

MARYSVILLE CITY COUNCIL MINUTES  
SPECIAL BUDGET MEETING

NOVEMBER 19, 1990

6:00 p.m.

Council Chambers

Present: Rita Matheny, Mayor  
Councilmembers  
Ken Baxter, Mayor Pro Tem  
Dave McGee (late)  
Dave Weiser  
Donna Pedersen  
Donna Wright (late)  
Bob Lashua  
Lee Cundiff  
Administrative Staff:  
Carolyn Sanden, City Administrator  
Phil Dexter, Finance Director  
Dave Zabell, Public Works Director  
Mike Corcoran, City Planner  
Jim Allendoerfer, City Attorney  
Bob Dyer, Police Chief  
Doug Ronning, Fire Chief  
Bob Kissinger, Utilities Superintendent  
Lloyd Taubeneck, Streets Superintendent  
Jim Ballew, Parks & Recreation Supt.  
Judge Jay Wisman  
Wanda Iverson, Recording Secretary

CORRECTED: SEE 12/3/90  
MINUTES

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WORK SESSION AND BUDGET PUBLIC HEARING:

City Administrator Sanden reviewed Budget discussions from the last (11/13/90) meeting and noted that City Council is looking for cuts in the Budget in order to buy a new roof for City Hall, at a cost of \$50,000. She reviewed some of the possible items to be cut from the Budget including a demand printer out of the Court Budget and the \$1600 Economic Development Council membership dues out of the Finance Dept. Budget.

Mayor Matheny asked about the impact on the average household and the Budget with and without the 6% increase.

Finance Director Dexter explained it will bring in approximately \$195,000 in revenue and translates out to the average homeowner for water and sewer, an additional 79¢ per mo. for a City resident and \$1.33 per mo. for a rural resident. He noted this estimate is based on a usage of 15,000 gallons per month water and also, in the City, the garbage rate would also be about \$1.40/mo. more but Marysville water is still the lowest in the State and even with the sewer lagoon improvement, Marysville will be low in the State, he said.

City Attorney Allendoerfer explained that right now, what is being looked at is approval of a tax on the utility fund and not a rate increase as yet.

Finance Director Dexter pointed out that if the \$195,000 increase is not approved, it will mean major cuts in the Budget, a lot of which will affect public safety.

City Attorney Allendoerfer asked about taxing water if it were sold to the Tulalips and Finance Director Dexter said the tax would apply to any revenue. It was noted that it is basically a B&O tax and not all corporations pass all of the B&O tax on to the customer, eg. GTE.

Mayor Matheny asked how much is left in the building reserve fund and Finance Director Dexter said about \$63,000 at this point and he explained that it was originally set up several years ago for equipment replacement. Then, about 3 years ago, the State began allowing a cumulative reserve fund in the General Fund this year, about 7% has been budgeted to be added to the reserve fund and so that fund could easily be used for a new roof for City Hall, he said. He added that staff would like City Council to consider getting in some bids and then actually allocating a set amount for the roof, to be transferred out of the reserve fund.

Councilor Cundiff asked about the Miscellaneous budgeted items and Finance Director Dexter listed some items that would be included under Miscellaneous: Subscriptions and Dues (Economic Development Council, Chamber of Commerce, AWC), conference registration fees, etc.

Councilor Weiser asked if there wasn't a concern about a loss of sales tax revenue due to the slump in the economy and Finance Director Dexter said yes, we are in a recession. Councilor Weiser suggested keeping the reserve in tact and taking the \$50,000 out of the general budget and discussion followed concerning the economy in the Northwest compared to the national level, the Navy Homeport, Boeing and Microsoft helping keep us out of a recession.

Councilor Weiser asked if the \$63,000 reserve fund wasn't to be used more for emergencies and Finance Director Dexter said yes, but the City also used some of that fund in the past, for example, for the Public Safety Building.

Councilor Weiser said he felt the money for the roof should be cut from the budget at this point.

Councilor Cundiff asked about repairs/replacement of the heating system and City Administrator Sanden stated that they are trying something in the meantime and hopefully, they won't have to replace the heating system this year.

Councilor Baxter noted there is no ordinance allowing the 6% increase at this point and Finance Director Dexter admitted this to be true, stating that an ordinance would be drawn up as soon as it becomes necessary.

City Attorney Allendoerfer explained there would be two ordinances with the second one passing the B&O tax on to the ratepayer.

