

<b>Call to Order/Pledge of Allegiance/Roll Call</b>	7:00 p.m.
<b>Presentations</b>	
Employee Service Awards: The IT Group consisting of Network Administrator Chris Brown, Computer Support Technician I Joseph Finley, Systems Analyst Sandra Gyurkovics, Administrative Support Esther Nicolas, and IS Manager Worth Norton	Presented
Volunteer of the Month – June Hanvold	Presented
Approval of October 11, 2010 City Council Meeting Minutes.	Approved
Approval of October 13, 2010 City Council Budget Work Session Minutes.	Approved
Approval of October 18, 2010 City Council Work Session Minutes.	Approved
<b>Consent Agenda</b>	
Approval of October 20, 2010 Claims in the Amount of \$324,551.33; Paid by Check Number's 66114 through 66266 with Check Number 66107 Voided.	Approved
Approval of October 27, 2010 Claims in the Amount of \$1,000,406.38; Paid by Check Number's 66267 through 66391 with Check Number's 40705, 41286, 41879, 43119, 43749, 47857, 48187, 48752, 49202, 51051, 51370, 51659, 51910, 54031, and 65058 Voided.	Approved
Approval of October 27, 2010 Payroll in the Amount of \$396,351.62; Paid by Check Number's 23382 through 23657 with Check Number 23502 Voided and Reissued with Check Number 23658.	Approved
Authorize the Mayor to Sign the Renewal of Facility Use Agreement for AllianceOne, Inc. and Imposition of Usage Fee.	Approved
Authorize the Mayor to Sign the Residential Lease Agreement between the City of Marysville and Jeffrey and Jordan Lee.	Approved
Authorize the Mayor to Sign the Professional Services Agreement between City of Marysville and Strategies 360, Inc. for Consulting Services.	Approved
<b>Review Bids</b>	
<b>Public Hearing</b>	
Public Hearing regarding the 2011 Proposed Budget.	Held
<b>New Business</b>	
An Ordinance of the City of Marysville, Washington Increasing Water, Sewer, and Surface Water Utility Rates and Amending Sections 14.07.060, 14.07.070, and 14.19.050 of the Marysville Municipal Code as Allowed Under Section 14.07.075.	Approved Ord. No. 2836
An Ordinance of the City of Marysville Levying EMS Taxes Upon All Property Real Personal and Utility Subject to Taxation Within the Corporate Limits of the City of Marysville, Washington for the Year 2011.	Approved Ord. No. 2837
An Ordinance of the City of Marysville Levying Regular Taxes Upon All Property Real, Personal and Utility Subject to Taxation Within the Corporate Limits of the City of Marysville, Washington for the Year 2011 and Levying Taxes in Addition to the Regular Property Tax for Payment of Debt Service on the City's Unlimited General Obligation Bonds, 1986	Approved Ord. No. 2838

and Refunded in 1996.	
An Ordinance of the City of Marysville Adopting a Budget for the City of Marysville, Washington, for the Year 2011, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations of 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. 2839
An Ordinance of the City of Marysville Amending Sections 3.65.010 of the Marysville Municipal Code to Increase the City Water and Sewer Gross Receipts Tax Rate from Six Percent to Six and One Half Percent of Gross Receipts.	Approved Ord. No. 2840
An Ordinance of the City of Marysville Amending Sections 3.64.020(1), 3.64.030, and 3.64.040 of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services, Sale of Gases, and Sale of Electricity	Approved Ord. No. 2841
<b>Legal</b>	
<b>Mayor's Business</b>	
<b>Staff Business</b>	
<b>Call on Councilmembers</b>	
<b>Recess</b>	8:50 p.m.
<b>Executive Session</b>	8:59 p.m.
<b>Real Estate – three real estate items pursuant to RCW 42.30.110 (1)(c)</b>	
<b>Adjournment</b>	9:19 p.m.

# COUNCIL



# MINUTES

**Meeting**  
November 8, 2010

## **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. John Mason from Mountain View Presbyterian Church gave the invocation.

**Mayor:** Jon Nehring

**Council:** Councilmember Carmen Rasmussen, Councilmember Jeff Seibert, Councilmember John Soriano, Councilmember Jeff Vaughan, Councilmember Lee Phillips, and Councilmember Michael Stevens

**Absent:** Councilmember Donna Wright

**Also Present:** Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Financial Planning Manager Denise Gritton, City Attorney Grant Weed, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, Commander Robb Lamoureux, Parks and Recreation Services Manager Tara Mizell, Doug Buell, Court Administrator Suzanne Elsner, Judge Fred Gillings, Network Administrator Chris Brown, Computer Support Technician I Joseph Finley, Systems Analyst Sandra Gyurkovics, Administrative Support Esther Nicolas, IS Manager Worth Norton, and Recording Secretary Laurie Hugdahl.

