

SULTAN CITY COUNCIL

AGENDA ITEM COVER SHEET

ITEM NO: Consent C 1

DATE: January 10, 2008

SUBJECT: Council Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the minutes of the December 13, 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.

COUNCIL ACTION:

DATE:

CITY OF SULTAN COUNCIL MEETING – December 13, 2007

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

PRESENTATIONS:

Plaques were presented to Mayor Tolson, Councilmember Seehuus and Councilmember Boyd. Mayor Tolson thanked the Council and staff for their work and efforts over the past four years. Mayor Tolson presented a Certificate of Appreciation to Sarah Davenport-Smith for her work on the Planning Board and thanked the members of the Blue Ribbon Committee – Jeffrey Beeler, Tony Beedle, Matt Anderson, Donna Marshall, Jackie Personeus, Traci Hoenstein, Loretta Storm, Charles Van Pelt and Steven Wright.

CHANGES/ADDITIONS TO THE AGENDA:

Add to consent: Excused absence of Councilmember Wiediger and Boyd.
Action: Remove Greens Plat

COMMENTS FROM THE PUBLIC

Josie Fallgatter: Thanked the staff for the correction to Resolution on interest allocation in regard to impact funds. Asked what the impact of the Resolution on road realignment is. If the road is still in the comprehensive plan it could be built, it needs to be removed from the plan.

Steve Fox: Advised he was not representing the Fire District tonight. The Fire Department has had a concern over the last year over the TIB and the need to have the plan changed by the end of the year. He was glad to hear that will not happen. Asked who is in charge, what is the task, and how do you know when it is done? Their goal is to see a plan without their property on the plan. He supports the resolution on the agenda as it establishes the intent of the council in regard to the plan. If the plan is changed in the future, it would be by intent not accident.

COUNCILMEMBERS COMMENTS:

Blair: Thanked the Mayor for his service during the past four years. Thanked Councilmember Seehuus, the Blue Ribbon Committee and the Planning Board. The Council has done a good job, cleaned up issues, and had a clean audit with no findings. Sultan Harvest served over 200 dinners to the community and it was a great event.

Flower: Thanked the Mayor for his service; it has been a challenging four years. Thanked Councilmember Seehuus for his dedication and service. They have learned to be friends and work together and have broadened their horizons. He is looking forward to working with the new Councilmembers and Mayor.

Seehuus: It has been an interesting four years on the Council and two years on Planning Commission. Thanked the citizens for allowing him to serve the City. There are some great new people coming in and he will help them anyway he can.

Slawson: Thanked the Mayor and Councilmember Seehuus for their work. They have worked well together and it has been an honor to serve with them.

Champeaux: Thanked the Mayor and Councilmember Seehuus for the service. Thanked the staff for their work, dedication and effort every day and month of the year.

Mayor Tolson: Thanked the Council for the good job and work they have done. They have brought up issues that were not popular, offered different opinions and options and provided history on issues. Thanked Councilmember Seehuus for filling in as the Mayor Pro Tem.

CITY OF SULTAN COUNCIL MEETING – December 13, 2007**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; Slawson – aye; Seehuus – aye, abstain on Item 2; Flower – aye; Blair – aye.

- 1) Approval of the October 25, 2007 Council Meeting minutes
- 2) Approval of the November 8, 2007 Public Meeting on the Greens PUD
- 3) Approval of the November 8, 2007 Council Meeting Minutes
- 4) Approval of the November 15, 2007 Public Hearing Minutes on the 2007 Budget Amendments
- 5) Approval of the November 15, 2007 Public Hearing Minutes on the 2008 Budget
- 6) Approval of November 15, 2007 Council Meeting minutes
- 7) Approval of vouchers in the amount of 235,652.24 and payrolls through November 20, 2007 in the amount of \$128,099.85 to be drawn and paid on the proper accounts and authorization for the Finance Committee to approve payment of vouchers prior to the end of the year
- 8) Adoption of Ordinance 975-07 2008 Salary Schedule
- 9) Cancel the December 27, 2007 Council meeting
- 10) Authorization for the Mayor to sign a Professional Service Contract with Pace Engineering for the Water Use Efficiency Rule in an amount not to exceed \$6,080.
- 11) Utility Relief Approval
- 12) Acceptance of Donations from Jon Stack for a stove and office supplies
- 13) Reappointment of Councilmember Slawson as the Snohomish County Tomorrow Representative
- 14) Reappointment of Councilmember Flower as the Health Board Representative
- 15) Extension of the Public Works Union Contract
- 16) Authorization for the Mayor to sign Amendment # 1 to Land Use Agreement with Snohomish County
- 17) Excused absence of Councilmember Wiediger and Boyd.

