



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
July 5, 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 meeting of :
- a. June 7, 2016 Workshop (P. 1)
 - b. June 7, 2016 Regular Meeting (P.9)
 - c. June 21, 2016 Workshop (P.23)
 - d. June 21, 2016 Regular Meeting (P.31)
- 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.*
- 7:15 5. **PUBLIC HEARING** – Six-year Transportation Improvement Plan (P.53)
- 1) Staff presentation
 - 2) Council's questions of staff
 - 3) Citizens' comments
 - 4) Close citizens' comments
 - 5) Council deliberation and action – **PASS** Resolution 1349

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6. **ACTION ITEMS**
- 7:30 a. **SET** Public Hearing Date for Ford Avenue Street Vacation – **PASS**
Resolution 1346 (P.59)
- 7:40 b. **AUTHORIZE** City Manager to Execute a Contract With Wetlands
Creation Inc. for the Blackmans Lake Outlet Improvement (P.69)
- 7:50 c. **APPROVE** 2016 First Quarter Financial Report (P.73)
- 8:00 7. **CONSENT ITEMS**
- a. **AUTHORIZE** payment of claim warrants # through 58945# 59005 in the
amount of \$386,607.02 , and payroll checks #15010 through #15039 in
the amount of \$444,129.19 issued since the last regular meeting (P.87)
- b. **APPROVE** Emory’s at Snohomish Final Plat (P.95)
- 8:05 8. **OTHER BUSINESS/INFORMATION ITEMS**
- 8:15 9. **COUNCILMEMBER COMMENTS/LIAISON REPORTS**
- 8:25 10. **MANAGER’S COMMENTS**
- 8:35 11. **MAYOR’S COMMENTS**
- 8:45 12. **ADJOURN**

NEXT MEETING: Tuesday, July 19, 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.

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Snohomish City Council Workshop Minutes June 7, 2016

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council workshop to order at 6:00 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
Dean Randall
Tom Hamilton
Michael Rohrscheib
Lynn Schilaty
Zach Wilde

STAFF PRESENT

Larry Bauman, City Manager
Jennifer Olson, Finance Director
Steve Schuller, Deputy City Manager/PW Director
Clay White, Interim Planning Director
John Flood, Police Chief
Pat Adams, City Clerk
Debbie Emge, Economic Development Manager

2. **DISCUSSION ITEM** – Review Performance Management Matrix for Strategic Plan

Mr. Bauman stated this is the first review of the Strategic Plan this year. The City Management Team has supported this process through its assignments within the Strategic Plan. The one exception is Clay White, Interim Planning Director. He was exempt from working on the Strategic Plan and was assigned to manage the day-to-day operations and prepare the Planning Department for the new Planning Director. Mr. Bauman will be happy to discuss any of the assignments assigned to the Planning Director. He explained the Strategic Plan was founded on a series of five vision statements. The five vision statements are:

- An outstanding quality of life for all residents
- A community strongly connected to and protecting the natural environment
- A vibrant local economy
- A thriving regional destination
- High-quality and sustainable City services

The Citizens Advisory Committee also developed a series of eight initiatives:

- 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 #3: Strengthen the community's connections to our rivers
- Initiative #4: Increase multi-modal mobility within and connections to the community
- Initiative #5: Become more environmentally sustainable
- 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

The next level of detail related to these initiatives are the activated strategies.

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Initiative #1 has two activated strategies which are Mr. Bauman's responsibilities. The first is to establish a sustainable funding model to maintain and expand the City's existing system. This was initially interpreted as a means to improve funding for the City's parks systems. The MPD ballot measure failed in the 2015 primary election and staff is now looking toward alternative General Fund revenue options as part of the five-year financial plan. It is anticipated out of this plan some guidance will be provided on delivering stronger support for the parks system.

Councilmember Burke stated what he hears from the Park Board is that the City does a good job of funding capital projects with mitigation fees and grants. However, there is not a separate resource for associated ongoing maintenance costs and there is concern about the fact that it's all funded out of General Fund. He wants feedback and reasons for why the City may or may not want to think about satisfying the goals and initiatives through the establishment of a new parks maintenance fund or something similar. Even though the MPD failed, the maintenance is ongoing and will increase.

Mr. Bauman stated one thing the City will use with each capital project is to have staff develop a maintenance profile showing annual maintenance costs as well as new costs. Resources to maintain these properties are not increasing and so that is part of the problem. We need to determine how to not only maintain existing facilities but also any new facilities. There is no sales tax option available. There are no other tax increments the City can take in order to support our parks. If we achieve the Public Safety Sales Tax in the community, which is 1/10th of a percent it will help to offset other demands on the General Fund by allowing the City to shift that money to public safety and use other funds for parks maintenance.

Mayor Guzak stated she envisions at some point in time when Council gets more information about the Hal Moe Pool Building and how much that will cost, and how much the other parks projects will cost for maintenance, we may need to go back to the voters with actual projects and costs and show where the money will go.

Mr. Bauman stated the issue can be revisited after the Hal Moe project is defined.

Mr. Bauman discussed the second item which is to work with partners to increase educational, recreational, and cultural opportunities with residents and assess the feasibility of establishing a recreational program as part of the new funding model. A survey was completed as part of parks and recreation planning process. The survey provided that recreation is not a high priority. Staff's assumption currently is that there is a lot of recreational opportunities in the region and staff feels it would be most effective to communicate those opportunities to citizens. This may be done effectively through a quarterly magazine which is one of the ideas discussed around open government. At this point, it is recommended there be no recreational component or project to expand recreational services by the City.

Mayor Guzak wanted to discuss the Neighborhood Watch Program.

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Chief Flood stated it's a program when things are going well in a neighborhood, they don't really want it or consider it, because they don't need it. Unless there is crime, Council may want to find another way besides law enforcement to draw neighborhoods together.

Councilmember Schilaty noted what a good job the Heroin Forum did in this regard. Those issues are community issues and it gets neighborhoods to build about upon that and look at ways to work together - like a Neighborhood Watch. These issues may not be happening right in your neighborhood, but the community as a whole is affected by it.

Mr. Bauman stated he will keep that in mind as an activated strategy for expanding the neighborhood watch.

Initiative #2, Strengthen our foundations for connecting neighbors and enhancing our neighborhoods was assigned to the Planning Director.

Councilmember Rohrscheib asked about National Night Out and expanding the scope of participation.

Mayor Guzak thought it may be beneficial to get more churches involved as they can reach out to their parishioners.

Mr. Bauman stated he had hoped if a few more neighborhood organizations could get started, the City could get a matching grant for small projects and park improvements. The few that are currently organized don't feel they have enough participants to justify pursuing this initiative.

Councilmember Rohrscheib asked about the public safety academy. He participated in the past and wanted to know if that is something that will happen again on a larger scale.

Mr. Bauman stated it is a possibility. He noted the people who participated in the Citizens Academy were very enthusiastic.

Chief Flood stated there is a Citizens Academy every year. They rotate around. The last one was for the South Precinct out of Cathcart and they had eighty participants. The next one is scheduled up north next year. It is labor intensive, but worthwhile and empowering to the community.

Councilmember Schilaty stated there is a high desire and interest in the community for education about law enforcement. The community and neighborhood watches are interactive. Citizens want more information and education about our law enforcement issues. People want to be in the know.

Mr. Bauman asked Chief Flood about getting on the next Citizens Academy list for East County.

Chief Flood stated maybe next year. He will see what's available and report back.

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Councilmember Rohrscheib stated he learned a lot from those classes. It provided another perspective.

Mr. Bauman agreed and will provide Council with additional information.

Initiative #3: Strengthen the community's connections to our rivers. Mr. Bauman stated the activated strategy being focused on is to invest in public improvements to activate and improve access to Snohomish's rivers. The boat launch program is coming to a close shortly and the long range plan is develop a riverfront trail along with the county's extension.

When the boat launch is opened there will be bollards in place at the Cady Boat Launch so it can no longer be used for motorized access and will be used only for non-motorized traffic such as kayaks and canoes. There is also the possibility to see if there is any interest from a vendor to contract with the City to rent kayaks and canoes at the Cady Park boat launch.

Councilmember Rohrscheib asked about the 2017 Parking Project.

Mr. Schuller responded the project is yet to be defined. Ms. Johns will be holding the second meeting with the neighborhood to discuss the plan. First, there will be the master plan and then parking will be part of the master plan for the boat launch.

Initiative #4: Increase multi-modal mobility within and connections to the community. The Transportation Plan has been completed. The active element of the activated strategies is to work with partners to bring a strong regional approach to transportation and transit issues.

Mr. Schuller stated there is the plan which includes the bridge project, which will be in design in 2019 and won't be fully constructed until 2027. In previous projects, the State decided we are going to bond and go into debt to do a lot of these projects. They decided for the most part, there will be some debt. For the most part, as the money comes in, projects will be completed, which also extends out when projects will be completed and the economic impact. The one issue that has come up consistently is the US 2 trestle. The County is trying to pursue obtaining additional monies to conduct studies on the replacement of that trestle sometime within a decade or two from now.

Mayor Guzak noted it becomes a jurisdiction issue. Who owns it and who pays for it.

Mr. Schuller responded it is up to the State to make it a priority and to fund part of it.

Mr. Bauman stated having a preliminary design would be a great first step to help calculate future costs of improvements and to focus on this countywide to make sure the legislature pays attention.

Councilmember Randall asked if this concerns the westbound part of the trestle.

Mr. Schuller confirmed that is correct.

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Mr. Bauman stated the City is very fortunate to have a great transit partner in Community Transit which is in the process of expanding its services and has a great strategy for how to do that. Its expanded service lines are waiting for the City to complete intersection improvements at SR 9 and 30th Street.

Councilmember Hamilton stated those enhancements won't come until the improvements are completed.

Mr. Bauman discussed Item C on Initiative 4, which states working with regional stakeholders to bring rail service and related regional trail connections to Snohomish. News on this since the last discussion is the County's purchase of the Eastside Rail Corridor and their plan to build a trail side-by-side with the existing tracks. The City is in a good position to collaborate with the County. The County has been very attentive to working with the City on trail design. They have acquired a plan by David Evans & Associates to design that trail system. The City is working with and meeting with County staff every other month to share information. The other piece that is key is the improvements to the Eastside Rail Corridor tracks between Woodinville and Snohomish.

Mayor Guzak stated the rail operator, Doug Engle is making a last effort to get Snohomish County to apply for Federal funding to upgrade the tracks. Hans Dunshee expressed an interest in helping. Mr. Engle continues to feel the railroad can build the trail.

Initiative #5: Become more environmentally sustainable. Mr. Schuller stated the Council is aware of all the work that has been done to separate the storm water in the sewer system. The update is the last of the CSO trunkline planned for this year and is being proposed to be moved to 2017. The reason is due to the success of the two grant projects that don't show in the 2016 budget, which are the 30th/SR 9 intersection and the Maple Avenue Overlay. The focus is on those two projects and the plan is to complete the last of the trunkline in 2017.

Initiative #5, Item B, is to lessen the environmental impacts of the City's fleet and support the use of alternative powered vehicles. In reference to the electric charging station and the MPD failure, staff is not seeing a need to not fund the electric charging station and instead will use the funds for parks maintenance and to address pedestrian crossing issues. Those two areas appear to have a higher priority.

Initiative #5, Item C., is to take proactive measures for stewardship of Snohomish's rivers and Blackmans Lake. Mr. Schuller stated the Blackmans Lake outlet control basic design will be going out to bid and for Council approval this summer.

Initiative #5, Item D., is to encourage sustainable development through the City's land use regulations. Mr. Bauman stated this is assigned to the Planning Director and the reality is the City is required to adopt a new DOE manual which is more restrictive. It is scheduled to be adopted this year.

Mr. Schuller explained that Engineering staff is working on the DOE manual and it should go before the Planning Commission in August and come before Council in September for

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review of the code changes for low impact development as part of the Department of Ecology manual.

Initiative #5, Item E., is to encourage reduction of energy consumption by City government, builders and developers, residents, business owners, and visitors. Mr. Schuller stated the PUD has already converted 80% of the City's existing street lights to LED. He noted there have been two or three complaints where the light hue is different. There is much less power consumption. However, the City will not be seeing any savings yet, because the PUD invested in the conversion. Year to year, there will be a decrease. One of the City's highest bills in the Streets Department is for street lighting at approximately \$75,000 annually.

Mayor Guzak asked if the lighting was changed out on First Street.

Mr. Schuller stated City staff changed the lighting on First Street.

Mayor Guzak said she has received complaints regarding the lights on the First Street poles.

Mr. Bauman noted the City owns the light poles.

Ms. Emge stated the HDS purchased the lighting and it is managed by volunteers and it is difficult to get those lights changed to another color.

Councilmember Schilaty commented that LED lights are not historical and she has heard from many people that it is very jarring.

Initiative #6: Cultivate local businesses and promote the City as a great place to do business. Ms. Emge stated the City decided to not invest in a full redevelopment of the Economic Development Plan and instead chose to use the City's Strategic Plan for economic development. There are two active cases right now that cannot find commercial space. That is a big challenge for Snohomish. The City has four marketing videos.

Initiative #6, Item B, is to collaborate with partners to strengthen the skills and employment opportunities of Snohomish residents. Ms. Emge stated Everett Community College is now planning for an eastside campus in Monroe.

Initiative #6, Item C, is the 2015 Comprehensive Plan update which was completed and approved in April 2016.

Initiative #6, Item D, is to attract new residents and businesses by promoting Snohomish's quality of life and supportive business climate. Ms. Emge stated the City is fortunate to have many new homes with people moving in, and the City's sales tax revenues shows a direct impact from those new residents. The City's events continue to grow and are signature events. The City isn't adding new events, but making sure the existing events are high quality. The Economic Development Manager has disengaged from most of the wine and brewery festivals. She is hopeful the community will take on these events. Project management and oversight of these projects requires a lot of resources. She would prefer the

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City serve in a support role and not as a project manager. If necessary, Washington State University has a hospitality program and an intern can also serve as a project manager for some of these events.

Initiative #7: Strengthen the City's attractiveness as a regional destination. Ms. Emge noted she has been engaged with the Snohomish County Tourism Bureau and the City has been identified as a bicycle tourist destination. She is also working on an inventory of lodging and bed and breakfasts.

Ms. Emge stated arts and culture offerings is supported and growing. Many of the City's businesses have open mic night and live music. The HDS does an amazing job of reaching out to over 50 miles from our community to draw people here.

Councilmember Schilaty asked about a live music truck in town.

Ms. Emge stated she is aware of the truck and they have permission to be in the City.

Councilmember Schilaty explained there is a band playing off the platform of the truck.

Ms. Emge noted that is something different and will look into it.

Initiative #7, Item E, is to work with partners to ensure the Historic Downtown is clean and attractive. Ms. Emge noted that the HDS has a contractor that keeps green spaces mowed and assists in areas staff cannot get to.

Initiative #8: Invest in Snohomish's civic facilities and sustain high-quality City services through cost-effective facilities. Mr. Bauman stated City Hall was remodeled in 2015. The next step is to use shared asserts from drug enforcement funds to remodel the Police Department in 2016.

Mr. Schuller explained the design work is complete. However, the market is doing so well, the issue is getting contractors to bid to complete the work. The City will go out to bid in the Fall when construction slows down.

Mayor Guzak noted the Carnegie building is much more usable for community events. However, it is not ADA compliant. She is aware of discussions to install a wheelchair lift. The facility at some point could be used for City Council meetings. Its use as a City asset has yet to be fully developed.

Mr. Schuller confirmed that it is not yet ADA compliant. The City looked at some options. One option is installing a wheelchair lift. Another suggestion by Building/Fire Official Pettit is to install a ramp alongside the stairs. This may be more cost effective as a lift is likely to require repairs and maintenance over time. Staff is currently evaluating these costs. Mr. Bauman stated once the accessibility issue is addressed, it will open that space up for community meetings.

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3. **ADJOURN** at 6:55 p.m.

APPROVED this 5th day of July 2016

CITY OF SNOHOMISH

ATTEST:

Karen Guzak, Mayor

Pat Adams, City Clerk

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**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 Guilder, 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. 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.

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

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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 stated 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. This would be required as a mobile food vendor license 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 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

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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 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 210th 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.

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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 is 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 Pilchuck 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.

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.

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6. ACTION ITEMS

a. Comprehensive Plan Amendment Docketing

Associate Planner Brooke Eidem, stated 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 site is addressed as 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 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.

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

b. **APPROVE** 2016 Retail Firework Stand Applications (*Moved from Consent Item b.*)

Mr. White stated 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 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.

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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 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, essentially 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 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

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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 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.

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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.

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.

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b. Banking Services Request for Proposals.

Ms. Olson 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 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

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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 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 e 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

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some good success. He stated last Wednesday the Planning Commission met, they reviewed 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 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

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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 effort.

Mayor Guzak is looking forward to the Cascadia Rising earthquake drill.

13. ADJOURN at 8:15 p.m.

APPROVED this 5th day of July, 2016.

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CITY OF SNOHOMISH

ATTEST:

Karen Guzak, Mayor

Pat Adams, City Clerk

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**Snohomish City Council Workshop Minutes
June 21, 2016**

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council workshop to order at 6:05 p.m., Tuesday, June 21, 2016, in the Snohomish School District Resource Service Center, George Gilbertson Boardroom, 1601 Avenue D, Snohomish, Washington.

COUNCILMEMBERS PRESENT

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

STAFF PRESENT

Larry Bauman, City Manager
Jennifer Olson, Finance Director
Steve Schuller, Deputy City Manager/PW Director
John Flood, Police Chief
Pat Adams, City Clerk
Debbie Emge, Economic Development Manager

COUNCILMEMBERS ABSENT

Lynn Schilaty

2. **DISCUSSION ITEM** – Law Enforcement Contract

Mr. Bauman stated the objectives of the workshop are for Council to review the police contract and provide direction to staff regarding negotiation of a new five-year term effective January 1, 2017. As background, he noted the recession of 2009 and the resulting reduction in the City's General Fund revenues served as the impetus for staff's proposal to the City Council for contracting of police services. Initially, there was quite a bit of concern from the community that having a police contract would somehow undermine the character of the community, result in a reduction of service and higher costs. In his view none of those concerns proved to be true, and in fact some of the people who were the most vocal critics of the idea have now become supporters of this contract, with some being members of the Public Safety Commission. The key objective for the contract was cost savings. The initial estimate of the cost savings for the first year of the contract with the same level of patrol officers then funded in the City's Police Department, was projected at \$354,000. However, for the initial years of the agreement, there were higher start-up costs (primarily for new vehicles and their future replacement). The projected costs showed that in years four and five of a five-year term, the City would begin to see savings that would be more significant. Year five of the five-year agreement projected a savings of \$696,275, when compared to the projected costs of a continued stand-alone City Police Department. This has been a saving grace for the City in coming out of the recession. The agreement provides for a lieutenant in the County command structure which is the City's Police Chief. The position is jointly managed by both the Sheriff's Office and the City.

The City also retains two non-commissioned records clerk staff, and a limited commission community services officer. These are City employees who work under the day-to-day supervision of Chief Flood and his staff. The contract also provides for a fairly simple and quick means to replace any Snohomish County personnel who have been deemed to have acted inappropriately. The Chief can be replaced with or without cause. Mr. Bauman stated it has been a huge pleasure working with Chief Flood. He has been a great member of the City's Management Team and organization, and has acted as if he were a standalone Police

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Chief. The components of the contract are straightforward and provide a menu of personnel funded through the contract. The City can also make changes during the term of the contract as it sees fit. Currently, without any change to levels of services, total annual costs would increase from \$2,701,071 in 2016 to \$2,752,178 in 2017, a 1.9 percent increase. One of the reasons there is really no major cost change between one five-year term and the new five-year term of the contract is that there is a 3% escalator every year in the contract that accommodates the personnel costs. That has helped keep the City on an even pace with actual costs.

However, a few key changes are anticipated for 2017. The annual credit for use of the City's police facility on Maple Avenue is increased from \$6,000 a year in 2016 to \$9,500 for each of the new agreement's five years, 2017-2021; The 2017 operating costs of vehicles for personnel have increased over 2016 costs, per the following: Lieutenant (City Police Chief), from \$9,886 to \$10,183 (3 percent increase), Detectives, from \$9,886 to \$10,183 each (3 percent increase), Sergeants and Deputies, from \$14,138 each to \$14,562 each (3 percent increase), Phones, personal computers and Information Services costs are increased from \$117,558 to \$121,087 (3 percent increase) Most other elements of the proposed agreement for the 2017-2021 also reflect an increase of approximately 3 percent in 2017 from current year costs.

Chief Flood stated in 2011, the City of Snohomish had specific staffing levels as part of the existing standalone police department. The goal with the contract when the Sheriff's Office came in 2012 was to maintain that same level of service. Not only did the Sheriff's Office maintain that level of service, it was increased by one School Resource Officer, which was brought back starting in 2012. The department is staffed with eighteen commissioned law enforcement personnel. There are two non-commissioned and one limited commission position. During 2012, the City agreed to pay 100% percent of the cost for the first year of keeping a full-time School Resource Officer (SRO) at Snohomish High School, as the School District did not have the necessary resources to fund the position. The School District was aware this was a one-time offer and if they wanted to continue the SRO program, they would need to go to the traditional model which is the School District pays 75% and the City pays 25%. At the end of that school year, the District did not have funding available and the School Resource Officer position was eliminated for approximately one year. The City went down to seventeen commissioned positions. What that meant for the school if they needed help is they had to call 9-1-1. That lasted for a year, and the School District decided it was important to bring the SRO position back and the City was back up to eighteen positions. The first two years of the contract with the Sheriff's Office has specific contract language regarding staffing. In the Sheriff's Office, there is an annual bid system based on seniority. Deputies and Sergeants have the ability to submit, on an annual basis, their wish list of where they would like to work in the next year. For the first two years, the contract in Snohomish was locked. Nobody could leave and nobody could come in, except for a promotion or if somebody was being tested for a detective position. For the first two years, the City saw the same faces in town. Beginning in Year 3 that as over. The City did lose some people. Approximately 50% of the department went back to the County. The City saw a mixture of experienced and entry level staff interested in coming to work here. They like the environment, the shifts and what Snohomish has to offer. There were some personnel who

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were brand new to the department, and had no seniority. They go to the shifts that are open, which is the graveyard position in Snohomish. Chief Flood's experience has been when people get here, they really enjoy it. This is truly a standalone contract and that's very attractive to personnel. Personnel working for the City have 25 years to one year of experience. Personnel attracted to the City are very level headed and good decision makers. That speaks well for what Snohomish represents out in the County and people want to come here.

There is one position in the contract the City Manager and Chief have discussed, and that is the second in command position of Administrative Sergeant. The position is subject to annual bidding. The only position that doesn't rotate is the Police Chief and the two detectives. In order to ensure consistency in the number 2 position, there was a reclassification of that position and it went from a regular Sergeant's position to a specialty position, with additional pay. Reclassifying the position ensured it was no longer open for bid and it is now a competitive process. If somebody wants the position when it is open, they will have to apply for it like a regular job opening. The Chief will then have the ability to select who will be in that number 2 position. Consistency in that position is very important. The last component is the organizational makeup of the department as follows: Chief of Police (1) Deputy Chief / Administrative Sergeant (1) Patrol Sergeants (4) Patrol Deputies (8) Patrol K9 Deputy (1) Patrol Canine (1) Detectives (2) School Resource Deputy (1) Total Commission Personnel = 18.

Mayor Guzak asked about the Patrol Sergeant positions. She noted there are two day sergeants and two night sergeants. She wanted to know how the deputies were staffed on their shifts.

Chief Flood stated there are two shifts; 6:00 am to 6:00 pm and 6 pm to 6:00 am. A fully staffed shift is a sergeant and two deputies working 12 hour shifts.

Councilmember Rohrscheib wanted to know if the Chief conducts interviews with the deputies before they come to the City.

Chief Flood responded he does not, but he uses email to communicate expectations and also to seek out people and encourage them to bid for the City.

Mr. Bauman said Chief Flood has a reputation within the Sheriff's Office that has attracted good people to serve Snohomish citizens with quality personnel. In terms of performance, there are no clearly objective performance comparisons of opinion in the community between the standalone police department we had prior to 2011, and the contract we have now. The best indicator the City has in terms of acceptance is from the Strategies 360 citizen opinion research conducted through the open government project. This is where the City received high marks for public safety from residents. This isn't very extensive in terms of analysis, but it's the best we have. There is also the lack of complaints the City has received in regards to police services.

Councilmember Wilde asked about the cost of vehicles.

