mr. Ballew explained that they have an annual coaches meeting and also a quarterly newsletter. The parents will also be required to go through the registration process annually.

Councilmember Nehring inquired about the liability insurance. Mr. Ballew described the nature of the insurance and explained that it is basically to cover injuries.

There was some discussion of parents conduct at some of the games and the procedures in place to deal with them.

Councilmember Nehring then commended the Parks Department's basketball program and said that it was especially well run this year.

C. SR528, 47th Avenue N.E. to 67th Avenue NE, #T0102 Property Condemnation Ordinance.

Councilmember John Soriano asked if the property sketches usually include an outline of the structures. He noted that it would be useful to know where they sit. Mr. Owens explained that they generally do not include the structures. He commented that there are setbacks from the legal right of way.

Councilmember Seibert noted the importance of making sure the City was not causing trouble with the setback. Mr. Owens commented that there might be some issue with that. Councilmember Seibert added that he would like to know if that was the case.

Councilmember Mike Leighan confirmed that there had been discussion with the property owners. Mr. Owens replied that there had been.

Councilmember Seibert clarified that this ordinance was just to set up the threat of condemnation. He asked if it would come back to Council before action. City Attorney Grant Weed said it would not because the ordinance authorizes action.

Councilmember Suzanne Smith commented that she would like to know the status of negotiations with the property owners. She noted that she did not like to see the condemnation prior to an offer being made. Grant Weed stated that this would be an appropriate topic for an executive session.

Councilmember Lisa Vares added that she would like more information on the status of the negotiations as well. Mr. Weed said he would get a memo out to Councilmembers.

D. Utility Tax & Franchise Fee Audit; Microflex.

Sandy Langdon explained the purpose and terms of this agreement.

E. Establish Pay Classification and Compensation for Development Services Manager (Community Development Department).

Mary Swenson explained that since Eric Thompson left the city this was one of the positions transferred to Gloria Hirashima's work group. Ms. Hirashima thought that the position needed to be a little higher level by requiring the person to be a licensed engineer. They had an analysis done on the job duties and evaluated the pay grade. Ms. Hirashima noted some of the changes to the job description and the reasons those were necessary.

Councilmember Seibert clarified that they would be filling the position. Ms. Swenson indicated that they would be posting the position. Mr. Seibert asked for specifics about the pay grade. Ms. Swenson said she would bring that to the next meeting.

Councilmember Mike Leighan asked how this would impact the Engineering Department. Jim Owens explained that they would not refill a vacancy in the Public Works Engineering Department in the future. There was discussion about the changing of positions and how this would affect the budget in the long-term.

Councilmember Seibert questioned the requirement of being a licensed engineer, as they would not be designing. Gloria Hirashima explained that the person will not be designing, but will be able to sign off on plans.

F. Establish Pay Classification and Compensation for Operations Manager (Public Works Department).

Mary Swenson commented that two employees are leaving city employment and they will be merging the two positions into one. This will improve efficiency and save money. Councilmember Leighan requested a flow chart showing how these two positions would merge.

Councilmember Smith inquired about cross training. Mr. Owens explained that it is already taking place. Ms. Smith asked if there would be a cross training program in the future. Jim Owens referred to the annual training plan in place now although the work is generally learned on the job.

G. Policy Regarding Employees Called to Active Duty from Reserve Status.

Mary Swenson explained that the City has one employee who is on reserve status and is anticipating being called to duty. She described various ways that cities are dealing with this issue and explained that Marysville needs to determine how to deal with it as well. Discussion followed regarding employees being allowed to use sick leave and vacation time to make up the difference in pay; employees donating time; and the City matching part of the donations.

Ms. Swenson said she would draft a policy for the meeting next week. She solicited input from the Council. There was tentative discussion about the City paying the difference in

pay for six months after the employee has used up some or all of his or her sick leave and vacation.

LEGAL

A. Contract for Recovery of Utility Construction Costs for Sewer; Boyden, Robinett & Associates, L.P.

There was no discussion on this matter.

B. Contract for Recovery of Utility Construction Costs for Water; Boyden, Robinett & Associates, L.P.

There was no discussion on this matter.

C. Contract for Recovery of Utility Construction Costs for Sewer; Bethlehem Lutheran Church.

There was no discussion on this matter.

ORDINANCES & RESOLUTIONS

A. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Marysville School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

There was no discussion on this matter.

B. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Lakewood School District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

There was no discussion on this matter.

C. An Ordinance of the City of Marysville, Washington Providing for the Amendment of the City's Comprehensive Plan by the Adoption of the Lake Stevens School

District 2002-2007 Capital Facilities Plan as a Sub-element of the City's Comprehensive Plan and Establishing the Adoption of Said Plan and the Collection and Imposition of School Impact Fees as a Component of the City's Annual Budgeting Process; and Amending Ordinance No. 2456 as Amended by Ordinance No. 2463 Relating to Adoption of the City Budget of the City of Marysville.

