

# **EDMONDS CITY COUNCIL APPROVED MINUTES**

## **May 3, 2016**

The Edmonds City Council meeting was called to order at 7:00 p.m. by Mayor Earling in the Council Chambers, 250 5<sup>th</sup> Avenue North, Edmonds. The meeting was opened with the flag salute.

### **ELECTED OFFICIALS PRESENT**

Dave Earling, Mayor  
Kristiana Johnson, Council President  
Michael Nelson, Councilmember  
Adrienne Fraley-Monillas, Councilmember  
Diane Buckshnis, Councilmember  
Dave Teitzel, Councilmember  
Thomas Mesaros, Councilmember  
Neil Tibbott, Councilmember

### **STAFF PRESENT**

Phil Williams, Public Works Director  
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.  
Shane Hope, Development Services Director  
Scott James, Finance Director  
Rob Chave, Planning Manager  
Rob English, City Engineer  
Kernen Lien, Senior Planner  
Jeff Taraday, City Attorney  
Scott Passey, City Clerk  
Jerrie Bevington, Camera Operator  
Jeannie Dines, Recorder

### **1. ROLL CALL**

City Clerk Scott Passey called the roll. All elected officials were present.

### **2. APPROVAL OF AGENDA**

**COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY.**

### **3. APPROVAL OF CONSENT AGENDA ITEMS**

Councilmember Teitzel requested Item 3 be removed from the Consent Agenda.

**COUNCILMEMBER TEITZEL MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE REMAINDER OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:**

- 1. APPROVAL OF COUNCIL MEETING MINUTES OF APRIL 26, 2016**
- 2. APPROVAL OF CLAIM CHECKS**
- 4. AWARD OF TOURISM GRANTS TO EDMONDS CENTER FOR THE ARTS AND EDMONDS WATERFRONT FESTIVAL**
- 5. 2016 1ST QUARTER BUDGET AMENDMENT**

6. **AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT FOR THE 2016 WATERLINE REPLACEMENT PROGRAM TO D&G BACKHOE**
7. **AUTHORIZATION TO AWARD A CONSTRUCTION CONTRACT FOR THE 2016 SANITARY SEWERLINE REPLACEMENT PROGRAM TO KAR-VEL CONSTRUCTION**
8. **PUBLIC WORKS ENGINEERING JOB DESCRIPTION UPDATE & RECLASSIFICATION**
9. **REMOVAL OF RESIDENCE LOCATED AT 820 MAPLE STREET FROM THE EDMONDS REGISTER OF HISTORIC PLACES**

**ITEM 3: RESOLUTION IN SUPPORT OF SUSTAINABLE CITIES PARTNERSHIP**

Councilmember Teitzel said he was intrigued by the notion and thought it was a great idea but was concerned with the timing. The City is doing the National Citizens Survey, spending about \$19,000 to learn what citizens want the City for focus on. In addition, there are many bright, talented, capable volunteers on City boards and commissions and he preferred to challenge them with taking on some of the items on the list to see if they could accomplish them at little or no cost before committing \$100,000. A number of the items are in the Comprehensive Plan Sustainable element, and he preferred to pursue them through that mechanism rather than via the Sustainable Cities Partnership (SCP). He would be interested in pursuing the the SCP if some of the items cannot be accomplished this year via alternative means. For those reasons, he will not support the resolution.

**COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE A RESOLUTION IN SUPPORT OF SUSTAINABLE CITIES PARTNERSHIP. MOTION CARRIED (6-1), COUNCILMEMBER TEITZEL VOTING NO.**

**4. PRESENTATIONS/REPORTS**

**1. PUGET SOUND STARTS HERE PROCLAMATION**

Mayor Earling read a proclamation declaring May 2016 as Puget Sound Starts Here Month in Edmonds and encourage all citizens to take action by attending local and regional events and to adopt behaviors in their daily lives to help to protect and clean up Puget Sound and our local waterways. He presented the proclamation to Public Works Director Phil Williams. Mr. Williams referred to Earth Day events in Edmonds and surrounding communities. Large capital projects the City undertakes improve the water quality of Puget Sound as does the wastewater treatment plant but most important are the individual small decisions that City crews and operations staff and residents adjacent to Puget Sound make every day to avoid contaminating stormwater in the first place. On behalf of the City departments involved in water quality, he thanked the Council for the proclamation.

**2. EDMONDS CEMETERY BOARD PRESENTATION**

**Dale Hoggins, Cemetery Board**, on behalf of the Cemetery Board and Chair Jerry Janacek, invited elected officials and the public to the 32<sup>nd</sup> Memorial Day Ceremony on May 30 at 11:00 a.m. at the Edmonds Memorial Cemetery and Columbarium to join in honoring the memories of those who died while serving our country during time of war and to say thank you from a grateful nation to all veterans and current military personnel and their families. A special invitation has been extended to the Military Order of Purple Heart Veterans Chapter 12 to attend. Anyone who received a Purple Heart Medal or has a Purple Heart of a family member is encouraged to wear it on Memorial Day.

This year's theme will refresh memories of stories passed down from long-gone family and friends regarding WWI. He encouraged the public to recall their US History classes or google information regarding WWI. Mr. Hoggins reported having four uncles who served in WWI, three serving in the trenches and came home changed; the fourth a casualty in training. The poppy and the phrase, "Lest we forget" and the poem, "Flanders Fields" are symbols that help us remember that time in the country's history. This year the ceremony will remember a WWII Veteran, a local Edmonds boy, killed shortly before Armistice Day, Frank Freese. The French government awarded Freese their highest military honor for his heroism, equivalent to the USA Medal of Honor.

The ceremony is an outdoor event, dress for weather, seating limited, parking inside the cemetery is limited to those with handicap permits. ASL translators will be present. Anyone with questions regarding the ceremony was invited to call Mr. Hoggins.

