

Call to Order/Pledge of Allegiance/Roll Call	7:00 p.m.
Approval of the Agenda	Approved
Presentations	
Crossfit Marysville World Competition.	Presented
Committee Reports	None
Approval of Minutes	
Approval of the July 14, 2014 City Council Meeting Minutes.	Approved
Approval of the July 28, 2014 City Council Meeting Minutes.	Approved
Consent Agenda	
Approval of the July 30, 2014 Claims in the Amount of \$442,939.31; Paid by Check Number's 93722 through 93876 with No Checks Voided.	Approved
Approval of the August 6, 2014 Claims in the Amount of \$1,091,736.59; Paid by Check Number's 93877 through 94008 with No Check Number's Voided.	Approved
Approval of the August 13, 2014 Claims in the Amount of \$1,539,237.97; Paid by Check Number's 94009 through 94167 with Check Number 92190 Voided.	Approved
Approval of the August 20, 2014 Claims in the Amount of \$318,674.80; Paid by Check Number's 94168 through 94337 with No Checks Voided	Approved
Approval of the August 5, 2014 Payroll in the Amount of \$1,534,406.11; Paid by Check Number's 28013 through 28071.	Approved
Approval of the August 20, 2014 Payroll in the Amount of \$868,776.05; Paid by Check Number's 28072 through 28123.	Approved
Consider Approving the Supplemental Agreement No. 2 with FCS Group to Provide for a Contract Extension through November 30, 2014.	Approved
Consider Approving the Partnership Contract Amendment to the Business Licensing Service Agreement between the City of Marysville and the State of Washington Department of Revenue Business Licensing Service.	Approved
Approving the Purchase of the Stormwater Pump through the Helping Governments Across the County Buy (HGACBuy) Program in the Amount of \$63,065.60.	Approved
Consider Acceptance of the Comeford Park Spray Park Project with Kalaye Concrete LLC, starting the 45-day lien filing period for project closeout.	Approved
Review Bids	
Public Hearings	
Consider Approving the Program Year 2013 Consolidated Annual Performance and Evaluation Report and direct Staff to provide a summary of, and response to any comments received during the public hearing into the Report, and forward to the U.S. Department of Housing and Urban Development.	Held
New Business	
Consider an Ordinance of the City of Marysville, Washington, amending Marysville Municipal Code (MMC) Section 6.76.080 Related to Noise Regulation Variances; Providing for Severability; and Effective Date.	Approved Ordinance No. 2968

Consider the Greater Marysville Tulalip Chamber First and Second Quarter Billings - release the Hotel Motel Tax Funds so that the Chamber can apply for normal reimbursement under normal operations and procedures.	Approved
Consider the Greater Marysville Tulalip Chamber First and Second Quarter Billings - authorize staff to release the General Fund portion of the Chamber funds for the first two quarters to the Chamber; and direct staff to give written notice to the Chamber of deficiencies in the contract as outlined in the Services Agreement, section 5.	Approved
Consider an Ordinance of the City of Marysville, Washington, Establishing a Moratorium on the Filing, Receipt and Processing of Applications for All Permits and Development Plan Approvals, for Master Planned Senior Communities Pursuant to MMC Chapter 22C.220; Providing For Severability, Setting a Public Hearing , Declaring an Emergency, and Establishing an Effective Date.	Approved Ordinance No. 2969.
Legal	
Mayor's Business	
Staff Business	
Call on Councilmembers	
Adjournment	8:30
Executive Session	8:35
Litigation – four items	
Personnel – one item	
Adjournment	8:52p.m.



Regular Meeting
September 8, 2014

Call to Order / Pledge of Allegiance

Mayor Nehring called the meeting to order at 7:00 p.m. Robert Ray, President of Humanist of North Puget Sound and Secular Humanist of Everett, gave the invocation, and Mayor Nehring led those present in the Pledge of Allegiance.

Roll Call

Chief Administrative Officer Hirashima gave the roll call. The following staff and councilmembers were in attendance.

Mayor: Jon Nehring

Council: Steve Muller, Kamille Norton, Jeff Seibert, Michael Stevens, Rob Toyer, Jeff Vaughan, and Donna Wright

Absent: None

Also Present: Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, Police Chief Rick Smith, City Attorney Grant Weed, Public Works Director Kevin Nielsen, Parks and Recreation Director Jim Ballew, and Recording Secretary Laurie Hugdahl.

