

**SULTAN CITY COUNCIL**  
**AGENDA ITEM COVER SHEET**

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ITEM NO: Consent C 2

DATE: August 23, 2007

SUBJECT: Council Minutes

CONTACT PERSON: Laura Koenig, City Clerk

SUMMARY: Attached are the minutes of the August 9, 2007 regular Council meeting as on file in the office of the City Clerk.

RECOMMENDED ACTION: Approve as submitted.

MOTION: Move to accept the consent agenda as presented.

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COUNCIL ACTION:

DATE:

## **CITY OF SULTAN COUNCIL MEETING – August 9, 2007**

The regular meeting of the Sultan City Council was called to order in the Sultan Community Center by Mayor Pro Tem Seehuus. Councilmembers present: Champeaux, Wiediger, Slawson, Flower, Boyd and Blair.

### **CHANGES/ADDITIONS TO THE AGENDA:**

Discussion: Police Chief Salary

Consent: Add excused absence of Councilmember Boyd

### **COMMENTS FROM THE PUBLIC**

Loretta Storm: Finds it interesting that the city is reviewing the salary range of Police Chief now. The Walser sign is blocking the entry sign now however it was not in the way until the City moved it. Asked about the status of Mayor Tolson, is he on vacation or is he resigning? There should be a statement from the City regarding his status.

Josie Fallgatter: TIP program - was surprised to see this as an action items when the City does not have a transportation element to support the plan. The document is flawed and the dates are wrong in the form. The dollar amounts are not consistent with the Capital Facility plan. Proposed project on Trout Farm Road will create a dangerous situation for the residents. The plan needs to be coordinated with Snohomish County and RTED. The City has not done anything to encourage development in the industrial area – will there be sewer connections available? The PUD ordinance needs to be amended, however, developers can do a standard development and not have to meet the transit requirements. The developers volunteering to pay for a consultant to do the land use study is like the tobacco company paying for the study on cigarettes.

### **COUNCILMEMBERS COMMENTS:**

Blair: Noted the error in the dates on the TIP plan. Coordinating with other agencies is a good idea but sometimes they are not all on the same time line. Developments have been approved by the Council but she does not support those approvals without fixing the code. Some people will not be happy no matter what the City does to the plan but she would like to receive their input before the plan is completed, not after.

Slawson: Noted that the Council is criticized for their action – ask if the public would like him to do nothing or should they make decisions and move forward. The Council needs to stop delaying the implementation of plans.

Seehuus: Advised that the Mayor is on scheduled vacations and will be back the week of August 13<sup>th</sup>.

### **CONSENT AGENDA:**

The following items are incorporated into the consent and approved by a single motion of the Council. On a motion by Councilmember Champeaux, seconded by Councilmember Slawson, the consent agenda was approved as amended. Champeaux – aye; Wiediger – aye; Slawson – aye; Seehuus - aye; Flower – aye; Blair – aye.

- 1) Minutes of the July 26, 2007 regular Council Meeting as on file in the Office of the City Clerk.
- 2) Minutes of the July 26, 2007 Public Hearing on the 2007 Budget Amendments as on file in the Office of the City Clerk.

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- 3) Minutes of the July 26, 2007 Public Hearing on the Transportation Improvement Program as on file in the Office of the City Clerk.
- 4) Approval of vouchers in the amount of \$91,264.07 and payroll through July 27, 2007 in amount of \$167,204.35 to be drawn and paid on the proper accounts.
- 5) Approval of the Special Events permit for the Volunteers of America Jazz Festival on August 11, 2007.
- 6) Excused absense of Councilmember Boyd from the August 9, 2007 Council meeting.

**ACTION ITEMS:**

**Resolution 07-14:** Public hearings were held before the Planning Board and the City Council on the Transportation Improvement Plan. Concerned was expressed by Fire District 5 regarding the location of a proposed road through their property and staff has taken action to resolve that issue. The City is mandated to annually adopt and submit to the State a six year transportation improvement program known as the Local TIP. There is a transportation element in the Comp Plan and the TIP is based on the needs identified in that plan. The TIP can include unfunded projects as it is used as a regional planning tool.

On a motion by Councilmember Slawson, seconded by Councilmember Champeaux, Resolution 07-14, 2008-2013 Transportation Improvement Plan was adopted. All ayes except Councilmember Blair who voted nay.

