

MINUTES RECAP

ORIGINAL

MARYSVILLE CITY COUNCIL MEETING

JANUARY 26, 1998

CALL TO ORDER:

7:00 p.m.

0175 JT

ROLL CALL:

All present

MINUTES OF PREVIOUS MEETINGS:

City Council 1/12/98
Approved

AUDIENCE PARTICIPATION:

None

CONSENT AGENDA:

Approved:

1. Approval of 1/26/98 Claims in the Amount of \$324,234.20; paid by check nos. 37385 through 37393 and 37396 through 37501.
2. Approval of 1/26/98 Claims in the Amount of \$525,018.16; paid by check nos. 37395, 37502 through 37658 with check 37178 void
3. Approval of Utility Variance Extension for Gary Ball/John Robinett; 2988 188th St. NE, Arlington; UV 96-004.
4. Approval of Interlocal Agreement for Jail Transport Services; Whatcom County.
5. Approval of Construction of a Model Home on Lot 22, in the Plat of Strawberry Hills Division II.
6. Approval of Liquor License Renewal for Boulevard Grocery; California Tavern; Godfather's Pizza #48523; Las Margaritas Family Mexican Restaurant; Loyal Order of Moose Marysville Lodge 1845; Payless Drug #2732; Saigon Garden Restaurant; Skipper's Seafood 'N Chowder House #109; Texaco Refining & Marketing; 7-Eleven Store #2306-18861D; and New Liquor License for Allen Creek Thriftway.
7. Hotel/Motel Grant Committee Recommendations.

STAFF'S BUSINESS:

MAYOR'S BUSINESS:

CALL ON COUNCILMEMBERS:

CURRENT BUSINESS:

1. Review of Utility Rates. Consultant/Staff recommendations approved for CWSP users

NEW BUSINESS:

1. Utility Variance for Robert & Cindy Approved
Allred; 11624 55th Ave. NE; UV 98-001

ORDINANCES & RESOLUTIONS:

1. Ord. 2176 Approved Affirming Hearing Examiner Decision & Rezoning Property Owned by Rocky & Cheryl Yunge, Doyle & Janice Parks and Jubie, Darling and Roberts, Amending Official Zoning Map Previously Adopted in Ord. 772.
2. Ord. 2177 Approved Affirming Hrg. Examiner Decision & Rezoning Property Owned by Daniel & Eileen Schei, Amending Official Zoning Map Previously Adopted in Ord. 772.
3. Ord. 2178 Approved Affirming Hrg. Examiner Decision & Rezoning Property Owned by Group Health of Puget Sound, and Amending Official Zoning Map Previously Adopted in Ord. 772.
4. Ord. 2179 Approved Amending MMC 3.51.020 Pertaining to Petty Cash Fund Distribution by Adding a New Subsection Relating to Establishment of a Petty Cash Fund for the Ken Baxter Senior Community Center.
5. Ord. 2180 Approved Affirming Hrg. Examiner Decision & Rezoning Property Owned by Pete and Ailene Poortinga, Amending Official Zoning Map Previously Adopted in Ord. 772.
6. Res. 1870 Approved Urging Snohomish County to Move the Quil Ceda/Allen Creek Watershed Plan to the Public Comment Stage.
7. Res. 1871 Approved Granting Util. Variance for Grandview, Inc. for Property located at 3200 186th Pl. NE, Marysville.
8. Res. 1872 Approved Granting Util. Variance for Pete Poeschel for property located at 18223 Smokey Pt. Blvd., Arlington.

ADJOURNMENT:

10:08 p.m.

EXECUTIVE SESSION:

10:20 to 11:05 p.m.

1. Pending Litigation (No Action)
2. Real Estate (No Action)
3. Personnel (Action-See Minutes)

RECONVENED & ADJOURNED:

11:07 p.m.

MARYSVILLE CITY COUNCIL MINUTES

0175

JANUARY 26, 1998

7:00 p.m.

Council Chambers

Present: Dave Weiser, Mayor
 Donna Wright, Mayor Pro Tem
Councilmembers:
 John Myers
 Normajean Dierck
 Donna Pedersen (7:03 p.m.)
 Mike Leighan
 Otto Herman
 Shirley Bartholomew
Administrative Staff:
 Dave Zabell, City Administrator
 Dean Rohla, Asst. Finance Director
 Grant Weed, City Attorney
 Gloria Hirashima, City Planner
 Ken Winckler, Public Works Director
 Robert Carden, Police Chief
 Wanda Iverson, Recording Secretary

CORRECTED: SEE MINUTES

CORRECTED: SEE 2/2/98 MINUTES

CALL TO ORDER:

Mayor Weiser called the meeting to order at 7:00 p.m. and led us in the flag salute.