Committee Reports

None

Approval of the Agenda

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

Committee Reports

None

Presentations

A. Crossfit Marysville World Competition.

Mayor Nehring presented a Certificate of Congratulations to CrossFit Marysville for its 3rd Place overall finish at the 2014 Reebok CrossFit Games July 22-27, 2014 in Carson, California, and its ongoing commitment to promoting health and fitness in Marysville.

Audience Participation

Garett and Mandy Hanousek, 4512 – 129th Place NE, Marysville, WA, thanked the Council for taking the time to address a letter they sent last week regarding writing codes that are specific and concise and not leaving room for subjectivity. Ms. Hanousek expressed concern about neighbors who have relatives living in an RV in their driveway. While they are not currently sleeping in the RV they do use it throughout the day. It seems to the Hanouseks that it still qualifies as living in the RV. They have been referred to the Marysville Police Department for further issues or complaints, but this seems like a waste of resources to them. Ms. Hanousek encouraged the City to consider the real-life application as new codes are adopted and existing codes are updated. Additionally, she asked that the City plan for more resources in infrastructure to accommodate the incredible population growth.

Mayor Nehring referred to the Hanouseks' transportation concerns and commented that there are a number of transportation initiatives going on in the City right now. He reviewed some of these. He agreed with their priorities for transportation.

CAO Hirashima stated she, the code enforcement manager, and the planning manager have all spoken with the Hanouseks. She reviewed the status of the situation for the Council and explained that staff had asked the couple to relocate their sleeping quarters to the house which they did. The Hanouseks are now expressing concern that the couple is spending time in the RV in the daytime. Staff does not feel this daytime use is an issue.

Approval of Minutes

15. Approval of the July 14, 2014 City Council Meeting Minutes.

Councilmember Stevens stated that he would be abstaining from the vote.

Motion made by Councilmember Vaughan, seconded by Councilmember Norton, to approve the July 14, 2014 City Council Meeting Minutes. **Motion** passed unanimously (6-0) with Councilmember Stevens abstaining.

16. Approval of the July 28, 2014 City Council Meeting Minutes.

Motion made by Councilmember Wright, seconded by Councilmember Stevens, to approve the July 28, 2014 City Council Meeting Minutes. **Motion** passed unanimously (7-0).

Consent

1. Approval of the July 30, 2014 Claims in the Amount of \$442,939.31; Paid by Check Number's 93722 through 93876 with No Checks Voided.
2. Approval of the August 6, 2014 Claims in the Amount of \$1,091,736.59; Paid by Check Number's 93877 through 94008 with No Check Number's Voided.
3. Approval of the August 13, 2014 Claims in the Amount of \$1,539,237.97; Paid by Check Number's 94009 through 94167 with Check Number 92190 Voided.
4. Approval of the August 20, 2014 Claims in the Amount of \$318,674.80; Paid by Check Number's 94168 through 94337 with No Checks Voided.
5. Approval of the August 5, 2014 Payroll in the Amount of \$1,534,406.11; Paid by Check Number's 28013 through 28071.
6. Approval of the August 20, 2014 Payroll in the Amount of \$868,776.05; Paid by Check Number's 28072 through 28123.
9. Consider Approving the Supplemental Agreement No. 2 with FCS Group to Provide for a Contract Extension through November 30, 2014.
10. Consider Approving the Partnership Contract Amendment to the Business Licensing Service Agreement between the City of Marysville and the State of Washington Department of Revenue Business Licensing Service.
11. Consider Approving the Purchase of the Stormwater Pump through the Helping Governments Across the County Buy (HGACBuy) Program in the Amount of \$63,065.60.
12. Consider Acceptance of the Comeford Park Spray Park Project with Kalaye Concrete LLC, starting the 45-day lien filing period for project closeout.

Motion made by Councilmember Stevens, seconded by Councilmember Muller, to approve Consent Agenda items 1-6 and 9-12. **Motion** passed unanimously (7-0).

Review Bids

None

Public Hearings

7. Consider Approving the Program Year 2013 Consolidated Annual Performance and Evaluation Report and direct Staff to provide a summary of, and response to any comments received during the public hearing into the Report, and forward to the U.S. Department of Housing and Urban Development.

Amy Hess explained that this report is a way for the City and residents to take a look at the progress that we've made over the last program year. There were no questions. Mayor Nehring thanked staff for all their work on this.