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Mr. Bauman explained vehicles are included in the contract. The City turned over its vehicles to the department when it made the transition. Vehicles which still had miles to go were accepted and re-deployed as part of the contract. All vehicles have been replaced with the exception of two, and they will be phased out in the next year or two.

Chief Flood confirmed one car will be surplus this year, and the next one is two years out.

Chief Flood explained everybody assigned to the City contract has a vehicle so eighteen vehicles are assigned to Snohomish.

Mr. Bauman stated one of the reasons the contract has been well accepted is because the police officers wear Snohomish uniforms and drive Snohomish marked vehicles and that also helps provides confidence in city police services.

Mayor Guzak appreciates that the City has access to specialized units within Snohomish County as a result of the contract.

Mr. Bauman confirmed that is correct. These services might be used for major accidents, major crimes, canine, and helicopter services to name a few, which the City has access to as needed.

Mr. Bauman stated a final area of improved service is in response to emergency calls. This comes as a result of deputies who are assigned to unincorporated Snohomish, and are not a part of the City's contract. He explained these deputies are now using the Snohomish Police Department for their administrative duties. As a result, more officers are in the community than the City is actually paying for.

Councilmember Hamilton stated he was aware of two incidents last year when 9-1-1 was called and it was a very quick response from Snohomish Deputies.

Mr. Bauman indicated the next part of the discussion will focus on potential future changes to the contract. However, he doesn't believe there is sufficient funding to incorporate all the proposed options into the contract and would like to discuss the options and work on prioritizing any proposed changes.

Chief Flood stated he is very pleased with the existing contract. The contract offers the depth to provide time off, provide quality training and still meet minimum staffing levels. It's nice to have this flexibility, but he also wants to make improvements.

The Chief and City Manager discussed possible improvements to the contract. Areas that can be improved upon are patrol supervisors, additional supervision and additional deputies. Chief Flood stated he will identify the problem and present a proposed solution.

Firstly, he discussed the annual rotation based on seniority. In the Sheriff's Office, the sergeants bid for shifts first. Deputies will follow sergeants. So, if he brings the right sergeants to the police department, he will also probably bring a lot of deputies that will stay

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with that supervisor. Chief Flood proposes changing the designation of the four Patrol Sergeants from a regular duty to a specialty, and add an additional 3 percent specialty pay to the sergeant positions. By doing that, the Chief can interview and select the four sergeants. Once selected, the sergeants can remain in those positions without being subjected to the annual rotation. The first year would cost an additional \$17,128, and over five-years it would be \$90,993.

The issue of additional supervision was discussed. The department's current configuration is a sergeant and two deputies. When a sergeant is off duty for vacation or at training, the minimum staffing level is two. So, that means potentially staffing in the City could be two deputies. There would not be a Snohomish sergeant on duty for those two deputies. Unincorporated Snohomish County deputies would watch over the City and that supervisor could be called upon for a decision regarding an incident or serious call. Chief Flood notes this works fine, but it would be nice to be self-contained. One potential option is to upgrade the four deputy positions, one from each crew, to Master Patrol Deputy (MPD). The crew will still consist of three officers. However, there will be a sergeant, an MPD and a deputy. There can be a rule whereby the sergeant and the MPD cannot have the same night off. This will ensure there will always be a supervisor on duty. Each crew would have an MPD. The costs for upgrading four deputy positions to Master Patrol Deputies for year one is \$26,513 and over five years is \$140,760.

Mayor Guzak stated these options appear worthy of further discussion. However, she wondered if the City would have to upgrade all four positions.

Chief Flood stated there are two day shifts. The first half of the week is one crew and then they go on days off. During the second half of the week, the City has a second day shift coming on. Each one of those crews needs an MPD.

Chief Flood then discussed the option of adding additional deputies. He noted between 4:00 pm and 6:00 p.m., calls for service are increasing. People come home from work and find they have been the victim of a vehicle prowl or burglary, or they start drinking and there are domestic violence calls. Currently staffing at 8:40 p.m. is the same as it is at 5:00 p.m., it's a supervisor and two deputies. What would help to manage the calls that come in during the afternoon to allow response times to stay consistent would be to add staff in the afternoon. Each deputy costs \$169,403 year one. Adding personnel is not that quick and easy. Some possible solutions would be to start by adding two additional deputies, one for each side of the week and this would be for day shift only. They wouldn't be needed for nights because they would cover the latter half of day shift and the first half of the night shift. The shift worked would be 4:00 pm to 4:00 am. That would allow staffing levels at 4:00 pm to go from one sergeant and two deputies to one sergeant and three deputies. As graveyard comes on, that staffing level would be maintained until 4:00 a.m.

Mayor Guzak asked if the shift could be adjusted to 7:00 pm to 7:00 am to cover the 4:00 pm increase in calls.

Chief Flood responded it is a possibility. However, it's still the same number of staff.

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Councilmember Rohrscheib asked if the additional deputies could help with coverage at the 6:00 hour, as staff is leaving and more staff is coming on duty.

Chief Flood stated a deputy on day shift is nearing the end of their shift close to 6:00 pm and they are trying to wrap up their paperwork. He noted today, for example, at approximately 10:00 am, the radio lit up and there was call after call for whatever reason, and the calls were back to back which generated reports. The deputy near the end of their shift is trying to wrap up their reports, but calls are still coming in. So, it's tough to manage the paperwork and the call load at the same time. If he had an extra deputy on in the afternoon, the dayshift deputy can go back to the police department and work on their reports. He explained there is a big difference between getting off at 6:00 am and getting off at 7:00 am because there are increased calls between 6 and 7:00 am. The graveyard deputy is trying to get off shift and they have calls stacking up. The dayshift people are good about covering calls. Staff would rather go home at 6:00 am. Adding one deputy costs \$169,403 year one. Over five years, the one deputy costs \$848,691. If we add two deputies, the cost increases to \$338,806 year one and over five years to \$1,697,382. It's a significant cost, but would be beneficial.

Chief Flood explained another option is to take the graveyard sergeant who would start at 6:00 pm and go until 6:00 am, and move his start up time to 3:00 pm and go until 3:00 am. Two things happen, the graveyard sergeant is now starting at 3:00 pm and can spend three hours with the dayshift sergeant for information exchange and to discuss personnel issues. If a call needs to be handled, sergeants in the City are expected to take the 9-1-1 calls if deputies are not available. He noted having the sergeant on duty at 3:00 am, it is very slow and doesn't create a paperwork problem. There would be an issue of not having a supervisor on after 3:00 am. So, from 3:00 to 6:00 am when the sergeant is off duty, there would be just the two deputies on duty. If the deputy was upgraded to an MPD, the MPD would be charge from 3:00 am to 6:00 am. There is also always the option of the County. Even if there isn't an MPD on crew and the Sergeant goes home at 3:00 am, there will be a supervisor on duty in East County surrounding the City. This option provides for no additional cost, beyond what was discussed by potentially adding an MPD.

Chief Flood asked if there were any concerns with the existing service or the potential future changes in services.

Mayor Guzak responded from what she has heard, people are relatively happy with the service, especially since the downtown street patrol has been added to monitor the bar activities. She wanted to know if the overtime is problem.

Chief Flood confirmed that potentially the City may have to add to the overtime budget as the contract is negotiated. At the present time, he is managing within the funds allotted.

Councilmember Randall stated if the County passed the public safety sales tax, the City would get approximately \$40,000. It appears to him the City can only afford one of the two options - either the Patrol Supervisor or the MPD option to stay within the budget.

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Mr. Bauman stated the City should know that result of the public safety sales tax in time for the City Council Budget Planning Workshop in August, and it would provide an opportunity to come back and revisit these issues.

Mayor Guzak stated it would be helpful to know about the county sales tax as part of this process.

Councilmember Randall said he prefers the Master Patrol Deputy option, as it provides some flexibility to the supervisory function. The Patrol Supervisor is a good option too, but he preferred the MPD.

Councilmember Wilde asked if the Chief can interview for the MPD position or is it subject to bid.

Chief Flood confirmed the MPD position is subject to annual bid, but the MPD is a smaller pool of employees. However, the Patrol Supervisor, at 3% specialty pay, would be an interview process.

Councilmember Hamilton stated the current contract is meeting the City's needs. He asked Chief Flood what he sees as upcoming law enforcement issues for the City over the next five years.

Chief Flood responded in the City there is an average of ten residential burglaries per month. He noted there is a very stable environment here, but it will be eroded over time by social issues. Beyond that, he doesn't know what five years into the future will bring, but he would like to be in a position where the department is flexible enough to respond to it.

Mayor Guzak stated if necessary, the City can make adjustments during the five-year term to decrease, increase or shift service levels.

Mr. Bauman stated countywide there is a growing understanding in taking a more multifaceted approach to addiction issues. Not all of the solutions are quick. One of the issues is prevention, and it takes many years sometime to show an impact. Treatment programs and education are very important. He foresees more of those type of programs being implemented in the upcoming years.

Mayor Guzak stated the sales tax increase will also go toward prevention and treatment. The County understands that along with law enforcement, you need to address prevention and treatment.

Councilmember Burke supports the County contract and believes it is going very well.

Mayor Guzak stated if the August 2 ballot passes, it would be appropriate to put it back into the community and dedicate it to the law enforcement contract.

Mr. Bauman stated it is his intention to inform County staff that any contract changes would possibly depend on what happens with the public safety sales tax and the City will keep the

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options open until the Council has had an opportunity to prepare for the budget planning workshop in August.

Mayor Guzak noted she does not support the hiring of additional deputies.

Councilmember Rohrscheib asked about the School Resource Officer. He wanted to know what the school is doing now.

Chief Flood stated the SRO carries a school radio and he can be contacted on that or his phone. Dispatch can also reach the SRO.

Councilmember Hamilton asked what happens when school is out of session and he's not there.

Chief Flood responded the SRO is assigned to the school, but when school is out of session, he is doing regular patrol duties.

Chief Flood asked about the sergeants, specialty pay and removing the bid process.

Mayor Guzak stated she feels that is a good idea.

Councilmember Hamilton would like to wait for the budget process. Both the specialty pay and the MPD is an attractive combination. He stated the Council will have a better sense of the budget in light of the sales tax at that time.

Mr. Bauman stated he will include this topic as an agenda item at the budget workshop in August 2016.

3. **ADJOURN** at 6:55 p.m.

APPROVED this 5th day of July 2016

CITY OF SNOHOMISH

ATTEST:

Karen Guzak, Mayor

Pat Adams, City Clerk

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Snohomish City Council Meeting Minutes June 21, 2016

1. **CALL TO ORDER:** Mayor Guzak called the Snohomish City Council meeting to order at 7:00 p.m., Tuesday, June 21, 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
Zach Wilde

STAFF PRESENT

Grant Weed, 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
Yosh Monzaki, City Engineer

COUNCILMEMBERS ABSENT

Lynn Schilaty

MOTION by Wilde, second by Randall to excuse Councilmember Schilaty. The motion passed unanimously (6-0).

2. **APPROVE AGENDA** contents and order:

The Executive Session regarding potential litigation is expected to last for 15 minutes with action anticipated to follow.

MOTION by Hamilton, second by Rohrscheib to approve the amended agenda as presented. The motion passed unanimously (6-0).

3. **APPROVE MINUTES** of the workshop and regular meetings of June 7, 2016. (*The minutes will be provided at the next regular meeting.*)
4. **CITIZEN COMMENTS** on items not on the Agenda

Mayor Guzak welcomed the citizens to the meeting. 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 that citizens please sign in to speak, or if they haven't signed in to please come forward to speak. If there is time, the Council may address a citizen item under New Business. The Council may not have immediate answers to citizen questions, but will get back to them. She asked that citizens please respect the three minute time limit and issues of civility. Comments are not for having a debate or protracted dialogue. She stated each Councilmember brings a unique and individual viewpoint, but welcomes citizen perspectives and information. The Council is here to be of service. Council and staff respond to emails and telephone calls. The City website also provides an

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important way to access information.

Morgan Davis, 206 Avenue I, stated he would like to comment on a letter in today's Tribune written by Bob Dvorak, Director of Snohomish Senior Center, a non-profit organization funded in part by the City. Mr. Dvorak bemoans the fact that United Way stiffed him by not giving him and his center \$30,000 to fight senior homelessness and poverty. Just think about it. The Council just spent \$25,000, and possibly more by tonight for Margaret Norton-Arnold's and Ron Dotzauer's recommendations on increasing transparency for the citizens and a more open City government with more communication to and from the citizens. \$25,000 would have allowed the Senior Center to purchase and place mattresses on the floor in its vacant rooms at night and weekends to house and feed the homeless, poverty stricken seniors that he talks about. Next time, the Council authorizes spending \$25,000 to repair City government's tarnished image or to preserve the status quo from scrutiny and accountability, just think what that money could do to combat homelessness in the City's most vulnerable population.

Bill Betten, 56 State, stated he couldn't remember how the Mayor said staff take direction from Council.

The Mayor confirmed staff takes direction and oversight from the Council.

Mr. Betten asked the Council to start making good decisions and to make sure staff is taking direction from the Council and that the Council is providing oversight. He stated there is an issue coming up tonight that is going to be pretty obvious that Council was out in left field when this happened. It concerns somebody operating a business in this town with no business license and it will be brought up. He thinks Council needs to provide oversight and direction.

Ann Block, Gold Bar Reporter and Activist in Snohomish County, stated she is here because she requested some records from the City of Snohomish and got a very evasive response to a very simple public records request. As everybody knows, she is fighting corruption throughout Snohomish County and she was investigating the Lori Shavlik malicious prosecution that involved Snohomish. It involved a Brady cop named David Fontenot who they exposed as lying under oath, stealing from crime scenes, and lying on search warrants. Obviously, as a concerned person in Snohomish County, she was overly concerned that Mr. Fontenot started his career lying and getting fired from various police departments throughout the State of Washington and ended up at the City of Snohomish. That arose her suspicion about what's going on in Snohomish that Snohomish would hire a known Brady cop. She got involved in the Lori Shavlik investigation and they started investigating what happened with the malicious prosecution involving a tanning salon in Snohomish County. She requested public records relating to that after some activism and some sunlight on Snohomish County ended up in acquitting Ms. Shavlik and malicious prosecution thereof of Ms. Shavlik. She came to Snohomish because she wanted to know why the City of Snohomish would hire a Brady cop named David Fontenot and then lie on search warrants and maliciously prosecute one of its own citizens on behalf of a Brady cop. She expected a very nice response, such as here's some records Ms. Block. What she got back was some pretty evasive stuff. She got back PDF files. Mr. Weed is probably very familiar with the debacle his firm created out in Gold Bar which is now resulting in a million dollar settlement. Her job as an activist under the public records is to get the cities to comply with the very simple provision of the Public Records Act, providing the fullest assistance to the requestor. She thinks under the Public Records Act as it stands today, all records should be provided via electronic means. She requests via email and the request should be complied

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with. She received an email today from Ms. Olson agreeing to provide records on OneDrive and appreciated that. She will continue to investigate David Fontenot because she thinks there is a corruption story involving the City of Snohomish and the malicious prosecution of poor Lori Shavlik.

5. PUBLIC HEARING: Water Supply Provider – PASS Resolution 1347

Mr. Schuller stated the issue before the Council is to approve a water supply resolution for future closure of the City's water treatment plant and water supply. Council has conditioned this on several outcomes. One of the largest is the City's intent to preserve its water right. As background, Mr. Schuller stated in 1878, there was a private firm where the City received its water supply from Blackmans Lake. In 1892, the City stepped in and had a pump house on the lower Pilchuck River near east 11th Street. There was the Great Fire of 1911, which was one of the main motivators for moving the City supply. He wondered why they moved it fifteen miles out of town on the upper Pilchuck River. Water quality was one reason, but also the Great Fire of 1911 was one of the motivators to be able to provide the consistent pressures within the City's system. The City has been discussing and considering the water supply issue very seriously even before 2009, but certainly after the 2009, the water supply study was published. As Council is aware, there are letters from the 1970s which state the City should get out of the water supply business. There were two full Council workshops in 2014 where water supply was discussed and last year, the City Council passed a resolution regarding examining the City's sources of water supply. In September 2015, the Council approved a rate study with Financial Services Consulting Group in Redmond and in May 2016, there was another workshop to review the rate study and specifically to discuss the banking of the water right. The question the Council may receive from its citizens is, is it better to have two sources of water supply? He would say it is better to have two sources of water supply. The question then becomes what are the cost considerations. That is what staff and the Council have been spending a lot of time discussing. From an operating cost standpoint, it is known in 2015 the last full year recorded, that it cost the City about 5% more to have its own water supply than it would if the City had purchased the same amount of water from Everett. Council is aware and the public should understand those costs do not include the capital costs. The City has a 1981 water treatment plant and 15 mile long transmission main that are going to be in serious need of capital improvements. Recently, when the City had some cap repairs needed on the Pilchuck line and when the City had to upgrade the Water Treatment Plant to meet new Department of Health regulations, over a five-year period, the City spent over \$3.4 million on water supply and treatment when it could have purchased that same water from the City of Everett. From an operating standpoint, the City has done a great job of improving its ability to produce water over the last five years and have increased the production values. When those capital costs hit, it makes a big impact. Since 2012, the City has done much better and hasn't had any great cost extremes. The City is doing fine now, but it needs to make a decision. As discussed previously, water supply is about water health. The City can't do it half way. We need to be in the water supply business full time, do a good job and provide good, clean water 24-7, 365 days per year or the Council makes a determination to pursue another course. Mr. Schuller explained staff looked at cost considerations based on best projections of the future, which resulted in two scenarios. Scenario one is to keep the two sources of supply and to continue doing what we're doing now. The minimal capital costs needed over the next fifteen years on the 1981 plant and transmission main show rates need to increase by about 6.75% every year, which gets the City to approximately \$109 in the year 2031. If the City goes All Everett, while looking at their best projections over the long term, the City would need to increase the water rates by approximately 2.25% every year. Instead of being \$109 in 2031, it would be more like \$57.00 if the City went All Everett. It's better to have two sources of

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supply, but Everett serves 80% of the County with over 500,000 customers. In the wastewater situation in order to get to Everett, it would have cost \$10 million in order to buy into the wastewater treatment plant. The Council made a very good decision to stay in the wastewater business and now the City will reduce water rates next year by 10%. In the water situation, our natural motivation as a City is to want to control our own destiny and provide our own water supply, and we have tried to do that for a number of years. It has proven today, in the past and it certainly appears to be in the future by all the best projections that it will cost significantly more for the City to keep two sources of supply. Another factor which is not contained within the rate projections is the seismic upgrade issue. The cost projections do not include any significant seismic upgrades. Everett's twenty-year plan contains seismic upgrades to be prepared for that eventual large earthquake we will have in this region. Another consideration is the environmental benefits. The environmental community and the Tribes would love to see the City of Snohomish no longer withdraw water from the upper Pilchuck River and to keep that water in the river for the fish, especially during these drought years in the summer months. The Tribes have been able to allow the City to get a \$285,000 Federal Grant to study the removal of the City's existing diversion dam and intake structure on the upper Pilchuck. It also provides the only fish barrier on the Snohomish and Pilchuck River system. There is a very old fish ladder that doesn't meet current standards. Lastly, there is a potential for future regulatory, or third party tort that would relate to the old dam and fish ladder built in 1931. None of those costs are included in the City costs, so if any of this were to happen in the next 15 years, the City would need to add those costs to keeping both water supplies. Council has made it clear we are not getting out of the water treatment plant business by passing the resolution tonight, but instead it would be contingent upon the following four key steps:

- Conduct a separate meeting with customers
- Develop a plan for the removal of the dam and intake structure
- Water right banking
- Agreement with the Snohomish PUD

Mr. Weed added the nature of the water right is a right approved by the State Department of Ecology to withdraw up to a certain number of units measured in CFS. It's a right the City has perfected over the years by the amount of water it has used.

The water treatment plant would not be shut down until the above steps are completed and approved to the satisfaction of the City Council. The next step upon approval of the resolution, would be a rate resolution to be brought back to the Council later in the year to pursue the All Everett Option with a rate increase of 2.25% for each year over the next three years from 2017 to 2019. The average monthly bill would go from \$41.00 to \$43.94 in 2019.

Councilmember Hamilton asked about the chart provided which showed a comparison of water treatment supply and the 218 Zone Demand- Average 2011 and 2012.

Mr. Schuller explained the chart shows the lower historic zone, south of Tenth Street where water is obtained in the summer time from the Pilchuck River supply. In the summer time, the City is able to produce most of the water at the Water Treatment Plant. In August, 100% of the water came from the Water Treatment Plant. In September, over 90% was able to come from the water treatment plant. The difficulty is in the winter time, the Pilchuck River turns so turbid that the older 1981 technology at the Water Treatment Plant is unable to produce water. It is run through all these filters for hours and produces water and then it needs to be backwashed to get all the turbidity off of the filters for additional hours. It doesn't make a lot of economic sense. The City is spending almost as much money

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backwashing which gets wasted, then in producing water that gets sent down to the City. In the winter time, as much as up to 80% of the water in the lower zone, or south of Tenth Street is getting most of their water from the City of Everett and 20% is City supplied water.

Councilmember Randall asked about the 1981 transmission line. He wanted to know the estimated useful life of the transmission line.

Mr. Schuller responded per the 2009 study, it is approximately fifty years. That is the estimate. There have been significant damages over the last ten years where the City had to make major repairs. One of those repairs was an \$800,000 project. The City was fortunate that FEMA covered approximately 70% of the cost. The estimate is about fifty years from 1981, so it has approximately 15 to 16 more years of life expectancy.

Councilmember Randall stated replacement would be a multimillion dollar project.

Mr. Schuller confirmed if the City wanted to replicate that line, it would cost approximately \$18 million in 2008 dollars.

Councilmember Rohrscheib asked who would be responsible if the main line from Everett to Snohomish was damaged.

Mr. Schuller responded Everett would be responsible as the wholesale provider to 80% of the county and over 500,000 people. It would be their responsibility.

Councilmember Rohrscheib asked if their responsibility would extend all the way to the holding tanks.

Mr. Schuller replied north of Blackmans Lake is where Everett's #5 transmission line which comes from Spada Lake all the way to the City of Everett goes through Snohomish. The City has five locations where it withdraws water from the transmission main. Everett is entirely responsible for the transmission main. Once it leaves their system and enters the City's water system that is when the City is responsible.

Mayor Guzak stated she is aware the water report just came out about the quality of the Snohomish water and it always ranks really high. It is tested on a regular basis. She is assuming the State also tests Everett water. She would like Mr. Schuller to speak to the quality of Everett's water.

Mr. Schuller explained that Snohomish, as a smaller City, looks to Everett to conduct a lot of its lab testing. Everett has very good water. They did have an issue this year which was not new for them, but was due to the drought last year. They had algae which caused an issue. Everett now has a new response plan to be prepared to look for that more closely. One thing Everett does that the City is not able to do is in addition to the seismic upgrade and their outstanding water quality, is they are able to monitor their water supply situation and their water shed on a much more detailed level than the City can. When you go to Everett, they have a dedicated staff person to monitor climate change and drought and how that impacts both water quality and supply. He rates Everett very high on water quality and water supply management.

Mayor Guzak asked about fluoride in the water. She knows fluoride has been essential for preventing dental problems especially in children. She wanted to know if Everett fluorinates their water as Snohomish does not.

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Mr. Schuller confirmed that is correct. There is some excellent information on the fluoride topic at the Federal Health and Human Services Agency, the Washington State Department of Health and the City of Everett websites.

Mayor Guzak agreed. She sat on the Snohomish County Board of Health and has had the fluoride discussion a number of times and noted the benefits of fluoride far outweigh any potential risks.

Councilmember Burke asked if the person on Everett's staff is a hydrologist.

Mr. Schuller doesn't recall what the position title is. They study climate change, drought conditions, snow pack and the weather. They also had a separate person studying the algae issue.

John Kartak, 714 Fourth, stated Mr. Weed mentioned something about the City having water rights due to the fact that it uses its water. His question is if we were to stop using the water, do we stand a chance in losing our ability to bank the water rights.

Mayor Guzak responded the City will still retain its water rights.

