

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 1 A
DATE: December 10, 2009
SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the minutes of the November 12, 2009 Council Meeting minutes as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted

CITY OF SULTAN COUNCIL MEETING – November 12, 2009

The regular meeting of the Sultan City Council was called to order in the Sultan Community Center by Mayor Eslick. Councilmembers present: Wiediger, Slawson, Beeler, Blair and Davenport-Smith and Student Representative Stephanie Morrell; Absent: Flower and Champeaux

EXECUTIVE SESSION: On a motion by Councilmember Slawson, seconded by Councilmember Wiediger, the Council adjourned to executive session for ten minutes to discuss potential litigation. All ayes.

CHANGES/ADDITIONS TO THE AGENDA

Consent: Add excused absense of Councilmember Flower and Champeaux

PRESENTATIONS

Merlin Halverson: Mayor Eslick presented a Certificate of Appreciation to Chief Halverson for his work on the PUD negotiations for the warning systems and contract renewal.

Ed Hussman: Mayor Eslick presented a Certificate of Appreciation for his work with DNR on the Reiter Foothills recreation area study.

COMMENTS FROM THE PUBLIC:

David Wood: Advised the Sky Valley Chamber is concerned about the closure of the Reiter Foothills recreation area. The park is proposed to be closed for six months to a year for repair and the Chamber has requested DNR to leave open the parts of the park not under repair. This will be an economic impact to the valley businesses who rely on tourist and recreational users for income. They would like the City to support the request to leave part of the park open.

Bob Knuckey: Announced that it has been 12 months since they request the City support the Adopt a Street program. There are 275 participants in the program working to keep the streets and the parks clean. The newest members are Scout Troup 52 and Mr. Koehler's 4-5 grade class. 75% of the participants are school aged and the community needs to thank them for caring. Thanked the Council for allowing him to manage the program.

Ted Jackson: He is the City of Gold Bar representative for the Reiter Foothills study with DNR. Thanked the Mayor for taking the lead to help get the park back opened as it is important to the communities. He is also working with the land commissioners and the labor councils to reopen the park.

Nic Gregg: Kids' Future is an annual event for kids to present changes they would like to see in the world and there is a group from Sultan participating. The audience is made up of elected officials and encouraged everyone to attend.

Troy Perkins: Lives over in Skyview Drive and was at the meeting to represent the people in the homeless community. They need fresh drinking water for those that don't have access to water to prevent illness and disease. The City turned off the water in the park and they need to allow the poor and homeless access to drinking water. Advised he is willing to pay for the monthly water bill.

Garth York: Requested the Council set a special meeting to discuss the impact fees

Daniel Joanas: His water bills not received due to the problem with the postal service and he would like the City to waive the shut off fees. (The matter was referred to the Sub-committee).

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Beeler: Would be willing to have a special meeting to discuss impact fees.

Blair: For the record, the appeal for water usage is for repaired water line breaks and can only be granted once every five years. The Council held a special meeting on impact fees and paid the consultants to be there and Mr. York did not attend. The next time to review the fees will be as part of the comprehensive plan update.

Davenport-Smith: Would be in favor of a special meeting to discuss impact fees. The city shuts the water off in the park every year when it is not needed. There is a fund for utility relief and could look at a fund to help people that need water.

Wiediger: Thanked Dave Wood and the Knuckeys for their community work. Would support a meeting on impact fees.

Slawson: Everyone is doing a good job with cleanup program. Would like to have a meeting on the impacts.

Stephanie Morrill: Reported that Ricki Morrill went to State for Cross Country this year; 1st time in five years.

Mayor Eslick: Thanked Bob Knuckey for doing a good job on the Adopt a Street program. Request Mr. Wood provided an updated on the status of showers for the homeless?

Dave Wood advised the VOA started a monthly shower program for the homeless which also provides health screening. The Crosswater Church offers showers daily to the homeless people. They are working with the churches and schools to get information on the program out. If they don't get any participants this month they will discontinue the program.

HEARINGS: 2010 Final Budget – minutes on file.
2009 Budget Amendments – minutes on file.

