

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 1

DATE: October 28, 2010

SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

SUMMARY:

Attached are the minutes of the October 14, 2010 Special Council Meeting as on file in the office of the City Clerk.

RECOMMENDED ACTION:

Approve as submitted

CITY OF SULTAN COUNCIL MEETING – October 14, 2010

The regular meeting of the Sultan City Council was called to order in the Sultan Community Center by Mayor Eslick. Councilmembers present: Pinson, Slawson, Davenport-Smith, Blair and Beeler. Absent: Neigel

CHANGES/ADDITIONS TO THE AGENDA:

Consent: Add excused absence of the Councilmember Neigel

Action: Remove Sky Valley Lease Agreement (continue to October 28, 2010) and Sub-lease for Grow Washington

PRESENTATIONS:

Sky Valley Chamber Annual Report: Debbie Copple, Chamber Director, presented the annual report from the Sky Valley Chamber of Commerce. The Chamber was formed in 1989 and most of the work and expenses were done out of the Copple home. The Sky Valley Chamber (unlike most others) is not supported by tax dollars – they do fund raisers to generate revenues. Annual activities include the Shindig, Auction Lip Sync, and Gold Dust Days. The Chamber works with the City to promote business and partnered in the business workshops held in 2010. The Visitors Center is a partnership with the City – the City provides the building and the Chamber provides the staffing. There is one paid employee and 12 regular volunteers and an additional 25 on call volunteers. The Chamber has produce brochures to promote the recreational opportunities in the area; has representation on the Snohomish County Parks Board and Cascade Loop Board; issue hunting/fishing licenses and trail passes; and provide office services for businesses.

COMMENTS FROM THE PUBLIC:

Elizabeth Emmans: The Sky Valley Chamber is a tireless advocate of Sultan and the Sky Valley. The Volunteers are driven by a deep sense of community and the Visitors Center is the hub for planning events, welcome visitors and promoting the area. Supporting the VIC protects the investment in Sultan. The volunteers deal with 5000 visitors each year and encourage them to eat, sleep and play in Sultan. The Chamber sponsors a variety of events throughout the year. The partnership with the City needs to be sustained to for the benefit the City and the Chamber. The cost is a small based on the rewards received.

Susan Green: She has had a business in the City for 30 years. She was located on Highway 2 and moved back to Main Street – it was costly but worth the move. The VIC is the glue for the City – she uses the VIC for faxing, copies, and help with flyers and advertising. They promote the town and we need to help them to encourage other businesses to locate in town. There needs to be a positive attitude and someone to promote businesses. VIC volunteers are friendly, helpful and cheerful to visitors.

Frank Linth: He is an independent business man and he has to market himself and the neighborhood and we must also market the city to get people to come here. The City has had its share of bad press and has to deal with Highway 2. The City has a shining star in the award winning Visitor's Center. Everyone and everything in there is positive. It is important for city if they want to expand the business to work with each other. The Main Street approach will increase the tax base, promote tourism and help provide better services, and industrial recruitment. It is vital to show you have a work force available for industrial development.

Jeff Cofer: Current Chamber president. Applauds Debbie Copple for her hard work. There is a synergy that has developed over the last year in the city. Creating a destination city is not a small job and everyone has worked and made progress. The city and Chamber have hosted round tables for recreation and other agencies are asking to be a part of what we are doing. He wants to

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Cofer: make sure we continue to support the endeavors and continue to make Sultan a destination for outdoor recreation. Looks forward to support from the city and community.

Bob Knuckey: He is a taxpayer and volunteer in the city and would like to add his support for the Visitor Center. It is a valuable tool to the city and will continue to be one. Debbie Copple is the stronghold for the city.

COUNCILMEMBER COMMENTS

Beeler: Thanked Debbie Copple for the presentation and update on what the Chamber and VIC do. Did not know the businesses use the services to save money. Appreciates the personal touch they put on the valley by telling visitors about us. Attended the PSRC meeting Ron Sims and the Mayor of Seattle were present to talk about transportation grants for the State. The new policy will require projects to move forward or the funding may be reallocated. There is a boat launch and fishing area at the river and there are no signs to let people know about them.

Blair: Thanks for the comments from the public on the VIC. It is valuable to the community. The CERT program is underway again with emergency preparedness training. Advised that she sent out an e-mail to the Council regarding the RCW's regulations on economic development. The Council cut the General fund budget during the retreat and one item was the Springbrook upgrade and she would like the council to reconsider the decision as the City has approved the contract.

