



# CITY OF SNOHOMISH

Founded 1859, Incorporated 1890

116 UNION AVENUE □ SNOHOMISH, WASHINGTON 98290 □ TEL (360) 568-3115 FAX (360) 568-1375

## NOTICE OF REGULAR MEETING

### SNOHOMISH CITY COUNCIL

in the  
George Gilbertson Boardroom  
1601 Avenue D

**TUESDAY**  
**September 20, 2016**  
**7:00 p.m.**

### AGENDA

*Estimated  
time*

- 7:00 1. **CALL TO ORDER**
- a. Pledge of Allegiance
  - b. Roll Call
2. **APPROVE AGENDA** contents and order
3. **APPROVE MINUTES** of the meetings of August 23, 2016 and September 6, 2016
- a. August 23, 2016 Budget Workshop (*P.1*)
  - b. September 6, 2016 Regular Meeting (*P.23*)
- 7:05 4. **CITIZEN COMMENTS** - *Three minutes allowed for citizen comments on subjects not on the agenda. Three minutes will be allowed for citizen comments during each Public Hearing, Action or Discussion Agenda Item immediately following council questions and before council deliberation. Citizen comments are not allowed under New Business or Consent items.*
- 7:20 5. **PRESENTATION** – Proclamation Designating the Month of October as John S. White Month, beginning 2016 (*P.35*)
6. **ACTION ITEMS**
- 7:25 a. **ADOPT** 2017 TO 2021 Capital Improvement Plan (CIP) (*P.37*)
  - 7:35 b. **DRAFT** 2017 City Council Annual Goals (*P.45*)

*Continued Next Page*

- 7:45 c. **ADOPTION** of Resolution 1351 in opposition to Proposition 2 on the November 8, 2016 Ballot That Asks Voters to Decide: “Whether the City Should Adopt the Mayor/Council Form of Government and Abandon the Council/Manager Form of Government” (P.47)
- 7:55 d. **SET** Public Hearing Date for Tenth Street Right-of-Way Vacation – **PASS** Resolution 1352 (P.53)
- e. **APPOINT** Councilmember to Serve as SAO-Audit Liaison and to **WAIVE** the Need for Annual Audit Entrance Conference (P.121)
7. **DISCUSSION ITEMS**
- 8:15 a. Funding Concepts for the Hal Moe Building Project – Request for Proposals for Feasibility Study (P.123)
- 8:40 b. City Council Meeting Minutes Preparation (P.135)
- 8:55 c. 2017 Personnel Overview (P.165)
- 9:10 8. **CONSENT ITEMS**
- a. **AUTHORIZE** payment of claim warrants #59361 through #59452 in the amount of \$709,322.14 issued since the last regular meeting (P.171)
- b. **CONFIRM** Mayor’s Appointment to the Design Review Board (P.183)
- 9:15 9. **OTHER BUSINESS/INFORMATION ITEMS**
- 9:25 10. **COUNCILMEMBER COMMENTS/LIAISON REPORTS**
- 9:35 11. **MANAGER’S COMMENTS**
- 9:45 12. **MAYOR’S COMMENTS**
- 9:55 13. **ADJOURN**

**NEXT MEETING:** Tuesday, October 4, 2016, workshop at 6 p.m., regular meeting at 7 p.m., in the George Gilbertson Boardroom, Snohomish School District Resource Center, 1601 Avenue D.

*The City Council Chambers are ADA accessible. Specialized accommodations will be provided with 5 days advanced notice. Contact the City Clerk's Office at 360-568-3115.*

*This organization is an Equal Opportunity Provider.*

**AGENDA ITEM 3a**

**Snohomish City Council Workshop Minutes  
August 23, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council workshop to order at 5:00 p.m., Tuesday, August 23, 2016, in the Carnegie Building, 110 Cedar Avenue, Snohomish, Washington.

**COUNCILMEMBERS PRESENT**

Derrick Burke (*Late Arrival: 5:06 p.m.*)  
Karen Guzak, Mayor  
Dean Randall  
Tom Hamilton  
Michael Rohrscheib  
Lynn Schilaty  
Zach Wilde

**STAFF PRESENT**

Larry Bauman, City Manager  
Jennifer Olson, Finance Director  
John Flood, Police Chief  
Eric Fournier, Police Administrative Sergeant  
Glen Pickus, Planning Director  
Steve Schuller, Deputy City Manager/PW Director  
Yosh Monzaki, City Engineer  
Debbie Emge, Economic Development Manager  
Angela Evans, Office Assistant II

2. **Budget and Planning Workshop – Welcome and Agenda Overview**

Mr. Bauman welcomed the Council and staff to the annual budget and planning workshop. He stated this is staff's opportunity to obtain and complete the recommendations for the 2017 budget. The key topics to be discussed will be the updated revenue and expenditure forecasts that will likely affect the 2017 Budget. There will be a series of staff proposals and recommendations regarding implementation of both capital and operational needs. Staff will also be focusing on obtaining Council's response and direction regarding implementation of the 2017 activated strategies within the City's Strategic Plan initiatives, and a review and update of the City Council 2016 Goals and also establishing the Council's Annual Goals for 2017.

Overall, the process for developing the budget for 2017 should be viewed within the context of the following conditions:

1. City expenditures concentrated in the General Fund budget have been the primary focus for managing budgetary impacts;
2. The City's General Fund supported services are primarily Police, Planning, Parks, Facilities, Streets Maintenance, General Administration and Finance;
3. Sales tax continues to be the largest source of the City's General Fund revenues, and are also the most volatile. As such, staff manages its resources in such a way to accommodate that volatility and the Council has provided staff with direction through the new Financial Management Policy to increase the City's ending fund balance or reserves in the General Fund in recognition of that volatility;
4. Currently projected personnel costs for 2017 show that the budget should not be focused on accommodating new positions. However, the City does have funding to accommodate the required 2.25% cost-of-living adjustments and benefit cost increases as per the 2016-2018 union contracts.

The City's Management Team prepared for this budget workshop by holding an all-day budget preparation retreat on July 28, 2016. In addition to the budget issues, they discussed organizational issues, as well as recommend approaches to the 2017 budget.

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The 2016 General Fund projected ending fund balance is currently \$1,745,196 and would result in an ending balance of 21.5 percent. This is slightly in excess of the City Council's policies.

The following are key 2017 budget focus issues staff is putting forward for Council consideration:

- Open Government Initiatives Implementation;
- Police Contract Scope of Services;
- Information Services Projects;
- Business Licensing;
- Tourism/Economic Development;
- Special Election Costs; and
- Health District Contribution Request

There will also be a review of key capital budget and the entire five-year Capital Improvement Plan (CIP), as follows:

- Community meeting space at the Carnegie, \$180,000
- Park Improvements for three riverfront parks, \$150,000
- Streets sidewalk repairs and pedestrian improvements, \$40,000 (\$200,000 over five years)
- Hal Moe preliminary design and construction cost estimate, \$150,000

Snohomish County estimated the City would receive \$225,000 of its share of the Public Safety Sales Tax ballot measure. However, the ballot measure did not pass and was never programmed into any of the City's projected revenues. This means there will be no negative impact for the 2017 budget.

For Council goal setting, staff will review their analysis with Council for discussion and development of its 2017 annual goals.

### **3. Review Current and Projected Financials**

Ms. Olson conducted a funds overview. She explained the General Fund is the City's main operating fund. There are special revenue funds designated for streets maintenance, park impact fees, PBIA, REET, traffic impact fees and the TBD. There is one debt service fund, two capital project funds – municipal capital projects (anything non-utility) and street capital projects (streets/transportation improvement). There are four enterprise funds, which include water, wastewater, solid waste and stormwater. The Internal Services Funds are funds that charge other direct service funds (fleet/facilities, information services, and equipment reserve). Additionally, there are two trust or agency funds, which are the Miller Library Trust and Carnegie Restoration funds.

Ms. Olson also reviewed how funds flow by referencing the financial transaction flow chart. As of June 30, 2016, revenues and expenditures are on track. When estimating forecasted revenues for the end of the year, the amended budget for revenues is \$8.9 million. What is projected is the City will see a little over \$9 million primarily due to sales tax. This was an amended line item in May 2016, but it looks like there is a potential for the sales tax to exceed the amended target, which is a positive indicator for the ending fund balance in the General Fund. Staff is also projecting over revenue sources due to building permits, plan

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check (fines and fees), liquor profits (intergovernment/shared), and facility lease revenues, which are also positively impacting the General Fund. This should result in an estimated \$138,000 over budget.

Mayor Guzak asked if the budget amendments are completed at year end.

Ms. Olson replied typically it is conducted in October prior to year end.

Ms. Olson stated the General Fund Expenditures amended budget is \$8.8 million. The projected ending uses is expected to be slightly over the current amended expenditure budget at an estimated cost of \$85,000. This is due primarily to legal fees associated with public record requests and litigation fees at an estimated amount of \$55,000. The remainder is related to professional services associated with Open Government and position turnover. That means there is a beginning fund balance of \$1.5 million and the budget is forecasted to end at approximately \$1.7 million. However, with these additional sources and expenditures, it's expected the forecasted ending fund balance may be slightly above the targeted ending fund balance.

Ms. Olson referenced the updated five-year financial plan outlook, which is the result of discussions held with the Council in developing the Financial Management Policy. She noted if revenues and expenditures come in as expected, the City will end with a fund balance that is 21.5% of the minimum expenditure target. The target range is 15 to 20% for reserves for the General Fund, but the City is expected to reach about 21.5%, which is over the designated target. According to the new Financial Management Policy, Council will need to decide what to do with those reserves.

Ms. Olson discussed the 2016 Year-End Projections for all other funds, which include the special revenue, debt, enterprise, internal service, capital and agency funds. She explained for the most part, she anticipates the City will meet the forecasted ending fund balances on target, with the possible exception of some capital funds, which would be somewhat dependent on grant funding and other factors.

The targeted ending fund balance for 2016 for all funds, including the General Fund was budgeted at \$19.8 million. As of June 2016, there is \$20 million in total fund balance. Staff is forecasting slightly below the budgeted ending fund balance of \$19.6 million for the end of the year. The projected year end fund balance for the General Fund is \$1.7 million, special revenue funds are anticipated to be \$3.9 million, the enterprise funds will be over \$12 million and the capital project funds should be just over \$600,000 for the completion of existing projects.

Ms. Olson addressed the 2017 budget guidelines. She noted the largest portion of the budget is related to personnel costs. The Cost of Living Increase for 2017 is 2.25%, as reflected in the collective bargaining agreements. The organizational chart is the same as last year. There are no new full time positions being recommended, and there is one Water Treatment Plant Operator vacancy which will not be filled at this time. Temporary and Part Time positions identified for 2017 will be the same as the 2016 position allocations. Those include part time positions in Planning and Development Services, Economic Development, Streets, Parks and Facilities, as well as the Water, Wastewater and Stormwater utilities.

The City currently offers two medical plans, Regence and the Group Health Plan. Regence participants currently pay 10% toward the total premium costs. In 2017, the Group Health participants will also be required to pay 10% of the total premium. This is in line with the

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City's bargaining unit agreements. All employees in 2017 will pay toward their medical benefit. The City has also achieved AWC Well City status, which provides a 2% discount toward the City's medical plans.

Ms. Olson briefly reviewed the estimated ending fund balance for 2016, which will become the 2017 beginning fund balance. The estimated beginning fund balance is \$19.2 million. Staff anticipates similar revenues for 2017 in sales tax revenues. There are not a lot of changes for 2017 at this time in the budget development process. Staff anticipates about \$26.8 million in total revenue sources, and \$25.9 million in 2017 expenditures. Staff also estimates an increase in the overall fund balance of \$20.1 million. These are very preliminary estimates. However, it shows another positive year for Snohomish. This is the result of very strong utility enterprise revenues, strong sales tax revenues for the General Fund and keeping expenditures to a minimum.

Ms. Olson summarized, in 2017, staff expects revenues to increase by approximately 1.5%, or \$9.2 million. Expenditures are forecasted to increase by 3%, and the ending fund balance in the five year outlook is positive for 2017. However, the structural imbalance beginning in approximately 2020 is concerning, and will require further discussion. Strategies for maintaining the long-term General Fund reserves include continuing to limit or reduce expenditures, staffing and maintenance and operating costs. This can possibly be accomplished through authorization of additional revenues such as a property tax levy or other alternative revenue sources, which are very limited.

Ms. Olson reviewed Snohomish's 2017 assessed valuation. It reflects an approximate 8% increase in overall assessed valuation. The City is subject to a number of revenue limits based on this assessed valuation and it is used to calculate the City's levy amounts.

#### **4. Proposed Capital Projects for 2017-2021**

Mr. Schuller highlighted some projects for the 2017 budget, as follows:

**The Carnegie Meeting Space.** Mr. Schuller explained the Carnegie building was built in 1911 as the library. The City spent approximately \$1 million from a FEMA grant for seismic retrofitting. The local match for this project was from the Carnegie Restoration Fund and private donations. In 2016, the Carnegie Foundation completed the painting of the building and the City paid for the new carpet. It has dramatically improved the interior space. The Foundation continues to provide building improvements, such as the donated furniture (on loan), the bookshelves and other interior enhancements. The City reviewed some key building issues, which is to provide ADA accessibility for a community meeting space. It was decided to leave the basement as is for storage. Staff recommends not installing a full HVAC system, but something very simplistic, which would provide some fresh air. For community meetings and Council meetings, a basic audio/visual system would be installed. This would entail a permanent screen, and an audio system for recording meetings. It would be an asset to the City to have its own true meeting space. Window coverings would also be added, along with a Council dais and chairs. The goal is to open the room up and make it useful for a number of community events.

Mayor Guzak stated she received a call from Melody Clemans, former Councilmember and member of the Carnegie Foundation. She enthusiastically supports this effort to convert this space into a meeting facility. She wanted the message delivered to the Council that the Carnegie Foundation is in complete support of this capital project.

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Mr. Bauman said he and Mr. Schuller met with the Carnegie Foundation Boardmembers to discuss the general plan to be presented to Council. All of the Foundation's ideas and comments were very positive and they view this effort as supporting their restoration initiatives.

Mr. Schuller noted most of the funding for these projects comes from REET dollars. For the Carnegie Building project, \$150,000 is from REET and \$30,000 from the Foundation. There is a total of \$1.2 million in REET funding. During the recession, the City used some of that money to retain street and parks maintenance employees. Staff would recommend continuing with that conservative approach. The City does not plan on using the \$1.2 million. It is projected that the City will bring in about \$600,000 in REET funding in 2017. The City is estimating approximately \$637,000 in REET funded projects. There are some key issues that the Foundation and others have been working on for a number of years and this is a cost effective method to move these projects forward in a conservative way.

Councilmember Rohrscheib asked if the \$180,000 is approved for the community meeting space, how long would it be until the space is up and running and available for use by the community and Council.

Mr. Schuller responded the City doesn't plan on hiring any engineers or going through any design issues. The most complicated matter will be the installation of the stairs and the lift for ADA, which will be similar to the Eagle's building. It's not too complex. It may be completed around May 2017.

Councilmember Burke asked if HDS had any input on the potential uses for this space.

Mr. Bauman replied staff reached out to HDS and they agreed the space could be adequately used for a variety of community meetings, including small scale conferences if the HDS wanted to market this space. The City has also considered what to do with the annex. While there is no intent to demolish the annex, there may need to be a change in the tenant if the City were to use this as a public meeting space. The Chamber of Commerce or the Snohomish Education Foundation, for example, may be some compatible future uses for the annex space.

Mayor Guzak noted that the Chamber of Commerce and the Snohomish Education Foundation are both looking for space.

Councilmember Burke asked about security and safety for the building.

Mr. Bauman replied the building meets fire code. Ms. Emge added it meets fire code, but limits capacity to 40 or 50 people sitting in chairs.

Councilmember Burke stated with the School District building, there are multiple entry and exit points. He is concerned with the limited amount of exit points.

Chief Flood stated they could review the floor plan and make some recommendations.

Mr. Bauman asked if there is Council support to move forward on this project.

Councilmember Rohrscheib wanted to know about the capacity.

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Mr. Bauman replied it is about 50. Mr. Schuller concurred. However, if you were expecting a very large crowd with 100 plus in attendance, that meeting would need to be scheduled somewhere else. Another option would be to have a television in the lobby and a feed, so the audience could see and hear the meeting.

Councilmember Rohrscheib responded there is typically not more than 10 or 15 citizens attending the average Council meeting. However, there are meetings where momentum for the Tuesday night meeting doesn't hit until the previous Saturday. He wants to know how much time they have to change the venue and still be able to provide adequate public notice.

Councilmember Schilaty stated if they go forward with this project, they would have to have a remote feed for those cases.

Mr. Bauman stated that could be accomplished.

Councilmember Rohrscheib hopes that relocating the meeting space will encourage additional citizen attendance.

Mr. Schuller stated that the stairs project should also help with the capacity issues.

**Parks – Riverfront.** Mr. Schuller explained this project is to activate the riverfront, which is also part of the City Council's Strategic Plan. The riverfront is being viewed as one big park, as there is Kla Ha Ya and Cady Parks, as well as the new 20 acres. Eventually, it will all be connected together and one beautiful public frontage on the water. The \$150,000 is for fencing the 20-acres and master planning for the rest of the parks, and staff is working with the Parks Board on that.

**Hal Moe Building.** Mr. Schuller stated the ad hoc committee is working on this project. He thinks staff can start calling this project a future community center, based on the update Council received from the Committee at its last meeting. The \$150,000 is for the preliminary design. The Request for Proposals to hire an architect will produce space planning ideas for using the existing structure and for obtaining a construction cost estimate. He expects the Committee will have three or four options to review.

**Streets – Various Locations.** Mr. Schuller stated he has heard from Councilmembers and citizens that sidewalk repairs and pedestrian crossings need some attention. He would like to increase the budget from \$10,000 to \$40,000 in 2017, and \$40,000 every year for five years. This would be an ongoing commitment to complete sidewalk repairs and improve pedestrian crossings. For example, bulb outs were done on Pine Avenue right by Emerson Elementary School. Kids were having a hard time crossing the street and cars weren't stopping. So, the City added two bulb outs, storm drainage and curb and cutter. That project was \$50,000. The difficult part about some of these projects is that they are really expensive. Another example of the same problem is what was done on Avenue D by the high school. The City didn't have the money in its current budget to install the full bulb outs, so they did the C-curb. It does the same thing and it was done for \$13,000.

Councilmember Schilaty commented that it was a brilliant improvement, and makes such a huge difference. It was horrible at that location and that curb work improved it. Council had talked about flashing lights there and the curb made a huge difference.

Mr. Schuller asked Council if they are comfortable with staff implementing some of these cost effective solutions to resolve some of these issues.

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Councilmember Schilaty asked about the roundabout area and the pedestrian crossing from the mobile home park to the Snohomish Square and Ferguson Park across the street.

Mr. Schuller stated the plan for now is that people will walk up one block and use the roundabout and not cross at 14<sup>th</sup>. He stated it could be an expensive fix to put a crosswalk there. The City can still look at that, but before there was no way to cross that street. Now there is a way to cross at the roundabout.

Mr. Bauman stated a sign could be placed there indicating no pedestrian crossing at that location and direct pedestrians to the crosswalk where they can cross safely.

Mr. Schuller said as part of their annual City Streets Report in February, he would like to bring a list of issues and have the Council provide their feedback and begin prioritizing.

Councilmember Wilde stated at Cascade View Elementary people are doing 35 mph in a 20 mph zone while the kids are crossing the street. He is aware police are out there almost every day. He thinks there needs to be stop sign there to make drivers slow down when approaching and going through the school zone.

Mr. Schuller states staff can look at that issue between Park and 22<sup>nd</sup>, and possibly look at converting that to a 4-way or all way stop. There is a national warrants list which provides regulations on when a stop can and cannot be done.

Mr. Bauman stated these are some good examples of possible projects that could be completed with the \$40,000, but the City could not complete all of these projects at once. They would likely need to be done successively over a number of years.

Mayor Guzak stated she has heard from a number of citizens about the sidewalks on First Street. It would probably be a lot more than \$40,000 to address those issues.

Mr. Bauman stated First Street will be a hugely expensive project.

Mayor Guzak stated staff could do some sidewalk grinding.

Mr. Bauman stated sidewalk grinding is already being done.

Mr. Schuller said in order to be successful on the streets side in 2017, he would like to recommend zero dollars for bike markings. It's not that it's not important, but staff believes the sidewalk repairs and pedestrian crosswalks are a higher priority based on Council and citizen input. Staff is also recommending postponing the charging station. Although it is a part of the Strategic Plan, staff wishes to recommend focusing on the sidewalk repairs.

Mr. Bauman stated staff has received the Council's direction related to the Carnegie project, but he would like direction on the other three highlighted capital projects.

Councilmember Rohrscheib thinks Streets are a higher priority than Parks. He walks a lot in his neighborhood, and in the Historic District, there are a lot of sidewalks that are unsafe especially at night where the sidewalk has been buckled up from a tree root. He would rather put more money into the Streets and less into Parks.

Mayor Guzak asked if the sidewalks in front of private residences are the obligation of the property owner.

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Mr. Bauman stated that is correct.

Councilmember Burke stated the City has done such a good job with capital projects over the past few years. The town is transformed. He is wondering about the 3.5 FTEs for parks and streets. Every time the City does projects, there is a lot of maintenance like the roundabout. He is wondering if it isn't time to revisit the fact that there are only 3.5 FTEs in parks and streets and how more of these projects will affect maintenance requirements.

Mr. Schuller responded Parks had more staff before 2008.

Councilmember Burke said the City has a lot more infrastructure now that requires maintenance. He believes if the City is planning to complete these capital projects, it should increase those numbers.

Mr. Bauman replied parks has been keeping up by the hiring of seasonal parks maintenance staff. Most of the parks maintenance occurs during the summer months with vegetation growth.

Mayor Guzak is in support of the Parks and Riverfront project and also the Hal Moe project. She thinks possibly \$50,000 a year for streets would be appropriate.

Councilmember Schilaty questioned how much the City is at risk of putting the \$150,000 toward the Hal Moe for a preliminary design, and then having it shelved. She is concerned about that. There is no foreseeable source of funding for this project.

Mr. Bauman stated the City would likely be going after grant funding for the Hal Moe project and can't do that until there is a preliminary design. The City needs a good estimate of cost and a preliminary design to apply for grant funding.

Councilmember Schilaty wants a better understanding of whether grant funding would be the only funding source, or if community funding is a consideration. She wants to make sure the City has an aggressive plan to fund whatever is being recommended for the Hal Moe site.

Councilmember Randall asked if the REET funding could be a matching source.

Mr. Bauman stated it could be. The City would want to reserve a substantial amount of REET dollars so that it will have funding available as the City goes forward and identifies these projects like Hal Moe.

Councilmember Randall commented that most grants wants matching funds.

Mr. Bauman agrees. There is a much better chance of success with matching funds. He stated he can organize a presentation regarding the timeline and funding for these projects.

Ms. Olson noted other funding sources within the City's new Financial Management Policy was the use of REET funds as a source to pay the debt service. When the total project is identified through the master planning effort, then that could be a funding option Council could look at. A portion of the funding may come from grant dollars or community fund raising. There is also the debt service. In the policy adopted by the Council, it can use up to a maximum ceiling of REET funds. She will review this option using the capital budget tools and show how REET sources are actually utilized.

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Councilmember Burke asked about the CIP and Park Impact Fees of \$300,000.

Mr. Bauman responded the impact fees can only be used toward new growth. Mr. Schuller stated for example impact fees were used to purchase the Ludwig property. There are specific growth related projects that only park impact fees can be used toward. The three biggest projects will probably be the Ludwig property in the future to convert it to a full park, Harryman's Park and the Riverfront.

Mayor Guzak stated she is hearing Council is in agreement with the list, except she is hearing Council would like to take a look at adding additional funds to the Streets. She would like to staff to look at what options are available.

Councilmember Schilaty stated concerning the Hal Moe building, she wanted to make sure there is a strong nexus between doing this work and fulfilling it.

Mayor Guzak stated the Council won't know what to do with it until they get some ideas about what is possible there.

Mr. Bauman stated he would return to Council with the entire concept for the Hal Moe site, along with next steps in September, so that Council can have a more robust discussion about that project, along with planning options for 2017. The Project Manager can put out an RFP for a feasibility study which will help get Council to that next stage.

Mayor Guzak understands that the feasibility stage would only be a portion of this budget.

Mr. Bauman stated approximately \$50,000.

Mr. Schuller stated he wants to complete the feasibility study and get that information out to the public before moving forward with Phase II.

Mayor Guzak asked about some additional funding for streets.

Mr. Bauman stated he would take the Council comments back and see if staff can augment the budget to increase it to possibly \$60,000 or something in that annual range.

Council agreed.

Mr. Monzaki reviewed the 2017 CIP projects by asset category. He stated the Carnegie Library and Hal Moe Pool site redevelopment had been previously discussed, so he started by reviewing the Police Station improvements. This project includes office improvements, moving walls and other renovations. The project is currently out to bid. The bid opening will be August 25. Utility projects include the Water Treatment Plant. \$75,000 is allocated for the transition of the water treatment plant as a water source to Everett. The \$350,000 for the Wastewater Treatment Plant project will go toward replacing the aerator, and also the work on updating the General Sewer Plan.

Mr. Monzaki stated for the parks projects, the Riverfront Property Improvements have been discussed. The Fischer Park Improvements is \$65,000. Ms. Johns has submitted a grant application for half the amount (\$32,500) to the Washington Wildlife and Recreation Program to replace the playground equipment, complete landscaping, making improvements and installing a drinking fountain. The Hill Park project for \$40,000 is to replace the

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structure's roof. The Park Facility Replacement and Upgrades for \$40,000 is a general project line item.

In reference to the Streets Projects, the Avenue A Corridor at \$715,000, will entail improvements to Avenue A between Fourth and Fifth Streets. The City has applied for four grants from the Transportation Improvement Board, including the Bickford Avenue and Weaver Way project at \$150,000. The City will need to update these costs. The City submitted for a roundabout at that intersection and staff has been working with the TIB representative and reviewing the feasibility of that option. If the roundabout is not feasible, then there will be a traffic signal at the intersection. The Lincoln Avenue Overlay project for \$400,000 is another project the City has submitted a grant application for. This overlay project is Lincoln from Second Street down to the southern City limits.

Councilmember Randall noted that he understands the Second and Avenue J project isn't scheduled until 2018, but he would like to know what that entails.

Mr. Monzaki replied the City is trying to improve the flow through that intersection. The Transportation Master Plan recommended turning First Street into a one way east. There wouldn't be a right turn off of First Street.

Mr. Schuller commented he has also heard the need for a pedestrian crossing at that location. Making that one way, the City could put in a safe pedestrian crossing.

Mr. Monzaki continued with the Bickford Avenue Overlay project at \$500,000 and noted he is confident the City will likely receive a federal grant. The overlay project would be from the bridge crossing over SR 9 to Weaver Road. There is also the Fourth Street Project. He noted another State TIB grant application has been submitted to pave Fourth Street from Avenue A to Maple Avenue. There is also a paving project which is First Street from Cedar to Lincoln.

Trail and sidewalk projects include the Interurban Trail Redevelopment Project at \$105,000, which staff has submitted a grant application to the State. This project involves widening the trail, putting in a connection to the Centennial Trail and installing a signalized crossing at Sixth Street and Maple.

Mr. Monzaki stated the utility projects include the Pilchuck Bridge Water Improvement project at \$75,000, which involves a 6" water line on the bridge which is old and in need of replacement. The CSO Trunkline Connection to the Lagoon Project at \$550,000 entails converting the former 25-acre wastewater lagoon into a water quality treatment facility for stormwater. This is part of the separation project for the downtown area. The CSO Separation Annual Project at \$80,000 involves individually separating the storm from the sewer and taking it to the trunkline. The Swifty Creek Pipe Replacement Project at \$35,000 is replacing the 24" pipeline that starts north of Second Street. Part of the channel is right behind the rental properties. That pipe also cuts across private property. It's hard to maintain. The City is looking at relocating the pipe line into the street. This will cover the survey costs and some preliminary design work and will be a multiyear project. The Lincoln Avenue Utility Improvement Project at \$315,000 involves replacing the force main for the Lincoln Avenue pump station before the overlay is completed. If the City doesn't receive the grant for the overlay this year, the City may go ahead and complete the utility improvements. The Aldercrest Water Main Extension at \$895,000 is the result of the Aldercrest Water District dissolving. They would like to connect to the City's water system. To accomplish this, the City will need to extend the water main through Cypress Lane off of Pine Avenue.

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This will be partially funded by the Department of Health through loans and grants. However, there is no sewer in the street, so the City plans to install that at the same time. This street does not have storm and Cypress Lane is in pretty bad condition. The City will combine these projects - the water main extension to the sewer, storm and overlay.

#### **5. Staff's Key 2017 Budget Issues.**

Mr. Bauman started with the Open Government Initiatives. The major projects with a cost factor will be launching the quarterly magazine to be sent out via USPS to all households in the community. This would be advertiser supported. The concept is advertising would build over time and diminish the City's costs. However, staff believes there will be a \$13,500 annual cost for the start up. After that, it is hoped it will get close to breaking even with revenues from advertising.

Mayor Guzak stated there is a company that produces these magazines and the City would only need to provide the content.

Mr. Bauman said staff will be bringing a more detailed proposal to the Council in the form of a contract for consideration, but he would like to check in to see if this proposal should be included in the recommended budget for 2017.

Mayor Guzak stated the quarterly magazine along with the quarterly conversation café, could focus on a specific community topic. It is also the recommendation of the Open Government Committee.

Councilmember Randall stated this appears to be an upgrade from when he was on the Council in the 1990s. He recalls a newsletter was sent out. It was popular but was cut.

Mr. Bauman stated he hopes this model will allow the City to have a sustainable revenue base so it will continue after the first year with a relatively low budget cost.

Councilmember Burke asked if a bi-annual newsletter might be easier to manage.

Mr. Bauman stated it might diminish the ability to have timely information.

Council would like this cost included in the budget.

Mr. Bauman asked about the police contract scope of services as previously discussed at a workshop. He stated the Council wanted to wait until the County's Criminal Justice Sales Tax ballot measure was voted on. He noted it was disappointing to see it lose by less 400 votes, and a very low voter turnout.

Chief Flood reviewed the options discussed at the workshop which primarily involved supervision enhancements. Currently, the configuration is one Sergeant and two Deputies on a patrol shift. When a Sergeant is not on duty, there is a minimum staffing of two. Those two deputies are responsible for everything that occurs in the City. When that happens, the police rely on the unincorporated county Sergeant to come into the City and provide assistance if necessary. The system has worked well. The Chief would like the Council to consider the possibility of having full-time supervision. The easiest way is to take an existing Deputy's position and upgrade it to a Master Patrol Deputy or MPD. This is the County's current model. There would be a supervisor on duty at all times. The cost to upgrade four deputies to the rank of MPD would be \$26,513 annually. The other component

### **AGENDA ITEM 3a**

that he proposed earlier was the possibility of adding a swing shift deputy. There was hope that Prop 1 would pass and there would have been additional monies available to have that occur. Adding one Deputy is approximately \$169,000 and that covers everything – uniform, equipment, training, benefits and is the entire package. This would allow a swing shift car, seven days per week in the City. There would be an additional call taker in the evening when more calls for service come in. Currently, the shifts are 6:00 am to 6:00 pm. At about 4:00 pm, a day shift car is winding down their day and catching up on reports and preparing to get off duty at 6:00 pm. If somebody comes home from work at 5:30 pm and finds their home has been burglarized, that day shift Deputy has to respond and take a report for the crime. This results in a shift extension, or calling the graveyard person into service early, which is also a shift extension.

Having a swing shift car would allow the dayshift Deputy to continue to finish their paperwork and get off work at 6:00 pm. The graveyard person starts at 6:00 pm and the shift is fully staffed. Those were the two staffing components previously discussed at the workshop.

Chief Flood stated the other modification relates to staffing consistency in the City. In the Sheriff's Office assignments are bid upon based on seniority. All the deputies in Snohomish are here based on their seniority bid rights. Some are very junior and probably work the graveyard shift. Some are very senior and get the dayshift spots. The problem is every year they have to bid for their positions. One way to stop that rotation is to pay specialty pay. This would be paying the deputies a 3% specialty to stop the rotation. However, that is just not financially possible and an expense the Chief did not want to consider at this time. However, he does believe Council can consider looking at the Sergeants. There are only four Sergeants in town. Adding Specialty Pay to the Sergeants' position would allow the position to become a competitive position. For example, the Administrative Sergeant Fournier competed for his position and the Chief competed for the Chief's position. Should the City decide to pay the Patrol Sergeants the extra 3%, it would result in a selection process, and the City would have four Sergeants that want to be here and they would stay here as long as they wanted to be here. The cost for the Specialty Pay annually is \$17,128.

Councilmember Wilde asked about changing the shift schedule from 4:00 pm to 4:00 am to provide that added coverage.

Chief Flood stated if he had MPDs working, he could move his Sergeants around. So, instead of the night Sergeant starting at 6:00 pm, he could bring them in at 3:00 or 4:00 pm, which would allow the possibility of additional coverage late in the afternoon when the extra calls come in. When there are extra calls for service, the graveyard Sergeant is now spending an hour or two with the dayshift Sergeant exchanging information. Right now, the dayshift Sergeant goes home at 6:00 pm and the graveyard Sergeant arrives at 6:00 pm, and there is no overlap. If he can bring the graveyard Sergeant in a couple of hours early, there is the opportunity for an exchange.

Mayor Guzak is in support of increasing efficiency and stability. However, she doesn't believe adding additional deputies is the best option. She is in favor of consistency.

Chief Flood noted, as stated earlier, the bidding involves seniority but also rank. Therefore, Sergeants will bid first and MPDs would bid next. So, MPDs are just competing with MPDs, rather than competing against a pool of eighty deputies. Instead the MPDs would only be competing against a pool of approximately 15 MPDs. It's a much smaller pool.

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Councilmember Rohrscheib stated this option also provides a career ladder for the deputies. He knows an MPD that appreciates the extra responsibility and the opportunity for more experience.

Chief Flood agreed it does offer career development. An MPD could be promoted to Sergeant.

Councilmember Schilaty stated it appears the goals are to provide additional services and also provide some loyalty and longevity within the department.

Councilmember Rohrscheib noted that Sergeants currently have to bid for the City and asked if providing the specialty pay would allow them to stay in the City.

Chief Flood responded if the City pays the Patrol Supervisor specialty pay, they will no longer bid for the position. It is a one-time competitive process. The City makes the selection and those Sergeants can stay here.

Mayor Guzak stated the first two options, which include Specialty Pay and additional supervision with the Master Patrol Deputies accomplish the goals of providing additional service and longevity. The total annual cost would be approximately \$43,000 annually.

Mr. Bauman stated staff will develop a proposed contract for Council review which includes the two items for Patrol Supervisors and Master Patrol Deputies and present it as a discussion item for Council's review and further discussion.

Council agreed.

Ms. Olson reviewed the Information Services Projects which are funded by the charges from the direct operating funds. As part of the Open Government Committee recommendations regarding access to information in an easier to read format, staff has been looking into Open Data Portals, and there are a number of entities that provide this service. For example, if somebody wanted to view the budget in an interactive form, they would layer on top of the financial system and show it in graphs and tables.

Questica is the City's budget, capital and operating budget software and she was contacted by them to see if the City is interested in the visualization tool. This tool is an open data portal and provides an interactive format to be linked off of the City's webpage which allows the user to view the City budget in a different way. There would be no cost for two years. She has previewed the tool. The City would be given an opportunity to test it and gauge the public's interest in this tool.

Mayor Guzak asked if this would be limited to the budget documents or could this be used for other City records.

Ms. Olson responded Questica has additional modules that the City has not entertained yet. Those are in the realm of performance management and performance matrix. When the Council sets measurable goals that is something which could be pushed out in the data portal. The budget would be a first step in putting data out to the public in a different format. The goal would be for staff, Council and the public to all be working from the same set of data.

Ms. Olson spoke to the development of a records management policy and plan. Firstly, the records management plan needs to be developed. The policy will address how to manage the

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records within City Hall. On the information services side, the software would be a document storage solution. This would be the tool to implement a centralized filing system and ultimately a public document portal. The centralized filing system would result in managing how all City departments would store their documents, including project documents, and financial reports. The public document portal would be available after the document has been reviewed, and the public would be able to log on to the City's website, obtain the link to the public document portal and search records. This will not fulfill all the public records requests in providing documents. This one format to do it. A document storage solution would help the City to start to work on the management of the City's records. This is a multi-year project. A plan, policy and timeline will be developed. The other component is what to do with historical documents. The City will work with the State Archivist in transferring records to their Bellingham facility. There is also the State retention schedules, staff training and the need to transfer those documents into an electronic format prior to their physical transfer off site. That process will take some time.

Mayor Guzak wanted clarification that Questica can provide the portal at no cost increase for next year. The Records Management Plan will provide some development and staff time.

Mr. Bauman stated there are two issues. One is the need to free up some of the Clerk's time and develop a proposal for software implementation and bring it back to Council.

The estimated cost for the software would be approximately \$55,000, and is just the implementation cost. It would be a scalable project. In year one, it may be \$30,000 and it may be planned over multiple years.

Mayor Guzak stated she understands the Clerk is heavily worked.

Mr. Bauman responded that the Clerk is overworked. A lot is due to records issues. However, part of the problem is also the level of detail of the minutes that the Council has directed be maintained. No other community in this region maintains this level of detailed minutes. It is a huge burden for the City Clerk's Office. This topic will be brought back as a discussion item on September 20. Staff will be proposing to scale that process back.

Councilmember Schilaty stated the City currently has more resources to access this information.

Mr. Bauman replied the full audio files are available on the City's website from all the Council's regular meetings.

Councilmember Schilaty asked when the Council last made the decision to maintain detailed Council meetings.

Mr. Bauman stated it was at least two or three years ago.

Mr. Bauman said there are also a few miscellaneous budget issues to be addressed.

Ms. Olson explained that the State of Washington has business licensing capability. The State is currently undergoing an update of their software. Once their update is complete, which is proposed to be completed in January 2017, they will accepting more customers. There are quite a number of cities who use the State for their business licensing. They handle the intake, renewals and special licensing components like the PBIA. For 2017, the City is proposing to make the transition to utilize the State of Washington's business licensing

### **AGENDA ITEM 3a**

software and their website portal. Staff would still scrutinize the licenses, but would use the State tool in order to process the business licenses. Staff looks at this as a positive step for process and efficiency. It would be one-stop shopping for businesses.

Ms. Emge stated 2017 key projects for Tourism and Economic Development in Snohomish is finalizing the water trails project, which is from the Skykomish to the Sound. Staff will be developing maps, inventory and programs. She will be applying for a grant for kayak storage in the downtown area. She also noted there are challenges in identifying available properties in the community. She and Mr. Pickus have been brainstorming and will be returning to Council with some ideas for changing the zoning to allow slightly more light industrial uses. The City is very limited on where it can place light industrial.

Mr. Bauman stated the special election costs are currently unknown related to the change in the form of government measure on the November ballot. Staff doesn't know if the ballot measure will be approved or disapproved by the voters. If it is approved, the costs generated in 2017 with two special elections to elect a Mayor are unknown. This is because the City doesn't know what other agencies might be on the ballot to help share the costs. If Snohomish is the single item countywide for either one of those special elections in February and April 2017, it could end up paying the full cost of that special election which could be \$50,000 each. He doesn't recommend that \$100,000 be set aside as a line item in the budget at this point. He thinks it's onerous, due to the fact that it is somewhat speculative as a future cost. Mr. Bauman would like Council to be aware of this as a possible future cost, which may need to be drawn from the City's ending fund balance. If Council feels strongly this should be a line item in the budget, he would like to know that.

Councilmember Schilaty asked if the cost could be potentially more if it were a primary.

Mr. Bauman replied the February election would be the primary. The April election would be the final.

Mayor Guzak stated if there were a change in government, there would be legal fees to redraft the City's policies and procedures. She is not in support of including these potential fees within the City's 2017 budget.

The final item is the Health District contribution request. The District is requesting that both Snohomish County and each city within the county contribute a \$2.00 per capita payment to the Health District to help it sustain its current finances. The Health District is in the process of finalizing the study conducted by the William D. Ruckelshaus Center, associated with WSU and the UW that identifies recommendations both for financing and for governance of the Health District. That has not yet been released. It should be coming out in September. That study may provide additional guidance on how the big picture looks for the Health District. Mr. Bauman believes one of the critical components of this per capita budget plan if it's going to work, requires the County Council to make their contribution. Their proposed contribution would be per capita for every resident in the county, not just the unincorporated part. They are the major player in this financial plan. His recommendation would be to watch and wait to see what the County does and review the study. He would then bring this back to Council at a later date for future consideration.

Council would like staff to return with a discussion item when additional information is available.

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### **6. Review of Proposed 2017 Strategic Plan Action Items.**

Mr. Bauman reviewed the Strategic Plan Action Items to determine if there were any initiatives staff had not identified for 2017. If so, Council should incorporate them into the staff's planning process, and the budget, if there are monetary impacts..

1. *Establish a sustainable model for strengthening and expanding our parks, trails, and public spaces.*

This has been incorporated to some extent into the five-year financial plan to see how the City can sustain its operational costs for maintaining the existing and future park projects. Those issues will continue to be discussed as staff brings forward key decisions for Council to make regarding both expenditure and revenue issues.

The next item is to work with partners to increase educational, recreational, and cultural opportunities. One of the ways the City may be able to do is through the quarterly magazine staff discussed. The publication can include a resource page which can list all the recreational programs offered by other agencies in the region so citizens know how to access that information.

2. *Strengthen our foundations for connecting neighbors and enhancing our neighborhoods.*

This is not an initiative activated for 2017. The idea of enhancing our neighborhoods to create a neighborhood program has not generated a lot of enthusiasm in the neighborhoods. A small handful of neighborhoods are really well organized. The others have not shown interest in developing a strong neighborhood program at this point.

Councilmember Rohrscheib stated during the Conversation Café this topic was brought up.

Mr. Bauman replied there is some general interest, but there hasn't been any real elbow grease to put it together and make it work. Morgantown is one of the strongest neighborhoods the City has in this community. They have had a consistent level of effort that no other neighborhood has shown to date.

Mayor Guzak stated the Morgantown Neighborhood Watch evolved from the fact they were experiencing a lot of crime there. They are also close to the river and somewhat geographically isolated.

3. *Strengthen the community's connections to our rivers.*

This is something Mr. Pickus will be working on in the future. This is not a near term project. It may be pushed out until 2018.

Mayor Guzak asked if there was a master plan for the riverfront development.

Mr. Bauman responded staff does not have a master plan. There is a master plan for the park riverfront projects. There is also a master plan for downtown.

Mayor Guzak asked about the code changes.

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Mr. Bauman stated there were some code changes to encourage development of riverfront spaces, particularly decks and commercial improvements that face the river.

*Invest in public improvements to activate and improve access to Snohomish's rivers.*

Mr. Bauman stated these are associated with some of the concepts that Mr. Schuller discussed earlier in terms of the riverfront park properties. Including what might be done with Cady Park and possibly consider installing racks and/or contracting with concessionaires for canoes and kayaks.

*Encourage land and business owners to make improvements along Snohomish's rivers.*

Staff will likely be unable to activate this in 2017.

#### 4. *Increase multi-modal mobility within and connections to the community.*

The City has updated its Transportation Plan and incorporated it into the City's Comprehensive Plan.

*Work with partners to bring a strong regional approach to transportation and transit issues.*

The City has had success with the State Transportation package for the SR 9 improvements. There is still much more to do. Closing those bottleneck gaps on SR 9 in the future remain key priorities as the City finds new opportunities to fund transportation through State budgets in the future.

*Work with regional stakeholders to bring rail service and related regional trail connections to Snohomish.*

The City Council had a presentation a couple of months ago from the County regarding connectivity between the County's Centennial Trail South Project. Staff is also continuing to push for improvements on the Eastside Rail Corridor to upgrade those tracks to passenger train status which is about a \$10 million investment.

#### 5. *Become more environmentally sustainable.*

*Continue to invest in eco-friendly infrastructure through the City's Capital Improvement Program, focusing on stormwater infrastructure and investments in City facilities.*

This is partially being accomplished through the DOE Manual and CSO facilities through the City's capital planning, which is ongoing with the CSO improvements Mr. Schuller discussed earlier.

*Explore options to lessen the environmental impacts of the City's fleet and support the use of alternative powered vehicles by the public.*

The City is accomplishing this initiative on a very slow and incremental basis with improvement of fuel efficiencies.

*Take proactive measures for stewardship of Snohomish's rivers and Blackman's Lake.*

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The projects being completed this year to help moderate the Blackman's Lake levels will be a big improvement for that area, and the biggest City project for that item this year.

*Encourage sustainable development through the City's land use regulations. (Removal of obstacles for DOE Manual)*

Staff is working on this through public works and engineering and the greater use of low impact design features for both public and private developments.

*Encourage reduction of energy consumption by City government, builders and developers, residents, business owners, and visitors.*

The City has partnered with the PUD to convert 100% of the City's street lights to LED street lights.

6. *Cultivate local businesses and promote the City as a great place to do business.*

*Update the City's Economic Development Plan in ways that enhance the business climate and strengthen the success of local businesses.*

Ms. Emge strongly believes and the EDC supports her that updating the City's Economic Development Plan is not a high value activity and staff would like to recommend this initiative be removed from the Strategic Plan, with the Council's approval. The effort does not seem to have support within the community.

Mayor Guzak stated the City has a plan.

Ms. Emge responded it is outdated and there would be more value to have tactical improvements on a smaller scale.

*Collaborate with partners to strengthen the skills and employment opportunities of Snohomish residents.*

Ms. Emge continues to work with Everett Community College and WSU on these efforts and a lot of the work has been completed.

*Facilitate growth and the enhancement of community character by establishing plans and ordinances that support businesses and residents in key opportunity districts.*

The Comprehensive Plan update helped to accomplish some of this.

*Attract new residents and businesses by promoting Snohomish's quality of life and supportive business climate.*

The City is attracting new quality businesses to the community, although the City does not have a lot of capacity in terms of new land or commercial uses.

7. *Strengthen the City's attractiveness as a regional destination.*

*Enhance the streetscapes of primary corridors and improve gateways, signage, and way-finding to strengthen the City's identity and invite people into the City.*

### **AGENDA ITEM 3a**

*Work with community and business partners to enhance and expand signature events in the area.*

Ms. Emge has been working with the community and business partners to enhance and expand events. It appears the City has hit a plateau in that regard. There is not a lot value in adding new major events to the annual calendar. The downtown is activated and that helps to attract a lot of new folks into the City each year.

*Work with community and business partners to expand arts and cultural offerings.*

Ms. Emge stated allowing community theatres will help with this initiative.

*Promote Snohomish's offerings to regional visitors.*

*Continue to partner with Snohomish County Tourism Bureau (SCTB).*

*Work with partners to ensure the Historic Downtown is clean and attractive.*

Mr. Bauman stated these are ongoing efforts Ms. Emge works on continuously and is a part of her regular work plan.

#### 8. *Invest in Snohomish's Civic Facilities.*

*Sustain high-quality City services through cost-effective facilities.*

The City completed the Phase 1 remodel of City Hall, and are going out to bid for Phase I of the Police Department Improvements. Phase II of the City Hall improvement bid documents are being prepared.

#### 7. **Selection and Adoption of Council Goals for 2017**

This is one of the products from the City's staff's Management Team retreat in July. Staff reviewed the City Council's annual goals for 2016. In staff's discussion of the status of the Council's goals, it has provided some recommendations concerning proposed next steps as follows:

<b>Recommendation For 2017</b>	<b>2016 City Council Goals as Adopted</b>	<b>Comment</b>
Retain for 2017	1. Develop a sustainable, five-year financial plan that balances projected revenues and expenditures ( <i>Related to implementation of all Strategic Plan initiatives</i> )	Work with Council is ongoing
Completed (delete for 2017)	2. Review and develop a new set of Financial Management policies ( <i>Related to implementation of all Strategic Plan initiatives</i> )	Policies adopted by Council in 2016
Delete for 2017, but consider reactivating for 2018	3. Develop a biennial budget process beginning with the 2017-2018 Budget ( <i>Related to implementation of all Strategic Plan initiatives</i> )	Delayed due to ongoing work on #1.