The public hearing was opened for public comment at 7:17 p.m. Seeing no one who wished to testify, the public hearing was closed at 7:18 p.m.

Motion made by Councilmember Muller, seconded by Councilmember Stevens, to approve the Program Year 2013 Consolidated Annual Performance and Evaluation Report and direct Staff to provide a summary of, and response to any comments received during the public hearing into the Report, and forward to the U.S. Department of Housing and Urban Development. **Motion** passed unanimously (7-0).

New Business

13. Consider an **Ordinance** of the City of Marysville, Washington, amending Marysville Municipal Code (MMC) Section 6.76.080 Related to Noise Regulation Variances; Providing for Severability; and Effective Date.

CAO Hirashima explained that this would change the authority from the Board of Adjustment to the Community Development Department.

Motion made by Councilmember Wright, seconded by Councilmember Vaughan, to approve Ordinance No. 2968. **Motion** passed unanimously (7-0).

14. Consider the Greater Marysville Tulalip Chamber First and Second Quarter Billings.

CAO Hirashima commented that the information provided to Council could be considered as reports (even though they don't convey a lot of information) and therefore met the requirements of the contract. She suggested additional communication with the Chamber to clarify expectations and further study by the Council of the value of these services for the future.

Finance Director Langdon added that the Chamber emailed her the last couple months' newsletters for reference.

Councilmember Vaughan referred to the first item in the Statement of Work. He asked what kind of information or report the City has received about the cooperative relations with other agencies and bureaus. CAO Hirashima stated that this wasn't really

addressed, but there was a statement that they worked with other organizations. Finance Director Langdon commented that the report they had presented was intended to meet that first requirement. In her recent meeting with them she suggested further ways they could meet that requirement such as logging telephone calls or meetings that they have with associations. CAO Hirashima commented that the Downtown Merchants joined the Chamber this year so that was a connection she was aware of. They do have a visitor log that they maintain at the visitor center. They have acknowledged they don't have any business referrals to report for the first two quarters. Finance Director Langdon noted that there is a sharing of information with other visitor centers in the region, but they haven't been keeping a log of it.

Councilmember Wright commented that Snohomish County Tourism Bureau brought a nice presentation here about their work benefitting Marysville. She recommended that in the future she would like to see the Chamber working with that organization. She thinks there should be a stronger emphasis on tourism with the Chamber.

Councilmember Muller asked if the Chamber is meeting the requirements under the Hotel Motel Grant. CAO Hirashima thought that they were. The Chamber Services Agreement portion is the section that the Council appears to have concerns about. CAO Hirashima suggested awarding payment for the first two quarters, but giving a warning about expectations for the next two quarters. Councilmember Muller suggested paying the Hotel/Motel amount if the Chamber can provide reimbursables, but leaving the rest for future discussion.

CAO Hirashima suggested giving some guidance to the Chamber at one of their next Board of Directors meetings.

Motion made by Councilmember Muller, seconded by Councilmember Toyer, to release the Hotel Motel Tax Funds so that the Chamber can apply for normal reimbursement under normal operations and procedures.

Councilmember Wright said she would support it, but she is very disappointed in this situation. She noted that in the Business Journal the Chamber used to be at the top, but now it is at the bottom.

Councilmember Stevens said that the challenge he is having is defining "value". He thought the Scope of Work was relatively clear, but it appears it was not received that way at the Chamber. He would also like to hear from them how what they have provided has delivered \$10,000 worth of value to the City. He noted that technically they are meeting the requirements without further definition in the Scope of Work. He also stated that the current motion seems to be suggesting that they create invoices, when that actually is already their burden.

Councilmember Seibert said he wasn't sure that the Council needs to formally release the funds. Finance Director Langdon concurred that part of the Hotel Motel Grant information contains guidelines about reimbursements.

Councilmember Norton asked how this has typically happened in the past with the Chamber. Finance Director Langdon noted that there have been different people in charge of this. Typically the City would remind them toward the end of the grant period to use their funds. Councilmember Norton reiterated that it is a good idea to have the Chamber apply directly for Hotel Motel Tax Funds.

Councilmember Muller reminded everyone that at the last meeting in July the Council put a hold on the funds so that is why he made the motion.

Motion passed unanimously (7-0).