CONSENT AGENDA: The following items are incorporated into the consent and approved by a single motion of the Council. On a motion by Councilmember Davenport-Smith, seconded by Councilmember Slawson, the consent agenda was approved as amended. Wiediger – aye; Slawson – aye; Davenport-Smith – aye; Blair – aye; Beeler – aye,

- 1) Approval of Minutes as on file in the Office of the City Clerk.
 - A. October 23, 2009 Council Meeting Minutes
 - B. October 23, 2009 2010 Budget Public Hearing minutes
 - C. October 23, 2009 2010 Tax Levy Public Hearing minutes
 - D. October 23, 2009 Greens Estate Developer Agreement Public Hearing minutes
- 2) Approval of Vouchers in the amount of \$167,602.25 and payroll through October 30 2009 in the amount of \$84,897.15 to be drawn and paid on the proper accounts.
- 3) Adoption of Ordinance 1062-09 - 2010 Tax Levy for Police Bond
- 4) Adoption of Ordinance 1063-09 - 2010 Property Tax Levy
- 5) Adoption of Ordinance 1064-09 - Create IT Fund
- 6) Authorization for the Mayor to sign a Professional Service Contract with John Galt for Hearing Examiner services.
- 7) Authorization for the Mayor to sign an Interlocal Agreement with Department of Emergency Management (DEM)
- 8) Adoption of the Facility Assessment Final Report
- 9) Surplus Bids for Police Department Guns
- 10) Authorization for the Mayor to sign a Professional Service Agreement with Aimee Trua for Public Defender services.
- 11) Authorization for the Mayor to sign a Professional Service Agreement with Weed, Graaftra and Benson for legal services.

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- 12) Authorization for the Mayor to sign a Professional Service Agreement with Kenyon Disend for legal services.
- 13) Excused absence of Councilmember Flower and Champeaux from the November 12, 2009 meeting.

ACTION ITEMS:**Juvenile Justice Grant:**

The issue before the Council is to submit a grant application for \$37,500 to the State of Washington Governor's Juvenile Justice Advisory Committee for a Title V Delinquency Prevention Grant. The purpose of this grant proposal is to fund the formation of a Teen Court targeting bullying and violent behavior in school, and offering an option for school personnel and students to address the underlying issues behind such actions. The objective is to provide early intervention when the offenses are small (smoking cigarettes) or when it's a first or second offence. The intent is to use local residents with a background in juvenile counseling including support.

The Volunteers of America are not an eligible agency to apply for this grant. Only municipal governments or Indian Tribes are eligible applicants. The City of Sultan would act as lead agency on the grant application and the Volunteers of America would operate the program, prepare and submit all quarterly and annual reports and provide the 50% in-kind match requirement.

The proposed Teen Court is for low level behavioral problems and is different than the currently active Diversion Court. The Diversion Court located at Sultan Middle School meets monthly to hear cases referred by the Prosecuting Attorney, Leigh Kellogg.

On a motion by Councilmember Blair, seconded by Councilmember Davenport-Smith, the Council authorized the Staff to submit a grant application in the amount of \$37,500 to the Governor's Juvenile Justice Advisory Committee for the purpose of forming a Teen Court in Sultan. All ayes.

Snohomish Health District Healthy Community Partner:

The issue before the Council is to submit a Letter of Support to Snohomish Health District in support of a grant application requesting Federal stimulus funding in order to increase levels of physical activity, improve nutrition, and decrease overweight/obesity prevalence on Snohomish County and to become a Healthy Community Partner Site. The staff concern is the cost to the community which includes office space and some capital improvements.

Dr. Gary Goldbaum, Snohomish Health District Director, was present to provide an overview of the program. This is part of the American Recovery Act and there is up to \$10 million dollars available to develop programs in the County to provide healthy communities. Other cities have developed programs with the schools to design bike and walking trails and community gardens. This is a two year program which should become self sustaining. The city must commit to being a sponsor for the program and the office could be in the VOA. The goal is to promote physical activity and healthier eating habits and to reduce obesity and the medical issues associated with them.

Discussion was held regarding costs to the city; using VOA for staff and equipment needs; the need to commit to participating in the program; and the scope of the program.

On a motion by Councilmember Slawson, seconded by Councilmember Davenport-Smith, the Mayor was authorized to sign the Letter of Commitment to Snohomish Health District in support of a grant application requesting Federal stimulus funding in order to increase levels of physical activity, improve nutrition, and decrease overweight/obesity prevalence on Snohomish County. All ayes.

Ordinance 1065-09 – 2010 Budget:

The issue before the Council is the introduction of Ordinance 1065-09 to adopt a budget for the 2010 fiscal year. The detailed budget and department reports were prepared and submitted to the Council during the public hearing process earlier in the meeting.

