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| Call to Order/Pledge of Allegiance/Roll Call | 7:00 p.m. |
| Approval of the Agenda | Approved |
| Committee Reports | |
| Presentations | |
| Volunteer of the Month - Mike McDowell | Presented |
| Employee Services Award - Christina Hornung, Municipal Court Probation Officer – 10 years | Presented |
| Audience Participation | |
| Approval of Minutes | |
| Consider the October 24, 2016 City Council Meeting Minutes | Approved |
| Consent Agenda | |
| Consider the November 9, 2016 Claims in the Amount of \$1,652,469.51; Paid by EFT Transactions and Check Numbers 112333 through 112481 with No Checks Voided | Approved |
| Consider the November 16, 2016 Claims in the Amount of \$489,933.43; Paid by EFT Transactions and Check Numbers 112482 through 112610 with Check Numbers 111560, 111933, and 111939 Voided | Approved |
| Review Bids | |
| Public Hearings | |
| Consider the Washington State Department of Transportation Right-of- Way Annexation | Hearing Held |
| New Business | |
| Consider the 2017 Addendum for the Yakima County Agreement for Jail Services | Approved |
| Consider the Local Agency Federal Aid Project Prospectus and Supplemental Local Agency Funding Agreement with WSDOT thereby Securing Funding for the 2012 City Safety Program | Approved |
| Consider the Professional Services Agreement with The PFM Group | Approved |
| Consider the Deed and Real Estate Tax Affidavit Accepting the Conveyance of the 30 Foot Strip as Right of Way | Approved |
| Consider an Ordinance Amending Sections 3.64.020(1) and (2) of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services | Approved Ord. No. 3041 |
| Consider an Ordinance of the City of Marysville Adopting a Biennial Budget for the City of Marysville, Washington, for the Biennial Period of January 1, 2017 to December 31, 2018, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations for Each Separate Fund and the Aggregate Totals of all such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030 | Approved Ord. No. 3042 |
| Legal | |
| Mayor's Business | |
| Consider the Parks, Culture, and Recreation Board Appointment: Kelly Huestis | Approved |
| Staff Business | |
| Call on Councilmembers | |

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|--|--------------|
| Adjournment | 8:45 p.m. |
| Executive Session | 8:50 p.m. |
| Reconvenment | 9:00 p.m. |
| Real Estate – two items with action | Action taken |
| Adjournment | 9:00 p.m. |

COUNCIL



MINUTES

Regular Meeting November 28, 2016

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.

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, Rob Toyer, Jeff Vaughan, and Donna Wright

Absent: None

Also Present: Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Police Chief Rick Smith, City Attorney Jon Walker, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, Community Development Director Dave Koenig, Fire Chief Martin McFalls, and Recording Secretary Laurie Hugdahl.

Motion made by Councilmember Toyer, seconded by Councilmember Muller, to approve the agenda. **Motion** passed unanimously (7-0).

Committee Reports

Councilmember Seibert reported on the November 16 Finance Committee meeting where there was discussion involving: utility rates and charges, online utility bill pay, 2015-16 budget update, telephone tax, review of sales tax, and the review of the 2017-2018 preliminary budget.

Presentations

A. Volunteer of the Month

Mike McDowell was recognized as Volunteer of the Month for the month of November for his community service at the Marysville Food Bank and community food drives.

B. Employee Services Awards

Judge Gillings presented the following employee service award:

- Christina Hornung, Municipal Court Probation Officer – 10 years

Audience Participation

Evan and Patricia Kaiser, 2910 – 73rd Avenue NE, Marysville, WA, expressed concerns about: inadequate codes and building permit #B16-0428; poorly conducted investigation into their complaints case number CE16-000433; and reportedly, unauthorized change in policy for collecting fees for flagpole plan reviews (written statement and packet of supporting information distributed to Council).

