

**SULTAN CITY COUNCIL  
AGENDA ITEM COVER SHEET**

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ITEM NO: Consent C 1 B

DATE: November 18, 2010

SUBJECT: Council Meeting Minutes

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

**SUMMARY:**

Attached are the minutes of the October 28, 2010 Council Meeting as on file in the office of the City Clerk.

**RECOMMENDED ACTION:**

Approve as submitted

**CITY OF SULTAN COUNCIL MEETING – October 28, 2010**

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

**PRESENTATIONS:**

**Watch Dogs:** Ed Lieman leader for the Sultan Watch DOGS group provided an overview of the program. This is an innovative program of the National Center for Fathering focusing on prevention of violence in our nation's schools by using the positive influence of fathers and father figures to 1) provide an unobtrusive presence in the schools and 2) be a positive and active role model. There is an active group working with the Sultan students.

**Business Recognition – A Cut Above**

Mayor Eslick presented a certificate of recognition to Danette Mackey from A Cut Above (beauty salon) who has been in business for 20 years on Main Street. Danette thanked the Council for their support and advised she feels blessed to be able to work in the community.

**Boys and Girls Club Annual Report**

Kami Prutsman presented the annual Boys and Girls Club Annual report. The Sultan clubs provides service to over 370 youth in the community and has seven employees. 40% of the youth are ages 3-12 and 60% are ages 12-18. The club provides day care services, summer camp, after school activities and a teen center. The Sultan Club has adopted Osprey Park and helps keep the park and neighborhood clean. Funding for the clubs are less than in the past although the number of kids using the club has increased. There are scholarships and work programs for kids who can't afford the annual membership fees. With family budgets being tighter, parents who can't afford day care are looking for safe options for their children.

The club applied for and received Community Block Grant funds to improve the building. The first grant included funds for a new roof, gutters and bathroom improvements. The next grant will include work on the windows, HVAC system, lights, flooring and painting.

Councilmember Slawson advised that he rides the bus with several kids from the Sultan Club and they are always well mannered and polite. The teens are very proud of the center they built.

**COUNCILMEMBER COMMENTS**

**Beeler:** Requested the web site be updated to correct the meeting dates for November and December.

**Blair:** Thanked staff for answering the questions from citizens on the proposed sewer rate increases. It would be nice to see more citizens attend the meeting and become educated on the sewer rate proposal. It is discouraging to hear comments and then not have the people attend. Thanked the Boys & Girls Club for their work – they are doing a great job and are a positive influence for the community.

**Neigel:** Thanked the Mayor for facilitating the Multiple Victories program.

**Davenport-Smith:** Gathered good information at the IACC conference on funding sources and made some good contacts for future projects.

**Slawson:** The Boys & Girls Club kids are awesome and are polite and well mannered on the bus. The kids are excited about the teen area. Community Transit will be cutting staff in the administrative area but not in service. The final reconveyance of the shooting range/multi use park will be done on December 7<sup>th</sup>.

**Mayor Eslick:** There were 20 people at the Multiple Victory meeting. The purpose of the groups is to determine what can be done to make the community safer and more appealing and the parks are a focal point. There is a proposal to place more equipment in River Park. The Mayors group held a roundtable discussion on the Snohomish County Economic Development Council and based on the new structure proposed, North County will not support the EDC next year.

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**Hearings:** Public Hearings were held on the 2011 Tax Levy and 2011 Preliminary Budget. Minutes are available under a separate report.

**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 Blair, seconded by Councilmember Davenport-Smith, the consent agenda was approved as presented. Pinson – aye; Slawson – aye; Davenport-Smith – aye; Neigel – aye, abstained on the minutes; Blair – aye; Beeler - aye.

- 1) Approval of the October 14, 2011 Council Meeting Minutes as on file in the Office of the City Clerk.
- 2) Approval of Vouchers in the amount of \$210,827.87 and payroll through October 15, 2010 in the amount of \$41,738.93 to be drawn and paid on the proper accounts.
- 3) Adoption of Resolution 10-18 amending the Council Meeting Procedures
- 4) LED Crossguard – Final Acceptance of Project installed by Trans Tech Electric Inc.
- 5) Joint meeting Council/Planning Board – set for November 2, 2010 at 7:00 PM

**ACTION ITEMS:****Sky Valley Chamber Service Agreement**

The issue before the Council is to approve the renewal of the Lease Agreement and Agreement for Services with the Sky Valley Chamber of Commerce (Chamber) to maintain the Visitor Information Center. This matter was continued from the October 14, 2010 Council meeting at the request of the City Attorney.

