

**SULTAN CITY COUNCIL  
AGENDA ITEM COVER SHEET**

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ITEM NO: Consent C 1  
DATE: February 26, 2009  
SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

**SUMMARY:**

Attached are the minutes of the February 12, 2009 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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**CITY OF SULTAN COUNCIL MEETING – February 12, 2009**

The regular meeting of the Sultan City Council was called to order in the Sultan Community Center by Mayor Pro-tem Wiediger. Councilmembers present: Champeaux, Slawson, Flower, Davenport-Smith, Blair and Doornek.

**COMMENTS FROM THE PUBLIC**

Cindy Hedland: Worked at a tavern in Snohomish during the motorcycle show and they never had a problem with the customers during the show. The sales are good and the participants are there to have fun. This is a family event and Sultan should allow them to hold the show.

Greg Linse: Works for Microsoft and they have used their grant program to fund a science project at the school. He is on the Sky Harbor HOA board and they requested help from the City with people that are posting non-compliant signs. They can remove signs inside the plat but not outside the plat area and the neighborhood is upset. The City Attorney will not allow City staff to talk to the homeowners. They are considering leaving Sultan due to the lack of support.

Debbie Copple: Thanked Deborah Knight and Frank Linth for being Masters of Ceremony at the Community Awards. The Sky Valley Chamber supports the motorcycle show. There is only one business that would be impacted and they could work with them. The other businesses could benefit from the foot traffic on a Sunday. The ABATE organization has good reputation and the Snohomish business supported them.

Steve Harris: Will be paying for the vacated road and moving forward with his commercial project. Appreciates the help the Council and staff have provided.

Bubba Deach: Owner of Bubba's tavern. Supports the ABATE motorcycle show as this would be a positive event for the Community. This is a good opportunity for Sultan to show off their businesses.

Jeffrey Beeler: The US 2 Coalition will have a fund raiser at the Galaxy Theater on February 21<sup>st</sup>. It is nice to see the snow plow and sander in the budget and that a purchase is being considered. He understands the budget constraints and that the equipment is old and difficult to work with. Should buy a sander now as it would be used more then a snow plow blade. Last December residents were stuck in their homes. The City needs to review the Homeowner Association agreements and understand the impact to the home owners.

Garth York: Asked if mitigation and impact fees can they be postponed until final occupancy is issued? The SMC has some discrepancies regarding impact fees. His project was approved under the old fee and now he is subject to the revised fee. He would like to the fees postponed so there isn't a major impact on the developer.

**COUNCILMEMBERS COMMENTS:**

Champeaux: Code revisions are being worked on and Mr. York should discuss his issues with staff.

Slawson: He attended the ABATE show last year and it is peaceful family event. The only issue is funding for police services.

Flower: Thanked the ABATE members for attending the meeting. They put on a peaceful and successful event. There have been issues with signs in the past and the City should take action if the signs are in the right-of-way. If signs are on private property, there are freedom of speech issues to deal with. The City should work with developers on mitigation and impact fees. The awards ceremony was a good event and showcased all the volunteers in the valley.

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Davenport-Smith: It is good to see the support of the ABATE show however there is the matter of the fee for police services. She would like to look at postponing payment of impact fees so projects can move forward.

Blair: Attended the motorcycle show in Snohomish and it was a good event and a lot of people were shopping. She would like to see if they can find a way to cover the costs. Development brings jobs and sales tax and she would like more information on Mr. York's request.

Doornek: He has attended motorcycle shows and they are good events that bring business into the City.

Wiediger: The Community Awards night was a good event.

**HEARINGS:**

Chapter 17.08 Flood Damage Prevention – see minutes.

**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 presented. Champeaux – aye; Wiediger – aye; Slawson – aye; Davenport-Smith - aye; Flower – aye; Blair – aye; Doornek - aye.

- 1) Approval of the January 22, 2009 Council Meeting Minutes as on file in the Office of the City Clerk.
- 2) Approval of the January 22, 2009 Public Hearing Minutes – Public Participation as on file in the Office of the City Clerk.
- 3) Approval of the January 22, 2009 Public Hearing Minutes – Iron Goat Franchise as on file in the Office of the City Clerk.
- 4) Approval of Vouchers in the amount of \$215,872.10 and payroll through January 23, 2009 in the amount of \$99,261.72 to be drawn and paid on the proper accounts.
- 5) Waive fee for use of Community Center – Youth Leadership Program – referred to the Council Sub Committee.
- 6) Ordinance Number correction – Ordinance 1017-09 Park Regulations
- 7) Adoption of Ordinance 1015-09 Public Participation Policy
- 8) Utility Relief Requests
- 9) Sultan Basin Road Project – Final Acceptance
- 10) Authorization to sign the Microsoft License Agreement.
- 11) Authorization for the Mayor to sign the Shockey Brent Contract Amendment.

