

CITY OF SULTAN COUNCIL MEETING – September 8, 2022

Mayor Wiita called the regular meeting to order at approximately 7:00 p.m. The meeting was a hybrid meeting with attendees both in person at City Hall Council Chambers and via Zoom Internet Conference Service. Mayor Wiita called roll and the following were in attendance:

Councilmembers: Morgan, Aldrich, Dearborn, Hund, Neigel, Sivewright, and Beeler. It was noted that CM Beeler entered during the start of presentations.

Staff: Administrator Ibershof, Public Works Director Morgan, Community Development Director Galuska, Finance Director Erdman, Police Chief Martin, New Police Chief Adams, and City Clerk Pevey.

CHANGES/ADDITIONS TO THE AGENDA

On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council approved the following changes to the consent agenda. Motion passed 6-0.

- Remove Presentation No. 2 re: State of Evergreen Health Monroe Update

PRESENTATIONS

Introduction of New Police Chief John Adams

Mayor Wiita explained organizational changes within the Snohomish County Sheriff's Office has current Chief Mike Martin being reassigned. Lieutenant John Adams was introduced as the new chief of the Sultan Police Department/SCSO East precinct. Chief Martin spoke about the four years being assigned in Sultan and expressed his appreciation for the relationships and friendships developed during his time as Police Chief. New Police Chief Adams expressed his intent in continuing to work to make this area a great place to live, work, and recreate. He provided his personal and professional background including 26 years of employment with the Snohomish County Sheriff's Office. Mayor and council welcomed Lieutenant Adams to the position.

PUBLIC HEARINGS

AB22-61_Chapter 9 Comprehensive Plan Update

Presentation on file with the City Clerk's Office

Minutes of the Public Hearing under separate cover.

On a motion by Councilmember Morgan, Seconded by Councilmember Aldrich the public hearing regarding AB22-61 proposed changes to Chapter 9 of the Sultan Comprehensive Plan was closed. Motion passed 7-0.

AB22-62_School Capital Facility Plan

Presentation on file with the City Clerk's Office

Minutes of the Public Hearing under separate cover.

On a motion by Councilmember Morgan, Seconded by Councilmember Aldrich the public hearing regarding AB22-62 proposed Sultan School District Capital Facility Plan was closed. Motion passed 7-0.

COMMENTS FROM THE PUBLIC

Ron Kraut, Bryant Road, Sultan, Written and In Person comments expressing his concerns re: proposed East/West Connector at Bryant Road and requesting language be added to prevent the use of eminent domain as a tool for land acquisition. Referenced documents responsive as the source of his information.

COUNCILMEMBER COMMENTS

Morgan: Attended National Night Out, 3on3 Basketball Tournament, and Sultan Classmates Reunion and felt they were all great events. Noticed that signs are now installed acknowledging the city resolution designating Sultan as a Purple Heart City.

Hund – thanked Chief Martin for all he has done for the community and welcomed Chief Adams.

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Niegel – thanked Chief Martin for his service; thanked fellow Councilmember Hund for stepping up to handle the Health Board vacancy; Attended the most recent Sultan Prevention Coalition meetings and shared some information presented at the meeting and suggested a law enforcement workshop for council regarding youth gang violence and the status of city regarding enforcement.

Sivewright – thanked Chief Martin for his services to the community and welcomed new Chief Adams. Agreed with request for a future safety and planning workshop regarding gun violence and emergency communication in such situations.

Beeler – thanked Public Works Department for the maintenance and painting projects occurring around town on curbs, stop signs, and fire hydrants; Also requested yellow paint update on Sultan Basin Road before the dry weather runs out; pushing for US 2 funding improvements and acknowledged recent tragedies that occurred there.

MAYOR COMMENTS

Appreciated August council recess and acknowledged many projects tackled by city staff to include budget preparation. Thanked the public for their comments. Thanked Chief Martin for his service. Welcomed new Police Chief Adams. Thanked the Alliance Board for their efforts planning and implementing the National Night Out Event and the 3on3 Basketball Tournament as both were great events and acknowledged the ARPA funds utilized to improve safety and comfort improvements during events. Explained the US 2 Round 2 working groups wrapped up and staff working on feedback to provide an update at a future council meeting; round three of the US 2 working groups in the fall and preparing to go back to the state legislature during the upcoming session for US 2 funding requests.

