

COUNCIL



MINUTES

Regular Meeting July 22, 2013

Call to Order / Pledge of Allegiance

Mayor Nehring called the meeting to order at 7:00 p.m. and led those present in the Pledge of Allegiance. Dennis Niva from Ninety Second Street Church of Christ gave the invocation.

Roll Call

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

- Mayor:** Jon Nehring
- Council:** Steve Muller, Kamille Norton, Jeff Seibert, Michael Stevens (arrived 7:03), Rob Toyer Jeff Vaughan, and Donna Wright
- Absent:** None
- Also Present:** Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Police Chief Rick Smith, Commander Robb Lamoureux, City Attorney Grant Weed, Public Works Director Kevin Nielsen, Planning Manager Chris Holland, Parks and Recreation Director Jim Ballew, Court Administrator Suzanne Elsner, and Recording Secretary Laurie Hugdahl.

Councilmember Wright explained that Councilmember Stevens would be arriving shortly. They were both at a meeting that lasted too long prior to the Council meeting.

Motion made by Councilmember Muller, seconded by Councilmember Toyer, to approve the agenda as presented. **Motion** passed unanimously (6-0).

Committee Reports

Kamille Norton reported on the July 10 meeting of the Parks and Recreation Advisory Board meeting where they discussed the following:

- They received an update on spray park plan which is continuing to progress. They should have the final design by the end of this month.

- The Board also approved a couple of new memorial plaques.
- There was an update on the Bay View Trail.

Jeff Seibert reported on the July 17 Finance Committee meeting where the following topics were discussed:

- There were no new public records requests this month.
- The Committee received an update on the budget. Sales tax is up again this month.
- 2014 budget calendar was presented.
- Bond issues were discussed.
- Fiscal policies for revenue shortfall policy and debt management were discussed.
- There was a discussion about a policy regarding liens for utility billing.

Steve Muller reported on the July 11 meeting of the Library Board:

- The library is putting in a new tech center in August, and there will be an open house in late September featuring the 35 new stations for computer access.
- The library is very busy and things are going well.
- The air conditioning is working.

Michael Stevens reported on the July 17 meeting of the Fire District Board of Directors meeting where there was discussion about options for potential annexation of the City into the fire district and the effects of the Affordable Care Act.

Presentations

A. Employee Services Awards

5 Years:

- Roy Alderman, SCADA/Telemetry Administrator, IS
- Chadwick Hudson, GIS Analyst, Engineering (not present)

B. Council Premier of City Diversity Video, "I Am My Community"

One of the goals of the Diversity Advisory committee was to produce this video which was made in conjunction with the video production students at Marysville-Getchell's TV3 Studio and one of the teams from Leadership Snohomish County. Leadership Snohomish County appreciated the fact that this was a government-initiated project. It was very uncommon for them to work with young students. It was a good partnership with all the groups involved; everyone benefited from this project in the end. Another benefit is that it didn't cost anything.

Audience Participation

David Riesner, 6323 – 82nd Street NE, Marysville, WA, complained about the fireworks in Marysville. He came to complain to the Council last year, and this year the fireworks were even worse. He read his letter into the record which had earlier been submitted to

the Council. He expressed concern about people setting off fireworks at the park. He believes his street is the worst in the City for fireworks, and he asked for assistance from the City with enforcement.

Chief Smith explained that police stepped up enforcement actions this year with fireworks, writing over 30 citations. They made contact with dozens of people, including having to talk with juveniles. He stated that he also received a copy of Mr. Riesner's letter. He intends to have police focus on that neighborhood next year.

Councilmember Vaughan stated that he used to live on the street under discussion. He agrees that people congregate at the nearby park and the neighborhood is particularly bad. Also, about four or five days ago one of the houses on that street had a fire related to fireworks.

Approval of Minutes

1. Approval of the July 1, 2013 City Council Work Session Minutes.

Kamille Norton stated she would be abstaining from the vote as she was not present at that meeting.

