

**Snohomish City Council Minutes  
August 15, 2023**

1. **CALL TO ORDER:** Mayor Redmon called the Snohomish City Council Meeting to order at 6:00 p.m., Tuesday, August 15, 2023. The meeting was held in hybrid format with in-person attendance at the Snohomish Carnegie, 105 Cedar Avenue, Snohomish, and remote online access via Zoom.

- a. Roll Call

**Present:** Councilmembers Lea Anne Burke, David Flynn, Karen Guzak, Judith Kuleta, Tom Merrill, Felix Neals and Donna Ray; Mayor Linda Redmon

The City's new Code Enforcement Officer, Cedric Atkins, was introduced to Council.

- b. Pledge of Allegiance

2. **PUBLIC COMMENT**

**Morgan Davis** felt the City was spending too much money on the Averill Field playground. **Tom Hamilton**, former Mayor of Snohomish, was visiting the area.

**Bonnie Headley** commented on the City's plastic bag ban, and promoting Arbor Day in October.

**Terri Lippincott** complimented the Council's support of and participation in National Night Out and the Snohomish Art Walk.

**Greg Backbush** and **Fred Curtis** commented on safety concerns along the City's trails and in neighborhoods.

Police Chief Mike Martin acknowledged concerns about the Interurban Trail and spoke of the Police Department's efforts to mitigate the situation.

3. **APPROVE AGENDA** contents and order

**MOTION** by Merrill, second by Neals to approve the agenda as presented. Motion passed unanimously (7-0).

4. **CONSENT ITEMS**

- a. APPROVE National Guard Armory Facility Street Vacation - ADOPT Ordinance 2468

- b. AMEND SMC Title 2 Regarding Boards and Commissions - ADOPT Ordinance 2469

- c. ACCEPT Emerson Street Roadway and Utility Improvement Project Closeout

- d. AUTHORIZE Mayor to Execute Special Event Contract for the 2023 Snohomish Block Party

- e. ACCEPT Donation from and AUTHORIZE Mayor to Execute Memorandum of Understanding with Snohomish Kiwanis for Averill Field Playground Equipment

- f. APPROVE minutes of the July 18, 2023 regular meeting.

- g. AUTHORIZE payment of claim warrants #79158 through #79285 in the amount of \$749,549.41, issued since the last regular meeting; and payroll in the amount of \$440,213.16, issued July 20 through August 5, 2023.

**MOTION** by Guzak, second by Flynn to PASS the Consent Items. Motion passed unanimously (7-0).

## 5. ACTION ITEMS

- a. AUTHORIZE Mayor to Execute Agreement with Terraphase Engineering Inc. for Geotechnical Services on First Street

City Engineer Yosh Monzaki briefed Council on last November's windstorm, which damaged the trees along First Street. The affected areas have since been regraded and repaved, with planter pots set to be delivered in the fall. Damage at Avenue B was more complicated, where tree roots have pushed up both curb and gutter. To assess the proper method of repair, staff determined that a geotechnical survey was needed to better understand subsurface conditions. Of additional concern were basements of the adjacent building either extending into the sidewalk or located directly beneath it, as well as a leaning light pole. Staff considered remediating the area by increasing curb height and decreasing the sidewalk slope.

Council asked questions, to which staff responded:

- The work from this project may be complementary or redundant to that done for the First Street Master Plan, with future adjustments possible.
- Geotechnical work could take about three weeks to complete; potentially impacted businesses have been contacted.
- Responsibility for structural repair would depend on the situation, but would likely be the property owner's responsibility.
- Funding for the geotechnical services would come out of the First Street Master Plan/ARPA funds.

Public Comment:

**Morgan Davis** encouraged Council to focus on safety, and build up the City's reserves. **Roger Ite** commented on sidewalk conditions along other areas of Avenue B.

Public Comment Closed.

**MOTION** by Ray, second by Kuleta to AUTHORIZE the Mayor to Execute an agreement with Terraphase Engineering Inc. for geotechnical services on First Street. Motion passed unanimously (7-0).

- b. ACCEPT Bid Award and AUTHORIZE Mayor to Execute Contract for the Averill Field Improvement Project

Project Manager Brennan Collins discussed the bids received in response to the Averill Field Park Phase 1 Improvement Project. Bids ranged from \$915,000 to \$1.5 million. The base bid, which would pay for just the first of three improvement phases, was \$500,000 over budget. For this reason, staff recommended proceeding with the base bid only, addressing Phases 2 and 3 at a later date. City Administrator Heather Thomas

added that with the bids over engineer's estimate and budget allocations, funds would need to be shifted from other areas, particularly stormwater.