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Retain for 2017	4. Analyze sustainable budget strategies to support parks operations ( <i>Related to initiative 1</i> )	Strategies not yet resolved
Delete for 2017 or combine with #1.	5. Collaborate with Snohomish County on the future use of the County’s Public Works property on Avenue D. ( <i>Related to Initiative 6</i> )	County not yet ready to move forward
Combine with #7.	6. Increase tax revenues through continued economic development. ( <i>Related to Initiatives 6 &amp; 7</i> )	#6 and #7 appear to be related
Combine with #6.	7. Attract more living wage jobs for the community. ( <i>Related to Initiative 6</i> )	#6 and #7 appear to be related
Retain for 2017	8. Collaborate with agencies in the region for development of rails and trails that serve Snohomish. ( <i>Related to Initiatives 1 &amp; 4</i> )	Ongoing work with County on design of connections to City
Completed (delete for 2017)	9. Determine preferred design options for resolving long-term water supply, and preserve the City’s Pilchuck River water rights. ( <i>Supports community health and welfare</i> )	No further policy decisions at this stage
Delete for 2017	10. Consider private-public partnerships for land acquisition and development. ( <i>Related to Initiatives 6 &amp; 8</i> )	No work plan perceived
Retain for 2017	11. Create a plan for redevelopment and new uses of the Hal Moe Pool property. ( <i>Related to Initiatives 1, 7 and 8</i> )	Work with Council is ongoing
Revise for 2017	12. Review and revise, as appropriate, the City’s public communication and civic engagement process. ( <i>Related to implementation of all Strategic Plan initiatives</i> )	Work now focused to implement this plan

The City Council agreed to the amended draft goals as follows:

1. Develop a sustainable, five-year financial plan that balances projected revenues and expenditures (*Related to implementation of all Strategic Plan initiatives*)
2. Analyze sustainable budget strategies to support parks operations (*Related to Initiative 1*)

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3. Attract more living wage jobs for the community and increase tax revenues through continued economic development. (Related to Initiatives 6 & 7)
  4. Collaborate with agencies in the region for development of rails and trails that serve Snohomish. (Related to Initiatives 1 & 4)
  5. Create a plan for redevelopment and new uses of the Hal Moe Pool property. (Related to Initiatives 1, 7 and 8)
  6. Implement approved enhancements to the City's open government, public communication and civic engagement programs.(Related to implementation of all Strategic Plan initiatives)
  7. Establish an ongoing invitation to community organizations and City boards and commissions to review their annual goals with the City Council to enhance collaboration and coordination. (Related to implementation of all Strategic Plan initiatives)
  8. Support land uses that encourage, expand and enhance economic development opportunities in the community. (Related to Initiatives 6 and 7)
  9. Partner with organizations to develop affordable housing projects, including senior affordable housing. (Related to Initiative 8)
8. **ADJOURN** at 8:32 p.m.

APPROVED this 20th day of September 2016

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
Karen Guzak, Mayor

\_\_\_\_\_  
Pat Adams, City Clerk

**AGENDA ITEM 3a**

## **AGENDA ITEM 3b**

### **Snohomish City Council Meeting Minutes September 6, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council meeting to order at 7:00 p.m., Tuesday, September 6, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

#### **COUNCILMEMBERS PRESENT**

Derrick Burke  
Karen Guzak, Mayor  
Tom Hamilton  
Dean Randall  
Michael Rohrscheib  
Lynn Schilaty  
Zach Wilde

#### **STAFF PRESENT**

Emily Guildner, City Attorney  
Jennifer Olson, Finance Director  
Steve Schuller, Deputy City Manager/PW Director  
Glen Pickus, Planning Director  
John Flood, Police Chief  
Pat Adams, City Clerk

2. **APPROVE AGENDA** contents and order – No change.

**MOTION** by Rohrscheib, second by Hamilton to approve the agenda. The motion passed unanimously (7-0).

3. **APPROVE MINUTES** of the regular meeting of August 16, 2016.

**MOTION** by Schilaty, second by Randall to approve the minutes of the regular meeting. The motion passed unanimously (7-0).

4. **CITIZEN COMMENTS** on items not on the Agenda

Mayor Guzak welcomed the citizens to the meeting. Citizen comments provide an opportunity to address issues not on the agenda. She requests that citizens provide their name and address. However, if a citizen does not wish to provide their information, the Council would still like to hear from them. She introduced the elected seven City Councilmembers and explained the Council is here to serve the citizens, make policy decisions and provide oversight and direction to staff. She introduced City staff. She noted the agenda for tonight's meeting is available on the table directly outside of the meeting room. Mayor Guzak explained the procedures for citizen comments. Comments are limited to three minutes and are managed by an electronic timer. Firstly, citizens will comment on items not on the agenda. Additional items where citizen comments are accepted include public hearings, action and discussion items. Citizen comments are not accepted under new business or consent items. Comments will be accepted after staff presentation and Council questions, and before Council deliberations. She asked citizens to please sign in to speak. Sign-up sheets are on the lectern. However, if a citizen has not signed in, they can still come forward to speak. The Council may not have immediate answers, but will do their best to get back to citizens. Please respect the three minute time limit and issues of civility. She noted comments are not for having a debate or a protracted dialogue, and each Councilmember has their own individual viewpoints. She welcomes citizens' perspectives and information. The Council and staff are here to serve all the citizens. She noted that Council and staff also respond to emails and phone calls and contact information is available on the City's website.

**Morgan Davis, 206 Avenue I**, stated he read in the minutes that the City Council and City Manager are going to prepare a Resolution for the Campaign Committee opposing Prop 2, to use against the proponents. Mr. Bauman said the Council will have to give due notice and

### **AGENDA ITEM 3b**

allow public comment prior to passing the Resolution. Under New Business tonight, he asked the Mayor to ask the City Attorney when the hearing will occur so they can prepare for it.

In addition, under New Business, he would like the City Attorney to be asked to clarify for the voters what actually Prop 2 requires as far as a second City Manager/Administrator position reporting to the elected, commonly called “Strong Mayor” position.

Mr. Davis said his neighbor read the Mayor’s scurrilous letter in last Friday’s Herald titled, “Passing Prop 2 in Snohomish Will Mean Paying Two Managers.” His neighbor’s opinion is that the Mayor’s facts are crooked and that she is intellectually dishonest comparing the small town of Snohomish with much larger cities such as Everett, Lynnwood, Marysville, Lake Stevens and Monroe – all two, three, four or ten times the population of Snohomish. Even at that, he doesn’t think Administrators in those strong mayor cities are compensated at \$197,560 or more per year, as the Mayor claimed in her Friday letter. He needs to have the City Attorney’s opinion whether Prop 2, if it passes, can allow a full-time elected Mayor position without requiring a second Administrator/Manager position being created. In other words, the full-time elected strong mayor can merely replace the current City Manager. Everything else can remain the same, i.e. the Deputy City Manager will merely report to the Mayor instead of the Manager. The department heads will continue to report to the Deputy Manager. If the City Attorney states that is true, then it proves the Mayor lied in her Herald letter. Prop 2 doesn’t mean paying two new Managers. Mr. Davis stated for the record his request that the Mayor ask the City Attorney for answers to those questions under New Business tonight.

Mr. Davis also read in today’s Tribune that Larry Bauman wants to eliminate the detailed Council minutes that they’ve all been used to this past decade at the next Council meeting. Council minutes are the most transparent tool the citizens have to document City Hall and Council blunders, boondoggles and shenanigans. They’ve always had access to audio, but nothing can replace the usefulness of detailed digital and black and white print. Keep the minutes intact.

**Arlyce Hopkins**, stated she appreciates all the time everybody puts into these meetings. She questioned the deed restriction on the Hal Moe property and wanted to know if Council saw the Letter to the Editor by Bruce Ferguson. She asked the Mayor to direct a question to the City Attorney about his statement, “Who in the hell hired this spin doctor?” in reference to Thom Graafstra making the statement that the deed restriction for “playground purposes only” was not really enforceable. She has big questions on that. Mr. Ferguson said just because the people are dead now that had the deed restriction placed on that property, doesn’t take away the fact it was there. She knows it was removed by Larry Bauman and Owen Dennison. Owen Dennison isn’t here anymore. It’s a big question on everybody’s minds – the facts on this.

Mayor Guzak replied she believed this topic was explored fairly extensively at the last meeting. However, she will bring it up again with the City Attorney.

Citizens’ comments – closed

5. **ACTION ITEM: AWARD** Bid and Authorize City Manager to Sign a Contract with Accord Contractors for the Police Station Remodel Project

Mr. Schuller stated Council approved staff to move forward with the remodel design and staff went out to bid. He reviewed the bid result and goals of the remodel. Mr. Schuller

## **AGENDA ITEM 3b**

explained the police department was previously a bank the City purchased in the 1990s and then converted into the current police station. There is a small conference room that doesn't work well and is the location where officers complete their reports. However, visitors entering the reception area can view what is happening in that room. There is also an awkward reception area. As discussed earlier this year with the Council, staff would like to complete Phase I of this remodel project. Phase I entails increasing the small conference room and separating out the police reporting area to a separate room. There will also be some improvements to the reception area to improve function and public interactions. Overall, this will be a basic remodel resulting from two decades of extensive use. Staff plans to remodel approximately 2,200 square feet of interior space only. There will be a new suspended ceiling, carpet, interior paint, energy efficient lighting, and updated electrical and communication networks within the new walls.

The funds to be used for the remodel are Police Seizure Funds. To date, the police department has received \$141,000 in funds. Staff went out to bid. The economy is really good and one bid was received from Accord Contractors, LLC in the amount of \$114,000. The bid was reviewed and it has been documented the costs are within appropriate levels. Staff would like to recommend the Council award the contract to Accord, with the typical 10% contingency. There will be \$15,000 for furnishings and police equipment to go back into the remodeled space. It is hoped the work will be completed under \$125,000 and whatever is saved from the construction project would be available as additional furnishing funds.

Councilmember Wilde asked about the new heating and air conditioning unit.

Mr. Schuller responded there was a new air conditioning unit installed because the previous unit was inoperable and its working fine.

Citizens' comments – closed

**MOTION** by Hamilton, second by Rohrscheib, that the City Council **AWARD** the Bid and **AUTHORIZE** the City Manager to sign a construction contract with Accord Contractors LLC, in a total amount not to exceed \$125,933.70, which includes a 10% contingency for the 2016 Police Station Remodel Project. The motion passed unanimously (7-0)

### 6. **DISCUSSION ITEM:** Economic Alliance Snohomish County (EASC) 2017 Legislative Transportation Priorities

Mr. Schuller stated the State Legislature passed a big Connecting Washington Transportation Bill last summer and now is the time to start negotiating and discussing a new transportation package, as staff expects there will not be a new one for many years. He would like to obtain general Council feedback on projects. He explained this Fall, both the County and the Economic Alliance Snohomish County, in preparation for the 2017 Legislative Session, will be updating their map. It is essential that any project which is important to Snohomish be included on the map as early as possible. Snohomish County as a whole has done a great job in working with the State Legislators and others.

Mr. Schuller discussed what transportation projects can and cannot do. He referenced a project in Houston, Texas where they spent \$2.8 million to widen a freeway to sixteen lanes. There are eight lanes in each direction, not including the frontage roads. They spent all that

### **AGENDA ITEM 3b**

money and congestion actually got worse. Following completion of that project, commuting times actually increased 25 minutes or 30%. The afternoon commute increased 23 minutes, or 55%. He referenced another project in Los Angeles, California, the 2012 Expo Light Rail Line on the west side of Los Angeles, which runs 8.6 miles between downtown and Culver City. The spent just under a billion dollars and found out it did not relieve traffic congestion. However, it boosted the transit ridership tremendously in that very dense area. As Council and staff look to the future, it should not overemphasize that any of these projects will reduce congestion. These types of projects will help, but in the long term and as evidenced in Houston and Los Angeles, as the City grows, congestion will get worse. These projects improve the capacity and productivity and also add value to their regions. Rail lines provide transit for low wage earners that may not be able to afford a car, increases links to job centers and provides more travel options when the highways are congested.

In the future, what has been discussed to help reduce congestion is to come up with some way to implement congestion pricing. When something is free, people tend use a billion dollar investment and then there is congestion. There is an induced demand.

All of these projects have tremendous benefit to the economy, jobs and allowing increased links to job centers, but they don't necessarily reduce congestion. Mr. Schuller described the City's regional network, which includes SR-9, US-2 and they both connect via the US-2 trestle to I-5. The trestle is one project that did not make it in the Connecting Washington package. The trestle is a mega project in the hundreds of millions of dollars to address the very old structure. Mr. Schuller and Mayor Guzak attended a presentation with Senator Curtis King, the head of the Senate Transportation Committee, and that project will have a regional focus. Staff seeks Council's confirmation that it is also a focus for Snohomish.

Mr. Schuller stated SR-9 has been improved all the way from Woodinville to Snohomish. It used to be a two lane County road, and it has been widened in many areas to a beautiful five to eight lanes all the way up. There is a missing piece from 176<sup>th</sup> Street to SR-96, which has not been completed. However, it is under design and they have the funding to complete the design, but not construction. This is something which will be of regional significance and will move forward as part of the next package.

The Snohomish River Bridge project did make the Connecting Washington package. Design on this project won't start design until 2023 and will open around 2027. The Lake Stevens 204 intersection project is being moved forward, and is a critical piece for the Lake Stevens area. Mr. Schuller believes the trestle and the 176<sup>th</sup> to SR-96 projects will move forward and staff would like to make sure they move forward in the next package with Council's approval.

The Eastside Rail Corridor is another project to discuss moving forward. Snohomish County provided Council with a presentation earlier this year regarding their efforts to complete a rail-trail project. The County will be focusing on making the trail improvements starting in Snohomish and allowing for future rail. Staff wishes to retain this project in the Connecting Washington package.

### **AGENDA ITEM 3b**

The Highway Department along with Marysville, Lake Stevens, Arlington and others within the SR-9 Coalition joined together and completed a route development plan. The plan has four phases for improvements to SR-9 within the City of Snohomish from the bridge at Second Street all the way up to US-2. Those estimates are in 2007 dollars. The first one is to widen SR-9 from a two lane road to a four or five lane road. The first phase goes from Second Street all the way up to the Bickford intersection. The second phase is the elimination of the current intersection at Bickford near the roundabout. It's a dangerous intersection. There is not good sight distance. According to the plan, the bridge going over SR-9 on Bickford would be upgraded and a signal would be added at 20<sup>th</sup> Street. This will connect the west and east sides of town and connect the businesses and provide a safer alternative as congestion continues to increase. The next phase would be to widen the road from the Bickford intersection all the way up to US-2, and make enhancements to the whole US-2 interchange.

Mr. Schuller speculates if the City were to try and promote all these projects, it may not be successful. He asks that Council think about these projects and determine if there is a project which may be considered a higher priority than the others. He would appreciate that initial feedback.

Councilmember Hamilton asked how 20<sup>th</sup> Street lined up with the entrance to the Business Park.

Mr. Schuller responded the intersection would still be at the same location on Bickford. There would just be a new signal on SR-9. The bad news is there would be a new stopping point on SR-9. The good news, there would be more flexibility for getting on and off the freeway in the future as congestion increases, and it will also improve safety.

Councilmember Hamilton asked if it would provide ingress and egress to the Business Park.

Mr. Schuller responded that is correct and it would be 19<sup>th</sup>. There would be a new signal on Bickford and 19<sup>th</sup> that would serve the Business Park to the west and the new interchange off the freeway.

Councilmember Hamilton asked if the intersection was too geographically challenged for a roundabout.

Mr. Schuller replied when the design is being reviewed, they would look at both a roundabout and a traffic signal. This review of options will also occur for Bickford and Weaver.

**Morgan Davis, 206 Avenue I**, stated it's fine to put a signal light on 20<sup>th</sup> to help the Bickford Business Park, but Snohomish is a town of commuters. Snohomish residents work at Boeing or in Bellevue, and he sees the congestion in the morning and night on Highway 9. If the City is going to put a new bridge over the Snohomish River at Second, he thinks the commuter option is a better one for the residents that have to commute to Seattle, Bellevue and Everett. He doesn't think the City needs to subsidize the developers. They can pay for that signal light themselves if they want to develop their property.

### **AGENDA ITEM 3b**

**Kari Zimmerman, Bonneville Avenue**, stated she travels around the area where the signal is proposed quite often. It is frustrating when you can't just travel straight across - especially on Friday evenings. The next light by the 76 Station and King Charley's gets so backed up. She wondered if an additional signal down further wouldn't possibly improve traffic flow at that location. She thinks the signal is a good idea. She does just miss that location on her way to and from work. She noted there are two Snohomish bridges and is not clear on which one is being discussed, but the one on Highway 9 gets extremely backed up in the morning. The evening is not so bad. She is in the area quite a bit at all different times of the day. The light at Bickford is a good idea.

Mayor Guzak clarified that one of the bridges is the doubling of the bridge across the Snohomish River in 2017. The second bridge is the old bridge - one of the oldest in the State that goes across Bickford over Hwy 9. That one is in sad shape and a project that could be included in the Connecting Washington Transportation Projects list.

Mr. Schuller confirmed they are referring to the bridge just north of the roundabout on Bickford which is not in any funding package at this time. The idea would be to work and try to include that in a future State package, so the City can replace that 1960s-era bridge on Bickford Avenue, just north of the roundabout.

Councilmember Wilde asked about a roundabout in that area. He wanted to know if the City is going to eventually have four lanes, how would that work and noted if you want to see two lanes going into one, to go look in the valley right now where everybody sneaks up and cuts over and causes more problems. He can see widening the intersection by King Charley's as quickly as possible and get people moving.

Councilmember Schilaty stated on the Bickford Bridge over Highway 9, it is a connector to the north and south end of the City. From a pedestrian standpoint, Bickford Avenue cannot be accessed as a pedestrian. You can't as a pedestrian safely cross that bridge. Her question to staff for discussion purposes is, does staff prioritize these options and if so, why?

Mr. Schuller stated continued discussions are needed on these options. However, when staff has discussed them, the bridge has been a topic of concern and thought to be high priority. This is due to safety concerns. There have been two deaths in the north SR-9 area. Councilmember Wilde is correct. Mr. Schuller believes when the State takes a look at SR-9 again with the City's input, they would almost assuredly decide to put a signal on the highway itself. There would just be too many lanes and it would be too confusing. Once you exit the highway and head west toward Bickford, the question would be would you want a signal or a roundabout at 19<sup>th</sup> and Bickford. The State will look at safety and capacity. Right now, it's conceptual and there's no funding.

Councilmember Randall wanted to revisit the discussion of the bridge over Highway 9 on Bickford Avenue. He agreed that pedestrians shouldn't cross that bridge, but they do. There have been many times where he has been driving at night in the winter and somebody is walking across that bridge. You try to give them as much room as you can, but it's really dangerous. This should be addressed. He is a little bit torn about doing a little more at the

### **AGENDA ITEM 3b**

US 2 interchange to see if that wouldn't open things up a little more, so there wouldn't be so much congestion south of that location. He could see that project as a second priority. It might break the jam so cars can get moving again.

Councilmember Hamilton stated there are two main things he sees out of this. Firstly, the Bickford Avenue bridge. For the same reasons others have cited tonight in terms of safety and other issues. While he has been an opponent of the 20<sup>th</sup> Street signal on Highway 9 for a variety of reasons, and as much as he would love to see a cloverleaf interchange there to get commuters on and off, he knows it's been looked at and for any number of reasons, it will not rise as a priority. He sees it as a priority from the standpoint that Bickford Avenue is designated by the City as business corridor. The City wants to be able to get people off of Highway 9 and back on to Highway 9 easily, so they can spend their dollars with the merchants on Bickford Avenue. From a financial standpoint for the City, he is in favor of this project as a priority. The benefit would be to get people to our businesses and back home again.

Councilmember Rohrscheib stated the long term plan for SR-9 is to be four lanes north and south. What is the timeline for this?

Mr. Schuller stated the plan is for improvements to be all the way up to Arlington as a modern four to five lane highway. However, the funding stops at the Snohomish River Bridge. There are spot improvements as you head north at various intersections with signals and roundabouts. The issue is funding. The gas tax has been slowly decreasing in its ability to fund these projects. Cars are more efficient and now we have electric cars. In looking forward, the gas tax is not going to get these projects delivered in the future.

Councilmember Rohrscheib said the Snohomish River Bridge wouldn't be widened necessarily, an additional bridge would be added. He thinks there would still be just as much congestion north until that becomes four lanes.

Mayor Guzak has been a part of the Highway 9 Coalition. In the best possible worlds, they would like Highway 9 to be four lanes from Woodinville all the way up to Arlington. The reality is the funding is not there. They have to set priorities. She agrees the most advantageous project for Snohomish would be the Avenue D and Bickford Avenue intersection improvements, if they can include the bridge that connects Bickford. It would need to be a package. Clearly, this advocacy would need to be in concert with other agencies along Highway 9. The City would need to work with the Economic Alliance, State Legislators and take the long view on this. It took ten years to get the last transportation package passed and it may take another ten to get the next one. There is a lot of effort going into the US-2 and the bridges that go across the Snohomish Valley. The old part of the overpass that goes across the valley is the westbound section, which is about forty years old. The eastbound section is newer. She has a meeting with the Mayor of Lake Stevens in about ten days to discuss transportation and other matters. They may reactivate the Highway 9 Coalition again.

### **AGENDA ITEM 3b**

Councilmember Rohrscheib referenced the Avenue D bridge. At one time, Council had discussed a pedestrian access on the side of the bridge. How much would that cost in lieu of replacing it with a wider bridge. Also, how would traffic be impacted by not having that bridge accessible during construction.

Mayor Guzak stated she believes the City wants to keep working for the Eastside Rail Corridor to establish a rail which would be very cost effective for moving people along the twelve mile corridor, and Snohomish would love to see an excursion train here, because so much of the City's economy is based on tourism. Also, the widening from Clearview down to the valley is a priority. She appreciated receiving direction from the Council, and is hearing the Avenue D project, including the bridge across Bickford is the number one priority.

Mr. Schuller stated he would obtain additional information on the US-2 improvements which may assist in relieving some of that congestion. However, there is little expectation that anything will be done in the 2017 session.

7. **CONSENT ITEM: AUTHORIZE** payment of claim warrants #59267 through #59360 in the amount of \$266,148.83, and payroll checks #15070 through #15101 in the amount of \$465,277.45 issued since the last regular meeting.

**MOTION** by Hamilton, second by Randall to pass the Consent Item. The motion passed unanimously (7-0).

#### 8. **OTHER BUSINESS/INFORMATION ITEMS:**

Mayor Guzak wished to address Mr. Davis' question about when the Resolution would be presented in opposition to Prop 2. She wanted to know if staff knew when that would be happening.

Mr. Schuller knows it's on the agenda planner with a tentative date, which staff does not have available tonight.

Mayor Guzak noted there will be opportunity for public comment with the usual agenda notice.

Mr. Schuller stated it will be posted in the City's Weekly Newsletter and publicized.

Mayor Guzak spoke relative to Mr. Davis' other comment regarding not having two executive salaries. She referenced a list, which all the Councilmembers were also given a copy of, which showed both City Administrators and City Managers. She noted most cities of Snohomish's size, not only have a strong Mayor, but they also have a City Administrator. The City Administrator's salary is comparable to Snohomish's City Manager's salary. Therefore, not only are these cities paying a strong Mayor's salary, there is also a City Administrator's salary that is comparable to the City Manager's salary.

Mayor Guzak wished to address Ms. Hopkins' question about the deed restriction and wanting more information.

## **AGENDA ITEM 3b**

Councilmember Schilaty wanted to respond to Mr. Davis' question. She thinks it's possible to have a strong Mayor without an Administrator. However, she doesn't think it would be advisable for any City to go forward without a professional in that position. It would be a very dangerous position to put a City in to have only a Mayor. You can find examples of that over and over again, where there has not been a professional Administrator and examples of strong Mayors getting themselves into very deep trouble.

The City Attorney confirmed Councilmember Schilaty is correct. There are only three hired positions which are required under State law, and they include the City Clerk, City Attorney and Police Chief aside from the elected positions. She stated it would be possible to have only a strong Mayor. However, she is not aware of a City that doesn't have a professional Administrator under a Mayor/Council form of government, much like Snohomish has a City Manager under the Council/Manager form of government.

Mayor Guzak referenced Ms. Hopkins' question on the deed restriction. She stated it was covered thoroughly at the last meeting and was outlined in the meeting minutes. She asked the City Attorney if she had anything to add.

The City Attorney stated page 15 of the minutes does the best job of explaining why the deed restriction is not enforceable. The entity is no longer in existence. There is no one who has standing anymore to enforce the deed restriction. The City owns it. They can take it and remove it. City Attorney Graafstra gave examples of ways that are more enforceable for these types of situations, such as the zoning approach which allow for public comment and enforcement. When a single entity or person owns an entire parcel of land, they can do with it as they will. They can enforce restrictions or they don't have to because they own it.

Mayor Guzak stated she read Bruce Ferguson's letter. His letter was in error. He was concerned about a cell tower at that site. The City has changed the zoning there and cell towers are no allowed in any City park. A cell tower at that site has nothing to do with deed restrictions. As Councilmember Schilaty and other councilmember have stated, they were all very responsive to comments from the citizens, and they did their due diligence and have protected City parks from cell towers.

Councilmember Schilaty stated the deed restriction which was removed does not confer any more restriction or protection than the zoning which exists there currently. As was discussed at the last Council meeting concerning this issue, zoning is a much better way in which to enforce those restrictions because the zoning requires a very public process. The deed is just an instrument used between two parties in land conveyance and it is not a zoning tool.

Mayor Guzak stated she would like to discuss the City Manager's Fourteenth Employment Contract Amendment. As Council is aware, the City Manager's annual review is complete and the contract amendment is due for completion, with consideration given to a cost of living increase.

**MOTION** by Randall, second by Rohrscheib to authorize the Mayor to execute the Fourteenth Amendment to the City Manager's Employment Contract, including a 2.25% cost of living salary adjustment.

Councilmember Schilaty feels this is in line with what the City is doing for other employees, and Manager Bauman has done an excellent job for the City. She supports the contract amendment.

### **AGENDA ITEM 3b**

Councilmember Wilde stated since working with Mr. Bauman and City staff, he has come to realize how valuable they really are - especially during a time when they are scrutinized on their work. He thinks there is a misconception about some of the things they do. He thinks this adjustment is comparable to the work he does as well as the rest of City staff. Mr. Bauman does a great job and this is totally deserved.

**VOTE ON THE MOTION:** The motion passed unanimously (7-0).

Mayor Guzak wished to address a housekeeping issue relative to the Council policies and Municipal Code concerning establishing the Council's ad hoc committees. She noted there are some discrepancies between the Code and the policies, and she would like Council's permission to direct staff to review this matter and make the Council policies and SMC consistent.

Councilmember Schilaty is supportive of this effort. She would like to ensure that the ad hoc committees are in line with other boards and commissions.

Councilmember Randall agrees that clarification and consistency are needed.

Mayor Guzak asked staff to review and amend the policies and the SMC and return to Council with the amendments.

#### **10. COUNCILMEMBER COMMENTS/LIAISON REPORTS:**

*Councilmember Hamilton* stated Council doesn't know what is going to happen at the November election. If the City winds up with a strong Mayor, that doesn't necessarily mean the City costs will increase. It's his understanding, the Council sets the salary of the Mayor. The City may hire a City Administrator for what is being paid now, and the Mayor may receive \$12.00 a year, or \$1.00 per month.

The Planning Commission will be meeting tomorrow night at 6:00 p.m., and will be reviewing the Snohomish Municipal Code and Engineering Design and Construction Standards amendments. When looking at congestion, he stated Snohomish is in a good position. Beginning on September 11, new Community Transit Route 109 from Lake Stevens to the Ash Way Park and Ride, also the 209 from Lake Stevens to Quil Ceda Village takes effect. It will initially be travelling down Hwy 9 to the Park and Ride and down Avenue D and out to Airport Way. Once construction is complete on the 30<sup>th</sup> Avenue and SR-9 intersection, the bus will travel down Bickford Avenue from Snohomish Station. He commented, when you build more roads, developers build more property. He's watched that for decades. It just happens. Currently, developers are looking to buy property for apartment buildings near Park and Rides.

On a sad note for the community, he informed Council, Jim Church passed away. He was very active in the community. Councilmember Hamilton served with Jim for many years on the Snohomish Parks Foundation and it's a sad loss. He also noted that he will not be in attendance at the October 4 Council meeting.

*Councilmember Burke* stated the HDS will be meeting on Thursday and the Park Board did not have an August meeting, but will be meeting on the third Thursday this month.

*Councilmember Rohrscheib* inquired if there will be a traffic emphasis around schools tomorrow to remind drivers school is back in session.

**AGENDA ITEM 3b**

Chief Flood stated there will be an added police presence in the community, and will be looking for everybody's cooperation in adhering to the 20 mph speeds in school zones.

*Councilmember Wilde* stated they are still looking for another member for the Design Review Board vacancy.

*Councilmember Schilaty* stated the EDC will be meeting the last Tuesday of the month.

11. **MANAGER'S COMMENTS:** None.

12. **MAYOR'S COMMENTS**

Mayor Guzak attended the Hal Moe Committee picnic held at the Hal Moe site. She met some of the City park workers. The Hal Moe Committee is doing a great job at looking at options for the site. There were quite a few comments from citizens, and there were quite a few skateboarders in attendance. The skateboarders were making a pitch for keeping the pool in the old Hal Moe building as skateboard pits. The Council will need to balance all the community needs.

Mayor Guzak met with Mayor Spencer of Lake Stevens and toured some Hwy 9 and US-2 projects. She will be meeting with him in about ten days to discuss common issues, including potential expansion of the City's north zone.

13. **ADJOURN** at 8:05 p.m.

APPROVED this 20<sup>th</sup> day of September, 2016.

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
Karen Guzak, Mayor

\_\_\_\_\_  
Pat Adams, City Clerk

**AGENDA ITEM 3b**

**PRESENTATION 5**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Larry Bauman, City Manager  
**Subject:** **Proclamation to Celebrate October 2016 as John S. White Month in Snohomish**

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**SUMMARY:** The purpose of this agenda item is for the City Council to consider approval of the attached Proclamation, requested by Mayor Guzak, to proclaim the month of October as John S. White Month in Snohomish. This proclamation would honor Mr. White for his contributions to the historic legacy of architecture of Snohomish.

**STRATEGIC PLAN REFERENCE:** Not applicable

**RECOMMENDATION:** That the City Council **APPROVE** the attached proclamation for designating October 2016 as John S. White Month in Snohomish.

**ATTACHMENT:** Proclamation of John S. White Month



# CITY OF SNOHOMISH

*Founded 1859, Incorporated 1890*

116 UNION AVENUE □ SNOHOMISH, WASHINGTON 98290 □ TEL (360) 568-3115 FAX (360) 568-1375

## PROCLAMATION

### A PROCLAMATION OF THE CITY OF SNOHOMISH IN DESIGNATING THE MONTH OF OCTOBER 2016 AS JOHN S. WHITE MONTH

**WHEREAS**, John S. White arrived with his wife, Delia, and their three daughters in February 1884, eventually making their home on Avenue H, Snohomish; and where John died on October 20, 1920; and

**WHEREAS**, in 1890, White was elected to the City Council at the same time the citizens voted to incorporate as the City of Snohomish; and

**WHEREAS**, on January 1, 1891, after only seven years in town, White's biographical sketch was published in the *Snohomish Sun* in a Special Section, titled, "Snohomish's Business Men," with a summary of his noted clients, a who's who of early Snohomish leaders; and

**WHEREAS**, White continued to serve on the City Council in the years, 1892, 1895, and in 1896, as well as, serving on the school board for many years; and

**WHEREAS**, John and Delia remained throughout their lives founding members of the Methodist Church, the first structure White built in 1884 and which is still standing and carefully maintained, although a block east of its original location. Both were members of the Odd Fellows Lodge, the second of White's buildings; and

**WHEREAS**, White's Building at 942 First Street, built in 1893, has been misidentified since 1973, discovered and its origins corrected in the forthcoming book **J. S. White: Our First Architect, White's Surviving Structures from 19th-century Snohomish** to be published by the people of Snohomish;

**NOW, THEREFORE**, I, Karen Guzak, Mayor of Snohomish, on behalf of the City Council, do hereby proclaim the month of October 2016 as

*JOHN S. WHITE MONTH in SNOHOMISH,  
AS A PROMISE TO REMEMBER AND CELEBRATE HIS ARCHITECTURAL LEGACY FOR  
BOTH CITIZENS AND VISITORS FOR YEARS TO COME.*

SIGNED by the Mayor of Snohomish this 20<sup>th</sup> day of September 2016.

\_\_\_\_\_  
Karen Guzak, Mayor

ATTEST:

\_\_\_\_\_  
Pat Adams, City Clerk

## **ACTION ITEM 6a**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **Proposed Capital Improvement Plan 2017 – 2021**

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**SUMMARY:** The purpose of this agenda item is for City Council’s review and discussion of the proposed 2017-2021 Capital Improvement Plan (See Attachment A).

**BACKGROUND:** From December 2015 through June 2016, the City Council discussed and adopted an updated, comprehensive Financial Management Policy. This policy includes Section 6.0 which specifically addresses guidelines for Capital Budgeting.

### **6.0 CAPITAL IMPROVEMENT PLAN (CIP)**

#### **6.0 CIP Objective**

*The City of Snohomish Capital Improvement Plan (CIP) will describe the capital investments the City intends to make over a period of five years. Capital projects shall link to and identify the relationship to the Comprehensive Plan – Capital Facilities Plan (CFP) section that incorporates all master and functional plans where projects are identified with that plan. The CIP will serve as a comprehensive list of all capital project types where the City Council will address capital infrastructure improvements, capital equipment needs, and the affect on the City’s resources.*

#### **6.1 CIP Criteria and Ranking**

*As adopted within the City of Snohomish Comprehensive Plan – CFP: Elements Goals and Policies, CIP projects shall be evaluated and prioritized using criteria adopted within the CFP.*

#### **6.2 CIP Budget**

*The City will coordinate development of the CIP with the development of the operating budget. As resources are available, the most current year of the CIP will be recommended for incorporation into the current year operating budget as capital project fund budget line items. Years two through five of the CIP are for planning purposes only. Details regarding the CIP development process will be found in administrative procedures.*

#### **6.3 Project Source and Use Identification**

*Capital project submissions shall include multi-year funding sources, including grants, applicable impact fees, special funding and other outside sources. Multi-year project costs, including acquisitions, right-of-way, design, construction, in-house staff time, permitting, inflationary costs and contingency must be included in the project identification. Capital projects shall be identified as unfunded, partially funded or fully*

## **ACTION ITEM 6a**

*funded. Each capital improvement project will be reviewed by department managers for its long-term impact on the operating budget in terms of:*

- *future year revenue generation*
- *additional personnel requirements*
- *future operating and maintenance expenditures*

### **6.3.1 Project Sources**

*Capital funding for general government, transportation and enterprise (utility) projects comes from operating revenues, grants, local improvement districts, impact fees and user fees. Washington State law limits the City of Snohomish ability to raise funds for capital improvements such as tax rate limits and amount of debt capacity. Given the extensive number of capital improvement projects and lack of funding available, the following are capital financing strategies used by the Snohomish City Council when preparing or updating the Capital Improvement Plan:*

- *Non “brick & mortar” solutions will be utilized wherever possible*
- *Similar departmental capital projects will be combined for efficiencies and cost savings such as street improvements combined with utility improvements to minimize impact to the community*
- *Existing resources be fully utilized prior to purchase or construction of new infrastructure*
- *Stretch REET funding utilizing council manic bonds*
  - *Total debt service financed by REET sources should amount to no more than 75% of total annual REET revenues. See Reserve Section 2.5.2 regarding Fund reserve requirement.*
- *Enterprise (utility) fund projects shall be paid for by user rates and capital connection charges*

### **6.3.2 Project Costs**

*For the purpose of the CIP, capital outlay is distinguished from capital projects. Capital outlay includes expenditures for equipment, technology and professional services between \$5,000 and \$29,999 and having less than an estimated three years of useful life. Capital outlay type expenditures will be included in the operating budget, as well as, master planning or professional services of any size and scope, adopted by the City Council, shall be budgeted for within the operating budget as a separate line item.*

*All capital projects or capital equipment purchases at least \$30,000 or over and having a useful life of three years or more are included in the CIP budget process. These projects include large capital maintenance items that extend the useful life of the capital asset. Projects may not be combined to meet the minimum standard unless they are dependent upon each other. Projects may not be separated to forego the maximum standard. Items that are operating*

## **ACTION ITEM 6a**

*expenditures (such as professional services, master plan updates, maintenance agreements, technology items, etc.) will not be considered within the CIP.*

### **6.5 Capital Improvement Plan Review**

*Department managers will present the CIP to the City Council for approval prior to the year-one CIP projects being included within the annual operating budget. Any substantive change to the CIP after approval must be approved by the City Council.*

**ANALYSIS:** As per the City's Capital Budgeting Policy, the City Council will review and consider staff recommended capital projects as part of the budget development process. During the August 23, 2016 Council Budget Workshop, a preliminary Capital Improvement Plan was presented to and discussed by the City Council. Key projects include:

- Carnegie Building improvements to allow the facility to be used as City Council Chambers and for other board and commission meetings.
- Master planning and design work for the future of the Hal Moe site property.
- Pedestrian Network improvements to repair sidewalks, improve school crossings and other crosswalks throughout the community.
- CSO Separation projects that will continue to separate sewer pipes from storm water pipes.
- Pavement Overlay projects on Bickford Avenue, Lincoln Avenue, First Street and Fourth Street. Overlay projects are funded from the voter approved Transportation Benefit District sales tax initiative.

The five-year capital budget for the 2017 -2021 Capital Improvement Plan is \$21,775,442

The proposed 2017 capital projects will be incorporated as capital expenditures and funding source line items within the 2017 Proposed Operating Budgets currently under development.

**STRATEGIC PLAN REFERENCE:** The Capital Improvement Plan supports all Strategic Plan Initiatives

**RECOMMENDATION:** That the City Council **ADOPT** the proposed Capital Improvement Plan for 2017-2021, and **DIRECT** staff to include 2017 Capital Projects in the 2017 Operating Budgets.

**ATTACHMENT:** Proposed Capital Improvement Plan 2017-2021

## **ACTION ITEM 6a**

City of Snohomish

### **Capital Improvement Plan 2017-2021 Cost by Asset Category**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>5-Year Total</b>
<b>Buildings</b>						
<b>Municipal Facility</b>						
106 - Carnegie Library	230,000	0	0	0	0	230,000
112 - Hal Moe Pool Site Redevelopment	150,000	0	0	0	0	150,000
118 - Police Station Improvements	105,000	0	0	0	0	105,000
<b>Total: Municipal Facility</b>	<b>485,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>485,000</b>
<b>Utility Facility</b>						
305 - Water Treatment Plant	75,000	0	0	0	0	75,000
409 - Wastewater Treatment Plant	350,000	258,125	266,514	275,176	284,119	1,433,934
410 - Disinfection	0	100,000	902,000	0	0	1,002,000
411 - FEMA Levee	0	0	0	300,000	0	300,000
412 - Filtration Upgrades	0	150,000	0	2,001,000	0	2,151,000
415 - Lift Station Upgrade 2	0	0	0	450,000	0	450,000
<b>Total: Utility Facility</b>	<b>425,000</b>	<b>508,125</b>	<b>1,168,514</b>	<b>3,026,176</b>	<b>284,119</b>	<b>5,411,934</b>
<b>Total: Buildings</b>	<b>910,000</b>	<b>508,125</b>	<b>1,168,514</b>	<b>3,026,176</b>	<b>284,119</b>	<b>5,896,934</b>
<b>Other Structures</b>						
<b>Park</b>						
115 - Riverfront Property Improvements	150,000	0	100,000	0	0	250,000
121 - Kla Ha Ya Park Redevelopment	0	0	0	0	20,000	20,000
924 - Fischer Park Improvements	65,000	0	0	0	0	65,000
929 - Cady Park Improvements	0	0	50,000	0	0	50,000
930 - Hill Park Improvements	40,000	0	0	0	0	40,000
<b>Total: Park</b>	<b>255,000</b>	<b>0</b>	<b>150,000</b>	<b>0</b>	<b>20,000</b>	<b>425,000</b>
<b>Playground</b>						
120 - Park Facility Replacement & Upgrades	40,000	40,000	40,000	40,000	40,000	200,000
<b>Total: Playground</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>200,000</b>
<b>Streets</b>						0
910 - Avenue A Corridor	715,000	0	0	0	0	715,000
911 - Bickford Avenue & Weaver Way	300,000	700,000	2,000,000	0	0	3,000,000
912 - Bickford Avenue & 19th Place	0	0	0	0	187,000	187,000
915 - 2nd Street & Avenue J	0	100,000	0	0	0	100,000
916 - 2nd Street Corridor	0	169,000	61,000	990,000	0	1,220,000
919 - Lincoln Avenue Overlay	362,000	0	0	0	0	362,000
926 - Bickford Avenue Overlay	500,000	0	0	0	0	500,000
933 - First Street Avenue Overlay	307,000	0	0	0	0	307,000
934 - Fourth Street Overlay	326,000	0	0	0	0	326,000
<b>Total: Streets</b>	<b>2,510,000</b>	<b>969,000</b>	<b>2,061,000</b>	<b>990,000</b>	<b>187,000</b>	<b>6,717,000</b>
<b>Trails &amp; Sidewalks</b>						
207 - Interurban Trail Redevelopment	105,000	695,000	0	0	0	800,000
208 - Pedestrian Networks Improvements	60,000	60,000	60,000	60,000	60,000	300,000
<b>Total: Trails &amp; Sidewalks</b>	<b>165,000</b>	<b>755,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>1,100,000</b>

9/9/2016

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**ACTION ITEM 6a**

City of Snohomish

**Capital Improvement Plan 2017-2021 Cost by Asset Category**

	2017	2018	2019	2020	2021	5-Year Total
<b>Utility Pipes</b>						
311 - Pilchuck Bridge Water Improvement	75,000	0	0	0	0	75,000
413 - System Repair & Replacements	350,000	361,375	373,120	385,246	397,767	1,867,508
414 - Rainer Force Main Replacement	0	0	0	0	500,000	500,000
505 - CSO Trunkline Connection to Lagoon	550,000	0	0	0	0	550,000
506 - CSO Separation - Annual	80,000	650,000	0	0	714,000	1,444,000
507 - Holly Vista Dr Replacement	0	100,000	400,000	0	0	500,000
508 - Swifty Creek Pipe Replacement	35,000	0	75,000	650,000	0	760,000
515 - Union Avenue Stormwater LID	0	0	0	0	70,000	70,000
927 - Emerson Street Utility Improvement	0	540,000	0	0	0	540,000
928 - Lincoln Avenue Utility Improvement	315,000	0	0	0	0	315,000
932 - Aldercrest Water Main Extension	815,000	0	0	0	0	815,000
<b>Total: Utility Pipes</b>	<b>2,220,000</b>	<b>1,651,375</b>	<b>848,120</b>	<b>1,035,246</b>	<b>1,681,767</b>	<b>7,436,508</b>
<b>Total: Other Structures</b>	<b>5,190,000</b>	<b>3,415,375</b>	<b>3,159,120</b>	<b>2,125,246</b>	<b>1,988,767</b>	<b>15,878,508</b>
<b>Total Capital Expenditures</b>	<b>6,100,000</b>	<b>3,923,500</b>	<b>4,327,634</b>	<b>5,151,422</b>	<b>2,272,886</b>	<b>21,775,442</b>

City of Snohomish

**Capital Improvement Plan 2017-2021 - Sources of Funding for Projects**

Project *	Source of Funding	2017	2018	2019	2020	2021	
106 - Carnegie Library	<i>Beginning Fund Balance</i>	35,387	18,712	37,037	55,362	73,687	
	Carnegie Fund Cash on Hand	35,000	-	-	-	-	
	<b>Total Carnegie Funds Used</b>	<b>35,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<i>Plus Annual Lease Revenues</i>	18,325	18,325	18,325	18,325	18,325	
	<i>Ending Fund Balance</i>	18,712	37,037	55,362	73,687	92,012	
924 - Fischer Park Improvements	Donation - Park Foundation	4,000	-	-	-	-	
	<b>Total Donations Used</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
118 - Police Station Improvements	Police Seizures funding	105,000	-	-	-	-	
	<b>Total Police Seizure Funds Used</b>	<b>105,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
932 - Aldercrest Water Main Extension	Grant - Department Health	200,000	-	-	-	-	
926 - Bickford Avenue Overlay	Grant - PSRC/STP	384,000	-	-	-	-	
924 - Fischer Park Improvements	Grant - RCO	32,500	-	-	-	-	
911 - Bickford Avenue & Weaver Way	Grant - TIB	255,000	595,000	1,700,000	-	-	
912 - Bickford Avenue & 19th Place	Grant - TIB	-	-	-	-	158,950	
919 - Lincoln Avenue Overlay	Grant - TIB	273,000	-	-	-	-	
933 - First Street Avenue Overlay	Grant - TIB	231,000	-	-	-	-	
934 - Fourth Street Overlay	Grant - TIB	246,000	-	-	-	-	
916 - 2nd Street Corridor	Grant - WSDOT Ped & Bike Program	-	168,000	60,000	841,500	-	
207 - Interurban Trail Redevelopment	Grant - WSDOT Ped & Bike Program	65,625	434,375	-	-	-	
	<b>Total Grant Funds Used</b>	<b>1,687,125</b>	<b>1,197,375</b>	<b>1,760,000</b>	<b>841,500</b>	<b>158,950</b>	
910 - Avenue A Corridor	<i>Beginning Fund Balance</i>	492,131	695,687	589,687	288,687	140,187	
	Traffic Impact Fee funding	100,000	-	-	-	-	
	911 - Bickford Avenue & Weaver Way	Traffic Impact Fee funding	45,000	105,000	300,000	-	-
	912 - Bickford Avenue & 19th Place	Traffic Impact Fee funding	-	-	-	-	28,050
	916 - 2nd Street Corridor	Traffic Impact Fee funding	-	1,000	1,000	148,500	-
	<b>Total Traffic Impact Funds Used</b>	<b>145,000</b>	<b>106,000</b>	<b>301,000</b>	<b>148,500</b>	<b>28,050</b>	
	<i>Plus Estimated Development Related Fees</i>	348,556	-	-	-	-	
	<i>Ending Fund Balance</i>	695,687	589,687	288,687	140,187	112,137	

**ACTION ITEM 6a**

City of Snohomish

Capital Improvement Plan 2017-2021 - Sources of Funding for Projects

Project *	Source of Funding	2017	2018	2019	2020	2021
	<i>Beginning Fund Balance</i>	1,217,341	964,466	953,841	1,153,841	1,503,841
106 - Carnegie Library	REET funding	195,000	-	-	-	-
112 - Hal Moe Pool Site Redevelopment	REET funding	150,000	-	-	-	-
115 - Riverfront Property Improvements	REET funding	150,000	-	100,000	-	-
120 - Park Facility Replacement and Upgrades	REET funding	40,000	40,000	40,000	40,000	40,000
121 - Klā Ha Ya Park Redevelopment	REET funding	-	-	-	-	20,000
207 - Interurban Trail Redevelopment	REET funding	39,375	260,625	-	-	-
208 - Pedestrian Networks Improvements	REET funding	60,000	60,000	60,000	60,000	60,000
915 - 2nd Street & Avenue J	REET funding	-	100,000	-	-	-
924 - Fischer Park Improvements	REET funding	28,500	-	-	-	-
929 - Cady Park Improvements	REET funding	-	-	50,000	-	-
930 - Hill Park Improvements	REET funding	40,000	-	-	-	-
	<b>Total REET Funds Used</b>	<b>702,875</b>	<b>460,625</b>	<b>250,000</b>	<b>100,000</b>	<b>120,000</b>
	<i>Plus Annual Tax Revenues</i>	600,000	600,000	600,000	600,000	600,000
	<i>Less Annual Operating Fund Support</i>	150,000	150,000	150,000	150,000	150,000
	<i>Ending Fund Balance</i>	964,466	953,841	1,153,841	1,503,841	1,833,841
	<i>Beginning Fund Balance</i>	1,592,008	1,706,008	2,466,008	3,266,008	4,066,008
910 - Avenue A Corridor	TBD funding	260,000	-	-	-	-
919 - Lincoln Avenue Overlay	TBD funding	89,000	-	-	-	-
926 - Bickford Avenue Overlay	TBD funding	116,000	-	-	-	-
927 - Emerson Street Utility Improvement	TBD funding	-	40,000	-	-	-
932 - Aldercrest Water Main Extension	TBD funding	65,000	-	-	-	-
933 - First Street Avenue Overlay	TBD funding	76,000	-	-	-	-
934 - Fourth Street Overlay	TBD funding	80,000	-	-	-	-
	<b>Total TBD Funds Used</b>	<b>686,000</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<i>Plus Annual Tax Revenues</i>	800,000	800,000	800,000	800,000	800,000
	<i>Ending Fund Balance</i>	1,706,008	2,466,008	3,266,008	4,066,008	4,866,008

**ACTION ITEM 6a**

City of Snohomish

Capital Improvement Plan 2017-2021 - Sources of Funding for Projects

Project *	Source of Funding	2017	2018	2019	2020	2021
305 - Water Treatment Plant	Water Cash on Hand	75,000	-	-	-	-
311 - Pilchuck Bridge Water Improvement	Water Cash on Hand	75,000	-	-	-	-
910 - Avenue A Corridor	Water funding	145,000	-	-	-	-
927 - Emerson Street Utility Improvement	Water funding	-	150,000	-	-	-
<b>Total Water Funds Used</b>		<b>295,000</b>	<b>150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
409 - Wastewater Treatment Plant	Sewer Cash on Hand	350,000	258,125	266,514	275,176	284,119
410 - Disinfection	Sewer Cash on Hand	-	100,000	902,000	-	-
411 - FEMA Levee	Sewer Cash on Hand	-	-	-	300,000	-
412 - Filtration Upgrades	Sewer Cash on Hand	-	150,000	-	2,001,000	-
413 - System Repair & Replacements	Sewer Cash on Hand	350,000	361,375	373,120	385,246	397,767
414 - Rainer Force Main Replacement	Sewer Cash on Hand	-	-	-	-	500,000
415 - Lift Station Upgrade 2	Sewer Cash on Hand	-	-	-	450,000	-
927 - Emerson Street Utility Improvement	Sewer Cash on hand	-	300,000	-	-	-
928 - Lincoln Avenue Utility Improvement	Sewer Cash on Hand	265,000	-	-	-	-
932 - Aldercrest Water Main Extension	Sewer funding	400,000	-	-	-	-
505 - CSO Trunkline Connection to Lagoon	Sewer funding	275,000	-	-	-	-
506 - CSO Separation - Annual	Sewer funding	40,000	325,000	-	-	357,000
910 - Avenue A Corridor	Sewer funding	135,000	-	-	-	-
<b>Total Sewer Funds Used</b>		<b>1,815,000</b>	<b>1,494,500</b>	<b>1,541,634</b>	<b>3,411,422</b>	<b>1,538,886</b>
505 - CSO Trunkline Connection to Lagoon	Storm Water Cash on Hand	275,000	-	-	-	-
506 - CSO Separation - Annual	Storm Water Cash on Hand	40,000	325,000	-	-	357,000
507 - Holly Vista Dr Replacement	Storm Water Cash on Hand	-	100,000	400,000	-	-
508 - Swifty Creek Pipe Replacement	Storm Water Cash on Hand	35,000	-	75,000	650,000	-
515 - Union Avenue LID	Storm Water Cash on Hand	-	-	-	-	70,000
910 - Avenue A Corridor	Storm Water funding	75,000	-	-	-	-
927 - Emerson Street Utility Improvement	Storm Water funding	-	50,000	-	-	-
928 - Lincoln Avenue Utility Improvement	Storm Water funding	50,000	-	-	-	-
932 - Aldercrest Water Main Extension	Storm Water funding	150,000	-	-	-	-
<b>Total Storm Water Funds Used</b>		<b>625,000</b>	<b>475,000</b>	<b>475,000</b>	<b>650,000</b>	<b>427,000</b>

**ACTION ITEM 6a**

**ACTION ITEM 6b**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Larry Bauman, City Manager  
**Subject:** **Draft City Council Annual Goals for 2017**

---

**SUMMARY:** The City Council produced a tentative set of new goals for 2017 as a part of its discussions during the August 23, 2016, budget and planning workshop. Council chose at that time to use the 2016 goal statements as a starting point for developing its 2017 goals. The new and revised draft goals selected by Council have been written and formatted by staff for City Council review (see Attachment) and for insertion into the City's Budget document.