MINUTES OF PREVIOUS MEETINGS:

1. City Council Meeting of 1/12/98.

Councilmember Bartholomew noted in the Minutes Recap as well as on page 2 under Audience Participation, it should be Julie Langabeer. Under Consent Agenda Item #4, it should be "Jackpot" not "Jackpit" (appears twice) and on page 2, in the 4th paragraph from the bottom, the author of the book is "Durning" not "Gurney (appears twice). She asked that on page 4, in the fourth line of the second full paragraph, the words "with caution" be deleted, ending the sentence with "enforceable." Also, on page 5 in the 4th paragraph, second line, regarding the article in the Seattle Times, to add that "funding for Snohomish County was dropped." Four paragraphs down from that, she asked that the spelling of Ron Dotzauer's name be corrected.

Councilmember Herman noted on page 5, 5th paragraph, third line, his motion included "to not reduce the portion of the MVET that goes to local government."

There being no further corrections, Councilmember Herman moved and Councilmember Leighan seconded to approve the 1/12/98 City Council Meeting minutes as corrected. Passed unanimously.

AUDIENCE PARTICIPATION FOR NON-AGENDA ITEMS: None.

CONSENT AGENDA:

1. Approval of 1/26/98 Claims in the Amount of \$324,234.20; paid by check nos. 37385 through 37393 and 37396 through 37501.
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JANUARY 26, 1998
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Councilmember Bartholomew moved and Councilmember Myers seconded to approve Consent Agenda Items 1 through 7. Motion passed unanimously.

There was discussion about items on the Consent Agenda and the alternative to putting an item under New Business if there are any questions on a Consent Agenda Item. It was the consensus to return to the previous way, of keeping it on the Consent Agenda if there is just a quick question that can easily be answered.

STAFF'S BUSINESS:

City Planner Hirashima advised the City will be advertising for the Annual Comprehensive Plan Amendments next week for a 30 day period and the Planning Commission will be combining these requests with an area wide rezone. She said the cut off date for getting requests in would be 30 days from the date it is published, in approx. 10 days.

Public Works Director Winckler reminded Council this Thursday there will be a Storm Water Management Plan Workshop at 7 p.m. at the Public Safety Center. Also, WSDOT is sending a response with regard to highway closures as previously discussed at past Council meetings.

MAYOR'S BUSINESS:

1) Mayor Weiser announced there will be a Council Workshop this Saturday at 8:30 a.m. at the Ken Baxter Senior Community Center where 3 attorneys will discuss Appearance of Fairness Doctrine, there will be a short Executive Session to discuss Pending Litigation, as well as Committee Assignments to be reviewed.

CALL ON COUNCILMEMBERS:

Councilmember Leighan noted the Police Dept. now have a Web page. He asked about the area wide rezone and City Planner Hirashima said she expected that to be brought to the Planning Commission in early March in combination with the Comp Plan Amendment Requests and she anticipates there will be 2 to 3 workshops.

Councilmember Leighan reported the shack on Cedar that was a concern previously and had been boarded up, is now open again.

Councilmember Wright asked about State Avenue improvements between 88th & 94th. Public Works Director Winckler said the project is proceeding on track, signal poles have been ordered. He added that the sign poles for 88th should be in, in 2 months.

Councilmember Dierck said she doesn't feel comfortable receiving last minute handouts such as tonight on the water/sewer rates.

Councilmember Myers agreed about getting last minute handouts.

Councilmember Bartholomew asked Chief Carden about the HUD project and check #37635 that was issued for 11/97 prisoner housing. She asked if we are coming out even swapping prisoners with the county and Chief Carden said he would have to get back with Council on that as he didn't have the information immediately at hand.

Councilmember Herman reported on the CT/PTBA meeting and election of representatives; he was reelected as a representative of medium sized cities (including Marysville).

He referred to a letter from people on 70th regarding sidewalks and said he would like this situation reviewed as some parts are in need of graveling, perhaps.

City Administrator Zabell said he believed this issue was going to go before the Traffic Safety Committee.