City Administrator Sanden reiterated that the Budget is a proposal only, with the 6% increased having been proposed by staff and the Budget Committee.

Court Budget - Judge Wisman addressed Council with regard to the questions they had last week. With regard to upgrading the hard drive, he noted they have already used up 43% of their disk capacity and they are averaging 3% use of memory per month and in order to prevent any problem with the system down the road, Data West has recommended another 300 mg hard drive, he said. With regard to the demand document feeder, that would print at the same time as the other printers and is required for a different type of documentation and would improve the efficiency of the Courts, he said.

Councilor McGee asked if these things weren't indicated as a need last year and Judge Wisman explained that it was very difficult to estimate their needs and he pointed out that 7 years ago, the Courts revenue was \$30,000/year and it is very possible the 1990 "keeper" revenue will be \$182,000--100% of their budget, which is very rare for the Courts to be 100% self-sustaining, he said.

Councilor Pedersen asked about any other alternatives to the hard drive and Judge Wisman said Data West looked at other alternatives but they would not be as efficient. He added that the growth in the number of records kept on the computer has been phenomenal and the usage of the memory may be used at a faster rate than 3% per month, too. He said the demand document feeder being recommended is a Genecom dot matrix printer and Sue Jensen explained it is a special printer, capable of printing a 5 part form.

Councilor McGee asked how often the printer would be used simultaneously with the other printers and Judge Wisman said it would mainly be when Court is in session but at other times, also.

Councilor Baxter stated his concern is that the cumulative reserve fund was to be used for emergencies only.

Finance Director Dexter explained that with the new equipment replacement budget for each department, that will basically replace the reserve funds. He also noted that in 1988 there was \$200,000 in the cumulative reserve fund and now it's down to \$63,000, i.e. it fluctuates up and down, and there would be no problem in using this fund for a new City Hall roof.

Councilor Baxter said it is his feeling that City Hall needs about \$100,000 for repairs at this point, not just \$50,000.

Councilor Weiser pointed out that the roof job needs to go to bid and the temporary \$300 for the heating system may not be enough. In addition, Councilor Baxter said new furniture should be a high priority, also.

Councilor Lashua asked about the water and sewer surcharge money-- whether this is in a separate account and Finance Director Dexter said right now it's within Fund 402/Utility Construction Fund but can be broken out and put in a separate fund--it's up to about \$215,000 now and would be about \$500,000 at the end of 1991, he said. He added that originally, there was more discretionary use but the need for a new sewer/second treatment plant/upgrade is right around the corner and also, if the rate structure is increased, the surcharge (which should be a temporary thing) should be dropped.

Councilor Lashua pointed out that the original intent of the fund that the surcharge is contributing to, was to prevent a need for having to float bonds.

Finance Director Dexter agreed but said we are going to need something like \$8,000,000 next year and not in 2007 as originally planned.

Councilor Baxter asked about the \$5,000 handicap access door for City Hall and City Administrator Sanden said she has found out that it would not be needed except in the case of a 65% or more remodel.

Police Dept. Budget - Police Chief Dyer was available for questions and there was discussion about his original request for six autos as well as discussion about the high cost of maintenance on the older vehicles, repairs, towing services, break downs, very unreliable autos and radios, with it not being cost effective to just keep repairing the vehicles, present value of the vehicles, posing liability, police cars and taxis do have very hard use, auction value, growth in the City, cost of just transferring equipment to a new vehicle, cellular phones, phones for sergeants, computer for the jail (bookings), records vault, copy machines needed.

Councilor Lashua asked about the \$17,000 for a transport van and Police Chief Dyer explained that this item was already cut from the budget, in fact, the jail has taken a total of a \$24,000 cut, he said.

Councilor Weiser commented that he hoped the vehicles are reviewed sometime soon with regard to total repair costs when it comes time to replace and Councilor Lashua noted that the vehicles should be on a depreciation schedule and every year you make provision to buy new cars.

Councilor Cundiff noted that the travel budget had increased and asked what happens if the whole amount is not expended. City Administrator Sanden explained that the left over money would be carried over into next year's budget.