Davenport-Smith: We have a great city and is impressed when we have a presentations on the VIC and see the support it receives. It takes more than one organization or group of people to make the city work and everyone needs to work together. New members of the community have become part of the group to make the city great. Likes the idea of having the joint city/chamber meetings to make sure we are on the same page. The welcome sign on the east end of the city needs to be repainted and the city could work with chamber on the project.

Russell Wiita: (Student Representative) Last meeting someone suggested bilingual signs in Sultan parks and in his opinion, people living here should learn the language and we should not have to bear the expense of signs. Homecoming is this week with the parade and game on Friday and the dance on Saturday.

Slawson: The City would not have been invited to the meeting of the Snohomish County Parks committee without the Chamber. People should go to the Visitor Center and plan their next vacation as they have a lot of information. Thanked the volunteers and Brian Copple for their work. The lights on the flags at the Memorial are all out and need to be replaced.

Pinson: Thanked the Chamber for what the work they do. He appreciates people who invest and take risks. There is no question the Chamber is valuable and the city wants business and development. The City should not be subsidizing the Chamber and the Mayor. When the roles of government and business are comingled it can cause problems. The Chamber and City can work together without putting their hands in each other's pockets.

Mayor: Thanked the Chamber for the presentation. She will be moving Grow Washington out of the VIC on the advise of the City Attorney. She supports the Chamber and the continued lease of the VIC. Likes idea of a sign for the boat launch – maybe the Chamber could take on. She recently attended an event and Dave Irwin from the Growth Management Board was present and knew that Sultan had come into compliance with the requirements thanks to this Council. It is important to get out and make a name for ourselves.

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Written reports were submitted from: 3rd Quarter Finance; Code Enforcement; Public Works; Economic Development; Police Department; and Planning Board minutes.

CONSENT AGENDA:

The following items are incorporated into the consent agenda 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. Pinson – aye; Slawson – aye; Davenport-Smith – aye; Blair – aye, abstained on 1A ; Beeler - aye.

- 1) Approval of the Council Meeting Minutes as on file in the Office of the City Clerk
 - A. September 16, 2010 Special Council meeting
 - B. September 23, 2010 Regular Council meeting
 - C. September 30, 2010 Special Council meeting
- 2) Approval of Vouchers in the amount of \$181,474.84 and payroll through October 1, 2010 in the amount of \$115,355.17 to be drawn and paid on the proper accounts.
- 3) Adoption of Ordinance 1090-10 2010 Budget Amendment
- 4) Appointment of Sharon Blais to the Library Board
- 5) Adoption of Ordinance 1091-10 2.17 Planning Board
- 6) Excused absence of Councilmember Neigel from the October 14, 2010 meeting.

ACTION ITEMS:**Resignation of Councilmember Wiediger**

The issue before the Council is to accept the resignation of Ron Wiediger from Council position 3 and to provide direction to staff for recruitment of candidates to fill the position.

The Council briefly discussed the advertising of the Council position and the appointment of a new Councilmember; the interview process and additional questions. The Council decided to do interviews on November 18, 2010 and schedule the appointment for December 2, 2010.

On a motion by Councilmember Pinson, seconded by Councilmember Davenport-Smith, the Council accepted the resignation of Ron Wiediger from Council position 3 effective October 14, 2010. All ayes except Councilmember Slawson who voted nay.

Staff was directed to provide notice to the public of the council vacancy in the legal newspapers (Everett Herald and Monitor), on the City Web page and Channel 21, and notices at City Hall with an application deadline of November 10 2010.

Audio Recording of Council meetings

The issue before the Council is to discuss and provide direction to staff in regards to recording all meetings held in the Community Center Council Chambers and posting those recordings to the City web site. At the September 9, 2010, Mr. Pinson requested the council consider recording all regular and special meetings of the city council held in the Community Center Council Chambers. Currently only regular council meetings are recorded. Mr. Pinson further requested the council adopt the policy that an audio recording shall be made of all council meetings that meet the following criteria: 1. The public is invited to attend the meeting and 2. The meeting is held in the council chambers.

Under the RCW's there are no requirements to record council meetings (see Attachment A). There is a requirement for written minutes under the RCW's. There is no formal policy of the Council to make audio recordings of meetings.

On a motion by Councilmember Pinson, seconded by Councilmember Davenport-Smith, the Council adopted the policy to record meetings that meet the criteria that the public is invited to attend and the meeting is held in the council chambers. All ayes.

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On a motion by Councilmember Pinson, seconded by Councilmember Davenport-Smith, the Council directed staff to amend the council policy to require audio recordings be available in a timely manner (two weeks) on the city web site. All ayes.