Public Works Director Winckler noted that in addition, Public Works offers the sidewalk program where they get in touch with homeowners that may wish to participate.

Councilmember Wright said she has also seen situations where the neighbors get together and sign a petition so they need not put in sidewalks at all.

There was discussion about the cost to the homeowners being \$15 per linear foot vs 50%. Public Works Director Winckler said he will be coming to Council with recommendations on this.

CURRENT BUSINESS:

1. Review of Utility Rates.

Public Works Director Winckler reviewed the agenda bill and introduced Larry Wade, Engineering Consultant, Hammond-Collier-Wade-Livingstone, Seattle.

Mr. Wade showed overheads and made his presentation based on them. He said the current rates have been in effect for approximately a year now and he showed 1997 income was about \$7.6 million with a minimum needed of \$7.4 million for expenses. However, the rates are based on a 5 year average, he explained, in other words, more revenue was projected to be collected at the beginning of the 5 years to help pay for the last 2 years of the 5 year period, when conservation and expenses would probably be higher. In 1997, slightly over the minimum needed was collected and the Water & Sewer budget for 1998 is \$7.7 million. He reviewed the goals and noted one of the alternatives to the current rate structure was a zero base with usage only charges.

He spoke about various criteria for water and sewer rates, noting the residential rates were adopted 12/16/96 with an agreement to review them annually. He noted 32% of the residential customers during July and August of 1997 used less than 6,000 gallons and 58% of the customers used less than 15,000 gallons; 42% paid the summer surcharge.

He noted that when the utility rates were first went through the public process just over a year ago or so, the main complaints were about sewer rates which were then adjusted; there have been no complaints about sewer rates since that time, only about the water rates.

He made the following recommendations:

1. Summer surcharge for residential water customers to go from 150% to 120%.
2. Change the 15,000 bimonthly gallonage to 30,000 bi-monthly, after which a surcharge would be charged.
3. CWSP rate per 1,000 gallons of water used to change from \$2.60 to \$2.25.

He spoke about the effects of growth and the fact that Marysville had more rain this past summer than normal. He said he believed the reductions as proposed can be absorbed but would not recommend that the rates go much lower. Several factors are involved, he noted, in calculating future revenue, such as a possible decrease in commercial/industrial users, annexations in the works which will result in people coming into the City at lower water rates, etc.

Councilmember Bartholomew asked about the decrease in revenue of \$270,000 per year as a result of the proposed rate reductions because at the end of 1996 there was a negative balance of \$200,000 in the fund.

Mr. Wade said he projects an income of \$7.7 million for 1998 with the lower rates which is adequate to cover all bond indebtedness, reserves, expenses.

CORRECTED: SEE
MINUTES 9/10 "REVIEWED"
2/2/98

There was discussion about larger multifamily complexes and the recommended reduction for 4-plexes and below, about how many people use 30,000 gallons or more (15% of residential customers), the fact that the sewer rates are apparently meeting expectations of the City and the users but Mr. Wade recommended reviewing them also at the end of 1998.

The Mayor opened the floor for public input (only 3 or 4 people indicated a desire to speak).

Karen Elder, 5401 143rd Pl. NE, addressed Council, noting she is currently paying the CWSP water rates. She submitted a prepared statement saying basically up until the increase there was very little difference between Marysville rates and outside City limits but now they don't feel a part of the City any more because of the inequality. She spoke about the injustice the City has paid to the residents outside the City, especially people on limited budgets, with families, those having medical illnesses, people who exercise regularly and need to bathe more often, low income people. She said she felt the increase should only have been the amount of the COLA (3% per year) but 150% is way too high; the City chose to put the majority of the rate increase on to the people who can't vote them out of office, she said. These rates are very prejudicial, she added and noted she always used to say she lived in Marysville but doesn't say that anymore and is boycotting City stores and establishments. She recommended removing the summer surcharge entirely, charging \$16.50 base rate in the City, \$24.50 base rate in the County, up to 6,000 gallons then at \$1.75 per 1,000 gallons after the 6,000. She concluded if the City residents can live with these increases, then the CWSP residents can, too.

She also submitted about 500 signatures on petitions against the current rate structure and asked what would happen if Pacific Feather comes into the City. How is that going to affect current rates, she asked. She said she feels businesses should get surcharged also. She said she knows a lot of her friends and she are now shopping in Smokey Point.