There was no discussion on this matter.

D. An Ordinance of the City of Marysville, Washington Amending Marysville Municipal Code Section 18C.06.010 Relating to Capital Facilities Plan and 18C.10.020 Relating to Impact Fee Schedule- Exemptions.

City Attorney Grant Weed commented that the version that is in the packet is not the one he intended. He reviewed the changes made to the Ordinance. There were no further comments or questions.

E. An Ordinance of the City of Marysville Amending MMC 11.62.020 Relating to Designation of Truck Routes.

There was no discussion on this matter.

F. An Ordinance of the City of Marysville, Washington, Authorizing the Condemnation, Appropriation, Taking and Damaging of Land and Other Property for the Improvement of the Intersection At 64th Street N.E. (SR528) and 47th Avenue N.E.

There was no discussion on this matter.

G. An Ordinance of the City of Marysville Amending the 2002 Budget and Providing for the Increase of Certain Expenditure Items as Budgeted for in 2002.

Finance Director Sandy Langdon reviewed the changes in the 2002 Budget and explained why they were necessary.

H. A Resolution of the City of Marysville Initiating Annexation of an Area Contiguous to the City Known as the Lakewood Area; Requesting the Snohomish County Council to Call an Election Thereon; and Transmitting the Matter to the Snohomish County Boundary Review Board for Approval.

Mary Swenson explained that this would be scheduled for the November election. She asked if Council also wanted the Sunnyside area to be on the ballot as well. There was general agreement about this and discussion about the cost of doing the legal description.

Councilmember Leighan suggested holding a meeting in that area to make sure that there is still interest. It was determined that a public meeting would be held the first part of May.

I. A Resolution of the City of Marysville Affirming the Recommendation of the Hearing Examiner and Granting a Conditional Shoreline Substantial Development Permit to Allow Development of a 5.8 Acre Waterfront Park on Ebey Slough.

Councilmember Siebert asked if there was information on whether or not the City had submitted the necessary application. Mr. Ballew confirmed that it had been submitted.

INFORMATION ITEMS

Staff Business

Mary Swenson noted that they are in the middle of negotiations with Comcast (formerly AT&T) regarding the Institutional Network (I-Net), which would allow the connecting of all the city buildings and the school district.

Community Information Officer Doug Buell explained that it would be possible to charge up to a dollar a month per subscriber in order to finance the cost of the I-Net. He noted that there is a strong community desire for this in terms of increased efficiency of city operations.

Councilmember Seibert suggested putting an end date to the dollar charge so that customers were not billed in excess of actual needs. There was discussion about the I-Net and how it would upgrade and make uniform all subscribers' channels.

Ms. Swenson explained the benefits to the City in terms of efficiency savings. An additional benefit to the constituents would be the possibility of utilizing cable/modems to have high-speed access in the future. There was significant discussion about the details of this agreement.

Councilmember Seibert had concerns about the subscribers who would not be on fiber optic and also about the number of channels that would really be available. He further wanted to make sure that Comcast was required to serve the entire City. He felt this would not necessarily be an upgrade for many citizens. He commented on his lack of satisfaction with Comcast's Customer Service Department. Doug Buell replied that it is in the best interest of Comcast to upgrade the system in order to keep people from switching to satellite. Grant Weed added that the City has little power to require certain things. The Federal Code has taken away cities' power to regulate in this area. He noted that sometimes, however, it is in the best interest of the provider to provide services.

Mr. Buell summarized the benefits to the City as:

- High speed two-way communication
- Connect all of the City's buildings and departments
- Provide live TV
- Provide video conferencing between the different buildings
- Link the public library and provide terminals for citizens to reach database

- Could be used in the future as the primary telephone system
- Video arraignments
- Remote permitting
- Create a bridge between the City's buildings and school district buildings.


Councilmember Vares commented that she was not comfortable with this method of billing the subscribers. She suggested that the City pay for the I-Net up front if it would indeed be such a benefit to the City.

It was determined that the discussion would continue at the next meeting.

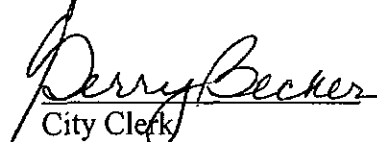
ADJOURN

Mayor Weiser adjourned the work session at 9:30 p.m.

Approved this 14th day of April, 2003.



Mayor
David Weiser



City Clerk
Gerry Becker



Recording Secretary
Laurie Hugdahl