Morgan Davis, 206 Avenue I, stated he supports approving Resolution 1347. For the last ten years, he has been requesting this. The redundant water system we have in the Pilchuck River is a money pit. It's going to cost nothing but money. Our bills will double within the next five to seven years. In fact, according to the chart provided in the last five years the City wasted \$3 million by dithering on this issue. As far as having two systems, is there another City in Snohomish County that has two sources of water supply. He can't think of any except Flint, Michigan. They have two sources. He thinks the City has already wasted way too much money on this issue. In fact, if he remembers correctly when Mayor Hamlin was in office, he had this issue brought up and was supporting of it. He thinks Grant Weed or Councilmember Schilaty said we need to look at our water rights. He asked Council if they remember hiring a Texas attorney consultant to look at water rights. He believes Grant Weed said he didn't know anything about the federal water rights. He asked Grant to expound on that. He wanted to know why we need two separate and unequal water supply systems. For example, children in the so-called low income Pilchuck District don't get the benefit of fluoride in their water, while the rich areas north of Tenth Street, they get fluoride and he's sure their kids get good dental care. But the low income people in what the Mayor calls a blighted area - the Pilchuck District, they don't get the fluoride and young children need it. This whole thing has been a fiasco and money pit. It's time the Council take action and even tonight, this is not going to mean anything. The Council will probably dither for another five years. Mr. Davis asked the Council to please approve Resolution 1347 and start the process now.

Mayor Guzak stated Mr. Davis was correct about looking at the water rights. He may call it dithering the Council may call it being responsible.

Citizens' comments – closed

Councilmember Wilde asked about the plan concerning contacting users on the transmission line. If the Council approves the resolution, what is the expected timeframe for closing the plant.

Mr. Schuller stated in order to ensure that all other agencies and interested parties step up and

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work with the City on banking and the removal of the dam and intake structure, it's important that the timing of all this be right. It's not something you can do tomorrow. The other big issue which has been difficult is the transmission line customers. The City needs to have a consistent source of supply for them. That agreement needs to be worked out with the Snohomish County PUD to make sure they have a long term source of supply. All of those factors need to be worked out. The timeframe per the resolution is between eighteen and thirty-six months to shut down the water treatment plant. It is dependent upon at least all four of the outlined actions happening and the Council approving those actions.

Councilmember Randall asked if the timeline might be extended due to the removal of the dam being completed in stages over a period of years.

Mr. Schuller agreed. This does not include the removal of the dam. The dam removal would need to be permitted and although all the environmental agencies and the tribes want it done, the permitting involves multiple federal and state agencies. The City does not want to fund all the permitting and would want to pursue federal and state grants. After permitting, there would be the construction piece. The study has already confirmed the City does not want to remove the dam all at once. This would happen after the water treatment plant is shut down.

Mr. Weed stated he has no idea what Mr. Davis is talking about except that any water rights the City has in the Pilchuck River system are State issued water rights. The area of water rights law is a highly specific and complex area. He felt it was important for the City at the time it was studying this issue to obtain assistance from a Seattle area-based law firm that has special expertise in water rights. The case law in the area is changing and has changed constantly over the past decade or more and even the State Legislature has passed legislation that affects water rights. He felt it was important for the City to get assistance from a water rights law expert, which he is not.

Mayor Guzak added case law has now validated that the City can keep its water rights even though we are not using the water. That was a very critical decision for Council and it's incorporated within the resolution.

Mr. Weed stated retaining the City's water rights will be subject to successfully entering into a water banking agreement which Mr. Schuller alluded to and that's one of the four important points pursued if the resolution is adopted.

Councilmember Burke stated at the time the City met with that attorney, it was right in the middle of really complicated and painful issues related to wastewater. From his perspective, Council at that time, was probably a little paranoid about this issue. He stated Council took this extra time and paid extra money, but the truth is it actually saved a lot of money. He noted it is not beyond the realm of possibility that had the Council not met with that attorney, it would have pushed this off even longer - if not indefinitely out of concern regarding the complexity of these water issues.

MOTION by Burke, second by Rohrscheib that the City Council PASS Resolution 1347 stating a policy for the future closure of its Water Treatment Plant and the removal of its water supply intake and diversion dam on the Pilchuck River, conditioned on several outcomes including the intent to protect and preserve its water rights in the Pilchuck River system.

Councilmember Hamilton supports the motion. Mr. Davis is correct. Council began looking at this issue a number of years ago, and from a financial standpoint it makes a lot of sense to

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do it. For many reasons, you can't just flip the switch. There are certain legal and contractual obligations that go back to the early 1900s that prevent Council from simply doing that. Sometimes it seems frustrating that government moves at a slow pace, but there are good reasons for that to be good stewards of the resources the City has. This is a good beginning process. There are four items that need to be in place to do this in a logical way to protect the citizens of this community.

VOTE ON MOTION: The motion passed unanimously (6-0).

Mayor Guzak thanked Mr. Schuller for his presentation and informative discussion.

6. ACTION ITEMS:

a. AMEND SMC Chapter 2.86, Emergency Management – ADOPT Ordinance 2306

Building-Fire Official Sharon Pettit stated over the past several months staff has brought updates to SMC 2.86 to the Council to clarify definition changes in the Emergency Management Plan, which are referenced in RCW 38.52. Most notably, there have been updates related to the City Manager's duties and succession of command in the event of an emergency. The City's goal is to mirror state law as much as possible and not reinvent the regulations.

Mayor Guzak stated she believes the code update to be a matter of basic housekeeping and it appears appropriate.

MOTION by Burke, second by Hamilton that the City Council ADOPT Ordinance 2306 updating SMC Title 2.86 Emergency Management. The motion passed unanimously (6-0).

b. APPROVE Amendments to Financial Management Policy – ADOPT Ordinance 2311

Ms. Olson stated the purpose for consideration of Ordinance 2311 is adoption of the Financial Management Policy, which serves as an operational guide for management. The policy is the connection to the Strategic Plan and the Comprehensive Plan. Since December 2015, the City Council has been working with staff through workshops and Council discussions reviewing updates to the Financial Management Policy. One of the main components of the policy is the Reserves and Fund Balance Sections. The target discussed for reserves are unassigned and used for day-to-day operations and also unknown emergencies. Council discussed increasing the reserve target for the General Fund and proposed a range of 15 to 20% of expenditures. This was a change from the previous target of no less than 10% of revenues. The reason for the change for revenues to be aligned with expenditures is because expenditures are more predictable. The largest source of revenues for the General Fund is sales tax revenues, which are volatile. In addition, Council memorialized enterprise funds, or the utility fund reserves in the targets that will assist staff when reviewing utility funds and setting rates to ensure proper debt coverage ratios and operating reserves, and to ensure funding for emergency repairs. Reserve targets were also set for special revenue funds. There was some discussion about the use of REET funds which involved leveraging REET dollars for potential capital projects identified in the Capital Improvement Plan. There is a section in the proposed policy where targets were set and connected to the debt service section of the policy for how much REET Council would guide staff on being able to leverage toward identified capital projects and the payment of debt service.

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Ms. Olson indicated another main section of the policy is Revenues. Council discussed objectives and the types of revenues expected when looking at new revenue sources or expanding existing sources. The fee schedule was updated this year and will be reviewed through the budget development process and adjusted accordingly and set by Council resolution. There are sections in the Revenues portion of the policy which speak to how staff handles grants and to determine if grants are a possible funding source for a capital project. The Expenditures section is where Council sets procurement and authorization targets, standards and levels of authority for the City Manager for contract execution. This is a purchasing threshold that staff can follow. The next section addresses budget principles which were identified in linking the budget to long term objectives and financial planning in terms of prioritizing services and provides guidance for budget scope and the basis. The cost allocation plan, which was a separate policy is now incorporated into the comprehensive financial management policy. Budget amendments were memorialized with regard to Council budget amendments and the administrative budget amendment process. The Capital Improvement Plan section guides staff regarding the objectives for establishing a five-year CIP with review guidelines. The Debt Management section guides staff on when and how to seek out debt issuing bonds for large capital improvement projects and a section on Investments to guide staff concerning when investments are appropriate, which primarily follow State law. There are also sections on Long-Term Financial Planning and Auditing, Accounting and Internal Control Standards. This is a major policy and staff appreciates the Council's work on the policy.

Mayor Guzak stated the policy has been reviewed for many months and she recognizes that this appears to be the culmination of all that work. She noted the General Fund revenue reserve levels are appropriate and is pleased the fee schedule was removed from the policy, which will allow for regular review of the City's fee schedule. She also noted the purchasing authority levels appear appropriate. With the help of staff, Council and the State Auditor, she feels confident about the comprehensive policy.

Councilmember Hamilton thanked staff for their work. The Council has had five workshops and he thinks it is wonderful the City has a strong financial plan going into the future, which helps Council with its fiduciary responsibilities and in being good stewards for the community.

MOTION by Hamilton, second by Randall, that the City Council ADOPT Ordinance 2311 establishing the City of Snohomish Financial Management Policy. The motion passed unanimously (6-0).

- c. **AUTHORIZE** City Manager to Execute a Contract Addendum for Open Government Facilitation

Mr. Bauman stated the purpose of this item is to request the Council to authorize the City Manager to approve an addendum to the Professional Services Agreement with Norton-Arnold and Company in the amount of \$1,755.00 for additional services to complete the facilitation process for the Open Government Committee. In December 2015, the City Council approved an agreement for the facilitation of this committee. Due to the fact that no members of the committee had experience in working together on policy recommendations, staff recommended that a professional facilitator be used. The City Council originally authorized staff to execute this agreement in an amount not to exceed \$12,090. Without the addendum for the requested extra meeting, total expenses would be

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held to that amount. The Scope of Work for the agreement included preliminary interviews with each of the nine committee members, development of five meeting agendas, draft recommendations of several iterations, facilitation of five meetings and ongoing communications with the committee members and the development of additional materials necessary for the committee's work. Although the cost of this project was not originally anticipated as an element of the 2016 budget, personnel cost savings for 2016 have covered these costs. The cost of supporting the process for an additional meeting is the same as included as the cost elements for each of the five previously scheduled meetings. This is an additional amount of \$1,755. This amount includes the cost for nine hours to design and facilitate the meeting as well to revise the group's recommendations report as a result of its discussions on June 13, and to hold the final meeting scheduled for June 27. Council may also be aware, the Committee is still on track to present its recommendations at a workshop scheduled for July 19 at 6:00 p.m.

Councilmember Rohrscheib stated he was originally on the fence regarding whether or not to support paying a facilitator for the Open Government Committee. He did agree to pay Norton-Arnold and Company for the original contract, but he will not support anything that pertains to an addendum since their original contract is due to expire. He no longer feels this is a worthwhile expense for the City.

Councilmember Randall asked the City Manager about the details on what will be handled at the next meeting and what action items the committee will be considering.

Mr. Bauman stated they have their final set of recommendations and the purpose of the final meeting is to review the recommendations and discuss how the committee will support those recommendations in bringing them to the City Council. Whether all members of the committee will endorse the recommendations is not entirely clear at this point, so it's possible it could be a minority report. There is also a need for the committee to plan which members are going to actually produce the recommendations and make the presentation at the July 19 workshop with the Council.

Councilmember Hamilton asked given the body of work that's done and the material Council has seen, can't this work be done more judiciously than in nine hours.

Mr. Bauman responded not according to the facilitator. All the work the facilitator has done has taken longer than anticipated. In fact, after discussing her work and the original estimate, she has actually devoted 25-30 hours more than she had anticipated toward this project.

Morgan Davis, 206 Avenue I, stated he opposed the City spending \$12,090, let alone an additional \$1,755 for a facilitator to conduct a citizen committee of nine. In City Manager Bauman's June 21 letter to the Council, he claims there is no citizen on the committee that has experience conducting a meeting and so he had to hire a professional facilitator. He disagrees. Mr. Davis is sure most of the committee members are of the civil type, can practice decorum, and even understand Roberts Rules of Order. In fact, committee member Paulette Norman is a long term Planning Commission member and even was its Chair, conducting the sometimes contentious and controversial Planning Commission meetings. With the help of the City's Economic Development Manager, Debbie Emge, she could have easily conducted the five meetings at no cost to City taxpayers. Instead we have the spectacle of a Seattle facilitator coming to Snohomish at \$1,200 per hour to insult the citizens and even the local press – all for a product of little value. Don't give the facilitator another red cent. Enough is enough is enough. Dissolve

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the committee as scheduled in the contract for this month. If the nine committee members want to continue, then they should petition the Council to form a Citizens Charter Review Commission where the participants are elected by the voters, not cherry picked by the Mayor. That is what the County government is doing right now with its Charter Review Commission to improve transparency. Finally, getting detailed Council meeting minutes in a competent and timely manner does way more for transparency and open government than all the Margaret Norton-Arnold's and Ron Dotzauer's recommendations that cost the City taxpayers \$25,000 and counting. He requested the Mayor ask the City Clerk why in the world we can't get minutes to the last City Council meeting. He has attended a lot of them and we've never missed it. There have been two or three weeks to come up with it. He doesn't understand why the Clerk can't have the minutes. He wants to know if the Clerk is delaying it for a reason.

Mayor Guzak stated she has never seen Margaret Norton-Arnold insult anybody. Secondly, she did not cherry pick the members of the committee. The reason the minutes from the June 7 workshop and regular meetings were not completed is the Clerk was out of the office at training for the past week.

Bill Betten, stated his comments are regarding the Open Government Committee, which he will call OGC. Transparency and fiscal responsibility. We are here discussing this for many specific reasons. There is a clear lack of communication and direction between the Council and staff. For instance, a 94 year old deed restriction that was lifted with the Council not being aware of this, as far as they have said. Future potential destruction of the Pioneer Cemetery if the citizens had not gotten engaged. Council asked the citizens to get engaged and that is what they are trying to do so we can have the transparency. We have Margaret Norton-Arnold directing the OGC and a City Manager attempting to white wash the committee's recommendations so everything comes out nice and clear and unbelievable nice. The problem is we have a lack of transparency. This is why this committee was started. It wasn't because we are doing great here. We have issues that we have to resolve. Last week, Councilmember Burke said he would like to bring down the citizens' recommendations to three word sentences. We can't fix this problem with three word sentences. He recommends the Council cancel her contract effective immediately. She is not even licensed by the City of Snohomish to conduct business in our community and she is not insured. That was right in the contract and I would like to know who allowed her to conduct business in our community since February 1, when she didn't even pull a City license. He runs a community radio station and before he even conducted business in this town, the first thing he did was get his business license. If she knows how to facilitate a meeting, she knows how to get a business license and make sure that she's submitted the insurance documents as well. It's all in the contract. In closing, he would like to know is responsible to allowing her to conduct business since February 1 without even a City business license.

Mr. Bauman stated Ms. Norton-Arnold has been contacted and it was oversight by staff, which is being corrected. She will have a \$25.00 check in the mail today to cover her business license.

Carrie Clay, 9307 45th Place, stated community members did not ask for or want a government controlled committee addressing the lack of transparency in local government. Nevertheless, we have gotten one. We've set the Open Government Committee up to fail and not be taken seriously. We've asked them to complete a huge task in a ridiculously short amount of time. Now that the funds have run out, and some committee members want to continue on without the moderator and the amenities, we get

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push back from the City Manager who is concerned committee members don't know how to conduct themselves in the meeting or can't facilitate a meeting. This exemplifies the same condescending attitude and lack of confidence in citizens' contributions that has gotten us in this mess to begin with.

Mayor Guzak responded to the comment on the hope from some that this committee continue without either staff or a facilitator. She stated the Councilmembers are democratically elected by the people. Their power comes from the people. Council can delegate that power to committees and boards and commissions, as it has done with the Open Government Committee, which is an ad hoc committee. It was set up to have a limited period of time and be facilitated so Council could have a judicious response in a few months. Personally, she doesn't see Council authorizing a citizen committee to work without staff or without facilitation and take that work seriously. Council is here to take this open government issue seriously.

John Kartak, 714 Fourth, stated he is flabbergasted about this whole transparency committee. Whomever of the Council voted for it, he thinks they are completely out of touch with the people in this town. When there are obvious tremendous transparency problems in this town, the solution isn't to hire someone to teach you how to be transparent, the solution is simply to become transparent. The examples he could give are remarkable and everybody knows what they are. To have a transparency committee and to pay them and then to hire a facilitator from outside our town, and maybe the Mayor didn't cherry pick the members, but they were picked by the Mayor. There's a process, and a lot of people in town are democrats and republicans – this is a non-political issue that everybody is very upset about. It's simply a small town versus big city progressive issue. When the small town council can act like a big city – not just the Council but also the Executive – when they can act outside the will of the people and certainly come close to lying to the people about things, and then choose the people who are going to be on the council to tell them how to be more transparent is just a farce. He's sure he is not the only one that feels this way. If there were members of the Council and City looking out through a two way mirror at a committee meeting on transparency issues that is just embarrassing. We either have children running our City - and he doesn't want to be a mean person and say this, but in his mind, we either have children running the City or diabolical people running our City. He doesn't want to think they are diabolical. He doesn't want to think we have children running our City. He just wants honest people who are going to be forthcoming with the things that are going on.

The Mayor asked the next citizen who identified herself as Megan for her last name.

Megan questioned whether providing her last name was required.

Mayor Guzak confirmed it was required. The meeting is being recorded.

Megan asked the Mayor for the municipal code requiring she provide her last name.

Mr. Weed responded there is a provision in the State Open Public Meetings Act that does not require an individual to identify themselves or state their address.

Megan stated transparency is meant for the government and privacy is meant for the people. She wanted to be clear on that. Her understanding is this is citizen comment time and that we are not to engage in a conversation. She thanked the Open Government Committee members. She knows there are some of them at the meeting. She wanted to thank them for their time and she wants to tell them that she believes in them as individuals, and as individuals that can serve on a committee, a body that is meant to be self-governing. Committees are not designed to work with a facilitator no more than the

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Council is meant to work with a facilitator. Although, perhaps one is needed based on the way that she watched the interaction with one Councilmember and the public. She again thanked the committee members. She believes in them and thinks it was ridiculous that a facilitator was ever considered. At the October 20 City Council meeting, the facilitator was brought up before the members were picked in December. That was pre-decided. On October 20, when the Council asked Larry Bauman how much the facilitator would cost, he instructed the Council it would be about \$5,000. In December, when the contract was presented to the Council, it was for \$12,090. There was no challenge on either amount or the increase. There was no challenge on why a self-governing body which is meant to be managed by a Chair needed a facilitator to usurp the role of the Chair. In fact, there have been committee members that have complained that the facilitator would not let them speak or re-worded what they said. They did not feel heard. That is what some of them have said. Bottom line, there is a contract that was to begin January 1 and she began her work in December.

Councilmember Rohrscheib asked Mr. Bauman about Mr. Betten's comments concerning the business license aspect and also the insurance. He would like to know about the insurance.

Mr. Bauman stated the facilitator does have insurance. It's a part of the contract and we will be getting the insurance rider as part of that agreement.

Councilmember Rohrscheib wants to know why Mr. Betten thinks the consultant wasn't insured.

Mr. Bauman stated the consultant is insured.

Mayor Guzak asked Mr. Bauman about the contract amounts that Megan mentioned concerning the \$5,000 estimate versus the final amount.

Mr. Bauman stated it was a ball park estimate based on the question at the time and it was incorrect. He apologized for that error.

Councilmember Hamilton stated this issue came before the City Council for good, clear legitimate reasons. This Council agreed that City government should be open and should be transparent. It gave Council an opportunity for citizens to come together to provide some guidance as to what they would like to see. It's a pretty complicated issue and eventually we'll get into the weeds on this during future meetings when Council begins to look at the recommendations and deciding how government can be more open and transparent. He indicated it was certainly appropriate for this Council to have a committee from the outside take a look at this issue irrespective of what the cost was. He understands there was some question about that. It provides an opportunity for something at arm's length from this body to take a look at it. It was appropriate. Whether you like the way it was resolved or not, it's not the question of whether it should or should not have been done. At this point, Council has had the opportunity to view the draft recommendations and he will not support this contract extension. He appreciates the facilitator spent more time than they estimated, but the fact is, there was a contract to deliver a service. He will not support what has been presented tonight should that motion come before the Council. Open and transparent government is a difficult issue for everybody to take a look at because we all have different ways in which we perceive things. It's the desire of this Council and City staff to do that.

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Councilmember Randall stated he put some thought to this and it appears that basically some committee members may want to do a minority report and that would be their prerogative. They could work on that off line and then present it to the Council at the workshop. The final recommendations were emailed to Council, so it is in a relatively final format. He thinks the committee members could probably decide among themselves to see who wants to present the report at the workshop. Usually, the Council workshops are fairly informal. He's not sure the Council really needs to have a formal presentation. He's confident this issue can be wrapped up without spending the extra money. He does not support this item.

Councilmember Burke does not support this item. He stated on a personal note, he has had a number of people reach out to him after the meeting about his comments. He admits there are times when he's not always the world's smoothest politician and he doesn't pretend to be. He apologizes for that. He would like to reiterate what Councilmember Hamilton said. This outrage we've experienced is justified. He totally gets that. When he sat in the meeting the other night – months later – one of the perceptions he was left with is that Council appears to be stuck on a loop. He is hearing the same statements of fact over and over again and wanting to see real, robust, positive distilled down forward movement. He didn't see it and that was why he felt he needed to speak out about that. He wants this to work and he wants more to come out of it. If he offended people, he apologizes for that. He had the best intentions.

Councilmember Wilde stated in thinking back, this was one of the first issues he looked at when he came to the Council. Until you see it in front of you and until things fail, sometimes you don't know. He thinks there will never be a grand idea that is going to hit us and tell us - this is the way our open government is going to work best and everybody will be happy. The fact is, people are not going to be happy, and we can't make everybody happy. Sometimes you have to fail at something in order to get to the next level. The best step out of this is the fact that Council is listening and trying to make the move. We now have community members that are trying to help us make that move. It's not the 1930s, 1950s, 2010s or 2015s, it's a new year and a new time. We have to change and adapt. With social media, almost everything you say and think is instantly shown to the world. If you breathe and say something to someone next to you, you might read about it the next day. Those type of things are happening. People may think you're feeling one thing or thinking one thing, and it could just be they had a rough day and said something they don't really believe, but it was said. Those type of things are happening. The Council's plan moving forward and the way our government is moving is a step in the right direction. We're never going to solve it 100%, but if we can keep continuing to learn and move, it will help us. Councilmember Wilde does not support the added cost to the facilitator's contract.

Mayor Guzak stated from her point of view this has been a very sincere attempt to reach out to the community and to have the community reach in to us to tell us how we can do a better job of communicating. She has held her own personal integrity dear. She feels she is a person of integrity, follows the rules and feels that she is absolutely of service to this community. She reaches out to citizens, answers telephone calls and emails, meets with people and does the very best she can to be an open and transparent person. She also runs a yoga studio so people come to the yoga studio very often. She has hundreds of people she interacts with in this community in an open and loving way. She is disappointed and somewhat hurt by the continuing resistance that Council has from people who brought Council to this place initially. Council came to the Open Government Committee because they were hearing resistance and that Council could do a

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better job and now we've done this, and spent the money. We've done the focus groups and have sincerely been working to be of service to this community and get feedback from a facilitated committee on what we can do better, and still the Council receives criticism. She believes Councilmember Wilde is exactly correct that Council will not please all of you all of the time. She is pleasing herself in service to this community. Her heart is pure in this and she is here to be of service and she is here long term. She was elected by the people and she is here to serve the people. She will do that to the very best of her ability.

NO ACTION TAKEN.

7. DISCUSSION ITEMS:

b. Snohomish Covenant Group LLC, Tenth Street Vacation Petition Request

City Engineer Yosh Monzaki stated the Snohomish Covenant Group, LLC, owner of the property and building at 1001 Avenue D has submitted a street vacation petition for a portion of the Tenth Street right-of-way. This was the old Blockbuster building and is now a dental office and Jimmy Johns Restaurant. The owner has requested a street vacation of a portion of Tenth Street just east of Avenue D and south of their current property. This area was deeded to Snohomish County in 1918 and when the City annexed this area in 1960, the right-of-way was transferred to the City as part of the annexation. The LLC purchased this property in 2014 and during their property research were unable to find any documentation stating the area had been vacated. They requested a Right-of-Way Agreement from the City to use this area to renovate the building. This agreement included a condition requiring the owner to go through the vacation process. When the vacation process is completed, the agreement will be terminated. The only utilities in this area serve the building and the property. There is no need for utility easements and Tenth Street in this area is developed with sidewalk on both sides. The requested vacation area is approximately 1,500 square feet. If the vacation is granted, the City would relinquish its ownership of the right-of-way. If Council decides to proceed with this vacation, a resolution would be drafted scheduling a public hearing date and the petitioner would be required to complete an appraisal to begin discussions about compensation. If the Council decides to grant the vacation, an ordinance would be drafted outlining the conditions of the street vacation.

Councilmember Hamilton stated this is a unique problem that happened sometime in the past. He asked if a determination has been made concerning possible future problems with properties continuing on Tenth Street.

Mr. Monzaki responded that River City Land Surveying reviewed some of the documents the petitioner submitted and there was nothing found in the documentation to suggest the area had been vacated in the past.

