

CITY OF STANWOOD

*Regular Meeting of the City Council
Thursday, November 15, 2007 – 7:00 p.m.
Stanwood-Camano School District Administration Building Board Room*

MINUTES

1. Call to Order and Pledge of Allegiance

Mayor Dianne W. White called the meeting to order at 7:05 p.m. and led the Pledge of Allegiance.

2. Roll Call

City Clerk Melissa Collins called the roll with the following Councilmembers present: Timothy Loney, Andy Chappel, Arne Wennerberg, Shelley Klasse, Conrad Ryer and Leonard Kelley.
Councilmember Carlton arrived at 7:07 p.m.

3. Staff Announcements

There were no staff announcements.

4. Citizen Comments

Gail Ryer of Stanwood commented on the local business owners complaining regarding the parking time being limited to two hours. Ms. Ryer said the City should allow shoppers more time for parking.

Mayor White asked Police Chief Tom Davis to explain the status of the parking issue.

Chief Davis said the issue was previously brought to Council and the City has worked with the Chamber to do a survey of the business owners and will honor the majority of the wishes.

Leslie Moore, Managing Librarian, was present on behalf of the Stanwood Library. She thanked staff and Council for the upgrades that were recently done and she felt it has brought a positive response from local citizens.

Nancy Cooper, Kayak Point Area, asked for suggestions on ten cords of wood that she has on her property. She said she would like to donate to those citizens that will need wood this winter. Mayor White asked her to leave her name and phone number at City Hall and someone would get in touch with her.

5. Approval of the Agenda

Mayor White announced there would not be an executive session.

Councilmember Carlton proposed item F be added to the agenda for a discussion regarding the 2008 budget. Mayor White responded that discussion will take place during the public hearing.

*Motion by Councilmember Klasse, second by Councilmember Loney to approve the amended agenda, removing item #11 executive session.
Motion carried unanimously.*

6. Consent Agenda

*Motion by Councilmember Carlton, second by Councilmember Ryer to approve the consent agenda to include items a through e; voucher checks #11897 through #11901 in the amount of \$550.14; voucher checks #11902 through #11976 in the amount of \$430,682.77; and payroll checks #4438 through #4469 in the amount of \$31,810.00.
Motion carried unanimously.*

7. Public Hearing

- a. To consider public testimony regarding the preliminary 2008 Budget

Mayor White opened the public hearing.

Finance Director Crystil Collins presented the staff report and said this is a required public hearing on the City of Stanwood's 2008 preliminary budget. In October, the City Council held two workshops on the 2008 budget where revenues and expenditures were reviewed and discussed in detail. Ms. Collins explained at this hearing, the Council is seeking to receive public comments and input. The 2008 budget as presented reflects all major programs and project plans and is consistent with the most current Comprehensive Plan and scheduled plan amendments.

Director Collins stated that major assumptions for the 2008 revenue budget are as follows:

1. Increases in 2008 property tax revenues are primarily related to new construction and annexations into the City
2. Water and drainage utility rate increases
3. City population increases will impact increases in per capita-driven revenues
4. Local economy will remain stable

5. Housing market will slow and impact related development revenues.

Ms. Collins said the City Planning Department expects to issue 90 single family permits, 12 mixed residential and one commercial building in 2008.

The Major assumptions for 2008 expenditures include:

1. Cost of living adjustments: 3.56% for exempt and administrative union employees; 11% for firefighters; various for Public Works union employees per union contract
2. Personnel benefit cost adjustments: Medical/Dental increase of approximately 12% to 15% over 2007, 2.4% increase in PERS rates during the year, no increase in LEOFF rates, and 22.1% increase in state disability insurance rates.
3. Staffing changes from 2007: 1 full time firefighter, 1 full time water entry level; 1/2 full time split between water and sewer for an Administrative Assistant and a part time temporary Records Clerk, which is 1/2 grant funded.
4. Professional Services costs; attorney, engineering, information technology, court and legal services, grant writer, economic development consultant, part-time firefighter Interlocal Agreement and ambulance services.
5. New programs; Aging and Adult Services
6. Other budgetary priorities; economic development

Ms. Collins explained the General Fund totals:

- Budgeted revenue totals an estimated \$5,542,000.
- Budgeted expenses total \$5,947,000.
- Street Fund expenses are \$120,435 or 60% more than 2007 due to the purchase of a 1 ton dump truck.
- Sewer Fund: Sewer utility service charges are budgeted at \$1,442,000, which is a 7.6% increase from the 2007 budget due to increases in connections and the number of ratepayers.
- Drainage Fund: Drainage utility service charges are budgeted at \$355,680, which represent a 21% increase from 2007 primarily due to the drainage utility rate increase scheduled for 2008.
- Water Fund: Water utility revenue is budgeted at \$1,093,000, which reflects a 23% increase for 2008 primarily due to a water utility rate increase scheduled for 2008 and an increase in connections.

