

Work Session
October 1, 2018

Call to Order / Pledge of Allegiance

Mayor Nehring called the Work Session 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: Mark James, Tom King, Steve Muller, Kamille Norton (President), Michael Stevens, and Jeff Vaughan

Absent: Rob Toyer

Also Present: Chief Administrative Officer Gloria Hirashima, Finance Director Sandy Langdon, City Attorney Jon Walker, Public Works Director Kevin Nielsen, Community Development Director Dave Koenig, Fire Chief Martin McFalls, Asst. Police Chief Goldman

Motion made by Councilmember Muller, seconded by Councilmember James, to excuse the absence of Councilmember Toyer. **Motion** passed unanimously.

Motion made by Councilmember King, seconded by Councilmember Norton, to approve the agenda. **Motion** passed unanimously.

Committee Reports

None

Approval of Minutes

1. Approval of the September 10, 2018 City Council Meeting Minutes.

Consent

2. Approval of the September 19, 2018 Claims in the Amount of \$1,447,594.05 Paid by EFT Transactions and Check Numbers 127187 through 127350 with No Checks Voided.
3. Approval of the September 20, 2018 Payroll in the Amount of \$1,263,029.05 Paid by EFT Transactions and Check Numbers 31982 through 32011.
4. Approval of the September 26, 2018 Claims in the Amount of \$1,912,141.49 Paid by EFT Transactions and Check Numbers 127351 through 127515 with No Check Numbers Voided.

Review Bids

Public Hearings

New Business

5. Consider an Ordinance to Adopt Amendments to MMC Chapter 5.02 Business Licenses as Required by Engrossed House Bill 2005.

Director Koenig reviewed this ordinance which the City is required to take action on to be consistent with state regulations. It relates to having a mandatory definition about what engaging in business is. The City was also asked to exempt business whose gross proceeds were equal to or less than \$2000 if they were located out of the city. The City has done that with this proposed ordinance and has also included businesses within the City that gross less than \$2,000. These businesses would not be required to get a business license. This would take effect on January 1, 2019.

6. Consider a Resolution Changing the City's Payment Method for Unemployment Insurance to the Reimbursable Method.

Finance Director Langdon explained that the City is looking at all parts of its insurance. As it relates to unemployment insurance they are looking at different payment methods. Currently the City pays .2% of total gross wages to the State which is the taxable method. There is another option called the reimbursable method whereby the City would pay for the City's portion of the unemployment benefits that have been claimed. Upon review it appears it would be beneficial for the City to move the reimbursable method. Councilmembers asked clarification questions.

7. Consider Two Easement Encroachment Agreements for a Gazebo and a Garage between the City of Marysville and Trevor and Julie Trueax.

Director Koenig reviewed these items which relate to items which were built without permits. One is over a sewer easement, and the other may also be within the sewer easement area. The agreements would allow the structures to remain up to three years, but after that they would have to be removed at the owners' expense. Councilmember Muller asked for clarification about the three years' time limit. Director Koenig replied it was determined to be a reasonable amount of time, but not too long. Councilmember Muller commented it appears that the owners are allowed to leave the structures for three years and then remove them. Staff replied that the owners are supposed to remove the structures within three years. Councilmember Vaughan also recommended clarification of the language to be "no later than" the end of the term. Mayor Nehring suggested changing "at" to "by" in section 2A. City Attorney Walker noted that it has already been signed by the owners, and he didn't think it would have any legal effect to change that verbiage.

Councilmember King noted that these are two fairly major structures and asked if they could just be moved over a little bit. Director Koenig replied that would be up to the owners. He didn't think the garage would be feasible because of the location of the existing garage.

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

CAO Hirashima reported that this is the 4th Amendment to the Interlocal Agreement with Fire District 12 to operate fire and medical protection facilities and services. The current agreement has a deadline of December 31, 2018. The City is proposing a one-year extension to December 31, 2019 and a financial contribution by the City for 2019 at an estimated level of \$12,104,597.