**ANALYSIS:** The draft Annual Goals are a combination of new goals and goals either retained from the 2016 list or combined from that list, based on Council direction. Staff has also provided Strategic Plan references, where appropriate, for each Council goal. The purpose of this agenda item is to provide an opportunity for Council to direct staff regarding any changes needed for this draft set of City Council Goals prior to being adopted for display on the City's web pages and in the City Council's Adopted 2017 Budget.

**STRATEGIC PLAN REFERENCE:** Not Applicable

**RECOMMENDATIONS:** That Council **DIRECT** staff regarding any required changes to the City Council Goals and **ADOPT** the amended list as the City Council Annual Goals for 2017.

**ATTACHMENT:** Draft City Council Goals for 2017

## **Snohomish City Council Annual Goals**

### **Program and Project Priorities for 2017**

*(Parenthetical references following each goal relate to Strategic Plan Initiatives)*

- ❖ Develop a sustainable, five-year financial plan that balances projected revenues and expenditures *(Related to implementation of all Strategic Plan initiatives)*
- ❖ Analyze sustainable budget strategies to support parks operations *(Related to Initiative 1)*
- ❖ Attract more living wage jobs for the community and increase tax revenues through continued economic development. *(Related to Initiatives 6 & 7)*
- ❖ Collaborate with agencies in the region for development of rails and trails that serve Snohomish. *(Related to Initiatives 1 & 4)*
- ❖ Create a plan for redevelopment and new uses of the Hal Moe Pool property. *(Related to Initiatives 1, 7 and 8)*
- ❖ Implement approved enhancements to the City's open government, public communication and civic engagement programs. *(Related to implementation of all Strategic Plan initiatives)*
- ❖ Establish an ongoing invitation to community organizations and City boards and commissions to review their annual goals with the City Council to enhance collaboration and coordination. *(Related to implementation of all Strategic Plan initiatives)*
- ❖ Support land uses that encourage, expand and enhance economic development opportunities in the community. *(Related to Initiatives 6 and 7)*
- ❖ Partner with organizations to develop affordable housing projects, including senior affordable housing. *(Related to Initiative 8)*

**ACTION ITEM 6c**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Larry Bauman, City Manager  
**Subject:** **Adoption of Resolution 1351 in Opposition to Proposition 2 on the November 8, 2016, ballot that asks voters to decide: “Whether the City should adopt the mayor/council form of government and abandon the current council/manager form of government”**

---

**SUMMARY:** The City Council has directed staff to bring forward for citizen comment and Council consideration a resolution of opposition to Proposition 2 that is on the General Election ballot for 2016. As a result of a petition representing 10% of the registered Snohomish voters who voted in the last general election (218 voters) which was submitted to the Snohomish County Auditor, Proposition 2 has been placed on the November 8, 2016, ballot. The measure asks voters to consider a proposed change in form of government for the City of Snohomish. The ballot measure specifically asks voters to decide “whether the City should adopt the Mayor/Council form of government and abandon the current Council/Manager form of government” that is currently used as the form of governance for the City. The Council/Manager form of government has been in place in Snohomish since 1971. The attached Resolution 1351 would provide the City Council the opportunity to consider communicating its opposition to Proposition 2 and urging voters to disapprove this measure.

**ANALYSIS:** RCW 42.17A.555 (Attachment B) generally prohibits the use of facilities of a public office to support or oppose a ballot measure or an election campaign for public office. However, there are several exceptions to this restriction. One of these exceptions specifically recognized by the State Legislature allows the local government legislative body, such as a city council, to vote on a motion or resolution to express support or opposition to a ballot proposition if the following procedural steps are taken prior to such action:

- 1) The notice for the meeting must include the title and number of the ballot proposition; and
- 2) Members of the legislative body or members of the public are afforded an approximately equal opportunity to express opposing views.

Following such Council and public comment on the resolution, the Council may consider adoption of the resolution in opposition to Proposition 2.

**STRATEGIC PLAN REFERENCES:** Not applicable

**RECOMMENDATION:** That the City Council consider **ADOPTION** of Resolution 1351 providing the City Council’s recommendation that voters vote “no” on Proposition 2 on the November 8, 2016, ballot.

**ATTACHMENTS:**

- A. Resolution 1351
- B. RCW 42.17A.555

ATTACHMENT A

**CITY OF SNOHOMISH  
Snohomish, Washington**

**RESOLUTION 1351**

**A RESOLUTION OF THE SNOHOMISH CITY COUNCIL IN  
OPPOSITION TO PROPOSITION 2 ON THE NOVEMBER 8, 2016,  
BALLOT THAT ASKS VOTERS TO DECIDE “WHETHER THE CITY  
SHOULD ADOPT THE MAYOR/COUNCIL FORM OF GOVERNMENT  
AND ABANDON THE CURRENT COUNCIL/MANAGER FORM OF  
GOVERNMENT”**

**WHEREAS**, the City of Snohomish City Council recognizes the vital importance of providing the best possible quality of local government services and programs to the citizens of Snohomish; and

**WHEREAS**, the concept of a Council-Manager form of government was initially devised during America’s Progressive Movement of the early 20<sup>th</sup> Century in order to reverse a trend of corruption and cronyism that had undermined the effectiveness of local government in some U.S. cities; and

**WHEREAS**, prior to the adoption of a Council-Manager form of government in the City of Snohomish when a Mayor-Council form of government was in place it was perceived by some members of the City Council as a time of ongoing conflict with the elected Mayor that resulted in less effective governance and services for Snohomish citizens; and

**WHEREAS**, in 1971 the voters of Snohomish approved a ballot measure to adopt the Council-Manager form of government and abandon the Mayor-Council form of government; and

**WHEREAS**, the Mayor-Council form of government that was abandoned by the voters in 1971 placed all day-to-day management and administrative authority in the hands of a separately elected Mayor who was not required to take direction from or be responsive to the full City Council; and

**WHEREAS**, since the Council-Manager form of government was enacted by Snohomish voters 45 years ago, citizens have benefitted from a well balanced system of local government that distributes legal, policy and budget authority to a seven-member City Council and the role of day-to-day operations and professional administration to a City Manager who takes direction from the full City Council on policy and legislative matters; and

**WHEREAS**, the petition causing Proposition 2 to be placed on the November 2016 ballot included only 218 signatures, the bare minimum required by law; and

**ACTION ITEM 6c**

**WHEREAS**, the costs to the City of Snohomish, if Proposition 2 were to be adopted by the voters, could potentially exceed \$100,000 for election and other future expenses related to the change in form of government; and

**WHEREAS**, the existing Council-Manager form of government which has been in place for 45 years offers advantages for local governance that include potentially better coordination of legislative and administrative functions by providing the City Council with direct oversight of the City Manager regarding the day-to-day administration of government services and programs; and

**WHEREAS**, the City Council, if not satisfied with the administrative decisions and performance of a City Manager, currently has authority to immediately terminate the Manager’s employment but would have no authority to end the term of an elected Mayor under a Mayor-Council form of government; and

**WHEREAS**, the City Council views the proposed change to a Mayor-Council form of government as placing an inordinate degree of independent authority in the hands of a separately elected Mayor; and

**WHEREAS**, state law codified in RCW 42.17A.555 authorizes the City Council to express a collective decision or to actually vote to support or oppose a ballot proposition so long as proper notice is provided and members of the legislative body (City Council) and members of the public are afforded an approximately equal opportunity for the expression of an opposing view; and

**WHEREAS**, the City Council hereby finds that the requirements of RCW 42.17A.555 have been met:

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON, AS FOLLOWS:**

The Snohomish City Council hereby opposes the passage of Proposition 2 and recommends to the voters of Snohomish that they cast a “No” vote on Proposition No. 2 on the November 8, 2016, election ballot.

**PASSED** by the City Council and **APPROVED** by the Mayor this 20<sup>th</sup> day of September, 2016.

CITY OF SNOHOMISH

By \_\_\_\_\_  
LYNN SCHILATY, MAYOR PRO TEM

By \_\_\_\_\_  
KAREN GUZAK, MAYOR

By \_\_\_\_\_  
ZACH WILDE, COUNCILMEMBER

**ACTION ITEM 6c**

By \_\_\_\_\_  
MICHAEL ROHRSCHEIB,  
COUNCILMEMBER

By \_\_\_\_\_  
DEAN RANDALL, COUNCILMEMBER

Attest:

By \_\_\_\_\_  
TOM HAMILTON, COUNCILMEMBER

By \_\_\_\_\_  
PAT ADAMS, CITY CLERK

Approved as to form:

By \_\_\_\_\_  
DERRICK BURKE, COUNCILMEMBER

By: \_\_\_\_\_  
GRANT K.WEED, CITY ATTORNEY

ATTACHMENT B

**RCW 42.17A.555**

**Use of public office or agency facilities in campaigns—Prohibition—Exceptions.**

No elective official nor any employee of his or her office nor any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of assisting a campaign for election of any person to any office or for the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the following activities:

(1) Action taken at an open public meeting by members of an elected legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, park districts, port districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;

(2) A statement by an elected official in support of or in opposition to any ballot proposition at an open press conference or in response to a specific inquiry;

(3) Activities which are part of the normal and regular conduct of the office or agency.

(4) This section does not apply to any person who is a state officer or state employee as defined in RCW 42.52.010.

[ 2010 c 204 § 701; 2006 c 215 § 2; 1979 ex.s. c 265 § 2; 1975-'76 2nd ex.s. c 112 § 6; 1973 c 1 § 13 (Initiative Measure No. 276, approved November 7, 1972). Formerly RCW 42.17.130.]

**NOTES:**

**Finding—Intent—2006 c 215:** "(1) The legislature finds that the public benefits from an open and inclusive discussion of proposed ballot measures by local elected leaders, and that for twenty-five years these discussions have included the opportunity for elected boards, councils, and commissions of special purpose districts to vote in open public meetings in order to express their support of, or opposition to, ballot propositions affecting their jurisdictions.

(2) The legislature intends to affirm and clarify the state's long-standing policy of promoting informed public discussion and understanding of ballot propositions by allowing elected boards, councils, and commissions of special purpose districts to adopt resolutions supporting or opposing ballot propositions." [ 2006 c 215 § 1.]

**Disposition of violations before January 1, 1995:** "Any violations occurring prior to January 1, 1995, of any of the following laws shall be disposed of as if chapter 154, Laws of 1994 were not enacted and such laws continued in full force and effect: \*RCW 42.17.130, chapter 42.18 RCW, chapter 42.21 RCW, and chapter 42.22 RCW." [ 1994 c 154 § 226.]

\*Reviser's note: RCW 42.17.130 was recodified as RCW 42.17A.555 pursuant to 2010 c 204 § 1102, effective January 1, 2012.

**ACTION ITEM 6c**

## **ACTION ITEM 6d**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Yoshihiro Monzaki, City Engineer  
**Subject:** **Tenth Street Right-of-Way (East of Avenue D) Vacation Request**

---

The Snohomish Covenant Group, LLC, (SCG) owner of Parcel No. 00487700000811 (1001 Avenue D), has requested a street vacation of a portion of the northern half of the Tenth Street right-of-way that is east of Avenue D. The purpose of the vacation is to resolve an existing encroachment of a commercial building and other site improvements within the requested vacation area. This street vacation request was presented during the June 21, 2016 Council meeting. Council directed staff to process the petition for the Tenth Street Vacation request. As the next step in the vacation process, Resolution 1352 (Attachment A) has been drafted for adoption setting a public hearing for November 1, 2016 on the proposed vacation. According to SMC 12.48.030, the Council will generally make its determination regarding whether to require compensation before it adopts the resolution, but the Council shall retain the discretion to review its determination following the public hearing.

SCG selected Mr. Karl E. Sagner, MAI (Commercial Realty Consulting, Inc.) to complete an appraisal for the area to be vacated. Mr. Sagner is on the City's list of appraisers. The list of appraisers was taken from the Washington State Department of Transportation Real Estate Services Department (WSDOT). Appraisers must submit an application to WSDOT for review every year to qualify for placement on this list. WSDOT reviews their experience, education, certifications and license. The appraisers are required to pass a written test.

Attachment B is the land appraisal report completed for the vacation area (1,498 square feet) by Mr. Sagner. According to the report, the market value for the vacation area is \$41,195 (\$27.50 per square foot). As stated on page 38 in the Land Valuation section of the report, "In this section of the report, the subject site, before and after the street vacation, is valued as though vacant and available to be put to its highest and best use." Page 39 and 43 of the report shows a summary of the Land Sale Comparables that was used in this analysis. The comparables ranged from \$8.05 to \$30.17 per square foot. According to the Snohomish County Assessor's Office Property Information, the 2016 market land value for Parcel No. 00487700000811 is \$439,700. This is \$20.60 per square feet based on a property area of 0.49 acres (21,344 square feet).

The requested vacation area is along the south side of Parcel No. 00487700000811 and was deeded to Snohomish County in 1918. This area was annexed in 1960 and the right-of-way was transferred to the City as part of the annexation. Because the street was dedicated more than 25 years ago, the compensation amount can be up to the full appraised value.

It appears that no easements will be needed for this area. The vacation would not affect the existing traffic flows or travel lanes. There will be no impacts to the access of adjacent properties due to the street vacation. The requested street vacation area does not abut a body of water so the special procedures of RCW 35.79.035 do not apply.

**ACTION ITEM 6d**

Per SMC 12.48.015, the City Council’s “preliminary determination shall not be final or binding in any respect. If the applicant thereafter decides to proceed with a street vacation petition, all provisions of this chapter shall apply.”

**STRATEGIC PLAN REFERENCE:** Not applicable.

**RECOMMENDATION:** That the City Council **ADOPT Resolution 1352, setting a public hearing date for November 1, 2016, to consider the vacation of a portion of Tenth Street and request for compensation.**

**ATTACHMENTS:**

- A. Resolution 1352
- B. Land Appraisal Report

**REFERENCE DOCUMENTS:**

1. Chapter 12.48, Street Vacation, Snohomish Municipal Code.  
(<http://www.snohomishwa.gov/DocumentCenter/Home/View/424>)
2. Tenth Street Vacation Request (pages 67-108 of June 21, 2016 Council Packet)  
(<http://www.snohomishwa.gov/AgendaCenter/ViewFile/Agenda/06212016-611>)

**ACTION ITEM 6d**

ATTACHMENT A

**CITY OF SNOHOMISH  
Snohomish, Washington**

**RESOLUTION 1352**

**A RESOLUTION OF THE CITY OF SNOHOMISH, WASHINGTON  
SETTING A PUBLIC HEARING ON NOVEMBER 1, 2016 PURSUANT  
TO SMC 12.48.030 FOR THE PETITION FOR VACATION OF A  
PORTION OF TENTH STREET RIGHT-OF-WAY EAST OF AVENUE D**

**WHEREAS**, in accordance with SMC Chapter 12.48, the owners of at least two-thirds of the property abutting the right-of-way to be vacated signed a street vacation petition dated February 17, 2016; and

**WHEREAS**, a complete application for vacation of a portion of the Tenth Street right-of-way was filed with the City April 21, 2016; and

**WHEREAS**, the City Council finds it is in the best interest of the City to consider the vacation of the following described right-of-way:

THAT PORTION OF LOT 8 OF LAKE ADDITION TO SNOHOMISH, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 5 OF PLATS, PAGE 10, RECORDS OF SNOHOMISH COUNTY, WASHINGTON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 8;

THENCE NORTH 0°21'14" EAST 16.92 FEET TO THE **POINT OF BEGINNING**;

THENCE SOUTH 79°40'09" WEST 92.13 FEET;

THENCE NORTH 89°44'48" WEST 3.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT WHOSE RADIAL POINT BEARS SOUTH 32°46'14" EAST A DISTANCE OF 221.00 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 4°28'36", A DISTANCE OF 17.27 FEET;

THENCE NORTH 61°42'22" EAST 25.40 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT WHOSE RADIAL POINT BEARS SOUTH 28°17'38" EAST A DISTANCE OF 316.50 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 10°00'00", A DISTANCE OF 55.24 FEET;

THENCE SOUTH 18°17'38" EAST 18.55 FEET;

THENCE SOUTH 00°21'14" WEST 8.51 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 1,498 SQUARE FEET OR 0.03 ACRES, MORE OR LESS.

**ACTION ITEM 6d**

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND  
CONDITIONS OF RECORD.

As depicted on the map attached hereto as Exhibit A.

**WHEREAS**, pursuant to SMC 12.48.030 the City Council has considered the report of the Public Works Director and finds that it is in the public interest to set a public hearing not less than 20 nor more than 60 days from the date of this Resolution as required by SMC 12.48.030(B);

**NOW, THEREFORE**, be it resolved by the City Council of the City of Snohomish, Washington as follows:

- (1) Pursuant to SMC 12.48.040(B), the City of Snohomish will require compensation not to exceed the full appraised value for the vacation of the above described right-of-way, said right-of-way having been dedicated for public use longer than 25 years.
- (2) The City Council finds that compensation will be required as a condition of this vacation. The final amount thereof will be determined at the conclusion of the public hearing referenced in (3) below.
- (3) Following public notice as required by law, the City Council will hold a public hearing to consider the vacation of the above described right-of-way and if the vacation request is approved, the final amount and terms of compensation. Said public hearing shall be scheduled for the regular meeting of the City Council to be held **November 1, 2016 at 7:00 p.m.**, or as soon thereafter as such hearing can be held.

**PASSED** by the City Council and **APPROVED** by the Mayor this 20<sup>th</sup> day of September 2016.

CITY OF SNOHOMISH

By \_\_\_\_\_  
Karen Guzak, Mayor

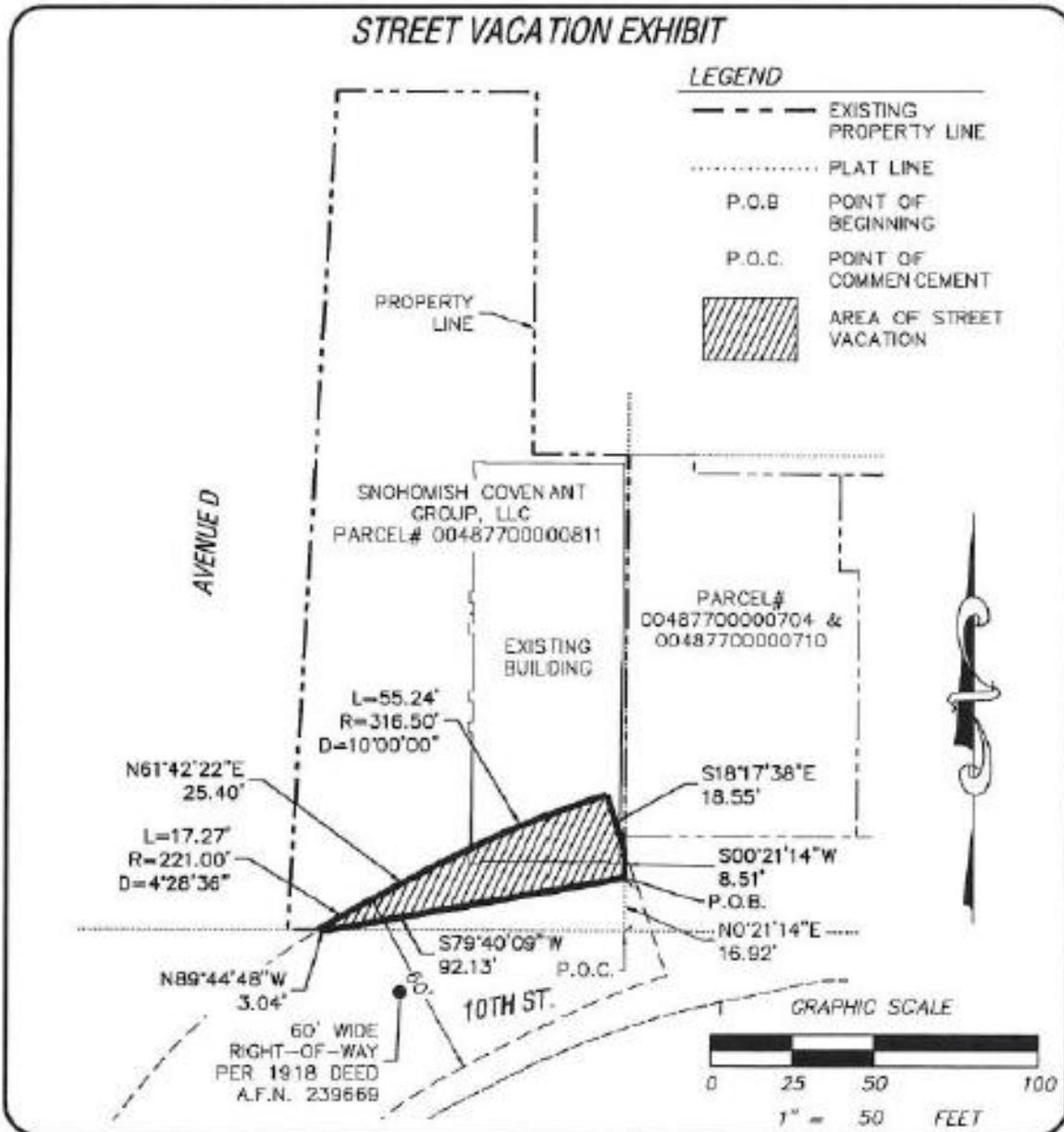
ATTEST:

APPROVED AS TO FORM

By \_\_\_\_\_  
Pat Adams, City Clerk

By \_\_\_\_\_  
Grant K. Weed, City Attorney

**EXHIBIT A**



DATE: 2-10-16  
DRAWN: EH  
DESIGNED:  
CHECKED: DO  
PROJ. NO.: R301842.01  
SHEET: 1 OF 1



**HUITT-ZOLIARS**  
1102 Broadway, Suite 300  
Tacoma, Washington 98402  
Phone (253) 627-9131 Fax (253) 627-4730  
CLIENT: SNOHOMISH COVENANT GROUP, LLC  
SITE ADDRESS: 1001 AVE. D, SNOHOMISH, WA 98290

ATTACHMENT B

**REAL ESTATE APPRAISAL REPORT**

**10<sup>th</sup> STREET VACATION  
SNOHOMISH EXCHANGE, LLC/SNOHOMISH COVENANT GROUP, LLC PROPERTY**

1001 Avenue D  
Snohomish, Washington

**Prepared For**

Ms. Hannah Walker  
Pacific Dental Services, LLC  
17000 Red Hill Ave.  
Irvine, CA 92614

**Prepared By**

Karl E. Sagner, MAI  
Commercial Realty Consulting, Inc.  
P.O. Box 1081  
Lake Stevens, Washington 98258-1081  
(360) 691-4727 / Fax: (360) 691-2117  
Cell: (425) 238-9898 / E-Mail: ksagner@comcast.net

**Date of Valuation**

August 8, 2016

**ACTION ITEM 6d**



**Commercial Realty Consulting, Inc.**

KARL E. SAGNER, MAI

August 12, 2016

Ms. Hannah Walker  
Pacific Dental Services, LLC  
17000 Red Hill Ave.  
Irvine, CA 92614

RE: 10<sup>th</sup> Street Vacation  
Snohomish Exchange, LLC/Snohomish Covenant Group, LLC Property  
1001 Avenue D  
Snohomish, Washington

Dear Ms. Walker:

At your request, a real estate appraisal report concerning the above-reference property has been completed in conformance with the Uniform Standards of Professional Appraisal Practice. The market value conclusion is based on the data, analysis, and reasoning contained in the following report, qualified by the “General and Extraordinary Assumptions/Hypothetical Conditions” and “Certification” sections of the document.

The subject of the appraisal assignment involves a small, triangular street vacation at the northeast corner of the intersection of Avenue D and 10<sup>th</sup> St., Snohomish, Washington. The larger property associated with this street vacation is situated along Snohomish’s Avenue D commercial corridor. This larger property is improved with a retail building (former Blockbuster Video store) renovated/converted to a dental clinic, with adjacent storefront retail space, in 2014. Based on Snohomish County Assessor’s data, this building contains 5,625 sq. ft., originally constructed in 1998.

Based on Snohomish County Assessor’s data, the larger property site currently contains 21,344 sq. ft., or 0.49 acres. The site is gently sloping and near the grades of Avenue D and 10<sup>th</sup> St. The site may be accessed directly from either frontage street. The property is zoned COM, Commercial, by the City of Snohomish. All public utilities are available.

Reportedly, at the time of acquisition of the property by current ownership in January 2014, a title issue was discovered. A portion of the south end of the building, a portion of a driveway, and site improvements encroach on the 10<sup>th</sup> St. right-of-way. The pending street vacation will remedy the issue. Based on the documentation provided, the area of encroachment/10<sup>th</sup> St. vacation area contains 1,498 sq. ft.

The area of encroachment/street vacation area is the subject of this report. The fee simple estate interest in the subject is valued in the report. The subject is valued by application of the land valuation section of the cost approach.

(360) 691-4727 • Fax: (360) 691-2117 • E-Mail: ksagner@comcast.net

P.O. Box 1081, Lake Stevens, WA 98258-1081

**ACTION ITEM 6d**

Commercial Realty Consulting, Inc.

Based on the inspection of the subject property, a review of relevant information provided by the client and the City of Snohomish, a detailed search for pertinent market data, and the analyses undertaken, the value estimate of the fee simple estate interest in the subject, as of August 8, 2016 is as follows:

Site Value After Street Vacation	\$628,155
Site Value Before Street Vacation	<u>586,960</u>
Value of the Street Vacation	<u>\$41,195</u>

The appraisal report that follows includes a brief description of the subject property, its neighborhood and market area, and an economical exposition of the land valuation section of the cost approach to value.

Respectfully submitted,  
**Commercial Realty Consulting, Inc.**



---

Karl E. Sagner, MAI

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Commercial Realty Consulting, Inc.

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    KARL E. SAGNER, MAI ..... V

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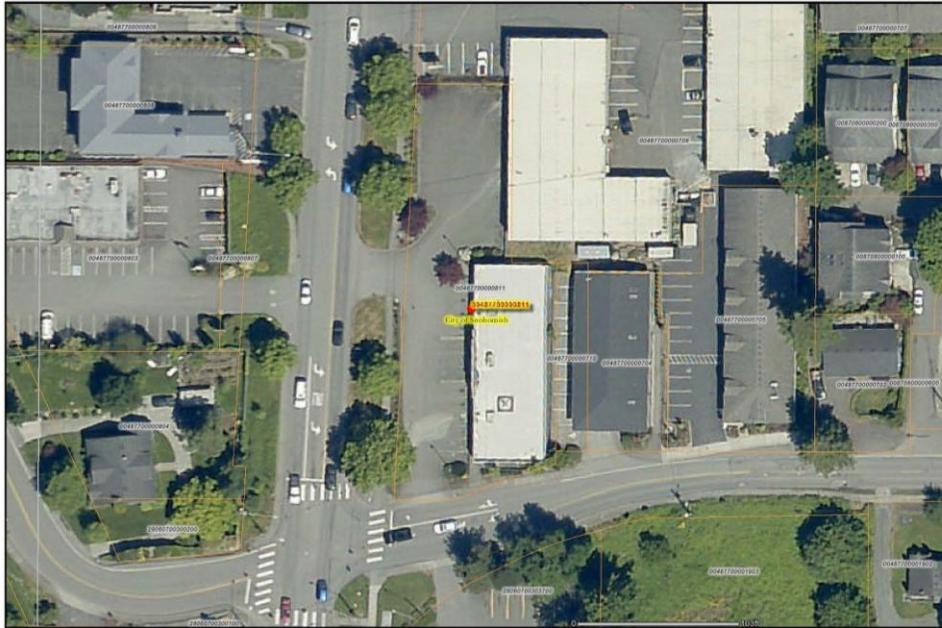
**ACTION ITEM 6d**

**EXECUTIVE SUMMARY**

<b>Identification:</b>	<b>10<sup>th</sup> St. Vacation, Snohomish Exchange, LLC/ Snohomish Covenant Group, LLC Property</b>
<b>Property Type:</b>	Street vacation.
<b>Location:</b>	The subject is located at the northeast corner of the intersection of Avenue D and 10 <sup>th</sup> St., Snohomish, Washington. The larger property associated with this street vacation is situated along Snohomish's Avenue D commercial corridor.
<b>Owner of Record:</b>	No title report was provided. Based on public record information, as found on the Snohomish County Assessor's web site, the current owner/taxpayer of record is Snohomish Exchange, LLC and Snohomish Covenant Group, LLC, tenants in common. Based on this information, the larger property associated with the street vacation was acquired by current ownership in January 2014 for \$850,000.
<b>Site Description:</b>	Based on Snohomish County Assessor's data, the larger property site currently contains 21,344 sq. ft., or 0.49 acres. The site is gently sloping and near the grades of Avenue D and 10 <sup>th</sup> St. The site may be accessed directly from either frontage street. The property is zoned COM, Commercial, by the City of Snohomish. All public utilities are available.  Reportedly, at the time of acquisition of the property by current ownership in January 2014, a title issue was discovered. A portion of the south end of the building, a portion of a driveway, and site improvements encroach on the 10 <sup>th</sup> St. right-of-way. The pending street vacation will remedy the issue. Based on the documentation provided, the area of encroachment/10 <sup>th</sup> St. vacation area contains 1,498 sq. ft.
<b>Improvements:</b>	The larger property associated with the street vacation is improved with a retail building (former Blockbuster Video store) renovated/converted to a dental clinic, with adjacent storefront retail space, in 2014. Based on Snohomish County Assessor's data, this building contains 5,625 sq. ft., originally constructed in 1998.
<b>Property Rights Appraised:</b>	Fee simple estate.
<b>Highest and Best Use:</b>	As vacant: retail- or quasi-retail-oriented commercial development. As improved: continued use, "as-is".
<b>Date of Inspection:</b>	August 8, 2016
<b>Date of Value, "As-Is":</b>	August 8, 2016
<b>Report Date:</b>	August 12, 2016
<b>Final Value Estimate, "As-Is":</b>	<b>\$41,195</b>

**ACTION ITEM 6d**

**SNOHOMISH COUNTY AERIAL PHOTOGRAPH**



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7

**ACTION ITEM 6d**

**DATED OBLIQUE AERIAL PHOTOGRAPH (NORTHERLY VIEW)**



Commercial Realty Consulting, Inc.

8

**ACTION ITEM 6d**

**DATED OBLIQUE AERIAL PHOTOGRAPH (EASTERLY VIEW)**



Commercial Realty Consulting, Inc.

9

**ACTION ITEM 6d**

**SUBJECT PROPERTY PHOTOGRAPHS**



Parking lot north of the building on the site



The building on the site (renovation/conversion completed in 2014)

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10

**ACTION ITEM 6d**

**SUBJECT PROPERTY PHOTOGRAPHS**



Encroachment area/area of 10<sup>th</sup> St. vacation (view to the east)



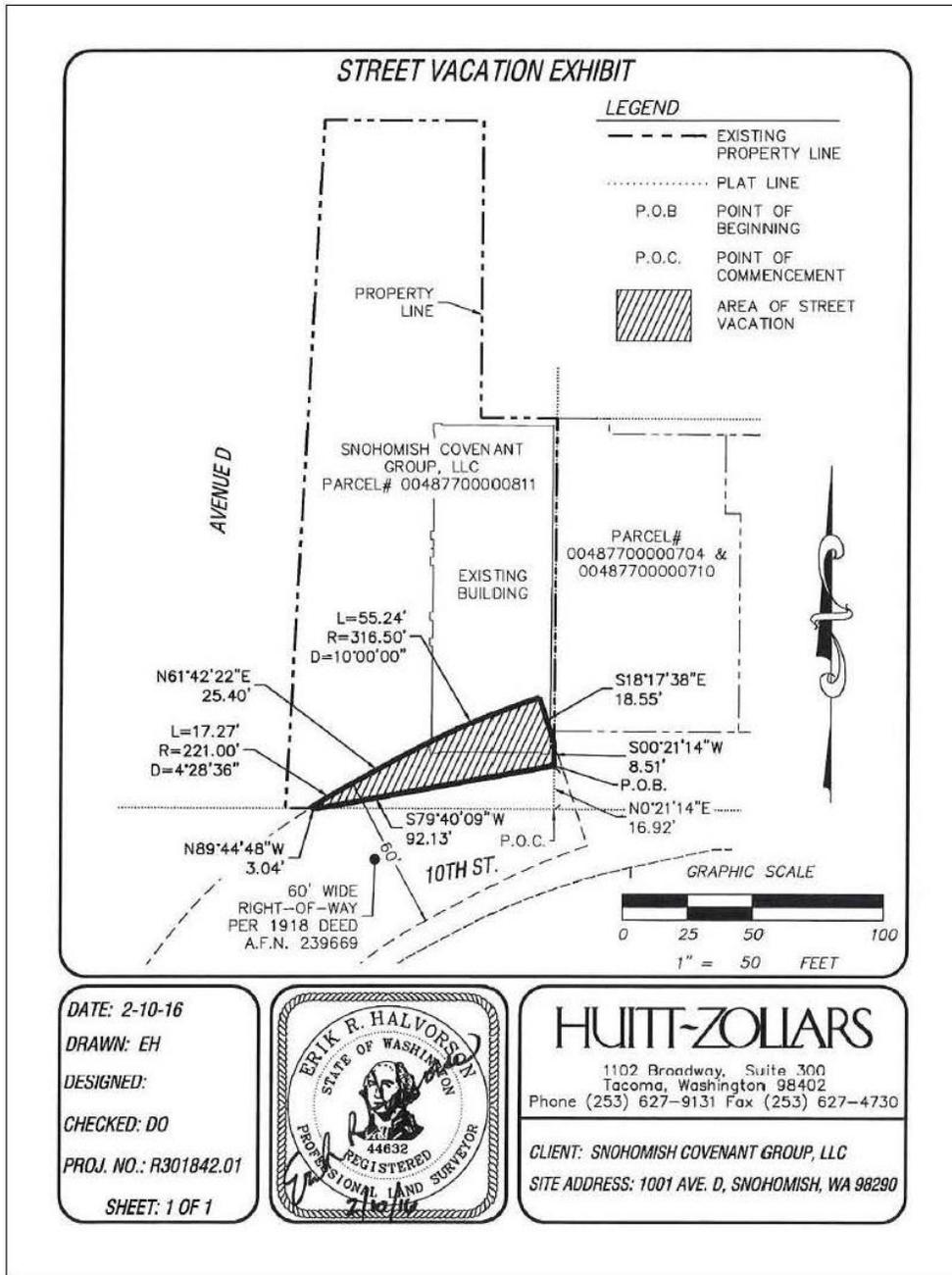
View to the west toward Avenue D

Commercial Realty Consulting, Inc.

11

**ACTION ITEM 6d**

**ENCROACHMENT AREA/AREA OF 10<sup>th</sup> ST. VACATION**



DATE: 2-10-16  
 DRAWN: EH  
 DESIGNED:  
 CHECKED: DO  
 PROJ. NO.: R301842.01  
 SHEET: 1 OF 1



**HUITT-ZOLIARS**  
 1102 Broadway, Suite 300  
 Tacoma, Washington 98402  
 Phone (253) 627-9131 Fax (253) 627-4730  
 CLIENT: SNOHOMISH COVENANT GROUP, LLC  
 SITE ADDRESS: 1001 AVE. D, SNOHOMISH, WA 98290

## **ACTION ITEM 6d**

### **CERTIFICATION**

I certify that, to the best of my knowledge and belief:

- ◆ The statements of fact contained in this report, and used in the appraisal process, are true and correct.
- ◆ The reported analyses, opinions, and conclusions are limited only by the assumptions and limiting conditions stated in the report, and are my personal, unbiased professional analyses, opinions, and conclusions.
- ◆ I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- ◆ My compensation is not contingent on the development or reporting of a predetermined value or direction in value that favors the cause of the client, on the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. In particular, the conclusions in this report are not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- ◆ My analyses, opinions, and conclusions were developed, and this report was prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute (and USPAP).
- ◆ I have made a personal inspection of the property that is the subject of this report.
- ◆ No one provided significant professional assistance to the undersigned.
- ◆ I have the educational background and experience to competently complete this appraisal assignment.
- ◆ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- ◆ As of the date of this report, the undersigned has completed the requirements of the continuing education program of the Appraisal Institute; and is also currently certified under the general classification in the State of Washington (#1100865).
- ◆ The undersigned has not provided any services regarding the subject property within the last three years, as an appraiser or in any other capacity.



---

Karl E. Sagner, MAI

## **ACTION ITEM 6d**

### **GENERAL & EXTRAORDINARY ASSUMPTIONS / HYPOTHETICAL CONDITIONS**

#### **General Assumptions and Limiting Conditions**

1. It is assumed that all information pertinent to the valuation and known by the client or by the principal parties involved with the subject real estate has been accurately related to the appraiser. In particular, it is assumed that there are no undisclosed leases, agreements, etc. that might adversely impact the property's market value.
2. No responsibility is assumed for legal or title considerations. Title to the subject property is assumed to be good and marketable, unless otherwise stated in the report.
3. The subject property is appraised free and clear of any and all liens and encumbrances, unless otherwise stated in the report.
4. Competent and responsible ownership and property management are assumed, unless otherwise stated in the report.
5. The information given by others is believed to be reliable. However, no warranty is given for its accuracy.
6. The appraiser is not an engineer. Any descriptions of or references to the physical aspects of the subject property are exclusively related to the economic impact of these physical characteristics. No responsibility is assumed for any issues related to engineering.
7. In particular, it is assumed that there are no hidden or imperceptible conditions of the subject property (site or improvements) that would have an impact on its market value. No responsibility is assumed for such conditions, or for arranging for engineering studies that may be required to discover them.
8. It is assumed that the subject property is in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated in the report.
9. It is assumed that the subject property is in compliance with all applicable zoning restrictions and use regulations, unless a nonconformity has been stated, defined, and considered in the appraisal report.
10. It is assumed that all required licenses, certificates of occupancy, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate(s) contained in this report is (are) based.
11. Any sketch that may appear in this report may indicate only approximate dimensions and is included only to assist the reader in visualizing the property. Maps, or any other exhibits, found in this report are only for reference purposes. No guarantee of accuracy is expressed or implied, unless otherwise stated in the report. In particular, no survey of the subject property has been commissioned by the appraiser.
12. It is assumed that the utilization of land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass, unless otherwise stated in the report.
13. Unless otherwise stated in the report, the subject property is appraised without a compliance survey having been conducted to determine if the property is or is not in compliance with the requirements of the Americans with Disabilities Act. The presence of architectural or communications barriers that are structural in nature and would restrict access by disabled individuals may adversely affect the market value, marketability, or utility of the subject property.

## **ACTION ITEM 6d**

Commercial Realty Consulting, Inc.

14. The appraiser is not qualified to detect hazardous waste or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the subject property. The appraiser's value estimate(s) is (are) predicated on the assumption that there is no such material on or in the property that would cause a loss in value, unless otherwise stated in the report. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the result of the routine observations made during the appraisal process.
15. Any proposed improvements are assumed to be completed in a competent, workmanlike manner in accordance with the submitted plans and specifications.
16. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal, and are invalid if so used.
17. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event, only with proper written qualification and only in its entirety.
18. Neither all nor any part of this report (especially any value conclusions or the identity of the appraiser) shall be disseminated to the public through advertising, public relations, news media, sales media, or any other public means of communication without the prior consent and written approval of the appraiser.

### **Extraordinary Assumptions and Limiting Conditions**

An extraordinary assumption is defined as follows:

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis. An extraordinary assumption may be used in an assignment only if:

- It is required to properly develop credible opinions and conclusions;
- The appraiser has a reasonable basis for the extraordinary assumption;
- Use of the extraordinary assumption results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for extraordinary assumptions.<sup>1</sup>

No title report was provided. It is assumed that there are no issues regarding easements, encroachments, encumbrances, or other similar matters that would have any impact on valuation of the subject property.

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<sup>1</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 73.

## **ACTION ITEM 6d**

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The use of extraordinary assumptions may have affected assignment results.

### **Hypothetical Conditions**

Hypothetical conditions are defined as follows:

That which is contrary to what exists but is supposed for the purpose of the analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis. A hypothetical condition may be used in an assignment only if:

- Use of the hypothetical condition is clearly required for legal purposes, for purposes of reasonable analysis, or for purposes of comparison;
- Use of the hypothetical condition results in a credible analysis; and
- The appraiser complies with the disclosure requirements set forth in USPAP for hypothetical conditions.<sup>2</sup>

Valuation of the subject involved no hypothetical conditions.

The use of hypothetical conditions may have affected assignment results.

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<sup>2</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 97.

**FACTUAL DATA AND DESCRIPTIONS**

**Scope of the Appraisal Assignment**

The area of encroachment/street vacation area is the subject of this report. The fee simple estate interest in the subject is valued in the report. The subject is valued by application of the land valuation section of the cost approach.

Prior to the market research and analysis phases of this appraisal assignment, the subject property was personally inspected. The land area figures in this report are based on Snohomish County Assessor's data and the documentation provided. Photographs of the subject property, a plat map, a zoning map, the Snohomish County aerial photograph of the property, oblique aerial photographs of the property, and maps identifying the locations of the subject and comparable properties are provided in this appraisal report. Data sources relied upon include Costar, CoreLogic (Metroscan), CBA (Commercial Brokers Assn.), public commercial MLS, public record information (e.g., assessor's and auditor's records), and office files. All working papers, including comparable market data, have been retained in office files.

**Property Identification**

The subject of the appraisal assignment is located at the northeast corner of the intersection of Avenue D and 10<sup>th</sup> St., Snohomish, Washington. The larger property associated with this street vacation is situated along Snohomish's Avenue D commercial corridor. The street address of the building is 1001 Avenue D, Snohomish, Washington. The larger property associated with the street vacation may also be identified by its single Snohomish County tax parcel number, enumerated below under the "Assessed Value and Real Estate Taxes" heading. The legal descriptions of the larger property associated with the street vacation and the encroachment area/10<sup>th</sup> street vacation area were provided either by the client or the City of Snohomish. These may be found in the Addenda of this report.

**Statement of Ownership and History of the Property**

No title report was provided. Based on public record information, as found on the Snohomish County Assessor's web site, the current owner/taxpayer of record is Snohomish Exchange, LLC and Snohomish Covenant Group, LLC, tenants in common. Based on this information, the larger property associated with the street vacation was acquired by current ownership in January 2014 for \$850,000. Obviously, the City of Snohomish is the current owner of the 10<sup>th</sup> St. right-of-way.

**Property Rights Appraised**

Valuation of the fee simple estate interest in the subject property is the focus of this appraisal assignment. The fee simple estate interest is defined as follows:

*Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.<sup>3</sup>*

**Personal Property and Trade Fixtures**

The valuation of the subject does not consider any personal property.

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<sup>3</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 78.

## **ACTION ITEM 6d**

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### **Purpose and Function of the Appraisal / Intended Users**

The purpose of this appraisal report is to provide an estimate of the current market value of the fee simple estate interest in the subject property, "as-is". It is understood that the report will be used by the client in completing the street vacation process with the City of Snohomish. The intended user of the report is the client.