Councilmember Hamilton stated the area is developed. The sidewalks are in and the streets are in. The City is not going to expand on that. Fortunately, the owner discovered the problem and is doing the right thing in bringing it to the City's attention. His recommendation is to direct staff to proceed.

Councilmember Randall is in agreement with Councilmember Hamilton. The City needs to get this fixed.

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Councilmember Burke stated right to the east side of the three-way intersection at the Stop sign behind that building, he has had a number of complaints come in about the safety of the Stop sign over the years and people trying to pull out of that neighborhood. Depending on how this plays out maybe that is something the City can remember to think about. It's at Tenth and Avenue B.

Mr. Schuller commented he believes it was not a three-way stop and quite a few years ago, the City made it a three-way stop in response to those complaints. He is not going to say it's perfect because on a busy arterial sometimes people just don't stop very well, but that improvement was done to address that issue and allow those residents easier access out on to the arterial.

Councilmember Burke asked with the new wall and fence there, he was wondering if a mirror for somebody pulling out south on that neighborhood would help for residents to see what is going on to the east.

Mayor Guzak stated it appears there is agreement from the Council to proceed with the vacation process and to schedule the public hearing.

c. New Land Use – Community Based Theaters

Associate Planner Brooke Eidem stated the issue of non-conforming uses in the historic district has been discussed by the Planning Commission several times since 2011. These are historic structures that were designed for commercial or assembly uses and are currently in the single-family zone of the historic district. These buildings are worthy of preservation, but are not particularly well suited for single family use if the original use vacates. One example is the Thumb Nail Theatre at 1211 Fourth Street. This building is 86 years old. It was originally a church. The theatre use began as accessory to the church use and then became the primary use of the structure in approximately 2007. One potential solution to begin addressing this issue is a new land use for community based theatres. The purpose is to allow for continued use and maintenance of these historic structures. Thereby, preserving them while balancing the community's need for privacy and quietness in the residential neighborhoods. To accommodate this, amendments are proposed to three chapters of Title 14. One is the definitions chapter, 14.100. A new definition for community based theatres is proposed that specifies that the use must be owned and operated by a non-profit organization, with some limited accessories as allowed, such as concession sales. A definition for theatre is also proposed simply because the City didn't have one before and this would help create a distinction between the two. In the Land Use Tables, Chapter 14.207, Community Based Theatres is added as a conditional approval in the single family zone, which means it will go through a conditional use permit process, including a public hearing in front of a hearing examiner. The proposal will need to be consistent with the conditional use criteria of Chapter 14.65 as well as three additional conditions. One being a maximum floor area of 4,000 square feet, another being that it must be located in the historic district and it must have direct access to a collector arterial or minor arterial. The third chapter with amendments is 14.235, parking requirements. The proposed amendments is to apply the existing parking requirement for a theatre use to community based theatres as well. This amendment would simply be to remove the word *plays* after the existing theatre listing, so the current requirement of one space per every four seats would encompass all theatre uses. As drafted, this has limited applicability. The intention of this is to ensure it works well. The Planning Commission held a public hearing on June 1 regarding these amendments and recommended approval of the draft regulations and is scheduled for a public hearing

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before the City Council on July 19.

Mayor Guzak stated she is aware this has been being worked on for a long time.

Councilmember Hamilton is delighted this is coming before City Council. The Planning Commission began looking at this back when he was on the Planning Commission in 2008 or 2009. This is important. The City has a number of structures in the historic district that would no longer fit the zoning requirement for single family, but these are wonderful structures that serve a really good strong community purpose. He's pleased to open this up and bring some resolution to it. At the Planning Commission public hearing held on June 1, there were a number of people there and they all spoke in favor of this. He's delighted to have the opportunity to preserve some of these structures within the community that are wonderful assets for the community.

Mayor Guzak added that she lives in one of these structures. Her use of the old church and rectory house is that the church serves as her home office and it works very well as an artist's studio, but she also meets code requirements for a single family use. It's worked out well. For any future purchaser, she is glad to have this on the books.

Councilmember Randall noticed that one of sites is a site that he may go to church at. He wasn't aware they were a part of this.

Mayor Guzak thanked Ms. Eidem for her work on this issue.

d. Deferral of School, Parks, and Traffic Impact Fees

Interim Planning Director Clay White stated impact fees allow cities and towns the ability to require that new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development. Under State law and current city code impact fees: Shall only be imposed for system improvements that are reasonably related to the new development; Shall not exceed a proportionate share of the costs of system improvements that are reasonably related to the new development; and Shall be used for system improvements that will reasonably benefit the new development.

Currently, the City code provides a process for collecting impact fees for parks and roads. The City is currently not collecting school impact fees. The decision to collect is up to the School District, based upon need identified in their Capital Facilities Plan. Required fees are currently collected prior to final plat approval for subdivisions and prior to building permit issuance for building permits. Changes occurred in 2015, when the legislature passed Engrossed Senate Bill (ESB) 5923. The Bill requires that the City of Snohomish (and all other jurisdictions that collect impact fees under RCW 82.02) adopt a process for the deferral of impact fees for single-family attached and detached residential construction. This law took a long time to be adopted but it was a reaction to the downturn in the economy and there were a lot of people going through the subdivision process where if they could delay the impact fee payment process, then that's money in their pocket until a time when they are selling a home. Unfortunately, that took several years to get done.

Presently, the City requires collection of impact fees prior to building permit issuance or prior to final plat approval. Although not an impact fee, the City does have a process for deferring utility connection fees. A change in the code for impact fees could run similar to that process. Under ESB 5923, the City is required to provide a deferral process until:

AGENDA ITEM 3d

- Final inspection
- Issuance of a certificate of occupancy
- Closing of the first sale of the property occurring after the issuance of the applicable building permit

Mr. White stated as this Bill was being developed, he believes some elements of it dropped out. The issue is it applies to new single-family, so the City has to provide a process for the deferral of impact fees, but it doesn't apply to subdivisions. What usually happens within the City is that somebody applies for a subdivision, they pay their impact fees before they get final plat approval and then when they come in for a building permit, they don't pay impact fees because they've already been paid. Somehow during the negotiation process for this Bill, they decided it would not apply to both subdivisions and building permits and they left it as building permits. So, it leaves the City with a code it is required to adopt that probably won't get used very often. There are not a lot of policy issues to discuss except for when the City should collect deferred impact fees. Based upon feedback from the Planning Commission on May 4, a hearing on June 1st and a recommendation from the Building Official, the draft code has been written to require payment before final inspection. Staff is looking at scheduling a public hearing on this issue before the City Council on July 19.

Councilmember Randall understands the City has the software to help track the collection of these fees. He wants to know if there will any confusion caused by this occasional situation which is different from the normal procedure.

Mr. White stated it is more process than procedure because of the way the State law is constructed. There is a process for placing a lien on the property. He doesn't think it would be difficult for staff to be able to track that the City needs to collect the fee prior to final inspection. The overall process is more cumbersome, not only for staff, but for the applicant applying to defer that fee.

Councilmember Hamilton stated this is basically an administrative clean up to come in line with State RCW.

Mr. White confirmed that is correct.

Mayor Guzak stated Mr. White mentioned the potential for the City collecting a fee for this process. What is the fee amount.

Mr. White replied staff would not know at this time. It would go through the typical process to update the fee schedule and an analysis of staff time would need to be completed. He thinks the best thing to do if the City wants to move in that direction is to look at the amount of time it takes to defer utility billings and that would provide a good idea of cost. There is a good amount of procedure involved and reviewed by a number of staff members. That is something to look at in the future.

Mayor Guzak stated she assumes the development community wanted the deferral of impact fees in order to use their money for building, so they won't have to pay these impact fees until there is a sale pending. As Council is aware a few years ago, it inadvertently deferred impact fees and it caused quite a brouhaha in the City.

Mr. Weed stated as indicated by Mr. White this is a State required process. One that will

AGENDA ITEM 3d

be used very rarely by the City, but is required. There will be some administrative costs added to implement this. For example, if a party takes advantage of deferring the payment of the impact fees, a lien is supposed to be prepared and recorded against the title to the property and when paid, a lien release will have to be prepared and also recorded against title to the property. Development of that process requires some legal time and staff time. It is necessary to ensure city code complies with state law.

Mayor Guzak asked if the City could implement a fee that solely addresses the lien process.

Mr. Weed stated that is possible. There are a variety of different considerations the Council could implement if it decides to impose a fee. One of which would be to cover the actual out-of-pocket costs for recording or some amount for staff processing time. This is an issue Council can address when it updates its fee resolution.

Councilmember Burke stated this code is written for the little person building a house. Often times people are financing. He wonders if this is the optimal time for the City to bill them. Does it need to be at the final inspection or should it be another time.

Mr. White believes final inspection is the best point. The reason that it is difficult at the point of sale is that the City has already issued the occupancy and final inspection, so at that point, they are done with the City. So, they sell the property and the City has to try and track the sale and then make a lien on the property.

Councilmember Burke has heard at final inspection is when the contractors are the last to get paid on those projects and it's a painful time when the builder is done paying out and that's right when the City bills them. He wonders if that makes sense.

Mr. White responded he thinks this Bill was actually designed for a larger developer. The individual person can do their own analysis of it and determine whether it makes financial sense for them to defer the impact fee or not. They will still have the option to pay it before they pick up their building permit or now under the code, they could make the choice to defer it to a later time.

Mayor Guzak stated Council is prepared to set this matter for public hearing. She thanked Mr. White for his service as the Interim Planning Director.

8. CONSENT ITEMS:

- a. **AUTHORIZE** payment of claim warrants #58849 through #58944 in the amount of \$263,462.21 issued since the last regular meeting.
- b. **AUTHORIZE** the City Manager to Execute a Contract with Accord Contractors LLC for the Maple Avenue Sewer Replacement Project.

MOTION by Hamilton, second by Randall to pass the Consent Items. The motion passed unanimously (6-0).

9. **OTHER BUSINESS/INFORMATION ITEMS:** Mayor Guzak received an email concerning revising the City's animal ordinance. It was requested that Pitbulls and Dobermans be placed on a dangerous animal list. She wants to discuss this with the Council to see if there is any interest in reviewing the City's animal ordinance again.

AGENDA ITEM 3d

Councilmember Hamilton stated the Council reviewed this issue previously and he believes it pre-dated Chief Flood. He recalls there are limitation as to what you can do with dangerous animal ordinances.

Chief Flood confirmed Councilmember Hamilton is correct.

Councilmember Hamilton is not interested in reopening the City's animal ordinance.

Mayor Guzak concurs with Councilmember Hamilton.

Councilmember Randall thinks the animal ordinance is working well as written.

10. COUNCILMEMBER COMMENTS/LIAISON REPORTS:

Councilmember Rohrscheib asked the Chief for an update on the Cascadia Rising drill.

Mr. Schuller stated staff conducted a drill along with the Snohomish County Department of Emergency Management. Mayor Guzak and Councilmember Schilaty were in attendance. The drill was very quick. Staff focused on two issues. One was checking internal City communications. It was assumed that all email, text, and phones were not in service. Staff used the backup VHF radios to communicate. Staff also checked communications with the DEM and ran through some basic field exercises to determine how staff would respond. The scenarios were purposely designed to be confusing and combined a full two week earthquake scenario into two hours. There were some policy issues for the policy makers and field issues for field staff. Staff had some lessons learned and will apply those. Ms. Olson plans to include information in the next round of utility bills to citizens reminding them of the need to be prepared in case of an emergency for at least seven days.

Councilmember Rohrscheib thanked Mr. White for assisting the City's Planning Department, and wished he could stay.

11. MANAGER'S COMMENTS:

Mr. Bauman extended his thanks to Clay White for his service as Interim Planning Director. He said Mr. White has done a great job, and has helped identify issues for the future Planning Director to address as well as existing staff. The City wishes him well at his next position which will be in the private sector. Mr. Bauman announced several events coming up. There is a party at the boat launch scheduled for tomorrow evening from 5:00 to 8:00 p.m. The boat launch is not yet officially open, but it will be open for this event. Thursday, June 23, there is a community forum on teen suicide at 6:30 p.m. at the Snohomish Public Library. Panelists will include Rena Fitzgerald, Crisis Chat Senior Program Manager with the Volunteers of America and Gary Goldbaum, Health Officer for Snohomish County. In July, there will be the Pilchuck Park Save the Date Movies on July 14, 21 and 28. The movies were selected by an online voting process on the City's website. The movies will be Guardians of the Galaxy, Finding Nemo and Zootopia. On August 5 or 6, there will be a special event to the City's series for students participating in the Snohomish Science and Arts Academy who will be presenting their video animation movies created this summer. These movies are followed by the showing of the Rugrats movie and Terry Thoren, production manager and producer for the Rugrats series and movies, The Wild Thornberrys and many other programs. Mr. Thoren lives in Snohomish and is excited to be partnering with the Snohomish High School.

AGENDA ITEM 3d

12. **MAYOR'S COMMENTS:** Mayor Guzak thanked the City staff for the earthquake drill. It was exciting to see so many of the public works staff at the Fire District who have given their life and service to this community in cleaning the storm drains and the streets, and keeping the sewer and water systems going. It was a pleasure to see the public works staff so committed to the City. The Mayor and Ms. Emge met with the Historic Downtown Snohomish Board to discuss a citizen complaint regarding the colored LED lights lining the light poles downtown. The colored lights have served to honor the panthers and the different seasons. So, the lights will be changing over time.

Councilmember Hamilton stated he read an article on CNN about LED lights and the fact there is a lot of blue in those lights and how it impacts people and the circadian cycle. The recommendation is the temperature lights of the more yellow lights that we're used to. It is a real issue and it's just not something that is visual. It's something that needs to be looked at because a lot of communities are getting complaints about the color temperature of the lights. Specifically, Seattle and New York City were called out for the fact that they have transitioned to these lights.

Mayor Guzak asked Mr. Schuller about the PUD changing out the street lights to LED.

Mr. Schuller stated that 80% of the City has been changed out to the new LED lights. He has received three or four complaints regarding the hue of the lights projecting into homes. Some of those can be remedied with shielding if it's in the back. The PUD is looking at doing shielding in the front. PUD stated they are not getting a lot of calls on this issue but they are getting some, so they are looking at methods to mitigate the light shadow, and still not impact public safety.

Mayor Guzak said she attended Bill Mester's farewell party with Mr. Bauman. Mr. Mester has served the School District well for many years and it is with a bittersweet feeling that we wish him well. She has met with some citizens continuing on with the concept of *Chat with the Mayor*. They met at Proper Joe's Coffeehouse. She did not have any Councilmembers with her at that time. She plans on doing this every month. There were approximately 25 people in attendance. Ms. Emge assisted her. She thought it was generally successful. There are still some people who are unhappy with the community. Some of the people unhappy about police services reside in the County. It's been interesting and she is happy to continue. She will be attending the AWC annual conference being held in Everett tomorrow.

13. Adjourn to **EXECUTIVE SESSION** at 9:13 p.m. to discuss potential litigation with action anticipated to follow.
14. Reconvene at 9:30 p.m.

MOTION by Rohrscheib, second by Randall to **AUTHORIZE** the City Manager to **EXECUTE** the Settlement Agreement and Release with Accela, Inc. and **DIRECT** staff to pursue new financial, accounting and municipal services software. The motion passed unanimously (6-0).

ADJOURN at 9:35 p.m.

APPROVED this 5th of July 2016.

CITY OF SNOHOMISH

ATTEST:

AGENDA ITEM 3d

Karen Guzak, Mayor

Pat Adams, City Clerk

PUBLIC HEARING 5

Date: July 5, 2016
To: City Council
From: Andrew Sics, Project Engineer
Subject: **Six-Year Transportation Improvement Program, 2017 - 2022**

As required by state law (RCW 35.77.010), the City must update its Six-Year Transportation Improvement Program (TIP) and have it filed with the State Secretary of Transportation each year. A public hearing must be conducted and Council adoption by resolution is required. The TIP is the City's planning tool for orderly prioritization and funding of transportation improvement projects for all modes of transportation, including bicycle, pedestrian, and transit. Projects must be included in the TIP to be eligible for state or federal grants. The TIP should include all transportation projects planned for the next six years whether or not they will be grant-eligible projects.

The basis of prioritization for the TIP generally involves consideration of funding availability, especially the potential and need for grant funding, and should correlate to the following: the transportation capital improvement plan contained in the City's *2016 Budget*, the *2015 City Comprehensive Plan (Capital Facilities Element)*, and the *2015 Transportation Master Plan*.

Staff has prepared a list of projects (Attachments A and B of Resolution 1349) for presentation to Council during the public hearing. Only two changes are being proposed from last year's list. These changes are as follows:

1. Last year's Priority #20, Avenue D/15th Street Intersection has been fully completed and was removed from the list.
2. Last year's Priority #3 (30th Street Widening Project) was awarded construction grant funding from the State Transportation Improvement Board and will be constructed this year. Transportation Benefit District funds were used as match for this grant. Therefore, its priority has been revised and dropped to the bottom of the list as Priority #19. Projects must stay on the list and within the TIP Program until the projects no longer show expenditures.

Project priorities remain in the same order with the numbering adjusted accordingly after making the aforementioned adjustments.

STRATEGIC PLAN REFERENCE: Initiative #4: Increase multi-modal mobility within and connections to the community.

RECOMMENDATION: That the City Council conduct a public hearing and PASS Resolution 1349, approving the Six-Year Transportation Improvement Program for the years 2017 to 2022 as established, and DIRECT the City Manager to take the necessary

PUBLIC HEARING 5

actions to file the approved program with the State Secretary of Transportation and required agencies.

ATTACHMENT: Resolution 1349

REFERENCE DOCUMENTS:

1. 2016 City Budget.
(<http://wa-snohomish.civicplus.com/136/Budget>)
2. 2015 City Comprehensive Plan
(<http://wa-snohomish.civicplus.com/184/Comprehensive-Plan>)
3. 2015 Transportation Master Plan
(<http://wa-snohomish.civicplus.com/196/Engineering>)

PUBLIC HEARING 5

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1349

**A RESOLUTION OF THE CITY OF SNOHOMISH ADOPTING THE
TRANSPORTATION IMPROVEMENT PROGRAM FOR THE YEARS
2017 TO 2022 TO BE FILED WITH THE STATE SECRETARY OF
TRANSPORTATION**

WHEREAS, pursuant to RCW 35.77.010, the City is required to annually review its Transportation Improvement Program and update it for the ensuing six years; and

WHEREAS, the City Council reviewed the Transportation Improvement Program from the previous years and has considered the current City transportation needs; and

WHEREAS, a public hearing on said proposed Transportation Improvement Program was held on the 5th day of July 2016, before the City Council of the City of Snohomish;

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

That the Transportation Improvement Program for the years 2017 to 2022, as set forth in Attachments "A" and "B" is found to be in the best interest of the City of Snohomish and consistent with the estimated revenues available for arterial construction together with such additional sums as the City may request from other sources, and the priorities as shown in Attachments "A" and "B" are hereby adopted.

The City Clerk is hereby directed to immediately file the Six-Year Transportation Improvement Program adopted herein with the Secretary of Transportation for the State of Washington.

PASSED by the City Council and **APPROVED** by the Mayor this 5th day of July, 2016.

CITY OF SNOHOMISH

By _____
Karen Guzak, Mayor

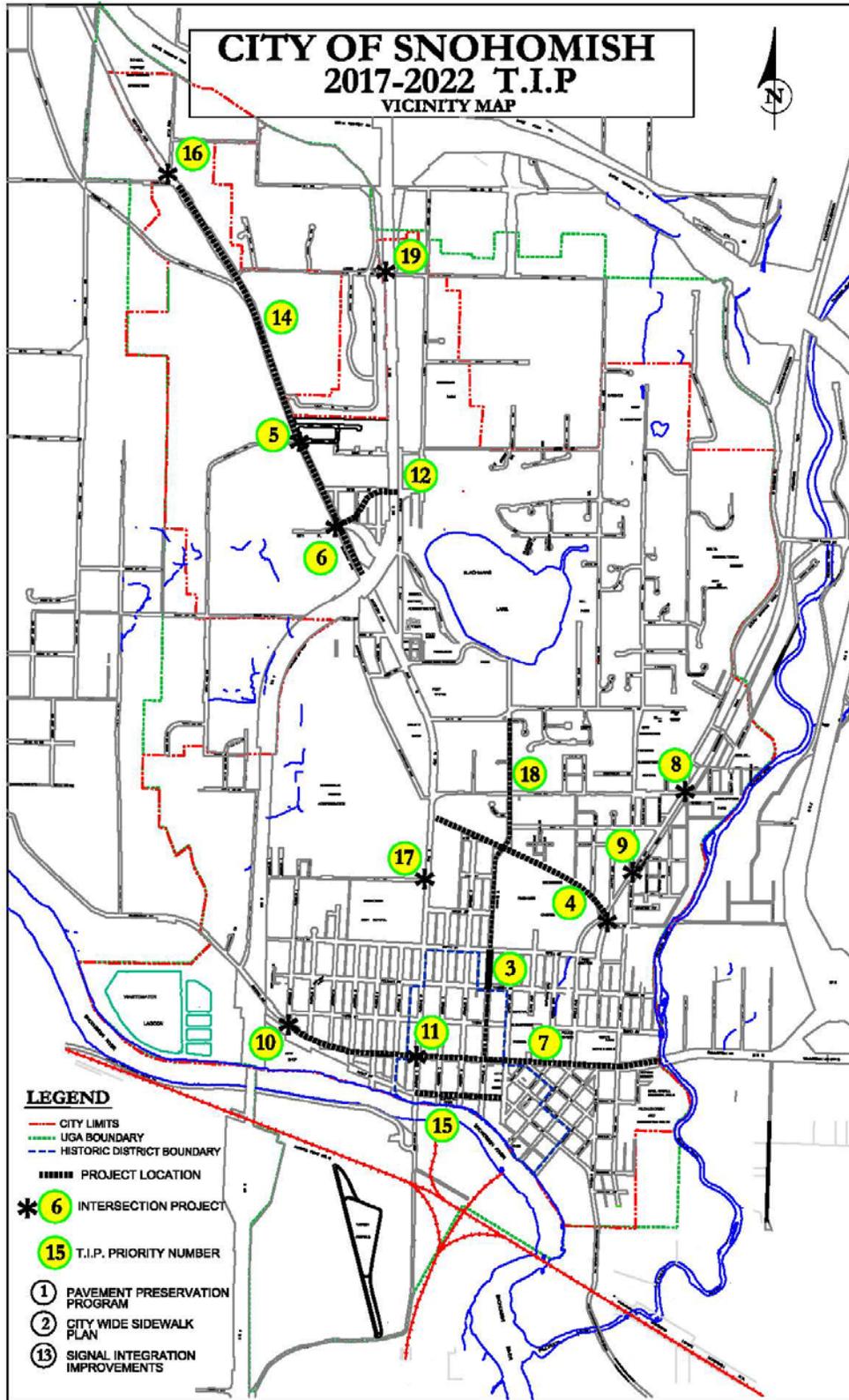
ATTEST:

APPROVED AS TO FORM:

By _____
Pat Adams, City Clerk

By _____
Grant K. Weed, City Attorney

**ATTACHMENT "A"
2017 -2022 SIX-YEAR T.I.P.**



ATTACHMENT B

6 YEAR TIP: 2017–2022 Priority List

Priority #	Project Name	Year	Scope
1	Pavement Preservation Program	2017	Six Year Street Resurfacing (Amount Varies Per Year)
2	Sidewalk Construction Repair	2017	Annual Construction of Approximately 600 LF of Curb, Gutter & Sidewalk
3	Avenue A Improvements	2017	Reconstruct Avenue A between 4 th & 5 th Streets including realignment & widening, utility upgrades and resurfacing.
4	Interurban Trail Improvements	2018	Design & Construction - Improvements to both improve the Interurban Trail and to help facilitate a crossing of Maple Avenue for trail users (Help link the Centennial Trail to the Interurban Trail)
5	Bickford Avenue & Weaver Road Traffic Signal Improvements	2018	Design & Construct a New Traffic Signal
6	Bickford Avenue & 19 th Place Intersection Improvements	2019	Design & Construct Intersection Improvements
7	Second Street Corridor Improvements	2019	Add Bulbouts, Restrict Parking, Channelization & Signal Coordination along Second Street Between Avenue J and Pilchuck River Crossing
8	Maple Avenue & 10 th Street Intersection Improvements	2020	Design & Construct a Mini Roundabout
9	Maple Avenue & Pine Avenue Intersection Improvements	2021	ROW Acquisition, Realignment, New Curb, Gutter & Sidewalk, ADA & Stormwater Improvements
10	Second Street & Avenue J Intersection Improvements	2021	Channelization on 2 nd Street & Avenue J to eliminate NB turning movements from 1 st Street. Also, converting small most western section of 1 st Street to a one-way eastbound
11	Second Street & Avenue D Intersection Improvements	2021	Safety issue due to number of driveway access points in vicinity. Project will upgrade traffic signal and implement access management strategies
12	20 th Street Extension – Bickford Avenue to Lake Avenue	2022	New Alignment/Roadway Extension Improvements with Connection Signal @ SR9 (WSDOT)
13	Signal Improvements	2022	Update Controllers, Conflict Monitors, and City-wide Signal Synchronization
14	Bickford Avenue Transportation Improvements	2022	Median Landscaping, Channelization Improvements, ADA Improvements with New Curb, Gutter & Sidewalk, Stormwater LID Improvements
15	First Street Pedestrian Safety & Enhancements Implementation	2022	Replace Street Lights, ADA Improvements, Bulb-out Demonstration, Landscaping & Sidewalk Repair
16	Sinclair Avenue & Bickford Avenue Intersection Improvements	2022+	Design & Construct a New Traffic Signal & realign southwest leg of intersection.
17	Seventh Street & Avenue D Intersection Improvements	2022+	Safety issue due to number of driveway access points in vicinity. Project will upgrade traffic signal and implement access management strategies
18	Avenue A Corridor Improvements	2022+	Upgrade corridor to existing City roadway standards along Avenue A Between 2 nd Street and 13 th Street
19	30 th Street Widening	2016	Construct 30 th Street Widening Improvements to the west & east legs of the 30 th Street & SR 9 intersection

PUBLIC HEARING 5

ACTION ITEM 6a

Date: July 5, 2016
To: City Council
From: Yoshihiro Monzaki, City Engineer
Subject: **Ford Avenue Vacation Request**

The Ford Avenue vacation request by Mr. Lawrence Countryman, owner of Parcel No. 00435900100301 (614 Maple Avenue) and 28061800104400 (no address, parcel is on Ford Avenue), was presented to the Council on September 15, 2015. The Council decided in favor of moving ahead with the Ford Avenue vacation process.