Councilmember Pedersen asked how these recommendations would come out in comparison to the \$7.7 million needed and Ms. Elder said she didn't have those figures but thinks it's got to be close with the surplus the City has now and right now, current rates are bringing in way more than is needed.

Scott Stavely, 3813 104th St. NE, addressed Council, noting he is also a county resident. He said when the rate first went up, his bill went from \$42 to \$116, from 85 cents to \$2.60 per 1000 gal. and they were shocked; they are a family of 6. He said he doesn't understand why the commercial users don't share the burden of the surcharge.

Councilmember Herman noted at the time the rates were considered overall in terms of usage, the commercial/industrial users were not sharing the costs; they turned out in droves when the City raised these rates and wanted the City to put the burden back on the residents which the City did not do.

Councilmember Myers said he didn't think commercial users use as much additional water in the summer, either.

Mr. Stavely said he disagreed as he is in the landscaping business and knows of lots of commercial businesses that have irrigation systems. He also spoke about apartments and business parks in terms of water usage.

Councilmember Leighan pointed out apartments share in the surcharge with residential users.

Kenneth Bush, 12830 52nd Ave. NE, addressed Council. He said they have 7 people in their family and are a one income family. He said he would like to talk about fairness because he doesn't use

as much water as the golf course or Pacific Feather; he doesn't water his lawn as much as Interstate Bank, for example and his family bathes on a very regular basis and they are paying more than the commercial businesses and he said he feels they are being discriminated against. He said he used to be proud to say he lived in Marysville but now he shops elsewhere, also. If people call to complain about the rates, they were told by two individuals who work for the City that if they didn't like the rates, they could move out of the county, he said.

Kelly Schumaker, 14524 54th Dr. NE, addressed Council and said she has recently been diagnosed with MS and has to wash her hands and everything around her on a very regular basis in order to keep everything as clean as possible. She said she has a son, chooses to have a garden and pets for her quality of life, those are things that cheer her up and she has been watering less and less. They are now down to a one income family because of her illness and just don't feel they can afford the higher rates.

Jeff Kenoyer, 9226 62nd Dr. NE, addressed Council, saying he is 3 doors outside City limits and has lived there 12 years. Up until last year he said he liked living here but he has 3 children at home, no longer can grow a garden or lawn, conserves water in the bathroom and still ended up paying the surcharge. He said he thinks the City's decision to increase the rates and charge the surcharge is very anti-family. He agrees that the City has a challenge to balance the budget but he is a single bread winner, doesn't want to send his wife out to work and he said he thinks it's wrong that the county citizens have to pay a separate fee. He said he sees this as their having no choice and it's causing a lot of deviousness; he doesn't feel the City is treating the people outside the City fairly. Mr. Wade's proposal is a step in the right direction but he said he doesn't think there should be any surcharge unless people are actually abusive. He reiterated how hard his family tried to conserve and just could not get out of the surcharge. He said his wife called and was also treated rudely when she asked for an explanation.

Councilmember Herman asked about his usage, noting Everett's rates are based on peak consumption; last year the City had 42% of the residential customers hit the surcharge and perhaps raising the minimum to 30,000 gallons bimonthly will help most people escape paying the surcharge.

Mike Buckhover, 4531 107th Pl. NE, addressed Council. He said he lives 7 blocks outside City limits and doesn't feel it's costing as much as the increase is, to get services out to the county. First, he noted the City talks about conservation but then the City puts the rates up because they need so much to be used in order to get the revenue. He said he saw the same thing happen with electricity--they put the rates up because everyone conserved too much. Also, he said they have no representation in the county for that taxation and he sees this as a ploy to make people annex. Another thing he said he was wondering is why the deficit had to be made up in one year; Everett was doing this to Marysville a few years back and now Marysville is finally passing along the rate increase to the people. He said he doesn't have time to follow up on all this stuff and it can get away from him but his wife owns an inhome daycare and this water rate increase affects her rates that she has to charge her customers, so everyone is affected.

Dick McBride, 17704 39th Ave. NE, addressed Council, stating he has lived here for 20 years. He said he feels the recommendation is a step in the right direction but the fact that the City pays a fixed rate to Everett is a problem; he sees an inequity between the City and the County and knows that part of the City's rates are generated through new usage but increasing the surcharge for summer usage over what the City pays is not right--he said he thinks City and County customers should pay the same.