### **3. ALLIANCE FOR HOUSING AFFORDABILITY PRESENTATION**

Development Services Director Shane Hope relayed the City of Edmonds is a member of the Alliance for Housing Affordability (AHA). Councilmember Tibbott recently replaced the original member of AHA representing Edmonds, Councilmember Buckshnis.

**Kristina Gallant, Policy Analyst, Alliance for Affordability Housing**, presented Affordable Housing 101, explaining her goal is to instill a general sense of the broad spectrum and to start a conversation. AHA members include 13 Snohomish County cities, Snohomish County and the Housing Authority of Snohomish County (HASC). She reviewed:

- Why is housing important?
  - Complex issue, interwoven with my other issues
  - Housing is a basic essential for citizens
  - Preventing homelessness at all costs, being homeless for any period can be damaging long term
  - Minimizing stress that housing challenges cause families
- What does "affordable" mean?
  - Many different answers
  - Housing itself – assisted property with subsidy, operated by non-profit or more affordable market rate
  - Households needs
  - Cost burden concept: households should not spend more than 30% of income on rent or ownership costs
  - Other considerations
    - Type of housing
    - Location
    - Families
    - Seniors
    - Edmonds' median age 46.9 higher than the rest of Snohomish County
    - Other lifestyle differences

Ms. Gallant displayed a diagram of the Housing Continuum – what does it mean for a family of three in Snohomish County. The continuum considers household income, HUD income levels (30% AMI extremely low, 50% AMI very low, 80% AMI low) and area median income (\$79,400). Housing types ranges from homeless housing, rent subsidized, affordable rent, and market rate. She displayed a comparison graph of income distribution for Edmonds and Snohomish County including extremely low, very low, low, moderate, middle and above middle.

She displayed a graph illustrating who is struggling in Edmonds, a comparison of renter and owner affordability for the extremely low, very low, low, moderate and middle income levels. With regard to how much you need, Ms. Gallant explained:

- To afford the 2014 median rent: \$43,991
  - 29% of Edmonds households earn less
- To afford the 2014 median home: \$76,226
  - 52% of Edmonds household earn less
- Housing costs are rising, household incomes are dropping.

Ms. Gallant provided examples of two families that have HASC housing vouchers:

- Doris & Larry
  - Earn \$21,150, just under 2014 average retirement income
  - Can afford \$529/month utilities included
  - Can't drive, other physical limitations
  - Current market rent \$825 plus \$62 utilities
    - \$469 total with voucher
  - Have \$1,294/month for other essentials vs. \$876
- Sheila and Family
  - Works full-time as a manager making \$58,600
  - 3 children, two school age, one recent high school graduate still at home
  - 3-bedroom home rents for \$1500 plus \$250 in utilities - 36% of her income
  - With voucher, she pays \$1100 total
  - Landlords do not have participate, difficult finding unit

Ms. Gallant provided details regarding the extremely low and very low income levels including the maximum they can afford and typical jobs that pay within that range. Additional considerations include:

- Shrinking and growing household, more singles and multigenerational households
- More seniors, people with disabilities
- Location aspects – TOD, housing near employment
- First time homebuyers
- Preventing foreclosure

She displayed a continuum of who provides housing and how at various levels of the area median income:

- 30-50%
  - Housing trust fund
  - Section 8, USDA, public housing
  - HOME
- 50-80%
  - Tax Credit Bond
  - Multifamily Tax exemption
- 100% and above
  - Private sector
  - Federal mortgage interest rate deduction
- Major Types of Rental Housing Assistance
  - Subsidized
    - Ongoing, tailored rent assistance
    - Serve up to 50% AMI, mostly <30% AMI
    - Almost exclusively federal sources
    - Subsets of this type serve the homeless – low barrier housing, transitional housing
  - Workforce
    - Rents set at “affordable” level

- Serve 50-60% AMI (sometimes up to 80%)

She reviewed the Olympic & Sound View development (a HASC project):

- Took two years from PSA to beginning of rehab to accumulate funding
  - Creates significant barrier to new entities getting into affordable housing
- Funding Sources
  - Tax Exempt Bond \$6 million
  - 4% Tax credit equity \$4.1 million
  - County trust fund \$772,500
  - State trust fund \$2 million
  - Deferred fees \$800,233
- Uses
  - Acquisition \$8.9 million
  - Rehab \$2,425,000
  - Soft costs \$2,382,460

With regard to where is the money, she commented on:

- Federal funding challenges
- Limitations in grant requirements
- Risk in grant timing
- Fewer local funding sources
- Competition with neighboring counties
- Local capacity limits

She described what cities can do for housing:

- Minimize development barriers
- Match housing to need
- Expand assisted housing supply
- Preserve assets

Councilmember Mesaros commented one of the big issue related to affordable housing is housing costs are increasing rising but salaries are not, further squeezing households. Another challenge in Edmonds is how to set the stage so it is easier for those interested in providing housing to meet the challenge.

Councilmember Nelson commended Ms. Gallant for identifying the challenges cities face related to affordable house. He looked forward to Ms. Gallant returning to the Council to further explore what cities can do, exploring options to tackle the issue in a tangible way. Ms. Hope relayed the recently adopted Comprehensive Plan calls for developing a housing strategy, looking at all income levels and housing needs.

Councilmember Buckshnis commented AHA is a new organization; over the last couple years AHA worked on cities' profiles which were used in the Comprehensive Plan. Now that the cities have their profiles, she asked whether Ms. Gallant had begun working with cities on legislative ideas, subsidizes, etc. and were there any examples. Ms. Gallant explained after the cities' profiles were completed, she began working with cities on their Comprehensive Plans and has begun conversations about implementing the multi-family tax exemption, adopting a dedicated housing strategy, and doing a code audit to encourage development in certain areas.