**DISCUSSION ITEMS:**

**Red Flag Regulations – Identity Theft:**

The issue before the Council is to provide information on the requirement to establish an Identity Theft Prevention program by May 1, 2009 in compliance with the Federal Trade Commission's Fair and Accurate Credit Transaction Act of 2003.

The Fair and Accurate Credit Transactions Act of 2003 requires certain financial institutions and creditors with "covered accounts" to prepare, adopt and implement an identity theft prevention program to provide identification of "red flags" that could indicate identity theft. Municipal utility accounts are specifically included under "covered accounts" and therefore the City will need to comply with the regulations.

The City is required to develop a program to identify, detect and respond to Red Flags, provide for a periodic updating process and a reporting process. There are five categories the City needs to address:

1. Notification from Consumer Reporting Agencies: The City does not request or receive information about its utility customers from any Consumer Reporting Agency.
2. Suspicious Documents: Documents that may be forged or altered.

3. Suspicious Personal Identifying Information: Identification that is not consistent with other personal information presented.
4. Unusual Use of or Suspicious Activity Related to an Account: Changes to account activity that is abnormal from prior history.
5. Notice Regarding Possible Identity Theft: This may come from a customer, victim or law enforcement officer.

The City may want to expand the program in the future to cover payroll and employee information protection.

**Water Rate Structures:**

The issue before the City Council is an introduction to alternative water rate structures. One alternative to the existing rate structure is to charge residential customers for actual water used rather than provide for a base rate (currently 600 cubic feet per month). The benefit of a rate structure for residential users based on use (“pure water” or “increasing block rates”) is to benefit those residential customers who use little water or who conserve water. Under the existing rate structure low water users are charged for water in the base rate that they never actually use. Low users are in effect underwriting high water users. An increasing block rate does not necessarily result in increased rates for an average household. The City Council can set the block rates to match the existing average household cost or to match the current base rate. Under the existing system, the majority of the City’s water revenues come from the base rate rather than from the volume of water used. Currently 80% of the City’s water revenues come from residential users. Residential use changes from season to season. During the dry summer months, water use increases as a result of residential use from an average of 15 million gallons per day to 18.5 million gallons per day a 15% increase. Under Washington State’s 2003 Municipal Water Law, the City was required to adopt a Water Use Efficiency Program in 2008 to reduce average household or business water use in the City in order to prolong the availability of water resources. Conservation pricing is one of the goals included in the City program. The City is required to notify the State Department of Health and the general public of its progress towards meeting its goal. If the goal is not being met, the City needs to adjust its program. Changing the City’s residential users to increasing block rates will help the City meet its Water Use Efficiency Program Goals.

**Police Department Update:** The Snohomish County Sheriff’s Office began providing police services to the City of Sultan effective January 1, 2009. The Police Chief reviewed the report and provided an overview of activities and statistics for the month of January. The move to the new building is almost complete and staff training is taking place. The Officers have been directed to be more pro-active and self initiate actions and to do area checks while on patrol.

**Public Works Equipment:**

The issue is to receive direction from the City Council on the purchase of a snow plow and a sander to be used during inclement weather on the City streets. During the snow events in December 2008, Snohomish County and WA Department of Transportation helped by clearing main arterials within the City. The estimated costs for the equipment would be \$15,000 to \$20,000 and is not included in the 2009 budget.

Brief discussion was held regarding City equipment needs and the frequency a sander and snow plow would be used; safety concerns; the need for a mower and potential funding sources..

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**CITY OF SULTAN COUNCIL MEETING – February 12, 2009**

**ABATE Motorcycle Show:**

The issue for the City Council is to discuss and provide direction to staff regarding hosting the Old Snohomish Antique and Classic Motorcycle Show (Show) on May 17, 2009 or a future year.

ABATE, the event organizer, is seeking a decision from the City by March 1, 2009. This will ensure enough time to organize the event in Sultan.

There are several alternatives for the City Council to consider -- do not host the event in 2009, host the event in 2010, commit to hosting the event in future years, refer the matter to the Sub Committee, request staff to provide additional information.