Mr. Wade said at this point he wished to change one of the recommendations: Under #2 - 4-plexes and below. He said the

ordinance that was adopted last year indicated that a surcharge should be charged for residential and multifamily units, so a 20 unit complex falls into that category and you would divide the number of units into the total usage to determine if it goes over 15,000 gallons.

Suzanne Smith, 4821 75th Ave. NE, inside City limits, addressed Council. She said she is trying to understand why the City needed to double the revenue.

Councilmember Herman responded that he is sure the revenue increased substantially, but it did not double.

City Administrator Zabell said he could get the exact figure later in the week but his guess is that the revenue increased by 20%. The way the surcharge worked out, it affected some people by 200% to 350% but the average was more like 20% overall, he said.

Ms. Smith pointed out that before the increase the revenue was \$6.3 million and she asked about alternative water sources, other than Everett.

City Administrator Zabell said the ability to develop or draw from other groundwater sources has been curtailed by the State, Tulalip Tribes and Dept. of Ecology.

Ms. Smith asked if other communities are having this same problem and City Administrator Zabell said yes; some have moratoriums.

Ms. Smith asked about capital improvement projects and why the rates are for 5 years.

Councilmember Herman noted the Council did build in an annual review but the rate was not to be increased each year.

Ms. Smith noted it does seem inequitable for people who have lived here for 20 years to pay more than people in the City and she said she would be willing to pay the same as county people or have the county people pay the same as City people. She asked if the City owned golf course pays for water it uses.

Mayor Weiser said it is designed not to use City water but when it does, they pay, too.

Ron Conway, 12710 47th Dr. NE, addressed Council and said he understands the rates were raised to pay a deficit. He noted he is an engineer and analyses figures all the time. If the City is raising the rates to pay past debt then he said he doesn't feel he should be paying for the past and the future. A family is a family in the county or the City and we should not have to pay any more for past debt than someone who lives in the City, he said. He added he would like to see some justification for the difference in rates; he would be happy to pay the increased rates if the City can show him some justification but he has a hard time fathoming his bill right now.

Mayor Weiser noted one of the things that happened was there was not enough reserve kept in the account as required by the bond; it was also as a result of the cost of the water line brought from Everett because of the decrease in water supply and Everett put their rates up. Another cost was the 6 million gallon reservoir built at 100th and the City is looking at adding one at Highway 9, he said.

Mr. Conway said he understands all the reasons for the rates to go up but not why the drastic increase to the county residents.

Earl Rhodes, 6323 95th St. NE, addressed Council and said he still doesn't understand why water is more expensive in the county. He said he knows the pressure is on the City to increase the number of people in the community to have more people to draw from, to try to bring in other people from other states, for example, and

maybe there is a state resource to draw from, he said. Maybe someone on a state level can help Marysville and the county and it would be to the City's and county's and State's best interests with more people here and maybe the state can help us out, he said. He pointed out that the state seems to have enough money in Olympia to improve I-5 with beautiful walls.

Mayor Weiser clarified that any money collected in the Water & Sewer fund stays in that fund to pay expenses directly related to Water & Sewer and no money can come out of another fund to go toward Water & Sewer just as the City can't spend money from the Water & Sewer fund for roads, libraries, etc.

Suzanne Lamb, 5629 80th St. NE, addressed Council, stating she lives 6 blocks outside the City. In 1996 she had her 3 boys at home and paid \$42 per month in the summer, she said. She didn't water at all this summer, one son moved out and her bill went to \$93, she said. Her mother has a rental, lives in Everett and only paid \$92!

Mike Papa, 8127 54th Dr. NE, addressed Council. He said regarding irrigation systems, fire flow, etc., it seems to him it might be worthwhile for the City to look at water usage there.

Mr. Stavely addressed the Council again and said with regard to the increase, his rate went from 85 cents to \$2.60 and that's triple. He lives by Fred Meyers which is basically within City limits and asked why the county residents have to pay more than City residents--is it just because of improvements mentioned?

Mayor Weiser explained this is the way the water and sewer rates have always been structured--you pay more outside City limits than inside. It does cost more to maintain lines, get permits, to build lines, the county requires the City to pave the whole street vs when the City just puts the water and sewer lines in the right of way in the City. There are more costs and the rate structure has always been higher in the county than the City, he said.