Ms. Collins explained the Capital Improvement Budget:

- Street projects:
Per the updated 6-year street plan, projects budgeted for in 2008 include:

- Right-of-way construction and repair and miscellaneous projects
 - Budgeted at \$40,000 and paid for with Arterial Street Tax
 - 68th Avenue Extension
 - Budgeted at \$665,000 and paid for with impact fees – Total budget project \$680,000
 - 267th Street Reconstruction
 - Budgeted expenditures for 2008 of \$301,200 and paid for with grant funds and impact fees – Total budgeted project \$1,543,600
- Park Projects:

Per the updated Park and Recreation Plan, projects budgeted for in 2008 include:

 - Lions Park Upgrade
 - Budgeted at \$200,000 and paid for with impact fees and REET funds – Total budgeted project \$264,671
 - Underdrain Field #1
 - Budgeted at \$100,000 and paid for with impact fees – Total budgeted project \$175,000
 - Wastewater Projects

Per the updated Comprehensive Plan, projects budgeted for in 2008 include:

 - Church Creek Lift Station Rehab
 - Budgeted at \$70,000 and paid for with sewer connection fees – Total budgeted project \$450,000
 - Updating the Wastewater Comprehensive Plan \$125,000 and paid for with a Public Works Trust Fund loan and sewer connection fees
 - Annual Improvements \$100,000 and paid for with sewer connection fees
 - Infrastructure Assess via CCTV \$20,000 and paid for with sewer connection fees
 - Drainage Projects

Per the updated Comprehensive Plan, projects budgeted for in 2008 include:

 - Carlson Ditch Project
 - Budgeted expenditures in 2008 of \$353,612 and paid for with connection fees, an interfund loan from Wastewater, and drainage plant investment fees – Total budgeted project \$480,612

- Water Projects
 - Per the updated Comprehensive Plan, projects budgeted for in 2008 include:
 - Water Treatment Plant
 - Budgeted expenditures in 2008 of \$3,225,000 and paid for with a Public Works Fund loan and water plant investment fees – Total budgeted project \$3,975,000
 - Meter and Installs \$30,000 and paid for with water connection fees
 - Bryant Well VFDs
 - Budgeted at \$100,000 and paid for with water plant investment fees
 - Cedarhome Reservoir
 - Budgeted 2008 expenditures of \$1,000,000 and paid for with a Public Works Trust Fund loan and Cedarhome plant investment fees – Total budgeted project \$2,597,204
 - Update of water comprehensive plan \$100,000 and paid for with a Public Works Trust Fund loan
 - Annual improvements \$50,000 and paid for with water connection fees.

There being no public testimony Mayor White closed the public hearing and opened the discussion up to Council for comments.

Councilmember Bill Carlton gave credit to staff and the Mayor for their accomplishments for the work done on the budget. Councilman Carlton expressed his concern of a budget that is \$400,000 upturned and some diligence should be exercised on how to deal with it. The Finance Committee has reviewed most of the budget and Councilmember Carlton requested a few items be withdrawn from the budget. He suggested these items be discussed at the Council retreat for consideration and removed pending further discussion:

1. \$120,000 Professional Services – Economic Development/Grant Writer
2. [\$30,000] Stanwood Senior & Community Center
3. \$100,000 Building Improvement Fund

Councilmember Arne Wennerberg asked questions regarding the pay scale being raised 3.56% and said some salaries looked like they were above the 3.56% increase. Councilmember Chappel responded that salaries were discussed at the Personnel Committee meeting and decided that the City needs to pay our employees at a competitive wage.

Mayor White expressed her concerns of losing staff because of low pay.

8. New Business

- a. Ordinance 1223 Adopting a new chapter 2.62 of the Stanwood Municipal Code, Relating to the Establishment of a Cable Television Advisory Committee, 2nd Reading & Adoption

City Clerk Melissa Collins presented the staff report and along with Craig Knutson from the City Attorney's office they answered questions from Council.

*Motion by Councilmember Loney, second by Councilmember Chappel to adopt Ordinance 1223, an Ordinance of the City of Stanwood, Washington adopting a new chapter 2.362 of the Stanwood Municipal Code relating to the establishment of a Cable Television Advisory Committee.
Motion carried unanimously.*

- b. Ordinance 1224 Levying taxes upon all property, real, personal, and utility, subject to taxation within the corporate limits of the City of Stanwood for 2008, 2nd Reading & Adoption

Finance Director Crystil Collins presented the staff report for both Ordinances 1224 and 1225.