As the next step in the vacation process, Resolution 1346 (Attachment A) has been drafted for adoption setting a public hearing for August 16, 2016 for the proposed street vacation request. According to SMC 12.48.030, the Council will generally make its determination regarding compensation before it adopts the resolution, but the Council shall retain the discretion to review its determination following the public hearing.

Staff is recommending that payment of monetary compensation be waived by Council in accordance with Snohomish Municipal Code 12.48.040(C)(3), which provides an option for a trade of properties of approximately equal values. A final decision on compensation may be made by Council following the public hearing. Mr. Countryman is proposing to trade approximately 410 square feet of his properties (Parcels 28061800104400 and 00435900100301) to the City in exchange for approximately 392 square feet of Ford Avenue right-of-way. Attachment B shows the requested street vacation and proposed dedication areas.

Ford Avenue right-of-way was dedicated in 1888 as part of the Englands Addition plat. It is classified as a local road and no other portion of Ford Avenue has been vacated. A section of the Ford Avenue road pavement is within Mr. Countryman's Parcel No. 28061800104400. Mr. Countryman has proposed to dedicate this area which would increase the width for Ford Avenue from approximately 37-feet to 47-feet in that area. This would benefit the public to allow for future improvements. The majority of the requested vacation area is an unimproved gravel/grassy shoulder area. This property trade will resolve the building encroachment into the right-of-way and the Ford Avenue pavement encroachment on to Mr. Countryman's property.

It appears that there are no utilities in this area and 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 along Ford Avenue due to the vacation. The requested street vacation area does not abut a body of water and will comply with RCW 35.79.035.

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."

ACTION ITEM 6a

STRATEGIC PLAN REFERENCE: Initiative #4: Increase multi-modal mobility within and connections to the community.

RECOMMENDATION: That the City Council ADOPT Resolution 1346 setting a public hearing on August 16, 2016 to consider the vacation of a portion of Ford Avenue and request for compensation.

ATTACHMENTS:

- A. Resolution 1346
- B. Street Vacation and Dedication Exhibit
- C. Street Vacation Aerial with Parcel Lines Exhibit

REFERENCE DOCUMENTS:

1. Chapter 12.48, Street Vacation, Snohomish Municipal Code.
(<http://www.snohomishwa.gov/DocumentCenter/Home/View/424>)
2. Ford Avenue Right of Way Vacation Request (pages 33-95 of September 15, 2015 Council Packet)
(<http://www.snohomishwa.gov/AgendaCenter/ViewFile/Agenda/08042015-528>)

ACTION ITEM 6a

ATTACHMENT A

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1346

A RESOLUTION OF THE CITY OF SNOHOMISH, WASHINGTON SETTING A PUBLIC HEARING ON AUGUST 16, 2016 PURSUANT TO SMC 12.48.030 FOR THE PETITION FOR VACATION OF A PORTION OF FORD AVENUE RIGHT-OF-WAY NORTH OF MAPLE AVENUE; AUTHORIZING COMPENSATION IN THE FORM OF A PROPERTY EXCHANGE AND WAIVING MONETARY COMPENSATION.

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 May 19, 2015; and

WHEREAS, a complete application for vacation of a portion of Ford Avenue right-of-way was filed with the City on June 3, 2015; 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 THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 28 NORTH, RANGE 6 EAST, W.M., IN SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3, BLOCK 1, ENGLAND'S ADDITION, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 38, RECORDS OF SNOHOMISH COUNTY, WASHINGTON, THE TRUE POINT OF BEGINNING;
THENCE S1°21'00"W ALONG THE WEST LINE OF SAID LOT 3 A DISTANCE OF 35.72 FEET;
THENCE N88°39'00" W PERPENDICULAR TO THE WEST LINE OF SAID LOT 3 A DISTANCE OF 7.57 FEET TO A POINT ON THE EASTERLY MARGIN OF THE NORTHERN PACIFIC RAILROAD RIGHT OF WAY;
THENCE NORTHWESTERLY ALONG SAID EASTERLY MARGIN A DISTANCE OF 35.93 FEET ALONG THE ARC OF A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 759.15 FEET AND CONSUMING A CENTRAL ANGLE OF 2°42'42" TO A POINT OF INTERSECTION WITH NORTH LINE OF SAID LOT 3 PROJECTED WESTERLY;
THENCE N89°20'15"E ALONG THE WESTERLY PROJECTION OF THE NORTH LINE OF SAID LOT 3 A DISTANCE OF 14.76 FEET TO THE NORTHWEST CORNER OF SAID LOT 3 AND THE TRUE POINT OF BEGINNING.

SITUATE IN SNOHOMISH COUNTY, WASHINGTON

CONTAINING APPROXIMATELY 391 SQUARE FEET

As shown on the map attached hereto as Exhibit A.

ACTION ITEM 6a

WHEREAS, the City Council finds it is in the best interest of the City to consider the dedication of the following described properties:

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 28 NORTH, RANGE 6 EAST, W.M., IN SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 4, BLOCK 1, ENGLAND'S ADDITION, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 38, RECORDS OF SNOHOMISH COUNTY, WAASHINGTON, THE TRUE POINT OF BEGINNING;
THENCE N1°21'00"E ALONG THE WEST LINE OF SAID LOT 4 A DISTANCE OF 39.98 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 20.00 FEET OF SAID LOT 4;
THENCE S89°18'21"W ALONG THE WESTERLY PROJECTION OF SAID SOUTH LINE OF THE NORTH 20.00 FEET OF SAID LOT 4 A DISTANCE OF 35.27 FEET TO A POINT ON THE EASTERLY MARGIN OF THE NORTHERN PACIFIC RAILROAD RIGHT OF WAY;
THENCE SOUTHEASTERLY ALONG SAID EASTERLY MARGIN A DISTANCE OF 40.90 FEET ALONG THE ARC OF A CURVE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 749.15 FEET AND CONSUMING A CENTRAL ANGLE OF 3°07'48" TO A POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID LOT 4 PROJECTED WESTERLY;
THENCE N89°20'15"E ALONG THE WESTERLY PROJECTION OF THE SOUTH LINE OF SAID LOT 4 A DISTANCE OF 24.95 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4 AND THE TRUE POINT OF BEGINNING.

EXCEPT ALL THAT PORTION THEREOF LYING EASTERLY OF AN ARC, CONCAVE TO THE SOUTHWEST, SAID ARC BEING 43.00 FEET EASTERLY OF AND PARALLEL WITH THE CENTERLINE OF THE BURLINGTON NORTHERN RAILROAD RIGHT OF WAY AS MEASURED PERPENDICULAR THERETO.

SITUATE IN SNOHOMISH COUNTY, WASHINGTON.

CONTAINING APPROXIMATELY 409 SQUARE FEET

THAT PORTION OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 28 NORTH, RANGE 6 EAST, W.M., IN SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3, BLOCK 1, ENGLAND'S ADDITION, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 38, RECORDS OF SNOHOMISH COUNTY, WASHINGTON;
THENCE S01°21'00"W ALONG THE WEST LINE OF SAID LOT 3 A DISTANCE OF 52.73 FEET TO A POINT ON THE NORTH EDGE OF AN EXISTING CONCRETE SIDEWALK;
THENCE FOLLOWING SAID NORTH EDGE OF EXISTING CONCRETE SIDEWALK IN A SOUTHEASTERLY DIRECTION 1.21 FEET ALONG AN ARC, CONCAVE TO THE NORTHEAST, THE CHORD OF WHICH BEARS S63°31'14"E,

ACTION ITEM 6a

HAVING A RADIUS OF 8.99 FEET, AND CONSUMING A CENTRAL ANGLE OF 7°42'29" TO A POINT ON THE WESTERLY MARGIN OF MAPLE AVENUE; THENCE SOUTHWESTERLY ALONG SAID WESTERLY MARGIN OF MAPLE AVENUE A DISTANCE OF 1.55 FEET TO THE POINT OF INTERSECTION WITH THE WEST LINE OF AFOREMENTIONED LOT 3; THENCE N01°21'00"E ALONG SAID WEST LINE A DISTANCE OF 1.60 FEET TO THE TRUE POINT OF BEGINNING.

SITUATE IN SNOHOMISH COUNTY, WASHINGTON.

CONTAINING APPROXIMATELY 1 SQUARE FOOT

As shown 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(C)(3), in the event the petition for vacation of right-of-way is approved, the City of Snohomish authorizes compensation in the form of applicant's proposed exchange for property of greater or approximately equal value than the property petitioned for vacation and waives the payment of monetary compensation.
- (2) The applicant has proposed to exchange a portion of the applicant's property (410 square feet) to the City in exchange for the requested vacation of a portion of the Ford Avenue right-of-way (392 square feet).
- (3) The property values of the dedication and vacation areas would be approximately the same because they are in the same vicinity and mostly undeveloped.
- (4) 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 the final terms of compensation. Said public hearing shall be scheduled for the regular meeting of the City Council to be held August 16, 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 5th day of July 2016.

CITY OF SNOHOMISH

By

Karen Guzak, Mayor

ACTION ITEM 6a

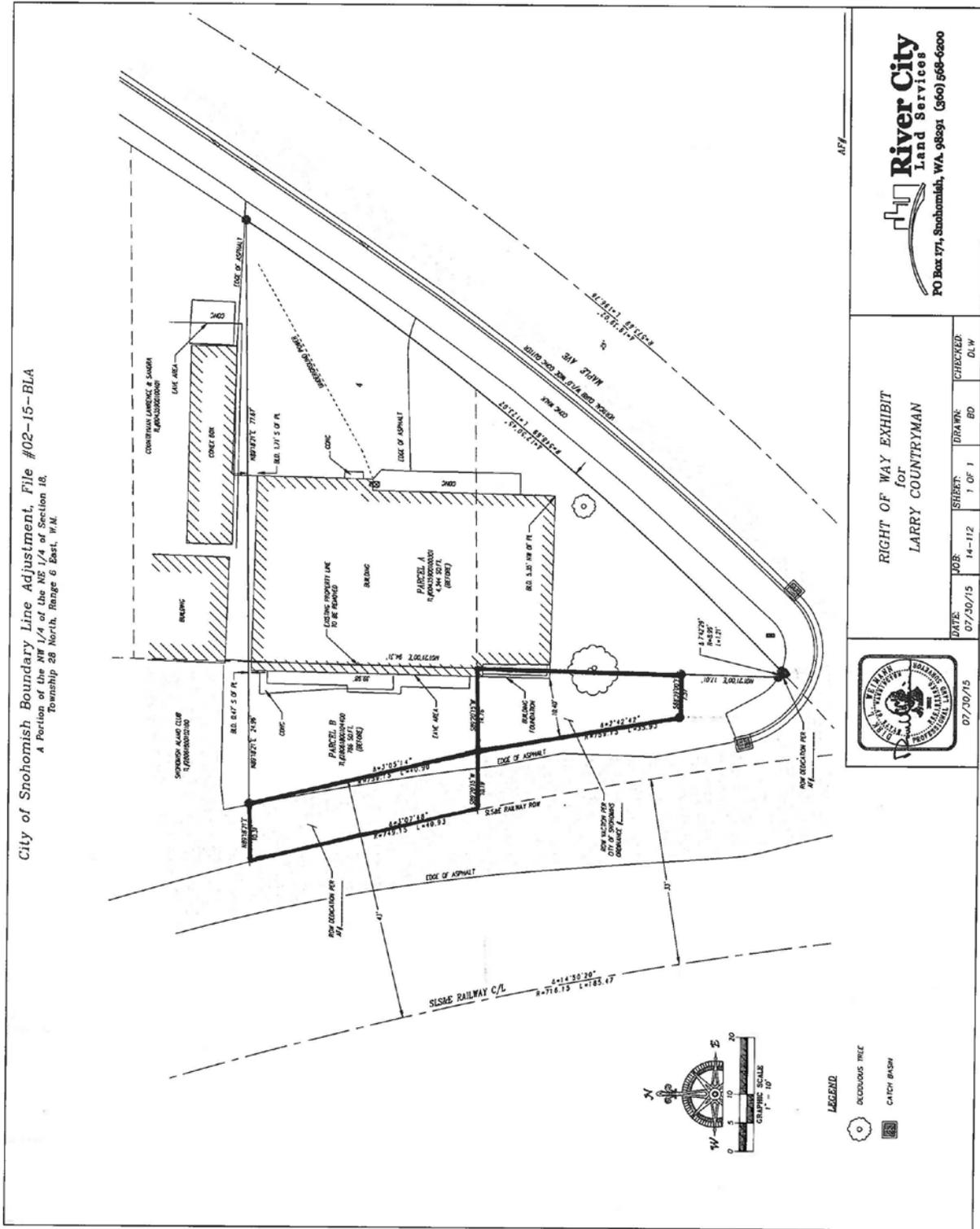
ATTEST:

By _____
Pat Adams, City Clerk

APPROVED AS TO FORM:

By _____
Grant Weed, City Attorney

EXHIBIT A



River City
Land Services
PO Box 171, Snohomish, WA 98291 (360) 568-6000

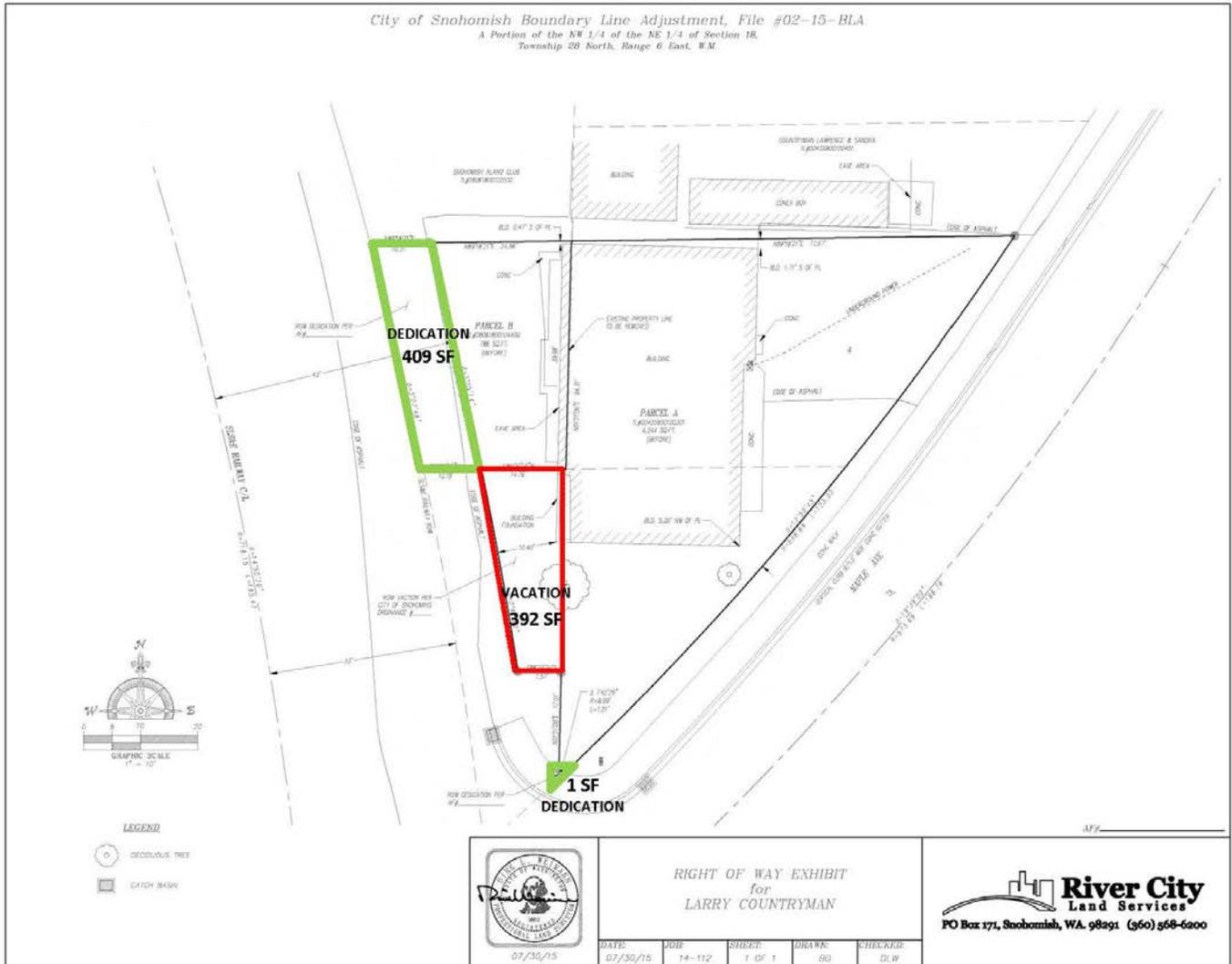
RIGHT OF WAY EXHIBIT
for
LARRY COUNTRYMAN



DATE:	JOB:	SHEET:	DRAWN:	CHECKED:
07/30/15	14-112	1 OF 1	BD	DLW

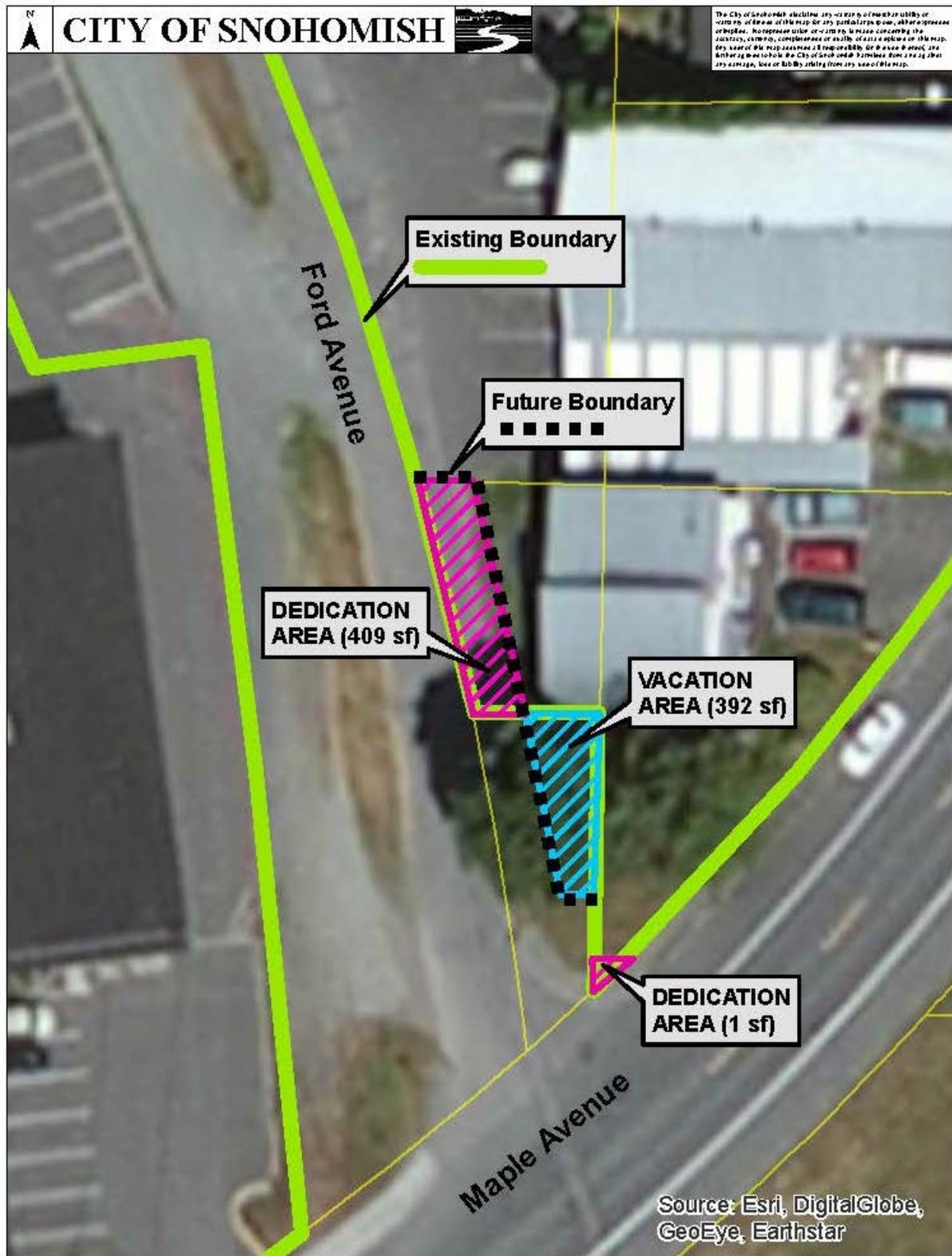
ACTION ITEM 6a

ATTACHMENT B



ACTION ITEM 6a

ATTACHMENT C



ACTION ITEM 6a

ACTION ITEM 6b

Date: July 5, 2016
To: City Council
From: Yoshihiro Monzaki, City Engineer
Subject: **Blackmans Lake Outlet Improvement Project**

The purpose of this agenda item is to authorize the City Manager to execute a contract between the City and Wetlands Creation, Inc., the apparent lowest responsive bidder, for the construction of the Blackmans Lake Outlet Improvement Project.

The purpose of the Blackmans Lake Outlet Improvement Project is to reduce the flooding problems that occur in the area adjacent to the lake. This project consists of replacing the four existing culverts at Ferguson Park Road, constructing a berm, overflow channel and a gravel path/maintenance access along Avenue A, removing sediment and debris from the existing outlet channel (Swifty Creek) from the Woodlake Manor Apartment driveway to Smithson Place, and mitigation plantings. Constructing the overflow channel and removing sediment and debris from the existing outlet channel will increase the capacity of this flow conveyance system. Avenue A, north of 13th Street, and Ferguson Park Road, from Avenue A to the lift station, will be paved as part of this project.

Bids for this project were received on June 16, 2016. Seven bids were submitted as follows:

Wetlands Creation, Inc.	\$347,472.48
IO Environmental & Infrastructure, Inc.	\$381,356.05
Dungeness Construction Corporation	\$430,300.55
Accord Contractors LLC	\$476,248.78
Pro Pipe Corporation	\$491,966.26
Weber Construction, Inc.	\$498,240.61
Trimaxx Construction, Inc.	\$535,971.32
<i>Engineer's Estimate</i>	\$395,000.00

It was determined that Wetlands Creation, Inc. located in Monroe, Washington is the apparent lowest responsive bidder for the project in the amount of \$347,472.48. Construction is expected to begin in late July or early August and the duration for the project is anticipated to be approximately forty-five (45) days with substantial completion status sometime in September. Staff will award the project as soon as the required submittals are received which is anticipated within the next few weeks. The 2016 Budget included \$565,000 (Transportation Benefit District (TBD) - \$250,000 and Stormwater Utility - \$315,000) for this project.