CITY ADMINISTRATOR COMMENTS

Reminded council that Friday September 12th the city will hold a joint legislative briefing with the 39th and 12th district; Advised council WSDOT has made modifications to their safety improvements to include a roundabout at the Old Owen/Fern Bluff/US 2 intersection. City Hall back steps are being updated and the work is in progress. Acknowledged the housing numbers are down and that developers are responding in varying degrees and that council will see the impacts during the budget discussion later in the evening. Confirmed the city is starting final round of US 2 working groups with upcoming TSI update at a council meeting soon. Teamsters' union negotiations are coming up and council will hold upcoming executive sessions at future meetings to discuss. The city is close to wrapping up the utility rate study and due to housing impacting charges more review was necessary before bringing the options to council for consideration.

STAFF REPORTS

Written report on file for the police department.

CONSENT AGENDA

On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, the following consent agenda items as amended were approved with motion passing 7-0.

- 1) Voucher Approval for August 12, 2022, accounts payable vouchers in the amount of \$1,246,294.19, payroll #14, and payroll benefits #13 and #14 in the amount of \$153,258.19, all to be drawn and paid on the proper accounts.
- 2) Voucher Approval for August 25, 2022, accounts payable vouchers in the amount of \$251,535.21, payroll #15, and payroll benefits #15 in the amount of \$151,616.50, excise taxes in the amount of \$16,410.77 and bond payment in the amount of \$3,589.53 all to be drawn and paid on the proper accounts.
- 3) Voucher Approval for September 8, 2022, accounts payable vouchers in the amount of \$825,012.79, payroll #16, and payroll benefits #16 in the amount of \$116,449.94, and a void in the amount of \$1000.00 all to be drawn and paid on the proper accounts.
- 4) Minutes of the July 7, 2022, Council Workshop

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- 5) Minutes of the July 14, 2022, Council Meeting
- 6) Minutes of the July 28, 2022, Council Meeting
- 7) Minutes of the Public Hearing re: AB22-56 Flood Damage Prevention Code Update

ACTION ITEMS

AB22-47_ Interlocal Agreement with Snohomish County re: Evacuation Trail Improvements

County Councilmember Lowe offered a grant to the City of Sultan for \$50,000 to be utilized to install lighting on the evacuation trail and any additional costs will be paid for by the city. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council authorized the Mayor to sign the ILA with Snohomish County for the lighting of the Evacuation Trail. Motion passed 7-0.

AB22-63_ Fusiontek Task Order #1 for hardware upgrades

Internet and phone hardware needs to be upgraded at all facilities. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council authorized the Mayor to sign Task Order #1 with FusionTek, for an amount not to exceed \$55,205.92 which includes a 10% contingency. Motion passed 7-0.

AB22-64_ Board of Health Representative Certification

Councilmember Niegel resigned his position from the Snohomish County Board of Health prior to the end of his term due to personal reasons; Councilmember Hund expressed his interested in the position. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council confirm the City's selection of Councilmember Hund for the District 5 Board Representative to the Snohomish Health District. Motion passed 7-0.

AB22-65_ Resolution 22-08_ Snohomish County Solid Waste Plan

The City reviewed the updates to the Snohomish County Solid Waste Plan and confirmed they will not be closing the Sultan Drop Box and continuing to promote recycling through the various county programs. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council approved Resolution 22-08 supporting Snohomish County's Solid Waste Plan. Motion passed 7-0.

AB22-66_ Interlocal Agreement with Snohomish County re: Improvements to River Park

Councilmember Lowe granted the city \$40,000. The money is to be used to install an ADA ramp at the River Park Pavilion and improve the roof as well. The city will cover any additional costs associated with the project. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council authorized the Mayor to sign the ILA with Snohomish County for improvements to River Park. Motion passed 7-0.