**Motion** made by Councilmember Seibert, seconded by Councilmember Rasmussen, to excuse the absence of Councilmember Wright. **Motion** passed unanimously (6-0).

## **Committee Report**

Councilmember Seibert reported on the November 5 **Public Works Committee** meeting where the following topics were discussed:

- Debris management plan
- Tabletop exercise for disaster planning
- PUD buyout of water system in Soper Hill area
- Surface water improvements for Public Works related to Public Works building

Councilmember Vaughan reported on the November 4 **Graffiti Task Force** meeting where the following topics were discussed:

- A Chamber of Commerce representative discussed a pilot project with a local cleanup company to demo a local cleanup methodology to address graffiti cleanup
- Update on progress on 116th Street Railroad Bridge. The Tribes are doing a good job of painting it when it gets tagged, but it needs to be fenced off so there is no access to the bridge.
- Good discussion about efforts by school district with various groups in the community working with families to identify youth who may be involved in these activities to help them be more productive members of society.

Councilmember Seibert reported that on Thursday, November 4 the **Fire Annexation Subcommittee** met and discussed timelines, an ordinance, and assets.

## **Presentations**

### **A. Employee of the Month**

The IT Group consisting of Network Administrator Chris Brown, Computer Support Technician I Joseph Finley, Systems Analyst Sandra Gyurkovics, Administrative Support Esther Nicolas, and IS Manager Worth Norton were recognized as "Employees of the Month".

### **B. Volunteer of the Month**

June Hanvold - Mayor Nehring recognized Ms. Hanvold for her tremendous service to the community and thanked her for her service. Ms. Hanvold has been a volunteer at Allen Creek Community Church Seeds of Grace food bank for more than seven years. This food bank is serving over 180 families each week and during this difficult economic time and new families are coming all the time.

## **Audience Participation**

Richard and Jessica Ruele, 13025 48<sup>th</sup> Ave NE, Marysville, WA 98271, expressed frustration about code enforcement issues at a neighbor's property at 13030 48<sup>th</sup> Ave NE, Marysville, WA 98271. She distributed photos of the situation and expressed frustration that nothing has been done to remedy the situation. CAO Hirashima

indicated that staff would check about possible nuisance violations and would contact the Rueles.

Tom King 3113 Sunnyside Blvd. and Jodi Hiatt, Strawberry Festival, 1220 2<sup>nd</sup> Street, Marysville, WA Tom King, spoke on behalf of the Marysville Kiwanis club regarding a proposal to operate a beer garden in conjunction with the Strawberry Festival's Market in the Park on Friday and Saturday. On Sunday they would operate a pancake breakfast as a fundraiser. He explained that they have patterned it after the one that the Lake Stevens Kiwanis Club operates during Aquafest. He discussed projects that the Kiwanis Club hopes to fund with the funds raised by this venture. Jodi Hiatt expressed support for the idea on behalf of the Strawberry Festival Committee.

Councilmember Rasmussen asked about measures they intend to have in place to prevent overexposure of the use of alcohol to minors who might be attending the event. She expressed concern about publicly having the consumption of alcohol in light of the fact that this is a family event. Ms. Hiatt responded that the beer garden would not be located on school property, but would be on 7<sup>th</sup> Street between the field and the tennis court and would be screened off. Drinks would be limited to two at a time and would have to be purchased before they enter the garden. They intend to bring in off-duty officers and have non-alcoholic beverages available. Ms. Hiatt added that the children's activities at the market are at the south end of the field; this would be located at the north end of the field.

### **Approval of Minutes**

#### **1. Approval of October 11, 2010 City Council Meeting Minutes.**

**Motion** made by Councilmember Soriano, seconded by Councilmember Vaughan, to approve the October 11, 2010 City Council Meeting Minutes with Councilmember Phillips abstaining. **Motion** passed unanimously (5-0).

#### **2. Approval of October 13, 2010 City Council Budget Work Session Minutes.**

**Motion** made by Councilmember Vaughan, seconded by Councilmember Seibert, to approve the October 13, 2010 City Council Budget Work Session Minutes. **Motion** passed unanimously 6-0.