Motion made by Councilmember Wright, seconded by Councilmember Vaughan, to approve the July 1, 2013 City Council Work Session Minutes. **Motion** passed (6-0) with Councilmember Norton abstaining.

2. Approval of the July 8, 2013 City Council Meeting Minutes.

Motion made by Councilmember Norton, seconded by Councilmember Muller, to approve the July 8, 2013 City Council Meeting Minutes. **Motion** passed unanimously (7-0).

Consent

3. Approve the June 26, 2013 Claims in the Amount of \$267,135.03; Paid by Check Number's 85398 through 85531 with Check Number's 85229 and 85241 Voided.
4. Approve the July 3, 2013 Claims in the Amount of \$1,404,495.26; Paid by Check Number's 85532 through 85685 with No Check Numbers Voided.
5. Approve the July 10, 2013 Claims in the Amount of \$429,625.23; Paid by Check Number's 85686 through 85830 with Check Number 84600 Voided.
6. Approve the July 5, 2013 Payroll in the Amount of \$1,533,289.03; Paid by Check Number's 26750 through 26801.
20. Approve the July 17, 2013 Claims in the Amount of \$394,625.06; Paid by Check Number's 85831 through 85977.

21. Approve the July 19, 2013 Payroll in the Amount of \$857,784.75; Paid by Check Number's 26802 through 26846.

Motion made by Councilmember Stevens, seconded by Councilmember Wright, to approve Consent Agenda items 3, 4, 5, 6, 20, and 21. **Motion** passed unanimously (7-0).

Review Bids

7. Consider Awarding the Bid for the 99th Avenue /42nd Street Water Main Contract to SRV Construction, Inc. in the Amount of \$676,425.42 including Washington State Sales Tax and Approve a Management Reserve of \$70,000 for a Total Allocation of \$746,425.42.

Director Nielsen stated that this part of the PUD phasing. It is not located in the city limits. It is on the other side of Highway 9, going to Highway 92 where the City will be doing a horizontal directional drill tying onto the PUD system. This is so the PUD has the same flow of water after the City takes over the Sunnyside and Whiskey Ridge area. The bid came in about \$200,000 under the engineer's estimate.

Motion made by Councilmember Stevens, seconded by Councilmember Seibert, to authorize the Mayor to award the bid for the 99th Avenue /42nd Street Water Main Contract to SRV Construction, Inc. in the Amount of \$676,425.42 including Washington State Sales Tax and Approve a Management Reserve of \$70,000 for a Total Allocation of \$746,425.42. **Motion** passed unanimously (7-0).

Public Hearings

New Business

8. Consider the Application for Marysville Downtown Merchants Association to Conduct a Special Event on August 9th, August 10th, and August 11th, 2013, Including the Street Closure of 3rd Street between State Avenue and Alder Avenue, as well as on Columbia Avenue from the Alley between 2nd Street and 3rd Street to the Alley between 3rd Street and 4th Street, as Requested by the Applicant.

CAO Hirashima stated that this is for Handmade and Homegrown, which is a street fair that will be occurring between August 9 and August 11.

Motion made by Councilmember Wright, seconded by Councilmember Toyer, to approve the Application for Marysville Downtown Merchants Association to Conduct a Special Event on August 9th, August 10th, and August 11th, 2013, Including the Street Closure of 3rd Street between State Avenue and Alder Avenue, as well as on Columbia Avenue from the Alley between 2nd Street and 3rd Street to the Alley between 3rd Street and 4th Street, as Requested by the Applicant. **Motion** passed unanimously (7-0).

9. Acceptance of the 83rd Avenue Water Main Project, Starting the 45-Day Lien Filing Period for Project Closeout.

Director Nielsen stated that this project has been completed for a while. It was completed \$20,000 under the contract amount. He commended Reese Construction for working with them on that project.

Motion made by Councilmember Muller, seconded by Councilmember Toyer, to authorize the Mayor to accept the 83rd Avenue Water Main Project, starting the 45-day lien filing period for project closeout. **Motion** passed unanimously (7-0).

10. Consider Interlocal Agreement with Snohomish County for Park Project Funding for the Bay View Trail Phase II Project.