CORRECTED: SEE 1215 1990  
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City Attorney Allendoerfer was then asked about his opinion of the City having an inhouse attorney vs. an outside attorney. He said the tradeoff is not a financial tradeoff but rather in quality of services. He noted that with a retained attorney the City gets an outside perspective and if the attorney were part of staff, he would have less perspective. Also, an outside attorney can compare two cities, for example, his legal firm represents developers and other entities which gives valuable perspective, he said. He recommended the City look at hiring another outside attorney based on staff, library, other support being very important and very difficult to duplicate inhouse. He noted that very few cities have their own attorneys, with the exception of Everett (they have 4) and Oak Harbor who has a budget of \$128,000 for a City Attorney, compared to Marysville's budget of \$98,000. He added that the City also needs to budget for a backup attorney and in view of that cost, would recommend that the City wait for about six months first and not rush into a decision.

Fire Dept. Budget - Fire Chief Ronning made a presentation, noting that he had originally requested 3 firefighter positions for 1991 but two were cut. He explained the importance of his request for upgrade of three positions to Lt. for crew coverage, the station duty \$10/shift increase, increase to \$4.50/hr. call pay, increase of \$100 for sponsoring M.D., capital outlay items totalling \$29,350 including a mobile air compressor (Marysville's share of county unit), upgrading the fire hose to a 5" one, air packs/communication upgrades, refurbishing pump panels, remodeling command post, first aid equipment. He noted that some outside donations have been received from other community entities and a lot of memorial donations, which are used for the widows and orphans, community service, sending Santa Claus out into the community with candy canes every year.

Councilor Baxter asked about the upgrade to lieutenant and how many full time paid people the fire dept. has at the firefighter level.

Fire Chief Ronning said there are two volunteer lieutenants at present and there will be four full time firefighters if the two requested are approved for 1991, however there are a lot of volunteer firefighters and often a firefighter with only four years experience will be in charge of a fire scene, he said.

Councilor Baxter said that in view of the ongoing negotiations between Fire District 12 and Marysville, he would recommend those requests/budget be set aside.

Fire Chief Ronning pointed out that they have had several joint meetings and basically the reason Marysville wants to upgrade to lieutenant positions is because F.D. 12 in 1990 upgraded three positions to lieutenant and now M.F.D. feels ineligible to be considered in the event of consolidation--they want to be in a comparable position.

Councilor Baxter noted that there is another joint meeting tomorrow evening and said he felt City Council would be better informed after there have been a couple more joint meetings.

Fire Chief Ronning said he would like to see the upgrade before the consolidation, that it's very important to have a lieutenant in charge of a fire scene vs. a volunteer firefighter who can't always be relied on to be available.

Councilor Weiser asked if there will be a need for nine lieutenants with the merger and Fire Chief Ronning said yes, each one would cover one out of three shifts at one out of three stations and it makes more sense having a lieutenant as the firefighter's immediate supervisor.

Councilor Baxter reiterated that he would like more discussion at a later time.

There was more discussion about the upgrade to lieutenant and it was the consensus that it be discussed again before Council prior to making any final decision.

Parks & Recreation Budget - Parks & Recreation Supt. Ballew made himself available for questions and Councilor Baxter asked about the groundskeeper position and Councilor McGee asked about the 150% group health insurance increase.

Parks & Recreation Supt. Ballew explained that the group health insurance increase was for the additional groundskeeper as well as an additional part time personnel during the summer for the schools and the petting zoo. He noted that \$7400 has been cut from the budget now because of the Rotary agreeing to pay for the basketball court at Hickok Park. There was discussion about delaying installation of the basketball court, however, until the future use of the park is decided (may end up as a fire station site). There was also discussion about the present parks office building --demolition and disposal of facilities.

Parks & Recreation Supt. Ballew also answered questions about a total of three groundskeepers proposed for next year for the Parks Dept., the tree adoption program, planters, right of way use for trees, liability issues, mechanics and maintenance of equipment and vehicles, vehicle inventory, mowers, the merry-go-round being repaired to prevent a City liability, the slide in the park, parking lot enlargement at Jennings Park, need for a power winch to pull vehicles out of the creek/mud, park benches and theft of them (only 13 left), table tops not wearing well, need for another printer card, cellular phone, misc. items including the Centennial Coordinator budget, recreational services, community events, Centennial book publication (reimbursable account). He noted that the plan is to publish 3000 soft cover centennial books with 250 hard bound, 190 pages each at a cost of \$16/book, \$19.95 retail. He added that with the potential acquisition of the Reagan property, the City would have to come up with matching funds of \$50,000 which has not been included in the budget. He noted that the project has become a priority with the County and Marysville has a very good chance of having the grant application approved, but we would still have to come up with the \$50,000.