#### **3. Approval of October 18, 2010 City Council Work Session Minutes.**

Councilmember Seibert pointed out that under roll call CAO Hirashima should be listed instead of CAO Swenson.

**Motion** made by Councilmember Seibert, seconded by Councilmember Vaughan, to approve the October 18, 2010 City Council Work Session Minutes. **Motion** passed unanimously (5-0) with Councilmember Rasmussen abstaining.

### **Consent**

Motion made by Councilmember Vaughan, seconded by Councilmember Soriano, to approve the following Consent Agenda items 4, 5, 6, 8, 9, and 16:

4. **Approval of October 20, 2010 Claims in the Amount of \$324,551.33; Paid by Check Number's 66114 through 66266 with Check Number 66107 Voided.**
5. **Approval of October 27, 2010 Claims in the Amount of \$1,000,406.38; Paid by Check Number's 66267 through 66391 with Check Number's 40705, 41286, 41879, 43119, 43749, 47857, 48187, 48752, 49202, 51051, 51370, 51659, 51910, 54031, and 65058 Voided.**
6. **Approval of October 27, 2010 Payroll in the Amount of \$396,351.62; Paid by Check Number's 23382 through 23657 with Check Number 23502 Voided and Reissued with Check Number 23658.**
8. **Authorize the Mayor to Sign the Renewal of Facility Use Agreement for AllianceOne, Inc. and Imposition of Usage Fee.**
9. **Authorize the Mayor to Sign the Residential Lease Agreement between the City of Marysville and Jeffrey and Jordan Lee.**
16. **Authorize the Mayor to Sign the Professional Services Agreement between City of Marysville and Strategies 360, Inc. for Consulting Services.**

**Motion** passed unanimously (6-0).

**Review Bids** - None

**Public Hearings**

7. **Public Hearing regarding the 2011 Proposed Budget.**

CAO Hirashima explained that they had discussed this issue in depth for quite awhile. She summarized the approach they have taken in tackling the budget issues this year.

Finance Director Langdon reviewed the 2011 Preliminary Budget with a PowerPoint presentation as contained in the Council's packet.

CAO Hirashima commented that we are looking very carefully at each of the enterprise funds with the goal that expenditures will not exceed incoming revenues. This why we have been looking so closely at cuts we've had to make. The golf course is an area under scrutiny because there has been a need to subsidize it over the past few years. By taking a close look at this they believe that in the 2011 budget they will not need to subsidize this. A presentation on how some of the operations will be restructured will be coming in the next month.

Mayor Nehring thanked Sandy Langdon, CAO Hirashima, the finance department, directors, staff and the Council for the difficult work they have done on budget this year, which has been especially difficult. He commented that they have prioritized essentials and aggressively sought efficiencies where they can. This budget will allow the City to operate with stability during the recession without assuming they will come out of it anytime soon. Some of the priorities it accomplishes are:

- Very conservative projections.
- Ensures that this year's operations will be paid for with this year's revenues.
- Increases reserves to a point where we can again operate with stability throughout the year.
- Includes a comprehensive plan for tackling the debt they do have.
- He expressed appreciation for the work done by staff, especially Jim Ballew, Kevin Nielsen, and all the golf course staff, for their work on the golf course issue.

#### Public Hearing:

Mayor Nehring opened the public hearing at 8:02 p.m. There being no members of the public who wished to comment, the hearing was closed at 8:02 p.m.

#### Council Comments and Discussion:

Councilmember Rasmussen thanked the finance staff for the very clear and comprehensive presentation of the preliminary budget, especially this presentation. She asked about whether there is a possibility of funding the line item for Healthy Communities at even a reduced rate to maintain the commitment to this in the budget. Jim Ballew said that they are working on the Pioneering Healthy Communities grant which will replace the city's contribution to the funding.

Councilmember Phillips echoed the comments about the level of detail that has been put into the budget. He expressed appreciation for the opportunities for involvement that the Council has had with the budget this year.

#### New Business

10. **An Ordinance of the City of Marysville, Washington Increasing Water, Sewer, and Surface Water Utility Rates and Amending Sections 14.07.060, 14.07.070, and 14.19.050 of the Marysville Municipal Code as Allowed Under Section 14.07.075.**

**Motion** made by Councilmember Soriano, seconded by Councilmember Vaughan, to approve Ordinance No. 2836 an Ordinance of the City of Marysville, Washington Increasing Water, Sewer, and Surface Water Utility Rates and Amending Sections 14.07.060, 14.07.070, and 14.19.050 of the Marysville Municipal Code as Allowed Under Section 14.07.075. **Motion** passed unanimously (6-0).