STRATEGIC PLAN REFERENCE: Initiative #5, Become more environmentally sustainable.
A. Continue to invest in eco-friendly infrastructure through the City's Capital Improvement Program, focusing on stormwater infrastructure and investments in City facilities.

ACTION ITEM 6b

RECOMMENDATION: That the City Council AUTHORIZE the City Manager to sign and execute a contract with Wetlands Creation, Inc. not to exceed \$417,000.00 including a 20% contingency for the construction of the Blackmans Lake Outlet Improvement Project.

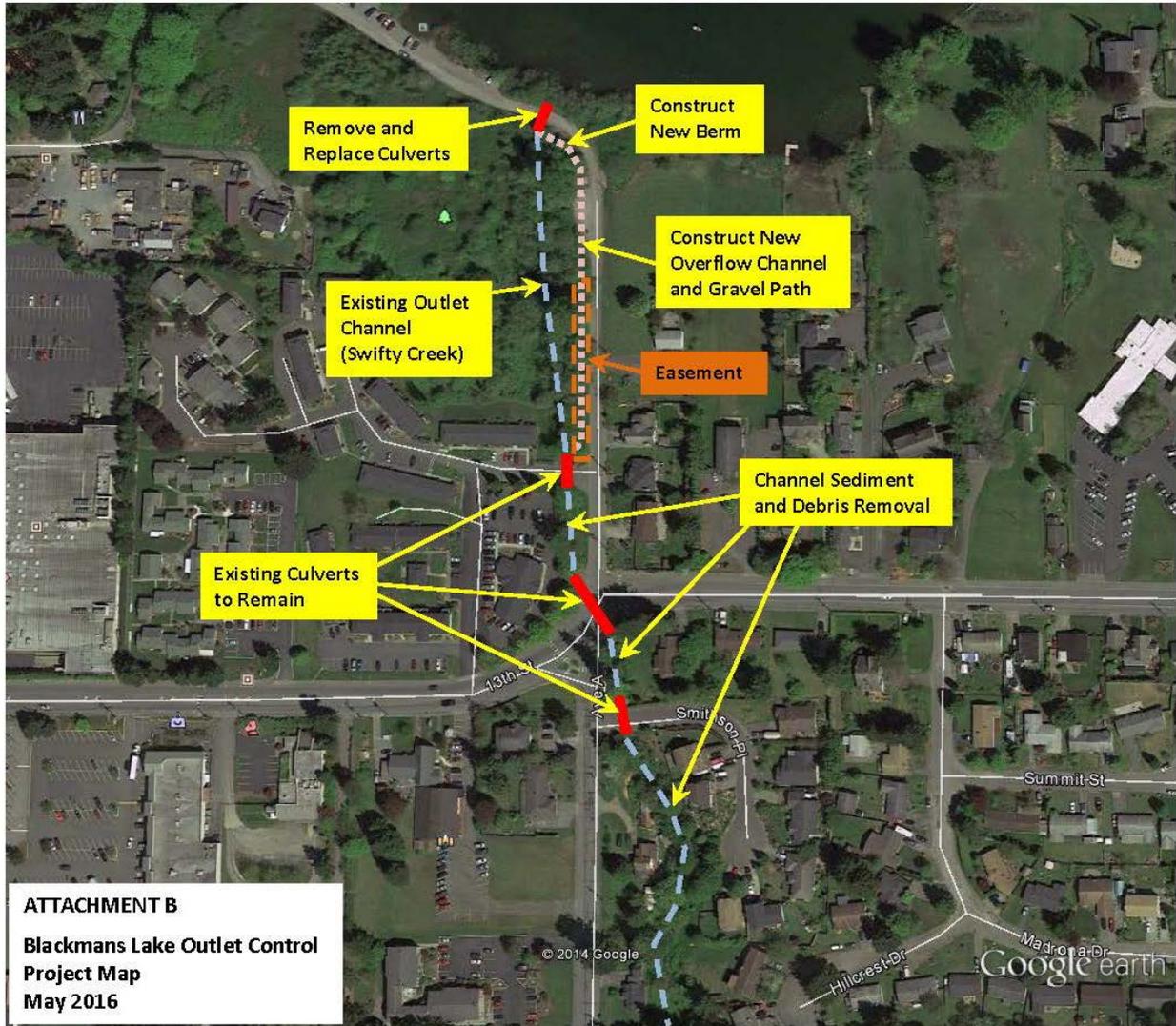
ATTACHMENTS:

- A. Bid Tabulation
- B. Project Map

ITEM NO.	ITEM	QTY	UNIT	Wetlands Creation, Inc.		10 Environmental & Infrastructure, Inc.		Dungness Construction Corporation		Accord Contractors LLC		Weber Construction, Inc.		Pro Pipe Corporation		Trimax Construction, Inc.			
				AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE	AMOUNT	PRICE
1	MODIFICATION AND DEMOLITION	1	L.S.	\$8,000.00	\$8,000.00	\$10,472.00	\$10,472.00	\$12,600.00	\$12,600.00	\$30,000.00	\$30,000.00	\$45,275.00	\$45,275.00	\$75,500.00	\$75,500.00	\$24,000.00	\$24,000.00		
2	CLEANING AND GRUBBING	1	L.S.	\$8,000.00	\$8,000.00	\$15,200.00	\$15,200.00	\$24,000.00	\$24,000.00	\$14,000.00	\$14,000.00	\$20,000.00	\$20,000.00	\$99,000.00	\$99,000.00	\$29,000.00	\$29,000.00		
3	REMOVAL OF STRUCTURES AND OBSTRUCTIONS	1	L.S.	\$5,000.00	\$5,000.00	\$8,324.00	\$8,324.00	\$6,900.00	\$6,900.00	\$10,000.00	\$10,000.00	\$8,500.00	\$8,500.00	\$8,300.00	\$8,300.00	\$11,000.00	\$11,000.00		
4	GRAVEL BORROW INCL. HAIL	57	TON	\$3,000.00	\$52.63	\$2,983.00	\$52.16	\$2,983.00	\$52.16	\$2,983.00	\$52.16	\$2,983.00	\$52.16	\$2,983.00	\$52.16	\$2,983.00	\$52.16	\$2,983.00	
5	DITCH EXCAVATION INCL. HAIL	1,210	CY	\$18.00	\$14.88	\$17,610.00	\$14.55	\$17,321.00	\$14.32	\$17,139.00	\$14.00	\$16,920.00	\$13.75	\$16,538.00	\$13.50	\$16,156.00	\$13.25	\$15,774.00	
6	QUARRY SPALLS	2	TN	\$50.00	\$100.00	\$484.00	\$242.00	\$60.00	\$30.00	\$50.00	\$25.00	\$50.00	\$25.00	\$50.00	\$25.00	\$50.00	\$25.00	\$50.00	
7	STREAMBED SEDIMENT	50	TN	\$30.00	\$1,500.00	\$70.00	\$3,500.00	\$11.00	\$550.00	\$5.00	\$250.00	\$5.00	\$250.00	\$5.00	\$250.00	\$5.00	\$250.00	\$5.00	\$250.00
8	STREAMBED COBBLES (4-INCH)	165	TN	\$30.00	\$4,950.00	\$58.00	\$8,730.00	\$7.00	\$1,050.00	\$7.00	\$1,050.00	\$7.00	\$1,050.00	\$7.00	\$1,050.00	\$7.00	\$1,050.00	\$7.00	\$1,050.00
9	CORRUGATED POLYETHYLENE CULV. PIPE 24 IN.	123	LN	\$68.00	\$8,364.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00	\$68.00	\$8,166.00
10	CRUSHED SURFACING TOP COURSE	220	TON	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00	\$25.00	\$5,500.00
11	PLAIN BITUMINOUS PAVEMENT	340	S.Y.	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00	\$210.00	\$71,400.00
12	HMA CL. 1/2 IN. PG 64-2	400	TON	\$105.00	\$42,000.00	\$107.00	\$42,800.00	\$109.00	\$43,600.00	\$110.00	\$44,000.00	\$111.00	\$44,400.00	\$112.00	\$44,800.00	\$113.00	\$45,200.00	\$114.00	\$45,600.00
13	SILT FENCE	20	L.F.	\$20.00	\$400.00	\$18.00	\$360.00	\$5.00	\$100.00	\$5.00	\$100.00	\$5.00	\$100.00	\$5.00	\$100.00	\$5.00	\$100.00	\$5.00	\$100.00
14	AREA SEED MIX	1	L.S.	\$5,000.00	\$5,000.00	\$4,255.00	\$4,255.00	\$4,400.00	\$4,400.00	\$3,000.00	\$3,000.00	\$5,100.00	\$5,100.00	\$1,082.00	\$1,082.00	\$1,800.00	\$1,800.00		
15	SEEDING AND MULCHING (WET AREA SEED MIX)	1	L.S.	\$5,000.00	\$5,000.00	\$4,756.00	\$4,756.00	\$4,900.00	\$4,900.00	\$3,000.00	\$3,000.00	\$5,200.00	\$5,200.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00		
16	TACKIFIER	1	L.S.	\$5,000.00	\$5,000.00	\$1,250.00	\$1,250.00	\$1,100.00	\$1,100.00	\$2,500.00	\$2,500.00	\$1,400.00	\$1,400.00	\$455.00	\$455.00	\$370.00	\$370.00		
17	FINE COMPOST	1	L.S.	\$2,000.00	\$2,000.00	\$10,179.00	\$10,179.00	\$5,800.00	\$5,800.00	\$2,000.00	\$2,000.00	\$4,000.00	\$4,000.00	\$7,350.00	\$7,350.00	\$8,500.00	\$8,500.00		
18	BIODEGRADABLE EROSION CONTROL BLANKET	3,000	S.Y.	\$1.50	\$4,500.00	\$1.87	\$5,610.00	\$1.80	\$5,400.00	\$1.80	\$5,400.00	\$1.80	\$5,400.00	\$1.80	\$5,400.00	\$1.80	\$5,400.00		
19	EROSION CONTROL MAT	2	EA	\$150.00	\$300.00	\$105.00	\$210.00	\$110.00	\$220.00	\$110.00	\$220.00	\$110.00	\$220.00	\$110.00	\$220.00	\$110.00	\$220.00		
20	INLET PROTECTION	1	EA	\$2.10	\$2.10	\$3.00	\$3.00	\$2.00	\$2.00	\$3.00	\$3.00	\$2.00	\$2.00	\$3.00	\$3.00	\$2.00	\$2.00		
21	WATTLE	1,767	L.F.	\$2.10	\$3,711.70	\$3.00	\$5,301.00	\$2.00	\$3,534.00	\$2.00	\$3,534.00	\$2.00	\$3,534.00	\$2.00	\$3,534.00	\$2.00	\$3,534.00		
22	PIPE PAPER BIRCH	23	EA	\$73.60	\$1,692.80	\$73.60	\$1,692.80	\$73.60	\$1,692.80	\$73.60	\$1,692.80	\$73.60	\$1,692.80	\$73.60	\$1,692.80	\$73.60	\$1,692.80		
23	PIPE WESTERN CHAMPAE	40	EA	\$3.20	\$128.00	\$80.00	\$2,560.00	\$5.30	\$2,120.00	\$5.30	\$2,120.00	\$5.30	\$2,120.00	\$5.30	\$2,120.00	\$5.30	\$2,120.00		
24	PIPE WESTERN CEDAR	37	EA	\$3.20	\$118.40	\$82.00	\$2,616.00	\$5.30	\$1,961.00	\$5.30	\$1,961.00	\$5.30	\$1,961.00	\$5.30	\$1,961.00	\$5.30	\$1,961.00		
25	PIPE SCALERS WILLOW LIVE STAKE	647	EA	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80		
26	PIPE SCALERS WILLOW LIVE STAKE	647	EA	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80	\$1.40	\$905.80		
27	PIPE SITA WILLOW LIVE STAKE	652	EA	\$1.40	\$912.80	\$1.40	\$912.80	\$1.40	\$912.80	\$1.40	\$912.80	\$1.40	\$912.80	\$1.40	\$912.80	\$1.40	\$912.80		
28	PIPE SITA WILLOW LIVE STAKE	139	EA	\$3.20	\$444.80	\$4.40	\$609.20	\$9.00	\$1,242.00	\$9.00	\$1,242.00	\$9.00	\$1,242.00	\$9.00	\$1,242.00	\$9.00	\$1,242.00		
29	PIPE SALMONBERRY	95	EA	\$3.20	\$304.00	\$9.00	\$855.00	\$5.30	\$508.50	\$5.30	\$508.50	\$5.30	\$508.50	\$5.30	\$508.50	\$5.30	\$508.50		
30	PIPE BLACK TIMBER	147	EA	\$3.20	\$470.40	\$9.00	\$1,323.00	\$5.30	\$779.10	\$5.30	\$779.10	\$5.30	\$779.10	\$5.30	\$779.10	\$5.30	\$779.10		
31	PIPE SITA WILLOW LIVE STAKE	32	EA	\$3.20	\$102.40	\$9.00	\$288.00	\$5.30	\$1,713.60	\$5.30	\$1,713.60	\$5.30	\$1,713.60	\$5.30	\$1,713.60	\$5.30	\$1,713.60		
32	PIPE SITA WILLOW LIVE STAKE	90	EA	\$3.20	\$288.00	\$9.00	\$810.00	\$5.30	\$477.00	\$5.30	\$477.00	\$5.30	\$477.00	\$5.30	\$477.00	\$5.30	\$477.00		
33	PIPE HARDHACK	30	EA	\$112.00	\$3,360.00	\$80.00	\$2,400.00	\$80.00	\$2,400.00	\$80.00	\$2,400.00	\$80.00	\$2,400.00	\$80.00	\$2,400.00	\$80.00	\$2,400.00		
34	PIPE PACIFIC NINEBARK	5	EA	\$16.00	\$80.00	\$9.00	\$45.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00		
35	PIPE NODDIA ROSE	5	EA	\$3.20	\$16.00	\$9.00	\$45.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00	\$15.00	\$75.00		
36	PIPE HODGERS WILLOW LIVE STAKE	100	EA	\$1.40	\$140.00	\$5.25	\$725.00	\$3.40	\$476.00	\$3.40	\$476.00	\$3.40	\$476.00	\$3.40	\$476.00	\$3.40	\$476.00		
37	PIPE SITA WILLOW LIVE STAKE	17	EA	\$3.20	\$54.40	\$9.00	\$153.00	\$5.30	\$90.10	\$5.30	\$90.10	\$5.30	\$90.10	\$5.30	\$90.10	\$5.30	\$90.10		
38	PIPE SMOOTH FERN CONTAINER	57	EA	\$1.00	\$57.00	\$1.00	\$57.00	\$1.00	\$57.00	\$1.00	\$57.00	\$1.00	\$57.00	\$1.00	\$57.00	\$1.00	\$57.00		
39	CEMENT CONC. TRAFFIC CURB AND GUTTER	81	L.F.	\$50.00	\$4,050.00	\$43.00	\$2,141.00	\$43.00	\$2,141.00	\$43.00	\$2,141.00	\$43.00	\$2,141.00	\$43.00	\$2,141.00	\$43.00	\$2,141.00		
40	CEMENT CONC. FEEDSTRAIN CURB	15	L.F.	\$50.00	\$750.00	\$81.00	\$4,065.00	\$14.00	\$210.00	\$14.00	\$210.00	\$14.00	\$210.00	\$14.00	\$210.00	\$14.00	\$210.00		
41	BEAM GUARDRAIL TYPE 31	100	L.F.	\$100.00	\$10,000.00	\$106.00	\$10,600.00	\$109.00	\$10,900.00	\$109.00	\$10,900.00	\$109.00	\$10,900.00	\$109.00	\$10,900.00	\$109.00	\$10,900.00		
42	BEAM GUARDRAIL (TYPE 31) ANCHOR TYPE 10	4	EA	\$680.00	\$2,720.00	\$1,730.00	\$6,920.00	\$1,781.00	\$7,124.00	\$1,781.00	\$7,124.00	\$1,781.00	\$7,124.00	\$1,781.00	\$7,124.00	\$1,781.00	\$7,124.00		
43	PLASTIC STOP LINE	15	L.F.	\$50.00	\$750.00	\$187.00	\$9,450.00	\$2.65	\$39.75	\$2.65	\$39.75	\$2.65	\$39.75	\$2.65	\$39.75	\$2.65	\$39.75		
44	PERMANENT SIGNING	1	L.S.	\$11,700.00	\$11,700.00	\$6,420.00	\$6,420.00	\$7,800.00	\$7,800.00	\$2,000.00	\$2,000.00	\$15,000.00	\$15,000.00	\$8,400.16	\$8,400.16	\$29,000.00	\$29,000.00		
45	PROJECT TEMPORARY TRAFFIC CONTROL	1	L.S.	\$11,700.00	\$11,700.00	\$6,420.00	\$6,420.00	\$7,800.00	\$7,800.00	\$2,000.00	\$2,000.00	\$15,000.00	\$15,000.00	\$8,400.16	\$8,400.16	\$29,000.00	\$29,000.00		
46	STRUCTURE EXCAVATION CLASS B INCL. HAIL	360	CY	\$25.00	\$9,000.00	\$35.00	\$12,600.00	\$25.00	\$9,000.00	\$25.00	\$9,000.00	\$25.00	\$9,000.00	\$25.00	\$9,000.00	\$25.00	\$9,000.00		
47	STRUCTURE EXCAVATION CLASS B INCL. HAIL	760	S.Y.	\$38.00	\$28,720.00	\$40.00	\$30,800.00	\$40.00	\$30,800.00	\$40.00	\$30,800.00	\$40.00	\$30,800.00	\$40.00	\$30,800.00	\$40.00	\$30,800.00		
48	CEMENT CONC. SIDEWALK	76	S.Y.	\$152.00	\$11,552.00	\$98.50	\$7,483.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00		
49	CEMENT CONC. SIDEWALK	76	S.Y.	\$152.00	\$11,552.00	\$98.50	\$7,483.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00	\$114.00	\$8,658.00		
50	ROCK FOR ROCK WALL	13	TON	\$90.00	\$1,170.00	\$291.00	\$2,618.10	\$375.00	\$4,875.00	\$1,000.00	\$10,000.00	\$1,000.00	\$10,000.00	\$1,000.00	\$10,000.00	\$1,000.00	\$10,000.00		
51	CONSTRUCTION GEOTEXTILE FOR SEPARATION	625	S.Y.	\$18.00	\$11,250.00	\$18.85	\$11,821.25	\$2.00	\$1,250.00	\$2.00	\$1,250.00	\$2.00	\$1,250.00	\$2.00	\$1,250.00	\$2.00	\$1,250.00		
52	CONSTRUCTION GEOTEXTILE FOR SEPARATION	200	L.F.	\$10.00	\$2,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00	\$5.00	\$1,000.00		
53	SLUIT RAIL FENCE	200	L.F.	\$11.10	\$2,220.00	\$16.67	\$3,334.00	\$18.00	\$3,600.00	\$18.00	\$3,600.00	\$18.00	\$3,600.00	\$18.00	\$3,600.00	\$18.00	\$3,600.00		
54	NONWOV WEED AND INVASIVE SPECIES REMOVAL	1	L.S.	\$2,000.00	\$2,000.00	\$6,232.00	\$6,232.00	\$9,250.00	\$9,250.00	\$10,000.00	\$10,000.00	\$4,500.00	\$4,500.00	\$7,000.00	\$7,000.00	\$4,300.00	\$4,300.00		
55																			

ACTION ITEM 6b

ATTACHMENT B



ACTION ITEM 6c

Date: July 5, 2016
To: City Council
From: Jennifer Olson, Finance Director
Subject: **2016 Financial Report as of March 31, 2016**

The purpose of this agenda item is for the Council's review and acceptance of the first quarter 2016 Financial Report as of March 31, 2016 (See Attachment).

BACKGROUND: The 2016 Budget was adopted by the City Council on November 17, 2015 in Ordinance 2293. On a quarterly basis, staff presents a financial report to inform the Council of actual versus budgeted revenues, expenditures and fund balances.

ANALYSIS:

General Fund revenues (except property tax revenues received mainly in May and November), received to date are mostly on track with the overall quarterly target. Sales tax revenue, which is the largest portion of General Fund revenue sources, is exceeding the quarterly revenue expected for this time in the budget year; this continues to be positive news for the General Fund. While we are seeing stable sales tax revenues exceeding previous year sources, staff is always cautious about our sales tax revenue source as the economy maintains. The CPI for March 2016 increased +0.1% on a seasonally adjusted basis. The last twelve months saw an increase of 0.9% before seasonal adjustments.

Utility tax receipts are on track with targeted levels and gambling taxes continue to exceed quarterly targets. License and permit revenues are within target primarily due to the construction season starting early this year. Plan check and other developmental fees follow building permit revenues and are on track for the year.

Intergovernmental or shared revenues which include criminal justice and liquor profits are essentially on target for 2016. Other revenues include miscellaneous sources from penalties, fines, facility rentals, interest income, sales of fixed assets, and a variety of other sources which are often hard to predict during the budget setting process.

Transfers into the General Fund for 2016 include \$50,000 from the REET Fund (117) for continued off-setting of park maintenance costs. Transfers from one fund to another are completed on a quarterly basis with the first quarter entries completed on schedule.

For the 2016 first quarter ending March 31, 2016, General Fund revenue sources received are 23.5% of the adopted 2016 Budget.

General Fund expenditures as of the 2016 first quarter are on target. With the exception of Human Resources, where the annual WCIA and property insurance premiums are paid in full in

ACTION ITEM 6c

January of each year and City Council legal fees due to a significant increase in public records requests. All other General Fund divisions are performing as expected in the first quarter of the budget year. First quarter cost allocation charges have been imposed and staff is monitoring the cost allocation charges to minimize year-end true-up costs that skew the overall budget to actual performance.

Overall for 2016, General Fund expenditures are essentially on budget target at 24.5% of the Adopted 2016 Budget.

The General Fund balance is \$1,463,849 as of March 31, 2016. This fund balance reserve level is 16% of 2016 expenditures and within the reserve target as per the newly adopted Financial Management Policy. The General Fund ending balance, while designated as unassigned, is used to provide cash flow to pay expenditures when due while the City waits to receive property taxes and shared revenues. The unassigned fund balance is also a security against unforeseen changes in needs, i.e. natural disasters, economic downturns or loss of shared revenues.

Street Fund is a special revenue operating fund that collects motor vehicle fuel tax revenues and receives a transfer-in from the General Fund. Revenue sources are on track with the first quarter 2016 budget target. Street maintenance expenditures are below the first quarter target as maintenance & operations work will typically occur in the later quarters of the year.

The Street Fund balance is \$163,531 as of March 31, 2016 or 16% of budgeted expenditures and is assigned to future daily operational costs.

Utility Enterprise Fund revenue sources are on track at the first quarter 2016 with rate billings at budgeted revenue targets in all three utilities. Capital and Connection charges typically follow building and development revenue activities as this revenue source is a combined charge on the building permit. Utility expenditures are below first quarter typical targets primarily due to debt service obligations not due until June and December of each year.

Fund balances for the Utility Enterprise Fund as of March 31, 2016 total over \$12.1 million dollars. Utility Fund reserves are a combination of unassigned, assigned, committed and restricted funds for daily operations, operating reserves, debt service obligations, and capital projects.

Internal Service Funds are utilized for Fleet & Facilities and Information Services activities. These internal service funds are funded with cost allocation charges from other funds. Updated fleet and technology equipment plans were prepared and used to determine cost allocation fees for these internal service funds.

Fund balance for the Fleet & Facilities Fund is \$654,363 and Information Services is \$259,241. These funds are set aside for future maintenance and technology equipment replacement plans.