In 2004 the City and Sky Valley Chamber of Commerce entered into a Service Agreement for operations and maintenance of the Visitor Information Center and Transportation Museum. In exchange for providing the staffing for the Visitor Information Center, the Sky Valley Chamber may use an 8 x 10 foot office space in the building for a fee of \$1 per year. The Center is required to be open 6 hours per day 4 days per week.

Margaret King, City Attorney reviewed the changes made to the lease and service agreement. The value of lease is the amount of service received from the Chamber in exchange for the office space.

Discussion: Need definition of “city” and clarification as to who the Chamber reports to; need contract monitoring to ensure compliance; audit provisions and annual report requirements; fair market rental value and the need to have a market analysis; additional users of the building and insurance requirements; need to clarify “rents” and how the costs are calculated; insurance coverage language (provided by insurance carrier); city cost for maintaining the building (approximately \$4,000 per year); change from five year renewal to annual renewal; purpose of the grant received by the city; the city needs to determine the benefit and value of the services they are receiving from the Chamber; charge rent and contract with Chamber for staffing; other users would need to meet the criteria for promoting tourism and economic development; role of government – state may authorize city to participate in economic development but does not require the city to do so.

The consensus of the Council was not to charge a cash lease and to send the matter to a subcommittee to review the agreement with the City Attorney. The Subcommittee will include the Mayor, Councilmember Blair and Debbie Cople.

**Ordinance 1094-10 - 2011 Tax Levy**

In accordance with RCW 84.55.120, a taxing district with regular levies must hold a public hearing on the proposed increase and use of property tax funds. The hearing was held earlier in the meeting. The ordinance must be adopted and filed with the County on or before November 30<sup>th</sup>.

Ordinance 1094-10 sets the regular property tax levy for 2011 with the amount to be assessed for collection at \$616,448. Based on information received from the Library District, the City may be able assess additional amounts. Staff is recommending the ordinance be revised to levy \$690,000 (the amount allowed prior to the drop in property values). The County will not collect more than the legal

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Ordinance 1094-10: statutory limit. If the City sets the levy lower than the maximum amount, the County will be limited to that amount for collection.

On a motion by Councilmember Slawson, seconded by Councilmember Blair, Ordinance 1095-10 setting the 2011 property tax levy as amended was introduced and passed on to a second reading. All ayes.

**Ordinance 1095-10 - 2011 Police Bond Levy**

The issue before the Council is the introduction of Ordinance 1095-10 which sets the tax levy for the 2004 General Obligation Police Bond. The amount of the levy for 2011 is \$29,528.

In 2004 the City issued bonds to pay for the 800 MHz communication system and for capital improvements to the Police Station. The ordinance setting the annual levy amount to make the bond payments is adopted as part of the budget process. This was a 20 year bond issue with average payments of \$31,000 per year. Additional property taxes are levied annually to cover the cost of the bonds. The average cost per household is \$19.25 per year.

On a motion by Councilmember Slawson, seconded by Councilmember Davenport-Smith, Ordinance 1095-10, setting the 2011 Tax Levy for the General Obligation Police bond was introduced for a first reading and passed on for a second reading. All ayes.

**Ordinance 1093-10 – Industrial Master Plan Decommission**

Conduct first reading of Ordinance 1093-10, an ordinance repealing the Sultan Industrial Park Master Plan, a Sub-area Plan Appendix of the 2004 (Revised 2008) Sultan Comprehensive Plan.

Staff recommends that the Council review the findings contained in the staff report and in the body of Ordinance 1093-10. If the findings are appropriate, Council may conduct first reading of Ordinance 1093-10, an ordinance completing action on Item #1 of the 2010 Annual Docket for Amendment of the Comprehensive Plan through repeal of the Sultan Industrial Park Master Plan, a Sub-area Plan Appendix of the 2004 (Revised 2008) Sultan Comprehensive Plan.

On a motion by Councilmember Slawson, seconded by Councilmember Beeler, Ordinance 1093-10 repealing the Sultan Industrial Park Master Plan, was introduced and passed on to a second reading. All ayes.

**DISCUSSION****Sewer Rates:**

The issue before the council is how to fund debt service payments for the Sewer System for 2011 and 2012 and to consider alternatives for sewer rates.

Staff recommends the following:

1. Alternative 3 with a base increase of \$4.97 per month with no increase to stormwater until January 2013. Charge for excess sewer the same as water usage.
2. Two year ordinance for sewer rate increase
3. All additional revenues will be used to pay off sewer debt to retire other outstanding loans.