Mr. Stavely said he just doesn't see it costing three times what it does in the City. He said he grew up in Phoenix, Arizona and in 25 years he never heard of a water shortage there but up here he is hearing that. It just is not that clear to him why county residents should shoulder the brunt of the need to increase rates, he said.

Harold Schumaker, 13020 48th Ave. NE, addressed Council and said he has lived here all his life. He said he thinks the basic problem is the difference between ratepayers. The capital improvements he assumes are coming out of the water budget and they have been paying an inflated rate for a number of years outside City limits, he said. He said he lived inside City limits for awhile and paid \$6.00 then he moved outside City limits and paid \$18.00. He said it was explained to him years ago about the additional lines for which he has been paying for 28 years and he thinks all the ratepayers should support whatever program is in place at the time. The rate needs to be equitable throughout the whole system and it shouldn't matter where you live, he said. He pointed out everyone is part of the same system and we need to take a look at that with the possibility of everyone paying the same rate.

Roger Thomas, 6508 61st St. NE, addressed Council, noting he has 4 kids and uses 16,000 gallons on average. He asked what the budget was two years ago and why the huge increase.

Mayor Weiser explained the City had a \$6.3 million budget until they had to start paying \$80,000 a month to the City of Everett for water.

Mr. Thomas asked if it's costing the City so much and there seems to be a shortage of water, why are we allowing new business into Marysville? He pointed out that he has lived here 31 years and wants to know how many times he has to pay for the pipeline.

Mayor Weiser said the increase is to cover the water supply as well as the pipeline.

Mr. Thomas asked why the City is allowing new construction if we don't have enough water.

Mayor Weiser explained the water supply is adequate, it's just costing us more for the water. He explained the City has water rights in the Stillaguamish River, for example, but can't take water out of the river because of the environmental restraints.

Del Toso, 8605 45th Dr. NE, addressed Council and said he thinks he knows what the problem is. He said he thinks Marysville is being very greedy for all the commercial stuff and trying to capitalize on all these things so others can't have it, annexing everything and then making the people pay for it.

Mr. McBride addressed the Council again and added that he thinks the City is trying to have it both ways: First the increase is for the pipes then it's for the water. He said he doesn't see why there are two rates for the same water and can't fathom two classes of ratepayers.

Mayor Weiser said there were some statements made about employees saying if you do not like the rates you could move and he said he apologizes for that. He said he personally has never heard an employee of the City say anything like that since the rate increase, however he has been present when customers have come in and spit at the City employees and threaten them but will look into any employees who might have indicated to people that they should move if they don't like the rates.

The Mayor closed the public input portion at 9:15 p.m. as no one further indicated they wished to speak.

There was considerable discussion about the recommended reduction to the CWSP rates and it was noted the majority of the people tonight would receive this reduction.

Councilmember Dierck said she doesn't feel comfortable about passing anything tonight and would recommend a citizens' advisory group review this issue further. She said she recognizes the difficulty of making ends meet these days and how hard it is for people to pay for an expense that increased so abruptly. She also noted that every time Mr. Wade comes to one of these meetings, he's being paid a considerable amount by the City and she asked for the specific figure.

Public Works Director Winckler clarified that Mr. Wade is paid on a per project basis and he would get that figure for her this week.

Councilmember Dierck said she feels there is an unfair discrepancy between City and County residents and she is not ready to make a decision tonight on this matter.

Concilmember Herman said equalization of rates and differences in rates is an issue that does need to be addressed and with future annexations, the rates are eventually going to be the same anyway so he would like to see Council take the first step tonight of adopting the recommendations presented by Mr. Wade and continue to review annexations and how the City can blend these rates into something that can eventually become one.

Councilmember Myers asked for the breakdown of county customers and City customers and Mr. Wade said it is 6406 CWSP customers and 4540 City customers, as of the end of 1996, on 5/8" water meter.

Councilmember Bartholomew noted water is going to become a bigger and bigger issue; it's not a never ending resource and there are some areas with a building moratorium as a result of water shortages.

Councilmember Bartholomew then moved to accept the recommendation of 120% residential surcharge, increasing to 30,000 gallons bimonthly for all residences, reducing the rate from \$2.60 to \$2.25 per 1000 gallons for CWSP customers and for this to take effect 2/1/98, with the Billing Dept. implementing the sending out of statements in the fairest manner.

The motion was seconded by Councilmember Herman and passed 6-1 with Councilmember Dierck against.