Director Ballew explained that the City had requested funding support from Snohomish County Parks and Recreation for a Neighborhood Improvement Program. As a result, Snohomish County has allocated \$50,000 toward the Bay View Trail. It is a reimbursable program.

Motion made by Councilmember Stevens, seconded by Councilmember Muller, to authorize the Mayor to sign the Interlocal Agreement between Snohomish County and the City of Marysville for Park Project Funding for the Bay View Trail Phase II Project. **Motion** passed unanimously (7-0).

11. Consider Entering into an Agreement with Foster Pepper PLLC as Bond Counsel for the Refunding of the 2005 Water and Sewer Bonds.

Finance Director Langdon explained that the 2005 Revenue Bond has the potential for refinancing to gain some savings. In order to do that the City needs to position itself to be able to go out to market. One of the necessary steps is having the bond counsel prepared, and this is a contract for those services. Hugh D. Spitzer and Lindsay A. Coates from Foster Pepper are the City's bond counsel and are in the audience.

Motion made by Councilmember Wright, seconded by Councilmember Stevens, to authorize the Mayor to enter into an Agreement with Foster Pepper PLLC as Bond Counsel for the Refunding of the 2005 Water and Sewer Bonds. **Motion** passed unanimously (7-0).

12. Consider an **Ordinance** of the City of Marysville, Washington, Relating to the Waterworks Utility of the City; Providing for the Issuance, Sale and Delivery of Not to Exceed \$45,500,000 Aggregate Principal Amount of Water And Sewer Revenue Refunding Bonds for the Purpose of Providing Funds to Pay the Cost of Advance Refunding All or a Portion of the City's Callable Water and Sewer Revenue Bonds, 2005, and the Cost of Issuing Such Bonds; Fixing or Setting Parameters With Respect to Certain Terms and Covenants of the Bonds;

Providing for and Authorizing the Purchase of Certain Obligations Out of the Proceeds of the Sale of the Bonds and for the Use and Application of the Money Derived from Those Investments; Authorizing the Execution of One or More Agreements with An Escrow Agent or Trustee; Providing for the Call, Payment and Redemption of the Outstanding Bonds to be Refunded; Appointing the City's Designated Representative to Approve the Final Terms of the Sale of the Bonds and to Take Certain Other Actions with Respect to Carrying Out the Refunding and Issuance of the Bonds; and Providing For Other Related Matters.

Finance Director Langdon explained that this would authorize the refunding of the 2005 revenue bonds so that the City can gain some savings (approximately \$1.4 million). This is advance refunding; they are not due for 100% call until April of 2015. Staff wants to be prepared to go out to the market and take advantage of the interest rates that are out there. This sets that in motion.

Councilmember Muller asked if there is an early call feature on Finance Director Langdon explained that the first call is April in 2015, but we have the ability to do an advance call any time prior to that.

Motion made by Councilmember Vaughan, seconded by Councilmember Toyer, to adopt Ordinance No. 2933. **Motion** passed unanimously (7-0).

13. Consider an **Ordinance** of the City of Marysville, Washington, Relating to Contracting Indebtedness; Providing for the Extension and Reissuance of the City's Limited Tax General Obligation Bond Anticipation Note, 2012 (Non-Revolving Line Of Credit) (The "Note"); Providing for the Issuance, Sale and Delivery of One or More Series of Limited Tax General Obligation Bonds in the Aggregate Principal Amount Not to Exceed \$[23,900,000] to Provide Funds Necessary to Pay All or a Portion of The Costs Of (I) Certain Transportation Projects, Including Repayment of the Note and (Ii) the Refunding of All or a Portion of the City's Callable Limited Tax General Obligation Bonds, 2003; Fixing or Setting Parameters with Respect to Certain Terms and Covenants of the Bonds; Providing for and Authorizing the Purchase of Certain Obligations Out of The Proceeds of the Sale of the Bonds and for the Use and Application of the Money Derived from those Investments; Authorizing the Execution of One or More Agreements with a Refunding Escrow Agent or Trustee; Providing for the Call, Payment and Redemption of the Outstanding Bonds to be Refunded; Appointing the City's Designated Representative to Approve the Terms of Extending and Reissuing the Note and the Final Terms of the Sale of the Bonds and to Take Certain Other Actions with Respect to Carrying Out the Refunding and Issuance of the Bonds; and Providing for Other Related Matters.