Staff addressed Council questions:

- The City had the money to pay for the playground and site equipment--including lighting and fencing--but it needed to make up the difference before moving forward.
- Pickleball courts were larger than half basketball courts, which increased costs for more concrete and site lighting.
- Groups volunteering assistance unfortunately could not help with funding.

City Administrator Thomas further explained changes to the budget and outlined proposed funding options. For instance, the Pilchuck Park Road Replacement project was under budget, so leftover funds could be shifted in order to use more REET dollars for this project. She cautioned that costs to complete the remaining project phases could increase in the future. Other budget-related items were considered, such as scaling back items like signage and lighting, as well as having City Parks staff perform irrigation work and plantings, if their workload allowed. However, the overall cost savings were minimal.

Administrator Thomas stated that the playground equipment had already been purchased with Kiwanis' funds, so the City was obligated to some extent to complete at least the first phase of the project. Caution was expressed about other parks in the City that needed improvements.

Public Comment:

**Morgan Davis** suggested putting the project on hold.

Public Comment Closed.

Council generally agreed the City should not give up on the project, waiting too long would increase costs, and accepting the base bid should include a caveat for prioritizing budget allocations to other under-represented parks.

**MOTION** by Guzak, second by Kuleta to ACCEPT Bid Award and AUTHORIZE Mayor to Execute Contract for the Averill Field Improvement Project. Motion passed unanimously (7-0).

At 7:27 p.m., Mayor Redmon called for a five-minute **RECESS**, reconvening at 7:32 p.m.

## 6. DISCUSSION ITEMS

### a. 2023 Q1 and Q2 Financial Update

Finance Director Alisha Hendren presented the year-to-date General Fund revenues and the 2<sup>nd</sup> Quarter Financial Report. She expected the City would finish 2024 with \$1.2 million in more total revenue. Utility funds were on track with the budget, with balance decrease expected due to upcoming construction projects.

Council discussed and asked questions, to which staff responded:

- Some line items for local revenue decreased because more people shop online and/or spend less in general.

- Best practice was to have 20-25% of the fund balance equal expenditures. The City's fund balance of around 50% was considered more than stable.
- The City did not have funding for 'rainy day' needs but this is a policy discussion that staff would like to have with Council in the future. For unexpected projects, the City currently defers or reallocates funds to cover those costs.
- An increase in law enforcement expenditures was anticipated in 2024.
- Changes to housing sales were not expected to significantly impact the City's 2024 budget; however, finding other means of capital was recommended.

b. ARPA Quarterly Update & Account A Recommendations

Director Hendren recapped the ARPA accounts established by Ordinance 2452, with updates provided by staff.

Economic Development & Outreach Coordinator Brady Begin detailed Account A for retail training designed to help small businesses recover from the pandemic. He sought Council guidance on how to structure the remaining funds, with two options presented: direct grant funding, or reimbursement-based grant funding. Though reimbursement-based funding allowed more oversight of how funds were spent, it delayed the spending process, adding stress to both businesses and City staff. Staff recommended direct grant funding for its efficiency.

Some points discussed by Council and staff:

- ARPA funds must be allocated by 2024 and spent by 2026.
- Businesses were interested in the ARPA program, but currently had no understanding of how the funding worked.
- The pandemic was still influencing local business practices. Operation costs remained high and some pre-pandemic services could no longer be provided.
- A survey was considered to determine the needs of businesses, but staff preferred to keep the survey cost for recovery acts.
- Grant size would be distributed to businesses according to demonstrated, reasonable need.

A discussion of how to apply the funds appropriately ensued. Community Engagement and Strategic Initiatives Director Shari Ireton explained that staff used their experience with household grants to inform their decisions. The more funding asked for, the more documentation required. With direct funding, the responsibility was placed on the recipient, which moved shifted some oversight from the City to the U.S. Treasury. Council agreed they did not want to burden City staff with the added work that overseeing a reimbursement program would entail.

Staff shared practices utilized by other agencies, and outreach was discussed. Council encouraged staff to look beyond the Chamber of Commerce and the Historic Downtown Snohomish Association (HDSA).

After much deliberation, Council agreed that a direct funding program would be best.

Community Navigator Velvet Franz presented the spending history of Account B, indicating all but \$4,320.58 of the household grant money had been distributed. Staff proposed using the balance for smaller household needs, such as car repairs.

Director Ireton presented Account C, explaining that Community Navigator Franz has worked with several agencies to help mitigate post-pandemic living circumstances. School district behavior specialists were also funded by this account. Administrator Thomas discussed with the School District future funding opportunities after ARPA funds were exhausted.