Councilor Pedersen noted that there are a number of departments requesting cellular phones and recommended the City going to one vendor for the total number of phones needed and perhaps obtaining some kind of volume discount. Fire Chief Ronning recommended that if this were done, that popular brands of cellular phones be obtained so that parts and/or replacements can be readily obtained.

Golf Budget - Parks & Recreation Supt. Ballew then presented the Golf Budget and noted that one groundskeeper (temporary) from last year has been cut, leaving two groundskeepers for the golf course. He said a seasonal grant has been approved for part time help in the summer and he talked about the Cushman mower's need for replacement. There was discussion regarding buying new vs. used equipment, \$14,000 budgeted for fertilizer.

Engineering Budget - Public Works Director Zabell stated they are requesting one more expensive cellular phone or two less expensive ones, office furniture for the secretary, survey equipment, a copier with collator, a public works engineer (the position that's been vacant for two years). He noted the engineer is needed to relieve him somewhat in the area of reviewing construction plans and to assist the Public Works Director. There was discussion about hiring a P.E. and further discussion about cellular phones.

City Attorney Allendoerfer said that with regard to the new engrg. position, the City needs more leadership in the utilities and that he felt the City should be offering more salary there and focusing on staff support because Dave Zabell is the Director and needs that assistance.

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Councilor Baxter agreed that the engineer position should be filled, to have someone communicate with other engineering firms, to improve the decision making process and information gathering process. He said he felt it would prevent a lot of problems experienced in the past if this position were filled.

Public Library Budget - Cindy Lyons briefly reviewed this building and equipment budget only, including the need for repair of the air conditioning equipment for the lobby, remodel of the lobby (a bandaidd solution for acquiring more space at the library) for magazines, paperbacks, coffee tables, lighting, seating area and carpeting.

Public Safety Building Budget - Chief Ronning reviewed the need for \$500 for "decor", two part time receptionists, misc. supplies, light bulbs, communications needs, repairs & maintenance. He noted that the repairs & maintenance \$21,000 budget includes service contracts for the copier, the halon fire extinguishers, the HACV system in the Public Safety Building, auxiliary power, security, the sprinkler system, a typewriter, the elevator, the phone system, computer software, the postage machine and repairs for overhead doors and interior painting. He also noted that storage for the Courts and Police records is needed and alternatives such as the golf course building were discussed and use of the sound system room in the Council Chambers. Other items included in the budget were reviewed such as outside benches, a jail phone jack and a window opening/closing device in Council Chambers. There was a great deal of discussion regarding the window opening/closing device and it was the consensus finally to include this under the "Decor" budget. Chief Ronning also mentioned the need to replace security cameras (three) and to replace exercise room mats; both the cameras and mats have been in place since the building was built, he noted.



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Street Dept. Budget - Streets Supt. Taubeneck reviewed this budget, noting it went down \$525,000 from last year because they have held down on capital outlay. The items they have included are a snow plow and pump for \$16,000, signalization and other improvements to streets which includes the cost of design, construction, taking into consideration TIP grants and right of way acquisition. He noted there is no additional personnel request at this time. There was some discussion about park and ride lots, right of way, Grove St. improvements, ditches being maintained and/or filled in for safety reasons, parking problems, 15" drain pipe already installed at the freeway, use of the Growth Management Fund.

As far as monetary resources, Finance Director Dexter explained the real estate excise tax, developers' fees in TIP #1 and TIP #2 can be used for streets.

Councilor Pedersen asked where the money is for parks that has been set aside from the developers and Finance Director Dexter said he believed there was a \$2400 donation from Harv Jubie and another small donation, about \$2000, that is in the Growth Management Fund for Parks.

Councilor Pedersen stated she remembered a lot of voluntary contributions made when she was chairman of the Planning Commission but Finance Director Dexter pointed out that as long as the sewer moratorium is on, the donation may not be due yet and he said he would follow up on this matter.

Councilor Weiser asked about diversion of \$300,000 from the Street Fund to the General Fund by ordinance and Public Works Director Zabell some of the real estate tax was diverted on a one time only basis.

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Finance Director Dexter said he didn't believe the ordinance needs to be changed because it reads "as budgeted". He referenced "increase of cash carry over and increase of appropriation in the arterial street budget".

