

# CITY OF STANWOOD

*Regular Meeting of the City Council  
Monday, November 30, 2009 – 7:00 p.m.  
Stanwood-Camano School District Administration Building Board Room*

## MINUTES

### 1. Call to Order and Pledge of Allegiance

Mayor pro tem Wennerberg called the meeting to order at 7.00 p.m. and led the Pledge of Allegiance.

### 2. Roll Call

City Clerk Melissa Collins called the roll with the following Councilmembers present: Leonard Kelley, Conrad Ryer, Andy Chappel, Arne Wennerberg, Bill Carlton, Timothy Loney and Shelley Klasse.

Mayor Dianne White was excused.

Also present: City Administrator Joyce Papke, City Clerk Melissa Collins, Finance Director Crystil Robinson, Public Works Director Andy Bullington, Police Chief Ty Trenary, and City Attorney Cheryl Beyer.

### 3. Staff Announcements

There were no staff announcements.

### 4. Citizen Comments

There were no citizen comments.

### 5. Approval of the Agenda

Mayor pro tem Wennerberg announced that there would not be an executive session.

*Motion by Councilmember Loney, second by Councilmember Kelley to approve the agenda as amended with the deletion of item 10, Adjourn to Executive Session. Motion carried unanimously.*

## 6. Public Hearing

- a. To consider Public Testimony Regarding the consideration for utility taxes on cable television, water and sewer utility rates and plant investment charges

Mayor pro tem Wennerberg opened the public hearing.

- 1) Ordinance 1258 Cable Television Utility Tax increase for the Year 2010

Finance Director Crystil Robinson presented the staff report and stated that the current Stanwood Municipal Code (SMC) Section 5.01.040 sets the rates to be levied on businesses and utilities subject to utility tax. Adoption of Ordinance 1258 will amend the SMC increasing cable TV utility tax from 3% to 6%. This would increase revenues approximately \$30,900. She stated that she looked at other cities and the rates range from three percent to twelve percent for utility tax and franchise fees. This would be an approximate increase of \$1.50 on a \$50.00 cable bill.

There being no public testimony Mayor pro tem Wennerberg closed the public hearing.

Finance Director Robinson responded to questions from Council.

Councilmember Klasse voiced her concerns because of the franchise fees that are already paid by the cable company. A discussion took place among Council and staff.

*Motion by Councilmember Carlton, second by Councilmember Loney to request Ordinance 1258 to be brought back for a second reading at the December 10 meeting.*

City Attorney Cheryl Beyer discussed the points of order regarding the motion. A discussion ensued among Council and staff. Councilmember Loney rescinded his second.

*Motion by Councilmember Carlton, second by Councilmember Loney to accept the presentation of the Director of Finance's first reading of the ordinance and that Ordinance 1258 be brought back for a second reading at the December 10 meeting. Motion carried unanimously.*

- 2) Ordinance 1259 Adjusting Rates to be charged for Sewer and Water Utility Services and Amending SMC 12.03.020 and 12.16.010

Mayor pro tem Wennerberg opened the public hearing.

Finance Director Robinson introduced the ordinance and reported that in early 2009 FCS Group was chosen to help the City prepare the financial chapter of the water and sewer comprehensive plan and when the chapter was complete it was apparent that rate increases would be necessary. This amendment to the code would increase water rates by 8% and sewer rates by 5.5%. For a single family residence that stays within their 600 cubic feet per month usage, the sewer rate would go from \$35.07 to \$37.00 per month. This would be an increase in revenue of approximately \$86,000 per year. The water rate would go from \$17.57 to \$18.98 per month. This would increase revenue approximately \$109,000 per year.

There being no public testimony Mayor pro tem Wennerberg closed the public hearing.

Councilmember Loney asked about lowering the base rate for water. A discussion took place regarding base rates, current system capacities, facilities, and operating funds. Ms. Robinson responded to questions from Council.