Finance Director Langdon stated that this is for the General Fund. This would put the permanent funding in place for the General Fund. It would also refinance the 2013 bonds. There is a portion for new money for IJR projects.

Motion made by Councilmember Muller, seconded by Councilmember Seibert, to adopt Ordinance No. 2934. **Motion** passed unanimously (7-0).

14. Consider an **Ordinance** of the City of Marysville Amending the 2013 Budget and Providing for the Increase of Certain Expenditure Items As Budgeted for in Ordinance No. 2911, Adopting the 2013-2018 Capital Facilities Plan, and Changes in Compensation Levels.

Finance Director Langdon reviewed amendments to the 2013 Budget as described in Council's packet.

Motion made by Councilmember Vaughan, seconded by Councilmember Stevens, to adopt Ordinance No 2935. **Motion** passed unanimously (7-0).

15. Consider a **Resolution** of the City of Marysville Adopting a Policy for the Management of the City's Debt.

Finance Director Langdon stated that this policy puts into writing the guidelines for how the City handles debts. This is necessary to have in place in order to get a good bond rating.

Motion made by Councilmember Stevens, seconded by Councilmember Seibert, to approve Resolution No. 2348. **Motion** passed unanimously (7-0).

16. Consider a **Resolution** of the City of Marysville Establishing a Revenue Shortfall Policy.

Finance Director Langdon stated that this is the second fiscal policy necessary to put in place to prepare the city for a good bond rating.

Motion made by Councilmember Norton, seconded by Councilmember Stevens, to approve Resolution No. 2349. **Motion** passed unanimously (7-0).

19. Consider the Memorandum of Understanding with Catholic Services of Snohomish County, Sponsor of the Retired and Senior Volunteer Program (RSVP).

Commander Lamoureux stated that this is a renewal of the MOU with Catholic Community Services. The senior volunteers in the MVP program through the police department are sponsored through Catholic Community Services. This is a three-year MOU.

Motion made by Councilmember Wright, seconded by Councilmember Norton, to authorize the Mayor to sign the Memorandum of Understanding with Catholic Services of Snohomish County, Sponsor of the Retired and Senior Volunteer Program (RSVP). **Motion** passed unanimously (7-0).

Legal

Mayor's Business

17. Consider Community Development Block Grant Committee Reappointments.

CAO Hirashima explained that Marysville continues to receive funding, and this year's funding for CDBG is almost 50% more due to demographic changes in the community. This is a very important committee with quite a bit of responsibility in terms of making recommendations to the Council for allocating funds. She noted that there are also additional funds that are being granted to the City for the 2013-14 year, so the committee will need to meet within the next couple months. Mayor Nehring stated that his five appointments are: Peter Condyles, Brooke Hougan, Marvetta Toler, Rob Toyer, and Donna Wright.

Motion made by Councilmember Seibert, seconded by Councilmember Muller, to confirm the Mayor's appointments to the Community and Housing Development Citizen Advisory Committee. **Motion** passed unanimously (7-0).

18. Consider Salary Commission Reappointment: Don Culbertson.

Motion made by Councilmember Wright, seconded by Councilmember Stevens, to confirm the reappointment of Don Culbertson to the Salary Commission. **Motion** passed unanimously (7-0).

Other Mayor's Business:

- Mayor Nehring commented that the Greens Committee for the golf course is doing great work working with staff regarding realistic goals for the golf course. There is a lot of work going on at the golf course to increase revenue and just to maintain it.
- There is a signup sheet for Homegrown if anyone is interested in volunteering.