CAO Hirashima commented that staff has spent quite a bit of time reviewing this situation. She stated that there are hundreds of flag poles in the city, but staff had not been aware of some of the regulations related to this. She agreed that some of the questions took longer for them to review because it was something that staff had to look into. Given the situation and the fact that there are so many flagpoles exist in the city, staff now believes that a more careful review of the definitions and the permit requirements is warranted. Staff feels it would be appropriate to bring those sections of code through the Planning Commission for review and clarification.

Mike Leighan, 7722 – 77th Avenue NE, Marysville, WA, spoke regarding previous Council discussion mentioned in The Globe regarding delaying the Waterfront Park. He commented that if the City delays funding it will interfere with getting grant money. He hopes they will fund it to some extent so staff can go forward with grant money application. He encouraged the City to move forward with funding the waterfront park project. He also suggested that Director Ballew may not be around in a few years to help with grant writing so that is another factor to consider.

Tom King, 3113 Sunnyside Blvd, Marysville, WA, spoke as a citizen and a member of the Parks, Culture, and Recreation Board spoke regarding the Parks Budget. He urged the Council to include funding for completion of the Ebey Waterfront Park and Trail. He stated that this will greatly enhance the City as well as draw visitors as a destination spot. As a lifelong resident of Marysville it is exciting to see this part of town finally redeveloped and become a gateway for the City.

Jerry Thornton, 3219 S. 142nd Place, Tukwila, WA, recognized the following people for their support in maintaining Lt. Jeff Thornton's legacy, especially for the creation and the restoration of the memorial ballpark: the entire Fire Department - Chief McFalls, and other firefighters; Kay Smith (prior Fire Commissioner); Paul Kinney, Jake Wetzel; Commander Robb Lamoureux; Bob Barrett; Steve John with True North Apparatus;

Parks and Recreation Board; and Director Jim Ballew. He also thanked Marysville participants in the Stair Climb for Leukemia.

Jodi Condyles, 5824 – 83rd Ave NE, Marysville, is a resident, a local business owner, and a Parks Board member. She stated was very taken aback by the tone of the last meeting. She respectfully asked the City Council to leave some funds in the budget for the Waterfront Park in particular. She opened a business in that part of town knowing the investment and the time and effort that were going into the waterfront. They had a vision of how the area would be eventually. She was shocked about what she heard at the meeting. She respectfully asked them to leave funds in for the waterfront park and for the ability to write grants.

Gail Bloom, Park Board Member, and Marysville resident and teacher, said she was thrilled about the plans for the Waterfront Park to be a place for kids to get outside and get healthy. She was devastated when she heard about plans to not fund it. She stated that the kids and the community need this park. She urged the Council to put it in the budget so they can at least go out and find the money somewhere else.

The meeting recessed at 7:40 until 7:49 p.m. for refreshments and socializing.

Approval of Minutes (*Written Comment Only Accepted from Audience.*)

1. Consider the October 24, 2016 City Council Meeting Minutes

Motion made by Councilmember Wright, seconded by Councilmember Norton, to approve the October 24, 2016 City Council Meeting Minutes. **Motion** passed unanimously (7-0).

Consent

2. Consider the November 9, 2016 Claims in the Amount of \$1,652,469.51; Paid by EFT Transactions and Check Numbers 112333 through 112481 with No Checks Voided
3. Consider the November 16, 2016 Claims in the Amount of \$489,933.43; Paid by EFT Transactions and Check Numbers 112482 through 112610 with Check Numbers 111560, 111933, and 111939 Voided

Motion made by Councilmember Toyer, seconded by Councilmember Stevens, to approve Consent Agenda items 2 and 3. **Motion** passed unanimously (7-0).

Review Bids

Public Hearings

4. Consider the Washington State Department of Transportation Right-of-Way Annexation

Director Koenig stated that this is to fulfill a requirement for two public hearings for zoning for this area. This is a 70-acre area that is now mostly a right-of-way from WSDOT. It also includes a little bit of private land. The idea is to annex the area prior to the permitting for new 529 bridge off of I-5 so that all the permitting can be done in the City of Marysville.