The event is family oriented; however, there is the potential for "gangs" to attend. The impact to the business community must be considered and the noise factor may be an issue. The event starts around 6 AM and is over by 5 PM and there may be noise and traffic issues to consider for the residential areas.

In considering a decision to host the Motorcycle Show the City Council may want to consider the if the City has an interest and staff capacity to host the event in 2009 or in the future; is the necessary infrastructure in place; are the necessary polices in place to ensure a successful event; what is the cost to benefit factor; public image and have the safety issued been addressed.

Rob Hoverman, ABATE, advised they have sponsored the event in Snohomish for 12 years. Attendance ranges fro 10,000 to 20,000 people during the event. The motorcycle riders are family oriented and professional. Snohomish has requested they pay for 2 police officers per thousand attendees which is an increase from the prior .75 per thousand last year. The estimated cost for Law Enforcement services is \$30,000. There is adequate room in Sultan to host the event. There are members of the Banditos that attend the event but there is no history of problems. Traffic on Highway 2 may be an issue. The event is paid for be charging for vendor space, sponsors and entry fees. ABATE is an independent group concerned with motorcycle safety and lobbies for safety laws. The group will need to decide in the next week if they are going to have the event in 2009.

Chief Brand: The International Association of Police has developed the formula to determine how many Officers are needed for an event. The \$30,000 estimate is based on the number of people who attended the event in 2008. The event does have motorcycle gangs that attend. A delay to next year would allow more time to plan for coverage, address traffic issues and financial concerns.

**Council comments:**

Flower: The Law Enforcement costs were an issue with Snohomish and he understood ABATE paid the costs for police coverage not the City. The number of Officers per thousand seems high. This is not a Sturgis type event and the motorcycle gangs are limited to the Banditos and some Hell's Angels. It is a family oriented event with no history of violence. The Council and businesses support the event and he would like to see it happen.

Blair: The Oyster Run did not have a large police presence and there were a lot of bikes in attendance. She has attended the event in prior years and most of the people that attend are in the 40-50 age bracket and they own expensive bikes. There is a potential for things to happen at any type of event. Does the City have enough space for the event? Would like to host the event if the financial issue can be addressed.

Slawson: Attended the event last year in Snohomish and there were a lot of young kids that help, where did they come from? (ABATE approached the High School to use seniors that needed to complete community service for graduation.) Would like to see the Sub Committee work with the group to host the event in 2010.

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**CITY OF SULTAN COUNCIL MEETING** – February 12, 2009

**ABATE:**

Doornek: Would like to have more information on the event prior to making a decision.

Davenport-Smith: May not be able to proceed with the event in 2009 due to budget and planning issues, however, she would like to see the City include funds in the budget for 2010.

Champeaux: Can the event be moved to later in the year? The City is interested in hosting the event.

Brad Watson: Changing the date would be hard on those people that come from other parts of the country. Comparing them to events that have large crowds is not fair and it may be better to wait a year and organize the event.

Jim Ross: Part of the cost of Law Enforcement is for traffic control.

Steve Harris: This is a great opportunity for Sultan and for the business community. They could ask for donations to offset the costs for police services. The Chamber used the Explorers to help out during the Shindig.

Garth York: Agree the event could be a benefit to the City.

Clyde Jelinek: The ABATE event in Snohomish has been great and well attended. The City needs this event to generate revenue and they should spend some money to make it happen.

The Council set a special Council meeting on February 24, 2009 to review the matter.

**PUBLIC COMMENTS**

Sam Pinson: To meet the red flag requirements, staff should lock their computer when leave. The pure water rate structure requires those with more people to pay more than the neighbors with less. Supports everyone paying the same amount for the base rate and charging for excess to encourage conservation. In regards to the snow plow, they should consider the difference between the number of days it was used versus the number of days it was needed.

Jeff Beeler: The snow is wet and heavy and melts quickly. The problem is when there is snow on the ground and it freezes it turns into ice and they can't drive on it. If people use the water, they should pay for it. Asked if the funds in the Police care replacement fund could be used for the ABATE event?

**COUNCIL COMMENTS**

Councilmembers expressed support to move forward with the ABATE motorcycle event.

**Adjournment:** On a motion by Councilmember Champeaux, seconded by Councilmember Blair, the meeting adjourned at 10:00 PM.

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Ron Wiediger, Mayor Pro-tem

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Laura J. Koenig, City Clerk