Another change within the Interlocal Agreement would be the start of transitioning the Governance Board to the Regional Fire Authority Governance Structure. The city representatives would be increased from three to four appointees of the City. District 12 would maintain its appointees. The meeting location would be changed to Marysville City Hall.

Chief McFalls added that the Fire District 12 commissioners met last Wednesday to review the proposal. They are trying to set up a meeting this week before the Council's Business Meeting on October 8 to either accept or counter the agreement. He thanked the Council for a very generous offer and a very effective ILA for the next year. He thinks it is outstanding.

Councilmember James asked about the effective dates. CAO Hirashima replied it would start on 1/1/19. Councilmember James commented that it might need to be clarified in the document. City Attorney Walker replied that staff would confirm the dates and correct if necessary.

9. Consider to Receive JAG/BYRNE Grant Local Funds to Pay for the Sig Sauer Handgun Replacement Project in the Amount of \$12,918.

Asst. Chief Goldman explained that the Police applied for and received this grant. They are asking Council to approve the reception of those funds which will be diverted to the transition from the .40 caliber to the 9mm platform.

Councilmember James expressed concern about problems the Army is having right now with a 9 mm handgun. Asst. Chief Goldman wasn't certain what the Army was using right now, but indicated he would look into it and make sure this is not a problem.

10. Budget Update

Finance Director Langdon made a PowerPoint presentation regarding a review of the current 2017-2018 Budget status as shown in the handout provided to Council. She reviewed citywide revenues and expenditures. She also reviewed six potential signs of the next recession related to unemployment rates, the yield curve, the housing market, credit card delinquency rates, inflation, and customer confidence. She reminded Council that the property tax levy needs to be set by November 30 along with a hearing prior to that. The 2019-2020 Budget needs to be set by December 31, and a hearing will also be held for that.

Legal

Mayor's Business

Mayor Nehring had the following comments:

- The AWC quarterly board meeting was held on Friday. They worked on legislative priorities, especially infrastructure, the opioid epidemic, economic development, and the culvert issue.
- He attended the Toyota grand opening last Thursday which was a great event.
- The AWC regional meeting will be held on October 18 at Everett City Hall from 5:30-8:00 p.m.

Staff Business

Sandy Langdon had no additional comments.

Asst. Chief Goldman had no additional comments.

Dave Koenig had no additional comments.

Chief McFalls had no additional comments.

Kevin Nielsen informed the Council that the trestle has been postponed until the spring.

Jon Walker stated the need to discuss labor negotiations in a closed session following the meeting.

Gloria Hirashima had the following comments:

- She noted that tomorrow is the Chamber Small Business Summit. The City is one of the sponsors for this, and it will be held at the Marysville Opera House. This is a free event and will be held from 3-5 p.m.
- She was invited to give an annexation presentation at the State Boundary Review Board conference last week. This was very interesting for her as she reviewed memories of the City's annexation experiences.

Call on Councilmembers

Steve Muller:

- He also attended the Toyota event and really enjoyed it.
- He also reminisced about the City's annexation history.

Jeff Vaughan had no additional comments.

Tom King:

- He also attended the Toyota grand opening and was very impressed.
- He also discussed the City's annexation history.

Mark James:

- He attended the Alliance for Housing Affordability meeting where they voted on the budget and reviewed the Snohomish County Tomorrow annual assembly.
- The Toyota grand opening was a great event.
- He attended the Chamber of Commerce Candidate Forum.
- He was able to take part in the first Emergency Communications exercise which was productive and educational.

Michael Stevens also commented on his annexation memories.

Kamille Norton commented on an event she attended at Cedarcrest Golf Course which draws in about 3,000 people.

Adjournment

The meeting was adjourned at 7:46 p.m. followed by a closed session to discuss labor negotiations.

Approved this _____ day of _____, 2018.

Mayor
Jon Nehring