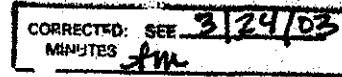


March 17, 2003

7:00 p.m.

Public Safety Center

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Mayor Weiser called the meeting to order at 7:00 p.m. and led the assembly in the Pledge of Allegiance.

**INVOCATION**

Pastor Greg Kanehen from the Marysville Free Methodist Church gave the invocation.

**ROLL CALL**

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

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

**Staff:** Mary Swenson, Chief Administrative Officer; Sandy Langdon, Finance Director; Grant Weed, City Attorney; Gloria Hirashima, Community Development Director; Jim Owens, Public Works Director; Larry Larson, Public Works Superintendent; and Bill Spies, Fleet and Facilities Manager.

**COMMITTEE REPORTS**

Councilmember Mike Leighan reported on the **Solid Waste Advisory Committee:**

- ◆ They have taken the Mountlake Terrace transfer station off-line and have brought Cathcart on-line.
- ◆ The Airport station is due to open at the end of August/early September at which time the Everett facility will be brought off-line.
- ◆ He noted that the haulers will have the option to have transponders on the trucks which would allow for automatic weighing and direct billing.
- ◆ They will be implementing county-wide curbside recycling.
- ◆ Tour in May of construction of Airport and Cathcart stations.

Councilmember Jeff Seibert reported on the **Public Works** meeting on March 13. Highlights included:

- ◆ Extensive update of wastewater treatment upgrades.
- ◆ Public Works tour to be set possibly in May or June.

- ♦ Viewed map of 156<sup>th</sup> Street where railroad crossing closed and County to install cul-de-sac.
- ♦ Summary of bio-solids contract.
- ♦ Discussed the process for pre-qualifying contractors.
- ♦ Summary of the Grove Street community meeting where the issue of speeding was discussed. They have met and will be bringing back recommendations.

**Councilmember Donna Wright discussed the meeting of the Snohomish County Health Board.**

- ♦ State Health Board members were at the meeting to talk about rule-making at the State level, especially as it relates to prevention. Steps taken to prevent the West Nile Virus were discussed as an example of the preventative stance they have taken.
- ♦ They have approved a budget of \$150,000 on top of the \$50,000 to address education and outreach.
- ♦ The group Youth Against Tobacco Use was also discussed. Ms. Wright reported that tobacco use is going down among youths.
- ♦ Public Health Week will be April 7 – 13.

Councilmember Suzanne Smith reported that she was unable to attend the **Parks Board** meeting on Wednesday, but that she was planning to get an update from Parks and Recreation Director Jim Ballew.

## **DISCUSSION ITEMS**

### **A. Utilities Outside City Limits.**

Mayor David Weiser referred to Council's packet which contains minutes from five separate retreats regarding this topic and material from the 2001 retreat notebook. The packet also contains Arlington and Tribe Agreements regarding utility service issues.

There was significant discussion on this issue. First the history of the Rural Utility Service Area (RUSA) was discussed. This plan stated that the City would serve utilities outside the city limits, but inside the urban growth boundary. Chief Administrative Officer Mary Swenson reported that historically the City has served outside the city limits for the past 40 years with the goal that those areas would be in the city limits at some point.

Councilmember Jeff Seibert clarified that they would continue to honor contracts and had no intention of changing that. City Attorney Grant Weed explained that he felt it was important to understand the commitments the City has with areas outside the city limits. He also referred to the RUSA plan adopted in the 80s. He noted that it was ahead of its time in terms of growth management. He then stated that all of the City's capital planning and bonding has been done based on assumptions of serving outside

the city limits. Councilmember Lisa Vares asked if it could affect bond rating for projects other than sewer. Mr. Weed replied that it could.

Mr. Weed continued to outline the City's responsibilities to provide services outside the city limits. He referred to a major agreement with the City of Everett based upon service throughout the City's Utility Service Area, not the city limits. Also, GMA imposes some obligations on the City to provide service throughout the UGA. He noted that Marysville is the primary service provider for the area. Finally the certification of water rights for well systems is based on servicing areas outside the City. All of those things need to be considered in changing the policy.

Councilmember Seibert referred to the minutes from the Marysville City Council Retreat on March 12, 1999 which say that the purpose of the code (the expansion policy) is to encourage annexation and to discourage leapfrog development. He pointed out that the Sunnyside area would be an effort toward long-range planning. He felt that the City should still plan to service the area, but with the requirement to annex into the City first. Mr. Seibert then referred to Chapter 14.32 Utility Service Area of the Marysville Municipal Code, which discusses the City's long term utilities plans. He summarized that this plan states that it is not a commitment to serve, just a commitment to plan for the future. Mr. Seibert said this should be viewed as a tool for long-range planning. Councilmember Seibert then referred to sections stating that the City was not obligated to service this area and that the boundaries may be revised at any time.

