



Work Session
November 7, 2016

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.

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 Jon Walker, Public Works Director Kevin Nielsen, Parks, Culture and Recreation Director Jim Ballew, Community Development Director Dave Koenig, Fire Chief Martin McFalls, and Recording Secretary April O'Brien.

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

Committee Reports

none

Presentations

A. Snohomish Health District Information

Pete Mayer, Deputy Director and Chief Operating Officer and Jeff Ketchel, Environmental Health Director provided information regarding the Snohomish

Health District's per capita funding request and what the health district does for the community.

Mayor Nehring explained that a letter was sent by North County Mayors and advised that at least seven Mayors had pledged one to two dollars per capita in their budgets with Council approval.

Councilmember Muller asked for the historical perspective for funding. Deputy Director Mayer explained that in the 90's the State Legislature moved responsibility for public health service delivery from cities to county and swept a portion of the cities impact revenues to help offset costs. The funds didn't meet the needs for public service delivery. In the late 90's – 2000's public health lost more dollars due to various initiatives. Funds haven't been fully backfield or adjusted for inflation. The health district views funding as a shared responsibility between local jurisdiction, cities, counties, state and federal government. The health district has relied on grants and contracts in the past. A large portion of the funds are restricted on how they can be used and flexible funds continue to dwindle. At this point, they are facing elimination of 18 FTEs in order to balance the budget without relying on a one-time balance. Their budget ad hoc committee is recommending to restore the occupied positions. If we do this, it would create a gap of half million dollars and still would result in an elimination of 11.5 FTEs. They will be going to the State Legislature in January to request funding to fill critical gaps.

Councilmember Muller asked if the two dollars is a short term ask. Deputy Director Mayer stated that the initial ask to the State Legislature is a lifeline. Going forward the health jurisdictions across the state are working with the Governor's Office and the OFM on a model for the future funding. In 2019, they will be going to State Legislature for full request for funding.

Director Ketchel commented that some of the goals of the health district is to develop long term funding and build long term relationships with cities.

Councilmember Wright commented that over the last eight to ten years so many of the programs the Snohomish Health District offered have been cut if other entities provided them. She asked Deputy Director Mayer what the health district provides that other entities can't. Deputy Director Mayer explained that some examples of services the health district provides:

- tuberculous control and treatment
- expertise to handle complex issues and clients
- staff has the ability to observe clients taking their prescribed medication to ensure they have a successful drug regimen. If a client becomes drug resistant or multi drug resistant health, costs can be up to \$250,000.
- Provides emergency response activities

Director Ketchel provided examples of things the health department does on a proactive basis.

Councilmember Norton, asked if funds are provided to the Snohomish County Health District will they be used to fund the 18 FTEs and what services those positions provide. Deputy Director Mayer reviewed some of the 18.8 positions and the unique services they provide. Their budget ad hoc committee recommended that they restore the occupied positions.

Councilmember Vaughan asked if there are any cities or counties that operate their own public health services within their agency.

Deputy Director Mayer replied that there are many models in the State of Washington and that Snohomish Health District is one model. They are a single health district formed by the county to deliver public health services. He also reviewed other models of health districts.

Councilmember Vaughan asked if all jurisdiction were covered under special purpose districts for board of health. Deputy Director Mayer replied that they are not.

Councilmember Vaughan asked if any of the jurisdiction have taxing authority. Deputy Director Mayer replied that they do not.

Councilmember Vaughan asked if the 15-member board Snohomish Health District has is an effective governance structure. Deputy Director Mayer believes structure can be more effective by improving on policy, how board convenes, and establishes rules and procedures.

Councilmember Vaughan asked for Deputy Director Mayer's opinion on which was better; health districts versus those public health agencies that don't operate as a district.

Deputy Director Mayer believes the special purpose health district model works best because it focuses only on health. They are also part of a public health emergency preparedness region.

Councilmember Vaughan asked Deputy Director Mayer for his thoughts about the health district potentially rolling back into the County. Deputy Director Mayer thought there would still be questioning regarding financing and structure under the County. He believes that the districts effectiveness could be compromised.