The public hearing was opened at 7:52 p.m. and public comments were solicited. Seeing none, the public hearing was closed at 7:52 p.m.

Councilmember Muller asked about the private part. Director Koenig stated that the private part is actually in the river and the property owner has signed a petition and is willing to commence with his part of it.

Mayor Nehring noted that this will come back for a second public hearing on January 9.

New Business

5. Consider the 2017 Addendum for the Yakima County Agreement for Jail Services

Chief Smith stated that this is just a renewal.

Motion made by Councilmember Norton, seconded by Councilmember Muller, to approve the 2017 Addendum for the Yakima County Agreement for Jail Services.

Motion passed unanimously (7-0).

6. Consider the Local Agency Federal Aid Project Prospectus and Supplemental Local Agency Funding Agreement with WSDOT thereby Securing Funding for the 2012 City Safety Program

Director Nielsen stated that this is a supplemental agreement to the original prospectus with the federal funding for signal improvements from 1st to 88th. This will allow the signal improvements to be done at the same time as the other improvements at 88th.

Motion made by Councilmember Wright, seconded by Councilmember Vaughan, to approve the Local Agency Federal Aid Project Prospectus and Supplemental Local Agency Funding Agreement with WSDOT thereby Securing Funding for the 2012 City Safety Program. **Motion** passed unanimously (7-0).

7. Consider the Professional Services Agreement with The PFM Group

Finance Director Langdon stated that the City did an RFP for bond advisory services in August. There were two submittals, and PFM Group is the one selected. This would be for a three-year agreement to help with bond management and advisory regarding bonds.

Motion made by Councilmember Vaughan, seconded by Councilmember Toyer, to approve the Professional Services Agreement with The PFM Group. **Motion** passed unanimously (7-0).

11. Consider the Deed and Real Estate Tax Affidavit Accepting the Conveyance of the 30 Foot Strip as Right of Way

Director Nielsen reviewed background on this item.

Motion made by Councilmember Muller, seconded by Councilmember Stevens, to authorize the Mayor to sign the Deed and Real Estate Tax Affidavit Accepting the Conveyance of the 30 Foot Strip as Right of Way. **Motion** passed unanimously (7-0).

8. Consider an **Ordinance** Amending Sections 3.64.020(1) and (2) of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services

Finance Director Langdon reviewed this item.

Motion made by Councilmember Stevens, seconded by Councilmember Muller, to approve Ordinance No. 3041. **Motion** passed unanimously (7-0).

9. Consider an **Ordinance** of the City of Marysville Adopting a Biennial Budget for the City of Marysville, Washington, for the Biennial Period of January 1, 2017 to December 31, 2018, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations for Each Separate Fund and the Aggregate Totals of all such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030

CAO Hirashima distributed and reviewed some additional information that has been discussed with the Finance Committee regarding the waterfront trail cost summary. She explained that a reduced amount of \$3,026,419 could accomplish: Western Breach, Additional Work, Olympic View Park, Levee Trail, Sunnyside Blvd., Crane Property, and Harborview Park. In response to Council's desire to reduce funding for this project, staff is proposing removing a lot of the overlook elements, side trails, look outs, mooring, boardwalk, restroom and playground, etc. They are focusing only on doing the central trail portion in order to bring the cost down.

Finance Director Langdon reviewed debt capacity as listed on page 9-7 in Council's packet. Finance Director Langdon clarified that the public safety building amount should be \$30 million in 2018. She also pointed out on page 9-10, Appendix A, a modification was made to the Park Budget to amend the budget to \$3 million for the Waterfront Park. She noted that they would not be able to expend over that amount without coming back to Council for a budget amendment. They would also have to come back to Council for any contracts.

Councilmember Seibert referred to the schedule that shows the plans for design of the park. CAO Hirashima replied that there are no funds for permitting for the park which would be another \$400,000-\$500,000 for cleanup.