Councilmember Herman added that he would like to see this reviewed annually with a view toward equalizing the rates eventually between the City and CWSP. He also noted there is an upcoming CT meeting Wednesday from 3-7 p.m. at the Library regarding rate increases.

NEW BUSINESS:

1. **Utility Variance; Robert & Cindy Allred; 11624 55th Avenue NE; UV 98-001.**

Public Works Director Winckler reviewed the agenda bill, noting it is recommended that the utility variance be approved, with the applicants not to have to cover frontage but for the City to install an 8" main this summer for which the applicants would pay about \$2,000 as well as all applicable fees and meet all requirements of the City MMC. He said the Allreds are in agreement.

Cindy Allred, 11624 55th Ave. NE, addressed Council and said all terms are acceptable to them. She noted the house sale is in the process of closing and the new owners are aware of the annexation non-protest agreement and the water issue. The agreement with the City will be signed by both the Allreds and the new owners, she said.

Councilmember Leighan moved and Councilmember Pedersen seconded to approve the utility variance. Passed unanimously.

ORDINANCES & RESOLUTIONS:

1. **Ordinance Affirming Hearing Examiner Decision & Rezoning Property Owned by Rocky & Cheryl Yunge, Doyle & Janice Parks and Jubie, Darling and Roberts, Amending Official Zoning Map Previously Adopted in Ord. 772.**

Councilmember Bartholomew moved and Councilmember Myers seconded to approve/adopt Ordinance 2176. Passed unanimously.

2. **Ordinance Affirming Hrg. Examiner Decision & Rezoning Property Owned by Daniel & Eileen Schei, Amending Official Zoning Map Previously Adopted in Ord. 772.**

Councilmember Wright moved and Councilmember Bartholomew seconded to approve/adopt Ordinance 2177. Passed unanimously.

3. **Ordinance Affirming Hrg. Examiner Decision & Rezoning Property Owned by Group Health of Puget Sound, and Amending Official Zoning Map Previously Adopted in Ord. 772.**

Councilmember Pedersen moved and Councilmember Myers seconded to adopt/approve Ordinance 2178. Passed unanimously.

4. **Ordinance Amending MMC 3.51.020 Pertaining to Petty Cash Fund Distribution by Adding a New Subsection Relating to Establishment of a Petty Cash Fund for the Ken Baxter Senior Community Center.**

After City Attorney Weed noted some changes in the designation of the custodian of the fund under sections .020 and .030, and also noting the name of the Community Center is the Ken Baxter Senior Community Center, Councilmember Myers moved and Councilmember Herman seconded to adopt/approve Ordinance 2179. Passed unanimously.

5. Ordinance Affirming Hrg.Examiner Decision & Rezoning Property Owned by Pete and Ailene Poortinga, Amending Official Zoning Map Previously Adopted in Ord. 772.

Councilmember Bartholomew moved and Councilmember Leighan seconded to adopt/approve Ordinance 2180. Passed unanimously.

6. Resolution Urging Snohomish County to Move the Quil Ceda/Allen Creek Watershed Plan to the Public Comment Stage.

Councilmember Myers moved and Councilmember Dierck seconded to approve/adopt Resolution 1870. Passed 5-2 with Councilmembers Bartholomew and Wright against.

7. Resolution Granting Util. Variance for Grandview, Inc. for Property located at 3200 186th Pl. NE, Marysville.

Councilmember Wright moved and Councilmember Myers seconded to approve/adopt Resolution 1871. Passed unanimously.

8. Resolution Granting Util. Variance for Pete Poeschel for property located at 18223 Smokey Pt.Blvd., Arlington.

Councilmember Pedersen moved and Councilmember Herman seconded to approve/adopt Resolution 1872. Passed unanimously.

ADJOURNED: 10:08 p.m.

EXECUTIVE SESSION: 10:20 to 11:05 p.m.

- 1. Personnel. (Action)
- 2. Potential Litigation. (No Action)
- 3. Real Estate. (No Action)

RECONVENED: 11:05 p.m.

Councilmember Bartholomew moved and Councilmember Myers seconded to approve the contract with Jones & Stokes as discussed in Executive Session.

ADJOURNED: 11:07 p.m.

Accepted this 2nd day of February, 1998.

David Weier
MAYOR

Mary Swenson
CITY CLERK

Wanda A. Swenson
RECORDING SECRETARY