*Motion by Councilmember Loney, second by Councilmember Carlton to acknowledge the first reading of the proposed water and sewer rate increases and request that it be brought back at the December 10, 2009 Council meeting for a vote.*

*Kelley: No; Ryer: No; Chappel: Yes; Wennerberg: Yes; Carlton: Yes; Loney: No; Klasse: No. Motion failed 4-3.*

*Motion by Councilmember Kelley, second by Councilmember Ryer to approve Ordinance 1259 amending Section 12.04.020 and 12.16.010 of the Stanwood Municipal Code increasing water rates by 8% and sewer rates by 5.5%.*

*Kelley: Yes; Ryer: Yes; Chappel: No; Wennerberg: Yes; Carlton: No; Loney: Yes; Klasse: No. Motion carried 4-3.*

- 3) Ordinance 1260 Adjusting Rates to be Charged or Water, Sewer & Drainage Plant Investment Charges & Amending SMC 12.040.040

Mayor pro tem Wennerberg opened the public hearing.

Finance Director Robinson introduced the ordinance and stated water plant investment charges are currently \$5,200 for a ¾ inch meter.

According to the rate analysis done by FCSG it should be \$6,122 which is an increase of \$922 per building permit. Sewer charges which are currently \$4,040 should be \$6,588 which is an increase of \$2,548 per single family residence. Ms. Robinson also stated that drainage was calculated based on the SMC 12.40.050 which provides for an annual adjustment to plant investment charges based on a construction cost index published by the Engineering News-Record for a period not to exceed five years. The period used for this calculation was March, 2006 to March 2009. Based on this, the drainage plant investment charges will go from \$600 to \$665.

There being no public testimony Mayor pro tem Wennerberg closed the public hearing.

Council discussed the adjusting of rates to encourage different types of development. City Attorney Beyer and staff responded to questions.

*Motion by Councilmember Chappel, second by Councilmember Kelley to approve Ordinance 1260 amending Section 12.04.040 of the Stanwood Municipal Code increasing water, sewer, and drainage plant investment charges.*

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

## **7. New Business**

### **a. Ordinance 1261 Amending the 2009 Budget**

Director Robinson provided the staff report and stated that this ordinance is a housekeeping item. At the end of the year funds are reviewed for the next year's budget to see if any of the funds need to have budget amendments due to unforeseen items such as the flood and snow emergencies at the end of the year or emergency projects that were not funded. Four funds required budget amendments for 2009. Fund 110: A project was started at the end of 2008 and the second invoice was not received in time for payment from the 2008 budget; Fund 205: Debt service and administrative fees for bond management was not included in the 2009 budget; Fund 401: It was decided that the biosolids removal project should come out of the construction fund 403.

A discussion ensued amongst Council. Ms. Robinson responded to their questions.

*Motion by Councilmember Carlton, second by Councilmember Loney, to adopt Ordinance No. 1261 amending the 2009 budget. Motion carried unanimously.*

**8. Report of Officers and Committees**

a. Mayor's Report

There was no Mayor's report.

b. Committee Reports

There were no committee reports.

c. Councilmember Reports/Questions

Councilmember Loney reported that the AWC Legislative Committee looked at the 2010 legislature agenda. He has the AWC list of priorities available.

Councilmember Carlton requested a workshop to consider the fire budget. City Administrator Papke responded to his request. A Council discussion ensued regarding the fire services and 2010 budget. It was decided that there would not be a workshop at this time.

Councilmember Carlton advised citizens that Council has not yet agreed to any propositions that would endorse a plan that would close the Library.

d. City Administrator Business

There was no City Administrator report.

e. Student Advisor Report

There was no Student Advisor report.

**9. Citizens Closing Comments**

There were no citizens closing comments.

**10. Adjourn to Executive Session**


There was no executive session.

**11. Adjourn**

There being no further business before the Council, Mayor pro tem Wennerberg declared the meeting adjourned at 8:35 p.m.

CITY OF STANWOOD

ATTEST:



Dianne W. White, Mayor



Melissa A. Collins, City Clerk