Councilmember Buckshnis referred to the example of the HASC project that cost approximately \$13.7 million to purchase and rehab an existing building. She noted there are some vacant properties on Highway 99 that could be an opportunity for affordable housing.

Councilmember Fraley-Monillas observed finding land is the top issue; some cities/agencies have had land donated by a church or citizen. The issue is not the rehab of a building but acquiring land as grants are much easier to obtain for building than rehab. Finding that land in a city like Edmonds that is nearly built out is challenging. She encouraged anyone with land to donate to inform the City. Ms. Gallant agreed it depended on available opportunities and it is a huge challenge.

#### 4. MARCH 2016 QUARTERLY FINANCIAL REPORT

Finance Director Scott James provided questions and multiple choice answers to a quiz that would be revealed at the end of his presentation.

Mr. James displayed a General Fund – Funds Revenue comparison, pointing out the General Fund is \$562,000 ahead of last year. He displayed a General Fund Revenue Budget to Actual comparison, advising taxes are 4.8% higher in 2016 compared to last year, due primarily to sales taxes that are over \$88,000 higher than 2015. License and permit revenues are 11.2% higher than last year due to building permits that are \$57,000 higher than 2015.

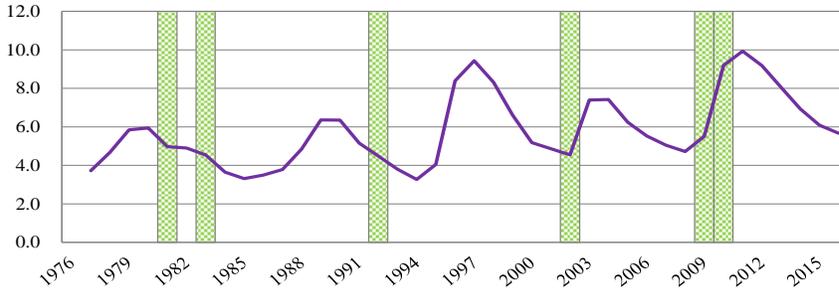
He reviewed a pie chart analyzing sales tax by category March 2016 YTD, pointing out retail automotive is the largest source of sales tax revenue followed by contractors. He displayed a bar graph of Change in Sales Tax Revenue March 2016 compared to March 2015, pointing out retail automotive had the largest increase, \$43,180 higher in 2016 than 2015.

Mr. James displayed a General Fund – Funds Expenditure Comparison, advising General Fund expenditures are 15% higher in 2016 compared to 2015 primarily due to making the last Public Safety bond payment (\$936,500) early in the year which saved the City approximately \$13,000. He reviewed a General Fund Department Expense Summary, advising expenses are at 25%. He displayed a Special Funds Revenue Comparison, advising special revenues are 224.5% higher in 2016 due to the City's receipt of more than \$2.8 million in grant revenues in 2016 compared to 2015. He displayed a comparison of Motor Vehicle Fuel Tax Revenues that illustrates a modest increase over 2015. A graph of Hotel/Motel Lodging Tax Revenues illustrates a continuing upward trend, \$21,955 in 2016 (4.9% higher) compared to \$20,926 in 2015. REET Revenues continue to increase, 22% or approximately \$100,000 higher in 2016 than 2015.

Mr. James displayed a Special Revenue Funds Expenditure Comparison, highlighting a 200.8% increase in 2016 compared to 2015 due to increased street construction expenses, approximately \$929,000 higher than 2015. He provided a comparison of Utility Fund Revenue, advising revenues are 15.6% higher in 2016 than 2015; water sales are \$157,000 higher, stormwater sales are over \$6,000 higher and sewer sales are \$159,000 higher than 2015. The Utility Funds Expense Comparison illustrates utility expenses are \$176,000 higher due to waterline replacement expenses.

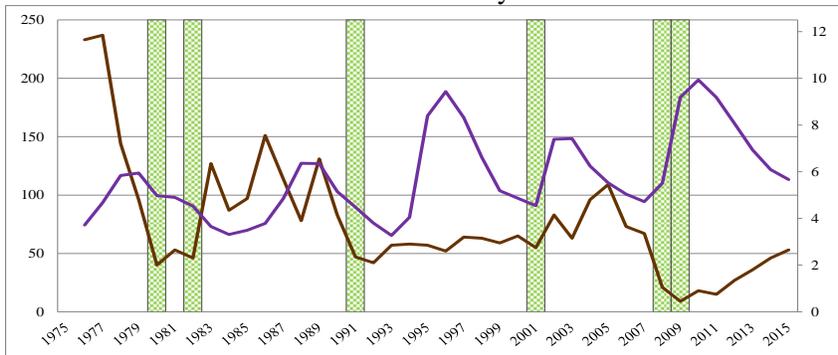
He revealed the answers to the quiz questions:

1. The chart below represents
  - a) Sales Tax Revenues (in Millions) & Recessions
  - b) Number of Housing Unit Permits Issued (in Tens) & Periods of Economic Recovery
  - c) **Greater Seattle Unemployment Rate (in percent) & Recessionary Periods**



2. The chart below represents:

- a) Sales Tax Revenues (in Thousands), Commercial Building Permits & Recessions
- b) **Number of Housing Unit Permits Issued, Unemployment Rate & Periods of Recession**
- c) Street Lane Improvements (1,000's of feet), Addition of New Residents to City(ten's) & Periods of Economic Recovery



Mr. James explained in the analyzing the City’s long range financials, the effect of the greater economic climate on the City has to be considered. A recent conference he attended included a formula that has accurately predicted the next downturn based on the first federal rate hike after recession recovery. Applying that formula to the current upturn, the upturn will last through 2021.