DISCUSSION**Industrial Master Plan Decommission**

The issue is to decommission the Industrial Master Plan. The Council has the option of holding an additional public hearing in addition the hearing already conducted by the Planning Board. The Planning Board recommended the Council approve decommissioning (repeal) of the IPMP with no need for additional public hearing at the City Council level as provided by SMC 16.134.050 J.

Decommissioning of the IPMP is a Level IV procedure in the Public Participation and Notice Procedures as it substantively amends a sub-area element of the Comprehensive Plan. The Level IV process requires a public hearing before the Board with a recommendation to the Council.

The Council received a recommendation from the Planning Board that the IPMP Sub-area Plan be removed from the Comprehensive Plan. The Board further recommended that the Council not hold a second public hearing based on the lack of community input throughout the Board's amendment process.

The consensus of the Council was that an additional hearing was not necessary. The Council directed staff to prepare the necessary documents to decommission the Industrial Master Plan.

2011 Budget - Enterprise Funds

Presented by Mick Matheson, Public Works Director. The Public Works Department serves the citizens of Sultan in a variety of ways as well as being an integral part of Sultan governmental offices. The enterprises funds are as follows:

103	Cemetery Fund	104	Equipment Reserve Fund	400	Water Fund
401	Sewer Fund	402	Garbage Fund	406	Stormwater Fund
114	Building Maintenance				

The council needs to evaluate increasing rates or reducing proposed expenditures in the sewer and cemetery funds in order to balance the funds. The enterprise funds must be self-supporting and revenues must cover expenses. The staff recommends:

- Approve a 50% rate increase in cemetery fees to balance budget.
- Select debt service alternative to balance sewer fund.
- Approve staff recommended Building/Facility capital projects for 2011 (\$35,000).
- Approve transfers from operating funds to equipment replacement (\$145,000).

Cemetery: Revenues are down and the fund is not self supporting. Staff recommends a 50% increase in fees and consider outsourcing of burial services. Koppenburg Enterprises have offered to donate and install a niche wall.

Brief discussion on rates charged by other cemeteries; selling the cemetery (no market); staff time; increase rates to cover costs.

Water Fund

- Revenues (\$922,000)
 - Water Sales est. is \$875,000 for 2011.
 - Rate increase Jan. 1, 2011 = +\$3.15 SFR base rate
- Expenditures (\$921,849) includes: Professional services (\$53,000); Equipment Replacement (\$17,000); Maintenance (\$30,500); Transfer out (\$144,000)

Revenues are down due to less water use. Transfer out are increased – debt service is being paid out of the operating fund in 2011.

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The operating budget and options for debt service will be discussed on October 28th.

Stormwater:

- The Stormwater fund is balanced.
 - 2011 Rate Increase 12/1/2010 = \$1.25
 - The proposed rate increase previously approved by Council provides revenue of \$100,000 for 2011.
 - Expenditures included: Rentals (\$15,000) for catch basin cleaning; Maintenance (\$10,000) for replacing broken catch basins and grates; Capital Projects (\$40,000) transfer
- Brief discussed held regarding holding off on the rate increase and the impact to the budget; amount of revenues raised; grants for culverts and catch basin cleaning; decrease in service.

Garbage:

- The garbage fund is balanced due to Council's decision to raise rates in the 2009/2010 rate study.
 - 2011 rate increase = \$1.37 on July 1
 - Weekly garbage (32 gallon can) will increase from \$8.73 to \$10.10
- Equipment replacement (\$60,000) for a new garbage truck and totes in 2015. May be able to reduce staff with the new truck.

Building Maintenance fund

- Beginning balance of \$64,706.
- Yearly revenue moving forward of \$5,700.
- Staff recommendation of preserving approximately half of fund balance (\$35,000+/-)
 - Staff recommends proceeding with: Post Office Exit Stair project (safety issue) at \$15,000; Public Works Field Office/Boys & Girls Club HVAC partnership at \$10,000 (provides heating & AC for staff); Interior paint inside City Hall at \$10,000 (deferred maintenance of 10 years).

Brief discussion on the use of LED lights and savings; grant programs for heating and lighting systems.

Equipment Reserve fund:

Brief discussion on the proposed fund transfers and future equipment purchases.

2011 Capital Budget: Deborah Knight reviewed the Capital Project Budget for the Street Fund, Water fund and Sewer fund.

Brief discussion on the improvement costs to Wastewater Treatment Plan and increase capacity; culvert replacement.

Adjournment: On a motion by Councilmember Pinson, seconded by Councilmember Slawson, the meeting adjourned at 9:35 PM. All ayes.

Carolyn Eslick, Mayor

Laura J. Koenig, City Clerk