### **Definition of Market Value**

An estimate of the current market value of the subject property is presented in this report. The term "market value", as used in this report, is defined as follows:<sup>4</sup>

*The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- 1. Buyer and seller are typically motivated;*
- 2. Buyer and seller are well informed or well advised, and acting in what they consider their own best interests;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash in US dollars or in terms of financial arrangements comparable thereto; and*
- 5. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

### **Inspection Date**

The subject was inspected on August 8, 2016.

### **Date of Valuation**

The valuation date for the subject property, "as-is", is August 8, 2016, the date of inspection.

### **Date of Report**

This appraisal report is dated August 12, 2016.

### **Competency Disclosure**

The appraiser has considerable experience in valuing this type of property, and is competent to complete the assignment.

### **Assessed Value and Real Estate Taxes**

The larger property associated with the street vacation is located in Snohomish County. The assessed values (2017) and taxes (2016) associated with the tax parcel involved in the street vacation are shown in the following table.

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<sup>4</sup> OCC, 12 CFR, Part 34, Subpart C-Appraisals 34.42 Definitions (g).

## **ACTION ITEM 6d**

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Tax Parcel #	Assessed Value			Taxes
	Land	Improvements	Total	
00-4877-000-008-11	\$471,900	\$653,100	\$1,125,000	\$15,080.10

### **Highest and Best Use**

Highest and best use is defined as:

*The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability. Alternatively, the probable use of land or improved property—specific with respect to the user and timing of the use—that is adequately supported and results in the highest present value.<sup>5</sup>*

Highest and best use of land or a site as though vacant is defined as follows:

*Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.<sup>6</sup>*

The location, site characteristics, and zoning classification of the larger property associated with the street vacation, before and after the street vacation, would encourage a retail- or quasi-retail-oriented commercial use for the site. A detailed feasibility analysis of various development options on this site is beyond the scope of this valuation assignment. However, it is clear that this type of development would likely provide the greatest return.

Highest and best use of property as improved is defined as follows:

*The use that should be made of a property as it exists. An existing improvement should be renovated or retained "as-is" so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.<sup>7</sup>*

In determining Highest and Best Use of a property, as improved, there are five basic options:

- Demolition of the building in favor of new development
- Retain the property "as-is"
- Renovate the building, with no change in size or use
- Build an addition, with no change in use
- Convert the building to a different use

The second option applies, before and after the street vacation.

<sup>5</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 93.

<sup>6</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 93.

<sup>7</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, The Appraisal Institute, Chicago, Illinois, 2010, p. 94.

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### **Most Probable Purchaser, and Marketing/Exposure Time**

The purchasers of the sale properties employed in valuing the subject are either owner/users or developers. The subject is the encroachment area/10<sup>th</sup> St. vacation area. The most probable purchaser of the subject would be the client.

Those sale comparables for which marketing information was available sold within one year of being put on the market. It is believed that the subject, if priced at market value, could sell to its most probable buyer within one year. An exposure time of not more than one year is assumed in this report.

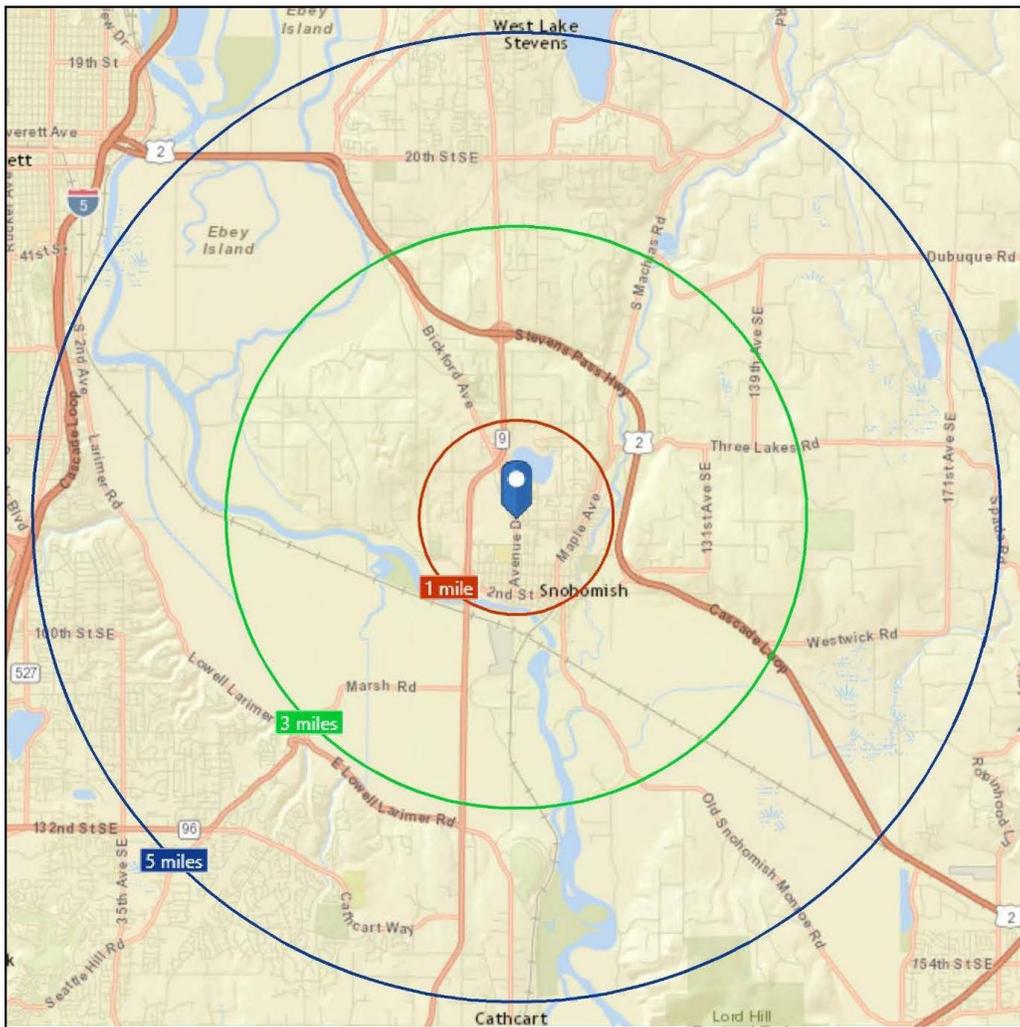
**ACTION ITEM 6d**

**PUGET SOUND / NORTHWEST WASHINGTON REGIONAL MAP**



**ACTION ITEM 6d**

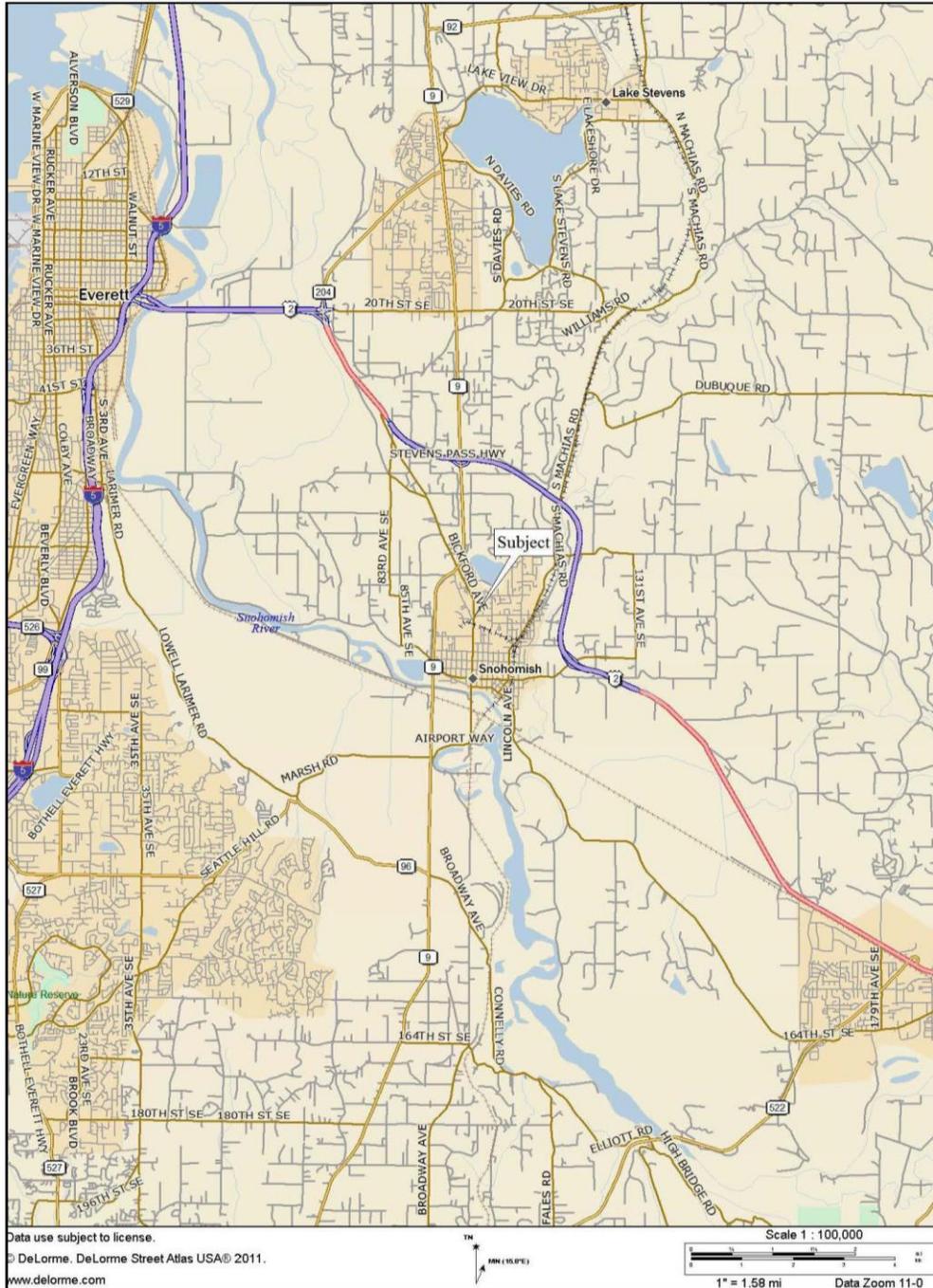
**RADIUS MAP**



1, 3, and 5 mile radii around the subject

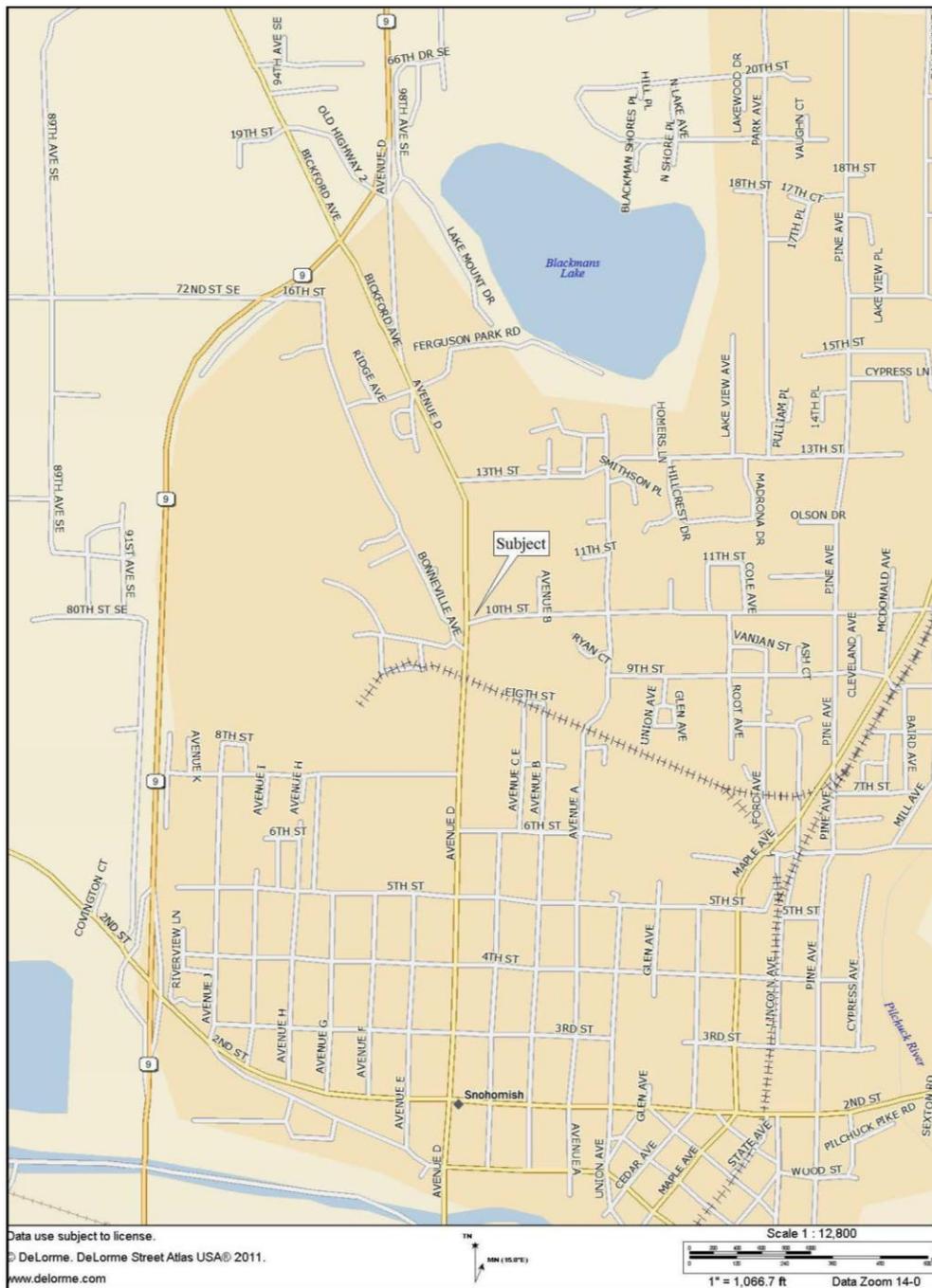
**ACTION ITEM 6d**

**NEIGHBORHOOD MAP**



**ACTION ITEM 6d**

**VICINITY MAP**

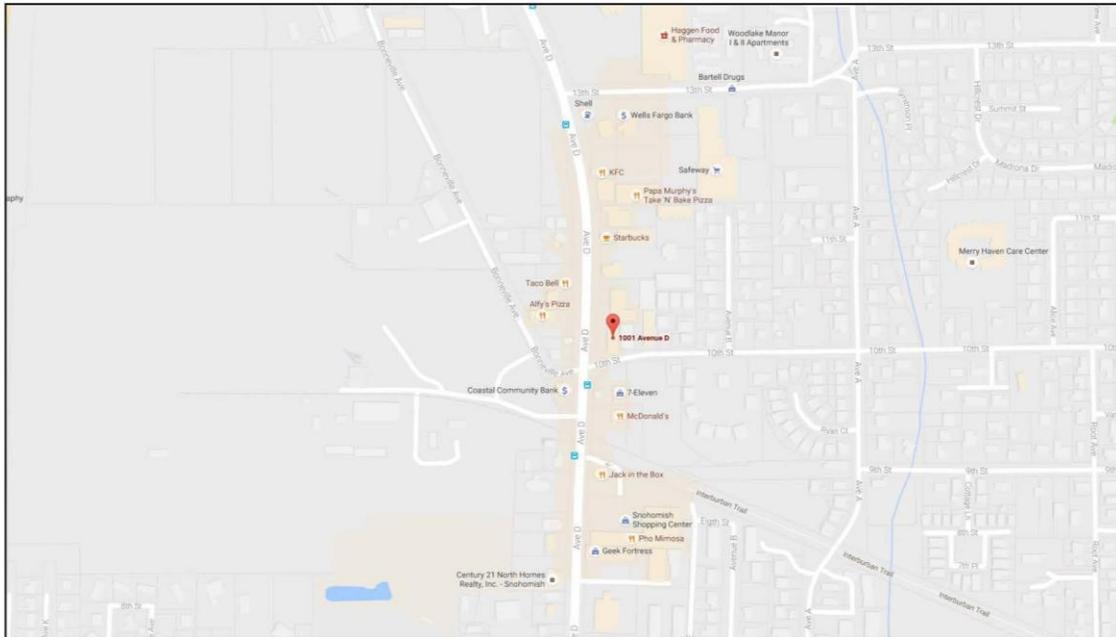


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**ACTION ITEM 6d**

**GOOGLE VICINITY MAP**



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**ACTION ITEM 6d**

**REGIONAL / NEIGHBORHOOD DESCRIPTIONS**

**Snohomish County**

Snohomish County (named after the Snohomish Indian Tribe) is located in the northwest quadrant of Washington State, on the east side of Puget Sound, contiguous north of King County (the county in which Seattle is located). Snohomish County borders Skagit County to the north, Chelan County to the east, and Island County to the west. As reported by the Washington State Office of Financial Management (OFM), based on the 2010 Census Snohomish County is currently the third most populous county in Washington State (behind King and Pierce). Between 2000 and 2010, the

county's population increased from 606,024 to 713,335, an increase of 17.71% (ranking eighth among Washington counties). The OFM estimate for 2015 is 757,600.



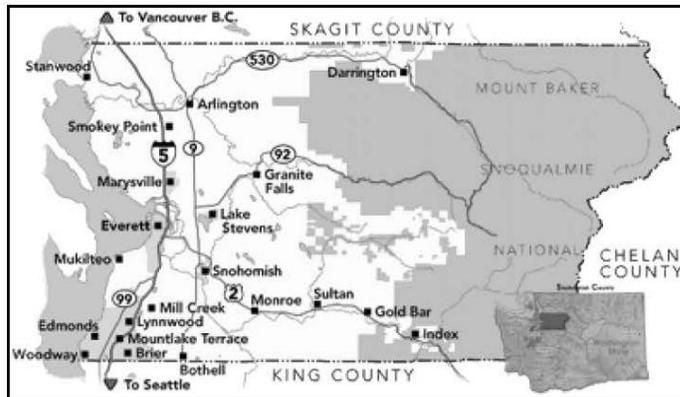
Population concentrations are located in the extreme western portion of the county. Everett, the largest city in the county, is the county seat. Other major cities in the county (ranked largest to smallest) include Marysville, Edmonds, Lynnwood, Lake

Stevens, Mountlake Terrace, Mukilteo, Mill Creek, Arlington, and Monroe.

I-5, I-405, SR 99, and SR 9 are the principal north-south highways through the county. SR 2 connects Everett with cities in the southeast portion of the populated county. SR 2 also leads to the Stevens Pass Ski Resort. SR 530 and SR 92 (together known as Mountain Loop Highway) extend from the western portion of the county into the Darrington Ranger District of Mount Baker-Snoqualmie National Forest.

Amtrak trains (the Empire Builder to Chicago and the Cascades line between Seattle and Vancouver, B.C.) may be accessed from Everett Station in downtown Everett. There are two ferry runs from Snohomish County: Edmonds-Kingston, linking Snohomish County with the Kitsap Peninsula (and Kitsap County); and Mukilteo-Clinton, linking Snohomish County with Whidbey Island (Island County).

The two largest airports in Snohomish County are Paine Field (Snohomish County Airport) and the Arlington Municipal Airport. Paine Field, in unincorporated Snohomish County between Mukilteo and Everett, is home to the



Boeing Everett Plant, producing 747, 767, 777, and the new 787 (Dreamliner) aircraft. Aviation Technical Services (ATS) operates a large aircraft maintenance facility at Paine Field. Paine Field also has a number of tourist destinations,

## **ACTION ITEM 6d**

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including the Future of Flight Aviation Center & Boeing Tour, the Flying Heritage Collection, and the Historic Flight Foundation. There has been much speculation, and many studies, concerning adding commercial airline service at Paine Field. Horizon and Allegiant Airlines have shown some interest in flying out of Paine Field (to Portland and Spokane by the former, and to Los Vegas by the latter). The City of Mukilteo is adamantly opposed, and FAA continues to study the issue.



Notable geographic features of Snohomish County include Glacier Peak (at an elevation of 10,541 ft., the highest in the county), Mount Pilchuck, and Three Fingers; the Snohomish, Skykomish, and Stillaguamish Rivers; Port Gardner Bay (Everett), Port Susan (between Snohomish County and Camano Island), and Tulalip Bay; and Lake Stevens, Lake Goodwin, and Silver Lake.

Naval Station Everett, constructed in 1994, is on Port Gardner Bay. The base, containing about 117 acres, provides facilities and services for the USS Nimitz (the first ship in the Nimitz-class of nuclear-powered aircraft carriers), two destroyers, and three frigates. A Navy support facility including a Navy Exchange and Commissary, and housing is located in Marysville, northeast of the base. There are about 6,000 navy personnel or civil service people assigned to Naval Station Everett.

The principal Port of Everett facilities are along the waterfront west of Everett's central business district. The Port owns and operates two piers and three terminals containing a total of eight berths.



Each year, several hundred thousand tons of containerized and bulk commodities are handled by the Port. The Port of Everett Marina provides services and moorage space for approximately 2,050 vessels, primarily recreational (though some moorage is available for commercial fishing vessels). The Port also owns Riverside Business Park, located along the Snohomish River at the extreme north end of the city. The business park's master plan was designed to encourage manufacturing, assembly, and warehouse uses. The Port of Everett expects to take

ownership of the Mukilteo Tank Farm (along the Mukilteo waterfront west of Everett) from the U.S. Air Force in 2012. A former fuel depot, conveyance has been delayed by environmental issues. This 22-acre property may be the site for a multi-modal facility that includes a relocated Mukilteo Ferry Terminal, a Sounder commuter rail platform, and a (bus) station for Community Transit.

## **ACTION ITEM 6d**

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Situated between the marina facilities at Seattle's Shilshole Bay (King County) to the south and the Port of Everett to the north is the Port of Edmonds, in the southwest corner of Snohomish County. The North and South Marinas contain 665 moorage slips and 280 dry storage spaces. Most of the slips are for smaller recreational boats. Reportedly, waiting times for the larger slips (32 to 50 ft.) are at 1 to 6 years. On average, about 30 of the moorage slips are used by guests (short-term tenants).

Institutions of higher education are not as prevalent in Snohomish County as might be expected for such a populous county. The University of Washington, located in Seattle, has a branch campus in Bothell, in northern King County a short distance south of the King-Snohomish County line. Attempts to locate a branch campus in Everett have apparently foundered. There are community colleges in Everett and Edmonds. The University Center of North Puget Sound, offering a variety of degree programs (classroom and on-line), is located on the Everett Community College campus, managed by a consortium of private and public higher-education institutions (Western Washington University, Central Washington University, Eastern Washington University, Evergreen State College, Washington State University, Hope International University, St. Martin's University, and the University of Washington-Bothell). Trinity Lutheran and Columbia College each have a small presence in Snohomish County (downtown Everett and Marysville, respectively).

Hospitals within Snohomish County include Providence Regional Medical Center (Everett, Colby Campus and Pacific Campus), Stevens Hospital (Edmonds), Valley General Hospital (Monroe), and Cascade Valley Hospital (Arlington).

According to the Washington State Office of Financial Management (OFM), the median household incomes for Snohomish County for 2013 (preliminary estimate) and 2014 (projected) are \$64,740 and \$65,454, respectively (these median income figures are the most recent available). The corresponding figures for Washington State as a whole are \$57,554 and \$58,686, respectively. For 2013 (preliminary), Snohomish County ranked 2<sup>nd</sup> among the 39 counties in Washington State in terms of median household income (behind King County, and directly ahead of Benton County).

Snohomish County's largest private employers (2015 data from Economic Alliance Snohomish County) are listed in the following table.

Employer	No. of Employees*
Boeing	38,000
Providence Regional Medical Center	3,500
Tulalip Tribes Enterprises	3,200
Premera Blue Cross	2,400
Everett Clinic	2,150
Wal-Mart	2,056
Swedish Edmonds Hospital	1,850
Philips Medical Systems	1,800
Fred Meyer	1,600
Safeway	1,350
Fluke Corp. (Danaher)	1,200
Albertson's	1,000
Aviation Technical Services (ATS)	1,000
Zodiac Aerospace	1,000
Crane Aerospace & Electronics	900

\* Full-time and part-time

## **ACTION ITEM 6d**

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Snohomish County's largest public employers (2015 data, same source) are listed in the following table.

<u>Employer</u>	<u>No. of Employees*</u>
Naval Station Everett	6,500
Washington State Government	4,600
Snohomish County Government	2,700
Edmonds School District	2,558
Northshore School District	2,341
Everett School District	2,157
Mukilteo School District	1,717
City of Everett	1,327
Marysville School District	1,305
Snohomish School District	1,101
Monroe Correctional Complex	1,000
Snohomish PUD	980
Edmonds Community College	855
Everett Community College	840
Community Transit	650

\* Full-time and part-time

For calendar year 2015, Snohomish County had a labor force (on average) of 401,742. Unemployment rates for Snohomish County and Washington State for the last 12 months are enumerated in the following table (the rates are not seasonally adjusted). Over the last year, Snohomish County has outperformed the state as a whole.

<u>Month/Year</u>	<u>Snohomish County</u>	<u>Washington</u>
6/2016	4.7%	5.6%
5/2016	4.8%	5.5%
4/2016	4.6%	5.6%
3/2016	5.2%	6.0%
2/2016	5.3%	6.3%
1/2016	5.6%	6.5%
12/2015	5.0%	5.9%
11/2015	5.5%	5.7%
10/2015	5.0%	5.3%
9/2015	4.9%	5.2%
8/2015	4.9%	5.4%
7/2015	5.0%	5.5%

### **Snohomish**

The subject is located in the small, incorporated community of Snohomish, Washington, about 38 miles north and east of Seattle. The City of Snohomish, encompassing an area of about 2.75 square miles, is reported to be the oldest city in Snohomish County. The city is known primarily for its historic district (with buildings dating from the 1880s), and city government, the chamber of commerce, and other groups market the city as the "antique capital of the Northwest". The 2000 Census, as reported by the Washington State Office of Financial Management (OFM), indicated the city's population at 8,494, an increase of 30.7% from 1990. Based on the 2010 Census, Snohomish's population was 9,098, a 7.1% increase from 2000. The estimate for 2015 is 9,385.

## **ACTION ITEM 6d**

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Snohomish may be segregated into a number of areas, with distinct development patterns and zoning: the historic district, comprising the downtown retail core (bounded by the Snohomish River to the south), characterized by multi-story, historic buildings with retail at ground level, and office uses on the upper floors; the Maple Ave. area on the city's east side (bounded by the Pilchuck River), an area in transition from industrial uses to commercial and mixed use development; the Avenue D commercial strip, characterized by a mix of neighborhood shopping center, strip retail, fast food restaurant, and small, (typically) owner-occupied medical or general purpose office building development; the Bickford Ave. corridor, to the north of the Avenue D commercial strip, where Snohomish Station was recently completed (a retail center anchored by Fred Meyer, Kohl's, and Home Depot); and the airport and riverfront area south of the historic CBD and the Snohomish River, east of SR 9 (an area zoned for industrial development).

Snohomish is also a bedroom community for employment centers in the Everett area (including Boeing) and further south in King County. The city is also known for its historic homes located immediately north of the CBD area, and for the large homes on acreage that continue to be developed on Fobes Hill, to the west of the city.

### **Summary of Market, and Demographic and Income Profiles: 1, 3, and 5 Mile Radii**

The ESRI Market Profile and Demographic and Income Profile for the subject's neighborhood (1, 3, and 5 mile radii around the subject) are included in the Addenda of this report. In general, the data indicate modest projected population growth between 2016 and 2021, median household income levels above the overall Snohomish County levels at the 3 and 5 mile markers (below the county-wide level at the 1 mile marker), and median home values (\$310,115 - \$348,914) that are expected to increase by about 1.1% to 2.3% per year (compounded annually) between 2016 and 2021.

### **Washington State Retail Survey, 2015 Edition (Eureka Group)**

An annual retail survey of Washington State (county-wide and city data) is published by the Eureka Group (Pollock Pines, California). In addition to demographic and sector-specific retail sales data, the survey includes four market metrics: a Performance Ranking, a Relative Strength Ratio, a Growth Persistence Index, and a Star Rating. The Performance Ranking (focusing on sales growth only in the most recent year) is based on quintiles (the top 20% of markets in terms of most recent year growth rates rated 1, the bottom 20% rated 5, and so on). The Relative Strength Ratio "measures the long-term retail sales growth trend in one local market compared to growth fluctuations in statewide retail sales" (percentage increase in submarket retail sales over the past five years divided by the corresponding percentage increase in statewide retail sales). The Growth Persistence Index "measures the ability of a local market to consistently outperform the overall market each year" (differentiating "markets with steady, above-average growth from those that experience wide fluctuations in their relative growth performance"; this is a ten-year index, with a high of 100% and a low of 0%). The Star Rating reflects a submarket's growth compared to all other submarkets in Washington State (again, based on quintiles; e.g., the fastest growing markets are given a five-star rating).

The data for Snohomish, Washington (2015 edition of the report) are summarized in the following table.

**Snohomish Retail Sales Metrics**

Performance Ranking	Relative Strength Ratio	Growth Persistence Index	Star Rating
3	1.06	61.1%	★ ★ ★ ★

**ACTION ITEM 6d**

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The Performance Ranking is in the third quintile (average). Retail sales growth over the last five years is above that of the state as a whole (1.06 Relative Strength Ratio against 1.00 for Washington State). Sales growth over the last five years has been 6.0% (annually). The Growth Persistence Index is above average. The Star Rating is also above average.

**Immediate Vicinity**

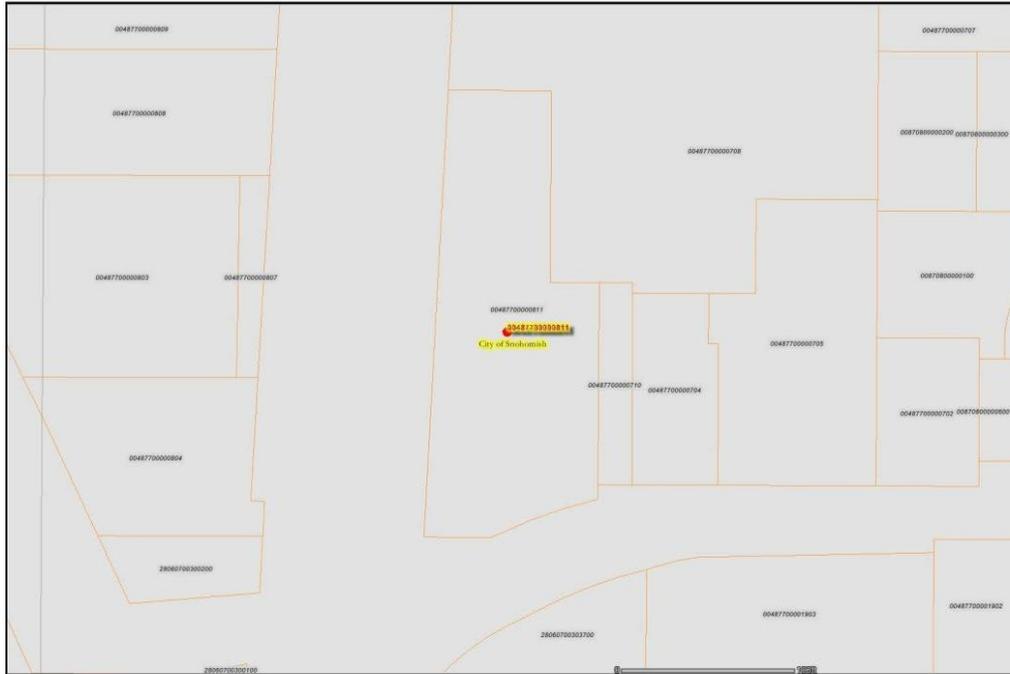
The larger property associated with the street vacation is located along the city's Avenue D commercial corridor. To the east of this property is a small office building and an auto parts store. To the south is a convenience store. To the west is a restaurant. To the north is the auto parts store parking lot.

**Conclusion**

The larger property associated with the street vacation is located along Snohomish's Avenue D commercial corridor.

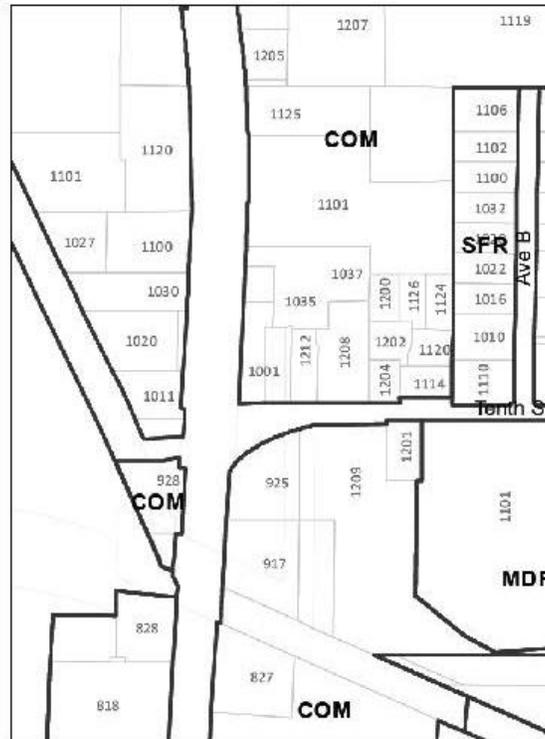
**ACTION ITEM 6d**

**PLAT MAP**



**ACTION ITEM 6d**

**ZONING MAP**



Land Use Designations
SFR - Single Family Residential
LDR - Low Density Residential
MDR - Medium Density Residential
HDR - High Density Residential
PIL - Pilchuck District
BP - Business Park
COM - Commercial
HBD - Historic Business
MU - Mixed Use
IND - Industrial
AI - Airport Industry
PP - Parks
OS - Open Space
UH - Urban Horticulture

**ACTION ITEM 6d**

**SITE DESCRIPTION**

- Location:** The subject is located at the northeast corner of the intersection of Avenue D and 10<sup>th</sup> St., Snohomish, Washington. The larger property associated with this street vacation is situated along Snohomish's Avenue D commercial corridor.
- Size/Shape:** The larger property site has an irregular shape. Based on Snohomish County Assessor's data, the larger property site currently contains 21,344 sq. ft., or 0.49 acres.
- Reportedly, at the time of acquisition of the property by current ownership in January 2014, a title issue was discovered. A portion of the south end of the building, a portion of a driveway, and site improvements encroach on the 10th St. right-of-way. The pending street vacation will remedy the issue. Based on the documentation provided, the area of encroachment/10th St. vacation area contains 1,498 sq. ft. The subject property has a triangular shape.
- Topography:** The larger property site is gently sloping and near the grades of Avenue D and 10th St. The topography of the street vacation area conforms with that of the extreme southern portion of the larger property site.
- Access:** The larger property site may be accessed directly from either frontage street.
- Exposure:** The larger property site has exposure to the frontage streets and neighboring properties.
- Abutting Uses:** North: Auto parts store parking lot.  
South: Convenience store.  
East: Small office building and auto parts store.  
West: Restaurant.
- Soil Conditions/  
Wetlands:** There are no wetlands on the larger property site or the street vacation area. No evidence of hazardous waste contamination on either site was noted. No settling problems were found. As previously noted in this report, the appraiser is not competent to render judgments regarding engineering or environmental issues. It is assumed that no adverse soil conditions or contamination exist.
- FEMA Flood Zone:** The subject site is in an area designated as Zone X (Panel # 53061C1061F), indicating an area outside the 100-year floodplain.
- Seismic Zone:** Western Washington is in Seismic Zone 3 (of the Uniform Building Code), characterized as a region of high seismic hazard due to the potential for strong earthquake ground motion. A total of six seismic zones are designated: 0, 1, 2a, 2b, 3, and 4 (indicating the highest seismic hazard and greatest expected damage). The boundaries of the zones are based on scientific studies of ground acceleration levels, the damage patterns produced in past earthquakes, and the locations of the fault zones where these earthquakes have occurred.

**ACTION ITEM 6d**

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**Nuisances and Hazards:**

No nuisances or hazards were noted during the inspection of the property.

**Easements, Encroachments, and Encumbrances:**

No title report was provided. It is assumed that there are no issues regarding easements, encroachments, encumbrances, or other similar matters that would have any impact on valuation of the subject property.

**Local Improvement Districts:**

No title report was provided.

**Street Improvements:**

Avenue D has one lane in either direction and a center turn lane. It has concrete curbs, gutters, and sidewalks.

**Utilities:**

All public utilities are available.

**Zoning:**

The property is zoned COM, Commercial, by the City of Snohomish. It appears that the building on the larger property is a legal, conforming use. However, a definitive statement concerning conformance with all of the code requirements that might pertain to the subject can only be made by City of Snohomish Planning and Community Development officials.

**Summary**

The larger property site, before and after the street vacation, is amenable to appropriately-scaled, retail- or quasi-retail-oriented commercial development.

**THE PROPERTY VALUATION PROCESS**

The appraisal or property valuation process involves the application and reconciliation of three approaches to value: the cost approach, income (capitalization) approach, and the sales comparison approach. Each approach is founded on various types of market data. Strengths and weaknesses of each approach depend on the type of property being appraised and the quantity and quality of the market data providing the basis for the analysis. Equally important as accurate and exhaustive analysis in the three approaches is the reconciliation of the approaches to value, resulting in a final value estimate based on the perceived reliability of each approach.

The Cost Approach provides an estimate of property value that is comprised of the estimated value of the property as though vacant and available to be put to its highest and best use, and an estimate of the depreciated cost of the improvements accounting for all forms of depreciation or obsolescence. In common with the other two approaches, the cost approach is based on the principle of substitution. When faced with a "buy or build" decision, an owner/user or investor would not pay more than the total cost of acquiring a site and constructing improvements having equal utility or income-generating potential. The cost approach is most applicable in valuing proposed or new construction, or special purpose properties without true comparables. Due to the inherent difficulties in accurately estimating the various forms of depreciation, the reliability of this approach varies inversely with the age of the improvements and the degree to which the improvements suffer from functional or external obsolescence.

The Income Approach provides an estimate of property value based on the anticipated income-generating potential of the property. The approach requires estimation of market rent, analysis of any leases encumbering the property, and estimation of probable vacancy and expenses based on market data and the history of the property being appraised. Income capitalization results in a lump sum value estimate. Direct capitalization, employing an overall rate derived from market sales and/or band-of-investment analysis, and discounted cash flow analysis are the principal capitalization techniques. The latter is most useful in valuing income properties encumbered by long term leases (and particularly those in the value range, above about \$5 million, to attract institutional investors). The income approach is most applicable in analyzing properties that are bought or held for investment purposes. The approach is least applicable when applied to owner/user properties, where income potential is of little or no concern.

The Sales Comparison Approach provides an estimate of property value based on sales of properties similar to that being appraised. Sales are initially analyzed individually to determine property rights transferred, financing terms, conditions of sale, and the physical characteristics of the comparable property. The sales are then compared to the subject based on a unit of comparison common for the property type or market area. The sales comparison approach is most applicable when market sales are plentiful and sales data are sufficient to enable analysis and comparison with the subject. The approach is least applicable for properties or market areas characterized by a dearth of sales or incomplete or inaccurate sales data.

The final step in the valuation process involves reconciling the value estimates produced by the three approaches. It is at this juncture that the strengths and weaknesses of the approaches must be weighed and confidence in each value estimate questioned. Reconciliation is usually reduced to considering the applicability of each approach given the property type and market area, and determining whether the various forms of market data were sufficient in quantity or quality. Following the reconciled value estimate, additions or subtractions are made reflecting any special considerations that might make a second (or third . . .) value estimate appropriate. The value of excess land, for instance, may be added following reconciliation. Also, estimation of an "as-is", or "at completion", value for a property appraised at stabilized occupancy might require subtraction of an absorption discount to reflect the time, cost, and foregone income experienced in achieving

**ACTION ITEM 6d**

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stabilized occupancy. These are but two of the numerous considerations that are typically addressed following statement of the reconciled value estimate.

**Valuation of the Subject**

The area of encroachment/street vacation area is the subject of this report. The fee simple estate interest in the subject is valued in the report. The subject is valued by application of the land valuation section of the cost approach.

**LAND VALUATION**

In this section of the report, the subject site, before and after the street vacation, is valued as though vacant and available to be put to its highest and best use. Land value is estimated by researching and analyzing comparable land sales, making adjustments for property rights conveyed, financing terms, conditions of sale (motivation), market conditions (time), and various other elements of comparison having an influence on market value [e.g., location/exposure/view amenity, zoning (allowable development density)/entitlements/encumbrances, parcel size and shape, improvements on the site (contributory value or demolition cost), topography/soil conditions, and potential off-site costs/utilities].

The subject is located in the small Snohomish County community of Snohomish, along the Avenue D commercial corridor. As noted above, highest and best use, before and after the street vacation, involves retail- or quasi-retail-oriented commercial development. The site is zoned by the City of Snohomish for commercial development. The search for sales of comparable properties was focused on similarly-zoned parcels in the city. The most recent sales and listings, found to be most comparable to the larger property site, before and after the street vacation, are summarized in the following table. A map showing the locations of the sales follows the table.

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**Summary of the Land Sale Comparables**

#	Identification/Location	Sale Date	Sale Price	Year Built	Building Area (Sq. Ft.)	Land Area (Sq. Ft.)	Zoning	Depreciated Building Value	Residual Land Value	Price/Sq. Ft. Building	Price/Sq. Ft. Land	Residual LV /Sq. Ft.
L-1	Multifamily Site* 1209 10th St. Snohomish	Pending	\$622,500	N/A	N/A	66,647 (usable)	COM Snohomish	N/A	N/A	N/A	\$9.34	N/A
L-2	Auto Service Building Site** 16412 Highway 9 Snohomish	7/16	\$600,000	N/A	N/A	74,488	CRC Snohomish County	N/A	N/A	N/A	\$8.05	N/A
L-3	Small Commercial Bldg*** 714 Avenue D Snohomish	6/16	\$335,000	1972	1,238	7,000	COM Snohomish	\$123,800	\$211,200	\$270.60	\$47.86	\$30.17
L-4	Fast Food Restaurant Site† 818 Avenue D Snohomish	5/16	\$1,100,000	N/A	N/A	42,688	COM Snohomish	N/A	N/A	N/A	\$25.77	N/A
L-5	Vacant Land†† 1510 Bickford Ave. Snohomish	Listing	\$869,000	N/A	N/A	61,855	COM Snohomish	N/A	N/A	N/A	\$14.05	N/A
Subject Site After Street Vacation						22,842	COM Snohomish					

\* Just southeast of the subject on the opposite side of 10<sup>th</sup> St (interior site). Asking price of \$627,500. The agent reports that the sale price is within \$5,000 of the asking price. The buyer is an apartment developer. Gross land area of 88,862 sq. ft., with the agent estimating usable land area at 75% of gross land area (a wetlands delineation is in progress). The site drops about 20 ft. just south of 10<sup>th</sup> St., and the property will have topography/ingress-egress issues that will require a retaining wall and perhaps structural fill. No entitlements. Feasibility study for 36 units.

\*\* Fire-damaged old restaurant on the corner site provided no contributory value. The buyer is a tenant in a building across the street. An auto service building will be constructed on the site.

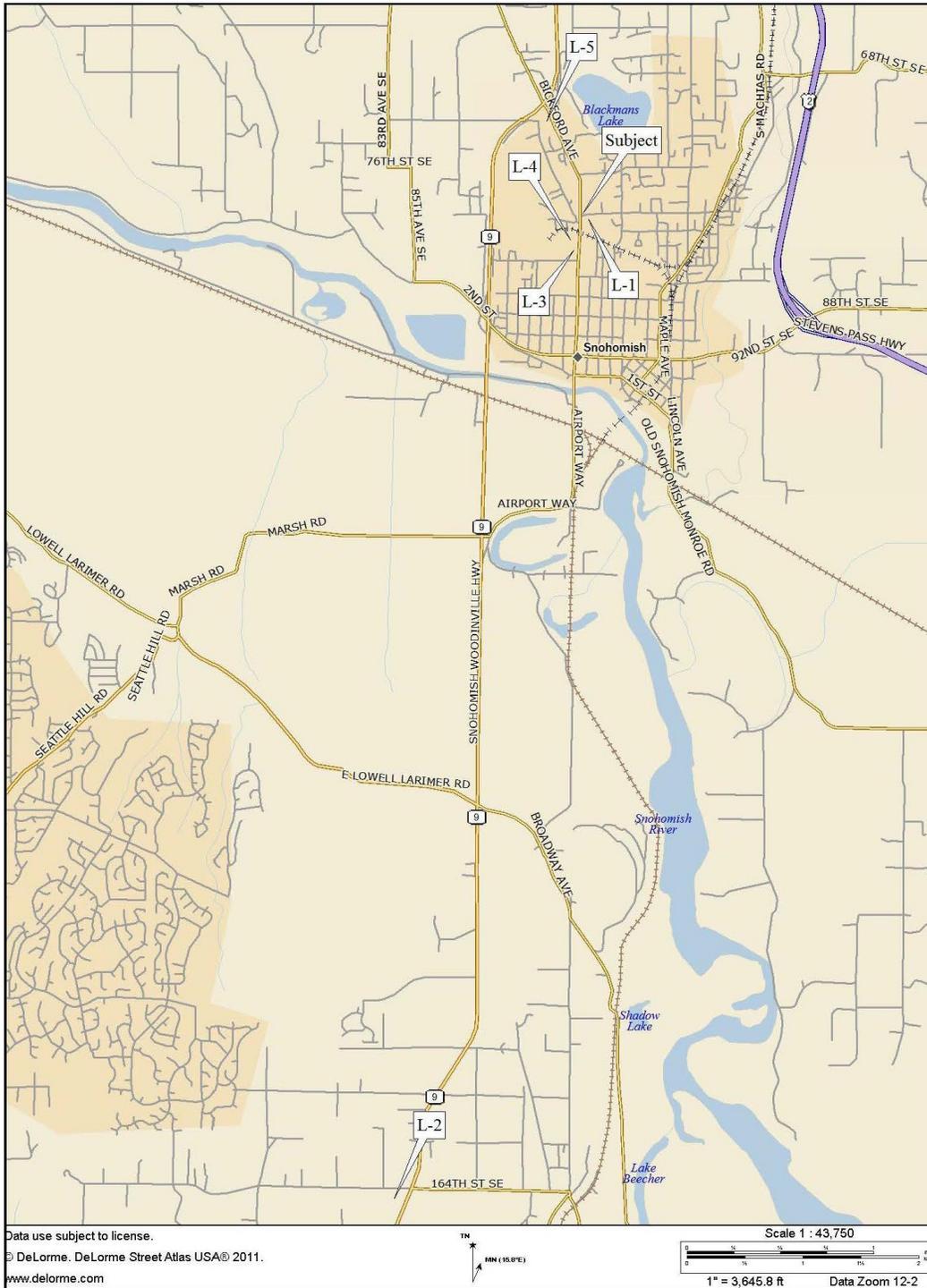
\*\*\* Sale of a very small building formerly used as a cafe to an owner/user (insurance agency). The building will be retained. Interior site.

† Sale of a Union Bank branch to a fast food franchisee. Some portion of the 3,702 sq. ft. building shell may, or may not, be used in building the restaurant. Interior site.

†† On the market for about 5 months. Agent reports interest from fast food franchisees (Taco Time and Sonic) and an apartment developer, but no offers. The southern portion of the site is at grade with Bickford Ave. The northern portion of the site is below grade of the street. The agent indicated he believes the site is over-priced. Corner site.

**ACTION ITEM 6d**

**MAP OF THE LAND SALES**



## **ACTION ITEM 6d**

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### **Analysis and Conclusions, Post-10<sup>th</sup> St. Vacation**

In this section, the land sales will be compared to the building site after the street vacation. In estimating the value of the property, as though vacant, adjustments must be considered in order to account for the differing influences on value of various elements of comparison between the comparable land sales and the larger property.

#### Property Rights Conveyed

All of the land sales involve transfer of the fee simple interest in the respective properties. This is also the interest being appraised in the property, as though vacant.