Mr. Seibert asked Finance Director Sandy Langdon about the bonding issue. Ms. Langdon stated that the amount that the City bonds is based on the availability of being able to service the debt. They also look at actions of the Council – if they are generally supportive of funding rate increases when needed. She then stated that the projection is based primarily on existing customers and service in the area.

Councilmember Seibert next asked Grant Weed about recovery contracts in the Sunnyside area. He questioned the possibility of having a new contract which superceded all other agreements. Mr. Weed said that the City is bound to honor the agreements it currently has, however the City can change its policy regarding property owners in the Sunnyside area who are outside the Trunk D recovery contract area.

Councilmember Suzanne Smith asked about suspending the timeline for recovery. Mr. Weed explained there would be an issue with developers who entered into an agreement with the City with the anticipation of recovering their money. This would take time away from their 15-year window of recovering fees and would be difficult to do now that the time period has already begun. It would require agreement by developers who entered into the agreement with the City.

Councilmember Mike Leighan questioned what kind of outcome Councilmember Seibert was seeking. Councilmember Seibert explained that his hope is to bring those property owners into the City in order to get the benefit of fees and also to raise the standard of fees in those areas. He also mentioned that he felt it would increase the cohesive nature of the area.

Mike Leighan suggested doing an annexation by the election method in areas that are likely to have the growth. Councilmember Seibert agreed and added that the areas should be annexed before growth occurs. He said that hopefully the State will work out a method where the City is able to do that. Grant Weed referred to a bill in the Senate which is intended to address some of these issues. There was then a short discussion about the process of plat approval and the repercussions that might occur if the City changed its policy after a developer had already begun the process.

Community Development Director Gloria Hirashima referred to a map in the packet which showed areas in which the City does have some sort of commitment. She also pointed out that the areas which have the potential for growth: Sunnyside and Lakewood. Both have undeveloped areas. Currently the City does not have a plan for the Lakewood area and this is an opportunity to do some advance planning. Councilmember Donna Wright pointed out that both of those areas have other water service providers available to them. Ms. Hirashima explained that sewer is really the critical issue for developers.

Councilmember Jon Nehring asked if there had been a cost-benefit analysis done regarding annexation before vs. after development. Mary Swenson answered that one had been done awhile ago. She explained that when a City annexes an area it stretches the City for an interim period, but there are definite benefits. Councilmember Nehring pointed out that the only card the City has is the hookup issue. Once that is done, there's nothing else that can be done to encourage annexation. He felt that the City did not gain anything by annexing in a big chunk of developed residential area. He asked what other cities do on this issue. Grant Weed replied that Snohomish has had a policy to not serve outside the city limits. Now it is planning to serve outside the city limits.

There was then a short discussion about the difference in rates inside and outside the city limits (customers outside the city limits pay 50% more). Also discussed was the high percentage of water (52% of customer base) and sewer (42% of customer base) customers outside the city limits.

Jeff Seibert said that in the long term there will be a lot more development and the City needs to try to plan for that. He stated that if the urban growth boundary is expanded to accommodate population growth, the City needs to deal with this practically.

Councilmember Suzanne Smith agreed that the City needs to take advantage of the situation now. She discussed the loss of fees in the areas of school impact fees, traffic impact fees, parks and REET taxes. She suggested imposing impact fees in order to regain some of the lost fees. Grant Weed explained that the purpose of the Interlocal Agreement was to address the recovery of some of those fees.

Councilmember Donna Wright asked how likely the City was to see litigation if they change the policy. Grant Weed indicated that there was an increased likelihood of litigation. He noted the importance of doing it properly in order to honor the commitments the City currently has.

Councilmember John Soriano inquired about the percentage of annexations which could be attributed to covenants. He stated that the utility should serve as a commitment. Mayor Weiser commented that in recent years councils have been more willing to use the annexation covenants than they had been in the past.

Councilmember Lisa Vares asked if the legislative decision might fix some of these problems. Grant Weed replied that it might help fix some situations, especially in contiguous areas. He added that if they reinstate an annexation by petition method it would help fix the process for annexing vacant land.

Councilmember Jeff Seibert summarized his thoughts by saying that the urban growth area will eventually be part of the City. It would be a burden on the City to annex it after it is already developed; it makes sense to require property owners to annex before servicing.

#### **B. 2025 Population Targets.**

Community Development Director Gloria Hirashima stated that cities have been asked to provide comment on the draft initial population and employment targets for 2025. This review is one of the initial steps in completing the County-wide and jurisdictional updates of comprehensive plans in conformance with GMA. The plan updates and final reconciliation of population targets will be occurring between 2003 and 2005. The State deadline for comprehensive plan updates and development regulations is December 1, 2004.

She explained that the Council reviewed the buildable lands capacity information and population growth process information on October 7, 2002. There was a Snohomish County Tomorrow (SCT) retreat held on October 26, 2002 which Mayor Weiser, Councilmember Smith, and Ms. Hirashima attended. The County and cities, through SCT, are currently reviewing the draft initial targets. These targets will provide guidance for city and county comprehensive plan development. However, as the land uses and public process is refined further through comprehensive plan development, there will be opportunities to review and reconcile the numbers further.