City Attorney Weed reviewed the Rights and Responsibilities under the Services Agreement. In that Agreement payment provisions are pretty explicit in terms of how the quarterly payments are to be made. If the City finds that there are any deficiencies in the deliverables that are supposed to be provided, the City is supposed to give written notice of that. Once the Chamber has been given notice of what those deficiencies are they have 30 days to cure them. If they don't then the City has the option to either withhold payment or to terminate the Agreement. CAO Hirashima said that the most straightforward thing to do would be to authorize payment for the first two quarters and then simultaneously issue a notice of deficiencies and inform them that they would need to be corrected in order for future payments to be made.

Councilmember Vaughan stated that the information for the first two quarters has not been adequate in his opinion. He referred to item B in the Services Agreement and noted that if that option had been exercised prior to now the City would be in a different position. He agrees with Councilmember Stevens and Councilmember Muller regarding concerns about this, but he is not sure what kind of room the City has to take action with the payment without putting itself in a position where they would have to defend themselves in the future.

Councilmember Muller commented on the lack of leadership at the Chamber over the last two years. It seems like some things might be changing, but it's still not performing at the level it was before. Even as a member he is not happy with the changes that have taken place. He wants to support them, but the things the Council wanted to see have not happened.

Councilmember Stevens commented that he was not sure it was the Council's job to provide more detailed information about the City's expectations. As the experts for this, he would expect that the Chamber would be able to figure this out. This is the essence of the lack of value that he is seeing with this situation.

Councilmember Norton concurred that they are all disappointed in the lack of value and information they have received. She noted that perhaps due to lack of specifics in the contract, they have met the requirements of the Contract for the first two quarters. She would like to see a meeting with staff and the Board of Directors to clarify expectations and what they are actually doing to determine if this is something the City would find value in for the future.

Councilmember Vaughan referred to the Scope of Work, item 1, regarding developing and maintaining cooperative relations. He does not believe that they have done this. He agreed that more specificity in this agreement would have made this easier.

City Attorney Weed summarized the situation and the timeline of events. He suggested that looking forward to the next two quarters the City has an opportunity to give ample written notice about the City's expectations and what the City's options are if the expectations are not met.

CAO Hirashima reviewed the items on the Scope of Work. As already discussed, the Council had concerns about item. 1. She noted that items 2 and 3 were zero because there were no businesses that contacted the Chamber about relocation in Marysville. Part of the dissatisfaction of the Council seems to be about this number, but they had nothing to provide because there weren't any businesses that came through the Chamber and got referred to the City. Item 4 was received. Item 5 refers to regarding working collaboratively with City staff. CAO Hirashima noted that there is nothing really concrete there although the City is attending Chamber events. The Mayor meets with the Chamber on a monthly basis, but on a staff level there is not a lot of coordination. Item 6 refers to attending a City Council or City Council subcommittee meetings. She noted that this hasn't happened yet. She summarized that there wasn't a lot that was provided because in some cases there wasn't anything to report.

Councilmember Seibert said he thinks they should get past the first two payments because the City hasn't given them timely written notice, but now the City needs to be clear about what is expected in the future.

Councilmember Wright noted that there may not have been any business inquiries, but part of her expectation is that the Chamber do an outreach to attract businesses. She feels that this is part of what is lacking.

Councilmember Muller noted that the Chamber came to the City as a service provider. They should be able to show value for what they are doing. The City wants a service for the money they are paying and proof of that work.

Motion made by Councilmember Vaughan, seconded by Councilmember Seibert, to authorize staff to release the funds for the first two quarters to the Chamber; and direct staff to give written notice to the Chamber of deficiencies as outlined in the Services Agreement, section 5.

Councilmember Stevens asked if staff has enough information to provide written notice to the Chamber. CAO Hirashima indicated that they did. She commented that they would have more dialogue with them about expectations by attending the Board of Directors and also scheduling a meeting with either the Council or the Economic Development Committee to discuss the contract.

Councilmember Muller expressed concern about this maybe not being strong enough. CAO Hirashima explained how information could be conveyed to the Chamber that unless something significantly changes in the third quarter reporting and performance, no further payments would be approved.

Councilmember Seibert added that part of the consideration would also be that if this doesn't get worked out that the City will not only withhold funds, but that the City could terminate the Agreement. Grant Weed explained that the letter would say that the City is reserving all of its rights including withholding payment or terminating the agreement. Councilmember Seibert recommended that staff try to make contact with them and lay out groundwork before the Board of Directors meet with the Council.

Councilmember Norton commented that this is not just a reporting problem; it's a problem with the services being offered.

Motion passed unanimously (7-0).