Utilities Dept. Budget - Utilities Supt. Kissinger presented this budget, noting there are three personnel changes including an additional meter reader. As far as capital equipment, an additional vehicle is needed for the additional meter reader, a line tracer, band saw, equipment for sewer treatment lab, air conditioner units (Councilor Lashua donated one at this point), water quality and conservation education items, painting of water tanks.

There was discussion of how much it costs to put lettering on tanks with "Marysville" and it was the consensus that the one near Sunnyside needn't be lettered because it is not that visible.

Utilities Supt. Kissinger also reviewed other items including reservoir design, engineering studies, comp plan, improvements to Edwards Springs, the Evt-Msv1. water transmission, \$3,000,000 needed for proposed improvements in 1991, need to increase water pressure in SE quadrant because of low pressure, the fact that attorney fees come out of the utility construction/bond fund.

Garbage & Solid Waste Budget - Utilities Supt. Kissinger noted there is no personnel request under this budget however the tipping fees have increased to \$480,000 per year.

ULID Budget - Finance Director Dexter noted there are three active ULIDs at this time and said he would like to see them combined into one bond issue.

Mayor Matheny asked about the \$20,000 that was agreed to for an annexation study and there was discussion about this being a high priority, Marysville's need to hire a consultant like Arlington has done to go around and promote annexation issues. It was concluded that taking care of City Hall has a higher priority at this point.

Equipment Rental Fund - There was discussion here about the asst. mechanic position actually being a mechanic's helper, the need for fast turn around of equipment, scheduled maintenance, the need for a computer and printer for time/record keeping, furniture.

Salaries - City Administrator Sanden presented salary schedules and explained that the 6% education incentive is not included at this time in the salary for retirement purposes and she is proposing that it be included as part of the base. She also noted that Jim Ballew does not receive the 6% bonus because he is not degreed and she is proposing that his experience be counted as a degree and that he be allowed the additional 6% educational incentive. She said she was also proposing a separate pay grade for department heads on a non-union salary schedule in order for the employee to see where they fit in, at a glance. She noted that the only change is the 6% to Jim Ballew's salary; that the upgrade on the dept. heads includes the educational incentive.

Councilor Weiser asked about the possibility of changing Jim Ballew's job description and Finance Director Dexter said that most job description ads now include education and experience requirements and that he would recommend the method where experience is a tradeoff for education be used.

Councilor Weiser said his point was that maybe the educational incentive is not working.

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City Administrator Sanden said she felt the educational incentive method is working and added that she also wished to submit a request for an increase which would make her salary more comparable.

There was discussion about Jim Ballew's rate, changing the personnel rules, educational incentive peaks out at two years, how allowing this for Jim could create employee morale problems, discussion about how Jim is doing an excellent job looking for grants, etc., how giving an educational incentive automatically, however, is defeating the purpose of the incentive.

City Administrator Sanden noted that the union was asking for 10% plus COLA and that some disparities exist in non-union positions. She said she would like the union issue resolved first.

Councilor Lashua noted that with a degree, the City would have to pay \$512/mo. more and so he suggested a higher pay grade for Jim. There was more discussion and City Administrator Sanden noted that an increase for him is in the budget, that the Recreation Dept. was added to the Parks Dept. job description, that comparable worth is being used for union employees but not for dept. heads--that a market evaluation would be more appropriate in this case. She mentioned that one of John Garner's parting recommendations was that a management salary survey be done and there were comments at this point regarding the longevity issue and how good an employee Jim is.

Finance Director Dexter pointed out that the additional 6% for Marysville City employees is a very significant part of the salary and in effect, is the factor that puts Marysville in a very comparable position with other cities.

City Administrator Sanden agreed, stating that her salary is reasonably competitive but only with the 6%.

There was more discussion about the benefit package, Snohomish being the only city lower than Marysville as far as medical benefits, morale problems, making exceptions, City University criteria for life experience credits, with City Administrator Sanden to follow up.

Mayor Matheny then opened the hearing up for audience participation but there was none. Councilor Weiser then moved and Councilor Lashua seconded to continue the Budget Public Hearing to 11/26/90, 8:00 p.m. Passed unanimously.

ADJOURNMENT: 11:30 p.m.

Accepted this 3<sup>rd</sup> day of December, 1990.

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MAYOR

Phillip E. Dexter  
CITY CLERK

Nanda A. Auerson  
RECORDING SECRETARY