The Sewer Debt Service fund has payments of \$465,959 due for 2011 and \$461,403 due in 2012. At the Budget Retreat, the Council discussed the sewer debt service requirements for the next two years and considered alternatives that included increasing monthly sewer rates. The City bills for five different utilities – water, sewer, garbage, recycle and stormwater.

Based on the discussions at the retreat, staff has prepared alternatives for the council to consider. Alternative 3 and 4 include a charge for excess sewer similar to the charge for excess water. This would generate approximately \$75,000 in additional revenues.

Discussion: Charge needs to be equitable; proposal is to charge the same as water for excess usage; water usage for gardens would generate extra charge for sewer – not fair to users; impact to request for relief when water leaks occur; sewer debt service payment consider connections – would rates decrease if additional connections occur; impact of charging all parcels in the UGA; legal issues

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Sewer Rates: with charging vacant lots; using excess funds collected to reduce other sewer related debt; hold off on the proposed increase to the stormwater fee.

The consensus of the Council was to use Alternative 2 (increase rate by \$6.64 per month) and to hold off on the stormwater increase until September 2011.

Stop the Clock: On a motion by Councilmember Blair, seconded by Councilmember Davenport-Smith, the clock was stopped at 10 PM. All ayes.

**Adopt a Park Program:**

The issue before the city council is to discuss two proposals related to the city's unofficial adopt-a-park program:

1. Should the city create an official adopt-a-park program?
2. Should the city print park signs and brochures in Spanish?
3. Should the city allow logos on adopt-a-park signs?

The city council subcommittee discussed these policy questions and directed staff to bring the issues to the full city council for consideration.

The council subcommittee was supportive of formalizing the adopt-a-park program using the adopt-a-street program as a template. The city council subcommittee did not support printing the city's formal park signs in Spanish. However, informal efforts to translate brochures into Spanish and post laminated signs at the park were generally acknowledged as low cost measures to communicate with all residents. The subcommittee was not supportive of allowing logos on adopt-a-park signs for two reasons: 1) lack of control over logo designs and themes; 2) desired uniformity between signs.

Brief discussion was held regarding the multi-language signs and brochures, logos and the program. It was the consensus of the Council to direct the staff to move forward with the Adopt a Park program without the signs in Spanish.

**Joint Equestrian/Pedestrian Trails Pilot Program**

The issue before the council is to consider a 9 month pilot project to allow joint equestrian/pedestrian use of specific trails within Osprey Park. The pilot project would be effective from January 1, 2011 to September 30, 2011.

City staff would return to the council in the fourth quarter of 2011 with an analysis of the impacts to trails, wetlands, and park users. The council could make a decision at any time to stop the pilot project, extend the project, or modify the conditions for joint use.

Bob Knuckey: The schools are using the park on a regular basis and he questions allowing horses in the park with the students. There are some parts of the trails wide enough for horses and people but other sections are narrow. They have mapped the area and there are areas of high water in the winter and horses would contaminate the river and trail. He is opposed to the joint use but will live with the Council's decision. There is an ordinance prohibiting horses in the park and it should be enforced.

Brief discussion held regarding the lack of funds to maintain the parks and the need to enforce the current ordinance. It was the consensus of the Council to table the matter if cannot be continued at no cost to the City.

**Public Comment:**

Bob Knuckey: In regards to the overage charge on the sewer rates, he goes over on water use one month a year when he waters his lawn and garden. Objects to overage charge on sewer as it is not fair to charge for garden use. People have been encouraged to have a community garden.

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**Council Comments:**

Beeler: The delay of the stormwater fee allows the Council to review rates in August to determine if the economy has recovered and leaves options open.

Neigel: Thanked staff for the clarification on the Visitor Center and work on the master plan

Davenport-Smith: The increase of utility rates is a burden on taxpayers but enterprise funds must pay for themselves and prior councils did not raise rates to cover costs. Understands both sides of the issue – must deal with the citizens and business.

Pinson: Delaying the small fee will not save people but it will impact the city overall and the council should not do it.

**Executive Session:** On a motion by Councilmember Beeler, seconded by Councilmember Slawson, the Council adjourned to executive session for 20 minutes to discuss property acquisition and potential litigation. All ayes.

**Adjournment:** On a motion by Councilmember Slawson, seconded by Councilmember Beeler, the meeting adjourned at 10:55 PM. All ayes.

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Carolyn Eslick, Mayor

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Laura J. Koenig, City Clerk