17. Consider an Ordinance of the City of Marysville, Washington, Establishing a Moratorium on the Filing, Receipt and Processing of Applications for All Permits and Development Plan Approvals, for Master Planned Senior Communities Pursuant to MMC Chapter 22C.220; Providing For Severability, Setting a Public Hearing , Declaring an Emergency, and Establishing an Effective Date.

CAO Hirashima explained that the City is starting to see inquiries for use of this provision that are not consistent with the original intent of the ordinance. The proposed ordinance would place a moratorium on Master Planned Senior Communities so the City has an opportunity to make revisions to the code to make it clear what they want to see in this zone.

Motion made by Councilmember Seibert, seconded by Councilmember Vaughan, to adopt Ordinance No. 2969. **Motion** passed unanimously (7-0).

Legal

Mayor's Business

- Wednesday night is business appreciation night at Totem Middle School.
- 9/11 memorial is set up for 8:30 am at the library.

Staff Business

Chief Smith:

- He looks forward to seeing everyone at the 9/11 memorial.
- 2014 Awards will be held on 9/18 at 2:00 at the Public Safety Building.

Sandy Langdon thanked the Council for the LID process. Bonds were sold last Wednesday. Because of the amendments that Council approved to the bond ordinance regarding the guaranteed fund and the levy that would be instituted if there is a deficiency and the Mayor and Gloria's presentation to the rating community, they received an A-1 rating. The underwriters were amazed at the good rating which translates to a better rate of 4.6 for the property owners.

Grant Weed:

- He reported that on August 29 the lawsuit filed against the City of Fife upheld the City's ordinance banning businesses related to recreational marijuana. The court decided the case in Fife's favor based upon the fact that I-502 doesn't have any expressed language limiting cities from local regulations. This is not binding on any other cities, but it is instructive on the direction the courts may be going. There is another case pending with the City of Wenatchee.
- He stated the need for an Executive Session expected to last 15 minutes to address four items regarding pending litigation and one item concerning an update on labor negotiation. No action will be requested.

Doug Byde:

- Bayview Trail Phase II paving project was done last week, working on shoulders this week and will start working on driveway approaches at intersections.
- The Public Works Committee meeting will not be held this week. It was cancelled for the month.

Jim Ballew:

- Touch a Truck will be held this weekend from 10 to 1 on Saturday. There are over 40 vehicles coming including the Army's Biological Integrative Detection System (BIDS) Vehicle.
- The spray park will stay open on Friday, Saturday, and Sunday as long as the weather holds out.

Doug Buell reported that the Multicultural Fair will be held on Saturday, September 20 from 10 to 3 at Comeford Park. In case of rain, Totem Middle School will be used as a backup.

Gloria Hirashima asked for RSVP's from anyone going on Wednesday night. Everyone on the Council indicated they would be going.

Call on Councilmembers

Kamille Norton asked about the opening date for the Bayview Trail. Director Ballew commented that they have to be done with the project by the end of September. He hopes by the second week of October everything will be striped and ready to go.

Stephen Muller:

- The asphalt looks good.

- He received comments about the garbage on a property. CAO Hirashima commented that they are making contact with the property owner about that issue.

Rob Toyer had no comments none

Michael Stevens:

- The Fire District will be having its annual awards and BBQ on September 17.
- He is excited for Touch a Truck.

Jeff Seibert had no comments.

Donna Wright had no comments.

Jeff Vaughan:

- He has been contacted by people concerned about why the sidewalks on Grove have been torn up. Doug Byde explained that they are replacing those with ADA compliant ramps before repaving up there.
- He commented that there are over 2000 registered businesses in the City of Marysville.
- Marysville's only survivor contestant Michael Jefferson made it onto another reality TV show which will be airing on Sunday night at 10:00 on the Discovery Channel.

Mayor Nehring adjourned the meeting from 8:32 until 8:37 at which time Council went into Executive Session for 15 minutes to discuss five items with no action expected.

Executive Session

- A. Litigation – four items - RCW 42.30.110(1)(i)
- B. Personnel – one item – RCW 42.30.140(4)(a)
- C. Real Estate

Executive session ended and public meeting reconvened at 8:52 p.m.

Adjournment

Seeing no further business Mayor Nehring adjourned the meeting at 8:52 p.m.

Approved this _____ day of _____, 2014.

Mayor
Jon Nehring

April O'Brien
Deputy City Clerk