ACTION ITEMS:

Ordinance 972-07 – 2008 Budget: The detailed budget and department reports were prepared and submitted to the Council during the public hearing process and Ordinance 972-07 was introduced for a first reading on November 15, 2007. On a motion by Councilmember Slawson, seconded by Councilmember Flower, Ordinance 972-07 setting a budget for the 2008 fiscal year was adopted. All ayes.

Ordinance 973-07 – 2007 Budget Amendment: The Council held a public hearing on November 15, 2007 for the purpose of amending the 2007 Budget. The General Fund, Sewer Utility, Garbage Utility and Equipment Reserve Funds were discussed.

The Council made two policy decisions:

1. Allocating \$64,000 interest from the LID Bond fund and Reserve funds to the General Fund
2. Allocating all sales tax revenue (approximately \$305,000) to the General Fund. This decision would preclude a distribution to the Contingency Fund.

The interfund loan payment has been included in the amendment. The City may not be able to make the full payment and this may result in an audit finding, however, a partial payment would

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Ordinance 973-07: demonstrate a good faith effort on behalf of the City to comply with the terms of the loan agreement.

On a motion by Councilmember Seehuus, seconded by Councilmember Flower, Ordinance 973-07 amending the 2007 Budget was adopted. All ayes.

Resolution 07-24 Interest Allocation: The Sub Committee met on December 6, 2007 to review and discuss the matter of distributing interest earned on investments. The issue of allocation of investment interest earned was discussed at the November 8, 2007 Council meeting. Staff was directed to prepare a resolution with recommendations on the allocation of investment interest and to provide information on the financial impacts.

Under state law, if a Code City's funds have been commingled for investment purposes, the interest may be apportioned among the various participating funds or the general or current expense fund as the city determines by ordinance or resolution.

In accordance with RCW 82.02.070, interest earned from moneys in Impact Funds must be allocated to and used by those funds for the purpose specified. The original proposal was to use the interest earned by Impact Funds to help offset Park maintenance costs in the General Fund. Since Impact Funds can't be used, Staff and the Sub Committee recommend 50% of the interest earned by the CR Utility Reserve fund be allocated to the General Fund to help offset the costs of Park maintenance.

It was further recommended the resolution for the distribution of interest be for one fiscal year and the matter be a part of the annual budget process.

On a motion by Councilmember Flower, seconded by Councilmember Seehuus, Resolution 07-24, Allocation of Interest for 2008, was adopted. All ayes.

Professional Service Contract for Land Acquisition: City Staff, at the direction of City Council, requested proposals for Professional Services to negotiate the acquisition of real property for Open Space and Park purposes. The attached RFP notice was published on November 13, 2007 and distributed to interested firms.

The City received three (3) responses to the RFP by the November 28, 2007 deadline. They are in no specific order:

1. All Real Estate Inc., Sultan, WA
2. Skillings Connolly, Seattle, WA
3. Certified Land Services Corporation, Seattle WA

All Real Estate provided a letter offering to negotiate the acquisition for free, but did not provide timelines, an outline of tasks, deliverables, and other costs associated with the acquisition as requested in the RFP.

Skillings Connolly provided most of the information, except for the cost of the appraisal and review appraisal. Estimated cost \$8,249.89 plus costs of appraisals. In further conversation the appraisal is estimated at \$3,500.00 to \$5,000.00 with review appraisal between \$750.00 to \$1,000.00.