Councilmember Seibert asked if the money in the fund for Parks Capital could be used for a grant match if the Council approved it. Finance Director Langdon replied that money could be taken out of reserves if necessary and if Council approved it.

Councilmember Muller expressed concern about gutting this project as proposed. He noted that impact it would have on the momentum and community identity. He spoke in support of public safety and figuring out how to house inmates, but also in support of doing this project for the rest of the community.

Councilmember Stevens said it was unfortunate this has taken a tone of Public Safety versus Parks. He is sure it would be a nice trail because Parks does a nice job with everything, but this reduction just seems like they are shooting themselves in the foot.

Councilmember Wright clarified that what staff is proposing is only for the trail, and nothing for the park. CAO Hirashima replied that staff tried to focus on a smaller project in order to meet the reduced amount that Council seemed to want at the last meeting. This would still be a 5-mile trail which will be nice for the community. She agreed that this is more of a trail and not the experience or re-imaging of the area that staff had originally presented. Staff doesn't feel that this is the end of it, but a smaller step forward recognizing that it may take a little longer to realize the entire project. She commented that the budget was not intended to make this an either or proposal with the public safety building and the waterfront park. Staff believes they are both possible. She noted that staff is currently working to get the jail numbers down because the original estimate was so high. She believes they will bring those numbers down just like they did with the waterfront park.

Councilmember Stevens asked about the interim state of the park if they go with the new proposed budget. CAO Hirashima explained they have done some of the capping, but have not finished it. The next step would be hiring a design engineer to design the waterfront park for shoreline permitting. Once they receive approvals for the regulatory process they will look at capping the lagoon site. Director Nielsen replied that capping the lagoon site would require some structures.

Councilmember Toyer asked how much that next phase would cost. Director Nielsen replied it would be \$1.5-2 million for that portion of design plus capping.

Mayor Nehring stated that one of the reasons the entire park and trail system is in the budget is that interest rates are going up and it could cost a lot more in a couple years.

Councilmember Vaughan thanked staff for their work. He understood some of the concerns about funding the park wholly versus partially. He also wants to see this park completed. He stated it has never been about a park versus a jail; it is about the timing and funding. He is looking at this in a timeframe much longer than two years. He spoke

in support of exercising caution and restraint so they aren't limited in the future. He stated that by overcommitting themselves on the parks project they might be forcing themselves into greater debt in the future at a time when economic conditions might not be as favorable as they are now. He spoke in support of staff's amended proposal. He stressed that he is committed to seeing this project completed, but perhaps in a different timeframe than what others would like.

Motion made by Councilmember Toyer, seconded by Councilmember Vaughan, to approve Ordinance No. 3042. **Motion** passed (6-1) with Councilmember Stevens voting no.

Legal

Mayor's Business

10. Consider the Parks, Culture, and Recreation Board Appointment: Kelly Huestis

Director Ballew stated that Kelly Huestis has been involved in youth sports in a leadership role in the community for a long time. He is very excited to be considered for this position. Director Ballew feels he will be a great addition to the Board.

Motion made by Councilmember Stevens, seconded by Councilmember Seibert, to approve the Parks, Culture, and Recreation Board Appointment: Kelly Huestis. **Motion** passed unanimously (7-0).

Mayor Nehring;

- Held a coffee klatch at Shoultes Fire Station tonight with about 20 people in attendance. He appreciated all the questions. He is pleased to see residents are reading through the budget. He pointed out that there were three or four really nice comments on the work that the Police Department has done such as bringing down a drug house, responding to theft, etc. He thanked everyone who showed up and staff for helping with it.
- There is a meeting with the school district on December 12 from 4:30 to 6 p.m.
- There was a really good Government Affairs Meeting with the Tribes last week.

Staff Business

Chief Smith:

- He corrected himself and noted that the jail population should be reflected as 28-38 instead of 38-48 as he stated last week.
- He thanked the Council for passing the budget. Police will be very busy with adding staff and structural changes over the next month preparing for the new year.