**Ordinance 954-07 Budget Amendments:** The issue before the City Council is the adoption of Ordinance 954-07 amendments to the City's 2007 Budget. The following issues were addressed in the amendments:

- The amended 2007 General Fund anticipated revenues equal \$1,978,138 after proposed reductions/increases in anticipated revenues.
- The amended 2007 General Fund anticipated expenses after proposed reductions/increases equal \$2,066,688.
- The overall short-fall in the General Fund after proposed cuts/increases is \$88,550 which may change as changes occur.
- The reduction in staffing in the police department will reduce expenditures by approximately \$18,288 in salaries. \$3,800 has been spent for provisional officers and \$9,700 was spent for retro pay to the officers. The original estimated savings was approximately \$30,000.
- The amended Street Fund expenditures after proposed reductions is \$198,052. This should provide a fund balance of approximately \$47,000 at the end of the year. Based on the five year projections, without action, the Street Fund would have shown a negative balance of around \$30,000 at the end of 2007. The fund has a negative balance of \$7,704 at this time. Street light funding will be continued but the city will change the lights to 100 watt bulbs.
- Reallocation of the revenues from the Post Office rent from the GO Limited Tax Bond fund will provide \$45,144 to the General Fund. REET funds will be used to make the bond payments. This bond is for the Community Center and payment on the bonds is an allowable expenditure of REET funds.
- The Capital Project original budget provided for an interfund loan payment. Payment in full for the interfund loan was included in the 2006 Budget and since adequate funds were available, the loan was paid off. The \$41,600 that was budgeted for the loan payment will be transferred to the Bond fund.

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**Ordinance 954-07:** The State Auditors are also reviewing the proposed actions by the Council and staff will monitor the budget closely throughout the rest of the year.

**Flower:** Thanked the staff for keeping the street lights in the budget. He is troubled by the fact that we are cutting the police force in half and he has not heard a plan on how we will run the department with four people. It is hard to make these decisions and figure out how we going to keep the citizens safe with four officers.

**Slawson:** Asked if staff is looking into volunteers or block watch programs and if information was being provided to the community on the reduced programs.

**Blair:** Thanked the staff for their work. The sub-committee recommended moving forward with the REDFLEX program and advertising passport services and animal licenses. The Council must make some tough decisions and they don't want to see police cuts but all the departments are cutting back. Thanked the staff for keeping the street lights in the budget.

Staff advised that they are working on a schedule for police coverage, working on the development of volunteer programs for park maintenance and providing public information. The utility billing has information on the service cuts that will occur. It was noted that the budget is still \$88,000 out of balance. Corporal Berg cautioned the Council in regards to cutting the police force back to four officers as it will leave them short if someone quits.

On a motion by Councilmember Wiediger, seconded by Councilmember Slawson, Ordinance 954-07, 2007 Budget Amendments, was introduced for a first reading and passed on to a second reading. All ayes.

**A J's Place Conditional Use Permit Extension:** The issue before the City Council is to consider a two (2) year Conditional Use Permit (CUP) renewal for the AJ'S Place 40-Unit Townhouse/Condominium project. City Staff received the a letter dated June 21, 2007 from Dennis Jordon requesting a two (2) year extension for the A J's Place Conditional Use Permit, CUP File Number BSP05-001. Mr. Jordon indicates in his letter that filling of the property, which is located in flood plain fringe, will require approval from the National Oceanic and Atmospheric Administration (NOAA) in addition to the Federal Emergency Management Administration (FEMA).

On a motion by Councilmember Blair, seconded by Councilmember Flower, the Council approved a two (2) year renewal for the AJ'S Place Conditional Use Permit do to the Approval Requirements of NOAA which were not known at the time of the original application. All ayes.

**Resolution 07-17 Open Space Dedication:** The issue before the City Council is the acceptance of 3.40 acre Open Space Dedication from Sultan 144, LLC and Charles and Delores Green for Open Space and Critical Areas Mitigation purposes. Sultan 144, LLC is currently processing development plans for the Greens Estates Planned Unit Development located on Sultan Basin Road and south of 132<sup>nd</sup> Street SE. In an effort to assist the City in maintaining our Open Space Level-of-Service for Parks of 42.6 acres per 1,000 population and the ability to provide wetlands mitigation sites throughout the City, Sultan 144, LLC and Charles and Delores Green have offered to donate 3.40 acres of Critical Areas to the City. Sultan 144, LLC is currently developing the Skoglund Estates Planned Unit Development located east and adjacent to the Greens Estates Development. The trail systems in both developments will be connected to provide public access to both development areas and south to the Sky Harbor Subdivision on 138<sup>th</sup> Street S.E. Councilmember Seehuus moved to adopt, Resolution Number 07-17 accepting the 3.40 acre Open Space Donation from Sultan 144, LLC and Charles and Delores Green for Open Space and

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**Resolution 07-17 Open Space Dedication:** Critical Area Mitigation purposes; seconded by Councilmember Slawson. Motion and second were withdrawn.

Councilmember Blair moved to continue the matter to the next meeting and to revise the resolution to include the legal description, seconded by Councilmember Flower. All ayes.

**Resolution 07-16 Steen Final Plat:** The issue before the City Council is to consider Adopting Resolution 07-16 approving the (1) Steen Park Formal Final Subdivision (2) Plat Modification for longer-than-standard cul-de-sac, and (3) Conditional Use Permit to Cluster Lots.

The Steen Park Formal Subdivision Preliminary Plat, is located on a 5-acre site at 13911 Sultan Basin Road, just south of 138<sup>th</sup> Street S.E. and was approved by the City Council on June 8, 2007. The Plat was approved as recommended by the Hearing Examiner, who conducted an Open Record Hearing on April 12, 2002. The Plat includes 18-lots with an average lot size of 6,970 square feet. The access to the subdivision is from Sultan Basin Road as shown on the attached Plat Map (Attachment 1). On July 1, 2007 an inspection of the subdivision and related improvements was completed by City Staff. During the inspection, it was noted that the following items would be bonded for by the Developer: (1) street trees; (2) playground improvements on Tract 997; (3) final lift of asphalt on 140<sup>th</sup> Place S.E.; (4) mail boxes; and (5) fire hydrant. The Developer is providing a letter of irrevocable credit in the amount of \$40,000.00 to cover the costs of the remaining improvements.

On a motion by Councilmember Flower, seconded by Councilmember Champeaux, Resolution 07-16 Approving the Steen Park Formal Subdivision Final Plat, Plat Modification to allow a longer-than-standard cul-de-sac, and Conditional Use Permit to Cluster Lots and acceptance of a \$40,000.00 irrevocable letter of credit for remaining improvements and 2-year Maintenance Bond in the amount of \$73,000.00 and authorization to release irrevocable letter of credit upon completion and Approval of the remaining improvements as Recommended by City Staff. All ayes except Councilmember Slawson who voted nay.

**2007 Watershed Thinning Contract:** Connie Dunn reviewed the proposed thinning agreement with Bowman Logging Inc for the Watershed. Lusignan Forestry Inc. manages the timber in the City's Watershed and provides forest management service. The funds will be deposited to the reserve funds for future system improvements.

On a motion by Councilmember Flower, seconded by Councilmember Blair, the Mayor was authorized to sign the Logging Agreement for the 2007 Watershed Thinning project with Bowman Logging, Inc. and the Washington State Department of Natural Resources Notice of Transfer with the proceeds to be receipted into the Water Cumulative Reserve Fund for Capital Improvements in the Sultan Water System. All ayes.

### **DISCUSSION ITEMS:**

**No Parking Zones:** Connie Dunn discussed the review of the parking zone resolution that is done annually. Three community meetings were held to discuss changes to the parking zones. The only requested change was to add "no parking" on the paved section of Porter Lane. Staff is requesting direction on preparing a revised resolution for council action. It was the consensus of the Council to make the recommended revisions and bring the matter back to the next meeting for action.

**Developer Agreements:** Connie Dunn discussed the need to work with the Development Community to use Developer Agreements as a funding source for a portion of the Wastewater Treatment Plant upgrade. There are four alternative capital financing strategies being considered

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**Developer Agreements:** by the staff: 1) general facility charges, 2) developer reimbursement contracts, 3) contractual development commitments and 4) local improvement districts.

Brief discussion was held on the interest in the development community to adopt developer agreements and the need to make sure that they city does not guarantee connections they can not provide. The consensus of the Council was to move forward with preparing draft agreements for review.

**Police Chief Salary:** The City Council adopted Ordinance No. 944-06 establishing a salary of \$6,225 for 2007 for the position of police chief. The staff recommendation is to adopt a salary range of \$6,749 to \$7,595. The recommendation is based on a salary survey of 8 cities of similar size to the City of Sultan. The proposed salary range would increase the police chief pay by a minimum of \$524/month and a maximum of \$1,370/month. The City Council would need to amend the Salary Ordinance to adopt the change. Staff requested direction to return with an adopting ordinance to change the flat rate salary of \$6,225 per month to a salary range of \$6,749 to \$7,595 for the position of police chief.

The Civil Service Commission provides for the hiring process of the Police Chief and they will begin the recruitment process later this month. The Commission needs a salary range as part of the recruitment process.

Discussion was held regarding the salary requirements if an existing staff member is promoted, the need to update the job description, impact of increasing the wage on the 2007 and 2008 budgets, costs for the interim chief, impact of a union employee leaving the bargaining unit to take the position of interim chief, accountability for time and the Civil Service requirements. Staff was directed to bring back additional recommendations.

### **PUBLIC COMMENTS**

**Loretta Storm:** Advised that Chief Walser was in the office everyday at 5 am and available at the office every day in her experience. It was stated that people should be involved in the process and not complain later. She has been involved in the process. She has enjoyed supporting the City with a street light, helping with audios and working on the Library Board and Highway 2 Coalition. In response to what does she want - honesty and accountability and development that adds to the quality of life. Would like to make sure that any discussion with developers are public and that the City allows taxpayers to participate in the meeting as they are stakeholders.

**Josie Fallgatter:** In response to the question, what do you want – she wants them to do what Councilmembers Flower and Blair did - ask what the management plan is for police and for a legal description in resolution. In regards to the developer agreement, if the City changes the level of service for police, they don't have to pay the fee. The City needs to have attorney review the agreements. She supports the stormwater utility and increasing the sewer facility charges. She has offered to help work with the consultants to cut costs and review developer regulations.

**Jerry Gibson:** Not happy about the reduction in police services and the level of service as he has worked hard to keep the police here and supported the levy. The general public does not know what the council's plan is and they will have a battle when the word goes out. They are keeping animal control but get rid of police. The developer agreements are self serving and the people comment about bribes and kickbacks from developers. They should pay for the police.

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Garth York: If the developers came up with money for the police they would be accused of being self serving. The numbers in the budget are black and white, and it looks like a big black hole suddenly appeared. Where did the short fall happen? If the City goes down to four officers, when will they increase the number again? Police protection is important and it is hard to sell homes without police protection.

### **COUNCIL COMMENTS**

Wiediger: The public knows about the situation and the citizens voted the levy down.

Slawson: Citizens live in the City not the UGA. He does follow the rules and he must make his decision based on the rules. In regards to police service, we can only fund what we can afford. The Council has known about the short falls and has been working to control the budget. They estimated that 72 homes would be built and there have only been 3.

Champeaux: The decision has been coming for the past year and the City has struggled with the budget. This is the third year that building permits have been down and the City is faced with large legal bills that they did not anticipate when the budget was done. The Council must now make tough decisions and they will prepare the budget in 2008 based on fixed revenue not estimated. Need to scale back and live within our means.

Blair: Was disappointed to hear that help from Josie Fallgatter was turned down as she could be an asset and they could work together instead of fighting each other. There were unexpected expenses this year that the City could not foresee. Prior councils have borrowed to get by but they are trying to live on current funds available.

Flower: Thanked Ms. Storm for her work. There are several people in the community that help make this a better place and most volunteer work goes unnoticed. Our citizens are our greatest resource. The City has been bailing a leaky boat for several years and the loss of revenues and increased legal fees are a double hit. The budget amendment was a difficult decision but it is time to downsize.

Seehuus: The budget issues are serious but he is excited about the need to think outside the box and this could be a good thing for the community that will bring people together. He has seen how this community works to get things done.

**Executive Session:** On a motion by Councilmember Blair, seconded by Councilmember Seehuus, the Council adjourned to executive session for forty minutes to discuss pending litigation. All ayes.

**Adjournment:** On a motion by Councilmember Champeaux, seconded by Councilmember Slawson, the meeting adjourned at 10:15 PM.

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Benjamin Tolson, Mayor

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Laura J. Koenig, City Clerk