Councilmember Teitzel referred to the Summary of All Operating funds: Expenditures which states during the week of January 18, 2016, the City invested in another \$5 million in bonds. He asked the source of funding for that investment. Mr. James answered several sources were used including reserves and the General Fund. Instead of allow those funds to sit idle in the bank or the state investment pool which earns a significantly lower rate and in an effort to diversify the City’s portfolio, those funds were invested. Councilmember Teitzel asked what type of bonds were purchased. Mr. James advised they are federal government issues such as Fannie Mae and Freddie Mac.

For Councilmember Buckshnis Mr. James advised the \$900,000 bond payment paid off the Public Safety Bond issued to build the Public Safety building. Councilmember Buckshnis asked the source of remaining \$600,000 for the FD1 contract. Mr. James recalled the City paid \$800,000 last year from the Contingency Reserve and another \$800,000 was budgeted from the Contingency Reserve for the final payment. Councilmember Buckshnis asked if that was the interfund subsidy on page 6. Mr. James answered yes. As General Fund revenues are performing well, he may address that via a budget amendment. Councilmember Buckshnis suggested consideration be given to whether reserves are too high.

Councilmember Tibbott observed building permits in 2015 were below the 1990s and asked what impact that would have on future revenue and how that impacts REET revenues. Mr. James referred to the term, build-out, explaining in earlier years there was more land to develop. The City cannot rely on that activity

in the future long term because the City is reaching capacity. He suggested inventorying buildable lots to use in estimating future revenue.

Councilmember Tibbott relayed his understanding REET revenues above \$750,000 are available for the walkway system. He asked about REET funds for 2016. Mr. James explained REET revenue in the first quarter 2016 of \$551,000 is approximately \$100,000 over first quarter 2015. He referred to research done last year with regarding using the first \$750,000 for parks and the determination that a policy does not actually exist although it was Council practice at that time.

Council President Johnson asked for clarification regarding the dedication of REET funds to parks and transportation projects. In the past there was an understanding that anything above \$750,000 could be used for transportation. That past practice is not binding on the current Council or the allocation/use of REET funds. City Attorney Jeff Taraday recalled there was no binding policy that commits the City Council to using REET funds in a particular way, that was a past practice.

Council President Johnson asked the Council whether they wanted to allow Mayor Earling to speak. Councilmember were agreeable to Mayor Earling speaking. Mayor Earling said upon realizing there was not a formal policy in place, he worked with departments to find ways make other improvements including continuing the road resurfacing program and funding the downtown restroom. An agreement was reached with Parks and Public Works and the rest of the directors agreed which allowed the City to make good progress in a number of areas this year.

## 5. AUDIENCE COMMENTS

**Marilyn Lindberg, Edmonds**, relayed an incident that occurred while walking her dog on Sunset Avenue Sunday evening about 8:15 p.m. When she was about seven houses from the corner walking south on the pedestrian walkway, her neighbor shouted for her to look behind; behind her were headlights. She was unable to leave the walkway because of illegally parked cars on her right and the bank drop off on the left. She stood in place for a few seconds, realizing the car was advancing toward her, waiting for her to move off the walkway. The driver eventually determined they were in the wrong and backed up and made a U-turn onto Sunset. She went home and called 9-1-1 but had no description of the car or license plate number. She said this situation is pertinent enough to illustrate Sunset Avenue drastically needs attention at this point. The residents have contended with speeding cars, illegally parked cars, cars driving in the wrong direction, all kinds of wheeled vehicles on the walkway, creating a very dangerous situation. She concluded at least the driver stopped without running her over.

**Dorothy Trinen, Edmonds**, commented on the lack of affordable housing and the critical need and how that plays into the Highway 99 development project as well as long term, ongoing support of the poor in the Edmonds community. One of the best kept secrets is that there are poor people in Edmonds; volunteers who work with the poor and homeless know who they are, where they are and what caused their situation. She recently joined a task force of community members who realize this needs to be addressed and that more needs to be done. One of catalyst for the task force was the realization that according to School Board data, there are over 138 homeless children in elementary, middle and senior high schools in the community. She assured that was an undercount because the homeless are always undercounted, partially because they do not want to be stigmatized and because no one knows about them. Homelessness has social costs generations in the future and the children live with it for their entire lives, particularly if they have been chronically homeless. Snohomish and King counties have the highest cost of living in Washington and Edmonds is one of highest in Snohomish County. Although incomes have risen for many, an income gap and livability gap has impacted the poor. She plead with the Council to make this a priority, perhaps a City proclamation that says we will stand with the homeless every minute we can.

**Gary Nelson, Edmonds**, reported two of his coffee groups are glad the City is taking bite-size chunks out of the development code. He relayed items discussed by his coffee groups related to cost and need, relaying their hope that the Council consistently asks itself whether these changes are necessary and what is the cost to the applicant or eventual homeowner:

1. A biannual report to Council regarding the number of applications and permits is required but does not include the cost to the applicant. Most environmental studies cost \$5,000-\$10,000.
2. The department has the authority to ask for an independent review of a critical area report by another environmental group but the applicant must pay for that additional review.
3. The ordinance requires critical area tract easements be recorded with Snohomish County Auditor which is expensive and may be unnecessary. More expense is involved if the applicant/property owner wants to remove/change the recording because staff has the authority to require another assessment to prove the applicant/property owner has cause to remove the recorded easement.
4. Imposing bonds imposed on the applicant for a minimum of five years. The cost of bonds is based on the length of time the bond is in effect.

He urged the Council to ask whether the requirement is necessary and what is the cost, because costs are passed on and have a direct impact on affordable housing.