Administrator Thomas present updates from Accounts D and E, funds from which were used to repair damage to the First Street restrooms, update security systems at critical facilities, conduct a public safety and EPA lead survey, purchase speed monitoring equipment for the Police Department, and purchase reader boards for road closures, emergencies or flooding events. Account F funds were used for City infrastructure projects and the University of Washington's Livable Cities Program.

c. 2023 Q2 Business License & Sales Tax Update

Outreach Coordinator Begin presented an update on business licensing trends in the City and taxable retail sales, which provided a snapshot of industries that made up the City's tax base. Motor vehicles and parts, building materials, garden equipment and supplies, sporting goods, hobbies, musical instruments and books were the largest share of taxable retail sales.

At 8:48 p.m., **MOTION** by Neals, second by Merrill, to extend the meeting to 9:30 p.m. Motion passed unanimously (7-0).

Director Ireton clarified that the data presented from these reports would not be used for outreach efforts, but were to address Council's questions regarding City revenues. Information could also be used to attract businesses or make zoning decisions. Council advised they would like to see a baseline established and trend analysis, but an annual report was sufficient.

Staff planned to continue working with business expansion and retention efforts, including developing resources for businesses and site selection tools.

d. Carnegie Facility Use Update

Community Service Program Specialist Ann Ray reviewed the changes made to the Snohomish Carnegie since January 2023. Use of the Carnegie was now more civic focused, and has hosted several community and cultural events. Special events have been shifted to the Carnegie, alleviating some issues experienced in the downtown historic district. To date, total revenue generated by the Carnegie was around \$18,000, with an annual estimated operational cost of \$37,500.

After experimenting with multiple rental options, it was determined that only the upper floor of the Carnegie building was considered profitable, with the downstairs being reserved for City business. Director Ireton explained that since the building was no longer considered a revenue-generating facility, current projection had the City breaking even.

Concerns were raised regarding parking signs frequently appearing in the Carnegie's parking lot. Staff explained the City was required by law to provide notice when the space was used for private events.

## 7. **OTHER BUSINESS/INFORMATION ITEMS**

In response to public comments, Councilmember Burke requested additional information on the City's plastic bag ban.

## 8. **COUNCILMEMBER COMMENTS/LIAISON REPORTS**

Councilmember Kuleta congratulated those responsible for the youth art show at the Carnegie.

Councilmember Neals mentioned Snohomish County's BIPOC Chamber of Commerce and hoped the City fostered connections with them, was excited about the native businesses project at the University of Washington, voiced concerns regarding deck permitting along First Street, and thanked Chief Martin for his service.

Councilmember Flynn expressed support for additional pickleball courts, commended the CESI team's work and the Snohomish art community's partnership with HDSA to support local artists; and complimented Councilmember Kuleta on her contribution to the youth art show at the Carnegie.

Councilmember Burke would be happy to work with Councilmember Neals on native business resources.

Councilmember Guzak complimented the work that went into both the art showcase and National Night Out.

9. **COUNCIL PRESIDENT'S ITEMS/REPORTS** – Council President Merrill mentioned meeting with Rep. Susan DelBene during her visit, shared compliments from Rainier Street residents on the improvements being done there, and would like to revisit the topic of Carnegie building uses.

10. **STAFF BRIEFINGS** – None.

11. **CITY ADMINISTRATOR'S COMMENTS** - Administrator Thomas shared the following:
- The Pilchuck Park project was on track and expected to be reopened at the end of August.
  - The First Street restroom have been repaired and reopened.
  - Contaminated soils were potentially discovered on Avenue D. Staff were waiting on lab results and will work with Department of Ecology if cleanup is needed.
  - The City recently implemented use of TextMyGov.

12. **MAYOR'S COMMENTS** - Mayor Redmon reported the following:
- Representative Suzan DelBene toured Snohomish's infrastructure projects.
  - Continued connections with the National Guard, who will temporarily move out of the Armory during site construction.
  - She and Administrator Thomas met with Patty Gobin of the Tulalip Hibulb Cultural Center to discuss signage at Pilchuck Julia Landing.
  - Furthering relationships with the Snoqualmie Tribal Council, after meeting with member Josh Gable at their canoe landing earlier this month.
  - Chief Martin was being promoted to Captain and reassigned within the Snohomish County's Sheriff's Office, necessitating the appointment of new Police Chief, Lt. Nathan Alanis, to be confirmed by Council at its September 5 meeting.

13. **ADJOURN.** There being no objection, the meeting adjourned at 9:29 p.m.

APPROVED this 5th day of September, 2023.

CITY OF SNOHOMISH

ATTEST:

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Linda Redmon, Mayor

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Brandi Whitson, City Clerk