#### Conditions of Sale

Based on available information, all of the land sales occurred between buyers and sellers having no special or atypical motivation.

#### Financing

As the value estimate by the sales comparison approach is an estimate of the probable selling price of the subject in current dollars, or under terms and rates prevailing in the market, the subject is compared to the market sales on the basis of cash equivalent sale prices. Typically, financing at below-market rates or under unusually favorable terms is attained only at the "cost" of a higher executed sale price. Conversely, financing at above-market rates, or under unfavorable terms, is accepted only with the "benefit" of a lower executed price. Based on available information, all of the sales involved bank financing, seller financing at a market rate of interest, or no financing. No adjustments are applied to account for atypical financing.

#### Market Conditions

The land sales occurred between May and July 2016, with one sale pending. No adjustments are applied for changing market conditions.

L-5 is a listing. While it might sell at or above the asking price, more probably it will sell at a price that is less than the asking price. A negative adjustment is applied.

#### Location

In the following table, adjustments are made to the sales, as warranted, for location (corner or interior position, proximity to freeways, commercial hubs, or other synergistic development, exposure to traffic volumes, etc.). The subject's location is superior to those of all of the sale properties.

#### Zoning/Entitlements/Encumbrances

With the single exception of L-2, all of the sale properties carry the property's COM (City of Snohomish) zoning classification. L-2 has a rural commercial zoning classification, and a positive adjustment is applied. None of the properties sold with entitlements (plans, permits, etc.). Encumbrances, such as easements, did not have any influence on sale prices.

## **ACTION ITEM 6d**

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### Parcel Shape/Size

It is the case that many commercial real estate appraisers reflexively (relying on “rules of thumb”, or “studies” by themselves or others purporting to show an unvarying–always and everywhere–inverse relationship in the data) adjust for relative land area, assuming an inverse relationship between land area and price per sq. ft. of land area (whether or not one actually exists). In this case, the sales evidence an inverse relationship. Appropriate adjustments are applied.

All of the sale properties are either basically square, rectangular, or an irregular shape with proportional depth and frontage (as is the larger property).

### Improvements

With the exception of L-3 (with residual land value estimated here), none of the sale properties had building or other improvements having contributory value. Development on L-2 will require incurrence of demolition cost.

### Topography/Site Condition

The larger property is gently sloping and near the grades of Avenue D and 10<sup>th</sup> St. L-2, L-3, and L-4 are also level or gently sloping and near the grade of frontage streets. In contrast, L-1 and L-5 have topography issues that will complicate site/building development.

Based on available information, (again) with the exceptions of L-1 and L-5, soil conditions on the comparable sites are amenable to development without the requirement for structural fill or extraordinary exportation of soil from the sites.

### Off-Site Costs/Utilities

No information was available indicating that the sale prices of any of the comparables were affected by projections of likely off-site costs associated with development of the sites (such as the costs associated with utilities extension or extensive frontage improvements).

With the exception of L-2, all public utilities are available to the comparables. The agent reports that development on L-2 will require construction of a new commercial septic system.

### Overall Adjustments and Value Conclusions

A summary of the adjustments is displayed below.

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**Summary of Adjustments**

Element of Comparison/Sale No.	L-1	L-2	L-3	L-4	L-5
Sale Price/Sq. Ft.	\$9.34	\$8.05	\$30.17	\$25.77	\$14.05
Property Rights	0	0	0	0	0
Financing Terms	0	0	0	0	0
Conditions of Sale	0	0	0	0	0
Market Conditions	0	0	0	0	-
Physical Characteristics					
Location	+	+	+	+	+
Zoning/Entitlements/Encumbrances	0/0/0	+0/0	0/0/0	0/0/0	0/0/0
Parcel Size/Shape	+0	+0	-0	+0	+0
Improvements	0	+	N/A	0	0
Topography/Site Condition	+/+	0/0	0/0	0/0	+/+
Off-Site Costs/Utilities	0/0	0/+	0/0	0/0	0/0
Cumulative Adjustment	++	++	-	+	++

The sales bracket the larger property's value, as though vacant. The market value of the larger property, as though vacant, should be greater than the unadjusted sale prices, on a per sq. ft. of usable land area basis, of L-1, L-2, L-4, and L-5, but less than that of L-3. Based on this market data and analysis, the current market value of the fee simple estate interest in the larger property, as though vacant, after the street vacation, is concluded to amount to about \$27.50 per sq. ft. of land area, or:

$$\frac{22,842 \text{ sq. ft. @ } \$27.50 \text{ per sq. ft.} = \$628,155}{}$$

**Value of the Subject Property**

Based on Snohomish County Assessor's data, prior to the street vacation, the building site contains 21,344 sq. ft. of land area (0.49 acres). Prior to the street vacation, the site has the same highest and best use and same utility as does the site after the street vacation. Hence, given the small size of the encroachment/street vacation area, the unit value concluded above is also applied to this latter land area. The estimated current market value of the building site, before the street vacation, is as follows:

$$\frac{21,344 \text{ sq. ft. @ } \$27.50 \text{ per sq. ft.} = \$586,960}{}$$

The subject property is the area of the 10<sup>th</sup> St. vacation, containing 1,498 sq. ft. of land area. The estimated current market value of the fee simple estate interest in the subject property, as of August 8, 2016, is as follows:

Site Value After Street Vacation	\$628,155
Site Value Before Street Vacation	586,960
Value of the Street Vacation	\$41,195

**ACTION ITEM 6d**

**ADDENDA**

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**ACTION ITEM 6d**

**LEGAL DESCRIPTION PROVIDED (PRIOR TO STREET VACATION)**

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF THE PROPERTY**

LOT B OF CITY OF SNOHOMISH BOUNDARY LINE ADJUSTMENT 98-5 RECORDED UNDER AUDITOR'S FILE NUMBER 9807280148, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PART OF LOT 8 OF LAKE ADDITION TO SNOHOMISH, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 5 OF PLATS, PAGE 10, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH 264.00 FEET OF SAID LOT 8 WITH A LINE 60.00 FEET DISTANT EASTERLY, AS MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF STATE HIGHWAY 15;

THENCE NORTH 89°57'32" EAST ALONG SAID NORTH LINE 51.01 FEET TO A POINT 111.01 FEET EASTERLY OF SAID CENTERLINE;

THENCE SOUTH 00°04'19" WEST PARALLEL WITH THE EAST LINE OF SAID LOT 8 A DISTANCE OF 114.00 FEET TO THE NORTH LINE OF THE SOUTH 150.00 FEET THEREOF;

THENCE NORTH 89°57'32" EAST ALONG SAID NORTH LINE 28.96 FEET TO THE EAST LINE OF SAID LOT 8;

THENCE SOUTH 00°04'19" WEST 150.00 FEET TO THE SOUTHEAST CORNER THEREOF;

THENCE SOUTH 89°57'32" WEST ALONG SAID SOUTH LINE 92.87 FEET TO A POINT 60.00 FEET DISTANT EASTERLY, AS MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF STATE HIGHWAY 15;

THENCE NORTH 02°52'05" EAST PARALLEL WITH SAID CENTERLINE 264.34 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF AVENUE "D" VACATED BY CITY OF SNOHOMISH ORDINANCE NO. 1474 RECORDED UNDER AUDITOR'S FILE NUMBER 8304280324, BEING A RE-RECORDING OF 8304050216;

EXCEPTING THEREFROM THAT PORTION CONVEYED TO SNOHOMISH COUNTY BY DEED RECORDED UNDER AUDITOR'S FILE NUMBER 239669;

AND EXCEPTING THEREFROM ANY PORTION LYING WITHIN 10TH STREET.

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

**ACTION ITEM 6d**

**LEGAL DESCRIPTION PROVIDED (ENCROACHMENT AREA/STREET VACATION)**

**EXHIBIT "B"**

**LEGAL DESCRIPTION OF THE ENCROACHMENT AREA**

THAT PORTION OF LOT 8 OF LAKE ADDITION TO SNOHOMISH, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 5 OF PLATS, PAGE 10, RECORDS OF SNOHOMISH COUNTY, WASHINGTON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 8;

THENCE NORTH 0°21'14" EAST 16.92 FEET TO THE **POINT OF BEGINNING**;

THENCE SOUTH 79°40'09" WEST 92.13 FEET;

THENCE NORTH 89°44'48" WEST 3.04 FEET TO THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT WHOSE RADIAL POINT BEARS SOUTH 32°46'14" EAST A DISTANCE OF 221.00 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 4°28'36", A DISTANCE OF 17.27 FEET;

THENCE NORTH 61°42'22" EAST 25.40 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT WHOSE RADIAL POINT BEARS SOUTH 28°17'38" EAST A DISTANCE OF 316.50 FEET;

THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 10°00'00", A DISTANCE OF 55.24 FEET;

THENCE SOUTH 18°17'38" EAST 18.55 FEET;

THENCE SOUTH 00°21'14" WEST 8.51 FEET TO THE **POINT OF BEGINNING**.

SAID PARCEL CONTAINING 1,498 SQUARE FEET OR 0.03 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS AND CONDITIONS OF RECORD.

**ACTION ITEM 6d**

**APPRAISER'S STATE CERTIFICATION**



## **ACTION ITEM 6d**

**KARL E. SAGNER, MAI  
COMMERCIAL REALTY CONSULTING, INC.**

P.O. Box 1081

Lake Stevens, Washington 98258-1081

(360) 691-4727 / Fax: (360) 691-2117 / Cell: (425) 238-9898 / E-Mail: ksagner@comcast.net

Mr. Sagner has been engaged as a commercial real estate appraiser/analyst and consultant in the State of Washington since 1986. He founded Commercial Realty Consulting, a Washington State (Subchapter S) Corporation, in 1995. Valuation, report review, and valuation-related consultation assignments have involved a wide variety of commercial properties located in Washington State, Oregon, Idaho, Arizona, and Texas (though, in recent years, work has been restricted to the Puget Sound region of Western Washington): office buildings (including large, multitenant facilities); industrial and warehouse buildings (including large, specialized plants); business, industrial, and office parks (up to 1+ million sq. ft.); shopping centers (up to community centers in terms of size and tenant profile); strip and single-tenant retail buildings; gas station/convenience stores; medical/dental and veterinary clinics; apartment buildings and complexes; condominiums (residential and commercial); self-storage facilities; residential and business park subdivisions; mobile home parks; churches; schools; recreational buildings; bank branches; daycare centers; lube shops; car washes; restaurants; and a variety of special purpose properties (e.g., cold storage/food processing buildings, and funeral homes/mortuaries/cemeteries).

Valuation and consultation assignments have been conducted for financial institutions, public entities, corporations, insurance companies, law firms, real estate developers, and private individuals and partnerships. Assignments have involved various types of investment analysis, market and absorption studies, and valuation of leased fee, leasehold, and fee simple interests (including partial interest valuation). Services have been employed for many purposes: financing, asset pricing, due diligence, portfolio valuation, estate and tax planning, eminent domain-related negotiations, litigation, etc.

### **PROFESSIONAL DESIGNATIONS, CERTIFICATIONS, AND MEMBERSHIPS:**

- ◆ MAI (Member of the Appraisal Institute) designation (#10,179).
- ◆ Certified under the General Classification in the State of Washington (#1100865).
- ◆ Washington State Dept. of Transportation Approved Appraiser and Review Appraiser Lists.
- ◆ SBA Going Concern Registry/Appraisal Institute Valuation of the Components of a Business Enterprise Professional Development Program Registry.
- ◆ Memberships: Appraisal Institute; American Real Estate Society; American Economic Association; Seattle Economists Council.

### **EDUCATION:**

#### **Appraisal Institute/Variou Trade Organizations**

- ◆ All Appraisal Institute and Washington State CE requirements have been completed.

#### **CFA Institute**

- ◆ Successfully completed Level I of the CFA program.

#### **University of Washington (Seattle)**

- ◆ M.A., Economics.

#### **University of Oregon (Eugene)**

- ◆ B.A., Economics.

#### **University of Oregon (Eugene)**

- ◆ Russian and East European Studies Certificate.

### **SAMPLING OF TYPICAL VALUATION ASSIGNMENTS:**

Multitenant Office Buildings (5,000 - 75,000 sq. ft.), Various Puget Sound Locations  
Transitional, 50 Acre Waterfront Property, Bainbridge Island (Kitsap County)  
Smaller Business, Industrial, and Office Parks, Various Puget Sound Locations

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## **ACTION ITEM 6d**

### Commercial Realty Consulting, Inc.

Reviews for Financial Institutions and Public Entities (Eminent Domain–Partial Take)  
115,000 - 320,000 sq. ft. Distribution Buildings/Complexes, Puget Sound Locations  
Existing and Proposed Strip Retail Buildings, Various Puget Sound Locations  
32,000 sq. ft. Electronic Assembly Building, Redmond  
Gas Station/Convenience Store Properties, King and Snohomish County Locations  
Existing and Proposed Apartment Complexes, Various Puget Sound Locations  
Drug Store, Fast Food Restaurant, and Lube Shop Bond Leases, Puget Sound Locations  
Proposed Residential Condominium Projects, King and Snohomish County Locations  
Mixed Use Properties (Restaurant/Retail/Office/Multifamily), Puget Sound Locations  
Proposed, Mixed Use Properties (Retail/Office/Multifamily), Snohomish County  
5,000 – 92,000 sq. ft. (705 Unit) Self-Storage Facilities, King and Snohomish Counties  
Medical/Dental Office Buildings and Veterinary Clinics, Various Puget Sound Locations  
Single-Tenant, Triple/Absolute Net Investment Retail Buildings, Puget Sound Locations  
Food Processing Buildings, Seattle, Woodinville  
Existing/Proposed Churches, Synagogues, and Schools, Puget Sound Locations  
Subsurface Radio Tower Easements, Seattle  
Interim Use Properties, Various Puget Sound Locations  
Commercial, Industrial, Multifamily, and Mixed Use Land, Puget Sound Locations  
Bank Branches, Various Puget Sound Locations  
50,000 - 100,000 sq. ft. Steel Fabrication and Metal Casting Plants, Seattle  
Aircraft Hangars, Arlington  
Multitenant/Multi-Story Artist Studio Building, Seattle  
Auto Dealership Properties, King, Snohomish, and Skagit County Locations  
40,000 - 100,000 sq. ft. Single-Tenant Industrial Buildings, Puget Sound Locations  
Retail and Industrial Ground Leases, King and Snohomish County Locations  
Lumberyards, Bothell, Camano Island, Woodinville  
Multitenant Retail Warehouse Buildings, Various Puget Sound Locations  
Daycare Centers, Various Puget Sound Locations  
Recreational Bldgs. (Skating Rink, Indoor Soccer, Tennis Club), Puget Sound Locations  
Residential Lot Subdivisions/Air Space Condominiums, Puget Sound Locations  
Land Development Phase of 19 Acre Mixed Use Project, Woodinville  
128,000 sq. ft. Manufacturing Building (Aircraft Interiors), Renton  
“Sit-Down” Restaurants, Various Puget Sound Locations  
Multitenant/Incubator Industrial Buildings and Complexes, Puget Sound Locations  
Funeral Chapels/Mortuaries and Cemeteries, Bremerton and Poulsbo (Kitsap County)  
Office, Office/Warehouse, and Retail Condominiums, Various Puget Sound Locations

#### **EMPLOYMENT HISTORY:**

- ◆ Commercial Realty Consulting, Inc. (Principal), 1995-Present
- ◆ Key Bank of Washington, Seattle, 1993-1994
- ◆ Lyon, Skelte & Speirs, Seattle, 1992
- ◆ Schueler, McKown & Keenan, Seattle, 1986-1991

#### **REPORT PREPARATION:**

- ◆ Discounted cash flow analysis, in valuation of investment properties, is produced using ARGUS Financial Software (the industry standard among financial institutions and institutional investors). Excel employed for smaller properties.
- ◆ Complete reports, upon request, can be distributed as Adobe Acrobat (.pdf) files via e-mail (digitally encrypted for security).

**ACTION ITEM 6d**

**ESRI MARKET/DEMOGRAPHIC AND INCOME PROFILES: 1, 3, AND 5 MILE RADII**

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# ACTION ITEM 6d



## Market Profile

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>Population Summary</b>			
2000 Total Population	8,247	17,287	63,997
2010 Total Population	8,064	18,192	75,467
2016 Total Population	8,373	19,336	81,250
2016 Group Quarters	261	321	500
2021 Total Population	8,843	20,636	87,427
2016-2021 Annual Rate	1.10%	1.31%	1.48%
<b>Household Summary</b>			
2000 Households	3,175	6,327	21,864
2000 Average Household Size	2.48	2.66	2.90
2010 Households	3,282	6,906	26,472
2010 Average Household Size	2.38	2.59	2.83
2016 Households	3,401	7,301	28,360
2016 Average Household Size	2.39	2.60	2.85
2021 Households	3,588	7,771	30,439
2021 Average Household Size	2.39	2.61	2.86
2016-2021 Annual Rate	1.08%	1.26%	1.42%
2010 Families	2,062	4,758	19,925
2010 Average Family Size	2.92	3.05	3.22
2016 Families	2,126	5,016	21,255
2016 Average Family Size	2.93	3.07	3.24
2021 Families	2,238	5,335	22,766
2021 Average Family Size	2.94	3.08	3.25
2016-2021 Annual Rate	1.03%	1.24%	1.38%
<b>Housing Unit Summary</b>			
2000 Housing Units	3,331	6,524	22,488
Owner Occupied Housing Units	54.9%	67.6%	78.6%
Renter Occupied Housing Units	40.4%	29.4%	18.7%
Vacant Housing Units	4.7%	3.0%	2.8%
2010 Housing Units	3,563	7,356	27,855
Owner Occupied Housing Units	50.7%	63.9%	75.2%
Renter Occupied Housing Units	41.4%	30.0%	19.8%
Vacant Housing Units	7.9%	6.1%	5.0%
2016 Housing Units	3,698	7,788	29,911
Owner Occupied Housing Units	49.0%	62.6%	74.1%
Renter Occupied Housing Units	43.0%	31.1%	20.7%
Vacant Housing Units	8.0%	6.3%	5.2%
2021 Housing Units	3,885	8,255	31,970
Owner Occupied Housing Units	48.8%	62.7%	74.2%
Renter Occupied Housing Units	43.6%	31.5%	21.0%
Vacant Housing Units	7.6%	5.9%	4.8%
<b>Median Household Income</b>			
2016	\$52,744	\$65,805	\$84,501
2021	\$56,950	\$77,338	\$94,614
<b>Median Home Value</b>			
2016	\$310,115	\$348,914	\$347,010
2021	\$347,870	\$376,676	\$365,578
<b>Per Capita Income</b>			
2016	\$27,856	\$32,156	\$34,976
2021	\$30,090	\$35,237	\$38,038
<b>Median Age</b>			
2010	38.5	39.9	37.2
2016	39.6	41.1	38.2
2021	40.2	41.9	38.8

**Data Note:** Household population includes persons not residing in group quarters. Average Household Size is the household population divided by total households. Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by the total population.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

# ACTION ITEM 6d



## Market Profile

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>2016 Households by Income</b>			
Household Income Base	3,401	7,301	28,360
<\$15,000	12.2%	8.7%	5.6%
\$15,000 - \$24,999	9.9%	7.3%	4.9%
\$25,000 - \$34,999	10.0%	7.9%	5.5%
\$35,000 - \$49,999	14.9%	13.1%	8.8%
\$50,000 - \$74,999	19.3%	18.1%	17.9%
\$75,000 - \$99,999	13.6%	15.2%	16.3%
\$100,000 - \$149,999	13.7%	17.6%	24.6%
\$150,000 - \$199,999	4.2%	7.4%	10.3%
\$200,000+	2.2%	4.6%	6.3%
Average Household Income	\$66,977	\$83,228	\$98,972
<b>2021 Households by Income</b>			
Household Income Base	3,588	7,771	30,439
<\$15,000	13.1%	9.1%	5.7%
\$15,000 - \$24,999	9.1%	6.6%	4.3%
\$25,000 - \$34,999	9.1%	7.1%	4.7%
\$35,000 - \$49,999	13.0%	11.2%	7.3%
\$50,000 - \$74,999	15.9%	13.8%	13.3%
\$75,000 - \$99,999	16.4%	17.4%	17.6%
\$100,000 - \$149,999	16.0%	20.9%	28.2%
\$150,000 - \$199,999	4.8%	8.7%	12.0%
\$200,000+	2.6%	5.2%	6.8%
Average Household Income	\$72,741	\$91,679	\$107,992
<b>2016 Owner Occupied Housing Units by Value</b>			
Total	1,811	4,876	22,161
<\$50,000	3.0%	3.9%	2.6%
\$50,000 - \$99,999	0.3%	1.4%	1.9%
\$100,000 - \$149,999	1.9%	1.4%	1.4%
\$150,000 - \$199,999	11.3%	7.8%	5.3%
\$200,000 - \$249,999	14.0%	10.1%	10.4%
\$250,000 - \$299,999	16.6%	12.4%	13.2%
\$300,000 - \$399,999	28.9%	26.4%	32.2%
\$400,000 - \$499,999	9.0%	11.9%	14.2%
\$500,000 - \$749,999	9.4%	15.9%	13.1%
\$750,000 - \$999,999	3.8%	6.1%	4.1%
\$1,000,000 +	1.8%	2.6%	1.5%
Average Home Value	\$356,650	\$405,821	\$386,467
<b>2021 Owner Occupied Housing Units by Value</b>			
Total	1,895	5,174	23,710
<\$50,000	2.1%	2.5%	1.7%
\$50,000 - \$99,999	0.3%	1.1%	1.9%
\$100,000 - \$149,999	1.3%	0.9%	1.0%
\$150,000 - \$199,999	5.9%	3.8%	2.8%
\$200,000 - \$249,999	9.3%	6.5%	6.9%
\$250,000 - \$299,999	12.2%	8.8%	9.4%
\$300,000 - \$399,999	39.6%	34.3%	40.0%
\$400,000 - \$499,999	11.2%	13.4%	15.2%
\$500,000 - \$749,999	11.0%	18.0%	14.5%
\$750,000 - \$999,999	4.9%	7.5%	4.9%
\$1,000,000 +	2.3%	3.1%	1.7%
Average Home Value	\$396,139	\$445,265	\$412,152

**Data Note:** Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest dividends, net rents, pensions, SSI and welfare payments, child support, and alimony.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

**ACTION ITEM 6d**



**Market Profile**

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	<b>1 mile</b>	<b>3 miles</b>	<b>5 miles</b>
<b>2010 Population by Age</b>			
Total	8,065	18,190	75,466
0 - 4	5.7%	5.4%	6.7%
5 - 9	6.4%	6.5%	7.4%
10 - 14	7.1%	7.5%	8.0%
15 - 24	13.0%	12.6%	12.5%
25 - 34	13.2%	11.5%	12.2%
35 - 44	13.7%	14.1%	15.6%
45 - 54	16.3%	17.7%	17.2%
55 - 64	12.4%	13.2%	11.7%
65 - 74	5.8%	6.2%	5.2%
75 - 84	4.3%	3.8%	2.6%
85 +	2.3%	1.6%	1.1%
18 +	76.3%	75.8%	73.1%
<b>2016 Population by Age</b>			
Total	8,374	19,334	81,251
0 - 4	5.4%	5.1%	6.3%
5 - 9	5.8%	5.8%	6.9%
10 - 14	6.0%	6.5%	7.4%
15 - 24	13.6%	12.9%	12.5%
25 - 34	13.3%	12.1%	12.5%
35 - 44	12.8%	12.8%	14.1%
45 - 54	14.4%	15.3%	15.4%
55 - 64	13.9%	15.2%	13.6%
65 - 74	8.3%	8.7%	7.2%
75 - 84	4.1%	3.8%	2.8%
85 +	2.4%	1.7%	1.1%
18 +	78.8%	78.4%	75.1%
<b>2021 Population by Age</b>			
Total	8,846	20,635	87,426
0 - 4	5.4%	5.2%	6.2%
5 - 9	5.3%	5.4%	6.6%
10 - 14	5.9%	6.1%	7.1%
15 - 24	12.1%	11.6%	11.3%
25 - 34	14.3%	12.8%	13.2%
35 - 44	13.2%	12.9%	14.4%
45 - 54	12.7%	13.4%	13.6%
55 - 64	13.8%	15.4%	13.9%
65 - 74	10.3%	11.0%	9.1%
75 - 84	4.7%	4.5%	3.5%
85 +	2.3%	1.8%	1.2%
18 +	79.9%	79.7%	76.1%
<b>2010 Population by Sex</b>			
Males	3,876	9,029	37,770
Females	4,188	9,163	37,697
<b>2016 Population by Sex</b>			
Males	4,042	9,594	40,544
Females	4,332	9,742	40,706
<b>2021 Population by Sex</b>			
Males	4,296	10,248	43,582
Females	4,547	10,388	43,845

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

## **ACTION ITEM 6d**



### Market Profile

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>2010 Population by Race/Ethnicity</b>			
Total	8,064	18,192	75,467
White Alone	89.4%	90.2%	84.8%
Black Alone	0.5%	0.6%	1.4%
American Indian Alone	1.1%	1.0%	0.8%
Asian Alone	1.7%	1.7%	6.0%
Pacific Islander Alone	0.2%	0.2%	0.2%
Some Other Race Alone	3.5%	2.8%	2.5%
Two or More Races	3.5%	3.5%	4.2%
Hispanic Origin	7.7%	6.5%	6.9%
Diversity Index	31.4	28.6	36.9
<b>2016 Population by Race/Ethnicity</b>			
Total	8,373	19,336	81,250
White Alone	87.9%	88.7%	82.4%
Black Alone	0.6%	0.7%	1.8%
American Indian Alone	1.0%	1.0%	0.7%
Asian Alone	2.1%	2.1%	7.1%
Pacific Islander Alone	0.3%	0.2%	0.3%
Some Other Race Alone	4.2%	3.3%	2.8%
Two or More Races	4.0%	4.0%	4.8%
Hispanic Origin	9.0%	7.6%	8.0%
Diversity Index	35.4	32.3	41.6
<b>2021 Population by Race/Ethnicity</b>			
Total	8,842	20,636	87,427
White Alone	86.0%	86.9%	79.8%
Black Alone	0.7%	0.9%	2.2%
American Indian Alone	1.0%	0.9%	0.7%
Asian Alone	2.5%	2.5%	8.3%
Pacific Islander Alone	0.3%	0.2%	0.4%
Some Other Race Alone	5.0%	3.9%	3.3%
Two or More Races	4.5%	4.5%	5.3%
Hispanic Origin	10.7%	9.0%	9.3%
Diversity Index	40.0	36.7	46.5
<b>2010 Population by Relationship and Household Type</b>			
Total	8,064	18,192	75,467
In Households	96.7%	98.2%	99.3%
In Family Households	77.9%	82.9%	87.6%
Householder	25.3%	26.3%	26.6%
Spouse	16.7%	19.6%	21.4%
Child	29.7%	30.9%	33.7%
Other relative	3.0%	3.0%	3.3%
Nonrelative	3.2%	3.1%	2.7%
In Nonfamily Households	18.8%	15.3%	11.7%
In Group Quarters	3.3%	1.8%	0.7%
Institutionalized Population	2.9%	1.4%	0.4%
Noninstitutionalized Population	0.4%	0.4%	0.3%

**Data Note:** Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

## ACTION ITEM 6d



### Market Profile

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>2016 Population 25+ by Educational Attainment</b>			
Total	5,798	13,465	54,330
Less than 9th Grade	1.0%	1.5%	2.1%
9th - 12th Grade, No Diploma	6.7%	6.9%	5.1%
High School Graduate	21.2%	22.6%	19.8%
GED/Alternative Credential	3.6%	3.3%	3.1%
Some College, No Degree	31.2%	28.6%	26.2%
Associate Degree	10.6%	10.8%	11.1%
Bachelor's Degree	17.1%	17.0%	23.2%
Graduate/Professional Degree	8.5%	9.2%	9.5%
<b>2016 Population 15+ by Marital Status</b>			
Total	6,936	15,958	64,483
Never Married	27.3%	26.9%	26.6%
Married	46.8%	52.5%	58.7%
Widowed	7.6%	6.0%	3.8%
Divorced	18.3%	14.6%	10.9%
<b>2016 Civilian Population 16+ in Labor Force</b>			
Civilian Employed	94.9%	93.0%	93.4%
Civilian Unemployed	5.1%	7.0%	6.6%
<b>2016 Employed Population 16+ by Industry</b>			
Total	4,100	9,381	39,984
Agriculture/Mining	0.8%	1.5%	0.9%
Construction	7.1%	9.9%	7.8%
Manufacturing	11.9%	12.1%	16.1%
Wholesale Trade	1.9%	2.1%	2.5%
Retail Trade	15.3%	13.8%	12.5%
Transportation/Utilities	3.9%	4.0%	4.2%
Information	1.7%	1.6%	2.6%
Finance/Insurance/Real Estate	3.7%	4.5%	5.8%
Services	47.9%	45.4%	43.5%
Public Administration	5.7%	5.2%	4.1%
<b>2016 Employed Population 16+ by Occupation</b>			
Total	4,099	9,381	39,983
White Collar	55.2%	56.4%	62.4%
Management/Business/Financial	13.4%	15.1%	17.1%
Professional	18.0%	18.5%	23.1%
Sales	11.2%	10.4%	10.0%
Administrative Support	12.7%	12.5%	12.3%
Services	25.8%	22.4%	17.1%
Blue Collar	18.9%	21.1%	20.4%
Farming/Forestry/Fishing	0.0%	0.8%	0.5%
Construction/Extraction	4.3%	6.2%	5.1%
Installation/Maintenance/Repair	2.7%	3.1%	5.0%
Production	5.7%	5.3%	5.0%
Transportation/Material Moving	6.2%	5.7%	4.8%
<b>2010 Population By Urban/ Rural Status</b>			
Total Population	8,064	18,192	75,467
Population Inside Urbanized Area	99.9%	91.2%	91.4%
Population Inside Urbanized Cluster	0.0%	0.0%	0.0%
Rural Population	0.1%	8.8%	8.6%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

## **ACTION ITEM 6d**



### Market Profile

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>2010 Households by Type</b>			
Total	3,282	6,906	26,472
Households with 1 Person	29.7%	24.2%	18.5%
Households with 2+ People	70.3%	75.8%	81.5%
Family Households	62.8%	68.9%	75.3%
Husband-wife Families	41.6%	51.5%	60.5%
With Related Children	18.8%	22.8%	30.4%
Other Family (No Spouse Present)	21.3%	17.4%	14.8%
Other Family with Male Householder	5.9%	5.6%	5.1%
With Related Children	4.0%	3.5%	3.2%
Other Family with Female Householder	15.3%	11.8%	9.6%
With Related Children	10.5%	7.8%	6.4%
Nonfamily Households	7.4%	7.0%	6.2%
All Households with Children	34.0%	34.8%	40.6%
Multigenerational Households	2.6%	3.2%	3.8%
Unmarried Partner Households	8.8%	7.9%	6.9%
Male-female	8.1%	7.3%	6.2%
Same-sex	0.7%	0.6%	0.6%
<b>2010 Households by Size</b>			
Total	3,281	6,907	26,470
1 Person Household	29.7%	24.1%	18.5%
2 Person Household	33.3%	34.8%	32.6%
3 Person Household	16.6%	16.5%	18.2%
4 Person Household	12.3%	14.8%	18.4%
5 Person Household	5.5%	6.1%	7.6%
6 Person Household	1.6%	2.2%	2.8%
7 + Person Household	1.0%	1.4%	1.8%
<b>2010 Households by Tenure and Mortgage Status</b>			
Total	3,282	6,906	26,472
Owner Occupied	55.1%	68.1%	79.1%
Owned with a Mortgage/Loan	43.7%	53.0%	66.7%
Owned Free and Clear	11.4%	15.0%	12.4%
Renter Occupied	44.9%	31.9%	20.9%
<b>2010 Housing Units By Urban/ Rural Status</b>			
Total Housing Units	3,563	7,356	27,855
Housing Units Inside Urbanized Area	99.8%	91.2%	90.9%
Housing Units Inside Urbanized Cluster	0.0%	0.0%	0.0%
Rural Housing Units	0.2%	8.8%	9.1%

**Data Note:** Households with children include any households with people under age 18, related or not. Multigenerational households are families with 3 or more parent-child relationships. Unmarried partner households are usually classified as nonfamily households unless there is another member of the household related to the householder. Multigenerational and unmarried partner households are reported only to the tract level. Esri estimated block group data, which is used to estimate polygons or non-standard geography.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

**ACTION ITEM 6d**



**Market Profile**

1001 Avenue D, Snohomish, Washington, 98290  
Rings: 1, 3, 5 mile radii

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

	1 mile	3 miles	5 miles
<b>Top 3 Tapestry Segments</b>			
1.	Front Porches (8E)	Green Acres (6A)	Soccer Moms (4A)
2.	In Style (5B)	Front Porches (8E)	Green Acres (6A)
3.	Midlife Constants (5E)	Home Improvement (4B)	Boomburbs (1C)
<b>2016 Consumer Spending</b>			
Apparel & Services: Total \$	\$5,988,007	\$15,658,106	\$71,936,101
Average Spent	\$1,760.66	\$2,144.65	\$2,536.53
Spending Potential Index	87	107	126
Education: Total \$	\$4,265,833	\$11,032,530	\$51,778,939
Average Spent	\$1,254.29	\$1,511.10	\$1,825.77
Spending Potential Index	89	107	129
Entertainment/Recreation: Total \$	\$8,613,109	\$22,961,348	\$105,356,793
Average Spent	\$2,532.52	\$3,144.96	\$3,714.98
Spending Potential Index	87	108	127
Food at Home: Total \$	\$14,753,114	\$38,633,932	\$172,294,172
Average Spent	\$4,337.88	\$5,291.59	\$6,075.25
Spending Potential Index	87	106	122
Food Away from Home: Total \$	\$9,159,276	\$24,144,263	\$110,633,526
Average Spent	\$2,693.11	\$3,306.98	\$3,901.04
Spending Potential Index	87	107	126
Health Care: Total \$	\$15,523,113	\$42,006,708	\$187,976,922
Average Spent	\$4,564.28	\$5,753.56	\$6,628.24
Spending Potential Index	86	109	125
HH Furnishings & Equipment: Total \$	\$5,239,367	\$14,021,680	\$64,659,306
Average Spent	\$1,540.54	\$1,920.51	\$2,279.95
Spending Potential Index	87	109	129
Personal Care Products & Services: Total \$	\$2,174,911	\$5,774,056	\$26,395,615
Average Spent	\$639.49	\$790.86	\$930.73
Spending Potential Index	87	108	127
Shelter: Total \$	\$47,370,778	\$122,309,250	\$559,706,983
Average Spent	\$13,928.49	\$16,752.40	\$19,735.79
Spending Potential Index	89	108	127
Support Payments/Cash Contributions/Gifts in Kind: Total \$	\$6,788,194	\$18,547,230	\$84,224,839
Average Spent	\$1,995.94	\$2,540.37	\$2,969.85
Spending Potential Index	86	110	128
Travel: Total \$	\$5,520,773	\$14,994,294	\$70,847,231
Average Spent	\$1,623.28	\$2,053.73	\$2,498.14
Spending Potential Index	87	110	134
Vehicle Maintenance & Repairs: Total \$	\$3,050,328	\$8,137,181	\$36,773,629
Average Spent	\$896.89	\$1,114.53	\$1,296.67
Spending Potential Index	87	108	125

**Data Note:** Consumer spending shows the amount spent on a variety of goods and services by households that reside in the area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue. Total and Average Amount Spent Per Household represent annual figures. The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

**Source:** Consumer Spending data are derived from the 2013 and 2014 Consumer Expenditure Surveys, Bureau of Labor Statistics. Esri.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021 Esri converted Census 2000 data into 2010 geography.

August 12, 2016

**ACTION ITEM 6d**



**Demographic and Income Profile**

1001 Avenue D, Snohomish, Washington, 98290  
 Ring: 1 mile radius

Prepared by Esri  
 Latitude: 47.92434  
 Longitude: -122.09785

<b>Summary</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
Population	8,064		8,373		8,843			
Households	3,282		3,401		3,588			
Families	2,062		2,126		2,238			
Average Household Size	2.38		2.39		2.39			
Owner Occupied Housing Units	1,807		1,811		1,895			
Renter Occupied Housing Units	1,475		1,590		1,693			
Median Age	38.5		39.6		40.2			
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>		<b>State</b>		<b>National</b>			
Population	1.10%		1.11%		0.84%			
Households	1.08%		1.06%		0.79%			
Families	1.03%		1.01%		0.72%			
Owner HHs	0.91%		0.99%		0.73%			
Median Household Income	1.55%		2.57%		1.86%			
<b>Households by Income</b>					<b>2016</b>		<b>2021</b>	
			Number	Percent	Number	Percent	Number	Percent
<\$15,000			414	12.2%	470	13.1%	470	13.1%
\$15,000 - \$24,999			336	9.9%	326	9.1%	326	9.1%
\$25,000 - \$34,999			340	10.0%	328	9.1%	328	9.1%
\$35,000 - \$49,999			506	14.9%	465	13.0%	465	13.0%
\$50,000 - \$74,999			657	19.3%	572	15.9%	572	15.9%
\$75,000 - \$99,999			462	13.6%	589	16.4%	589	16.4%
\$100,000 - \$149,999			466	13.7%	573	16.0%	573	16.0%
\$150,000 - \$199,999			144	4.2%	172	4.8%	172	4.8%
\$200,000+			76	2.2%	93	2.6%	93	2.6%
Median Household Income			\$52,744		\$56,950			
Average Household Income			\$66,977		\$72,741			
Per Capita Income			\$27,856		\$30,090			
<b>Population by Age</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
	Number	Percent	Number	Percent	Number	Percent		
0 - 4	457	5.7%	450	5.4%	482	5.4%		
5 - 9	515	6.4%	483	5.8%	469	5.3%		
10 - 14	569	7.1%	504	6.0%	519	5.9%		
15 - 19	573	7.1%	556	6.6%	500	5.7%		
20 - 24	473	5.9%	582	7.0%	573	6.5%		
25 - 34	1,062	13.2%	1,117	13.3%	1,261	14.3%		
35 - 44	1,105	13.7%	1,072	12.8%	1,165	13.2%		
45 - 54	1,316	16.3%	1,206	14.4%	1,125	12.7%		
55 - 64	1,001	12.4%	1,161	13.9%	1,224	13.8%		
65 - 74	466	5.8%	697	8.3%	907	10.3%		
75 - 84	346	4.3%	341	4.1%	415	4.7%		
85+	182	2.3%	205	2.4%	206	2.3%		
<b>Race and Ethnicity</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
	Number	Percent	Number	Percent	Number	Percent		
White Alone	7,211	89.4%	7,359	87.9%	7,608	86.0%		
Black Alone	39	0.5%	51	0.6%	65	0.7%		
American Indian Alone	85	1.1%	87	1.0%	91	1.0%		
Asian Alone	140	1.7%	172	2.1%	217	2.5%		
Pacific Islander Alone	18	0.2%	22	0.3%	25	0.3%		
Some Other Race Alone	286	3.5%	348	4.2%	440	5.0%		
Two or More Races	285	3.5%	334	4.0%	396	4.5%		
Hispanic Origin (Any Race)	621	7.7%	753	9.0%	943	10.7%		

**Data Note:** Income is expressed in current dollars.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

**ACTION ITEM 6d**

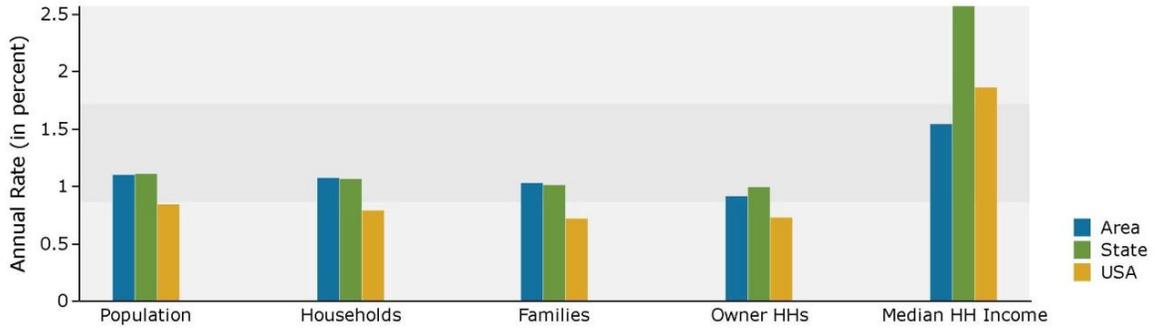


**Demographic and Income Profile**

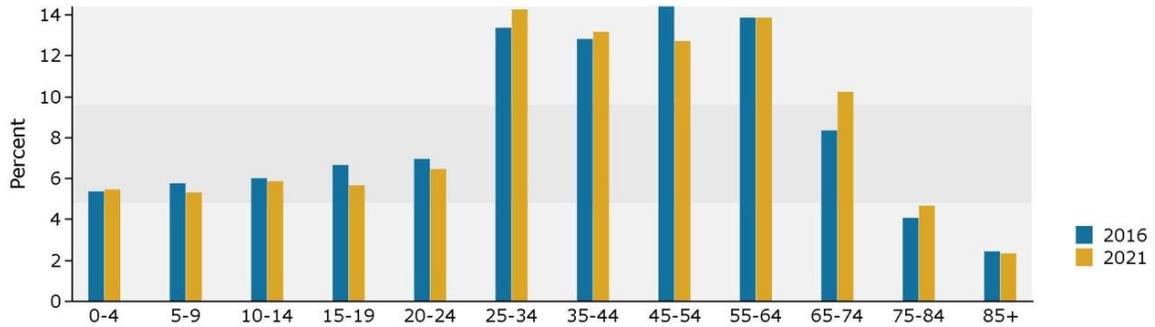
1001 Avenue D, Snohomish, Washington, 98290  
 Ring: 1 mile radius

Prepared by Esri  
 Latitude: 47.92434  
 Longitude: -122.09785

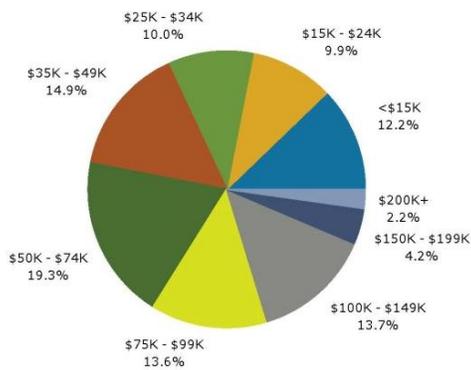
Trends 2016-2021



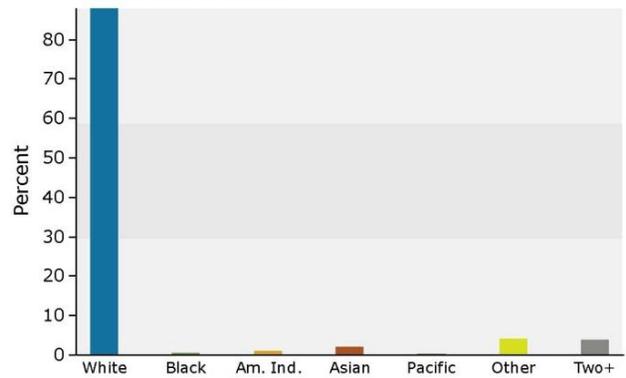
Population by Age



2016 Household Income



2016 Population by Race



2016 Percent Hispanic Origin: 9.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

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**ACTION ITEM 6d**



**Demographic and Income Profile**

1001 Avenue D, Snohomish, Washington, 98290  
Ring: 3 mile radius

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Latitude: 47.92434  
Longitude: -122.09785

<b>Summary</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>	
Population	18,192		19,336		20,636	
Households	6,906		7,301		7,771	
Families	4,758		5,016		5,335	
Average Household Size	2.59		2.60		2.61	
Owner Occupied Housing Units	4,701		4,876		5,174	
Renter Occupied Housing Units	2,205		2,425		2,597	
Median Age	39.9		41.1		41.9	
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>		<b>State</b>		<b>National</b>	
Population	1.31%		1.11%		0.84%	
Households	1.26%		1.06%		0.79%	
Families	1.24%		1.01%		0.72%	
Owner HHs	1.19%		0.99%		0.73%	
Median Household Income	3.28%		2.57%		1.86%	
<b>Households by Income</b>						
			<b>2016</b>		<b>2021</b>	
			Number	Percent	Number	Percent
<\$15,000			632	8.7%	709	9.1%
\$15,000 - \$24,999			536	7.3%	511	6.6%
\$25,000 - \$34,999			578	7.9%	553	7.1%
\$35,000 - \$49,999			959	13.1%	870	11.2%
\$50,000 - \$74,999			1,324	18.1%	1,071	13.8%
\$75,000 - \$99,999			1,107	15.2%	1,354	17.4%
\$100,000 - \$149,999			1,288	17.6%	1,625	20.9%
\$150,000 - \$199,999			543	7.4%	673	8.7%
\$200,000+			333	4.6%	406	5.2%
Median Household Income			\$65,805		\$77,338	
Average Household Income			\$83,228		\$91,679	
Per Capita Income			\$32,156		\$35,237	
<b>Population by Age</b>						
	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>	
	Number	Percent	Number	Percent	Number	Percent
0 - 4	983	5.4%	993	5.1%	1,063	5.2%
5 - 9	1,179	6.5%	1,124	5.8%	1,110	5.4%
10 - 14	1,366	7.5%	1,260	6.5%	1,256	6.1%
15 - 19	1,351	7.4%	1,302	6.7%	1,244	6.0%
20 - 24	944	5.2%	1,192	6.2%	1,147	5.6%
25 - 34	2,093	11.5%	2,332	12.1%	2,648	12.8%
35 - 44	2,566	14.1%	2,478	12.8%	2,669	12.9%
45 - 54	3,219	17.7%	2,966	15.3%	2,758	13.4%
55 - 64	2,397	13.2%	2,932	15.2%	3,172	15.4%
65 - 74	1,121	6.2%	1,685	8.7%	2,270	11.0%
75 - 84	683	3.8%	735	3.8%	933	4.5%
85+	290	1.6%	335	1.7%	365	1.8%
<b>Race and Ethnicity</b>						
	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>	
	Number	Percent	Number	Percent	Number	Percent
White Alone	16,404	90.2%	17,148	88.7%	17,940	86.9%
Black Alone	105	0.6%	143	0.7%	189	0.9%
American Indian Alone	176	1.0%	184	1.0%	195	0.9%
Asian Alone	312	1.7%	400	2.1%	511	2.5%
Pacific Islander Alone	36	0.2%	43	0.2%	51	0.2%
Some Other Race Alone	516	2.8%	640	3.3%	813	3.9%
Two or More Races	643	3.5%	778	4.0%	937	4.5%
Hispanic Origin (Any Race)	1,190	6.5%	1,470	7.6%	1,855	9.0%