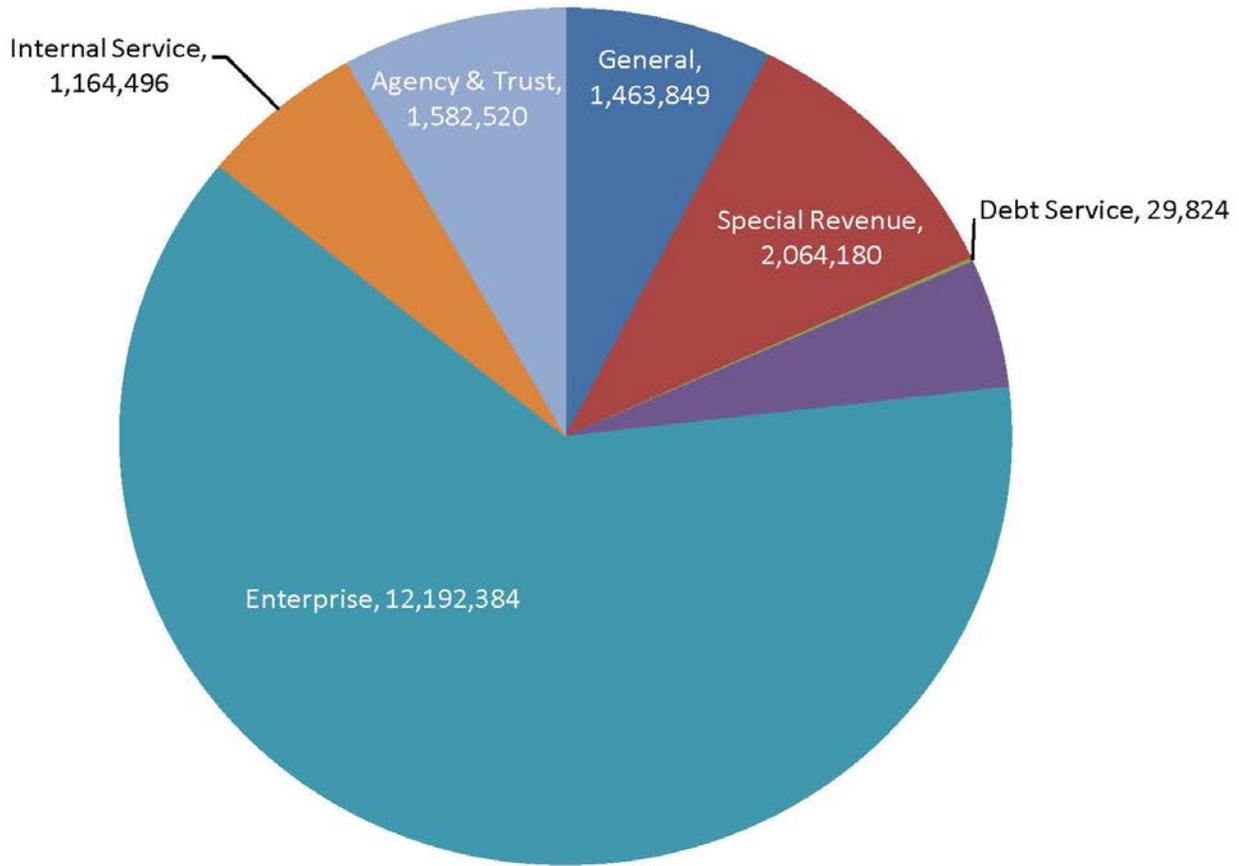
Non-Operating Funds budget vs. actual revenues and expenditures as of March 31, 2016 are listed in summary for each special revenue, debt, capital project, other internal service and

ACTION ITEM 6c

trust/agency funds. Fund balances for these types of funds are typically assigned, committed or restricted as the fund is established for a designated purpose.

Fund Balance Review

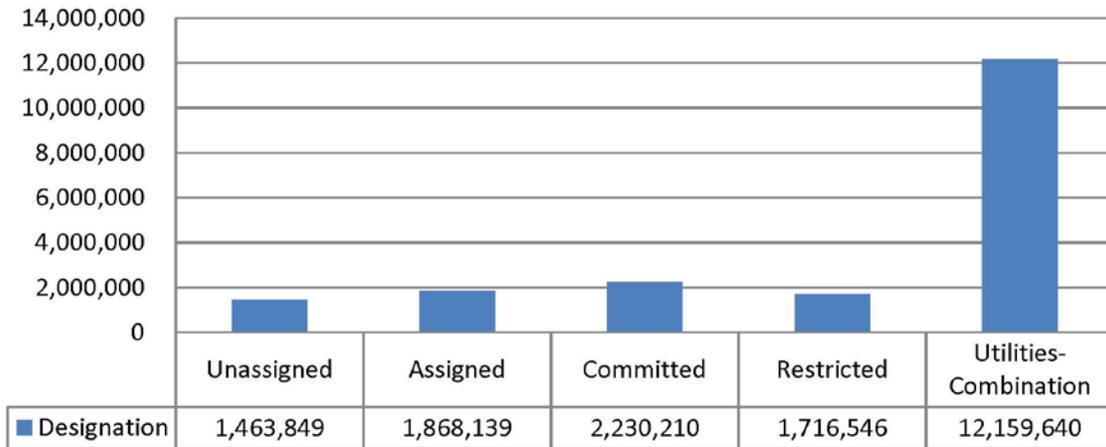
All fund balances as of March 31, 2016 total \$19,438,384. Utility Enterprise Fund reserves of \$12,159,640 make up the largest portion of the overall City of Snohomish fund balance amount. Below is a summary of fund balance by fund type. Because of the cash basis method of reporting, a reminder that fund balance is cash and cash equivalent balances divided among all funds.



Fund balances are designated according to GASB Statement 54, a fund Balance reporting and governmental fund type definition guideline on how a City may reserve funds. The following chart summarizes all fund reserves designations.

ACTION ITEM 6c

Fund Balance Designations - All Funds



STRATEGIC PLAN REFERENCE: Not applicable

RECOMMENDATION: That the City Council **REVIEW** and **ACCEPT** the 2016 Financial Report as of March 31, 2016.

ATTACHMENT: Financial Report as of March 31, 2016

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
General Fund
As of March 31, 2016**

Description	2016 Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Property Tax	1,178,300	22,717	1.9%	1,155,583
Sales Tax	3,597,000	984,733	27.4%	2,862,267
Utility & Other Tax	1,574,000	439,355	27.9%	1,134,645
License & Permits	234,000	69,309	29.6%	221,337
Intergovernmental/Shared Revenue	186,250	37,490	20.1%	148,760
Cost Allocation Services	1,420,017	355,004	25.0%	1,065,013
Fines & Fees	319,849	99,483	31.1%	287,270
Miscellaneous	52,550	5,871	11.2%	32,679
Transfer-In	50,000	12,500	25.0%	37,500
Total Revenues	8,611,966	2,026,462	23.5%	6,945,054
EXPENDITURES				
City Council	132,356	59,165	44.7%	93,191
City Manager	226,832	66,579	29.4%	178,253
City Clerk	243,079	74,324	30.6%	167,922
Human Resources	379,543	245,375	64.7%	55,129
Economic Development	176,835	37,174	21.0%	139,661
Finance	601,263	139,038	23.1%	467,425
Law Enforcement	3,794,295	738,753	19.5%	3,057,533
Building Inspections	148,524	37,130	25.0%	111,394
Planning & Permitting	409,768	92,958	22.7%	356,810
Parks	719,851	151,769	21.1%	568,082
Engineering	983,701	261,132	26.5%	741,181
Non-Departmental	201,503	59,249	29.4%	142,254
Transfers Out (Street Maintenance)	720,000	180,000	25.0%	540,000
Transfers Out (Debt Service)	62,483	15,621	25.0%	46,862
Total Expenditures	8,800,033	2,158,266	24.5%	6,665,698
Budgeted Increase (Decrease) in Fund Balance	(188,067)			
YTD Increase (Decrease) in Fund Balance		(131,804)		
2016 Beginning Fund Balance	1,595,653			
Less Budgeted Increase (Decrease)	(188,067)			
2016 Budgeted Ending Fund Balance	1,407,586			
	YTD 2016 Ending Fund Balance	1,463,849		
Fund Balance Designation Breakdown	Unassigned	1,463,849		
	Assigned	0.00		
	Committed	0.00		
	Restricted	0.00		

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Street Maintenance Fund**

As of March 31, 2016

Description	2016 Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Motor Vehicle Fuel Tax	211,300	48,296	22.9%	163,004
Miscellaneous	4,075	3,586	88.0%	489
Transfer-In (from General Fund)	720,000	180,000	25.0%	540,000
Transfer-in (from REET Fund)	100,000	25,000	25.0%	75,000
Total Revenues	1,035,375	256,882	24.8%	778,493
EXPENDITURES				
Street Maintenance	659,870	139,509	21.1%	520,361
Traffic & Pedestrian Safety	308,282	46,325	15.0%	261,957
Streets Administration	51,139	12,927	25.3%	38,212
Total Expenditures	1,019,291	198,761	19.5%	820,530
<i>Budgeted Increase (Decrease) in Fund Balance</i>	16,084			
<i>YTD Increase (Decrease) in Fund Balance</i>		58,121		
<i>2016 Beginning Fund Balance</i>	105,410			
<i>Less Budgeted Increase (Decrease)</i>	16,084			
<i>2016 Budgeted Ending Fund Balance</i>	121,494			
YTD 2016 Ending Fund Balance		163,531		
Fund Balance Designation Breakdown	Unassigned	0.00		
	Assigned	163,531		
	Committed	0.00		
	Restricted	0.00		

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Water Fund**

As of March 31, 2016

Description	Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Water Billings	2,510,894	613,463	24.4%	1,897,431
Permits & Inspection	57,500	15,033	26.1%	42,467
Interest & Penalties	57,000	16,113	28.3%	40,887
Miscellaneous	7,500	1,410	18.8%	6,090
Connection Fees - Water	73,193	20,715	28.3%	52,478
Capital Facility Fees - Water	159,053	45,015	28.3%	114,038
Total Revenues	2,865,140	711,749	24.8%	2,153,391
EXPENDITURES				
Water Administration	64,210	12,096	18.8%	52,114
Water Distribution	1,751,130	420,402	24.0%	1,330,728
Capital Equipment	40,000	-	0.0%	40,000
Capital Projects	275,000	-	0.0%	275,000
Water Treatment	363,069	96,728	26.6%	266,341
Transfer-Out (to Street Capital)	325,000	81,250	25.0%	243,750
Total Expenditures	2,818,409	610,476	21.7%	2,207,933
Budgeted Increase (Decrease) in Fund Balance	46,731			
YTD Increase (Decrease) in Fund Balance		101,273		
2016 Beginning Fund Balance	2,394,882			
Less Budgeted Increase (Decrease)	46,731			
2016 Budgeted Ending Fund Balance	2,441,613			
YTD 2016 Ending Fund Balance		2,496,155		
Fund Balance Designation Breakdown	Unassigned	694,602	<i>Operating Reserve</i>	
	Committed	1,801,553	<i>Capital Reserve</i>	
	Restricted	0	<i>Debt Reserve</i>	

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Sewer Fund
As of March 31, 2016**

Description	2016 Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Sewer Billings	4,400,000	1,137,637	25.9%	3,262,363
Permits & Inspections	7,500	2,000	26.7%	5,500
Special Development Fee	339,808	99,456	29.3%	240,352
Interest Earnings	10,500	3,914	37.3%	6,586
Connection Fees	336,020	88,760	26.4%	247,260
Capital Facility Charge	157,675	41,650	26.4%	116,025
Total Revenues	5,251,503	1,373,417	26.2%	3,878,086
EXPENDITURES				
Sub-Total Sewer Admin	54,098	11,453	21.2%	35,645
Sub-Total Sewer Collection	934,387	204,764	21.9%	729,624
Sub-Total Sewer Treatment	908,782	196,048	21.6%	712,786
Capital Equipment	25,000	25,587	102.3%	(587)
Capital Projects	550,000	24,678	4.5%	525,322
Debt Service Payments	1,028,515	-	1.07	1,553,250
Transfer Out (to Stormwater)	275,000	68,750	25.0%	206,250
Transfer Out (to Streets Capital)	510,000	127,500	25.0%	382,500
Total Expenditures	4,285,782	658,779	15.4%	4,144,790
Budgeted Increase (Decrease) in Fund Balance	965,721			
<i>YTD Increase (Decrease) in Fund Balance</i>		<i>714,637</i>		
<i>2016 Beginning Fund Balance</i>	<i>6,687,076</i>			
<i>Less Budgeted Increase (Decrease)</i>	<i>965,721</i>			
<i>2016 Budgeted Ending Fund Balance</i>	<i>7,652,797</i>			
	YTD 2016 Ending Fund Balance	7,401,714		
Fund Balance Designation Breakdown	Unassigned	875,196	<i>Operating Reserve</i>	
	Committed	5,287,424	<i>Capital Reserve</i>	
	Restricted	1,239,094	<i>Debt Reserve</i>	

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Storm Water Fund**

As of March 31, 2016

Description	2016 Adopted Budget	Expend/Collect	% of Budget	Remaining Balance
REVENUES				
Grant - DOE	25,000	-	0.0%	25,000
Storm Billings	1,285,000	345,338	26.9%	939,662
Interest Earnings	1,600	806	50.4%	794
Transfer In (TBD)	250,000	-	0.0%	250,000
Transfer In (Sewer)	275,000	68,750	25.0%	206,250
Total Revenues	1,836,600	414,895	22.6%	1,421,705
EXPENDITURES				
Stormwater Administration	103,548	17,491	16.9%	86,057
Storm Water Maintenance	680,478	156,164	22.9%	524,314
Transfer-Out (to Street Capital)	75,000	-	0.0%	75,000
Capital Projects	1,179,597	13,886	1.2%	1,165,711
Total Expenditures	2,038,623	187,541	9.2%	1,776,082
Budgeted Increase (Decrease) in Fund Balance	(202,023)			
<i>YTD Increase (Decrease) in Fund Balance</i>		<i>227,354</i>		
2016 Beginning Fund Balance	2,034,417			
Less Budgeted Increase (Decrease)	(202,023)			
2016 Budgeted Ending Fund Balance	1,832,394			
YTD 2016 Ending Fund Balance		2,261,771		
Fund Balance Designation Breakdown	Unassigned	214,757	<i>Operating Reserve</i>	
	Committed	2,047,014	<i>Capital Reserve</i>	
	Restricted	0.00	<i>Debt Reserve</i>	

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Fleet & Facility Fund**

As of March 31, 2016

Description	2016 Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Total Cost Allocation Charges	861,124	213,839	24.8%	641,118
EXPENDITURES				
Fleet & Facility Maintenance	857,003	185,200	21.6%	671,803
Transfer- Out (310)	40,000	10,000	25.0%	30,000
Total Expenditures	897,003	195,200	21.8%	701,803
Budgeted Increase (Decrease) in Fund Balance	(35,879)			
YTD Increase (Decrease) in Fund Balance		18,639		
2016 Beginning Fund Balance	635,724			
Less Budgeted Increase (Decrease)	(35,879)			
2016 Budgeted Ending Fund Balance	599,845			
YTD 2016 Ending Fund Balance		654,363		
Fund Balance Designation Breakdown	Unassigned	-		
	Assigned	-		
	Committed	654,363		
	Restricted	-		

ACTION ITEM 6c

**City of Snohomish
Budget Vs. Actual - Revenues & Expenditures
Information Services Fund**

As of March 31, 2016

Description	2016 Adopted Budget	Collected or Spent	% of Budget	Remaining Balance
REVENUES				
Grant - Indirect Fed-Homeland Security	-	7,755	0.0%	(7,755)
Cost Allocation Charges	493,185	131,085	26.6%	369,855
Total Revenues	493,185	138,839	28.2%	362,100
EXPENDITURES				
Information Services	471,533	94,956	20.1%	376,577
Software	76,000	24,293	32.0%	51,707
Capital Outlay: Equipment	48,000	-	0.0%	48,000
Total Expenditures	595,533	119,249	0	476,284
Budgeted Increase (Decrease) in Fund Balance	(102,348)			
YTD Increase (Decrease) in Fund Balance		11,836		
2016 Beginning Fund Balance	247,405			
Less Budgeted Increase (Decrease)	(102,348)			
2016 Budgeted Ending Fund Balance	145,057			
YTD 2016 Ending Fund Balance		259,241		
Fund Balance Designation Breakdown	Unassigned	-		
	Assigned	-		
	Committed	259,241		
	Restricted	-		

City of Snohomish
 Budget vs. Actual - Revenues & Expenditures
 NON-OPERATING FUNDS SUMMARY
 As of March 31, 2016

	NON-OPERATING FUNDS	Revenues			Expenditures			Year-to-Date Fund Balance
		Budget	Actual	% Received	Budget	Actual	% Spent	
104	PARK IMPACT FEE	109,730	29,149	27%	-	-	0%	279,368
107	VISITOR PROMOTION	7,010	2,250	32%	11,120	1,300	12%	12,016
108	PBIA	24,035	7,922	33%	40,000	-	0%	42,717
113	POLICE SEIZURE	-	7,375	0%	90,000	-	0%	141,309
117	REAL ESTATE EXCISE TAX	420,500	139,149	33%	325,000	81,250	25%	1,000,241
125	TRAFFIC IMPACT FEE	37,899	12,869	34%	-	-	-	424,999
205	DEBT SERVICE	63,033	15,820	25%	62,983	80,658	128%	29,824
310	MUNICIPAL CAPITAL PROJECTS	305,085	53,750	18%	330,000	16,951	5%	160,640
311	STREET CAPITAL PROJECTS	2,009,185	209,056	10%	2,206,328	51,357	2%	780,492
403	SOLID WASTE	2,005,100	509,118	25%	2,036,644	494,715	24%	32,744
503	SELF INSURANCE	5,000	1	0%	5,000	13,086	262%	(8,495)
505	EQUIPMENT REPLACEMENT	136,249	34,105	25%	162,000	-	0%	259,387
602	MILLER LIBRARY TRUST	-	-	-	-	-	-	5,767
604	CARNEGIE RESTORATION	18,325	5,882	32%	17,600	9,205	52%	31,340
130	TRANSPORTATION BENEFIT DISTRICT	780,520	223,016	29%	530,390	-	0%	1,545,414

ACTION ITEM 6c

**City of Snohomish
Fund Balances - Cash & Cash Equivalents
As of March 31, 2016**

Fund	Fund Name	Beginning Balance	Ending Balance	Fund Balance Designation
001	General	1,595,653	1,463,849	Unassigned
102	Streets	105,410	163,531	Assigned
104	Park Impact Fee	250,219	279,368	Assigned
107	Visitor Promotion	11,066	12,016	Committed
108	PBIA	34,795	42,717	Committed
113	Police Seizure	133,934	141,309	Restricted
117	Real Estate Excise Tax	942,341	1,000,241	Assigned
125	Traffic Impact Fee	412,131	424,999	Assigned
205	Debt Service	14,004	29,824	Restricted
310	Municipal Capital Projects	123,840	160,640	Committed
311	Street Capital Projects	622,792	780,492	Committed
401	Water Utility	2,394,882	2,496,155	Combination
402	Wastewater Utility	6,687,076	7,401,714	Combination
403	Solid Waste	18,341	32,744	Committed
404	Stormwater Utility	2,034,417	2,261,771	Combination
501	Fleet & Facilities	635,724	654,363	Committed
502	Information Services	247,405	259,241	Committed
503	Self-insurance	4,590	-8,495	Committed
505	Equipment Replacement	225,281	259,387	Committed
602	Miller Library Trust	5,763	5,767	Committed
604	Carnegie Restoration	34,662	31,340	Committed
130	Transportation Bene District	1,322,398	1,545,414	Restricted
Total All Funds - Fund Balance		17,856,724	19,438,384	

Cash & Cash Equivalent Portfolio	
Petty Cash	570
Cash Accounts	7,132,470 37%
LGIP	10,814,919 56%
Investment Accounts	1,490,425 8%
Total Portfolio	19,438,384

ACTION ITEM 6c

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
Gerry Budbill					
	58945	06222016	6/17/16	DJ for June 22 Event	\$250.00
				Check Total	\$250.00
				Batch Total	\$250.00
AACRA Testing					
	58946	6573	6/29/16	Backflow Assembly Tests	\$524.10
	58946	6573	6/29/16	Backflow Assembly Tests	\$275.00
	58946	6573	6/29/16	Backflow Assembly Tests	\$605.00
	58946	6573	6/29/16	Backflow Assembly Tests	\$385.00
				Check Total	\$1,789.10
Automatic Funds Transfer Services, Inc					
	58947	88456	6/29/16	Storm Printing for April/May Billing	\$90.52
	58947	88456	6/29/16	Garbage Printing for April/May Billing	\$90.52
	58947	88456	6/29/16	Sewer Printing for April/May Billing	\$90.53
	58947	88456	6/29/16	Water Printing for April/May Billing	\$90.53
	58947	88456	6/29/16	Storm Postage for April/May Billing	\$144.80
	58947	88456	6/29/16	Garbage Postage for April/May Billing	\$144.80
	58947	88456	6/29/16	Sewer Postage for April/May Billing	\$144.80
	58947	88456	6/29/16	Water Postage for April/May Billing	\$144.81
	58947	88456	6/29/16	Wastewater Rate Reduction Insert	\$223.38
				Check Total	\$1,164.69
A.I.R. Emissions					
	58948	160604	6/29/16	fleet emissions test	\$800.00
				Check Total	\$800.00
Alternative Environmental Technologies					
	58949	3138	6/29/16	damage assessment mold & asbestos survey	\$971.78
	58949	3138.2	6/29/16	damage assessment mold & asbestos survey	\$153.00
				Check Total	\$1,124.78
AT&T Mobility					
	58950	413073-6/16	6/29/16	WTP Modem Scada Remote Connections	\$42.51
				Check Total	\$42.51
Washington Tractor					
	58951	1043035	6/29/16	Engine Oil	\$39.93
				Check Total	\$39.93
Benchmark Document Solutions					
	58952	10696	6/29/16	City Hall Fax Machine	\$21.25
				Check Total	\$21.25
Bickford Motors					
	58953	1097065	6/29/16	filters EP57	\$17.92
				Check Total	\$17.92
Builders Exchange of Washington					
	58954	1050782	6/29/16	Blackmans Lake Outlet Bid Ad	\$52.05
	58954	1050782	6/29/16	Reservoir No 2 PRV Ad	\$45.00
				Check Total	\$97.05
Central Welding Supply Inc.					
	58955	EV225275	6/29/16	conex supplies	\$31.49
				Check Total	\$31.49
Chip Miller					
	58956	06102016	6/29/16	WWCPA Conference	\$72.00
				Check Total	\$72.00
City Of Everett Utilities					
	58957	01741006252016	6/29/16	6203 107th Ave SE	\$1,152.11

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
	58957	01673906252016	6/29/16	99th St SE/5 Line	\$1,018.90
	58957	01954606252016	6/29/16	3300 Blk Bickford Ave	\$2,980.67
	58957	01015706252016	6/29/16	6600 109th Ave SE	\$35,522.97
	58957	01016406252016	6/29/16	6400 118th Dr SE	\$495.45
				Check Total	\$41,170.10
Consolidated Electrical Dist.					
	58958	2340-643184	6/29/16	Ludwig House Improvements	\$1,131.00
				Check Total	\$1,131.00
Elite Lock And Safe					
	58959	33856	6/29/16	padlock	\$10.64
	58959	33856	6/29/16	padlock	\$27.68
	58959	33856	6/29/16	keys cut	\$15.30
				Check Total	\$53.62
Evergreen District Court					
	58960	May 2016	6/29/16	Case filing fees May 2016	\$1,407.10
	58960	May 2016	6/29/16	Interpreter	\$54.20
				Check Total	\$1,461.30
Ferguson Enterprises Inc #1539					
	58961	0511460	6/29/16	marking paint	\$68.75
	58961	0511460	6/29/16	marking paint	\$136.81
	58961	0511460	6/29/16	marking paint	\$77.61
				Check Total	\$283.17
Frontier					
	58962	118075-6/16	6/29/16	Telemetry Auto Dialer	\$72.95
	58962	406075-6/16	6/29/16	City Manager Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Human Resources Share City Hall	\$10.03
	58962	406075-6/16	6/29/16	Clerk Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Building Inspection Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Economic Development Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Planning Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Finance Share City Hall Fax	\$10.04
	58962	406075-6/16	6/29/16	IS Share City Hall Fax	\$10.03
	58962	406075-6/16	6/29/16	Engineering Share City Hall Fax	\$10.03
				Check Total	\$163.23
GCR Tires & Service					
	58963	801-31692	6/29/16	flat repair	\$26.93
				Check Total	\$26.93
Granite Construction Supply					
	58964	262_00063813	6/29/16	signs for boat launch	\$222.77
				Check Total	\$222.77
H.B. Jaeger					
	58965	173793/1	6/2/16	manhole extension	\$34.00
	58965	173794/1	6/29/16	poly service line	\$273.84
				Check Total	\$307.84
H. D. Fowler Company					
	58966	I4230262	6/29/16	misc meter boxes	\$2,357.92
	58966	I4230265	6/29/16	sample station	\$538.31
	58966	I4234113	6/29/16	chlorine for disinfection	\$106.59
	58966	I4236499	6/29/16	Orchard Project	\$310.89
	58966	I4236468	6/29/16	Orchard Project	\$2,442.10
	58966	C388931	6/29/16	credit for misc brass	\$-256.52
				Check Total	\$5,499.29