**Don Hall, Edmonds**, invited elected officials, City staff and the public to Garden Gear and Gallery's 20th anniversary on Thursday. He remarked on the changes in Edmonds over the past 20 years; it was difficult to do business when they started but they persevered. The population has changed in recent years, there are more and more young people shopping downtown along with a lot of kids. The beautification of downtown Edmonds is phenomenal. He recalled in the past when businesses were not allowed to have a flower pot in front of their store and if they did, it had to be brought in at night. Now the City is encouraging flower pots and the atmosphere is much better than it was 20 years ago. He appreciated everyone who stops in to say hello or to shop.

## **6. ACTION ITEMS**

### **1. CRITICAL AREA ORDINANCE UPDATE**

Senior Planner Kernen Lien reviewed the recent history of the CAO update:

- February 2, 2016: Council discussed returning to the version of the critical area regulations considered at the December 15, 2015 meeting and Councilmembers offering proposed amendments.
- February 23, 2016: An initial set of potential amendments were discussed and it was decided a public hearing should be held and a potential universe of amendments would be established for the public hearing. Councilmember agreed to provide potential amendments to staff by February 29.
- Potential amendments posted on the City's website along with a list of ideas a Councilmember gleaned from public comments received to that point. Public hearing notice referenced the website and the list of potential amendments.
- After considering public comment at the March 15 public hearing, the Council began working through the potential Council amendments and continued review and discuss of potential amendments over an additional 3 Council meetings.
- The potential Council amendments, decision on amendments and location of Council approved amendments are included in the Table in Exhibit 2 in tonight's packet.
- Council President Johnson attached comments as Exhibit 9 to the April 19 CAO agenda item which includes additional amendments which have not been discussed by the Council.
- The City Attorney and staff prepared the ordinance in Exhibit 1 in tonight's packet as directed by Council at the April 19 meeting which incorporated the approved Council amendments as detailed in Exhibit 2.

**Main Motion #1**

**COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, FOR APPROVAL OF THE ORDINANCE AS PRESENTED AND CONSTRUCTED BY THE CITY ATTORNEY AND STAFF.**

Councilmember Mesaros commented the Council has spent a good amount of time on this, some may think too long and some may think the Council should spend more time. This is a monumental time for the City to approve and begin to implement the COA over the next 10 years. He was pleased the Council has reached this point which was the result of a lot discussion, a lot of compromise, and a lot of ideas and he looked forward to approving the CAO tonight.

Councilmember Teitzel echoed Councilmember Mesaros' comments and thanked the public for the well thought out, helpful information they provided for the Council's consideration. He agreed the ordinance was a solid product, acknowledging critical areas are a complicated issue. He appreciated all the input and discussion and especially appreciated Mr. Lien's work in constructing the CAO document.

**Amendment #1**

**COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO DIVIDE THE RESOLUTION SO AS TO CONSIDER SEPARATELY EDMONDS COMMUNITY DEVELOPMENT CODE 21.40.030 WHICH IS AN EXCEPTION TO THE DEFINITION OF HEIGHT FOR FREQUENTLY FLOODED AREAS.**

Council President Johnson agreed the Council had done a very good job of discussing the CAO and working through the details. The CAO, along with the Shoreline Master Program (SMP), are probably the most important environmental regulations for Edmonds. Some may agree/disagree with the complexity of the issues or the action the Council is taking, but it is related to only a very few areas of the City that are frequently flood or have streams, wetland, marshes, or very steep slopes and these regulations are needed to protect future development. She did not support the exception to the ECDC but wanted to vote for everything else which was the reason she was asking for this separation; by dividing the question, the Council can vote on that issue first and then vote on the remainder.

Councilmember Buckshnis commented as she mentioned previously, she cannot look at the CAO as a silo, it needed to be considered globally. And the fact of the matter is, you either get it or you don't.

Councilmember Fraley-Monillas raised a point of order that Councilmember Buckshnis was not speaking to amendment. Mayor Earling agreed. Councilmember Buckshnis summarized she would not support the amendment.

**Action on Amendment #1**

**UPON ROLL CALL, MOTION FAILED (3-4), COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS NELSON AND FRALEY-MONILLAS VOTING YES; AND COUNCILMEMBERS BUCKSHNIS, MESAROS, TEITZEL AND TIBBOTT VOTING NO.**

Councilmember Buckshnis referred to minor issues that Joe Scordino identified, asking whether Mr. Lien felt any changes were necessary. She recalled one of the amendments suggested by Mr. Scordino was related to anadromous fish. Mr. Lien responded most of the items Mr. Scordino identified were typos; scrivener's errors that can be fixed. City Attorney Jeff Taraday agreed typos could be fixed but he was not familiar with the comment from Mr. Scordino that Councilmember Buckshnis was referring to. Mr. Lien said most were scrivener's errors; the one related to anadromous fish is the only one that may have some substance.

Councilmember Fraley-Monillas said she would not support the motion to approve the CAO although she believed most of the ordinance was very good. She thanked Councilmember Nelson for spending hours with staff crafting what appears to be a very good CAO. She believed the Council was being short sighted with regard to waterfront environmental concerns, the City's most valuable resource.

Councilmember Nelson thanked Mr. Lien for the hours, weeks and months he spent working with Council. This has been a learning experience for him, at times enlightening, disappointing and challenging. He did not feel the CAO was there yet which was unfortunate because there were a lot of good things in the update and a lot of good work had been done but there was still a lot of work to be done. He did not support the motion.

Council President Johnson agreed there were a lot of loose ends. To address that, she proposed asking several questions. With regard to the footprint of development, at one time graveled areas, swimming pools and sidewalks and things of that nature had been removed. She asked if those areas were in or out. Mr. Lien responded those were removed at the December 15, 2015 meeting and that ordinance was subsequently vetoed. No Councilmember proposed any amendments to the footprint of development when the Council went through the subsequent amendment process. Council President Johnson commented that was certainly something she would ask for as she felt the footprint of development should exclude things like patios and graveled areas. She summarized that was an amendment she would make if she had the opportunity but most Councilmembers want to move forward tonight regardless of any additional amendments.