Staff Business

Jim Ballew:

- July 13 was incredibly busy for the City.
- There has been a dramatic increase in attendance for the concerts and movies this summer. It's nice to have so many people coming out enjoying the free events.
- Scrub-a-Mutt is coming up in August. Touch-a-Truck will be right after that in September.
- Parks staff is busy and making improvements up at the golf course as the Mayor stated.

- Parks submitted a grant to Snohomish County who has issued \$29 million in bonds for Conservation Futures funding. The City applied for Mother Nature's Window access for about \$.5 million.

Chief Smith:

- National Night Out will be happening on August 6. Thanks to Jim Ballew for working with police to put this together.
- Something came out last week on Carroll's Creek regarding a possible abduction. He noted that the police had been investigating it and are following through. They also followed up with a neighborhood meeting to address the residents. They were very happy with the police's presence there.
- Thanks to Sandy Langdon for working with him on SnoPac and budgeting issues.
- He commended the Information Services team in general for their great assistance.
- Thanks to Public Works and Code Enforcement who have been working on a number of high profile issues in conjunction with police.
- He commended Mayor Nehring and CAO Hirashima for their leadership and direction in moving the City forward.
- Thanks to Doug Buell for his hard work.
- Sgt. Shove is working on Tweeting as a quick way to provide the community with information.
- There will be a Public Safety meeting on Wednesday.

Kevin Nielsen:

- Public Works is currently grinding 51st and should be overlaying it tomorrow. They were putting loops in today at Grove and 51st. They are also grinding State Avenue up north, and will be grinding and overlaying from 136th to 152nd
- Public Works will be starting Bay View Trail in August
- He followed up with BNSF regarding fixing their crossing, which they indicated they would do at the end of August.
- The striping around town in complete.
- Utility crews are at Edward Springs putting in ultraviolet lights for disinfection.
- Planning Commission will be taking a field trip to Edward Springs and the Stillaguamish plant.
- Public Works, Police, and IT have been doing evaluations on our EOC's (Emergency Operation Center). They took a look at some of the buildings. Public Works is not seismically retrofitted, so if there is an earthquake, the EOC will be either Fire Department 62 or 66. This will be dependent on where IT can get fiber in a redundant loop. He will let Council know which location when he finds out for sure.
- Thanks to Sandy Langdon for saving us money!
- The rate study will be done in-house, saving the City significant money.

Mayor Nehring asked when the signals at the top of 528 are going active. Director Nielsen explained that it is a Wal-Mart issue, and they are working through their

construction. Director Nielsen thought that Wal-Mart would be training and stocking the first week in August, so the signal would have to be on and active by then with the channelization down and illumination up. CAO Hirashima thought that at least the signal at 87th would be operational in order to stock and train. The 83rd signal might come later. Director Nielsen added that they also have to modify a signal at Highway 9.

Councilmember Seibert asked who is generally responsible for flagging signal changes when a stop sign or signal is added. Director Nielsen explained that the street department puts signage up. Councilmember Seibert asked if DOT does it on Highway 9. Director Nielsen affirmed that it would be DOT, but if a contractor is doing the work, it would be a requirement for them. Councilmember Seibert commented that sometimes in the past, adequate change notice hasn't gone up, and it has created havoc with drivers. Director Nielsen said he thought that they would probably put a reader board up for that project at least a week beforehand. He indicated he would communicate that with Shawn Smith in Community Development.

Doug Buell:

- The Diversity Commission has been working with the Arts Coalition and Marysville Together to put together a first-ever multicultural fair from 10 to 3 on Saturday, September 28. They are currently seeking sponsors and additional vendors.
- The Marysville Street Festival will be held on August 9 and 10. The City will be helping Tulalip Tribes to showcase the Qwuloolt project.
- The Qwuloolt groundbreaking is scheduled for 10 a.m. on Tuesday, August 27.
- He, Mayor Nehring, Councilmember Stevens, Director Ballew, and Cheryl Deckard went through their list of Pride of Marysville Neighborhood Improvement Award Recipients and selected three winners for Best Home, Best Business, and the Mayor's Choice for the Best Downtown Business or Residence. These will be announced in the near future.