**11. An Ordinance of the City of Marysville Levying EMS Taxes Upon All Property Real Personal and Utility Subject to Taxation Within the Corporate Limits of the City of Marysville, Washington for the Year 2011.**

**Motion** made by Councilmember Seibert, seconded by Councilmember Rasmussen, to approve Ordinance No. 2837; an Ordinance of the City of Marysville Levying EMS Taxes Upon All Property Real Personal and Utility Subject to Taxation within the Corporate Limits of the City of Marysville, Washington for the Year 2011. **Motion** passed unanimously (6-0).

**12. An Ordinance of the City of Marysville Levying Regular Taxes Upon All Property Real, Personal and Utility Subject to Taxation Within the Corporate Limits of the City of Marysville, Washington for the Year 2011 and Levying Taxes in Addition to the Regular Property Tax for Payment of Debt Service on the City's Unlimited General Obligation Bonds, 1986 and Refunded in 1996.**

Councilmember Vaughan asked if the 0% option includes the banking. Finance Director Langdon replied that it does.

Councilmember Seibert asked about banked capacity. Finance Director Langdon explained that there is 3% that has been banked.

Councilmember Rasmussen clarified that the banking is automatically assumed even though it is not stated in the ordinance. Finance Director Langdon concurred.

Councilmember Vaughan commented that the City has gone at least six years without increasing the property tax by not taking the 1%. In these economic times he thinks it would be a bad decision to raise taxes. He spoke of the importance of looking for other ways to bring revenues into the city. He agrees that the City needs to get in a better financial position but he does not think raising property taxes is the way to do it. If others are interested in this, he recommended taking it to a vote of the people. He spoke in support of not banking the additional 1%. He proposed that the ordinance for the 0% be amended so that there is not an additional 1% banked.

**Motion** made by Councilmember Vaughan, seconded by Councilmember Seibert, to approve Ordinance No. 2838, an Ordinance of the City of Marysville Levying Regular Taxes Upon All Property Real, Personal and Utility Subject to Taxation Within the Corporate Limits of the City of Marysville, Washington for the Year 2011 and Levying Taxes in Addition to the Regular Property Tax for Payment of Debt Service on the City's Unlimited General Obligation Bonds, 1986 and Refunded in 1996.

Councilmember Phillips spoke in support of maintaining a banked amount in the case of emergency.

Councilmember Vaughan stated that if there is an emergent need, they could take it to the people who could support it.



Councilmember Soriano spoke in support of Councilmember Vaughan's motion.

The **Motion** with the clarification that the 0% option be amended so that there is not an additional 1% banked passed (4-2) with Councilmembers Rasmussen and Phillips voting against.

**13. An Ordinance of the City of Marysville Adopting a Budget for the City of Marysville, Washington, for the Year 2011, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations of Each Separate Fund and the Aggregate Totals of All Such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030.**

**Motion** made by Councilmember Seibert, seconded by Councilmember Vaughan, to approve Ordinance No. 2839, an Ordinance of the City of Marysville Adopting a Budget for the City of Marysville, Washington, for the Year 2011, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations of Each Separate Fund and the Aggregate Totals of All Such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030, which is a 0% tax levy and includes no banking. **Motion** passed unanimously (6-0).

**14. An Ordinance of the City of Marysville Amending Sections 3.65.010 of the Marysville Municipal Code to Increase the City Water and Sewer Gross Receipts Tax Rate from Six Percent to Six and One Half Percent of Gross Receipts.**

Councilmember Seibert clarified that this is only raising tax on the city's internal charges and does not affect the rate payer. Finance Langdon affirmed this.

**Motion** made by Councilmember Seibert, seconded by Councilmember Vaughan, to approve Ordinance No. 2840, an Ordinance of the City of Marysville Amending Sections 3.65.010 of the Marysville Municipal Code to Increase the City Water and Sewer Gross Receipts Tax Rate from Six Percent to Six and One Half Percent of Gross Receipts. **Motion** passed unanimously (6-0).