With regard to the RS-12 and RS-20 zones, Council President Johnson asked what was the percentage of coverage and whether it was vegetated coverage or trees less than 6 inch dbh. Mr. Lien referred to Amendment 5C in Exhibit 2; the amendment the Council adopted was "...native trees over 6 inches in dbh make up more than 40 percent of the canopy cover."

With regard to restoration projects, Council President Johnson said the director's authority was not clear. Mr. Lien answered this was complicated; there were two potential decision makers for restoration projects. One of the amendments was for a new critical area contingent review process. Restoration projects that are on anadromous fish-bearing streams, Category I or II wetland, Category 1 or 2 estuarine wetlands all fall into the new contingent review process. They begin as a Type II; if no one requests a public hearing, the director is the decision maker. If a public hearing is requested, the Hearing Examiner is the decision maker.

Council President Johnson recalled discussion regarding having map references in the CAO and asked whether the online maps would be adopted by reference with a disclaimer. Mr. Lien advised two amendments were proposed, 8A and B. One was to formally adopt the critical area maps; that action was not taken by the Council. The Council decided to make the information available to public which has been done. Council President Johnson asked whether there would be reference and a disclaimer in the CAO. Mr. Lien advised there are a number of references to maps in the CAO and disclaimers but the CAO does not include a reference to the maps on the website.

**COUNCILMEMBER TEITZEL CALLED FOR THE QUESTION. UPON ROLL CALL, MOTION FAILED (4-3) FOR LACK OF A SUPER MAJORITY, COUNCILMEMBERS BUCKSHNIS, MESAROS, TEITZEL AND TIBBOTT VOTING YES; AND COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS NELSON AND FRALEY-MONILLAS VOTING NO.**

Councilmember Tibbott said he will support the motion to adopt the CAO. He has observed a lot of give and take during the process of discussing the CAO over the past four months. Some of the items in the CAO are not necessarily preferable to him but he wanted to make accommodations for priorities of other Councilmembers. He envisioned the ordinance functioning well for the City although he anticipated

revisions could be made before the next update in 8-10 years. He was comfortable with the CAO and looked forward to approval and implementation.

Councilmember Buckshnis said in reviewing Mr. Scordino's comments, she supported adding "anadromous" to 23.90.010.1.d, third paragraph, in two places. Mr. Taraday agreed "anadromous" should precede fish in that paragraph. He did not consider that a scrivener's error but Council could direct staff via motion to make that change.

**Amendment #2**

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO AMEND 23.90.010.d, TO ADD "ANADROMOUS" BEFORE "FISH" IN TWO PLACES.**

Councilmember Buckshnis commented she has spent a lot of time with Mr. Scordino and Ms. Stewart and values their opinions. Mr. Scordino read through the CAO and this is the only issue he found that needed to be changed.

Councilmember Fraley-Monillas asked whether the amendment was necessary. Mr. Lien agreed the amendment clarifies the language; these are fish bearing streams that do not have anadromous fish. Mr. Taraday agreed it makes sense.

Council President Johnson requested an opportunity to discuss the amendments she proposed on April 19 2016. Councilmember Mesaros raised a point of order, there was an amendment on the floor. Mayor Earling agreed.

**Action on Amendment #2**

**MOTION CARRIED UNANIMOUSLY.**

Council President Johnson referred to the 3 amendments she included in the April 19, 2016 packet. Mr. Lien displayed and reviewed Council President's first proposed amendment:

- 23.40.040 Purpose, amend to read, "A. The purpose of this title is to designate and classify ecologically sensitive and hazardous areas and to protect these areas and their functions and values. ~~while also allowing for reasonable use of private property.~~

Mr. Lien explained the language proposed to be deleted recognizes private property rights. There is a reasonable use variance process in the CAO to recognize private property rights. Mr. Taraday concurred, advising the reason for the critical area reasonable use variance process is to ensure, notwithstanding adoption of the CAO, that there is still some minimal economic use of property subject to the CAO. The language in the code is consistent with the critical area reasonable use variance process in the code as well as with one of the GMA goals that recognizes the importance of the protection of private property rights.

Council President Johnson said she carefully reviewed the RCW to find the definition of a critical area and the intent. Although she understood protection of private property rights and that there is a variance process, she objected to including this language in the definition of the purpose of the CAO. She found it a bit misleading to have this language in the purpose section. Mr. Taraday explained it probably does not legally make a difference. The CAO ordinance contains a specific provision that addresses private property rights and provides a special process for owners to use if they feel their rights have been severely impacted by the CAO. He summarized removing that language would not affect the legality of the CAO, as it is only a purpose statement.

Councilmember Teitzel raised a point of order, asking what action Council took on April 19, 2016 with regard to this amendment. Council President Johnson said no action was taken. Mr. Lien explained this

was not part of the list of amendments the Council had been working through; Council President Johnson attached these additional amendments to the April 19 agenda which was the first time they were introduced.

**Amendment #3**

**COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO STRIKE “WHILE ALSO ALLOWING FOR REASONABLE USE OF PROPERTY” FROM 23.40.000 PURPOSE, ITEM A.**

**Action on Amendment #3**

**MOTION FAILED (1-6), COUNCIL PRESIDENT JOHNSON VOTING YES.**

**Amendment #4**

**COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO AMEND 23.50.010 DESIGNATION RATING AND MAPPING – WETLAND, TO ADD ADDITIONAL WETLANDS OF THE EDMONDS MARSH, GOODHOPE POND AND THE MOUTH OF SHELL CREEK TO THE LIST.**

Council President Johnson said in speaking with Mr. Scordino, a wildlife fisheries expert, he suggested it would helpful to identify these for the purpose of implementing the section.