Deputy Director Mayer reviewed the cuts that the health district has experienced in the last ten years. Snohomish Health District is ranked 34 out of 35 in per capita investment in the state.

Councilmember Vaughn asked if the health district has had to scale back in the last ten years. Deputy Director Mayer reviewed programs and services that have been eliminated or scaled back.

Councilmember Vaughan asked what the funding trend has been like. Deputy Director Mayer didn't have that information available but planned to provide it to Councilmember Vaughan.

Discussion Items

Approval of Minutes (Written Comment Only Accepted from Audience.)

1. Consider Approval of the October 3, 2016 City Council Work Session Minutes
There were no comments.

2. Consider Approval of the October 10, 2016 City Council Meeting Minutes
There were no comments.

Consent Items

3. Consider the October 19, 2016 Claims in the Amount of \$609,606.86; Paid by EFT Transactions and Check Numbers 111821 through 111988 with No Checks Voided
There were no comments.

4. Consider the October 26, 2016 Claims in the Amount of \$952,186.15; Paid by EFT Transactions and Check Numbers 111989 through 112145 with Check Numbers 85767, 85977, 87688, 88024, 88048, 88086, 88104, 88132, 91238, 91272, 91467, 91945, 91964 and 93109 Voided
There were no comments.

Review Bids

Public Hearings

5. Consider an Ordinance of the City of Marysville Adopting a Biennial Budget for the City of Marysville, Washington, for the Biennial Period of January 1, 2017 to December 31, 2018, Setting Forth in Summary Form the Totals of Estimated Revenues and Appropriations for Each Separate Fund and the Aggregate Totals of all such Funds Combined, and Establishing Compensation Levels as Proscribed by MMC 3.50.030 (Public Hearing will be Held November 14, 2016)

The Mayor advised there will be a Public Hearing next week on this item. Director Langdon reviewed expenses and revenues for the Opera House and Director Ballew was available for questions.

Councilmember Vaughan asked if the \$38,000 in capital expenses are amortized or is it a hit in the first year. Director Langdon explained that most of the cost are under \$5,000 so it would be a onetime hit.

Councilmember Vaughan asked if the yearend \$30,000 loss is minus the capital. Director Langdon responded that it was.

Councilmember Norton asked if the budget assumes requests for additional staffing. Director Langdon responded that staff wages come out of the recreation programs and services.

Councilmember Seibert stated that he didn't have the ordinance in his packet. Director Langdon advised that the salary scales haven't been completed but will be available in next cycle.

Councilmember Norton asked if the AWC salary survey information can be used to evaluate employees' salaries instead of hiring a consultant. CAO Hirashima explained that AWC does a quick survey. The consultant goes through each job description and does a comparable based on organization in detail. The non-union positions haven't been reviewed for approximately ten years.

Councilmember Toyer asked what the end goal is. CAO Hirashima responded to analyze if each position has remained in the mark. If there are any recommended changes, they would come to Council for approval.

Councilmember Norton asked what is the 100,000 new business incentive going to be used on. CAO Hirashima explained that it is not a new program. It is a traffic impact fee exemption. If a business generates a certain level of income for sales tax, we provide a rebate. Director Langdon added that it is done over a 3-year period.

6. Consider 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 2017 (Public Hearing will be Held November 14, 2016)

Director Langdon stated that item six and seven are related to property tax.

7. Consider 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 2017 (Public Hearing will be Held November 14, 2016)

Director Langdon mentioned that the fire district is taking the 1% on regular and EMS. Councilmember Seibert pointed out a typo in section one. Director Langdon stated that she corrected it and the typo in section two. Councilmember Seibert asked if the increase was included in the budget. Director Langdon stated that it was.

New Business

8. Consider the Mutual Aid and Assistance Agreement with Washington State for Intrastate Water/Wastewater Agency Response Network (WARN)
Direction Nielsen stated that this agreement sets a format for how we provide or receive services for recouping our cost.