*Motion by Councilmember Loney, second by Councilmember Chappel to adopt Ordinance 1224, an Ordinance of the City of Stanwood, levying taxes upon all property, real, and personal, and utility, subject to taxation within the corporate limits of the City of Stanwood, Washington for the year 2008.
Motion carried unanimously.*

- c. Ordinance 1225 Levying taxes for emergency medical services upon all property real, personal, and utility, subject to taxation within the corporate limits of the City of Stanwood, 2nd Reading & Adoption

*Motion by Councilmember Klasse, second by Councilmember Kelley to adopt Ordinance 1225, an Ordinance of the City of Stanwood, levying taxes for emergency medical services upon all property, real, and personal, and utility, subject to taxation within the corporate limits of the City of Stanwood, Washington for the year 2008.
Motion carried unanimously.*

- d. Resolution 2007-13 Authorizing application(s) for funding assistance for a Youth Athletic Facilities Program Project

Community Development Director Stephanie Hansen presented the staff report and said this resolution is required by the State Recreation and Conservation Office in order to proceed with our application for grant funding

for Heritage Park drainage and lights. She said the wording of the resolution is dictated by the Recreation and Conservation Office and the Mayor and Council should specifically ask for any public comments on the resolution prior to its passage.

Ms. Hansen answered questions from Council.

Mayor White asked for public comment.

There was no public comment.

Motion by Councilmember Loney, second by Councilmember Kelley to pass Resolution No. 2007-13, a resolution authorizing application for funding assistance for a Youth Athletic Facilities Program project to the Recreation and Conservation Funding Board as provided in Chapter 79A.25 RCW. Motion carried unanimously.

- e. White Annexation – File No. LANN07-02 – 10 Percent Notice of Intent to Annex

Mayor White recused herself and handed the meeting over to Mayor pro tem Klasse.

Director Hansen presented the staff report and said a notice of intent to file a petition for annexation of approximately 11.34 acres in the City's western Urban Growth Area was submitted to the City on July 24, 2007 and determined to be complete on September 18, 2007.

Ms. Hansen explained the City Council is required by RCW 35A.14.120 to hold a meeting with the petitioners within 60 days of the filing of the complete Notice of Intent. At this meeting, Council must determine a) whether the Council will accept, reject, or geographically modify the proposed boundaries; b) whether a simultaneous zoning change is required; and c) whether the Council shall require the assumption of all or a portion of the City's indebtedness.

Ms. Hansen went on to say the annexation is proposed by Dianne and Kirby White, property owners within the proposed annexation area. The assessed valuation of the area is \$1,778,500 and includes nine tax parcels. She stated although the City process does not provide for a Planning Commission recommendation on annexations, the Planning Commission did hold a pre-application meeting at the August 13, 2007 regular meeting and at that meeting the Planning Commission reviewed the proposed annexation and had no specific concerns regarding the proposal.

Staff recommends continuing with the annexation process as follows:

1. Direct the petitioners to collect signatures of owners of 60 percent of the property valuation for the proposed annexation.
2. Direct staff to prepare an analysis of the costs, benefits and impacts to the City services and infrastructure associated with the annexation.
3. After the petition is received, return to Council for the required public hearing.

Ms. Hansen answered questions from Council.

Motion by Councilmember Carlton, second by Councilmember Loney to approve the Notice of Intent to Annex the area known as the White Annexation, subject to the boundaries shown in the 10 percent petition, with no changes in zoning, and subject to the following assumption of indebtedness: \$0.0445 per \$1,000 of assessed valuation for the fire truck, and \$0.3280 per \$1,000 of assessed valuation for the fire station.

Loney: Yes; Chappel: No; Wennerberg: Yes; Klasse: Yes; Ryer: No; Carlton: Yes; Kelley: Yes. Motion passed 5-2.

Mayor White returned.

9. Report of Officers and Committees

a. Mayor's Report

Mayor White reported on the Snohomish County Tomorrow meeting she recently attended.

b. Committee Reports:

- **Finance/Economic Development Committee**

Councilmember Carlton reported the State Auditor held the exit interview and a full report will be presented at the next meeting.

- **Public Works/Parks Committee**

Councilmember Ryer reported on the 76th street project; sidewalks are in and the Cedarhome Well Project is about 70% complete.

- **Public Safety Committee**

Councilmember Wennerberg reported the Public Safety Committee met to discuss an Interlocal Agreement with the Department of Emergency Management.

- Community Development/Human Services/Municipal Campus Committee

No report was given.

- Personnel Committee

Councilmember Chappel reported he Personnel Committee met to discuss payroll issues.

- Student Advisor Report

Drew Kidd reported that the All Student Body (ASB) Officers recently attended a seminar in order to utilize a student senate, which is designed to run student summits.

9. Citizen Closing Comments

There were no citizens closing comments.

10. Adjourn to Executive Session

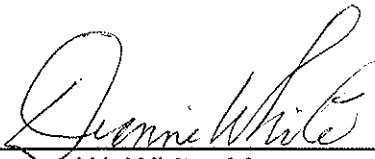
There was no executive session.

11. Reconvene And Adjourn

There being no further business before the Council, Mayor White declared the meeting adjourned at 8:46 p.m.

CITY OF STANWOOD

ATTEST:



Dianne W. White, Mayor



Melissa A. Collins, City Clerk