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On a motion by Councilmember Slawson, seconded by Councilmember Blair, Ordinance 1065-09 setting the 2010 Budget was introduced and passed on to a second reading. All ayes.

Ordinance 1066-09 – 2009 Budget Amendments:

The issue before the Council is the introduction of Ordinance 1066-09 to amend the 2009 Budget. A public hearing on the proposed amendments to the 2009 Budget was held during the Council meeting of November 12, 2009. The Council considered amendments to several funds as part of the hearing earlier in the meeting.

On a motion by Councilmember Slawson, seconded by Councilmember Wiediger, Ordinance 1066-09 amending the 2009 Budget was introduced for a first reading and passed it on to a second reading. All ayes.

Ordinance 1067-09 – 2010 Salary Schedule:

The issue before the City Council is first reading of Ordinance No. 1067-09 to adopt a salary schedule for employees. RCW 35A.33.050 requires that salary ranges for various positions in the City be made a part of the annual budget document adopted with the annual budget. Salary levels for represented (union) employees are established during contract negotiations. Salary levels for non-represented employees are set by the City Council annually during the budget process. The Union members wages are set by contract and are COLA's are tied to the CPI. For 2009, the CPI is a negative .07% (-.07%).

Non Represented Employees:

The fiscal impacts for the 2010 budget are limited to the 3% step increase and a -.07% COLA adjustment. The Community Development Director is at Step 4 in the pay plan All other non-represented employees are at Step 3 in the pay plan.

Union Employees

The fiscal impacts for the 2009 budget is a -.07% COLA adjustment. (CPI-W June to June Seattle, Tacoma, Bremerton)

Brief discussion was held regarding a 0% increase instead of a decrease in wages; step increases for non-represented employees; keeping within the budget without furlough days or staff lay offs.

On a motion by Councilmember Blair, seconded by Councilmember Wiediger, Ordinance 1067-09 setting 2010 salaries was introduced and passed on to a second reading. All ayes.

Resolution 09-24 Salary Allocations:

The issue before the Council is the adoption of Resolution 09-24 to allocate salaries and benefits to the various operating and capital project funds.

During the annual budget process a review of staffing requirements is completed by the Department Heads. Staff reviews the current job responsibilities and the proposed work program for the next year to determine the appropriate fund to charge for the salaries and benefits.

For 2010, salaries and benefits will be charged out to the Park and Street Improvement funds for capital projects. Part of the staff's salaries and benefits for federal and state funded projects can be charged back against the grants received. Tracking the wages in those funds will make it easier to properly charge the grant and will create an audit trail for the State Auditor and the granting agency. The State Auditor has recommended that the Council adopt the Salary/Benefit allocation as a part of the budget process.

On a motion by Councilmember Slawson, seconded by Councilmember Beeler, Resolution 09-24 allocating salaries and benefits for 2010 to the appropriate funds was adopted. All ayes.

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The issue before the City Council is the adoption of Resolution 09-25 to allocate investment interest earned. Under state law (RCW 35.39.034), if a Code City's funds have been commingled for investment purposes, the interest may be apportioned among the various participating funds or to the general or current expense fund as the city determines by ordinance or resolution. There are restrictions under state law regarding allocation of interests and bond ordinances may require the allocation of the earned interest to the bond reserve fund. Interest earned on investments of Impact fee funds and REET funds must be allocated to those funds.

Interest earned by the Cemetery Trust Endowment is credited to the Cemetery operating fund. With the exception of the LID Bond fund, staff is recommending that interest earned by bond funds should be credited to the fund to offset the cost of bond principal and interest payments. It is also recommended that interest earned by the Water and Sewer reserves, construction and debt funds be credited to those funds. This will insure that additional funds will be available for projects, bond and loan payments.

On a motion by Councilmember Slawson, seconded by Councilmember Wiediger, Resolution 09-25 providing for the allocation of earned Investment Interest was adopted. All ayes.

Resolution 09-23 – Interfund Loan:

The issue before Council is to revise the terms of the Interfund Loan from the CR Utility Fund to the General Fund. The current balance of the loan is \$109,000. The balance of principle at the end of the year will be \$102,000. Unpaid interest is an additional \$20,054 as calculated by the State Auditor. The total outstanding is \$122,054. Staff recommends the monthly principle payment amount remain at \$3,500 and that the transfer be done on a quarterly basis (\$10,500 per quarter). This will provide for full payment of the loan by the end of 2012.