9. Consider the Hotel/Motel Recommendations to Award Funding
CAO Hirashima reviewed the Hotel/Motel recommendations.

Councilmember Norton commented that she supports the recommendations and that the committee would like to see some new applicants come through with sporting events in the future.

Councilmember Wright asked if the amounts are what was requested. Councilmember Norton explained that most are partially funded.

Councilmember Muller asked if we had any idea how much more the new hotel will add to fund. CAO Hirashima stated they would have estimate by the number of rooms that are already in the City.

10. Consider the Proposed First Amendment to Agreement for Joint Operation of Fire and Emergency Medical Protection Facilities Dated April 18, 2016

CAO Hirashima reviewed the proposed agreement that would go through 2017. The agreement went through the finance committee and was brought to council. Councilmember Seibert added that the City is asking them to consider dispute resolution and to go through mediation rather than straight to arbitration.

11. Consider an Ordinance Establishing Parks and Recreation Department Fee Schedules and Repealing Ordinance No. 2502

Director Ballew reviewed fee changes and the possibility to provide a discount for partnering agencies.

Councilmember Vaughan recommended looking at usual time allotted for a venue as well as peak season/ nonpeak pricing for the Opera House.

Director Ballew replied that Staff will review rates for opera house.

Councilmember Toyer asked how many weddings have been held at the Opera House. Director Ballew estimated there had been 8 weddings with a total of 31 events since March.

Legal

Mayor's Business

- The Mayor recognized Director Langdon and her team for receiving a Certificate of Achievement for Financial Planning letter regarding the CAFR. Director Langdon added that Denise Gritton does a great job on the CAFR.
- The Mayor talked about the AMTEC expansion tour at Everett Community College and what a wonderful opportunity it is for kids in this area.

Staff Business

Director Langdon had no comments.

Chief Smith had not comments.

Director Nielsen

- 172nd railroad crossing work that was scheduled for December 20 – 22 has been postponed.
- Paving has been completed on 88th, Grove, and 136th.
- 88th and State Avenue still needs to be paved and will be done at night.
- Beach will be paved once traffic circle is put in.
- 3rd Street is under construction and a meeting will be held with the Downtown Merchants tomorrow night.
- Pre-com on Sunnyside will be happening this week.
- Pre-com for phase II of the waterfront trail beautification will be held next week.

Director Ballew:

- Opera House had its first sellout performance Saturday night.
- All City Food Drive collected 6000 pounds.

Director Koenig

- Water and storm water plans are going to the Planning Commission
- Public Hearing on Lakewood, Marysville, and Lake Stevens School Districts Capital Facilities Plan
- Community Development and Public Works met with Community Transit regarding a comprehensive plan they're developing. The city provided background on a traffic and development standpoint to help with their plan.

Chief McFalls had no comments

Call on Councilmembers

Rob Toyer had no comments.

Michael Stevens had no comments.

Jeff Vaughan had no comments.

Jeff Seibert had no comments.

Donna Wright

- She attended the Washington Fire Commission conference. Chief Hots and Darrington Fire Chief put on a nice presentation.
- She asked if any Councilmembers wanted to volunteer to be a bell ringer for the Salvation Army between 12-1 p.m. on November 18. Councilmember Muller volunteered.

Kamille Norton had no comments

City Attorney Walker stated the need for a ten-minute Executive Session/Closed Session to discuss labor and collective bargaining with action expected.

CAO Hirashima had no comments.

Recess

Council recessed at 8:30 p.m. for five minutes before reconvening into Closed Session with action expected.

Executive Session

- A. Litigation
- B. Personnel per RCW 42.30.140 (4)(a)
- C. Real Estate

Closed session ended and public meeting reconvened at 8:45 p.m.

Adjournment

Motion made by Councilmember Muller, seconded by Councilmember Seibert, to authorize the Mayor to sign the agreement with the Marysville Police Officers Association (MPOA). **Motion** passed unanimously (7-0).

Seeing no further business Mayor Nehring adjourned the meeting at 8:45 p.m.

Approved this _____ day of _____, 2016.

DRAFT

Mayor
Jon Nehring

April O'Brien
Deputy City Clerk