**Data Note:** Income is expressed in current dollars.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

**ACTION ITEM 6d**

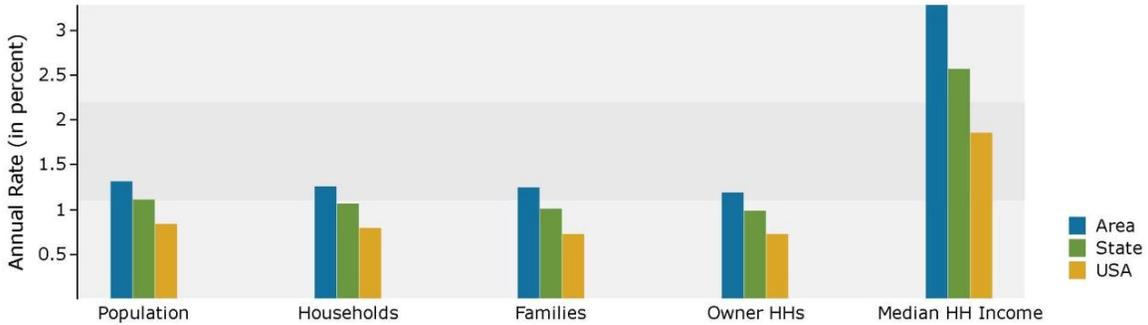


**Demographic and Income Profile**

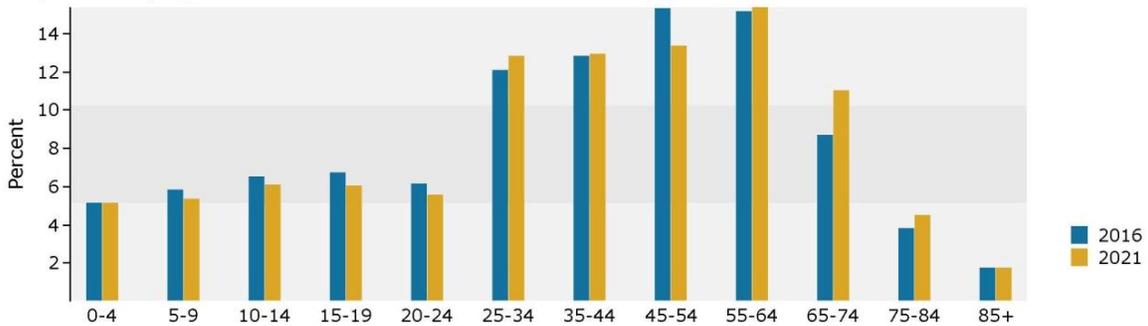
1001 Avenue D, Snohomish, Washington, 98290  
Ring: 3 mile radius

Prepared by Esri  
Latitude: 47.92434  
Longitude: -122.09785

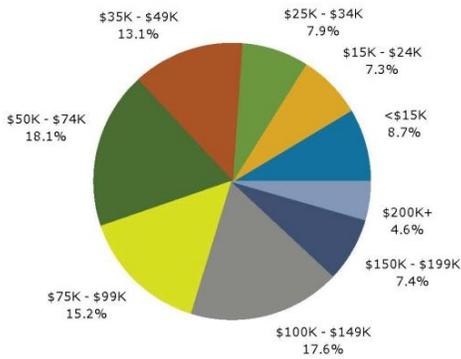
Trends 2016-2021



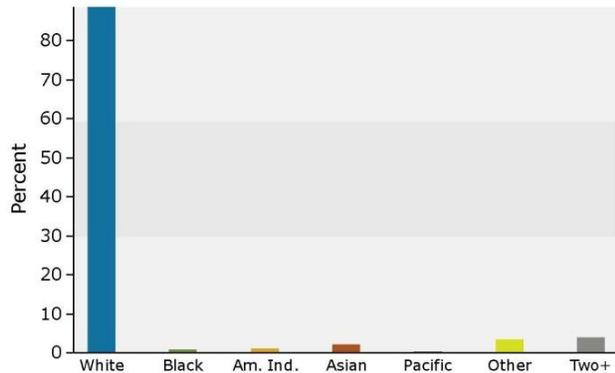
Population by Age



2016 Household Income



2016 Population by Race



2016 Percent Hispanic Origin: 7.6%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

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**ACTION ITEM 6d**



**Demographic and Income Profile**

1001 Avenue D, Snohomish, Washington, 98290  
 Ring: 5 mile radius

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 Longitude: -122.09785

<b>Summary</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
Population	75,467		81,250		87,427			
Households	26,472		28,360		30,439			
Families	19,925		21,255		22,766			
Average Household Size	2.83		2.85		2.86			
Owner Occupied Housing Units	20,951		22,161		23,710			
Renter Occupied Housing Units	5,521		6,199		6,728			
Median Age	37.2		38.2		38.8			
<b>Trends: 2016 - 2021 Annual Rate</b>	<b>Area</b>		<b>State</b>		<b>National</b>			
Population	1.48%		1.11%		0.84%			
Households	1.42%		1.06%		0.79%			
Families	1.38%		1.01%		0.72%			
Owner HHs	1.36%		0.99%		0.73%			
Median Household Income	2.29%		2.57%		1.86%			
<b>Households by Income</b>					<b>2016</b>		<b>2021</b>	
			Number	Percent	Number	Percent		
<\$15,000			1,580	5.6%	1,742	5.7%		
\$15,000 - \$24,999			1,387	4.9%	1,306	4.3%		
\$25,000 - \$34,999			1,553	5.5%	1,440	4.7%		
\$35,000 - \$49,999			2,488	8.8%	2,222	7.3%		
\$50,000 - \$74,999			5,069	17.9%	4,062	13.3%		
\$75,000 - \$99,999			4,617	16.3%	5,350	17.6%		
\$100,000 - \$149,999			6,968	24.6%	8,581	28.2%		
\$150,000 - \$199,999			2,914	10.3%	3,654	12.0%		
\$200,000+			1,783	6.3%	2,083	6.8%		
Median Household Income			\$84,501		\$94,614			
Average Household Income			\$98,972		\$107,992			
Per Capita Income			\$34,976		\$38,038			
<b>Population by Age</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
	Number	Percent	Number	Percent	Number	Percent		
0 - 4	5,048	6.7%	5,127	6.3%	5,440	6.2%		
5 - 9	5,587	7.4%	5,605	6.9%	5,731	6.6%		
10 - 14	6,020	8.0%	6,035	7.4%	6,207	7.1%		
15 - 19	5,606	7.4%	5,486	6.8%	5,596	6.4%		
20 - 24	3,834	5.1%	4,667	5.7%	4,311	4.9%		
25 - 34	9,172	12.2%	10,151	12.5%	11,500	13.2%		
35 - 44	11,744	15.6%	11,495	14.1%	12,576	14.4%		
45 - 54	12,968	17.2%	12,487	15.4%	11,850	13.6%		
55 - 64	8,815	11.7%	11,088	13.6%	12,131	13.9%		
65 - 74	3,906	5.2%	5,890	7.2%	7,992	9.1%		
75 - 84	1,971	2.6%	2,305	2.8%	3,047	3.5%		
85+	796	1.1%	915	1.1%	1,045	1.2%		
<b>Race and Ethnicity</b>	<b>Census 2010</b>		<b>2016</b>		<b>2021</b>			
	Number	Percent	Number	Percent	Number	Percent		
White Alone	64,022	84.8%	66,930	82.4%	69,731	79.8%		
Black Alone	1,070	1.4%	1,453	1.8%	1,883	2.2%		
American Indian Alone	576	0.8%	604	0.7%	650	0.7%		
Asian Alone	4,539	6.0%	5,801	7.1%	7,265	8.3%		
Pacific Islander Alone	184	0.2%	246	0.3%	314	0.4%		
Some Other Race Alone	1,871	2.5%	2,309	2.8%	2,909	3.3%		
Two or More Races	3,205	4.2%	3,907	4.8%	4,675	5.3%		
Hispanic Origin (Any Race)	5,208	6.9%	6,468	8.0%	8,115	9.3%		

**Data Note:** Income is expressed in current dollars.

**Source:** U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

**ACTION ITEM 6d**

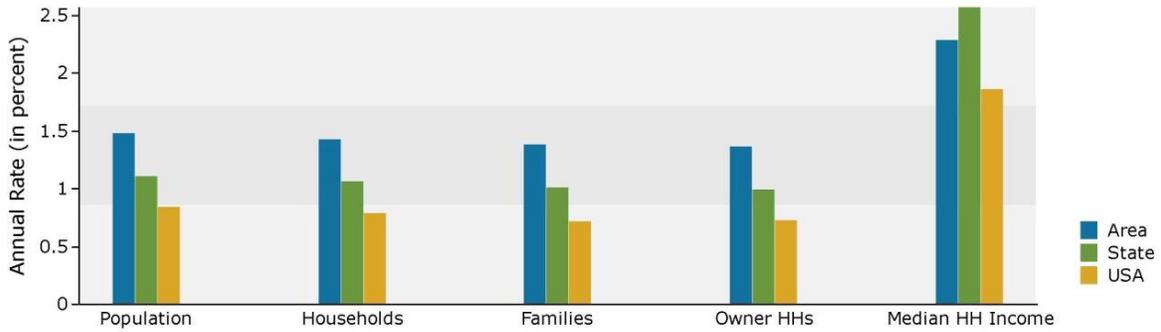


**Demographic and Income Profile**

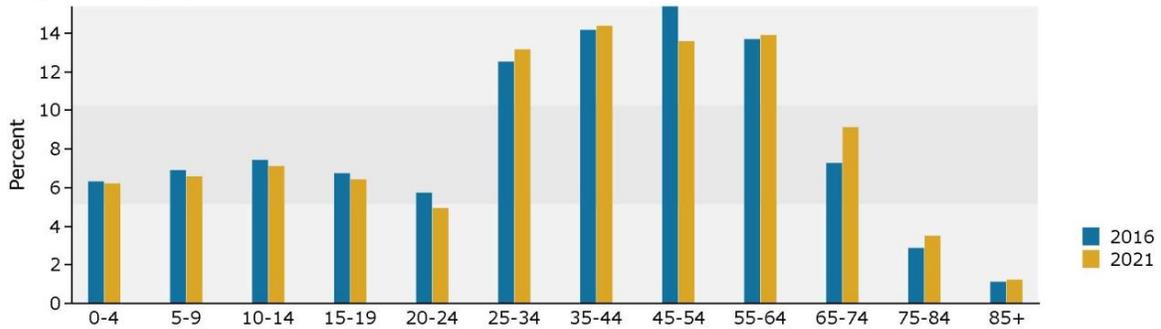
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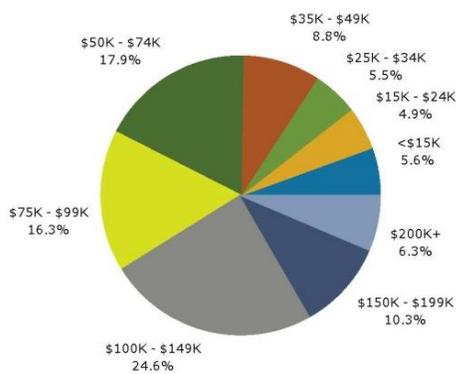
Trends 2016-2021



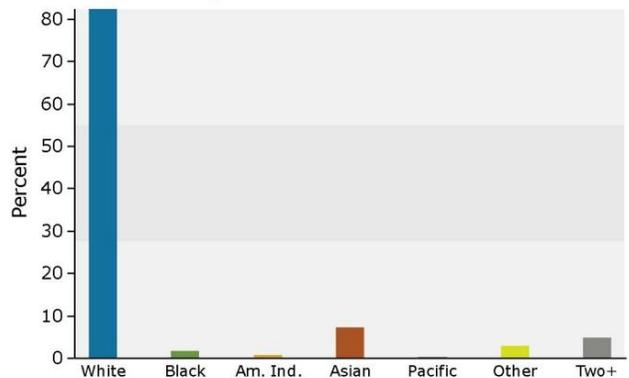
Population by Age



2016 Household Income



2016 Population by Race



2016 Percent Hispanic Origin: 8.0%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2016 and 2021.

August 12, 2016

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**ACTION ITEM 6e**

**Date:** September 20, 2016

**To:** City Council

**From:** Jennifer Olson, Finance Director

**Subject:** **Audit – Councilmember Liaison and Entrance Conference Waiver**

---

**SUMMARY:** The purpose of this agenda item is for City Council’s consideration and selection of a City Councilmember to serve as Council liaison to the State Auditor’s Office (SAO) during the annual audit fieldwork, and to determine the need for an annual audit entrance conference.

**BACKGROUND:** The City of Snohomish is audited by the Washington State Auditor’s Office (SAO) on an annual basis for accuracy in its financial reporting and accountability to the public. As part of the annual audit fieldwork activities, the SAO is requiring an elected official to partake in a risk assessment discussion with the field auditor’s assigned to the City’s annual audit.

*“The audit requirement comes from SAO’s audit policies in regards to how auditors will assess risk of material misstatement due to fraud or noncompliance, which states “Inquiring with management, internal audit, those charged with governance or the audit committee, and others within the entity as appropriate to obtain their views about the risks of fraud and noncompliance and how they are addressed.”*

The City Manager and Finance Director also participate in a risk assessment session with field auditors. Staff is recommending that that City Council select a Councilmember to serve in this role. The risk assessment can be conducted in person or by phone.

Additionally, the SAO typically conducts an audit entrance conference and exit conference. The entrance conference is an introductory meeting to the annual audit and describes what the auditors will be testing and assessing. The exit conference is a meeting to review the audit process, discuss issues and findings, if applicable. While the exit conference is mandatory, the entrance conference is not, and is oftentimes scheduled after the audit fieldwork is started. The SAO is requesting that the City Council determine if an entrance conference meeting should be continued. Staff recommends that the audit entrance conference be waived.

**STRATEGIC PLAN REFERENCE:** Not applicable

**RECOMMENDATION:** That the City Council **APPOINT** Councilmember \_\_\_\_\_ to serve as the Council SAO - Audit Liaison and to **WAIVE** the annual audit entrance conference.

**ATTACHMENT:** None

**ACTION ITEM 6e**

## **DISCUSSION ITEM 7a**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Denise Meta Johns, PLA, Project Manager  
**Subject:** **Draft Request for Proposals for Hal Moe Building Remodel Project**

---

**PURPOSE:** The purpose of this agenda item is for Council to review the draft Request for Proposals (RFP) for the Hal Moe Building Remodel Project and provide staff with direction on next steps (Attachment A).

**BACKGROUND:** The Snohomish School District (SSD) constructed the Hal Moe Pool facility in 1968 and completed its enclosure and additional improvements in the late 1980s. The Hal Moe Building (HMB) is located on the north side of the City-owned block between Lincoln Avenue and Pine to the east and west; and Second and Third Streets to the north and south. In 2007, the SSD permanently closed the HMB for structural and safety issues and transferred ownership to the City of Snohomish in 2013.

In December of 2015, the City Council appointed the ad hoc Hal Moe Pool Advisory Committee (Committee) to determine the HMB's future through a master planning process. The Committee convened in January 2016, beginning the master planning effort for the HMB and site. During their June meeting, the Committee agreed further study the feasibility of redeveloping the existing HMB into a multi-use, multi-generational, and multi-ability-level facility and develop options for management and operations.

**ANALYSIS:** The future consultant team contracted as a result of this RFP would provide the professional expertise to determine the feasibility of remodeling the building according to the committee and the community's vision. Consultant products will include illustrative draft design drawings, renderings, construction cost estimates, attendance at public meetings and presentation of conceptual design alternatives. Upon completion and acceptance of the preferred alternative, the City may wish to use the completed conceptual design and cost estimate to pursue funding, and/or to complete portions of the final design, or both.

### **FUNDING:**

#### **Conceptual Design Alternatives**

The draft RFP estimates approximately \$50,000 for the conceptual design and alternatives analysis. A proposed project budget of \$150,000 for design has been identified in the City's draft 2017 Capital Improvement Plan and will be funded by Real Estate Excise Taxes (REET). The City Council would not obligate further funding to pursue construction capital funds or to complete further design until after the conceptual design is completed and a final concept plan alternative is approved by the Council.

## **DISCUSSION ITEM 7a**

### **Final Bid Specifications and Construction**

Construction will likely be funded through a combination of sources including grants (see Attachment B for overview of the Community Development Block Grant program), provisos (see Attachment C for an example from the 2015 State Capital Budget), REET, and councilmanic or general obligation bonds as directed by Council. Upon completion of the draft plans, designs, and preliminary cost estimate, staff will continue to solicit community support and grant funding.

### **Operations and Management (O/M)**

Projected City finances in the City's current Five-Year Forecast (2017 to 2021) will not have adequate funding for additional operational and maintenance costs for this facility. Upon completion of the draft conceptual plan, staff will present to Council options for O/M such as partnering with nonprofits, user fees, and/or a very specific voter approved levy for this facility.

### **NEXT STEPS:**

If approved by Council, staff will advertise, interview and select a consultant to prepare a draft conceptual plan and preliminary cost estimate. The RFP would be advertised for 30 days on the City's website, newsletter, social media and professional job board.

**STRATEGIC PLAN REFERENCE:** Initiative #1: Establish a sustainable model for strengthening and expanding our parks, trails, and public spaces; Initiative #2: Strengthen our foundations for connecting neighbors and enhancing our neighborhoods; Initiative #6: Cultivate local businesses and promote the City as a great place to do business; Initiative #7: Strengthen the City's attractiveness as a regional destination; Initiative #8: Invest in Snohomish's civic facilities.

**RECOMMENDATION:** That the City Council **AUTHORIZE** staff to advertise, interview and select a consultant to prepare a draft conceptual remodel plan, elevations and cost estimate for the Hal Moe Building Site.

### **ATTACHMENTS:**

- A. Draft Hal Moe Building Remodel Project RFP
- B. Community Development Block Grant Program (Snohomish County)
- C. Portions of the 2015 State Capital Budget



**REQUEST FOR PROPOSALS  
Hal Moe Building Remodeling**

**Background Information**

The City of Snohomish (City) is requesting proposals from an architectural/engineering firm (Consultant) for the conceptual design phase to remodel the Hal Moe Building (project) into a multipurpose / flexible use City-owned building.

The project will consist of conceptual design to remodel a former pool building into a single, large-capacity space which will accommodate civic uses such as indoor sports (basketball, pickle ball, skateboarding, gymnastics, volleyball, etc.), conferences, conventions, Movies in the Park, farmers market, art shows, banquets, and meetings. The project will also include community outreach and engagement. All relevant background information can be found here [www.snohomishWA.gov](http://www.snohomishWA.gov)

A mandatory project site walk will be held at the site, 403 Third Street, Snohomish, Washington, **Date 10** a.m., 2016 and **Date 10** a.m., 2016

Consultant budget is \$50,000 for the conceptual planning and alternatives phase and is expected to be completed within six months of Notice to Proceed. Please see below for prospective additional tasks and funding following this initial scope of work.

**Background of the City**

Since its establishment in 1859, the City of Snohomish has been a unique community within Snohomish County. The city's National Historic District, numerous waterfronts, agricultural floodplain setting, small town feel, and sense of community produces a city where natural and urban landscapes are in balance. The quiet, historic character of its attractive neighborhoods is a testament to the preservationist efforts of residents in protecting its architectural, cultural and natural beauty.

The project address is 403 Third Street, Snohomish, Washington 98290-2571. The Hal Moe Pool building is situated in a block bound by Third and Second Streets to the north and south, Pine Avenue and Centennial Trail to the east and west within the City's Pilchuck District. The building, originally erected to enclose the existing pools, has been vacant since 2009.

The Pilchuck District is subarea designation with the intention to foster a range of pedestrian-oriented commercial uses as well as various types of residential uses. The Hal Moe building site

## **DISCUSSION ITEM 7a**

is shared with the Snohomish Skate Park, Tillicum Kiwanis Children's Play Area, and Boys and Girls Club. Because of these popular venues, the project site is the most heavily used recreational facility in the city.

### **Scope of Work**

#### **Task One: Review of Background Information and Meeting**

- A. Consultant will review City-provided background information, meet with City representatives, and Hal Moe Pool Advisory Committee to learn about the project's budget, purpose and goals, revenue-generating requirements, and space programming objectives.

#### **Task Two: Develop Conceptual Architectural and Site Plan**

- A. Prepare three alternative draft conceptual plan drawings including perspective and plan views, renderings and sections, as necessary for each alternative based upon information gathered from Task One. City staff will prepare conceptual landscape plan drawings for each alternative.
- B. Prepare cost estimate and project phasing for each alternative.
- C. Provide narrative describing project uses and LEED rated components for each alternative.

#### **Task Three: Combined Meeting**

- A. Present the three alternative draft conceptual plans during a combined City Council workshop meeting to City Council, Parks Board, Hal Moe Committee and community members.

#### **Task Four: Hal Moe Pool Building Conceptual Master Plan – City Council Meeting**

- A. Prepare final conceptual plan and cost estimate based upon comments and suggestions from Tasks Two and Three.
- B. Present final conceptual plans at regular City Council meeting.

Upon completion of Task Four, the City, at its sole discretion may request further tasks. Those tasks may include additional design work in part or in full. The City may use this RFP selection process and use that same consultant for some or all of that work, or the City may solicit for an additional proposal process for preparation of complete construction plans, specifications, and detailed cost estimate for the project.

### **Proposal Requirements and General Information**

#### **Minimum Qualifications**

Consultants shall be licensed to conduct business in the State of Washington. The principal consultant shall be a registered architect in the State of Washington. Consultants must have a minimum of 5 years relevant experience in architecture specifically remodeling and repurposing city-owned buildings. Selected consultant team must obtain a City of Snohomish business license.

## **DISCUSSION ITEM 7a**

### **Proposal Contents**

The Consultant will submit a written proposal which identifies how the consultant will achieve the City's goals as indicated in this request. The proposals shall be no more than five (5) double-sided pages (8 1/2" x 11"), including cover letter, with a minimum 12-point font. The number of pages will not include the cover, dividers, resumes, and reference letters. Proposals shall include:

1. Statement of project understanding containing any suggestion to expedite the project or additional concerns of which the City should be made aware.
2. Project approach containing any additional work task identified as necessary for the project's successful completion.
3. Resumes describing the background and qualifications of principals and staff working on the project.
4. List of all proposed sub-consultants, their background and qualifications and degree of involvement.
5. A minimum five references for recent or similar projects; include brief project description, contact person, phone number, and email address.
6. A proposed work schedule for each Task indicated in this RFP.
7. A statement acknowledging acceptance of all terms and conditions set forth in the City's standard consulting services agreement.

### **Submittal Requirements and General Information**

1. Provide the legal name and address of the company, including name, title, address and telephone number of the person to contact concerning proposal. The proposal must be signed by an individual or individuals authorized to execute documents on behalf of the proposer.
2. All proposals submitted in response to the RFP become property of the City of Snohomish and may be considered public records, and as such may be subject to public review.
3. Proposals must be received no later than **Date**, 2016 at 4:00 pm time. Responses received after the above time will not be considered.
4. Email one (1) electronic .pdf file of the proposal to [johns@snohomishWA.gov](mailto:johns@snohomishWA.gov) and submit four (4) original printed proposals. Printed proposals are to be submitted in a sealed package with the name of the Consultant and the project title "Proposal for Hal Moe Remodel" clearly marked on the outside of the sealed package. Proposals submitted by fax and email will not be accepted.

Mail Proposal or drop-off in person to:  
Denise Johns, Project Manager  
City of Snohomish  
116 Union Avenue  
Snohomish, WA 98290

## **DISCUSSION ITEM 7a**

5. For questions pertaining to the content in this RFP, proposers are specifically directed to not contact any City personnel other than indicated below. All inquiries concerning this RFP should be directed to:

Denise Johns, Project Manager  
City of Snohomish  
116 Union Avenue  
Snohomish, WA 98290  
360 282 3195  
[johns@snohomishWA.gov](mailto:johns@snohomishWA.gov)

6. Within two months following receipt of proposals, notification will be given to each participant as to the status of their submittal. A selection committee may conduct interviews with only those consultants whose qualifications are most desirable for this project. Final selection will be made after interviews are complete.
7. A copy of the City's standard Professional Services Agreement, which includes insurance coverage requirements in Exhibit "A," is attached for reference. Prior to awarding contract all insurance documents must be submitted and approved.

### **Right to Reject all Proposals**

1. The City reserves the right to reject any or all proposal submitted and no representation is made hereby which that any contract will be awarded pursuant to this RFP or otherwise.
2. The City also reserves the right to award a portion of work or combination, thereof.

### **Summary**

The City appreciates the participation and interest of innovative architectural teams and it is the intent of this RFP to solicit those most interested in working in a community-centered effort.

Exhibit A: Standard Professional Services Agreement

## **DISCUSSION ITEM 7a**

### ATTACHMENT B

#### **Community Development Block Grant**

The Community Development Block Grant (CDBG) program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The Entitlement Program is the portion of the CDBG Program that provides categorical block grant funds to metropolitan cities and urban counties. The Department of Housing and Urban Development (HUD) awards CDBG grants to entitlement communities to carry out affordable housing and community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

Snohomish County, in partnership with 18 cities and towns within the county through an interlocal agreement, receives CDBG funds on an entitlement basis as an Urban County Consortium. The county administers this funding on behalf of the consortium through the Office of Housing and Community Development (OHCD).

#### **Program Primary Objective**

The primary objective of the CDBG program is the development of viable urban communities. Viable communities are achieved by providing the following, principally for low and moderate income persons and families:

- Decent housing
- A suitable living environment
- Expanded economic opportunities

#### **Eligible Activities**

CDBG funds can be used for a wide variety of projects, services, facilities and infrastructure:

- Activities related to real property: Acquisition, disposition, public facilities and infrastructure, clearance and demolition, rehabilitation, street and sewer improvements, homeownership assistance, and housing for the homeless.
- Rehabilitation Activities: Acquisition for rehabilitation, energy improvements, removal of material and architectural barriers, code enforcement, historic preservation, lead based paint testing, and abatement.
- Public Services: services for the homeless, drug intervention and domestic violence programs, basic health services, youth programs, child care, crime prevention, and fair housing counseling.

Each eligible activity must meet one of three National Objectives:

- Benefit to low and moderate income persons
- Aid in the prevention or elimination of slums or blight
- Meet a need having a particular urgency such as earthquakes or flood disasters

## **DISCUSSION ITEM 7a**

### **Ineligible Activities**

Generally, the following activities are ineligible:

- Acquisition, construction, or reconstruction of buildings for the general conduct of government
- Political activities
- Certain income payments
- Construction of new housing by units of general local government
- Purchase of equipment, furnishings, and personal property
- Operating and maintenance expenses for public facilities
- Maintenance of publicly owned streets, parks, playgrounds, and water / sewer facilities, etc.
- Staff salaries for operation of public works and facilities

### **Consolidated Plan**

Entitlement communities develop their own programs and funding priorities which are reflected in their Consolidated Plan. The consolidated plan is prepared by the grantee in accordance with 24 CFR Part 91, which describes needs, resources, priorities, and proposed activities to be undertaken with respect to HUD programs including CDBG. The plan is prepared for a five-year period, along with an annual Action Plan. All projects funded by the CDBG must be consistent with the Consolidated Plan priorities and objectives.

### **CDBG Programs**

- Public Facilities and Infrastructure
- Public Services
- Float Loans

**DISCUSSION ITEM 7a**

ATTACHMENT C

Excerpts from House Bill 1115  
Sec. 104 For the Department of Commerce  
CAPITAL BUDGET – Local and Community Projects 2016  
6/30/2015

1	Appleway trail	\$1,000,000
2	Basin 3 sewer rehabilitation	\$1,500,000
3	Bellevue downtown park inspiration playground and sensory garden	\$1,000,000
4	Bender fields parking lot and restrooms	\$1,000,000
5	Blackhills community soccer complex safety projects	\$750,000
6	Bremerton children's dental clinic	\$396,000
7	Brewster reservoir replacement	\$1,250,000
8	Brookville gardens	\$1,200,000
9	Camas-Washougal Babe Ruth youth baseball improve Louis Bloch park	\$10,000
10	Cancer immunotherapy facility-Seattle children's research inst.	\$7,000,000
11	Caribou trail apartments	\$100,000
12	Carnegie library imprv for the rapid recidivism reduction program	\$1,000,000
13	Cavelero park - regional park facility/skateboard park	\$500,000
14	CDM caregiving services: Clark county aging resource center	\$1,200,000
15	Centerville school heating upgrades	\$46,000
16	Chambers Creek regional park pier extension and moorage	\$1,750,000
17	City of LaCenter parks & rec community center	\$1,500,000
18	City of Lynden pipeline	\$2,000,000
19	City of Lynden-Riverview road construction	\$850,000
20	City of Lynden-safe routes to school and Kaemingk trail gap elim.	\$300,000
21	City of Mt. Vernon downtown flood protect project & riverfront trail	\$1,500,000
22	City of Olympia - Percival Landing renovation	\$950,000
23	City of Pateros water system	\$1,838,000
24	City of Stanwood police station/city hall relocation	\$300,000
25	Classroom door barricade - nightlock	\$45,000
26	Confluence area parks upgrade and restoration	\$1,000,000
27	Corbin senior center elevator	\$300,000
28	Covington community park	\$5,000,000
29	Cross Kirkland corridor trail connection 52nd St.	\$1,069,000
30	Dawson place child advocacy center building completion project	\$161,000
31	Dekalb street pier	\$500,000
32	DNR/City of Castle Rock exchange	\$80,000

## **DISCUSSION ITEM 7a**

Excerpts from House Bill 1115  
Sec. 104 For the Department of Commerce  
CAPITAL BUDGET – Local and Community Projects 2016  
6/30/2015

1	Dr. Sun Yat Sen memorial statue	\$10,000
2	Drug abuse and prevention center - Castle Rock	\$96,000
3	DuPont historical museum renovation	\$46,000
4	East Tacoma community center	\$1,000,000
5	Edmonds center for the arts: Gym climate control & roof repairs	\$250,000
6	Edmonds senior & community center	\$1,250,000
7	Emergency generator for kidney resource center	\$226,000
8	Enumclaw expo center	\$350,000
9	Fairchild air force base protection & comm empowerment project	\$2,209,000
10	Federal Way PAC center	\$2,000,000
11	Filipino community of Seattle village (innovative learning center)	\$1,200,000
12	Franklin Pierce early learning center	\$2,000,000
13	Gateway center project	\$1,000,000
14	Gilda club repairs	\$800,000
15	Granite Falls boys & girls club	\$1,000,000
16	Gratzer park ball fields	\$200,000
17	Grays Harbor navigation improvement project	\$2,500,000
18	Green river gorge open space buffer, Kummer connection	\$750,000
19	Guy Cole center revitalization	\$450,000
20	Historic renovation Maryhill museum	\$1,000,000
21	Hopelink at Ronald commons	\$750,000
22	Irvine slough storm water separation	\$500,000
23	Kahlotus highway sewer force main	\$2,625,000
24	Kennewick boys and girls club	\$500,000
25	Kent east hill YMCA	\$500,000
26	Key Pen civics center	\$50,000
27	KiBe high school parking	\$125,000
28	Kitsap humane society - shelter renovation	\$90,000
29	Lacey boys & girls club	\$29,000
30	Lake Chelan land use plan	\$75,000
31	LeMay car museum ADA access improvements	\$500,000
32	Lyman city park renovation	\$167,000

## **DISCUSSION ITEM 7a**

Excerpts from House Bill 1115  
Sec. 104 For the Department of Commerce  
CAPITAL BUDGET – Local and Community Projects 2016  
6/30/2015

1	Lyon creek flood reduction project	\$400,000
2	Main street revitalization project	\$1,300,000
3	Marine terminal rail investments	\$1,000,000
4	Martin Luther King Jr. family outreach center expansion project	\$85,000
5	Mason county Belfair wastewater system rate relief	\$1,500,000
6	McAllister museum	\$660,000
7	Mercer arena energy savings & sustainability funding	\$450,000
8	Mercy housing and health center at Sand Point	\$2,500,000
9	Meridian center for health	\$2,500,000
10	Minor Road water reservoir replacement	\$1,500,000
11	Mountains to Sound Greenway Tiger Mountain access improvements	\$300,000
12	Mt. Spokane guest services building & preservation/maintenance of existing	\$520,000
13	facilities	
14	Mukilteo boys & girls club	\$1,000,000
15	Mukilteo tank farm clean-up	\$250,000
16	New Shoreline medical-dental clinic	\$1,500,000
17	Nordic heritage museum	\$2,000,000
18	North Kitsap fishline foodbank	\$625,000
19	Northwest native canoe center project	\$250,000
20	Oak Harbor clean water facility	\$2,500,000
21	Okanogan emergency communications	\$400,000
22	Onalaska community tennis and sports courts	\$80,000
23	Opera house ADA elevator	\$357,000
24	Orcas Island library expansion	\$1,400,000
25	Pacific community center	\$250,000
26	PCAF's building for the future	\$350,000
27	Pe Ell second street	\$197,000
28	Perry technical school	\$1,000,000
29	Pike Place Market front project	\$800,000
30	Police station security/hardening	\$38,000
31	Port of Centralia - Centralia station	\$500,000
32	Port of Sunnyside demolish the carnation building	\$450,000
33	PROVAIL TBI residential facility	\$450,000

**DISCUSSION ITEM 7a**

## **DISCUSSION ITEM 7b**

**Date:** September 20, 2016

**To:** City Council

**From:** Pat Adams, City Clerk/Human Resources Manager  
Larry Bauman, City Manager

**Subject:** **City Council Meeting Minutes**

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**SUMMARY:** The objective of this discussion item is to inform the City Council of staff resources currently committed to the detailed style of minutes prepared for the Council's meeting minutes and to review options available going forward. Current scope of work demands on staff resources require that either additional budget funding be provided or that a change in the type and detail of the minutes be implemented. Staff seeks direction from Council on this matter prior to completing the City Manager's Recommended 2017 Budget. This discussion item is being brought forward also within the context of recent City website improvements that now allow full public access to audio recordings of regular City Council meetings.

**BACKGROUND:** As background and potential options for Council consideration, there are three types of minutes typically used by public agencies:

- Detailed (near-verbatim) Minutes – includes votes, resolutions, ordinances, and a “near-verbatim” record of all dialogue which occurs during Council meetings (This is the City's current method of minute production).
- Summary Minutes - includes the votes, resolutions, ordinances a summarization of the meeting discussion (Attachment A).
- Action Minutes – identifies what matters are discussed and provides an outline of the actions taken at a meeting, which includes votes, resolutions and ordinances (Attachment B).

Robert's Rules of Order offers a simple guideline: the purpose of meeting minutes is to record what is done, not what is said. The minutes should include decisions made, postponements and any referrals to the City's boards and commissions.

In 2014, the City Council conducted a total of 28 meetings including workshops. In 2015, the Council conducted 29 meetings. To date in 2016, there have been 27 meetings held, with a total of 38 meetings currently scheduled through year's end. There is a likelihood that additional workshops may also be added to this year's schedule. As the number of meetings has increased, so has the average meeting length. The format of Council meetings has changed with the increase in public comment. Public comment is received by the Council on items not on the agenda, public hearings, action and discussion items. As a result, the near verbatim format of the minutes has also increased the required preparation time.

In December 2015, the City Council approved the merging of the City Clerk and Human Resources Manager positions, and by combining the two positions, the projected salary, benefits

## **DISCUSSION ITEM 7b**

and other savings for the 2016 Budget have totaled more than \$120,000. This merging of two staff positions was predicated on the assumption that work load demands for the City Clerk duties would remain relatively consistent with prior years. However, a significant increase in the number of City Council meetings and in public records demands has undermined this assumption. These current work demands threaten to undermine the cost savings achieved this year by combining these two positions.

**ANALYSIS:** The Clerk spends more than 40 hours per month preparing City Council minutes, which based on hourly pay rates is in excess of \$1,725 per month, or \$20,700 per year transcribing, reviewing, correcting and publishing detailed near verbatim minutes. For example: in drafting minutes from the August 16, 2016 meeting, staff spent a total combined 37 hours to develop the single-spaced, 34-pages draft for Council review. These are staffing and budget resources that could be otherwise dedicated to addressing important community concerns and staff operational needs. For example, the City currently does not have an effective and uniform records management program. This makes it difficult for staff to properly manage its paper and electronic records. Records are not indexed for efficient and timely retrieval, retention and disposal. There are numerous records located within countless boxes on site which are not properly indexed and must be manually examined to determine if the record(s) requested are responsive to staff or the public's requests.

Without a modernized records system, records searches are extremely timely and inefficient. Additionally, physical space is limited for the onsite storage of many of these outdated records that still have retention periods. The Clerk would like to utilize the State Archivist services in Bellingham for storage and retention of its inactive paper and electronic records. All of these improvement efforts would require a dedication of time by the Clerk. Failure to implement a cohesive and properly managed citywide records plan creates a liability for the City in terms of the Public Records Act and in fulfilling Public Records Requests. Within the past two years, the following agencies have been sued for incomplete and/or untimely public record requests:

City of Lakewood, Washington State Patrol, King County, Benton County, Pierce County, City of Gold Bar, Skagit County, Island County, City of Marysville, Clark County, Jefferson County, Spokane School District, and the City of Fife

The trend of increased requests for public records during 2016 has created additional demands and challenges for the City Clerk in managing competing ongoing duties and workloads. There is no sign at this time that this trend will diminish. In 2015, it appears the City Clerk processed 31 public record requests for the entire year. In 2016, the Clerk has received 83 public record requests to date. This does not include records requests processed directly by the Police and Building Departments.

Many cities have moved away from detailed minutes due to the extensive time and resources required to produce them. In fact, staff has not been able to find any cities in our research that published detailed (near verbatim) meeting minutes. Should the Council choose to transition to summary minutes, the City's minutes will be limited to the core of essential facts with a summary of the meeting discussions (Attachment C). This will allow energy and effort to be devoted to the larger issues facing our City today.

## **DISCUSSION ITEM 7b**

All of the western Washington cities that have been contacted by staff, as shown below, use either summary or action minutes. This is particularly true for those cities that record their meetings on audiotape or video, so that anyone concerned can easily hear or see exactly how the discussion occurred. Currently, our staff uploads the City Council meeting audio files to the City's website. This ensures the meeting content is readily available to its citizens.

<b><u>City</u></b>	<b><u>Type of Minutes</u></b>
Arlington	Action
Marysville	Summary + Some near verbatim discussion
Everett	Action
Lake Stevens	Action
Monroe	Action
Lynnwood	Summary
Mukilteo	Summary
Mountlake Terrace	Summary
Shoreline	Summary

The recent improvement of the City's website pages for City Council agenda and meeting information now provides the public with full access to the audio recordings of each regular City Council meeting. These audio recordings may be reviewed by either listening to the complete recording or by moving to any part of these meetings either forward or backward. This provides a potentially superior option for anyone seeking to hear the audio recording and full detail of citizen comments, Council discussions and staff presentations.

The essential question for Council consideration is the ongoing value of the current detailed style of minutes in relationship to staff time and budget costs. In other words, is there a comparable value in continuing to provide detailed minutes that justifies the costs of this effort? It is staff's belief the transition to summary minutes and the uploading of audio files to the City's website are the most appropriate and cost-effective options for Snohomish. It would be staff's recommendation that instead of moving to action minutes (see example attached), that the City Council take a middle-of-the-road approach and adopt the summary minutes format. If the Council desires to continue to include a near verbatim record of the dialogue which occurs during its meetings, staff recommends additional revenues be appropriated as soon as possible to contract with a professional transcribing firm (court reporter) or in the hiring of a part-time staff member.

### **Staff Recommended Options for City Council Review:**

1. Continue to require detailed minutes for all regular City Council meetings;
  - a. Hire a part-time employee to transcribe audio recordings of City Council minutes with a cost of approximately \$20,000 to \$30,000 annually;
2. Authorize staff to revise the type of City Council minutes to either:
  - a. Summary style (staff recommended);
  - b. Action style.

**STRATEGIC PLAN REFERENCE:** None

**DISCUSSION ITEM 7b**

**RECOMMENDATION:** That the City Council **DISCUSS** its type of meeting minutes, budget resources and staffing requirements for minutes preparation and **DIRECT** staff concerning options and next steps.

**ATTACHMENTS:**

- A. Sample of Summary Style Minutes (City of Mountlake Terrace)
- B. Sample of Action Style Minutes (City of Issaquah)
- C. Example of Snohomish Minutes in Summary Style Format

**DISCUSSION ITEM 7b**

ATTACHMENT A

**Sample of Summary Minutes**

MINUTES

City Council Meeting

August 1, 2016  
7:00 p.m.

Mountlake Terrace City Hall  
Mountlake Terrace, WA

COUNCILMEMBERS PRESENT:

Councilmember McCardle  
Councilmember Matsumoto Wright  
Mayor Pro Tem Ryan  
Mayor Smith  
Councilmember Sonmore  
Councilmember Wahl

COUNCILMEMBERS ABSENT:

Councilmember Richards (Excused)

STAFF MEMBERS PRESENT:

Scott Hugill, City Manager  
Gregory G. Schrag, City Attorney  
Virginia V. Olsen, City Clerk/Community Relations Director  
Steve Osguthorpe, Community and Economic Development Director  
Michelle Whitfield, Community and Economic Development Volunteer

CALL TO ORDER, FLAG SALUTE, ROLL CALL

Mayor Smith called the meeting to order at 7:00 p.m.

MOTION

Councilmember Wahl                      Move to excuse Councilmember Richards.  
Councilmember

Motion carried 6-0.

Proclamation Recognizing Premera Blue Cross' Support of National Night Out

City Clerk/Community Relations Director Virginia Olsen said a Proclamation was prepared to recognize Premera Blue Cross' Support of National Night Out since 1997 and their numerous significant positive contributions to the community. She noted the Proclamation would be presented to the Premera Vice President at National Night Out on August 2.

CONSENT CALENDAR

MOTION

Councilmember Wahl                      Move to approve items a-c of the Consent Calendar.  
Councilmember McCardle

Motion carried 6-0.

## **DISCUSSION ITEM 7b**

City Council Regular Meeting

2

August 1, 2016

The Consent Calendar was approved as follows:

- a. Approval of Payment of Claims: Check numbers 58894 - 58991 totaling \$369,227.17 for 2016 budget. Additionally, Payroll for 07/22/16; Check numbers 578352 - 578395 and Direct Deposits totaling \$220,535.25.
- b. Approval of Minutes of July 14 Work/Study Session and July 18 Special Meeting.
- c. Approval of Contract with SpyGlass Group, LLC for Telecommunication Audit Services.

### Council Liaison Reports

Councilmember McCardle reported on the Community Policing Advisory Board meeting. He reminded everyone to attend National Night Out Against Crime on August 2.

Councilmember Sonmore stated the Regional Fire Authority meeting was on August 3 and she spoke about National Night Out, Tour de Terrace, and the Playful City USA Award. She reminded everyone to vote by August 2.

Councilmember Matsumoto Wright said she attended the Snohomish County Cities meeting in Bothell, Affordable Housing Alliance interviews, and the Snohomish County Tomorrow meeting. She added that she was in the Tour de Terrace parade, attended all three days of the festival, and she thanked Jerry Smith for putting on this event. Councilmember Matsumoto Wright stated that she also looks forward to National Night Out.

Councilmember Wahl reported on the Snohomish County Cities meeting, Puget Sound Regional Council (PSRC) Executive Committee meeting, probable \$4 million in PSRC funding for the Main Street project, monthly meeting with the City Manager, City Council work session, and Tour de Terrace.

Mayor Pro Tem Ryan spoke about the City Council work/study session, Tour de Terrace parade and fireworks show, and he said he looks forward to National Night Out.

Mayor Smith stated he worked on Tour de Terrace all week and did not attend any other meetings.

### City Manager Report

City Manager Scott Hugill thanked the Mayor and his wife Judi Smith as well as their volunteers for coordinating Tour de Terrace. He also thanked the employees and volunteers who staffed the city's booth to talk about the levy lid lift.

Mr. Hugill said the Auditors would be scheduling meetings over the next couple of weeks with the Mayor, Council, and Finance Committee to see if there are any areas to work on.

The City Manager reported that he would be meeting with Department Directors to start review of the 2017-2018 Preliminary Biennial Budget.

City Manager Hugill stated that PSRC will award the city with a \$4 million grant for Phase 1 of the Main Street Project, the largest amount the city has ever received. He added that these funds

## **DISCUSSION ITEM 7b**

will complete Phase 1 and construction is scheduled to begin in 2017. Mr. Hugill emphasized the importance of working with the state and federal delegation on these grant programs because we cannot do these huge projects alone.

### Public Comments

There were none.

### Review of Landscape Conservation and Local Infrastructure Program (LCLIP)

Community and Economic Development Director Steve Osguthorpe introduced Nicholas Bratton, Policy Director of Forterra and Morgan Shook from Econ Northwest who the city worked with to explore the Landscape Conservation and Local Infrastructure Program (LCLIP). Mr. Osguthorpe said a presentation to the Council is a requirement of the grant. He clarified that he originally thought that these funds apply to the Town Center area which is referenced in the memo, however upon further review they only apply to the Freeway/Tourist District where the Gateway Project has been approved.

Mr. Bratton said the program gives cities access to new sources of revenue to pay for infrastructure and public improvements while protecting resource lands. He stated the reason for this program is that cities need infrastructure to support growth with 1,900 new homes projected in the city by 2035.

Mr. Bratton stated that infrastructure funding is complex. He said LCLIP is, at its simplest level, is a combination of tax increment financing and transfer of development rights. He explained how development right transfers work such that the private market can purchase the right to build homes from farms and forests where resource use is preferred and move that into urban areas which is ideally suited for growth.

Mr. Bratton explained the tax increment financing portion as when the city starts the program, there is a base assessed value of the area of the city where the program is being used. He said a portion of the property tax increment that would otherwise go to the county stays with the city. Mr. Bratton added that the city retains revenue on all new growth over a 25-year period.

Mr. Bratton spoke about a feasibility study conducted about how the program could work in Mountlake Terrace. He said there is a known project in the Freeway/Tourist District and developers are asking about the Town Center as well. Mr. Bratton stated that the study included looking at geography, how many credits to accept, market-based approach, public purchase option, revenue projections, and risks.

Mr. Bratton stated the results of the study show that market-based opportunities are limited; public purchase has a likelihood of success; commitment to all 92 credits; timing/when to start; credit prices and sources as well as administration of the program; and identifying any risks.

Mr. Shook reviewed two scenarios for public purchase options. He said one option would be if the city acquired credits at project milestones at 2, 10, 15 and 20 years and the second option if the city acquired all 92 credits up front. He stated Scenario 1 would cost \$2.05 million and Scenario 2 would cost \$1.75 million. Mr. Shook explained the net revenue for each scenario.

## **DISCUSSION ITEM 7b**

City Council Regular Meeting

4

August 1, 2016

Mr. Bratton stated that the city already has TDR policies and provisions in place so there is no need for changes to the regulations that are in place and there may be some opportunities review. He spoke about a legislative pathway, noting that legislative action is needed to adopt the program. Mr. Bratton added that he recommends an interlocal agreement with the County, although it is not required.

Mr. Bratton reviewed the road map to adoption including notification, adoption of an ordinance, potential interlocal agreement with the county, city acquiring 92 credits, begin collecting revenue in year two, and the city begin making public improvements.

The Council asked questions and made comments about tools for local government, how to pay for the initial credits, density, source credits, if credit price will increase with time, Gateway project credits, number of credits for the City of Edmonds, allowing city to grow where it needs to grow, allowing rural areas to stay rural, Mountlake Terrace having the opportunity to take advantage of this program, if grants or other sources can be used to purchase credits, if cities and the county can go in together to purchase credits, and staff time.

### Introduction of Low Impact Development (LID), National Pollutant Discharge Elimination System (NPDES)

Mr. Osguthorpe stated that Michelle Whitfield, an intern for the City of Mountlake Terrace, was helping the city to adopt Low Impact Development (LID) provisions in the city code by the end of the year. He added that she has done work for several other cities as well as the Puget Sound Regional Council. Ms. Whitfield provided a presentation of LID code and standard changes.

Ms. Whitfield explained that the National Pollution Discharge and Elimination System (NPDES) was mandated by the Federal Clean Water Act of 1972 and is administered by the state's Department of Ecology. She noted the city's NPDES Phase II Stormwater Permit is effective through July 31, 2018. Ms. Whitfield explained that the overall goal of the permit is to make all waters swimmable and fishable. She said the permit has six parts and one part concerns LID.

Ms. Whitfield reviewed that the current permit requires the review and update of codes and standards to incorporate and require LID principles and Best Management Practices such that the LID is the preferred and commonly-used approach to site development. She noted these revised standards and ordinances must be adopted by the end of this year.

Ms. Whitfield briefed the Council that the Department of Ecology believes that water quality is being impaired through current practices in stormwater runoff and they recognize the advantages of using LID facilities as the most effective way to manage stormwater.

Ms. Whitfield reviewed the Phase II permit's six main requirements and the purpose of the code revisions. She spoke about a tentative work plan schedule including a public outreach meeting in late August, Planning Commission work sessions in the fall, Planning Commission public hearing (October 24), City Council work sessions in November, and City Council public hearing and adoption of an ordinance tentatively scheduled for late November or early December.