Finance Director Langdon introduced Jan Berg who is the new Assistant Finance Director.

Jon Walker stated the need for an Executive Session to discuss and take action on items related to acquisition of two real estate lasting ten minutes.

Gloria Hirashima:

- She thanked the Council for approving the budget and allowing the trail project to move forward.
- Staff has been talking about taking a look at Enterprise Fund contributions to see if there is any potential to include any utility funds for certain portions of the project.

Kevin Nielsen:

- The railroad crossing at 172nd is under construction.
- Jeff Laycock received a grant on State Avenue between 100th and 116th. The City received design money for the full project and right-of-way purchase for about \$1.3 million. He expressed appreciation to their funding partner, TIB.

Jim Ballew:

- He clarified that he is not retiring.
- He thanked the Council for approving the budget; this is a huge project for the community. He thanked them for considering it and keeping it alive.
- The trail has begun and is in Phase 2. They will commence work the second week in December and expect to be done in February with the exception of landscaping.
- Marysville for the Holidays will be this weekend. There are over 30 people in the parade and a lot of vendors in the park. The Tour of Lights will begin the following week.
- Staff has been working tirelessly putting together the Winter Guide. There are some great new activities and classes.

Chief McFalls thanked the Council and past Fire Board Members and past Council Members for their years and years of support for 9/11 support and the remembrance of the Thorntons. He thanked the community members also for their support.

Dave Koenig had no comments.

Call on Councilmembers

Jeff Vaughan had no comments.

Donna Wright stated she would not be here for the next meeting and possibly might not make the one after that either.

Jeff Seibert:

- He congratulated staff on the grant and noted it was great news.

- He thanked staff for redoing the parks budget and noted he is more comfortable with it.

Michael Stevens:

- He also thanked staff for their hard work on the budget.
- He enjoyed hearing Jerry Thornton speak tonight.
- He thanked the community members who came out in support of the community and projects they are trying to get done.
- He will not be able to attend the December 5 or December 12 meetings.

Rob Toyer had no comments.

Steve Muller:

- He thanked everyone for coming tonight.
- He had a great Thanksgiving. He had a lot of people in town and was disappointed that none of them could find housing in Marysville. They all had to stay in Everett.

Kamille Norton thanked the Park Board members for coming to speak. She assured them that the Council shares their commitment to parks and is excited to see the waterfront park move forward.

Adjournment

Council recessed at 8:45 for five minutes before reconvening in Executive Session for ten minutes to discuss items related to two real estate properties with action expected.

Executive Session

- A. Litigation
- B. Personnel
- C. Real Estate – RCW 42.30.110(1)(b)

Executive session ended and public meeting reconvened at 9:00 p.m.

Motion made by Councilmember Muller, seconded by Councilmember Toyer, to authorize the Mayor to sign the Purchase and Sale amendment to purchase Welco site for \$880,000. **Motion** passed unanimously (7-0).

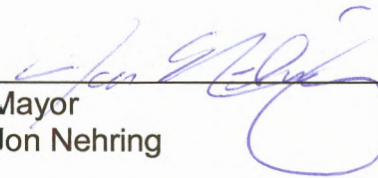
Motion made by Councilmember Muller, seconded by Councilmember Toyer, to authorize the Chief Administrative Officer to sign the letter regarding the use of eminent domain on the Welco site. **Motion** passed unanimously (7-0).

Motion made by Councilmember Muller, seconded by Councilmember Seibert, to authorize the Mayor to enter into an agreement regarding vesting and right of first refusal on a 2.31-acre parcel known as Frontier property. **Motion** passed unanimously (7-0).

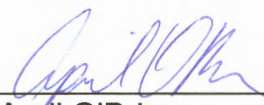
Adjournment

Seeing no further business Mayor Nehring adjourned the meeting at 9:00 p.m.

Approved this 9 day of January, 2016.



Mayor
Jon Nehring



April O'Brien
Deputy City Clerk