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
Home Depot – Parks					
	58967	0183319	6/29/16	posts	\$95.09
	58967	7141849	6/29/16	stud	\$7.33
	58967	4011962	6/29/16	conex supplies	\$21.86
				Check Total	\$124.28
Home Depot - Streets					
	58968	4141803	6/29/16	lumber for containers	\$43.18
	58968	1074581	6/29/16	container work	\$15.80
	58968	9011201	6/29/16	conex supplies	\$48.88
	58968	2020620	6/29/16	tool holder for container	\$44.12
				Check Total	\$151.98
Home Depot - Storm					
	58969	7011517	6/29/16	conduit install polymer	\$75.85
	58969	6013123	6/29/16	6v battery	\$45.73
	58969	0012543	6/29/16	paint supplies	\$25.65
	58969	0012582	6/29/16	paint supplies	\$28.89
	58969	1012386	6/29/16	mortar	\$77.33
				Check Total	\$253.45
Home Depot Waste Water Treatment					
	58970	4013425	6/29/16	nozzle	\$9.79
	58970	4011983	6/29/16	saw blades	\$13.06
	58970	2012240	6/29/16	brushes	\$11.96
	58970	6013077	6/29/16	blades, tape	\$36.53
	58970	4011914	6/29/16	pressure washer nozzle	\$39.24
				Check Total	\$110.58
IER Environmental Services, Inc					
	58971	2016-4633	6/29/16	magnesium hydroxide	\$9,469.01
				Check Total	\$9,469.01
Integra Telecom					
	58972	13936534	6/29/16	City Hall Phones	\$2,032.76
	58972	13943069	6/29/16	water reservoir	\$62.08
				Check Total	\$2,094.84
Journal of Commerce					
	58973	3314270	6/29/16	Blackmans Lake Outlet Bid Ad	\$600.60
				Check Total	\$600.60
Koi Simpson					
	58974	06102016	6/29/16	WWCPA Conference	\$72.00
				Check Total	\$72.00
McDaniel Do It Center - Parks					
	58975	474195	6/29/16	concrete mix	\$29.36
	58975	474167	6/29/16	concrete mix	\$6.52
	58975	473816	6/29/16	City Hall Mailbox	\$36.93
	58975	474416	6/29/16	window fan, cleaner	\$58.34
	58975	474268	6/29/16	boat launch supplies	\$27.86
	58975	474201	6/29/16	concrete mix	\$13.05
	58975	473882	6/29/16	cable, screw, fasteners	\$23.62
				Check Total	\$195.68
McDaniel Do It Center - Storm					
	58976	474395	6/29/16	tap & handle tool	\$13.51
				Check Total	\$13.51
McDaniel Do It Center-SS					
	58977	473739	6/29/16	batteries	\$18.54
	58977	473735	6/29/16	fasteners EP162	\$2.71
	58977	473494	6/29/16	socket bit	\$6.54

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

<i>Name</i>	<i>Check #</i>	<i>Invoice #</i>	<i>Check Date</i>	<i>Description</i>	<i>Amount</i>
				Check Total	\$27.79
McDaniel Do It Center- Streets					
	58978	474443	6/29/16	replacement drill	\$167.99
	58978	474189	6/29/16	wire for welder	\$38.17
	58978	474081	6/29/16	concrete for sign posts	\$26.15
	58978	474414	6/29/16	bolts	\$9.50
	58978	474418	6/29/16	bolts	\$5.65
	58978	474261	6/29/16	hole saw replacement	\$43.59
	58978	473512	6/29/16	bucket pins	\$5.91
	58978	474005	6/29/16	caulking & paint	\$13.06
	58978	474080	6/29/16	driver bit for screw gun	\$8.13
				Check Total	\$318.15
McDaniel Do It Center - Water					
	58979	474472	6/29/16	Orchard Project	\$105.77
	58979	474394	6/29/16	Orchard Project	\$33.89
				Check Total	\$139.66
McDaniel's Do It Center Wastewater					
	58980	474580	6/29/16	Weed Eater Line/Head	\$52.35
				Check Total	\$52.35
National Notary Association					
	58981	2016	6/29/16	Notary E&O Insurance - Hoole	\$15.00
				Check Total	\$15.00
North Sound Hose & Fitting Inc					
	58982	74178	6/29/16	vactor dump hose	\$41.28
	58982	74280	6/29/16	barbs for hose	\$1,441.18
				Check Total	\$1,482.46
Northwest Cascade Inc					
	58983	0550043041	6/29/16	Reservoir Bathroom	\$91.50
	58983	0550043042	6/29/16	Carnegie Outhouse	\$130.96
				Check Total	\$222.46
Oregon Association of Clean Water Agencies					
	58984	7403	6/29/16	Pretreatment program training	\$250.00
				Check Total	\$250.00
Pac-Van Inc					
	58985	2575121	6/29/16	4 new & used containers - shop project	\$9,164.40
				Check Total	\$9,164.40
Platt Electric Supply					
	58986	J594677	6/29/16	conex supplies	\$255.45
	58986	J485935	6/29/16	Mode/Control indicator	\$231.14
	58986	J611851	6/29/16	conex supplies	\$105.14
				Check Total	\$591.73
Puget Sound Energy					
	58987	6202406072016	6/29/16	50 Lincoln Ave	\$80.27
	58987	9467806072016	6/29/16	116 Union Ave	\$73.54
	58987	2836406072016	6/29/16	1610 Park Ave	\$38.68
	58987	2857006072016	6/29/16	701 18th St	\$37.60
	58987	2924806072016	6/29/16	2100 Baird Ave	\$93.42
	58987	9703206072016	6/29/16	2000 Weaver Rd	\$12.16
	58987	9758906072016	6/29/16	50 Maple Ave	\$80.27
	58987	2878606072016	6/29/16	112 Union Ave	\$46.89
				Check Total	\$462.83
Ricoh USA, Inc					
	58988	5042718277	6/29/16	Public Works Copier	\$16.55
				Check Total	\$16.55

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
Snohomish County Finance Department/Solid Waste					
	58989	68478	6/29/16	vactor grit	\$416.00
				Check Total	\$416.00
Snohomish County Pud #1					
	58990	107822055	6/29/16	#1000125224, 101 Cedar, Carnegie	\$527.36
	58990	107819721	6/29/16	#1000467578, 1301 1st, Visitor Info Cntr	\$47.09
	58990	107821551	6/29/16	#1000515696, 1627 Terrace, N Zone Tank	\$17.98
	58990	107819789	6/29/16	#1000524038, 1801 1st, Pole Bldg Tower	\$43.92
	58990	114445312	6/29/16	#1000498870, 210 Ave D, Traffic Light	\$38.53
	58990	117764698	6/29/16	#1000381307, 2014 Terrace, Inter-tie	\$16.29
	58990	121083141	6/29/16	#1000141396, 2015 2nd, N Meter	\$12,442.18
	58990	114447757	6/29/16	#1000417350, 1930 Stone Ridge, L/S	\$28.75
	58990	114449004	6/29/16	#1000141397, 2015 2nd, S Meter	\$3,518.05
	58990	104480595	6/29/16	116 Union Ave, First Street Lighting	\$63.00
	58990	124394109	6/29/16	#1000580435, 400 2nd, Street Lighting	\$29.04
	58990	121077805	6/29/16	#1000301981, 201 Maple, Traffic Light	\$42.17
	58990	131011909	6/29/16	#1000125182, 230 Maple, Police Station	\$607.46
	58990	134302392	6/29/16	#1000137618, 1801 1st, City Shop	\$289.37
	58990	111129123	6/29/16	#1000539338, 1801 1st, Shop Portable	\$44.35
	58990	111129123	6/29/16	#1000539338, 1801 1st, Shop Portable	\$44.34
	58990	140821491	6/29/16	124 Avenue B, Street Lighting	\$8.30
	58990	140821490	6/29/16	116 Avenue B, Street Lighting	\$8.30
	58990	140821478	6/29/16	#1000579410, 1115 1st, Street Lighting	\$19.82
	58990	166856618	6/29/16	#1000201937, 1103 Maple, House	\$26.15
	58990	166854102	6/29/16	#1000561224, 1301 1st, Traffic Signal	\$65.33
	58990	166853458	6/29/16	#1000539313, 1010 2nd, Street Lighting	\$50.47
	58990	166853124	6/29/16	#1000430944, 112 Union, Eng Bldg	\$89.44
	58990	150722438	6/29/16	#1000125814, 1819 1st, CSO L/S	\$345.35
	58990	153977980	6/29/16	#1000556519, 2181 Cady, L/S	\$27.55
	58990	153976910	6/29/16	#1000385041, 20 Ave A, Street Lighting	\$16.85
	58990	157161809	6/29/16	Various Locations, Street Lighting	\$3,850.11
	58990	140822077	6/29/16	#1000125557, 116 Union, City Hall	\$588.47
	58990	160375775	6/29/16	#1000528484, 2330 Baird, Clarkes Pond LS	\$11.23
	58990	157167878	6/29/16	121 Glen Ave, Street Lighting	\$8.30
	58990	144144247	6/29/16	#1000558695, 1029 1st, DT Restrooms	\$65.15
				Check Total	\$22,980.70
Snohomish County Sheriff's Office					
	58991	I000409602	6/29/16	Law Enforcement Services June 2016	\$10,854.11
	58991	I000409602	6/29/16	Law Enforcement Services June 2016	\$180,427.53
	58991	I000409602	6/29/16	Law Enforcement Services June 2016	\$33,807.61
				Check Total	\$225,089.25
Sherwin-Williams					
	58992	3789-1	6/29/16	paint supplies	\$49.23
	58992	3922-8	6/29/16	paint supplies	\$415.54
	58992	3838-6	6/29/16	paint buckets	\$43.50
	58992	3215-6	6/29/16	paint supplies	\$117.56
	58992	3193-5	6/29/16	paint mixer	\$25.30
	58992	3929-3	6/29/16	paint supplies	\$474.42
	58992	3209-9	6/29/16	paint supplies	\$27.24
				Check Total	\$1,152.79
Snohomish Auto Parts					
	58993	455746	6/29/16	oil dry	\$17.57
	58993	456332	6/29/16	socket set	\$55.80
	58993	456102	6/29/16	filter returns	\$-23.58

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
	58993	456328	6/29/16	sockets	\$9.74
	58993	455502	6/29/16	switch EP162	\$15.67
	58993	457577	6/29/16	oil EP57	\$55.25
	58993	455963	6/29/16	utility stand - Shop	\$108.01
	58993	456593	6/29/16	repair part	\$5.19
	58993	455736	6/29/16	fuse, filters EP1	\$24.85
				Check Total	\$268.50
Snohomish Conservation District					
	58994	2314	6/29/16	Rain Garden Aluminum Signs	\$655.80
				Check Total	\$655.80
Snohomish Co-Op					
	58995	J54541	6/29/16	unleaded fuel	\$92.99
	58995	264338	6/29/16	tube gate	\$209.45
	58995	264275	6/29/16	dyed fuel	\$51.27
	58995	264242	6/29/16	dyed fuel EP128	\$7.68
	58995	264353	6/29/16	diesel fuel	\$78.13
	58995	264330	6/29/16	dyed fuel	\$59.76
				Check Total	\$499.28
Sound Telecom					
	58996	000007-062-361	6/29/16	monthly answering service June 2016	\$124.05
				Check Total	\$124.05
Terminix					
	58997	355676668	6/29/16	plant site pest control	\$94.74
				Check Total	\$94.74
Sound Publishing					
	58998	EDH702786	6/29/16	Blackmans Lake Outlet Bid Ad	\$275.20
	58998	EDH705446	6/29/16	10-16-SEPA NOA&DNS	\$115.24
				Check Total	\$390.44
Usa Bluebook Inc					
	58999	968485	6/29/16	lab supplies	\$169.67
				Check Total	\$169.67
US Bank CPS					
	59000	J56993	6/29/16	Riverfront Property Fence Signs	\$26.12
	59000	92941	6/29/16	Snohomish County Parking	\$6.00
	59000	6225828	6/29/16	CCTV screws	\$16.37
	59000	6612240	6/29/16	CCTV screws	\$13.65
	59000	89301352	6/29/16	Roundabout Supplies	\$72.51
	59000	96780723	6/29/16	Uniform - Karen Allen	\$114.52
	59000	9066622	6/29/16	CCTV screws	\$19.95
	59000	385406	6/29/16	bearings EP5	\$180.28
	59000	122893	6/29/16	Food for Open Gov't Meeting	\$30.48
	59000	1354897	6/29/16	Movies in the Park	\$1,116.10
	59000	125905	6/29/16	Laura Clarke Notary Renewal Fees	\$166.19
				Check Total	\$1,762.17
Verizon Wireless					
	59001	9766798587	6/29/16	CSO Modem	\$21.08
	59001	9766583315	6/29/16	Parks Cellular	\$164.14
	59001	9766583315	6/29/16	Streets Cellular	\$135.30
	59001	9766583315	6/29/16	Fleet Cellular	\$96.70
	59001	9766583315	6/29/16	Econ Cellular	\$57.68
	59001	9766583315	6/29/16	Bldg Insp Cellular	\$57.68
	59001	9766583315	6/29/16	Police Cellular	\$57.68
	59001	9766583315	6/29/16	Engrg Cellular	\$270.73
	59001	9766583315	6/29/16	Water Distribution Cellular	\$230.92

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 2016 Meeting

Name	Check #	Invoice #	Check Date	Description	Amount
	59001	9766583315	6/29/16	WTP Cellular	\$234.62
	59001	9766583315	6/29/16	Collections Cellular	\$182.57
	59001	9766583315	6/29/16	Storm Cellular	\$117.20
	59001	9766583315	6/29/16	WWTP Cellular	\$173.04
	59001	9766583315	6/29/16	Utilities Manager Cellular	\$57.68
	59001	9766583315	6/29/16	City Mgr Cellular	\$93.67
	59001	9766583315	6/29/16	Finance Director Cellular	\$-242.32
	59001	9766583315	6/29/16	City Council Cellular	\$403.75
				Check Total	\$2,112.12
Voyager					
	59002	869344283623	6/29/16	Vehicle Fuel	\$2,557.15
				Check Total	\$2,557.15
Weed, Graafstra & Associates, Inc. P.S.					
	59003	186	6/29/16	Litigation	\$126.75
	59003	209	6/29/16	Legal Services	\$475.00
	59003	209	6/29/16	Legal Services	\$1,731.25
	59003	209	6/29/16	Legal Services	\$78.75
	59003	209	6/29/16	Legal Services	\$490.00
	59003	209	6/29/16	Legal Services	\$13,934.40
				Check Total	\$16,836.15
Washington State Department of Ecology					
	59004	317000078	6/29/16	Hazard Dues	\$49.00
				Check Total	\$49.00
Washington State Patrol					
	59005	I16008574	6/29/16	May 2016 Fingerprint Background Fees	\$132.75
				Check Total	\$132.75
				Batch Total	\$356,639.84
Washington State Department of Revenue					
	ACH	May 2016	6/7/16	Excise Tax	Check Total \$29,717.18
				Total All Batches	\$386,607.02

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

WE, the undersigned council members of the City of Snohomish, Washington, do hereby certify that the claim warrants #58945 through #59005 in the total of \$386,607.02 through June 29, 2016 are approved for payment on June 21, 2016.

Mayor

Councilmember

Councilmember

Councilmember

CONSENT ITEM 7a

Schedule of Checks for the Checks Issued Since the June 21, 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 7b

Date: July 5, 2016
To: City Council
From: Brooke Eidem, Associate Planner
Subject: **Final Plat Approval – Emory’s at Snohomish**

This agenda item provides for City Council approval of the final plat of the Emory’s at Snohomish subdivision. The proposed 7-lot plat is located at 510 Avenue J. State law reserves the authority to approve final plats for the City Council.

After acceptance by the City as a complete application on June 2, 2014, and a public hearing on February 20, 2015, the preliminary plat was approved under the name 510 Avenue J by the Hearing Examiner on March 2, 2015. Excerpts of the preliminary plat decision are provided as Attachment B to this staff report.

All improvements necessary to serve the 7 lots as well as other conditions of approval are now complete or bonded and the final plat is ready for City Council approval.

RCW 58.17.150 requires that each preliminary plat submitted for final approval of the legislative body shall be accompanied by the following agencies’ recommendations for approval or disapproval:

RCW 58.17.150(1) Local health department or other agency furnishing sewage disposal and supplying water as to the adequacy of the proposed means of sewage disposal and water supply;

The City of Snohomish Public Works Department will provide both the means of sewage disposal and water supply for this development. Public Works Department staff has attested to the Hearing Examiner the capability of providing such utilities; has reviewed and approved the design for the system improvements and extensions of facilities necessary to provide those services; and has inspected and approved the construction of those improvements.

RCW 58.17.150(2) Local planning agency or commission, charged with the responsibility of reviewing plats and subdivisions, as to compliance with all terms of the preliminary approval of the proposed plat subdivision or dedication;

The City of Snohomish Planning and Development Services Department is responsible for the process of reviewing plats and subdivisions and has attested to the Hearing Examiner the compliance of the plat with applicable City of Snohomish and Washington State codes and regulations pertaining to the development of plats and subdivisions. The City Planner has confirmed that the final plat complies with all terms of the preliminary plat approval.

CONSENT ITEM 7b

RCW 58.17.150(3) City, town, or county engineer:

The City Engineer has reviewed and approved the construction plans of the subdivision as being in conformance with the preliminary approval by the Hearing Examiner, and has confirmed that the construction work was completed in accordance with the preliminary approval by the Hearing Examiner.

RCW 58.17.195 requires that no plat or short plat may be approved unless the city, town, or county makes a formal written finding of fact that the proposed subdivision or proposed short subdivision is in conformity with any applicable zoning ordinance or other land use controls which may exist.

RCW 58.17.170 requires that when the legislative body of the city, town, or county finds that the subdivision proposed for final plat approval conforms to all terms of the preliminary plat approval, and that said subdivision meets the requirements of this chapter, other applicable state laws, and any local ordinances adopted under this chapter which were in effect at the time of preliminary plat approval, it shall suitably inscribe and execute its written approval on the face of the plat.

STRATEGIC PLAN REFERENCE: None specifically

RECOMMENDATIONS:

That the City Council FIND that the proposed Emory's at Snohomish subdivision is in conformity with RCW 58.17, other applicable state laws, and Title 14 SMC;

That the City Council FIND that the proposed Emory's at Snohomish subdivision will be in conformity with all terms of the preliminary plat approval, and that said subdivision meets the requirements of RCW 58.17, other applicable state laws, and any local ordinances adopted under this chapter which were in effect at the time of preliminary plat approval; and

That the City Council AUTHORIZE the Mayor to sign the Final Plat of Emory's at Snohomish

ATTACHMENTS:

- A. Reduced plat drawing of Emory's at Snohomish
- B. Hearing Examiner preliminary plat approval of 510 Avenue J (excerpt: title page and conditions of approval)

CONSENT ITEM 7b

ATTACHMENT B

**BEFORE THE HEARING EXAMINER
FOR THE CITY OF SNOHOMISH**



In the Matter of the Application of) No. 09-14-PP
)
Mike Mietzner, on behalf of) **510 Avenue J Preliminary Plat**
Mietzner Home Builders, LLC)
) FINDINGS, CONCLUSIONS,
For Approval of a Preliminary Plat) AND DECISION

SUMMARY OF DECISION

The request for a preliminary plat to subdivide 1.27 acres into seven single-family lots on the west side of Avenue J and north of 5th Street is **APPROVED**. Conditions are necessary to mitigate specific impacts of the proposed project.

SUMMARY OF RECORD

Hearing:

The Hearing Examiner held an open record hearing on the request on February 20, 2015.

Testimony:

The following individuals presented testimony under oath at the open record hearing:
Brooke Eidem, City Associate Planner
Brian Kalab, C.E., Applicant Representative
Elmer Johnson
Frank Atchison

Exhibits:

The following exhibits were admitted into the record:

1. Staff Report, dated February 11, 2015, with Attachment A - Relevant Goals and Policies City of Snohomish Comprehensive Plan
2. Preliminary Plat application, Land Use application, Plat Narrative, and property legal descriptions, received May 9, 2014
3. Subdivision Title Certificate issued by Chicago Title, effective date May 13, 2014
4. Affidavit of Adjacent Property Owners List, dated May 9, 2014
5. Preliminary Plat drawings
 - a. Preliminary Plat Map (Sheet P1 of 1), dated January 3, 2014
 - b. Preliminary Road, Drainage and Utility Plan (Sheet C1 of 5), dated January 2, 2014
 - c. Preliminary TESC & Grading Plan (Sheet C2 of 5), dated January 2, 2014
 - d. Preliminary Rain Garden Details (Sheet C3 of 5), dated January 2, 2014
 - e. Preliminary Landscape Plan (Sheet C4 of 5), dated January 2, 2014
 - f. Existing Features Map (Sheet C5 of 5), dated January 2, 2014
6. Preliminary Stormwater Site Plan, Insight Engineering Co., revised January 21, 2015

CONSENT ITEM 7b

DECISION

Based on the preceding Findings and Conclusions, the request for a preliminary plat to subdivide 1.27 acres into seven single-family lots on the west side of Avenue J and north of 5th Street, is **APPROVED**, subject to the following conditions:⁴

1. A licensed geotechnical engineer shall be present on site prior to and during construction of the proposed rain gardens to ensure that soil material and setbacks are in accordance with the provisions recommended by the Geotechnical Engineering Report by Liu & Associates, Inc., dated April 16, 2014, and supplemented by letters to the City dated July 14, 2014, and January 9, 2015. Documentation of compliance with the geotechnical recommendations shall be transmitted to the City.
2. Prior to acceptance of a final plat, a licensed geotechnical engineer shall perform an infiltration test in the location of each of the proposed rain gardens to verify recommended soils and infiltration rates comply with the recommendations of the Geotechnical Engineering Report and supplemental letters to the City prior to construction of each facility.
3. Stormwater overflow shall not be discharged in a concentrated flow at the site outfall, but shall provide a dispersed release. The location of the dispersion trench or equivalent shall not obstruct maintenance access to the existing sewer mains along the western property line of the site.
4. Prior to construction activities, the private water line within proposed Lot 4, which serves the property at 525/527 Avenue L (Parcel # 28051300105800) shall be replaced by the developer. A private utility easement for the private water line shall be declared on the face of the plat.
5. Prior to acceptance of construction activities, the developer shall install a sign at the western end of the hammerhead within Lot 5, stating “No Parking – Fire Lane”.
6. Prior to issuance of certificate of occupancy for the first home, the address for each lot shall also be posted at the site access.
7. Prior to final plat approval, a five-foot-wide paved shoulder shall be installed from the southeast corner of the site to the northwest intersection of Avenue J and 5th Street, tied into the new curb along the frontage of the development. The paved shoulder shall include a painted stripe for visual delineation from the travel lanes.
8. The final plat shall include a note stating, “This subdivision is located in the flight path of Harvey Field. Residents should expect daily noise and low flying aircraft as a result of its proximity to the airfield.”

⁴ This decision includes conditions designed to mitigate impacts from the proposed project as well as conditions required by the municipal code.

CONSENT ITEM 7b

9. City maintenance easements shall be declared on the face of the plat for each rain garden.
10. Prior to issuance of the first building permit and subject to City review and approval, covenants shall be recorded for each lot requiring shared maintenance of the private roadway, and instructions for maintaining and renewing rain gardens, along with a requirement for property owners to keep rain gardens in working order.
11. The face of the final plat shall include a condition that the owner of each lot containing a rain garden shall be responsible for its proper functioning.
12. The final plat shall include a note stating, "If the City is required to act as a result of failure by the lot owners to maintain the design capacity and infiltration of rain gardens, the City is authorized to perform or have performed the necessary remedial actions to return the rain gardens to design function. In the event the City expends funds or other resources to correct performance deficits in any rain garden, the City may bring suit to recover such costs, including attorneys' fees, and, upon obtaining a judgment, such amount shall become a lien against the property on which such costs were incurred."
13. A City maintenance easement shall be declared on the face of the plat for the water line.
14. At the property owner's request, prior to acceptance of the final plat, the developer shall install trees on the property located on the east side of Avenue J, directly across from the private roadway (511 Avenue J).
15. Remittance of all applicable fees including impact fees, administrative review fees, hearing examiner fees, etc.
16. The developer shall repair any damage to the adjacent private road/driveway to the north of the property line caused by tree removal or plat development.

DECIDED this 2nd day of March 2015.


THEODORE PAUL HUNTER
Hearing Examiner
Sound Law Center