Sandy Langdon announced that Marysville received a clean report on its financials. They are waiting for the actual accountability from the auditors to finish up. Council will be invited if there is an exit conference. She wished everyone a happy summer break.

Grant Weed stated the need to hold an Executive Session for 15 minutes to discuss two matters concerning potential litigation with potential action on one of those items.

CAO Hirashima stated that staff is following the I-502 retail regulations that are coming out through the Liquor Control Board. They are starting to see action by cities on I-502 retail establishments. Bellingham, Olympia, and University Place have all passed moratoriums. She distributed a city map showing the different prohibitions that are already in the WAC. Buffer areas on the map are places that would not be allowed to obtain a license for the sale of marijuana. The areas in white on the map would potentially be areas that are not prohibited from obtaining a license at this point. The Liquor Control Board has now finalized the rules and will start taking applications for licenses in September. As a result, staff is looking at this issue and looking at what

other cities are doing as well. Staff is concerned that the City will not have enough time to adequately address this issue.

Grant Weed added that the rules that the Liquor Control Board adopted are complex and detailed, but they do not address all the details cities may want to address at the local level. The timeframe is very compressed for cities around the state. He discussed the application process and the three tiers of licenses.

Councilmember Vaughan spoke in support of a moratorium to allow the City to have more time to study this. Grant Weed stated he would be comfortable with imposing a moratorium to buy the City more time. Councilmember Vaughan asked about using that time to get feedback from the community, especially with regard to the map that was distributed to Council. City Attorney Weed stated that one or more public hearings would be part of whatever process the City chooses.

CAO Hirashima then gave an update on the dangerous building issue on 1st Street. There will be a hearing in early August. That particular residence was deemed unsafe by both the fire marshal and the building inspector.

Call on Councilmembers

Kamille Norton had no comments.

Steve Muller reported that there were 150 cars for Rods on 3rd Street. It was a great turnout and a great day.

Rob Toyer had no comments.

Michael Stevens:

- He enjoyed Shark Tale at the Movies at the Park.
- Homegrown and Homemade festival is great. He encouraged everyone to go and participate.
- The Fire Board had the pleasure of awarding the Phoenix Award to a fire crew that allowed them to meet someone that they were able to resuscitate successfully. There were two individuals who were resuscitated using a new type of advanced CPR that were brought forward to meet the crew.
- He encouraged the police with their tweeting. He said has heard great things about the Snohomish County Sheriff's website.
- He has received some comments about activity south of 116th Street between State and the freeway on some vacant land. It appears that the barricade has been compromised. Director Nielsen said they would check on it.

Donna Wright had no comments.

Jeff Vaughan:

- He was in Boston with his family recently. He enjoyed biking through the City with his family.
- He was on the USS Lionfish with his family.
- A property owner on 1st street told him he has noticed a huge difference. The whole neighborhood has changed. They are very excited and happy.

Council recessed at 8:27 p.m. until 8:30 after which time they reconvened in Executive Session for 15 minutes to discuss two matters concerning potential litigation with potential action on one of those items.

Executive Session

- A. Litigation - two items concerning potential litigation – RCW 42.30.110(1)(i)
- B. Personnel
- C. Real Estate

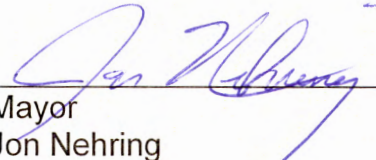
Council reconvened into regular session at 8:50 p.m.

Motion made by Councilmember Seibert, seconded by Councilmember Muller, to authorize the Mayor to executed the 3rd Amendment to Agreement with Feldman and Lee.

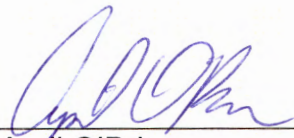
Adjournment

Seeing no further business Mayor Nehring adjourned the meeting at 8:52 p.m.

Approved this 9th day of September, 2013.



Mayor
Jon Nehring



April O'Brien
Deputy City Clerk