Ms. Hirashima said that the Planning Commission discussed the target information at their meeting on March 11, 2003. Their comment was that the ranges were valid for further analysis in development of the comprehensive plan. They were supportive of reviewing the City's development policies and potentially asking for reconsideration of the buildable lands assumptions as they relate to downtown development. The Commission also felt that the City should be open to studying expansion of the urban growth area if other measures are not sufficient to address the population targets. The low end of the range would be close to buildout capacity of the current UGA, utilizing the existing land uses and assumptions in the Buildable Lands Analysis. If, however, land uses are revised, and the Buildable Lands Analysis assumptions are reconsidered for downtown development, it would seem conceivable to accommodate the target range (low-high). These issues will be explored further in development of the comprehensive plan.

Ms. Hirashima referred to a game played at the SCT retreat where the participants needed to allocate the growing population. She stated that most of the participants felt the population should be given to Marysville and this was based on an assumption that Marysville would be redeveloping its downtown area. She commented that the City needs to give feedback to the SCT Growth Management Advisory Council by April 1.

Councilmember Jeff Seibert suggested that her feedback should state that the low range looked possible. Ms. Hirashima said that all cities are struggling to really look at their vacant lands to determine if and how they can accept any more population. Councilmember Seibert asked to review a draft of what Gloria was going to offer as feedback to SCT. She said she had wanted to listen to Council's comments first, but that she would have something ready for the meeting next week.

Mayor Weiser recapped that the lower end could be accommodated at the existing land use. Gloria agreed and added that the City has enough at buildout and current land uses in the UGA. She said that the City's initial comment would be that the low end of the range would potentially be applicable.

Councilmember Leighan raised the concern about having too much affordable housing. There was discussion about the ways to encourage development of better quality homes in order to raise more tax revenue.

## **CONSENT AGENDA ITEMS**

### **C. Approval of New Liquor License for "R" Place Pub and Grill.**

No comments.

**D. Authorize Mayor to Sign Cooperative Purchasing Agreement with the City of Bellevue for the Purpose of Purchasing Meter Van Replacements.**

John Soriano asked what type of vehicles these would be. It was determined that these would be modified Jeep Wranglers. Councilmember Suzanne Smith asked if these were in the budget. Fleet and Facilities Manager Bill Spies explained how these would be replacing two vehicles which were in the budget.

**E. Approval of Liquor License Renewals for Kuhnle's Tavern, Maxi's Restaurant, 7-Eleven #2306-32834A (3609 88th Street NE.), 7-Eleven #29536 (10012A Shoultes Road), Acapulco Mexican Restaurant, and La Hacienda #4.**

No Comments.

**F. Authorize the Mayor to Sign the No-Cost Supplemental Service Agreement with Hammond Collier Wade Livingstone for the State Avenue Trunk Sewer Extension Project.**

No Comments.

**G. Affirm the Hearing Examiner's Recommendation to Approve the Waterfront Park Conditional Shoreline Substantial Development Permit.**

Councilmember Seibert referred to a shifted driveway he had heard of and asked if it was reflected in the drawing. Gloria Hirashima replied that it was not indicated in the drawing, but she will get something that does show that. There was then discussion about driving a pile for the marina.

Councilmember John Soriano referred to correspondence from Eric Stockdale, a wetland specialist, and asked to receive a copy as it looked interesting.

**H. Addendum to Lease between the City of Marysville and Wicks Properties for 6-Month Extension.**

Councilmember Leighan asked if the City was being required to do this on a 6-month extension. Mary Swenson explained that the City would be paying more than this if it went month-by-month. There was a short discussion about when it would be available.

**I. Accept the 88th Street NE/67th Avenue NE Traffic Signal as Complete and Begin 45-Day Lien Filing Period.**

No Comments.

**NEW BUSINESS**

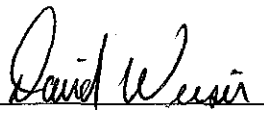
**A. Special Events Permit; Greater Marysville Tulalip Chamber of Commerce.**


Mary Swenson explained that the group wants to move the carnival to the Marysville side from the Tulalip side during Spring Break week (April 3-13). This will be an opportunity for the City to inform citizens about the construction and detour routes. The carnival will be at the waterfront park area which will need to be cleaned up a little. There was also discussion about parking vehicles and putting up a temporary fencing to block off the back part of the lot. Ms. Swenson further commented that this would spotlight, in a positive way, the State Avenue project, the waterfront project and Strawberry Fields. She added that the Chamber is putting it together as a way to help downtown merchants.

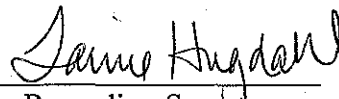
**ADJOURNMENT**

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

Approved this 24th day of March, 2003.

  
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Mayor  
David Weiser

  
\_\_\_\_\_  
City Clerk  
Gerry Becker

  
\_\_\_\_\_  
Recording Secretary  
Laurie Hugdahl