

**Snohomish City Council Workshop Minutes
March 1, 2022**

1. **CALL TO ORDER:** Mayor Redmon called the Snohomish City Council Special Workshop to order at 5:00 p.m., Tuesday, March 1, 2022.

COUNCILMEMBERS/MAYOR PRESENT

Lea Anne Burke (*arr. 5:10 p.m.*)
David Flynn
Karen Guzak
Judith Kuleta
Tom Merrill
Felix Neals
Donna Ray
Linda Redmon, Mayor

STAFF PRESENT

Emily Guildner, City Attorney
Scott James, Finance Director
Yosh Monzaki, City Engineer
Rob Palmer, Police Chief
Rebekah Park, HR Manager
Glen Pickus, Planning Director
Wendy Poischbeg, Economic Development
and Communications Director
Brandi Whitson, City Clerk

NOTE: Due to the COVID-19 declared federal, state and local emergency, and pursuant to Governor Inslee's Proclamations 20-05 and 20-28, the Snohomish City Council held its meeting via remote participation.

2. **DISCUSSION ITEMS:**

- a. 2023-2024 Budget - Introductory Workshop

- i. Welcome - Mayor Linda Redmon and Council President Tom Merrill.

Mayor Redmon and Council President Merrill welcomed attendees and provided a brief description of the budget workshop.

- ii. Budget Basics and Fund Accounting - Scott James, Finance Director

Mr. James provided an overview of the budget, focusing on budget basics as why the City has a budget. He described fund accounting and the various funds the City uses and what funds in each could be used for. He explained each fund required a separate budget and must be balanced.

- iii. A Brief Look Forward - Scott James, Finance Director

Mr. James provided a short description of intentions going forward:

- Maintaining what we have (fleet, IT equipment, facilities).
- Developing asset management/replacement plans.
- Pre-funded vs. "pay as you go" purchases.
- Establishing a policy for equipment replacement. For example, of the 90 pieces currently in the City's fleet, 52 are over ten years old.

He recommended hiring a consultant to conduct a facility condition assessment study (FCA) to help provide information for the City to use as it develops plans and policies.

Council discussed:

- Frequency of FCAs would depend on initial findings and suggestions.
- Conducting an FCA prior to developing asset management plans.
- Funding asset replacement through General Fund or an internal service fund.
- Diversifying revenues to be not so reliant upon sales tax (approximately 52% of General Fund revenues currently come from sales tax).
- Some revenue options/expense reductions considered:
 - solid waste administrative fee
 - stormwater utility tax
 - cable utility tax
 - levy the 1% property tax/banked capacity
 - renegotiating current service contracts

Council requested additional information on the City's revenue per capita and how that compares to other cities, depreciation schedules and information they contained, current maintenance vs purchase expenditures, typical percentages and limitations of utility taxes, and examples of successful assessments done by other cities. Mr. James responded with some information, and would research others. He explained 6% was a common utility tax, and that many cities received substantial revenue through property taxes.

3. **RECESS:** The workshop recessed at 6:02 p.m. to convene the regular meeting.

4. **RE-CONVENE:** The workshop reconvened at 7:29 p.m., after a five minute break.

5. **DISCUSSION ITEMS continued:**

iv. Staffing Needs - Rebekah Park, Human Resources and Risk Manager

Ms. Park provided an overview of impacts City staffing needs could have on the upcoming budget:

- Cost of living and inflation increases.
- Collective bargaining negotiations--longevity pay, salary market survey.
- Retaining/supporting staff--benefits, retirements, software/technology upgrades, partnerships with other organizations, internships.

She outlined proposed new staff positions and filling certain vacancies. Council discussed the proposals, and generally concurred organizational charts would help them understand past and potential staffing levels. It was mentioned that Council could make decisions based on budgetary impacts, if any, throughout the process; proposals did not need to be acted on until more information was provided.

Council suggested considering to fill the Public Works Director now, and generally concurred that staff continue researching other positions as proposed. Mayor Redmon remarked on her intention to conduct an organization assessment to ensure the community was provided with adequate services.

v. Proposed Capital Projects - Yosh Monzaki, City Engineer

Mr. Monzaki outline the proposed projects:

- Averill Field's playground expansion.

- Cady Park Connector Trail to connect Pilchuck Julia Landing to Cady Park along the riverfront.
- Pilchuck Park access road relocation, if not completed this year.
- Pilchuck River bank stabilization.
- Parks and facility security cameras to deter vandalism.
- City Public Works shop facility on First Street. Mr. Monzaki provided background and detail on the need to relocate the shop building away from the shoreline. He explained constructing a new building on the existing site would be the most cost effective solution. Constructing a new site could include significant funds for property acquisition, utility improvement, construction, utility connection, frontage improvements and cost of moving. He mentioned the current PROS Plan identified the shop site as a riverfront community park; however, the purchase and development of Pilchuck Julia Landing fulfilled the City's goal of having another riverfront park.
- Pedestrian improvement--upcoming workshop in May.
- Electric vehicles.

Council discussed:

- Including recreation opportunities with the redevelopment of the City Shop site.
- Prioritizing the Homestead Park property; fulfilling need for parks in other areas.
- Additional funding sources and options for Averill Field.
- Potential flooding and insurance implications of the current City Shop site, and whether relocating to a different site was a better option, even if more costly.

Councilmembers were generally curious to know possible site alternatives for the City Shop and associated costs of development.

b. 2023-2024 Goal Setting Process - Council President Tom Merrill

Council President Merrill briefly shared the process used for setting the 2021-2022 goals, which included workshops and extensive discussions to develop the goals ultimately adopted. Council discussed using the same process, but concurred review and updates throughout the year would be helpful. Additionally, they would appreciate reviewing accomplishments and status of the 2021-2022 goals, before selecting new ones.

c. Elected Leaders Salary and Benefit Review - Council President Tom Merrill

Council President Merrill remarked that with the strong mayor form of government in place for over four years, now might be an appropriate time to review if the scope and salary were appropriately set. Council discussed:

- Consideration of at least a cost of living increase.
- Impact of the strong mayor system, overall, over the last four years.
- Role of a mayor in consideration of also employing a City Administrator and filling the Public Works Director position.
- Potentially increased expenses with multiple executive-level positions.

At 8:57 p.m., **MOTION** by Merrill, second by Ray, to extend the meeting. Motion passed unanimously (7-0). **MOTION AMENDED** by Burke, second by Guzak, to extend the meeting to 9:15 p.m. Amended motion passed unanimously (7-0).

d. Next Steps - Mayor Linda Redmon

Mayor Redmon remarked tonight was just the beginning of discussions on the 2022-2023 budget. She and staff would take comments made to further develop the proposed budget.

6. **ADJOURN.** There being no objection, the workshop adjourned at 9:03 p.m.

APPROVED this 15th day of March 2022.

CITY OF SNOHOMISH

ATTEST:

Linda Redmon, Mayor

Brandi Whitson, City Clerk