On a motion by Councilmember Slawson, seconded by Councilmember Beeler, Resolution 09-23 was adopted. All ayes.

Comprehensive Plan Docketed Items:

Determine whether to hold a City Council Public Hearing on 2009 Comprehensive Plan Docket. Staff recommends that the Council adopt a motion to direct Staff to prepare an Ordinance for Adoption of 2009 Comprehensive Plan Docket Items 1, 2, 4, 5, and 6, for consideration and First Reading at the December 10, 2009 regular meeting without additional Public Hearing as recommended by the Planning Board and as authorized by SMC 16.134.050 K.

In conformance with State Statutes, the Sultan Municipal Code (SMC) Chapter 16.134.070D provides that the Docket for proposals to amend the Comprehensive Plan is open once each year. The deadline for submittal of Docket proposals is April 1st of each year. For 2009, the Planning Board proposed five items and a private property owner proposed one item. The Planning Board held a public hearing on Item 6 on November 10, 2009 and recommended it be considered as part of the Comprehensive Plan docket for 2009.

On a motion by Councilmember Slawson, seconded by Councilmember Beeler, Staff was directed to prepare an Ordinance for Adoption of 2009 Comprehensive Plan Docket Items 1, 2, 4, 5, and 6, for consideration without additional Public Hearing as recommended by the Planning Board. All ayes.

PUD Off License Agreement:

The issue before the city council is to authorize the Mayor to sign the Off-License Agreement with Snohomish County Public Utility District for the Henry M. Jackson Hydroelectric Project. The city council discussed the off-license agreement at the council meeting on October 22, 2009. The city council expressed concerns regarding the PUD proposal to have a 10-year option to purchase a

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habitat easement in Reese Park without compensating the city. The city council directed staff to work with Snohomish County Public Utility District No. 1 (PUD) to re-negotiate the easement option. City staff and Fire Chief Merlin Halverson met with PUD representatives to discuss the option. The PUD agreed to shorten the option from 10-years to 3-years. The option will expire on October 31, 2012 unless the parties renegotiate the option term. Since the term was shortened to three years, and the value of the option is relatively low, the parties agreed no option payment was necessary. In exchange, the PUD would work in good faith to exercise the option as quickly as possible. On a motion by Councilmember Blair, seconded by Councilmember Davenport-Smith, the Mayor was authorized to sign the Off-License Agreement between the City and Snohomish County Public Utility District No. 1 for the Henry M. Jackson Hydroelectric Project. All ayes.

Post Office Drain System:

The issue before the City Council is to approve or reject all bids of the storm drain repair in the parking lot of the Post Office. Project includes installation of 80 Lineal Feet of 8" Drain, a Catch Basin and connection to the existing storm drain on US 2, paving of the disturbed area in the parking lot and the trench section to the US 2. Staff recommends the Council reject all bids, postponing the project until the City addresses the life and safety issues outlined in the City of Sultan Facilities Assessment Report provided by The Driftmier Architects.

Over the last several years the storm drain catch basin (CB) and the paved parking lot around the CB has gradually deteriorated. Currently the Public Works Staff has secured the CB drain grate to keep the grate from moving around and coming off the top of the CB. A picture of the Post Office parking lot after a heavy rainfall is attached.

Brief discussion was held regarding rejecting the bids and the need to address safety issues first. On a motion by Councilmember Slawson, seconded by Councilmember Wiediger, the bids were reject and the project was postponed. All ayes.

DISCUSSION

2010 Fee Schedule:

The issue before the Council is the discussion of the 2010 City of Sultan Fee Schedule setting fees charged by the City to meet the various services provided to citizens and community.

City Staff reviewed the 2009 fees, discussing revenues verses expenditures to determine if collected revenues are covering expenditures.

Staff reorganized the fee schedule in 2008 to make it more user friendly. The 2010 fee schedule will continue that format:

- General Development Permit Fees
- Civil Penalties/Land Use Enforcement
- Building Permit Fees
- Public Works Permit Fee section
- Garbage Rates, Ordinance, set Public Hearing for December 11, 2008
- Miscellaneous
- Parks and Facility
- Ordinances pertaining to Water, Sewer, Garbage, and Stormwater are attachments in the final fee schedule.

Within each section, subsections and line items are alphabetical.