AB22-67_ Licensing Agreement with FatBeam for internet services

FatBeam is the internet service provider for the school district and to perform upgrades an interlocal agreement with the city is required. On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council approved the Mayor to sign a licensing agreement with Fatbeam for internet services. Motion passed 7-0.

DISCUSSION ITEMS

AB22-68_ 2023 Budget Revenue Sources

Finance Director Erdman presented the Budget Revenue Sources for 2023 budget and recommended not taking the 1% tax increase, because taxes; sales tax, property tax and utility taxes based on current assumptions will remain flat at \$2.9 million for 2023. The city will see a reduction in sales taxes but the decrease if offset by the property and gas utility tax. Also, property taxes are higher due to; new construction, increase values and building permits. The Community Development department is predicting 137 homes this year down from the 169 budgeted as developers are slowing building. Developers are uncertain about the number of permits needed in 2023, but the Community Development department is estimating a conservative 50 permits for budgeting 2023 revenues. Presented one time revenue the city will experience from construction and estimates were determined by how many single family permits the city expects in the coming years. Erdman explained the city is currently seeing a decline from 25 new building

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permits a month in 2021 to an estimated 2 per month in 2022. This is expected to increase to 4 per month in 2023. She explained the decrease will also impact REET, Traffic Impact Fees, Parks, Water and Sewer. Due to the decrease in building, revenues are projected to be under budget by (\$642,780) collectively at the end of 2022. Consideration regarding current council preference and practice for standard rate predictions versus fluxing rates from year to year.

Erdman then discussed the seven-year forecast of additional property tax revenue which looked at both the number of new building permits and the number of new water meters. She explained the budget reflected the more conservative “new water meters” to resemble the increase more closely in property tax revenue due to new construction and that the average value and number of new homes is just an estimate. She provided the history and forecast of property taxes. The Snohomish County Assessor’s preliminary estimate of assessed value of \$1,2 billion plus taxes on new homes of \$110,291 to determine the property taxes for 2023. In addition, despite the large growth the city experienced in 2022, it takes 1.5 years before the city sees the increased tax revenues. The recommended allocation of property taxes was present for 2023, which is consistent with the 2022 budget.

The revenue projections for the 2023 draft budget were presented. The biggest part of revenue is taxes that includes property tax, sales tax and utility tax and they will remain almost flat from 2022. The Fines and Forfeits also have a large decrease over prior years as the violations will be going through the Evergreen District Court in Monroe instead of first going through the City. Water, Sewer, and Stormwater revenues are under review. Depending on the rate model council decides revenues budgets are expected to increase to cover the growing costs of service. In closing she presented the budget calendar through the remaining of the year for final adoption occurring in November or early December.

EXECUTIVE SESSION

Lease or Purchase of Real Estate RCW 42.30.110 (1)(c)

On a motion by Councilmember Morgan, seconded by Councilmember Aldrich, council entered executive session for an initial period of fifteen minutes pursuant to RCW 42.30.110(1)(c) to discuss the lease or purchase of real estate; Motion passed 7-0.

Noted lag between closing doors and removing members not allowed in the executive session therefore council started executive session at approximately 9:28 p.m. All public removed from physical room and those attending via Zoom placed in Zoom waiting room.

Extended 10 minutes at approximately 9:44 p.m.; no public noted in person and one public noted in attendance via Zoom, so Mayor announced the extension to the Zoom attendees.

Extended 5 minutes at approximately 9:58 p.m.; no public noted in person and one public noted in attendance via Zoom, so Mayor announced the extension to the Zoom attendees.

Council ended executive session at approximately 10:05 p.m.

ADJOURNMENT

On a motion by Councilmember Morgan, seconded by Councilmember Aldrich the meeting was adjourned at approximately 10:05 p.m. The Zoom meeting connection was disconnected shortly thereafter.

DocuSigned by:



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Russell Wiita, Mayor

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Tami J. Pevey, City Clerk

**WRITTEN COMMENTS RECEIVED
AND ATTACHED AS REFERENCE**