Certified Land Services Corporation responded to all requirements of the RFP and noted they will meet all the requirements of the Professional Services Agreement which was attached to the RFP. Estimated cost \$10,920.00.

In the review of the three proposals, only one firm, Certified Land Services Corporation, meets all the requirements of the RFP. A brief discussion was held on the cost of the appraisal and the bid process.

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Land Acquisition Contract: On a motion by Councilmember Blair, seconded by Councilmember Slawson, the Mayor was authorized to sign a Professional Services Contract with Certified Land Services Corporation for property acquisition in an amount not to exceed \$10,920.00 and directed City Staff to negotiate a reduction in the proposed appraisal costs. All ayes.

Resolution 07-32 - Skoglund Estates Final Planned Unit Development and Formal Subdivision final Acceptance:

The Skoglund Estates Planned Unit Development and Formal Subdivision is located on a 21.79-acre site on the south side of 132nd Street S.E. and ¼ mile east of Sultan Basin Road. The preliminary Planned Unit Development and Subdivision Plat was Approved by the City Council on June 29, 2006. The Planned Unit Development and Preliminary Plat was approved with modifications to the recommended conditions by the Hearing Examiner, who conducted an Open Record Hearing on April 25, 2006.

The Plat includes 48-lots with a minimum lot size of 5,000 square feet. The access to the subdivision is south from 132nd Street S.E. on 328th Ave S.E. as shown on the attached Plat Map. Future access will provide for connections to the east on 133th Place S.E. and 134th Place SE. On November 30, 2007, an inspection of the subdivision and related improvements was completed by City Staff. During that inspection, it was noted the following items would be bonded for by the Developer: (1) the final lift of asphalt on 328th Ave S.E., 133rd Place S.E., 134th Place S.E., and 135th Place S.E.; (2) off-site water and sewer; (3) landscaping and two recreation areas; (4) street signs and striping; and (5) mailboxes and fencing. Plat Conditions are listed on Attachment 1.2. A letter from Puget Sound Energy (PSE), accepting the project with conditions is attached (Exhibit 2). We anticipate these improvements will be completed by the Spring of 2008. All fees have been paid including the Police Service concurrency fee of \$46,000.

On a motion by Councilmember Seehuus, seconded by Councilmember Champeux, Resolution 07-32 Approving the Skoglund Estates Planned Unit Development and Formal Subdivision Final Plat and Acceptance of Performance Bonds in the amount of \$858,978.47, \$130,319.00 (wetland maintenance bond), a 2-year Maintenance Bond in the amount of \$401,477.39, and authorization to release the bonds upon completion and Approval of the remaining improvements as recommended by City Staff was adopted. All ayes except Councilmember Slawson who voted nay.

Comprehensive Plan – Professional Service Contracts: The issue before the City Council is to:

1. Discuss the staff recommended strategy to adopt a comprehensive plan compliant with the State Growth Management Act (GMA) – Attachment A
2. Review and comment on the proposals and scopes of work for Shockey Brent, Dugan Planning Services, Pertee Engineering, and Snohomish County.
3. Authorize the Mayor to make any necessary changes to the scopes of work and execute the contracts and the Interlocal Agency Agreement with Snohomish County as directed by the City Council.

Three additional contracts will be required next year for Stormwater, a Land Use Attorney and possibly for water/sewer work. Shockey Brent will be the lead consultant for the team. The estimated cost is \$400,000.

On a motion by Councilmember Slawson, seconded by Councilmember Seehuus, the Mayor was authorized to sign a contract with Shockey Brent. All ayes.

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On a motion by Councilmember Slawson, seconded by Councilmember Seehuus, the Mayor was authorized to sign a contract with Dugan Planning Services. All ayes.

On a motion by Councilmember Slawson, seconded by Councilmember Flower, the Mayor was authorized to sign a contract with Perteet Engineering. All ayes.

On a motion by Councilmember Slawson, seconded by Councilmember Seehuus, the Mayor was authorized to sign an Interlocal Agreement with Snohomish County. All ayes.

Resolution 07-34 Road Alignment Clarification: The issue before the City Council is a discussion of a Resolution No. 07-34 clarifying the City Council's desire to provide that no part of the property located at 33021 Cascade View Drive, owned by Snohomish County Fire District Five, will be used for roadway purposes without the consent and approval of the Fire District.

On a motion by Councilmember Seehuus, seconded by Councilmember Blair, Resolution 07-34 was adopted. All ayes.

Blue Ribbon Committee: The issues before the City Council are to recognize the members of the CAP for their assistance to the City, review the work completed by the CAP, and determine whether to continue the CAP under the existing structure, reform the CAP with new members, or discontinue the CAP. Deborah Knight thanked the Committee for their work. The Committee has completed the work they were requested to do.

A brief discussion was held regarding the continuation of the committee, the formation and members and the purpose. Councilmember Flower advised that the committee had a tendency to get off task at time and got off their mandate. It was not the mandate of the Council to attack staff or question hiring practices but they were to come up with ideas for finances. If the committee continues he does not want to participate.

Councilmember Seehuus moved to continue the committee on a quarterly basis in 2008, seconded by Councilmember Slawson. All ayes.

Ordinance 976-07 Library Annexation: The issue before the City Council is to adopt Ordinance No. 976-07 declaring the City's intent to join and be annexed by the Sno-Isle Intercounty Rural Library District (Library District) and requesting the Snohomish County Council to set a special election on March 11, 2008 for the purposes of submitting the annexation proposition to the voters.

This is the final step necessary to notify the County of the City's intent to be annexed by the Sno-Isle Intercounty Rural Library District and setting the election date for March 11, 2008.

State law and Council procedures allow the City Council to combine First and Second Reading and pass the ordinance during the same meeting at which it is introduced.

The City must combine First and Second Reading of Ordinance No. 976-07 in order to have the County Council consider the motion calling for a special election relating to the annexation of Sultan to the Sno-Isle Intercounty Rural Library District at its December 19, 2007 meeting.

The resolution due date for the March 11, 2008 election is January 18, 2007. A decision by the City Council to have First Reading on December 13, 2007 and Second Reading on January 10, 2007 may not leave adequate time for the County Council to approve the motion setting the special election.

On a motion by Councilmember Slawson, seconded by Councilmember Seehuus, Ordinance 976-07, Library Annexation, was adopted. All ayes.

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DISCUSSION ITEMS:

Water Use Efficiency Rule: Connie Dunn, Public Works Director, advised the City has been mandated to comply with the Water Use Efficiency Rule. Staff has completed several of the elements required by the State. There are increasing demands on the State's water and the goal is to use our water more efficiently which will reduce costs and enhance public health. Staff will need to set a public hearing for January 10, 2008 to discuss the City's goals for water use efficiency.

PUBLIC COMMENTS

Donna Murphy: Thanked Mayor Tolson and Councilmember Seehuus for all the work they have done for the City. She started work for the City in 1979 and she did utility billing by hand at that time. Has worked for Mayors Koehler, Walker, Rowe, Tolson, Love, and Broughton and this has been a very professional group to work with. Deborah Knight has made a great difference to the City as the City Administrator.

Loretta Storm: Thanked John Seehuus for his contributions to the City. He has worked with the Highway 2 Coalition and also dedicates his time to Sultan Education Foundation and is a valuable member of the community. Has had ups and downs working with Mayor Tolson but she does appreciate the sound system in the Council room.

COUNCIL COMMENTS

Slawson: Thanked everyone for coming and Loretta Storm for her work at Sultan Harvest.

Seehuus: Thanked the staff and department heads for their work, it has been a pleasure to work with everyone.

Adjournment: On a motion by Councilmember Seehuus, seconded by Councilmember Blair, the meeting adjourned at 8:15 PM.

Benjamin Tolson, Mayor

Laura J. Koenig, City Clerk