1. General Development Fees contains mostly language clean up.
2. Impact Fees: School, Park and Transportation impact fees are separate discussions with adopting ordinances to establish the methodology for calculating the base fees, included in Title 16.
3. Building Permit Fees comply with the International Building Code annual fee adjustments.

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4. Miscellaneous Building Fees also required only minimal changes and typing error corrections.
5. All Inspections fees were increased in 2009 fee schedule from \$35.00 per hour to \$105.00, to cover salaries, benefits and overhead, no changes in 2010.
6. Public Works Fees – Typing Error corrections are the only changes in the 2010 fee schedule. Staff will complete the fee schedule for action at the next meeting.

Park Equal Access Policy:

The issue before the city council is to review the requirements of Engrossed Substitute Senate Bill 5967 to help better ensure non-discrimination with regard to community athletics programs. In brief, the law provides:

Cities, towns, counties, and park districts are prohibited from discriminating against any person on the basis of sex in a community athletics program. Each entity operating or issuing permission to operate such a program must adopt and publish a nondiscrimination policy by January 1, 2010.

School districts operating community athletics programs must adhere to these requirements, but may use and modify existing school policies to the extent possible. School districts are not required to monitor compliance, investigate complaints, or enforce school district policies as to third parties using school facilities.

The Washington Parks and Recreation Association (WRPA) worked with state legislators to ensure ESSB 5967 was enacted in a manner that enabled local parks officials to implement it in a realistic, practical way. As adopted, key provisions of ESSB 5967 require that by January 1, 2010, local parks officials adopt non-discrimination policies to ensure gender equity; to publish such policies; to disseminate such policies to third parties that sign agreements and/or contracts to use community athletic fields; and to publish the name and address and phone number of the person or persons responsible for implementing the non-discrimination policy.

Staff was directed to bring the ordinance back for action at the next meeting.

Impact Fees:

The issue before the city council is to consider amendments to the city's impact fee regulations and provide direction to staff. The council has held previous meetings to discuss the matter. A special meeting was set for December 2, 2009 to discuss the issue.

Accessory Dwelling Units:

Staff recommends that Council review the "Proposed Code Modifications" Section of this report and direct the Planning Board to undertake a work item to upgrade SMC Chapter 16.25 and return a recommendation to Council for a Code Amendment. At the October 22, 2009 meeting, the Council received public input and discussed issues related to the existing code provisions for Accessory Dwelling Unit (ADU's).

ADU's are secondary residential units on properties containing an existing single-family residence. Current Code, SMC 16.25 (Attachment A), allows a wide range of housing types for ADU's including detached site-built and mobile units. The size is limited to not more than 650 sq.ft.

Staff recommended the proposed code modifications be referred to the Planning Board for action.

Discussion was held regarding the difference between and ADU and duplex; elimination of detached buildings; property rights; allowing for health hardships in families; definitions of living units.

Stop the Clock: On a motion by Councilmember Slawson; seconded by Councilmember Beeler the clock was stopped at 10 PM.

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Steve Harris: Applauds the Council for being pro active to make Sultan a good community. The Community is seeing the changes staff and Council are making.

Jerry Knox: Glad to see the ADU code has been sent back to the Planning Board for action. The code is bad and needs to be changed.

Frank Linth: Thanked the Council for supporting the Healthy Community program grant; it is a great step forward.

Sam Pinson: On the Healthy Community grant, asked what are the principals we are operating under and what are the responsibilities. This is a \$10 million dollars for grant – will this stimulate the economy? There are jobs for two years and then they go away. This is not free money it was taken from public and given to government. It will not provide economic stimulus or improve health. The schools have health programs and there are still health problems.

COUNCILMEMBER RESPONSE TO PUBLIC COMMENT ON AGENDA ITEMS

Slawson: If they don't take the grant money, someone else will take it. Kudos to staff on presenting a balanced budget.

Davenport-Smith: Thanks for the balanced budget.

Blair: We are doing community building and if helps employee people, it is good. Someone will use the money and we can choose to help our community.

Beeler: Was concerned when he heard it was stimulus funds but if the funds are going to used, would like to see them spent here. If we reject, someone else will take the funds. The US 2 Safety Coalition is after all the money they can get to make the highway safer for the community.

Adjournment: On a motion by Councilmember Davenport-Smith, seconded by Councilmember Blair the meeting adjourned at 10:10 PM. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk