

**Snohomish City Council Minutes
November 1, 2022**

1. **CALL TO ORDER:** Mayor Redmon called the Snohomish City Council Meeting to order at 6:04 p.m., Tuesday, November 1, 2022. 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.

COUNCILMEMBERS/MAYOR PRESENT

Lea Anne Burke
David Flynn
Karen Guzak
Judith Kuleta
Tom Merrill
Donna Ray (*remote*)
Linda Redmon, Mayor

STAFF PRESENT

Emily Guildner, City Attorney
Nova Heaton, Public Works Director
Shari Ireton, Director of Community
Engagement & Strategic Initiatives
Tim Jackson, Utility Manager
Scott James, Finance Director
Yosh Monzaki, City Engineer
Rob Palmer, Police Chief
Heather Thomas, City Administrator
Brandi Whitson, City Clerk

COUNCILMEMBERS/MAYOR ABSENT

Felix Neals

MOTION by Merrill second by Burke to excuse Councilmember Neals. Motion passed unanimously (6-0).

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

MOTION by Burke, second by Merrill to amend the agenda to add an Executive Session to discuss pending litigation pursuant to RCW 42.30.110(i)(i), and legal risk on course of action pursuant to RCW 42.30.110(i)(iii); and approve the agenda as amended. Motion passed unanimously (6-0).

3. **CONSENT ITEMS:**

- a. ESTABLISH Behavioral Health and Housing Fund (Fund 150) -- ADOPT Ordinance 2449
- b. AUTHORIZE Mayor to Sign Easement Agreement with Puget Sound Energy
- c. AUTHORIZE Mayor to Execute Agreement for the Rainier Street Utility Improvement Project
- d. ACCEPT the 14th Street and Ridge Avenue Project Closeout
- e. APPROVE minutes of the October 18, 2022, regular meeting
- f. AUTHORIZE payment of claim warrants #77644-77727 in the amount of \$415,437.72 issued since the last regular meeting; and payroll claim warrants #871-875, #3369-3480, #10051-10059, and #100510-100516 in the amount of \$400,935.08, issued October 5 through October 20, 2022.

MOTION by Guzak second by Flynn to PASS the Consent Items. Motion passed unanimously (6-0).

4. **PUBLIC COMMENTS:**

Morgan Davis did not support removing public comment from Discussion Items.

Maygen Hetherington, HDSA, remarked on HDSA operations, and shared comments from PBIA contributing members.

Christine Gross commented on establishing a Neighborhood Watch in their neighborhood, and nuisance properties.

5. **PUBLIC HEARING:** Mayor's Preliminary 2023-2024 Budget -- Departmental Review, Part 2

a. Announce purpose and open public hearing. Mayor Redmon opened the hearing and briefly explained the direction for the departmental budget presentations.

b. Staff presentation #1 -- Public Works. Ms. Heaton provided highlights of 2021-22, priorities for 2023-24, and budgetary considerations broken out by each Public Works program--Fleet, Facilities, Parks, Streets, Stormwater, Sewer Collections, Wastewater and Water. She indicated the overall theme was *planning* with focus on improvements, maintenance, communications and expanded citizen engagement.

Highlights have been implementation of the iWorQ software, funding and strategizing for the City's fleet of vehicles, funding support for infrastructure, and increased citizen engagement and responsiveness.

Budget considerations included a variety of additional personnel and equipment replacement considerations to better maintain the City's facilities and infrastructure.

c. Council's questions of staff. Council asked questions after each department presentation and covered:

- The proposed Project Coordinator was a new position.
- Increased budget reflected filling the Public Works Director position separate from the City Administrator.
- Preference to replace vehicles with electric or hybrid, if obtainable. This would necessitate charging stations.
- Staff experienced downtime when equipment was being repaired, though not currently measurable. iWorQ will help track that.
- Identification of reasons to replace equipment, i.e., safety, high mileage, end of life. Staff spent considerable time reviewing all equipment to determine the list; several of which were identified as needing to be replaced.
- Staff developing policies for replacement criteria and funding.
- Increased security measures to reduce loss prevention at City Hall, City Shop and the Police Department.
- One additional FTE to split between Carnegie (CESI) and Facilities.
- Development of the tree code to identify tree replacement, not just hazardous tree removal as budgeted.
- Flower baskets covered by the appropriate department budget. The Garden Club manages and maintains the baskets; the City supports through funding.
- Developing a planting guide and supporting native plants while ensuring projects were equitable will be part of future planning efforts.

- Challenges to fill seasonal positions in the current job market; also considering internships and apprenticeships.
- Prioritization of parks planning. Funding for Pilchuck Park from the General Fund covered operations and maintenance projects, while Averill Field and Homestead utilized Park Impact Fees.
- City's responsibility to inspect private systems based on NPDES permit requirements, as well as determining and mapping where they entered the public system.
- Bacteria hotels at the WWTP were working well.
- Water main and line replacements prioritized on highest need, and consider a block of projects rather than one street at a time.

At 7:32 p.m., Mayor Redmon called for a five-minute **RECESS**, until 7:37 p.m.