**15. An Ordinance of the City of Marysville Amending Sections 3.64.020(1), 3.64.030, and 3.64.040 of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services, Sale of Gases, and Sale of Electricity.**

**Motion** made by Councilmember Rasmussen, seconded by Councilmember Seibert, to approve Ordinance No. 2841, an Ordinance of the City of Marysville Amending Sections 3.64.020(1), 3.64.030, and 3.64.040 of the Marysville Municipal Code, Relating to the Utility Tax on Telephone Services, Sale of Gases, and Sale of Electricity. **Motion** passed unanimously (6-0).

**Legal - None**

## **Mayor's Business**

- Mayor Nehring attended the ELL family information night at the Marysville School District. This was a great night for those individuals to get information from the city on all the organizations that can assist them.
- The CT Board Meeting this past Thursday and had a public hearing on the CT Budget.
- The all-city food drive was a huge success. 5,080 pounds of food were collected and about \$1,500 in cash.
- Artistry in Nature show at the community center had over 400 people in attendance.
- The City will be having a city team for the Relay for Life in June. He encouraged anyone interested to participate.

## **Staff Business**

### **Jim Ballew:**

- He was very pleased the IT department was recognized for their accomplishments and expressed appreciation for all they do for the city.
- Kiwanis got a hotel motel grant to upgrade electrical service with the tree wells along State Avenue.
- Restaurant RFPs going out right now.

Commander Lamoureux commented that the Police Department is preparing operations plan for the Christmas holiday parade to provide for the safety of the public.

### **Kevin Nielsen:**

- 83<sup>rd</sup> walkway to high school is being prepared. It should be completed shortly.
- Ingraham has new turtles and crosswalks.
- Leaves are falling, but crews have been very busy getting them picked up to help with flooding.
- New LID lights at grove and 67<sup>th</sup> to light it up for pedestrian safety.
- There was a major water main break on Friday when a contractor bored through a water main on 172<sup>nd</sup>. It happened early in the morning but was repaired by noon.

Suzanne Elsner expressed her appreciation for the IT Department's work.

### **Sandy Langdon:**

- She thanked the Council for another budget year. She thanked Denise Gritton for her excellent work. She echoed the importance of the recognition of the IT Department.
- PUD Notice will be going in the utility bills over the next three weeks in the annexation area.

Grant Weed commented that State Supreme Court rendered a ruling concerning the municipal water law. The court ruled that the municipal water law was constitutional. He explained the significance of this to preserving the rights that are very important to the city. He stated the need for an executive session to discuss three matters concerning real estate with no action and expected to take 20 minutes.

Gloria Hirashima expressed thanks to staff for all their work on the budget. She pointed out that the 2011 budget represents approximately a 10% workforce reduction between the vacancies and the layoffs. This will be a significant challenge for most departments who have been cut to their 2006 staffing levels while at the same time the population has more than doubled due to annexations. She cautioned the Council that they would see some challenges as staff tries to adjust to these issues.

### **Call on Councilmembers**

Carmen Rasmussen thanked Gloria for her comments. She agreed that the employees are the most tremendous asset that the city has. She reiterated their commitment to the employees, the work that they are doing, and the choices they will have to make as a result of the budget.

Lee Phillips had no comments.

John Soriano thanked all the staff who helped in creating the budget.

Michael Stevens commented on how staff has made his inaugural budget cycle easier for him.

Jeff Vaughan echoed comments about the budget and the hard work that has been done. He appreciates how straightforward and honest the Mayor and CAO Hirashima have been throughout the whole process. This has been critical in the process.

Jeff Seibert:

- He thanked IT for their tremendous service.
- Our portion of Ingraham Blvd. is excellent.
- He made comments regarding the taxes, the budget and the economy. He expressed appreciation for all the work that went into the budget.

### **Recess**

Council recessed at 8:54 p.m. for five minutes after which time they reconvened into Executive Session as authorized by RCW 42.30.110 (1) (c) to discuss three matters concerning real estate. It was announced that the Executive Session would last 20 minutes with no action expected.


### **Executive Session**

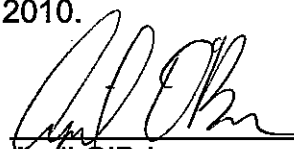
- A. Litigation
- B. Personnel
- C. Real Estate – 3 items – RCW 42.30.110 (1) (c)

**Adjournment**

Seeing no further business Mayor Nehring adjourned the meeting at 9:19 p.m.

Approved this 13<sup>th</sup> day of December, 2010.

  
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Mayor  
Jon Nehring

  
\_\_\_\_\_  
April O'Brien  
Deputy City Clerk