**DISCUSSION ITEM 7b**

Ms. Whitfield stated that a work team was assembled to review and identify potentially affected codes and standards, develop an approach to changes, and draft code language and revisions to standards.

Ms. Whitfield defined an LID for pre and post-development hydrological conditions. She spoke about numerous benefits of an LID as listed in the PowerPoint. Ms. Whitfield reviewed some of the best management practices (BMPs), issues for LID principles, and code sections that could be potentially affected.

Ms. Whitfield provided some examples of LID principles issues that will be considered including bulk and dimensional standards, parking, transportation design standards, critical areas, and clearing and grading standards. She reviewed some of the LID updates for the region as well as some of the challenges of LIDs.

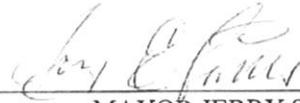
Ms. Whitfield and Mr. Osguthorpe responded to questions and comments about whether the requirements are more restrictive, if they are optional, publications listed in the staff report, deadline for adoption, cumulative effect of these practices, accommodating growth, housing affordability, incentivizing, being less prescriptive, and rain gardens.

New Business

There was none.

ADJOURNMENT

Mayor Smith adjourned the meeting at 8:35 p.m.



MAYOR JERRY SMITH

ATTEST:   
CITY CLERK

ATTACHMENT B

**Sample of Action Minutes**

07-18-16 City Council Regular Meeting Minutes

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**CITY OF ISSAQUAH  
City Council Regular Meeting**

7:00 PM  
July 18, 2016

**MINUTES**

Council Chambers  
135 E. Sunset Way

**COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT**

*Councilmembers:*

Eileen Barber  
Mariah Bettise  
Stacy Goodman  
Tola Marts (*Excused Absence*)  
Mary Lou Pauly  
Bill Ramos  
Paul Winterstein

*Administration/Staff:*

Fred Butler, Mayor  
Bob Harrison, City Administrator  
Jim Haney, City Attorney  
Tisha Gieser, Deputy City Clerk

**CALL TO ORDER**

Mayor Butler called the meeting to order at 7:00 PM.

**PLEDGE OF ALLEGIANCE**

Mayor Butler led the Pledge of Allegiance.

**SPECIAL BUSINESS**

- a) AB 7203 - State of the County Address

King County Councilmember Reagan Dunn provided an update on County activities.

**AUDIENCE COMMENTS**

- Jen Gray, 22417 SE 36th Lane, spoke regarding the transportation package and expressed support of the Providence Point signalization item.
- Dave Kappler, 255 SE Andrews St., made comments on: the Confluence Park Bridge, Sunset Way, Newport Way, and trailhead access along Newport Way NW.
- Gregory Wagner, 24016 SE 111st St., spoke regarding the lack of a pool room at the senior center.
- Elizabeth Maupin, 100 Big Bear Place NW, expressed a need to increase the affordable housing requirements for developers.
- Jillann Venderson, 1000 Cabin Creek Way, spoke regarding the senior center and suggested that transportation and meals be provided at no cost to seniors.

**COMMITTEE / REGIONAL REPORTS**

*Councilmember Bettise:*

- Sound Cities Association Public Issues Committee -- Summarized the previous meeting.

## **DISCUSSION ITEM 7b**

*Councilmember Ramos:*

- SCA Regional Transit Committee -- The next meeting will be held July 20, 2016.

*Councilmember Winterstein:*

- Eastside Fire & Rescue -- Summarized the previous meeting. A community meeting will be held in the Eagle Room of Issaquah City Hall on July 27, 2016.
- Services & Safety Committee -- Summarized the previous meeting.
- Infrastructure Committee -- The next meeting will be held July 21, 2016.

*Councilmember Barber:*

- King Conservation District Advisory Committee -- The next meeting will be held July 20, 2016.
- Water Resource Inventory Areas (WRIA) 8 -- The next meeting will be held July 21, 2016.

*Deputy Council President Pauly:*

- Land & Shore Committee -- The next meeting will be held August 4, 2016.

### **MAYOR'S REPORT**

- Attended the PSRC Transportation Policy Board meeting on July 14, 2016 and participated in an engagement session to discuss the 2018 update to Transportation 2040. The board approved the recommended projects to receive PSRC's 2018-2020 federal funds. Issaquah's Newport Way NW improvements from NW Maple Street to W Sunset Way were included in the recommendation.
- At the Sound Transit Capital Committee meeting on July 14, 2016 six actions related to East Link were considered.
- Julius Boehm Pool earned a Leadership in Energy and Environmental Design (LEED) Silver certification. The pool renovation will save about 60 percent in overall energy use - displacing 315 metric tons of carbon dioxide emissions per year.
- Attended the I-405/SR 167 Executive Advisory Group Meeting, and received updates on ST3, Eastside rail coordination and tolling along I-405.
- Police Commander Stan Conrad's retirement open house is 3:00–5:00 p.m., July 28, 2016 in the Eagle Room.

### **CONSENT CALENDAR**

*Items listed were distributed to Councilmembers in advance for study and were enacted with one motion.*

**IT WAS MOVED BY GOODMAN, SECONDED BY PAULY; MOTION CARRIED (6-0), TO APPROVE THE CONSENT AGENDA AS PRESENTED.**

- Accounts: Payables and Payroll, July 18, 2016; **Approved \$ 3,885,133.50.**

ACCOUNTS PAYABLE	CHECK NUMBERS	AMOUNT
Accounts Payable Replacement Check	162726 to 162726	675.00
Accounts Payable Checks	162727 to 162748	102,111.51
Accounts Payable Checks	162749 to 162997	1,950,849.84
Accounts Payable Check Voided	161998 to 161998	(675.00)
		<b>\$ 2,052,961.35</b>

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PAYROLL	CHECK NUMBERS	AMOUNT
Payroll Checks	79573 to 79633	36,054.76
Direct Deposits	78113 to 78404	563,278.13
Payroll Wire Transfer Checks	78405 to 78410	589,901.20
		<b>\$ 1,189,234.09</b>
ACH Transactions		<b>\$ 642,938.06</b>

- b) Minutes: City Council Regular Meeting, July 5, 2016; **Approved.**
  
- c) AB 7138 - TIB Grant - NW Holly Street Improvements; **Authorized submittal of the TIB grant application for the construction phase of Holly Street Improvements and Pedestrian Bridge.**
  
- d) AB 7194 - Confluence Park Pedestrian Bridge Project (Phase II) Construction; **Referred AB 7194 to the July 21, 2016 Council Infrastructure Committee for review and recommendation, returning to the full Council on August 1, 2016.**
  
- e) AB 7200 - Amendments to the Central Issaquah Standards involving the Density Bonus Program, Plant Size and Spacing, Building Mass and Design, and Motorcycle Parking Spaces; **Referred AB 7200 to the August 4, 2016 Council Land & Shore Committee meeting for review and recommendation, returning to the full Council on September 19, 2016.**

**REGULAR BUSINESS**

- a) AB 7191 - Amendments to Land Use Code and Central Issaquah Standards involving Skybridges, On-street Parking, Building Encroachment, Street Standards and Urban Driveways

Introduced by Mayor Butler, and presented by Councilmember Pauly. Following Council discussion:

**IT WAS MOVED BY PAULY, SECONDED BY WINTERSTEIN, TO:**

Adopt Ordinance No. 2773, amending the Central Issaquah Development and Design Standards including Skybridges, On-street Parking, Building Encroachment, Street Standards and Urban Driveways.

**MOTION CARRIED, 6-0.**

- b) AB 7198 - Nov. General Election Ballot Item - Local Transportation Projects

Introduced by Mayor Butler, and presented by Deputy City Administrator Emily Moon. Council discussion followed. In the spirit of being open and transparent, Council President Goodman disclosed part ownership of property on 6th Avenue and East Sunset Way. The disclosure does not impact Goodman's ability to vote on this agenda item.

**IT WAS MOVED BY PAULY, SECONDED BY BETTISE, TO:**

Adopt Ordinance No. 2774, providing for the submission to the voters of the City at a special election to be held therein on November 8, 2016, in conjunction with the State general election

## **DISCUSSION ITEM 7b**

to be held on the same date, of a proposition authorizing the City to issue its general obligation bonds, for the purpose of financing certain transportation improvements, in the principal amount of no more than \$50,000,000, payable by annual property tax levies to be made in excess of regular property tax levies, and to levy those excess property taxes.

**MOTION CARRIED, 6-0.**

**IT WAS MOVED BY PAULY, SECONDED BY RAMOS, TO:**

Direct the Administration to prepare a proposed design and request for funding allocation for interim improvements to the Maple St. NW/Trader Joe's/Target intersection, including completion of crossing study improvements already adopted by Council; and continue to work with property owners on cost-sharing options and any potential re-development plans that would impact the timing, funding and scope of a permanent solution.

**MOTION CARRIED, 6-0.**

**IT WAS MOVED BY PAULY, SECONDED BY GOODMAN, TO:**

Direct the Administration to further develop a proposal within the next two years for Council's consideration to create additional parking capacity in Old Town.

**MOTION CARRIED, 5-1.** (Councilmember Barber dissenting.)

- e) AB 7184 - Intergovernmental Relations Manager Position

Introduced by Mayor Butler, and presented by Councilmember Winterstein. Following Council discussion:

**IT WAS MOVED BY WINTERSTEIN, SECONDED BY RAMOS, TO:**

Approve Resolution No. 2016-14, authorizing the position of Intergovernmental Relations Manager.

**MOTION CARRIED, 6-0.**

### **GOOD OF THE ORDER**

*Councilmember Winterstein:*  
Primary Election -- Encouraged everyone to vote by August 2, 2016.

*Council President Goodman:*  
Local Transportation Projects -- Proposed ideas to increase public awareness of City transportation projects.

*Councilmember Bettise:*  
Local Transportation Package (AB 7198) -- Thanked the Traffic Task Force and all who participated in the public process.

**EXECUTIVE SESSION - None.**

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**ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 9:27 PM.



Tisha Gieser, Deputy City Clerk



Fred Butler, Mayor

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ATTACHMENT C

**Example of Proposed City Council Regular Meeting Minutes**

**Snohomish City Council Meeting Minutes  
June 7, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council meeting to order at 7:00 p.m., Tuesday, June 7, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

**COUNCILMEMBERS PRESENT**

Derrick Burke  
Karen Guzak, Mayor  
Tom Hamilton  
Dean Randall  
Michael Rohrscheib  
Lynn Schilaty  
Zach Wilde

**STAFF PRESENT**

Emily Guildler, City Attorney  
Jennifer Olson, Finance Director  
Steve Schuller, Deputy City Manager/PW Director  
Clay White, Interim Planning Director  
John Flood, Police Chief  
Pat Adams, City Clerk  
Brooke Eidem, Associate Planner

2. **APPROVE AGENDA** contents and order:

Councilman Hamilton proposed moving consent item b to action item b.

**MOTION** by Hamilton, second by Randall to approve the amended agenda. The motion passed unanimously (7-0).

3. **APPROVE MINUTES** of the meetings of May 17, 2016:

- a. Workshop
- b. Regular Meeting

Mayor Guzak noted there were typo corrections made to the draft minutes of the regular meeting. The corrected minutes have been presented to Mayor Guzak for signature.

**MOTION** by Schilaty, second by Hamilton to approve the minutes of the workshop and corrected regular meeting. The motion passed unanimously (7-0).

4. **CITIZEN COMMENTS** on items not on the Agenda

Mayor Guzak welcomed the citizens to the meeting and instructed the audience on the Council's process for providing citizen comments. ~~She introduced the elected City Councilmembers and explained the Council is here to serve the citizens, make policy decisions and provide oversight and direction to staff. She introduced City staff. She noted the agenda for tonight's meeting is available on the table directly outside of the meeting room. Mayor Guzak explained the procedures for citizen comments. Citizens are given several opportunities to comment throughout the meeting. Comments are limited to three minutes and are managed by an electronic timer. Firstly, citizens will comment on items not on the agenda. Additional items where citizen comments are accepted include public hearings, action and discussion items. Citizen comments are not accepted under new business or consent items. Comments will be accepted after staff presentation and Council questions, and before Council deliberations. She asked citizens to please state their name and address.~~

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**Morgan Davis, 206 Avenue I**, would like to correct the record concerning his comments on page 11 of tonight's packet. It stated that he read somewhere that Councilman Hamilton wanted both the countywide sales tax increase of 0.2% and a City sales tax increase of 0.1%. It turns out that after researching the actual minutes of the May 3 Council meeting, it was instead Councilmember Schilaty and Burke who wanted both the 0.2% and the 0.1% sales tax increases for voter approval this year. He would like the record corrected. Mr. Davis quoted from page twenty-six of the May 3 minutes stating, "Councilmember Hamilton stated if he had his own public safety sales tax, it would generate considerably more than the County's proposal." Councilmember Schilaty thinks much like the TBD, citizens would support both local efforts. Ideally, she would like to do both. Councilmember Burke is quoted as saying he concurs with Councilmember Schilaty and "There's a very good chance this would pass locally." That corrects the record. Mr. Davis apologized to Councilmember Hamilton and confirmed he only wanted the one increase.

Mr. Davis stated he had a chance last Friday to chat with Mike Johnson, who is on the newly created Parks Naming Committee. He gave Mr. Johnson another suggested name for the so-called Stocker 20-acre boat launch and another name for the Averill Field Complex that abuts Pine Avenue from the Boys and Girls Club to the former Hal Moe Pool site. Mr. Johnson said he would forward the two names to the Committee for consideration. For the 20-acre Stocker, Mr. Davis suggested Confluence Park and Boat Launch. Due to the confluence of the two rivers. He suggested Twin Rivers. Mr. Davis stated Twin Rivers is too much like the Monroe Correctional Center. The second one, for the Averill area, he suggested City of Snohomish Historic Earl Averill Senior Field of Dreams Park, or simply Averill Field for short. Mr. Johnson revealed that the Naming Committee is seriously and strongly looking at the names of Everett Olson and Hal Moe. Mr. Davis discussed those names with his neighbor. He recalls one of the names was a City Councilmember who was constructing a private house in the City, and somehow his water and sewer hook-ups were made by the City without first the Councilman paying for them. He remembered the City Manager leaving City employment shortly thereafter. Perhaps Councilman Randall can remember the details. The Mayor is a new comer. It was before her time. The other name was a long time Snohomish School District employee for whom the School Board named its new swimming pool in the late 1960s. Mr. Davis believed Earl Averill should be the one honored by the City. He put Snohomish on the map.

### 5. **PUBLIC HEARING:** Mobile Food Vendors – **ADOPT** Ordinance 2310

Interim Planning Director Clay White reviewed the agenda materials and Ordinance 2310, noting this item provides for the City Council's public hearing on the draft code language addressing the licensing and siting of mobile food vendors. The proposed language would be added to Title 5, which is Business Regulations and Licensing, as mobile food vendor licenses would be required to operate within the City. ~~A small code change is also proposed for 11.08.130 SMC Parking for Certain Purposes, which currently prohibits the selling of merchandise from a vehicle. This section would be amended to allow sales from a licensed mobile food vendor. Planning staff briefed the Council on this issue on May 16, 2016 and Council directed staff to prepare an Ordinance and set a public hearing for tonight. Since May 16, staff has forwarded notices to food service businesses within 300 feet of the proposed mobile food vendor licensing areas. Since that time, staff have not received any~~

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## **DISCUSSION ITEM 7b**

feedback from restaurants or brick-and-mortar restaurants within those areas. Ordinance 2310 has been prepared and approved as to form for consideration. The hearing was properly noticed in the newspaper of record and additional outreach to the community was done on this topic in order to advertise the hearing and to ensure citizens are aware that the City may take action tonight.

- With the exception of special event permits, Snohomish Municipal Code does not address businesses operated from wheeled vehicles. Brick and mortar eating and drinking establishments are allowed as permitted in conditional uses in all commercial and mixed land use destinations and in park destinations where they are permitted only if they are insularly to recreational use. Unlike brick and mortar restaurants, mobile food vendors are not treated the same under the code. Certain code requirements applicable to new development do not necessarily apply to transitory uses such as mobile food vendors where no building permit is required. These requirements may include siting, frontage improvements, dimensional standards, parking standards, traffic impact fees, design standards, and restroom facilities. The City currently has a process in place for mobile food vendors associated with special events. Therefore, the proposed code amendments will not address food trucks associated with special events, only those who wish to operate on a more regular basis. This will be the first code for mobile food vendors within the City. It has been intentionally written so the scope is limited, while also providing opportunities for it to be successful. This will give the City an opportunity to see how the code functions. Licensing areas can always be expanded in the future based upon the experience the City has with these type of operations.
- The proposed code language outlines where mobile food vendors can potentially locate and operate. The code also provides for the annual licensing, operations and process to ensure all local and state health, safety and welfare requirements are met prior to operations. Fees for mobile food vendor license and license changes will be handled under a separate process through economic development. The proposed code also provides a number of requirements. It references where vendors may operate, which is in Pilchuck District's Neighborhood Center Zone, Neighborhood Civic Zone and Land Designated Business Park. Vendors may only use right-of-way adjacent to First Street travel lanes west of Avenue D. Mobile food vendors may not locate on any given parcel or premises for more than 6 hours within a 24-hour period and that's to keep them mobile. Mobile food vendors shall not operate at more than one site within a 24-hour period unless such sites are separated by 2,000 feet. Mobile food vendors serving only employees of businesses on the property of such businesses are exempt from this requirement. Mobile food vendors shall not operate within 200 feet of a brick and mortar food business that is open without consent of that business. Finally, the draft code prevents vendors from using freestanding awnings, tents, canopies, or umbrellas and must be attached to the vendor vehicle. The code also specifies that signs, lights, overhangs and awnings must not create a hazard to pedestrians, especially when they are located within the right-of-way.

**Frank Sandoval, 1221 Madrona Drive**, stated back in the day, food trucks were roach coaches and they were nasty and gross, and you would get Hepatitis C if you ate from one. Things have changed in the past several years. He noted this is a way to encourage tourism and boost Snohomish's economy. These specialty food trucks are now gourmet, so it's not like it was before. People will actually come to town for specific food trucks. Mr. Sandoval felt strongly the City should allow food trucks with the plan presented tonight. However, he

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questioned the six-hour time limit. If there is an event, or if someone wants a truck to be there for an eight-hour time frame, he doesn't see anything wrong with that. He felt this is good for everybody. Good for the entire town - even the restaurants that are maybe questioning it. He supports bringing more people to town with the food trucks. They will come and see our town, like it and come back. He is not speaking because he owns a brick and mortar brewery. It's not about what he wants. He thinks it's good for the town.

**Frederic Gibbs, 10909 210<sup>th</sup> Street SE**, president of Historic Downtown Snohomish Business Association stated he does have concerns that you would expect from brick and mortar shops with respect to hygiene and the accouterments that would be required for safe operation. He would like to review the ordinance and have an opportunity to speak on it. He understands there is some haste with the tourist season coming up, but from his perspective, as a brick and mortar shop, the brakes should be pumped a little bit.

Citizens' comments – closed

Mayor Guzak stated there were two comments she heard. One is that six hours is not enough and eight hours was suggested. The other is some concern from the brick and mortar stores downtown.

Councilmember Schilaty stated the two points of view heard tonight are exactly the balance the City is trying to strike with this food truck endeavor. ~~She is glad for both people who spoke tonight, as they speak to exactly what Council needs to consider. She feels the ordinance has been carefully drafted and provides the appropriate evaluation period. To Mr. Gibbs' point, she thinks after an initial period of evaluation, the City will check in and ask HDS and other citizens for feedback. Councilmember Schilaty believes six hours is a very good period of time to start with and to look at impacts, if any, on the City's brick and mortar. The City's first loyalty is to its brick and mortar businesses. She supports the ordinance and in proceeding cautiously.~~

Councilmember Randall is supportive of the ordinance. He stated the City has been very careful on where to allow food trucks to site at the beginning, and has taken into consideration the many restaurants in the downtown core are by having the trucks site west of Avenue D where there aren't as many restaurants in that area. ~~There are a few in the Pilehuck Area and Bickford Avenue, but not as many as the downtown core. He believes this provides a balance as Councilmember Schilaty mentioned. Councilmember Randall is also in favor of expanding the six hour limit to eight hours. He doesn't think it's that much of a difference, but suggested reviewing the time limit in the future after the initial evaluation period.~~

Councilmember Burke is broadly in agreement with what he's hearing from Council. He is concerned about the enforceability of the six-hour limit. ~~He stated if you have food truck with a line of people, he doesn't see the truck closing down and driving off at six hours. There is going to have to be some leeway. He is in support of moving forward~~

**MOTION** by Hamilton, second by Rohrscheib, that the City Council ACCEPT public comment and ADOPT Ordinance 2310 as written.

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Mayor Guzak asked for staff's comments regarding the six-hour time limit.

Mr. White stated the time limit provides a starting point for regulations and the City is attempting to strike a balance. This is why the food trucks are subjected to limited zones, distance requirements from restaurant proximity, and time limits to keep them mobile. This allows the trucks to operate during a lunch or dinner period or some period in between. The idea of reassessing how things are working, how many licenses have come in, and reviewing how they are in harmony with the community is a good starting point. It should also be noted the regulations would not apply if the truck is serving a specific business. He believes this is the balance the Council previously discussed.

**VOTE ON THE MOTION:** The motion passed (7-0).

Mayor Guzak thanked staff for all their hard work and acknowledged Ms. Emge's work with the community.

### **6. ACTION ITEMS**

#### **a. Comprehensive Plan Amendment Docketing**

Associate Planner Brooke Eidem reviewed the agenda material and noted the Growth Management Act requires the City to consider amendments to the Comprehensive Plan annually. Each year, staff brings to the Council a list of amendments proposed for consideration. These amendments can be changes to the land use map, or to the text of the Comprehensive Plan. The first step is setting the docket, which is being addressed tonight. The City Council will decide whether any or all initiated changes should move forward in the process. The intent of this step is to not to evaluate the merits of the applications, but to determine whether they are timely and otherwise worthy of consideration. Once the docket is set, staff and the Planning Commission will continue evaluation of the proposal, which includes an environmental analysis and a public participation process. After that, it will return to the City Council for a public hearing and a final decision later in the year. One Comprehensive Plan amendment is proposed for the City Council's consideration in 2016. It is a privately initiated amendment to change the land use destination map with a concurrent re-zone. Because the City's Comprehensive Plan land use designation map is also the zoning map, requests for rezones are processed concurrently with a Comprehensive Plan amendment application. The one proposal concerns the site at 2501 Bickford Avenue. It's comprised of two parcels, just over 3 1/3 acres. It is located immediately south of the Snohomish Station commercial development. The request is to change the land use destination and zoning destination from Business Park to High Density Residential, which is 24 units per acre. It's the City's highest density residential designation. The site is long and narrow. It's on a west facing slope with relatively small street frontage of just over 170 feet. There is also a wetland in the rear in the NE corner. Because of these site characteristics, the property is not well suited for commercial development. The ultimate plan is for senior housing development with some units being low income. The site plan shows a connection to the commercial areas to the north that is in the western most parking lot. If the Council determines that this application should be considered in 2016, staff will evaluate the proposal and begin the public process. The application would then return to the City Council for further

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consideration, probably in late fall or winter. Staff is recommending that the Council approve the 2016 Comprehensive Plan amendment docket with this one proposal.

Councilmember Hamilton asked if this was an area that was annexed into the City, or was it originally in the City. He noted there was some property in the Urban Growth Area that was part of the Wilkshire neighborhood.

Ms. Eidem confirmed this area was originally in the City. There is another strip of land just south of that is designated medium density residential and it abuts Wilkshire Lane.

Mayor Guzak stated she pleased to see this and to have senior housing close to the shopping center is very appropriate. She is in support of moving it ahead on the docket.

**MOTION** by Hamilton, second by Burke, that the City Council **APPROVE** the final docket for 2016 Comprehensive Plan amendments with one application.

**Colleen Dunlap, 1614 Fourth Street**, stated this is very good planning. This is exactly as Mayor Guzak said, it's putting the housing where the market is and giving seniors a location that is appropriate to their abilities. It's putting the higher density outside of old Snohomish.

**VOTE ON THE MOTION:** The motion passed unanimously (7-0).

b. **APPROVE** 2016 Retail Firework Stand Applications (*Moved from Consent Item b.*)

Mr. White reviewed the agenda materials noting the City has an annual process each year for citizens to be able to apply to operate fireworks stands within the City. ~~It received a number of applications this year, copies of which were provided to Council along with a staff report explaining how they meet City code to be able to operate.~~ There's a requirement to take action on June 10 of every year so they can operate with the time frames allowed under Chapter 5.54 SMC.

Councilmember Hamilton is not in support of approving the 2016 retail firework stand applications. The public record reflects his stand on this issue.

~~Councilmember Burke stated that most people are aware that he reversed his stance on this issue. He enjoys the holiday. He likes fireworks. A great passion of his is the great open spaces of the American west, which he is now watching burn right before his eyes more and more every year. He stated we are having significant fires on this side of the mountains already. We have the ability to sell things that can move through our transit system out into an area and start a fire that can't be stopped for a long period of time. He tracks this quite seriously. The nature of our forest fires isn't just changing in scope, it's changing in scale and behavior. There's now things like latent fires where once fire teams and crews put fires out, they actually are surviving underground in root systems, totally invisible to the naked eye. Heat seeking cameras from helicopters can't even see them. They can live for months and months underneath the ground, underneath snow and ice and then as soon as the sun comes back out, the fire can re-light by itself and no one can spot it. We're dealing with major issues here, and this behavior is no longer appropriate~~

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for the west part of the U.S. in his view. Therefore, he supports Councilmember Hamilton.

~~Councilmember Schilaty stated her understanding of the law is that the Council cannot ban fireworks for 2016 and Council has decided to place it as a ballot measure this November and leave it up to the citizens to decide whether or not they want to ban fireworks within our community. If that is the case, the City needs a full year before it can be enforced and that is the way State law works. Even if Council wanted to deny permits this year, she doesn't believe they can.~~

Ms. Guilder confirmed Councilmember Schilaty is correct. City regulations provide certain requirements for stands to meet. Staff has indicated these stands have met all of their requirements under City code. ~~So whether Council wants to approve them or not, is not something which is up for discussion.~~

Mr. White explained there are two different issues. One is whether the City wants to allow fireworks within City limits and there's a process for that. What is before the Council tonight is the ability for someone to sell fireworks. ~~The issue is that the code outlines the requirements, and if they are met, there isn't a lot of discretionary authority currently in the code to deny fireworks stand applications.~~

~~Mayor Guzak stated there are many people who feel fireworks are not appropriate. However, the Council is bound by State law and if the Council denies the fireworks permit for those who met the criteria, she thinks the City may be subject to legal action. She supports Council approving the applications.~~

**MOTION** by Randall, second by Rohrscheib, that the City Council **APPROVE** the applications 1, 2, 3 and 4 as listed for the operation of retail fireworks stands subject to the recommended conditions contained in the staff report.

**VOTE ON THE MOTION:** The motion passed (5-2), with Councilmembers Burke and Hamilton voting nay.

Mayor Guzak thanked the Council for their open discussions on this item.

### **7. DISCUSSION ITEMS:**

#### **a. Financial Management Policy Updates.**

Ms. Olson reviewed the agenda materials and stated this is a discussion on the last sections of the proposed financial management policy. These sections include topics such as debt management and investments, long-term planning and internal controls, through auditing and accounting activities. ~~Staff has been meeting with the Council since December 2015, when the City Council kicked off the planning work for updating the Financial Management Policy. These discussions have been conducted through workshops prior to regular meetings. However, due to timing and scheduling for the agenda planner, staff is having a discussion item tonight during the regular meeting. The Council will be reviewing the proposed Financial Management Policy sections that are~~

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new for debt management, investments, long-term financial planning and internal controls, Section 7 through 10 of the proposed plan.

Included in the staff report is the updated General Fund outlook. The outlook is better than before this process was started. Budget amendments have also been included that were addressed during the last council meeting. There still exists a five-year structural imbalance which we will need to address. Firstly, we will discuss the financial policy to help guide staff to crystallize the strategic intents of the Council and connect the strategic plan initiatives with the financial outlook, which is really the road map for how we get things done.

The first section concerns debt policy. Debt policy in the financial management plan sets guidelines for the issuance of debt and identifies acceptable levels of debt and how debt is maintained. Debt policy in a Financial Management Plan really sends a message to those investors and rating agencies that the City is committed to strong financial management practices. Some of the key components of the debt policy section is to set benchmarks. This is where the City would set a benchmark that would establish a certain bond rating score, and then of course, an S&P FMA score which would be considered strong and that would be the recommended target level we would seek to achieve. The policy also identifies debt limits that are set by State law and also proposed limits based on percentage of annual operating budgets identified as a target that staff would use in the policy when proposing debt as a tool for capital projects and as a funding source for those projects.

The purpose of the debt policy is to identify when financing is necessary. In the proposed policy this is similar to the current financial policy in that we would first look to interfund loans as a first source of financing. Typically, the only source of financing where the City might seek out an interfund loan would be from the Sewer Enterprise Fund. This is because the fund has a very large ending fund balance and reserve and would provide the largest pool of funds for any non-utility project funded internally by the City.

Debt practices are a component of the policy. The City would seek out certain funding solutions, and we would want to look toward the public works loan fund, if it is available, for utility capital projects. There is also the potential for issuing debt and that could be through a number of different debt types. Councilmatic bonds may be used for utility capital projects and certainly for other capital projects that generate enough revenue. Councilmatic bonds need to be paid from existing sources. There are other types of bonds that require a vote and would require a ballot measure for the public to decide on whether or not they would approve a tax increase for a potential project.

Ms. Olson discussed updating Section 8, Investment Policy. She stated the Investment Policy is important to set objectives. Three important objectives are: safety of our principal, liquidity so we can meet our operating requirements, and return on investment. The proposed investment policy is mostly unchanged. There are some minor amendments from the current financial policy in 2008 when it was established. The recommendation for targets concerning a return on investment, which is the third objective is that it would be at least equal to or better than the local government investment pool. The policy also identifies suitable investments. The City proposes

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following State law, as required. The City can invest in the local government investment pool, CDs, commercial paper and some U.S. Treasuries. The policy also identifies a diversification and targets for bond maturity. The proposal is to have investments that are less than a five-year maturity, but no more than ten years. The reason there is some flexibility in the proposed investment policy is that often times if the City has large pools of idle cash sitting around identified for enterprise funds, often times when the City issues debt that is long-term debt, the Council might want to seek out a longer term maturity because you can get a better interest rate and you don't need that money immediately, but you have to set the money aside. This provides for some flexibility. With the Investment Policy, there is an opportunity to increase the City's interest earnings. If the City can do that by putting in place some very structured short-term ladders and some long-term ladders, we can improve sources that come into the General Fund and the Enterprise Funds to help support long-term infrastructure improvement projects that the City would like to complete.

Ms. Olson discussed Section 9, Long-Term Financial Planning of the proposed new policy. The City is following this policy concerning the upcoming five-year financial management plan. This policy identifies what the City is doing now. This is a five-year financial plan that would always be set up to guide staff and Council from an operating budget standpoint, as well as a capital plan. This policy also identifies that the Financial Management Policy will work to align and should align with the Strategic Plan. This is a road map for how the City gets things done and is developed from the budget workshop. It is important in improving the City's capital budgeting and Capital Improvement Plan so its transparent and clear with respect to the five-year plan of projects for making improvements within the community.

After the Financial Management Policy is adopted, the next step would be to finish the Standard Operating Procedures. Management will be working on the checklist for how to cut checks, how to receipt in cash, how to go through a potential grant and make sure the City has justification and documentation for how we would work those grant programs. The five-year financial model is based on the policy that the Council has been considering, the objectives and the targets.

The final section addresses internal controls. This is where policy is proposed to set and support accountability and transparency initiatives. Internal controls are set to comply with auditing standards. The Council's policy is providing language for staff to adhere to. There are sections that identify account write-offs and bad debt and there are some thresholds that staff has identified. There are levels of debt the City will never be able to collect, and so we try to work with those who owe the City money. If debtors exceed the established threshold limit, staff would bring that to Council to have a discussion and obtain direction on debt collection. Staff would be working with the City Attorney's Office in collecting debts and then adhering to State and County regulations for filing liens. There's also a component in the internal controls where the City sets the capital asset thresholds. This outlines how the City recognizes assets in its financial statements and provides guidance on how to surplus assets. This is really memorializing the administrative surplus that the City goes through regularly, and the process for surplusing assets that are utility enterprise fund assets.

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In summary, this exercise is the final review of the proposed Financial Policy. Council has been reviewing sections and setting proposed reserve targets or ending fund balances, setting revenue criteria, principles and objectives, and expenditures. The Council has reviewed components of where the City has purchasing thresholds with regard to expenditures and the operating and capital budgets, along with the three final sections of the policy. The next step is for staff to bring back the proposed final Financial Management Policy for Council's consideration to adopt by ordinance. This is proposed to occur at the next regular meeting on June 21, 2016.

Councilmember Hamilton asked about account write-offs and bad debt. He recalled a discussion which occurred in the past where the City had some connection fees that hadn't been paid to the enterprise fund. If the City were to forgive those, then the General Fund would have had to pay for that. He wondered given the parameters that the government operates within how would the City write off a bad debt.

Ms. Olson explained most of the bad debt that the City writes-off is related to utility accounts. Typically, account write offs are unpaid water and sewer utility accounts. This primarily occurs due to the death of the customer and the City has trouble locating the executor. Most of the bad debt in the utilities are situations like that. Because the City operates on a cash basis, it doesn't allow for a lot of billables and don't have a large receivable, other than the utility fund. There are small amounts where staff works with the customer and will adjust some late fees if allowed by code if the customer can pay the remainder of the balance. Staff tries to work with customers, but will ultimately shut the water off for nonpayment.

Councilmember Hamilton asked if the utility bill, water/sewer is unpaid, can it become a lien on the property.

Ms. Olson said that it is an option. Staff has to follow State law concerning how much of the balance it can lien. Typically, it's approximately four months. Often times, the City has a lot more than that amount past due and that is when the County lien can be administered.

The Council agreed this item should come back to Council with an Ordinance on June 21. Mayor Guzak thanked Ms. Olson for her work and felt completing a five-year financial plan is beneficial and preparing a two-year budget will save time. This will facilitate the Council's financial and time management in a positive way.

### b. Banking Services Request for Proposals.

Ms. Olson reviewed the agenda staff report. ~~stated this discussion is for Council's consideration and authorization to initiate a request for proposal for banking services. As per State law, cities are required to deposit with a qualified depository or bank. The City Council is also required to designate a bank, per State law. Currently, the City banks with Bank of America. Historically, local governments were not charged bank fees because we have a lot of idle cash that sits with the bank. After the recession and through banking regulatory changes, the City is no longer sheltered from banking fees. Staff has been trying to negotiate ways to become more efficient by going paperless, using electronic~~

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## **DISCUSSION ITEM 7b**

deposits with a scanner (scanning checks, rather than depositing paper checks). Staff has been trying to work on measures to reduce fees. At the last Council meeting, Council increased the line item for bank fees. Staff would like to explore the market for banking services and is recommending initiating a request for proposals process.

Councilmember Burke expressed his support for this item. He stated the banking fees attached to these banking transactions and the fees they charge to hold money never cease to amaze him. ~~He is surprised that there are no federal protections. It's a commodity and it would be an easy issue to regulate. He finds it infuriating. Councilmember Burke supports the RFP process.~~

Councilmember Schilaty asked if the request for proposal would go out to local banks.

Ms. Olson confirmed Councilmember Schilaty is correct and the requests will go out tomorrow morning.

Council supported the request for proposal for banking services to the City's banking community.

### **8. CONSENT ITEMS:**

- a. **AUTHORIZE** payment of claim warrants #58749 through #58848 in the amount of \$828,876.61, and payroll checks #14988 through #15009 in the amount of \$431,984.51 issued since the last regular meeting.
- c. **AUTHORIZE** City Manager to Sign a Construction Contract with D&G Backhoe, Inc. for Reservoir No. 2 Pressure Reducing Valve.

**MOTION** by Hamilton, second by Randall to pass the Consent Items. The motion passed unanimously (7-0).

### **9. OTHER BUSINESS/INFORMATION ITEMS:** None

### **10. COUNCILMEMBER COMMENTS/LIAISON REPORTS:**

Councilmember Schilaty stated that she will not be attending the next meeting on June 21, due to a family vacation.

Councilmember Wilde wished to comment on the fireworks issue. He stated he did vote in favor of the fireworks stand applications, although he is not in favor of recreational fireworks. He felt not approving the applications might open up the City to litigation. ~~He loves fireworks, but likes to leave and go out of town when fireworks are being discharged. He knows two people who have lost their homes recently due to fireworks and people not discharging them properly. Last year it was very hot, and it's hot already this year. Other alternatives are to collaborate with other cities and possibly offer firework shows where they~~

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are contained and done by professionals. As far as home use, fireworks are becoming a nuisance and it's a danger to most people in most areas around here.

Councilmember Rohrscheib attended the Heroin Forum held at the Performing Arts Center on May 26 and there were approximately 125 to 150 citizens in attendance. There was a lot of great discussion and a really good panel of professionals. He thanked Chief Flood for coordinating this effort. He was slightly disappointed, given that there is such a crisis in the community with heroin that there was low attendance. He is frustrated that more Councilmembers did not attend. He believes everyone has been affected by heroin. He knows several people that have died from heroin. He stated if you haven't known anyone personally who has passed away, he is confident when you go to the grocery store, items are more expensive because of theft associated with people trying to do what they can to continue their drug habits. His hope is that the City will be able to have another one of these forums in the near future. He stated he and Councilmember Schilaty spoke at the forum along with Mayor Guzak. They had some feedback that they wanted to give to Chief Flood to obtain more in-depth information about drug addiction and the signs that go with it, along with what can be done as a community and parents to stop it before it happens, or do what we can to keep it out of our community.

Councilmember Rohrscheib announced he will not be attending the Public Safety Commission next week, as he'll be out of town on business.

Councilmember Burke will be also be gone from June 8 through June 13 on a family trip to Alaska.

Councilmember Randall said he wanted to attend the heroin forum, but he has his grandchildren with him for a month and a half. His grandchildren are aged 2-1/2 and 4-1/2 and they are keeping him really busy.

Councilmember Hamilton stated he left the June report from Community Transit Counties and Cities with Councilmembers to bring attention to the VanGo program and any non-profits that may benefit from it. He passed on some additional information to Debbie Emge to include in the City Newsletter. He stated non-profits may have the opportunity to acquire a vehicle. A few years ago the Senior Center was able to acquire a vehicle through the VanGo program. He also has some brochures on "Reclaim the Open Road." It's about being able to get some money over a period of time by taking alternate means of transportation also "Choice Connections" where Community Transit works with employee commute programs in the county. There are seven or eight cities that have businesses large enough that Community Transit specifically targets them. He believes it is 100 employees or more and they work together with the County. They are always going out and identifying where these businesses might be so they can try to encourage them through programs to reduce the number of commuters on the road, and incentive programs to help with that. They've had some good success. He stated last Wednesday the Planning Commission met, they reviewed

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~~a couple of issues that will be coming back before the City Council in the future, one of which is the deferral of the impact fees which follows some changes in State law as to when money is going to be paid. The other issue concerns community based theaters. This is something the Planning Commission started looking at when he was on the Planning Commission at least 8 years ago. It's really an attempt to achieve compliance with regulation and recognizing the historic area, and the significance of a number of buildings that the City has in the historic area that don't meet the footprint of single family housing, but they're still wonderful resources for the community in ways in which we can use them. A number of people came and spoke in favor of this and the Planning Commission has forwarded an approval recommendation. This should come before the Council at the next meeting.~~

### **11. MANAGER'S COMMENTS:**

~~Mr. Schuller provided updates on upcoming events and meetings. He stated on June 8, the City will be having its emergency preparedness drill on the Cascadia Rising earthquake. He stated both FEMA and the local Snohomish County DEM are also participating. Snohomish, along with other cities will be a part of the exercise. The City's exercise will occur from 9:00 a.m. to noon. Mayor Guzak will be participating in the policy group. Mr. Schuller asked if any other Councilmembers will be participating in this exercise. After the exercise, he does plan to provide Council with a summary of the exercise outcomes later in the year. He will provide the exercise objectives for Council to review. It is scary to think about what it would be like to have to respond to a 9.0 earthquake is quite daunting. The City will be going through a number of scenarios and will provide Council with a summary after the drill.~~

~~The Open Government Committee will potentially be having its last meeting on June 13 at the Senior Center at 5:00 p.m. There may be another meeting that is required after June 13 to complete their work.~~

~~There will be a ribbon cutting for the new boat launch on Friday, July 22 at 2:00 p.m. Mayor Guzak will be providing her welcome message. There are other confirmed participants including County Councilmember Hans Dunshee, Mark Spada with the Sportsman Club who was very active in pursuing the boat launch for many years, and Washington State Fish and Wildlife representatives along with many others. He noted Chris Wilke, Executive Director at Puget Soundkeeper will also be in attendance. Not only will this be a ribbon cutting for the boat launch, but the same environmental group that sued the City for being one of the top polluters back in 2001 wants to join the City and have a combined celebration for all the great work the City has done to its wastewater system, treatment plant, and the river.~~

~~Denise Johns, the City's Project Manager will be holding a neighborhood meeting on the Fischer Park playground project on Saturday, June 18 at 10:00 a.m.~~

~~There will be another combined meeting of the Parks Board and the Riverfront Master Planning Committee on Wednesday, June 22 from 5:00 to 8:00 p.m. Debbie Emge and Denise Johns are working on this. They plan to have music, food and fun games.~~

~~Planning Director interviews will be held on Monday June 20. Staff is excited about the list~~

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of candidates to be interviewed. Because all three planning staff will be involved in the interviews, Interim Planning Director Clay White, would like to close the planning counter that day. The counter will still be open to address utility bills and other questions, but the planning counter will be closed. The Council agreed with this.

### **12. MAYOR'S COMMENTS**

Councilmember Rohrscheib and the Mayor attended the Snohomish County Public Safety and Human Services Alliance meeting on Friday, June 3 at the County building. There were about 50 people there. Mayor Stephanson and County Executive Dave Somers hosted the meeting. The Everett Police Chief and Snohomish County Sheriff Ty Trenary were there to discuss new strategies policing and human services are using relative to addiction and crime. From the heroin forum, we know it's a deep and community wide problem. Both the Sheriff's Department and Everett Police have implemented several strategies to address the heroin problem. They are carrying the nasal spray, Naloxone to prevent overdoses from heroin. Since they've started doing that they've saved about 40 people from heroin overdoses. Secondly, they have imbedded a social worker with their police force. When the police are out talking to homeless or to folks on the margins of society, they imbed a social worker to help people find strategies and community organizations that can help them. They are also working more now to send addicts to treatment, and to provide scholarships to pay for treatment rather than going to jail. They are also looking at crisis intervention training for the police and Sheriff's Department so that the street level crime and the police who interact with them will have a better response to the criminal activity. The City of Everett has started an initiative called Safe Streets and out of that initiative is a concept that came from Utah and has been used in other places in the country called Housing First. The basis is to get people off the streets and into housing. Frequently, it is found that it's much less expensive to put an addict into housing rather than have them on the street with emergency room services and prosecution/jail which can run up to \$100,000 a year or more, whereas providing a housing unit for that person can be roughly \$20,000 a year. Often when people who find safe housing, who are warm and have access to social treatment do much better than those still living on the streets. It is very heartwarming to see the direction that both the criminal justice and social service agencies are taking by working together.

Mayor Guzak stated *Coffee with the Mayor* was held on May 21. Councilmembers Rohrscheib and Schilaty were also in attendance. It was a little bumpy. There were some people who dominated with some negative comments, but there were also people in attendance who made really positive comments. She is re-thinking the format and considering small groups at tables and having it be a conversation with Councilmembers, not a conversation with the Mayor. It would be a council meeting and there would be a topic for discussion. There will be more discussion about this. She is willing to, and is going to start, doing Coffees with the Mayor, starting with Proper Joe Coffeehouse a week from Friday. It will be at 9:30 a.m. and it will be posted on the City's web page. That should be a small group and hopefully a kinder, gentler group.

Mayor Guzak reiterated the Open Government Committee is doing really important work. Things have gotten a little controversial as of late and she would really appreciate if more Councilmembers would show up at the meetings. We need Council there to support the

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effort.

Mayor Guzak is looking forward to the Cascadia Rising earthquake drill.

13. **ADJOURN** at 8:15 p.m.

APPROVED this 5<sup>th</sup> day of July, 2016.

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
Karen Guzak, Mayor

\_\_\_\_\_  
Pat Adams, City Clerk

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## **DISCUSSION ITEM 7c**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Jennifer Olson, Finance Director  
**Subject:** **2017 Personnel Forecast**

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**SUMMARY:** The purpose of this agenda item intends to give the City Council a first review of 2017 projected personnel wages and benefits for the upcoming year. Staff will provide an explanation of the various cost components and compare the proposed personnel and benefits budget to the current year.

**BACKGROUND:** The **CITY COUNCIL** serves as the elected legislative branch of city government with seven members elected to four-year terms. The City Council represents the citizens of Snohomish and interprets community values as it adopts ordinances and resolutions; sets the policies and directions of the City; authorizes the annual budget; appoints members of the various boards and commissions; provides its members as liaisons to those boards and commissions and represents the City regarding state and regional issues.

The **CITY MANAGER** is the chief administrator of the City, and is responsible for implementing policies and achieving goals and priorities established by the City Council. The City Manager manages the human, operating and capital resources of the City. Contained within the City Managers department are divisions of City Clerk, Economic Development and Human Resources, which assist in meeting the goals and operational objectives of the department and the City organization as a whole.

The **SUPPORT SERVICES DEPARTMENT** is comprised of the Finance Division and Information Services Division and Enterprise Fund for Solid Waste. The Finance Division is responsible for the financial management of the City including budget, audit, payroll, investments, debt management and utility billing including Solid Waste. The Information Services Division is responsible for network infrastructure, system maintenance, and hardware and software inventory control and database management.

**LAW ENFORCEMENT** services are provided by the Snohomish County Sheriff's Department and City direct costs for criminal justice, inter-agency communications and administrative support. Law enforcement's mission is to consistently deliver the highest level of professional police services by partnering with our community to preserve peace and suppress crime.

The **PLANNING AND DEVELOPMENT SERVICE DEPARTMENT** is comprised of the Building Inspections Division and Planning and Permitting Division. The department delivers permit review services that foster positive change through implementation of adopted plans, environmental protection, and safe buildings and structures.

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The **PUBLIC WORKS DEPARTMENT** is comprised of the General Fund divisions of Parks and Engineering; Street Fund; Fleet & Facilities Fund; and Enterprise Funds for Water, Wastewater and Storm Water. This Department provides maintenance and operational services for all city facilities and parks, maintains streets and traffic safety, manages capital projects from planning to completion, enforces engineering code requirements, and manages and maintains City Water, Wastewater and Storm water maintenance and capital infrastructure projects.

**ANALYSIS:** On August 23, 2016 during the City Council Budget and Planning workshop, staff discussed proposed 2017 personnel budget conditions to include:

- Cost of Living Adjustments 2.25%
- Step Movements for Eligible Employees
- Anticipated Medical Premium Increases
- Vacant Water Plant Operator Position
- Continued Utilization of Temporary/Seasonal Help

For 2017, salaries and benefits make up 30% of the total estimated expenditures in all proposed operating budgets. Within the General Fund, personnel costs comprise the largest share of expenditures. Total 2017 estimated General Fund expenditures are over \$9.1 million with proposed General Fund personnel costs expected to be \$3.6 million or 39% of the overall General Fund expenditure budget.

The Washington State Local Government Financial Reporting System, a segment of the Washington State Auditor's Office, latest reporting period ending 2014, indicates that 63% of General Fund expenditures of city/towns with similar populations are for personnel costs, up from 61% the previous year. The real question is whether the amount the City spends on labor makes sense and is justified within the context of service demands and values.