- d. Staff presentation #2 -- 2023-2027 Capital Improvement Plan. Mr. Monzaki presented the Engineering Division's budget, with 2021-22 highlights including North Sewer Trunkline Project design underway, several street/intersection improvements, and updates to Blackmans Lake. Priorities for 2023-24 included continuing work on current projects, completion and implementation of the ADA Transition Plan, Transportation Master Plan, PROS Plan and Complete Streets Program. He provided an overview of the Capital Improvement Plan projects from the current and proposed budgets. The recently approved NPDES Coordinator position is unfilled but pending recruitment.
- e. Council's questions of staff. Council President Merrill inquired if the Ford Avenue/Van Jan Improvements project would consider stormwater drainage around the Aquatic Center. Mr. Monzaki confirmed it would. Councilmember Guzak questioned Swifty Creek outflow. Mr. Monzaki replied cameras could not be used to evaluate, but new outflow pipes would be considered.
- f. Staff presentation #3 -- Revenues, Expenditures, and Property Tax Options. Mr. James shared anticipated revenues and expenditures for 2023-24, where the money came from, and where it went. The conservative budget for 2023-24 would be begin with around \$48 million in starting fund balance, with projected revenues near \$62 million and expenses about \$80 million over the two-year budget, for an ending fund balance going into 2025 of around \$29 million. The fund balance is starting with a high balance due to projects and deferred maintenance not executed previously for several reasons, including delays related to the pandemic. This budget puts those funds back into play to complete needed projects.

Mr. James provided a breakdown of where property taxes were applied (with the City receiving about 6.1%), and an overview of the property tax levy for 2023. Implementation of the 1% allowed would raise the average Snohomish homeowner's property tax by about \$3.08, and would generate approximately \$13,000 annually.

- g. Council's questions of staff. Council asked questions, to which staff responded:
 - Confirmed that even with expenditures anticipated to be more than revenues in 2023-24, the City would not end in a deficit.
 - Implementation of the 1% property tax increase would help diversify City revenues and build funds to help the City maintain services.
 - Staff was not recommending use of any banked capacity.

- Council action on whether to implement the 1% will be taken at the next regular meeting.

h. Public testimony:

Morgan Davis commented on various projects, including PROS Plan, 19th Street and Bickford intersection, and City shop relocation.

i. Close public testimony. Mayor Redmon closed public testimony.

j. Council deliberation. Council deliberated over the information provided, covering the following:

- Clarified that the final budget hearing was scheduled for November 15, 2022, but the deadline for adoption was December 7, 2022. Council could call special meetings at any time if they needed more time.
- Need for and cost to purchase a second vector truck; alternate options.
- Reiteration that the budget was spending money on projects, many of which had been identified in prior years but delayed; the budget was conservative overall.
- Importance of repairing and maintaining the City's infrastructure.
- Appreciation for the work done on the budget's detailed format and presentation.
- The budget contained a lot of information that some Councilmembers felt they needed more time to review, ask questions, and clarify points before making final decisions.
- Consider increasing salaries for the Mayor and Councilmembers as part of the budget.

At 8:58 p.m., **MOTION** by Guzak, second by Merrill, to extend the meeting until 10 p.m. Motion passed unanimously (6-0).

Staff encouraged Council to reach out to any of them to ensure their questions were addressed and answered completely. After deliberation, Council called for a special meeting on Thursday, November 10, 2022, from 5 to 6 p.m., to discuss salaries. Ms. Thomas alerted Council that any direction provided at that meeting would not be incorporated with the budget document that was planned to be released that day for the final budget hearing scheduled for the November 15, 2022 regular meeting.

k. Close public hearing. Mayor Redmon closed the public hearing.

6. **ACTION ITEM:** AUTHORIZE Mayor to Sign Professional Services Agreement for the Transportation Master Plan Update

Mr. Monzaki provided background and information from the staff report, explaining the selection of Transpo to consult on the project.

Council President Merrill inquired about working with Council on strategies they might want to consider for the Comprehensive Plan. Mr. Monzaki replied the scope of work indicated presentations would be made to Council and/or the Planning Commission at regular intervals either at regular meetings or workshops to develop processes and plans.

Public Comment:

Morgan Davis commented on multi-modal discussions and other proposed projects.

Public Comment Closed.

MOTION by Burke, second by Merrill to AUTHORIZE the Mayor to sign and execute the Professional Services Agreement with Transpo Group in an amount not to exceed \$200,530 that includes a 10% management reserve to update the City's Transportation Master Plan and the Transportation Element of the Comprehensive Plan. Motion passed unanimously (6-0).

7. **OTHER BUSINESS/INFORMATION ITEMS:** None

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

Councilmember Burke shared the Park Board was developing a work plan for the coming year, and they requested Public Works attend the meetings to help answer questions and provide direction.

Councilmember Guzak attended the Alliance for Housing Affordability and Snohomish County Tomorrow meetings.

Councilmember Kuleta shared Snohomish for Equity was likely changing meetings dates so either she or Councilmember Burke would hopefully be able to attend.

9. **COUNCIL PRESIDENT'S ITEMS/REPORTS:** None.

10. **CITY ADMINISTRATOR'S COMMENTS:** Ms. Thomas reminded all about Churros and Chocolate with Council tomorrow, and reported the City has suspended new Special Event Permits for the Carnegie. Ms. Ireton will present more information to Council in January.

11. **MAYOR'S COMMENTS:** Mayor Redmon stated she would respond directly to commenters speaking on nuisance properties.

12. **RECESS to EXECUTIVE SESSION** (*added to the agenda at the beginning of the meeting*) to Discuss Pending Litigation, pursuant to RCW 42.30.110(i)(i), and 42.30.110(i)(iii) legal risk of course of action, with action to follow. Recess at 9:18 p.m. with Executive Session to begin at 9:23 p.m., allowing time to travel to alternate meeting location. Executive Session to last until 9:50 p.m.

Council reconvened at 9:50 p.m. Councilmember Ray did not return to the meeting.

MOTION by Burke, second by Merrill, to APPROVE a modification to the agreement with SRV to proceed with arbitration. Motion passed (5-0)

13. **ADJOURN.** There being no objection, the meeting adjourned at 9:51 p.m.

APPROVED this 15th day of November, 2022.

CITY OF SNOHOMISH

ATTEST:

Linda Redmon, Mayor

Brandi Whitson, City Clerk