Councilmember Buckshnis asked why the Council was just seeing this tonight, recalling she and Mr. Lien discussed adding the Edmonds Marsh. Mr. Lien explained the process established by Council was to establish the universe of amendments by February 29 and consider them at the March 15 public hearing. The amendments were included in the April 19 packet.

Councilmember Buckshnis asked whether just the Mouth of Shell Creek could be identified or should it be identified only as Shell Creek. Mr. Lien explained Section 23.50.010 is Designation Rating and Mapping. The letters are different sections: Section A is related to Designating Wetlands, Section B describes the Wetland Ratings, how the City has adopted the Wetland Rating System for Western Washington, categories of wetlands with Category I being the highest and Category IV being the lowest with regard to wetland quality. Section C is related to Dating of Wetland Rating, D is related to Mapping and inventories of wetland. Section E is related to Delineation and Section F Lake Ballinger is a clarification added in 2004 via an amendment to describe how lake fringe wetlands are rated versus the whole lake. Section F does not specifically identify any wetlands although it references Lake Ballinger. It is related to how to categorize wetlands around Lake Ballinger.

Mr. Lien observed the proposed amendment would add specific wetlands; he was uncertain whether the language, “The City has one wetland, the 23 acre Edmonds Marsh...” was proposed as an amendment as it was not in red or underlined. Council President Johnson clarified her amendment was only the language in red. Mr. Lien clarified this section does not identify specific wetlands. The reference to Lake Ballinger is related to how wetlands around Lake Ballinger are characterized when a wetland delineation is done.

Councilmember Fraley-Monillas asked whether Mr. Scordino’s suggestion was in error. Mr. Taraday said this language by itself would have no regulatory effect; there needs to be some meat on the bones. For example, the Lake Ballinger section contains information regarding wetlands around Lake Ballinger. The proposed language does not have that and would have no regulatory effect. Mr. Lien said it was unnecessary to identify specific critical areas. The CAO defines characteristics of a wetland; to be a wetland the wetland rating system requires wetland hydrology, hydraulic soils, and a predominance of wetland vegetation. Determining the category of wetland follows the Western Washington Wetland Rating System. The mapping section addresses maps that identify wetland; those maps as well as other information has been included on the City website. Those maps include Edmonds Marsh, Goodhope Creek, Shell Creek, Lake Ballinger. It is not necessary to name specific wetlands in the CAO.

Councilmember Fraley-Monillas reminded the Council under Roberts of Order, any Councilmember has the right to bring amendments forward until a main motion passes. Just because the process suggested amendments be submitted by a certain date, that is not actually parliamentary procedure.

Councilmember Buckshnis asked why Lake Ballinger was described in Section F and suggested including a definition of the Edmonds Marsh. Mr. Lien explained the information related to Lake Ballinger does not describe Lake Ballinger, it describes how wetlands around Lake Ballinger are delineated. Around 2004 there was a change to the wetland rating system and how wetland were categorized; this language was inserted at that time. He read from the Lake Ballinger section, “Consistent with guidance for delineating lake fringe wetlands provided in these resources, the existence of jurisdictional wetlands along Lake Ballinger shorelines shall be largely based upon the presence of persistent emergent vegetation in shoreline areas less than 6.6 feet in depth,” clarifying this section was not identifying Lake Ballinger as a wetland but how wetlands around Lake Ballinger are to be characterized.

Councilmember Buckshnis recalled the shoreline designation of the marsh was recently changed. If the wetland designation of Lake Ballinger was changed in 2004 and the designation of the marsh was recently changed, it would be prudent to add the Edmonds Marsh. Mr. Lien reiterated the section on Lake Ballinger does not designate Lake Ballinger as a I, II, III or IV wetland. It states when wetlands around Lake Ballinger are rated, this is what is considered, language from the Wetland Delineation Manual. The marsh would be designated in accordance with the Western Washington Wetland Rating System.

Council President Johnson expressed confusion with Mr. Lien last response to Councilmember Buckshnis, recalling a similar rating system and definition for the Edmonds Marsh and Councilmember Buckshnis’ work with WRIA 8 to evaluate the marsh. Identifying the Edmonds Marsh and other wetlands as special areas may be placeholders for future specific language and may serve to inform future Councils and future updates. Mr. Lien explained the SMP update deals specifically with the marsh, established a new environment around the marsh and described types of uses. That is a more appropriate venue for any details about the Edmonds Marsh since it was designated a Shoreline of the State and the City is considering site specific considerations for the marsh. The wetland rating for both the Edmonds Marsh and Lake Ballinger would use the same Western Washington Wetland Rating System. The CAO is not the place to identify those specific wetlands.

**Amendment #4 Restated:**

**TO ADD TO SECTION 23.50.010 DESIGNATION RATING AND MAPPING – WETLANDS, SECTION G – EDMONDS MARSH, AND H – OTHER SIGNIFICANT WETLANDS, 1. GOODHOPE POND, 2. MOUTH OF SHELL CREEK.**

**Action on Amendment #4**

**UPON ROLL CALL, MOTION CARRIED (4-3), COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS NELSON, FRALEY-MONILLAS AND BUCKSHNIS VOTING YES; AND COUNCILMEMBERS MESAROS, TEITZEL AND TIBBOTT VOTING NO.**

**Amendment #5**

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY JOHNSON, TO AMEND TO ADD UNDER G – EDMONDS MARSH “THE CITY HAS ONE WETLAND, THE 23 ACRE EDMONDS MARSH DESIGNATED AS A CATEGORY 1 WETLAND “HIGHEST QUALITY”, IN ADDITION TO A WILDLIFE HABITAT AND NATURAL RESOURCE SANCTUARY. IT IS ALSO CLASSIFIED BY THE STATE AS A PRIORITY HABITAT.”**

Mr. Lien referred to Section B that states, “Wetlands shall be rated according to the Washington State Department of Ecology wetland rating system found in the 2014 Washington State Wetland Rating System for Western Washington.” That is the BAS document published by DOE that describes how

wetlands in Western Washington are rated. He strongly recommended against specifically stating the category for any specific wetland. If the City wanted to develop its own wetland rating system, that could have been done although it is very complicated. All the cities in Western Washington use the 2014 Washington State Wetland Rating System for Western Washington because that is the BAS document. He cautioned against including the category for any critical area in the code. Mr. Taraday said the norm is to have scientists classify wetlands not legislators.