Budgeted personnel costs may be seen as an indication of the level of effort that reflects Council's view of the City's goals and priorities. The level of staffing costs depends on the activity of the particular cost center (fund/department/division) with some departments being more labor intensive and some departments expending more dollars on materials. For example, Utility Enterprise Funds salary and benefit costs represent an average of 15% of the overall enterprise operating budgets, for direct service personnel costs, due to more dollars allocated to debt obligation and capital projects.

The General Fund charges out personnel costs and other expenditures through the Cost Allocation Plan, for indirect staffing costs such as human resources and financial services, to the Utility Enterprise, Streets and Internal Service Funds. General Fund Cost Allocation revenues for 2017 are anticipated to remain the same as 2016 or \$1.4 million. A true-up of the actual costs at the end of each year will ultimately increase or decrease the overall operating budgets.

Employer benefit cost data maintained by the U.S. Bureau of Labor Statistics, as of March 2016, in the state and local government sector shows that benefits account for 31.5% of all employer compensation costs. The 2017 proposed cost of City benefits to total direct personnel costs is 28% up from 27.4% in 2016. This increase continues to show that benefit costs are rising as a

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percentage of total compensation. This is a result of the increases in health care premium costs. Benefit costs are offset by employees contributing to their health care premiums and the voluntary choices made by staff, to insure dependents through other means.

Staff analysis highlights the following assumptions and major components of personnel and benefit costs for 2017:

- Salary and benefit changes for the Public Works bargaining unit employees are based on the current contract. There are currently 22 represented employees.
- Salary and benefit changes for the Office/Technical bargaining unit employees are based on the current contract. There are currently 13 represented employees.
- Salary and benefit changes for the non-represented employees are forecasted independently of the bargaining unit contracts. There are currently 13 non-represented employees. The 2017 budget is assuming a 2.25% cost of living increase.
- Due to increasing costs to provide existing General Fund-supported community services and Water Fund-water supply transitional phase , no new full-time staffing positions are requested in 2017 and the following positions are proposed to remain vacant.
  - Water Plant Operator – Water Fund/Distribution Division
- Temporary/Seasonal positions anticipated in 2017 include positions within the General Fund for economic development, planning/permitting activities and General Park maintenance.
- Temporary/Seasonal positions anticipated in 2017 include positions within the Streets Fund, Fleet/Facilities Fund and Utility Enterprise funds.
- Dental, life, and vision premiums are forecasted with no increase in 2017. The expected premium expense for these benefits is \$209,000.
- Medical premiums are forecasted with an increase of 3% for Regence Plans and 8% increase for Group Health Plan 2017. Total estimated cost of all medical premiums is \$658,000, an increase of over \$54,000. Pursuant to the current bargaining agreements, the City pays 90.0% of the Regence Plan medical premiums for staff and dependents and the employee pays 10.0% of the premium costs, not to exceed \$200 per month. New for 2017, Group Health Plan participant employees will contribute 10% toward the premium costs.
- Employees may also choose to opt out of medical dependent coverage. If an employee opts out, the City will pay the employee (50%) fifty percent of the City's premium cost it would otherwise have paid for coverage. The dependents must have proof of alternate coverage. This program continues to be a cost savings opportunity for the City, and an attractive benefit for the employee. There are currently 17 employees that chose to opt out. The savings to the City is approximately \$86,000.

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- The 2017 employer contribution rate for the Washington State Public Employees Retirement System (PERS) is currently 11.18% of salary dollars. Since July 2013, the employer contribution rate has increased from 7.21%. Total anticipated 2017 employer contributions are \$433,000.
- Unemployment costs are paid from the Self Insurance Fund (503), an internal service fund, for actual costs. The actual costs paid as of July 31, 2016 totals \$13,086. The 2017 Self Insurance Fund expenditure budget will be set at \$5,000 the same as 2016 as this fund is required to be reimbursed from the actual operating fund that the former employee had been allocated from.
- The rates for Washington State Industrial Insurance increased approximately 50.0% per classification in 2013 from 2012. The State fund reserves had been drawn down, and the intention of the Industrial Insurance Agency was to replenish those reserves. The various rates are assumed to remain at the current levels for 2017 with costs estimated to be no more than \$30,000.

Council will find an updated 2017 Personnel Forecast (Attachment A) and proposed 2017 Organizational Chart (Attachment B) which displays the effect of all of the above assumptions by fund/division. If there are any questions concerning these or any other issues, staff will attempt to answer or research these issues and respond to Council. The above discussion and forecast is based on information from taxing and regulatory agencies and direction by Council as noted above.

**STRATEGIC PLAN REFERENCE:** City staffing costs affect the quality of service and project efforts and, therefore, affect, either directly or indirectly, all of the components of the Plan.

**RECOMMENDATION:** That the City Council **REVIEW** the personnel forecasts for 2017, **OFFER** questions and comments to staff, and **PROVIDE** direction deemed appropriate.

### **ATTACHMENTS:**

- A. 2017 Personnel Forecast
- B. 2017 Proposed Organizational Chart

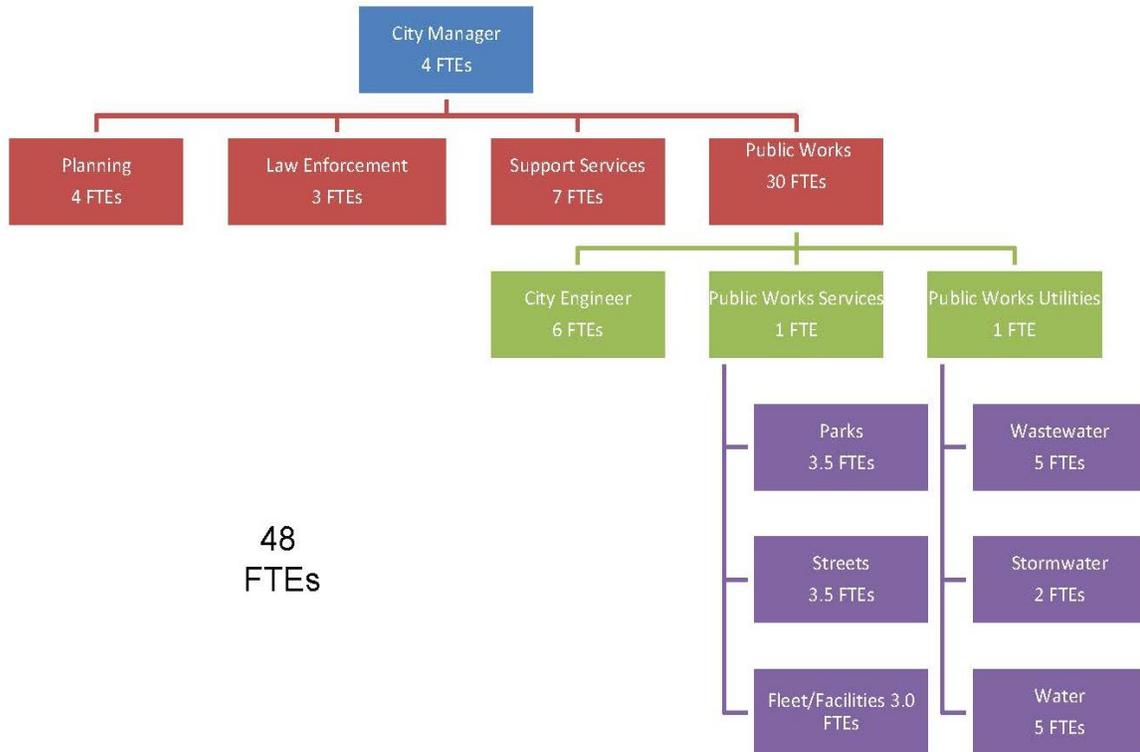
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## ATTACHMENT A

Revised as of: 9/7/2016

<b>2017 Personnel &amp; Benefits</b>	<b>2017 Salary &amp; Benefits</b>	<b>2016 Salary &amp; Benefits</b>	<b>\$ Chg</b>	<b>% Chg</b>
<b>General Fund</b>				
City Council	\$ 46,387	\$ 46,387	\$ -	0.0%
Administration - City Manager, HR, Clerk, ED	\$ 563,922	\$ 531,544	\$ 32,378	6.1%
Support Services - Finance	\$ 508,828	\$ 486,716	\$ 22,112	4.5%
Law Enforcement-Administration	\$ 269,364	\$ 250,642	\$ 18,722	7.5%
Planning & Development	\$ 372,132	\$ 352,343	\$ 19,789	5.6%
Building Inspections	\$ 132,078	\$ 122,345	\$ 9,733	8.0%
Parks	\$ 407,589	\$ 371,712	\$ 35,877	9.7%
Engineering	\$ 844,518	\$ 812,629	\$ 31,889	3.9%
<b>Total General Fund</b>	<b>\$ 3,144,818</b>	<b>\$ 2,974,318</b>	<b>\$ 170,500</b>	<b>5.7%</b>
<b>Streets Fund</b>				
Streets Maintenance	\$ 408,661	\$ 378,648	\$ 30,013	7.9%
<b>Fleet/Facilities Fund</b>				
Fleet and Facilities Maintenance	\$ 341,176	\$ 331,548	\$ 9,628	2.9%
<b>Information Services</b>				
Support Services-IT	\$ 267,298	\$ 254,162	\$ 13,136	5.2%
<b>Water Fund</b>				
Administration, Distribution & Treatment	\$ 603,366	\$ 665,073	\$ (61,707)	-9.3%
<b>Wastewater Fund</b>				
Administration, Collection & Treatment	\$ 600,512	\$ 570,297	\$ 30,215	5.3%
<b>Stormwater Fund</b>				
Administration & Maintenance	\$ 241,358	\$ 222,864	\$ 18,494	8.3%
<b>Total All Personnel &amp; Benefits</b>	<b>\$ 5,607,189</b>	<b>\$ 5,396,910</b>	<b>\$ 210,279</b>	<b>3.9%</b>

# 2017 Organization Chart



## **CONSENT ITEM 8a**

### *Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting*

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Harkirat Singh</b>					
	59361	08232016	9/12/16	Business License Overpayment	\$35.00
				Check Total	<b>\$35.00</b>
<b>Lower Cemetery Creek LLC</b>					
	59362	09072016	9/12/16	Partial refund of deposit fees 05-16-PP	\$2,837.14
				Check Total	<b>\$2,837.14</b>
<b>Nordstrom Heating &amp; Air Inc</b>					
	59363	08262016	9/12/16	Permit Withdrawn	\$80.00
				Check Total	<b>\$80.00</b>
<b>Snohomish County Treasurer</b>					
	59364	CrimevictimsEDC	9/12/16	State Pass Thru August 2016	\$54.64
	59364	CrimevictimsTVB	9/12/16	State Pass Thru August 2016	\$6.62
				Check Total	<b>\$61.26</b>
<b>Washington State Department of Licensing</b>					
	59365	SNP000133	9/12/16	Renewal CPL Simmons	\$18.00
	59365	SNP000134	9/12/16	Renewal CPL Oberhofer	\$21.00
	59365	SNP000135	9/12/16	Original CPL Christmann	\$18.00
	59365	SNP000136	9/12/16	Original CPL Burnam	\$18.00
	59365	SNP000137	9/12/16	Original CPL Moyer	\$18.00
	59365	SNP000138	9/12/16	Renewal CPL Cox	\$18.00
	59365	SNP000139	9/12/16	Original CPL Pfiefler	\$18.00
	59365	SNP000140	9/12/16	Renewal CPL Chin	\$18.00
				Check Total	<b>\$147.00</b>
<b>Washington State Treasurer</b>					
	59366	EDCSTGEN40	9/12/16	State Pass Thru August 2016	\$1,200.39
	59366	EDCSTGEN50	9/12/16	State Pass Thru August 2016	\$663.03
	59366	EDCSTGEN54	9/12/16	State Pass Thru August 2016	\$60.21
	59366	EDCHWYSAFETY	9/12/16	State Pass Thru August 2016	\$13.04
	59366	EDCBREATHLAB	9/12/16	State Pass Thru August 2016	\$19.60
	59366	EDCDEATHINV	9/12/16	State Pass Thru August 2016	\$8.21
	59366	EDCJISACCT	9/12/16	State Pass Thru August 2016	\$94.04
	59366	EDCTRAUMACARE	9/12/16	State Pass Thru August 2016	\$26.80
	59366	EDCAUTOTHEFT	9/12/16	State Pass Thru August 2016	\$39.81
	59366	EDCTRAUMABRAIN	9/12/16	State Pass Thru August 2016	\$7.87
	59366	WSPHIWAYS SAFE	9/12/16	State Pass Thru August 2016	\$46.66
	59366	BLDGSVCCHG	9/12/16	State Pass Thru August 2016	\$45.00
				Check Total	<b>\$2,224.66</b>
				Batch Total	<b>\$5,385.06</b>
<b>Ace Equipment Rentals</b>					
	59367	65924	9/15/16	equipment	\$753.17
	59367	66338	9/15/16	equipment	\$21.82
	59367	66227	9/15/16	equipment	\$54.55
	59367	66369	9/15/16	equipment	\$114.01
	59367	65962	9/15/16	equipment	\$120.01
	59367	66352	9/15/16	equipment	\$65.46
				Check Total	<b>\$1,129.02</b>
<b>AECOM Technical Services, Inc</b>					
	59368	37798798	9/15/16	Bid Ready Final	\$2,020.40
				Check Total	<b>\$2,020.40</b>
<b>Automatic Funds Transfer Services, Inc</b>					
	59369	89920	9/15/16	Storm Printing for July/August Billing	\$331.35
	59369	89920	9/15/16	Garbage Printing for July/August Billing	\$331.35

## **CONSENT ITEM 8a**

### ***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
	59369	89920	9/15/16	Sewer Printing for July/August Billing	\$331.36
	59369	89920	9/15/16	Water Printing for July/August Billing	\$331.36
	59369	89920	9/15/16	Storm Postage for July/August Billing	\$176.97
	59369	89920	9/15/16	Garbage Postage for July/August Billing	\$176.98
	59369	89920	9/15/16	Sewer Postage for July/August Billing	\$176.98
	59369	89920	9/15/16	Water Postage for July/August Billing	\$176.98
				Check Total	<b>\$2,033.33</b>
<b>All Battery Sales &amp; Service</b>					
	59370	300-10012446	9/15/16	supplies	\$21.24
	59370	800-10009498	9/15/16	parts	\$96.20
	59370	300-10011315	9/15/16	supplies	\$48.80
				Check Total	<b>\$166.24</b>
<b>Allied Waste of Lynnwood</b>					
	59371	August 2016	9/15/16	Recycling Services August 2016	\$47,575.55
	59371	August 2016	9/15/16	Solid Waste Services August 2016	\$104,099.59
	59371	August 2016	9/15/16	Solid Waste Tax August 2016	\$-512.48
				Check Total	<b>\$151,162.66</b>
<b>Alpha Courier Service</b>					
	59372	16327	9/15/16	Lab Courier Service	\$77.60
				Check Total	<b>\$77.60</b>
<b>American Payroll Association</b>					
	59373	177437	9/15/16	APA Membership Renewal	\$219.00
				Check Total	<b>\$219.00</b>
<b>Washington Tractor</b>					
	59374	1094940	9/15/16	parts EP25	\$266.31
	59374	1095012	9/15/16	parts	\$110.15
	59374	1108292	9/15/16	parts	\$195.01
				Check Total	<b>\$571.47</b>
<b>BHC Consultants</b>					
	59375	8017	9/15/16	WWTP Engineering Services	\$11,739.75
				Check Total	<b>\$11,739.75</b>
<b>Bickford Motors</b>					
	59376	1100268	9/15/16	supplies EP57	\$53.58
	59376	1100270	9/15/16	parts EP12	\$57.58
				Check Total	<b>\$111.16</b>
<b>Bills Blueprint Inc.</b>					
	59377	537321	9/15/16	2016 Utility Improvement Project	\$74.10
	59377	538006	9/15/16	2016 Utility Improvement Project	\$102.99
	59377	537312	9/15/16	2016 Utility Improvement Project	\$85.53
				Check Total	<b>\$262.62</b>
<b>CDW G</b>					
	59378	FBJ4075	9/15/16	Power Invertor	\$29.16
				Check Total	<b>\$29.16</b>
<b>Central Welding Supply Inc.</b>					
	59379	RN08161042	9/15/16	acetylene	\$13.92
				Check Total	<b>\$13.92</b>
<b>Chemsearch</b>					
	59380	2426253	9/15/16	Drain Cobra Program	\$141.84
				Check Total	<b>\$141.84</b>
<b>Clair Olivers &amp; Associates</b>					
	59381	326	9/15/16	Water Supply Study	\$1,134.00
				Check Total	<b>\$1,134.00</b>

## **CONSENT ITEM 8a**

### ***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
<b>City of Everett</b>					
	59382	I16002162	9/15/16	Everett Animal Shelter fees July 2016	\$185.00
				Check Total	<b>\$185.00</b>
<b>Comcast</b>					
	59383	892709-9/16	9/15/16	Water Share Shop Internet	\$18.55
	59383	892709-9/16	9/15/16	Storm Share Shop Internet	\$18.56
	59383	892709-9/16	9/15/16	Wastewater Share Shop Internet	\$18.56
	59383	892709-9/16	9/15/16	Streets Share Shop Internet	\$18.56
	59383	892709-9/16	9/15/16	Parks Share Shop Internet	\$9.27
	59383	892709-9/16	9/15/16	Fleet & Facilities Share Shop Internet	\$27.82
				Check Total	<b>\$111.32</b>
<b>Deere &amp; Company</b>					
	59384	115468428	9/15/16	Equipment	\$1,373.27
	59384	115468428	9/15/16	Equipment	\$1,373.27
	59384	115468428	9/15/16	Equipment	\$1,373.27
	59384	115468428	9/15/16	Equipment	\$1,373.28
				Check Total	<b>\$5,493.09</b>
<b>Elite Lock And Safe</b>					
	59385	34106	9/15/16	parts	\$95.00
				Check Total	<b>\$95.00</b>
<b>Equity Builders LLC</b>					
	59386	Pay Est 2	9/15/16	WWTP ATS Replacement Project	\$19,779.00
				Check Total	<b>\$19,779.00</b>
<b>Equity Builders LLC</b>					
	59387	RET Pay Est 2	9/15/16	Retainage WWTP ATS Replacement Project	\$950.00
				Check Total	<b>\$950.00</b>
<b>Everett Hydraulics</b>					
	59388	23763	9/15/16	parts EP129	\$327.60
				Check Total	<b>\$327.60</b>
<b>Everett Stamp Works</b>					
	59389	19441	9/15/16	Council Mtg Nameplate-Planning Director	\$22.80
	59389	19340	9/15/16	Nameplates - Pickus & Monzaki	\$41.29
				Check Total	<b>\$64.09</b>
<b>GCR Tires &amp; Service</b>					
	59390	801-32642	9/15/16	tire repair	\$60.72
				Check Total	<b>\$60.72</b>
<b>Gray &amp; Osborne, Inc.</b>					
	59391	8	9/15/16	Sewer Mobile Maintenance App	\$332.09
	59391	6	9/15/16	Storm NPDES Permit Assistance	\$374.34
	59391	6	9/15/16	Water Mobile App	\$7,341.61
	59391	1	9/15/16	Dike Management Plan	\$884.94
	59391	1	9/15/16	Dike Management Plan	\$884.93
				Check Total	<b>\$9,817.91</b>
<b>Granite Construction Supply</b>					
	59392	262_00064753	9/15/16	supplies	\$687.33
				Check Total	<b>\$687.33</b>
<b>Grainger Inc.</b>					
	59393	9206052434	9/15/16	safety glasses	\$85.62
				Check Total	<b>\$85.62</b>
<b>Greenshields Industry Supply</b>					
	59394	41417	9/15/16	parts	\$47.48
	59394	41389	9/15/16	equipment	\$913.41
				Check Total	<b>\$960.89</b>
<b>Hach Chemical</b>					
	59395	10087091	9/15/16	supplies	\$658.83

**CONSENT ITEM 8a**

***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
	59395	9895818	9/15/16	supplies	\$234.25
	59395	9935423	9/15/16	supplies	\$173.85
	59395	10077011	9/15/16	supplies	\$96.26
	59395	10085290	9/15/16	supplies	\$264.13
				Check Total	<b>\$1,427.32</b>
<b>H.B. Jaeger</b>					
	59396	176652/1	9/15/16	parts	\$164.17
	59396	176267/1	9/15/16	parts	\$31.09
	59396	176696/1	9/15/16	parts	\$477.47
				Check Total	<b>\$672.73</b>
<b>Home Depot - Parks</b>					
	59397	2565295	9/15/16	supplies	\$84.74
	59397	90964	9/15/16	material, supplies	\$1,565.59
				Check Total	<b>\$1,650.33</b>
<b>Home Depot - Shop</b>					
	59398	1016905	9/15/16	equipment	\$215.92
	59398	0016998	9/15/16	equipment	\$41.39
	59398	7014412	9/15/16	equipment	\$177.08
				Check Total	<b>\$434.39</b>
<b>Home Depot - Streets</b>					
	59399	8564901	9/15/16	parts	\$11.54
	59399	1594084	9/15/16	equipment	\$43.12
	59399	7010115	9/15/16	supplies	\$39.22
				Check Total	<b>\$93.88</b>
<b>Home Depot - Storm</b>					
	59400	7010225	9/15/16	supplies	\$43.57
	59400	3010842	9/15/16	supplies	\$17.37
				Check Total	<b>\$60.94</b>
<b>HD Supply Waterworks LTD</b>					
	59401	F873819	9/15/16	new meter	\$500.64
	59401	F873818	9/15/16	new meters	\$632.87
	59401	G010874	9/15/16	offset resetters for meter replacement	\$1,850.78
	59401	G008088	9/15/16	offset resetters for meter replacement	\$1,850.78
				Check Total	<b>\$4,835.07</b>
<b>Home Depot - Water</b>					
	59402	6142346	9/15/16	parts	\$438.09
	59402	9595006	9/15/16	parts	\$6.02
	59402	9091644	9/15/16	return parts	\$-131.53
				Check Total	<b>\$312.58</b>
<b>IER Environmental Services, Inc</b>					
	59403	2016-5171	9/15/16	supplies	\$1,402.90
				Check Total	<b>\$1,402.90</b>
<b>Integra Telecom</b>					
	59404	14099437	9/15/16	Water Treatment Plant Phones	\$180.32
	59404	14099350	9/15/16	Water Department Share Shop Phones	\$54.29
	59404	14099350	9/15/16	Street Dept. Share Shop Phone	\$54.30
	59404	14099350	9/15/16	Parks Share Shop Phones	\$27.13
	59404	14099350	9/15/16	Fleet & Facilities Share Shop Phone	\$81.40
	59404	14099350	9/15/16	Collections Share Shop Phone	\$54.30
	59404	14099350	9/15/16	Storm Share Shop Phone	\$54.30
	59404	14099031	9/15/16	Waste Water Treatment Plant Phone	\$189.24
	59404	14097657	9/15/16	City Hall Digital Phone	\$68.44
				Check Total	<b>\$763.72</b>

## **CONSENT ITEM 8a**

### *Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting*

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
<b>Jones Chemicals Inc</b>					
	59405	699120	9/15/16	Chlorine Cylinders	\$1,298.62
	59405	699215	9/15/16	Cylinder Credit	\$-300.00
				Check Total	<b>\$998.62</b>
<b>Journal of Commerce</b>					
	59406	3316732	9/15/16	Police Remodel	\$438.75
				Check Total	<b>\$438.75</b>
<b>Julie Kostelecky</b>					
	59407	09062016	9/15/16	Mileage Reimbursement for training	\$12.20
				Check Total	<b>\$12.20</b>
<b>Kendall B Utt</b>					
	59408	07142016	9/15/16	Meal Reimbursement	\$16.00
				Check Total	<b>\$16.00</b>
<b>Laura Clarke</b>					
	59409	09022016	9/15/16	Mileage/Meal reimbursement for training	\$36.84
				Check Total	<b>\$36.84</b>
<b>Lloyd Enterprises Inc</b>					
	59410	198138	9/15/16	supplies	\$4,125.61
				Check Total	<b>\$4,125.61</b>
<b>McDaniel Do It Center - Parks</b>					
	59411	477523	9/15/16	equipment	\$9.79
	59411	477466	9/15/16	parts	\$4.68
	59411	477684	9/15/16	supplies	\$73.08
	59411	477351	9/15/16	supplies	\$6.07
	59411	477668	9/15/16	supplies	\$38.35
	59411	477798	9/15/16	supplies	\$41.43
	59411	477776	9/15/16	supplies	\$43.62
				Check Total	<b>\$217.02</b>
<b>McDaniel Do It Center-SS</b>					
	59412	K76704	9/15/16	parts EP42	\$19.52
	59412	476982	9/15/16	equipment	\$19.63
	59412	477134	9/15/16	parts EP45	\$24.93
	59412	476805	9/15/16	parts and equipment	\$30.08
	59412	476888	9/15/16	parts EP12	\$1.72
	59412	476527	9/15/16	supplies	\$5.43
	59412	477387	9/15/16	parts	\$22.95
	59412	477359	9/15/16	parts EP100	\$7.41
	59412	477409	9/15/16	parts	\$2.27
	59412	477459	9/15/16	parts	\$9.10
	59412	476590	9/15/16	parts EP2	\$17.09
	59412	476599	9/15/16	parts EP2	\$13.47
	59412	K76684	9/15/16	parts EP44	\$5.43
	59412	476297	9/15/16	parts EP122	\$8.49
	59412	476368	9/15/16	parts EP156	\$31.63
	59412	476345	9/15/16	parts EP156	\$33.53
	59412	476422	9/15/16	supplies	\$14.17
				Check Total	<b>\$266.85</b>
<b>McDaniel Do It Center- Streets</b>					
	59413	477288	9/15/16	concrete	\$43.59
	59413	477360	9/15/16	concrete	\$17.43
				Check Total	<b>\$61.02</b>
<b>McDaniel Do It Center - Water</b>					
	59414	477500	9/15/16	supplies	\$8.72
	59414	477607	9/15/16	equipment	\$51.24

**CONSENT ITEM 8a**

***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
	59414	477511	9/15/16	supplies	\$9.79
				Check Total	<b>\$69.75</b>
<b>McDaniel's Do It Center Wastewater</b>					
	59415	477835	9/15/16	supplies	\$15.26
	59415	477775	9/15/16	supplies	\$81.91
				Check Total	<b>\$97.17</b>
<b>North Sound Hose &amp; Fitting Inc</b>					
	59416	75668	9/15/16	supplies	\$95.03
	59416	76049	9/15/16	parts	\$173.85
				Check Total	<b>\$268.88</b>
<b>Northwest Cascade Inc</b>					
	59417	0550113105	9/15/16	sani can rental - Carnegie	\$193.00
	59417	0550113108	9/15/16	sani can rental night out against crime	\$240.00
	59417	0550113106	9/15/16	sani can rental - Shop	\$129.25
	59417	0550113107	9/15/16	sani can rental - boat launch	\$212.85
	59417	0550113109	9/15/16	sani can rental - water reservoir	\$91.50
				Check Total	<b>\$866.60</b>
<b>Petty Cash</b>					
	59418	1315	9/15/16	Barb's Auto Licensing Maxey Pump Trailer	\$40.75
	59418	1316	9/15/16	Barb's Auto Licensing Title Transfer	\$47.25
	59418	1317	9/15/16	Safeway water for Budget Workshop	\$3.34
	59418	1318	9/15/16	Comserv Oversized Copies	\$5.46
				Check Total	<b>\$96.80</b>
<b>Process Solutions</b>					
	59419	30130	9/15/16	Headworks Panel Replacement	\$18,383.35
				Check Total	<b>\$18,383.35</b>
<b>Rick Karschney</b>					
	59420	F0001401	9/15/16	Reimburse for supplies	\$49.99
				Check Total	<b>\$49.99</b>
<b>River City Land Services</b>					
	59421	1969	9/15/16	Sewer Easement Research and Review	\$300.00
				Check Total	<b>\$300.00</b>
<b>Riverside Topsoil Inc</b>					
	59422	15066	9/15/16	materials	\$1,035.58
				Check Total	<b>\$1,035.58</b>
<b>Snohomish County Department of Public Works</b>					
	59423	I000417251	9/15/16	Traffic Light Maintenance	\$1,310.82
	59423	I000417252	9/15/16	Sweeping	\$1,472.93
	59423	I000417252	9/15/16	Sweeping	\$1,472.93
	59423	I000417252	9/15/16	Supplies	\$9,361.20
	59423	I000417250	9/15/16	Maple Avenue Overlay	\$4,113.77
				Check Total	<b>\$17,731.65</b>
<b>Snohomish County Finance Department/Solid Waste</b>					
	59424	68822	9/15/16	vactor grit	\$208.00
				Check Total	<b>\$208.00</b>
<b>Snohomish County Fleet</b>					
	59425	I000416009	9/15/16	supplies	\$250.32
				Check Total	<b>\$250.32</b>
<b>Snohomish County Pud #1</b>					
	59426	111170444	9/15/16	#1000125213, 169 Cypress, Pilchuck Light	\$124.56
	59426	121120773	9/15/16	#1000275828, 1110 Ferguson Pk Rd, L/S	\$73.47
	59426	131049546	9/15/16	#1000508263, 24021 24th, Water Intake	\$23.38
	59426	147476508	9/15/16	#1000463019, 1801 Lakemount, Casino L/S	\$44.63
	59426	144183979	9/15/16	#1000385243, 1329 Bonneville, L/S	\$22.02

**CONSENT ITEM 8a*****Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
	59426	140864709	9/15/16	#1000535766, 1610 Park Ave, Restrooms	\$17.09
	59426	157215775	9/15/16	#1000545615, 1610 Park, Sm Shlt Hill Pk	\$13.48
	59426	166895526	9/15/16	Various Locations, Street Lighting	\$984.27
	59426	111170272	9/15/16	#1000439204, 40 Maple, Commercial L/S	\$30.85
	59426	124439699	9/15/16	#1000395660, 617 18th, Champagne L/S	\$77.12
	59426	124439545	9/15/16	#1000539970, 1608 Park, Hill Park L/S	\$52.17
	59426	107861661	9/15/16	#1000542988, 50 Lincoln, L/S	\$49.64
	59426	104524610	9/15/16	#1000482443, 505 Rainier St, L/S	\$265.84
	59426	131049560	9/15/16	#1000368128, 700 Ave D, Street Lighting	\$19.13
	59426	127744915	9/15/16	Various Locations, Street Lighting	\$50.90
	59426	111166726	9/15/16	#1000578758, 1501 Ave D, Roundabout Light	\$63.07
	59426	127740988	9/15/16	#1000380098, 1109 13th, Street Lighting	\$19.03
	59426	144189578	9/15/16	Various Locations, Street Lighting	\$262.54
	59426	157216623	9/15/16	Various Locations, Street Lighting	\$30.10
	59426	121127034	9/15/16	#1000531660, 9101 56th, Street Lighting	\$23.89
	59426	127738007	9/15/16	#1000370579, 1301 Ave D, Street Lighting	\$18.68
	59426	147479988	9/15/16	#1000566359, 811 1st, Street Lighting	\$13.48
	59426	150764581	9/15/16	#1000571566, 501 2nd, Traffic Light	\$59.78
	59426	147476147	9/15/16	1330 Ferguson Pk Rd, Street Lighting	\$8.02
	59426	144186604	9/15/16	#1000483278, 1001 Ave D, Signal	\$49.83
	59426	147476367	9/15/16	#1000575906, 400 Rainbow, L/S	\$27.96
	59426	131052611	9/15/16	#1000320746, 2504 Menzel Lk, WTP	\$445.87
	59426	144189576	9/15/16	Various Locations, Street Lighting	\$3,850.11
	59426	150767098	9/15/16	Various Locations, Street Lighting	\$99.09
	59426	147482974	9/15/16	Various Locations, Traffic Light	\$11.96
	59426	147482975	9/15/16	Various Locations, Traffic Light	\$45.16
				Check Total	<b>\$6,877.12</b>
<b>Snohomish County Sheriff's Office</b>					
	59427	I000417033	9/15/16	Law Enforcement Services August 2016	\$10,854.11
	59427	I000417033	9/15/16	Law Enforcement Services August 2016	\$180,427.53
	59427	I000417033	9/15/16	Law Enforcement Services August 2016	\$33,807.61
				Check Total	<b>\$225,089.25</b>
<b>Snohomish County Sheriff's Office Corrections</b>					
	59428	2016-3337	9/15/16	Jail Service Fees July 2016	\$13,821.56
				Check Total	<b>\$13,821.56</b>
<b>Shred-It USA, Inc</b>					
	59429	9412118481	9/15/16	Document Destruction Fees	\$67.02
				Check Total	<b>\$67.02</b>
<b>Smarsh, Inc</b>					
	59430	176774	9/15/16	Archiving Platform - social media	\$100.00
				Check Total	<b>\$100.00</b>
<b>Snohomish Auto Parts</b>					
	59431	463859	9/15/16	supplies EP127	\$52.53
	59431	463761	9/15/16	parts EP156	\$10.67
	59431	465714	9/15/16	parts EP125	\$31.04
	59431	463763	9/15/16	return equipment	\$-21.81
	59431	463584	9/15/16	equipment	\$27.26
	59431	465586	9/15/16	supplies EP12	\$16.93
	59431	465715	9/15/16	parts EP25	\$40.21
	59431	467475	9/15/16	parts EP117	\$36.21
	59431	466214	9/15/16	parts EP102	\$86.11
	59431	465716	9/15/16	parts EP25	\$44.60
	59431	467362	9/15/16	parts EP45	\$39.15

## **CONSENT ITEM 8a**

### ***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<b>Name</b>	<b>Check #</b>	<b>Invoice #</b>	<b>Check Date</b>	<b>Description</b>	<b>Amount</b>
	59431	464378	9/15/16	equipment	\$20.76
	59431	464437	9/15/16	supplies	\$23.16
	59431	464757	9/15/16	parts EP25	\$6.33
	59431	464573	9/15/16	parts EP178	\$68.42
	59431	463941	9/15/16	parts EP180	\$27.26
	59431	467351	9/15/16	equipment	\$46.36
	59431	467332	9/15/16	equipment	\$5.07
	59431	466924	9/15/16	equipment	\$16.90
	59431	465350	9/15/16	parts EP124	\$41.99
	59431	465514	9/15/16	supplies EP180	\$57.82
	59431	465353	9/15/16	supplies EP129	\$11.11
	59431	464793	9/15/16	parts EP42	\$65.48
	59431	465113	9/15/16	equipment	\$5.07
	59431	464716	9/15/16	parts EP25	\$42.09
				Check Total	<b>\$800.72</b>
<b>Snohomish Co-Op</b>					
	59432	266478	9/15/16	unleaded fuel	\$16.27
	59432	266194	9/15/16	unleaded fuel	\$18.13
	59432	266459	9/15/16	unleaded fuel	\$20.39
	59432	266203	9/15/16	diesel fuel	\$63.65
	59432	266041	9/15/16	diesel fuel	\$126.61
	59432	266255	9/15/16	dyed fuel	\$17.00
	59432	266280	9/15/16	unleaded fuel	\$5.67
				Check Total	<b>\$267.72</b>
<b>Staples Advantage</b>					
	59433	3313165894	9/15/16	Office Supplies	\$12.52
	59433	3313165894	9/15/16	Office Supplies	\$5.55
	59433	3313165895	9/15/16	Office Supplies	\$29.11
	59433	3313165893	9/15/16	Office Supplies	\$91.51
				Check Total	<b>\$138.69</b>
<b>Steuber Dist. Co.</b>					
	59434	2827102	9/15/16	materials	\$317.48
	59434	2827038	9/15/16	materials	\$418.94
	59434	2826784	9/15/16	supplies	\$54.50
				Check Total	<b>\$790.92</b>
<b>Summit Law Group PLLC</b>					
	59435	80293	9/15/16	Labor Relations Consultant	\$383.00
				Check Total	<b>\$383.00</b>
<b>Terminix</b>					
	59436	357820298	9/15/16	pest control	\$96.93
				Check Total	<b>\$96.93</b>
<b>Sound Publishing</b>					
	59437	EDH715272	9/15/16	Public Hearing Publication-Utility Rates	\$24.08
	59437	EDH717706	9/15/16	Ordinance 2314 Publishing	\$32.68
	59437	EDH715273	9/15/16	Public Hearing Publication-Ford Avenue	\$29.24
	59437	1639250	9/15/16	Council Agenda Publication	\$648.00
	59437	1655065	9/15/16	Council Agenda Publication	\$756.00
	59437	1657794	9/15/16	Council Agenda Publication	\$756.00
	59437	EDH715274	9/15/16	Police Station Remodel Ad for Bids	\$180.60
				Check Total	<b>\$2,426.60</b>
<b>Thomco Construction Inc.</b>					
	59438	Pay Est 1	9/15/16	2016 Utility Improvement Project S2	\$30,871.78
	59438	Pay Est 1	9/15/16	2016 Utility Improvement Project S1	\$71,755.81

**CONSENT ITEM 8a*****Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
				Check Total	<b>\$102,627.59</b>
<b>Thomco Construction Inc.</b>					
	59439	RET Pay Est 1	9/15/16	Retainage 2016 Utility Improvement S2	\$1,494.78
	59439	RET Pay Est 1	9/15/16	Retainage 2016 Utility Improvement S1	\$3,446.48
				Check Total	<b>\$4,941.26</b>
<b>Traffic Safety Supply Co</b>					
	59440	118142	9/15/16	materials	\$769.81
	59440	118047	9/15/16	supplies	\$403.07
				Check Total	<b>\$1,172.88</b>
<b>Uline</b>					
	59441	79631722	9/15/16	supplies	\$129.63
				Check Total	<b>\$129.63</b>
<b>UPS Store</b>					
	59442	888386	9/15/16	postage for video return	\$9.60
				Check Total	<b>\$9.60</b>
<b>Usa Bluebook Inc</b>					
	59443	023318	9/15/16	equipment	\$112.42
	59443	023318	9/15/16	parts	\$27.15
	59443	035682	9/15/16	supplies	\$78.90
				Check Total	<b>\$218.47</b>
<b>US Bank CPS</b>					
	59444	0014	9/15/16	Snohomish County Recording Ord 2314	\$80.00
	59444	60814	9/15/16	Collectors Choice Snohomish Cty MAG Mtg	\$15.40
	59444	8049844	9/15/16	Amazon supplies	\$40.00
	59444	95330	9/15/16	Felton's Auto Parts EP78	\$65.47
	59444	55001298081	9/15/16	Safeway water	\$24.99
	59444	2427403	9/15/16	Amazon equipment EP156	\$352.43
	59444	21747	9/15/16	Harbor Freight Tools supplies	\$87.34
	59444	406	9/15/16	PNCWA Training - Jackson	\$410.00
	59444	17021	9/15/16	Rite Aid supplies	\$21.81
	59444	9343455	9/15/16	Amazon supplies	\$4.81
	59444	08082016	9/15/16	Kleen Warrior supplies	\$190.00
	59444	08082016	9/15/16	Kleen Warrior supplies	\$190.00
	59444	100749	9/15/16	HCI Steel Buildings parts	\$65.46
	59444	1477	9/15/16	HCI Steel Buildings parts	\$184.55
	59444	7-252947	9/15/16	Olympic Brake Supply parts EP3	\$14.51
	59444	2931-445896	9/15/16	O'Reilly Auto Parts supplies	\$3.22
	59444	166	9/15/16	PNCWA Training - Leach & Schorsch	\$770.00
	59444	48154	9/15/16	Lens Computer supplies	\$252.85
	59444	94884483	9/15/16	ACCIS 2016 Fall Conference - Leong	\$125.00
	59444	7160232933	9/15/16	Staples supplies	\$35.99
	59444	18127572	9/15/16	Tacoma Screw Products equipment EP20	\$42.24
	59444	6509896	9/15/16	123Signup Seminar - Parks Dept	\$160.00
	59444	82216	9/15/16	Streamline City Council Name Tags	\$40.09
	59444	7050612	9/15/16	Amazon supplies	\$15.26
	59444	49783620	9/15/16	APC supplies	\$685.02
	59444	2931-445897	9/15/16	O'Reilly Auto Parts supplies	\$3.22
	59444	84296784	9/15/16	Aramark uniform - Johnson	\$68.43
	59444	146668	9/15/16	Everett Steel materials	\$10.91
	59444	1693844	9/15/16	Amazon parts EP57	\$25.20
	59444	2436255	9/15/16	Amazon parts EP57	\$19.99
	59444	69001273074	9/15/16	Safeway water	\$24.95
	59444	24001291128	9/15/16	Safeway water	\$24.95
				Check Total	<b>\$4,054.09</b>
<b>U.S. Bank N.A - Custody</b>					
	59445	August 2016	9/15/16	Monthly Maintenance Fee	\$26.00

**CONSENT ITEM 8a**

***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
				Check Total	<b>\$26.00</b>
<b>U.S. Postmaster</b>					
	59446	082616-090116	9/15/16	Council Postage	\$17.30
	59446	082616-090116	9/15/16	City Manager Postage	\$0.47
	59446	082616-090116	9/15/16	Clerk Postage	\$4.19
	59446	082616-090116	9/15/16	Finance Postage	\$8.79
	59446	082616-090116	9/15/16	Police Postage	\$5.50
	59446	082616-090116	9/15/16	Planning Postage	\$13.62
	59446	082616-090116	9/15/16	Engineering Postage	\$72.54
	59446	082616-090116	9/15/16	Public Works Postage	\$0.94
	59446	082616-090116	9/15/16	Water Postage	\$137.15
	59446	082616-090116	9/15/16	Sewer Postage	\$127.88
				Check Total	<b>\$388.38</b>
<b>Voyager</b>					
	59447	869344283636	9/15/16	vehicle fuel	\$3,604.20
				Check Total	<b>\$3,604.20</b>
<b>Washington City/County Management</b>					
	59448	08302016	9/15/16	Annual Dues - Larry Bauman	\$315.00
				Check Total	<b>\$315.00</b>
<b>Weed, Graafstra &amp; Associates, Inc. P.S.</b>					
	59449	189	9/15/16	City Attorney Litigation	\$8,120.50
	59449	212	9/15/16	City Attorney Legal Fees	\$675.75
	59449	212	9/15/16	City Attorney Legal Fees	\$1,629.00
	59449	212	9/15/16	City Attorney Legal Fees	\$61.25
	59449	212	9/15/16	City Attorney Legal Fees	\$3,273.75
	59449	212	9/15/16	City Attorney Legal Fees	\$16,025.25
				Check Total	<b>\$29,785.50</b>
<b>Wetlands Creation Inc</b>					
	59450	Pay Est 1	9/15/16	Blackmans Lk Outlet Improvement Project	\$36,450.81
				Check Total	<b>\$36,450.81</b>
<b>Wetlands Creation Inc</b>					
	59451	RET Pay Est 1	9/15/16	Retainage Blackmans Lk Outlet Project	\$1,918.46
				Check Total	<b>\$1,918.46</b>
<b>Xerox Corporation</b>					
	59452	086077781	9/15/16	#MX4-332344, 072116-082116	\$531.40
	59452	086131221	9/15/16	#GNX-216657, 072216-082616	\$93.15
	59452	086131223	9/15/16	#GNX-212028, 072216-082616	\$76.93
	59452	086077783	9/15/16	#XL3-882416, 073116-082116	\$42.03
	59452	086077784	9/15/16	#WTM-003709, 072116-082116	\$36.58
	59452	086077782	9/15/16	#XL1-395908, 072116-082116	\$40.99
				Check Total	<b>\$821.08</b>
				Batch Total	<b>\$703,937.08</b>
				Total All Batches	<b>\$709,322.14</b>

I hereby certify that the goods and services charged on the vouchers listed below have been furnished to the best of my knowledge. I further certify that the claims below to be valid and correct.

\_\_\_\_\_  
City Treasurer

**CONSENT ITEM 8a**

***Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting***

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
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WE, the undersigned council members of the City of Snohomish, Washington, do hereby certify that the claim warrants #59361 through #59452 in the total of \$709,322.14 through September 15, 2016 are approved for payment on September 20, 2016.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Councilmember

\_\_\_\_\_  
Councilmember

\_\_\_\_\_  
Councilmember

**CONSENT ITEM 8a**

*Schedule of Checks for the Checks Issued Since the September 6, 2016 Meeting*

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
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**CONSENT ITEM 8b**

**Date:** September 20, 2016  
**To:** City Council  
**From:** Mayor Guzak  
**Subject:** **Appointment of Ron McNurlen to the Design Review Board**

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I am pleased to nominate Ron McNurlen to Position 3 of the Design Review Board (DRB) to fill the unexpired term of Ed Poquette, who resigned from the Board in August of this year. The term will run until October 7, 2017, with the option of requesting re-appointment.

Mr. McNurlen is a licensed architect with experience working in the City, and lives inside the city limits. Mr. McNurlen has also previously served on the Board from 2005 until 2009. The Snohomish Municipal Code (SMC Chapter 2.14.010) states that desired qualifications “include expertise in the fields of architecture, history, building trades, landscape architecture, graphic, interior and industrial design and/or land development.” Mr. McNurlen was the sole applicant for the DRB vacancy, and he is a former member of the DRB.

Mayoral appointments to citizen advisory boards require confirmation by the City Council. DRB members serve four-year terms.

**STRATEGIC PLAN REFERENCE:** Not Applicable

**RECOMMENDATION:** That the City Council **CONFIRM** the nomination by Mayor Guzak of Ron McNurlen to the Design Review Board Position 3, effective September 21, 2016.

**ATTACHMENT:** Application of Ron McNurlen

**CONSENT ITEM 8b**

**Pat Adams**

---

**From:** noreply@civicplus.com  
**Sent:** Wednesday, August 24, 2016 5:05 PM  
**To:** Pat Adams; Torchie Corey  
**Subject:** Online Form Submittal: Advisory Board Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

Application [Design Review Board V]

for which

Board:\*

Name:\* Ron McNurlen

Address:\* 402 Avenue A

Home

Phone:\*

Work #:

Cell:

e-

mail:\*

How 22 years

long?

City  Yes

No

Resident:

Please list any previous City appointments or offices:

Design Review Board

Other Community affiliations or activities you feel would be a benefit to this position:

Why are you interested in serving on this advisory board?

I want to help enhance my neighborhood and city

What talents or experience would you bring to the position?

been in architectural design for about 50 years

What are your primary interests in City Government and City Services?

i want the government to to transparent and accountable and the services to be thrifty as possible.

Please relate any special goals you may have for the City:

I think we are doing fine and shoud continue on this path

Any other comments or information you wish to provide for Mayor and Council consideration:

I think our form of government with mayor/council works well and will vote to continue this.

Ron McNurlen

Signature:\*

August 24,2016

Date:

\* indicates required fields

View any uploaded files by signing in and then proceeding to the link below:

<http://www.snohomishwa.gov/Admin/FormHistory.aspx?SID=422>

The following form was submitted via your website: Advisory Board Application

Application for which Board:: Design Review Board

Name:: Ron McNurlen

Address:: 402 Avenue A

Home Phone::

**CONSENT ITEM 8b**

Cell::

Work #::

e-mail:: [REDACTED]

City Resident:: Yes

How long?: 22 years

Please list any previous City appointments or offices:: Design Review Board

Other Community affiliations or activities you feel would be a benefit to this position::

Why are you interested in serving on this advisory board?: I want to help enhance my neighborhood and city

What talents or experience would you bring to the position?: been in architectural design for about 50 years

What are your primary interests in City Government and City Services?: i want the government to to transparent and accountable and the services to be thrifty as possible.

Please relate any special goals you may have for the City:: I think we are doing fine and shoud continue on this path

Any other comments or information you wish to provide for Mayor and Council consideration:: I think our form of government with mayor/council works well and will vote to continue this.

Signature:: Ron McNurlen

Date:: August 24,2016

Additional Information:

Form submitted on: 8/24/2016 5:05:00 PM

Submitted from IP Address: 67.183.10.232

Referrer Page: <http://www.snohomishwa.gov/CivicAlerts.aspx?AID=321>

Form Address: <http://www.snohomishwa.gov/Forms.aspx?FID=64>