Council President Johnson spoke in support of motion. While what Mr. Lien said was true, underlying issues could be addressed by having this in the CAO. For example, in the event the marsh is downgraded, it is currently a Category I, the Council would be informed if there were a change. She understood there were discussions at DOE about changing the category of the marsh. This amendment identifies the current category using regulatory requirements, stating the obvious so the City is not blindsided by a change in the future.

Councilmember Buckshnis said Councilmembers are not scientists and cannot arbitrarily state a wetland's rating.

**Action on Amendment #5**

**COUNCILMEMBER BUCKSHNIS WITHDREW THE MOTION.**

Council President Johnson commented it was not the Council's wetland rating system, it was the existing wetland rating using the 2014 Washington State Wetland Rating System for Western Washington. She recalled that rating was done as part of this CAO update and the previous update. Mr. Lien explained the 2004 BAS called the marsh a Category I wetland which was referenced in the Shoreline Inventory and Characterization. He displayed language from the Wetland Rating System for Western Washington regarding how estuarine wetland are characterized. The marsh has been determined to be an estuarine wetland. An estuarine wetland is either a Category I or II wetland. Other considerations are whether the wetland is a national wildlife refuge, national park, natural estuarine reserve, natural area preserve, state park, educational environmental science designation. For the marsh to be a Category I it must meet two of the following three criteria, the wetland is relatively undisturbed, has no diking, ditching, filling, cultivation, grazing; has less than 10% cover of non-native species; at least three quarters of the landward edge of the wetland has a 100-foot buffer of shrub, forest or grass. It has been argued the marsh does not meet those first two categories which is why DOE has called it a Category II wetland. It may have been miscategorized in 2004; this is what the current Wetland Rating System states.

Councilmember Fraley-Monillas suggested removing the category and retaining the description of the marsh: "The city has one wetland, the 23-acre Edmonds Marsh ~~designed as a Category I Wetland Highest quality~~ in addition to a wildlife habitat and natural resources sanctuary. It is also classified by the state as a priority habitat."

Council President Johnson asked for clarification, Mr. Lien clarified the marsh was identified as a Category I wetland in the 2004 BAS Report. Council President Johnson pointed out to date it has not been reclassified. Mr. Lien explained the letter from DOE, based on the criteria, considered it a Category II wetland. Another wetland report that was associated with potential development at Harbor Square, unaware of the letter from DOE, characterized the marsh as a Category II wetland based on the Western Washington Wetland Rating System. Those are the only two delineations he was aware of; one was an official wetlands report. Council President Johnson observed it is officially a Category I wetland but more recent reports indicate it could be a Category II although the official designation has not been changed. Mr. Lien clarified it is not officially a Category I as categorized by the Western Washington Wetland Rating System. It is officially an estuarine wetland and therefore it is either a Category I or II wetland based on the criteria in the Western Washington Wetland Rating System.

Council President Johnson asked who made that determination. Mr. Lien answered according to the critical area regulations, a qualified wetland specialist makes that determination. Council President Johnson said she was confused because there has been a lot of discussion but no clarity yet from DOE. Mr. Lien reiterated the marsh is an SMP issue and should not be specifically identified in the CAO.

Councilmember Fraley-Monillas suggested including the description of the Edmonds Marsh without the category; the category will be determined in a wetland report in the future. Mr. Lien explained a wetland report with the wetland categorization is prepared at the time development is proposed. The City could hire its own wetland specialist to do a delineation and category determination on the marsh which would use the Western Washington Wetland Rating System. Councilmember Fraley-Monillas observed including a description of the marsh would not hurt anything. Mr. Lien said if that description is included, all it does is name the marsh and as the City Attorney stated, it has no regulatory impact. Development Services Director Shane Hope advised it is up to a wetland biologist to identify the category based on the criteria.

**Amendment #6**

**COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO ADD THE SENTENCE WITHOUT THE CATEGORY, “THE CITY HAS ONE WETLAND, THE 23-ACRE EDMONDS MARSH ~~DESIGNED AS A CATEGORY 1 WETLAND HIGHEST QUALITY~~ IN ADDITION TO A WILDLIFE HABITAT AND NATURAL RESOURCE SANCTUARY. IT IS ALSO CLASSIFIED BY THE STATE AS A PRIORITY HABITAT.”**

Councilmember Tibbott asked whether it was accurate the marsh has been classified as priority habitat. Mr. Lien answered yes. Councilmember Tibbott observed adding the description had no regulatory impact. Mr. Lien advised the marsh is on the State priority habitat list. Councilmember Tibbott expressed concern that it was starting to sound like other streams and wetlands in Edmonds should be added to the list. He viewed the amendment as adding a description to one of the wetlands but questioned whether descriptions should be added to the others. As it was not helpful in implementing the ordinance, he did not support the amendment.

Councilmember Fraley-Monillas expressed support for the amendment.

Councilmember Teitzel did not support motion, expressing concern Councilmembers were chasing their tails. The State has identified the marsh as a priority habitat; that does not change regardless of the addition of this definition and it accomplishes nothing for the City.

Mayor Earling said he would need to think long and hard about this, cautioning he did not want to put the CAO in the position of another veto. Council President Johnson asked the Council if they wanted Mayor Earling to speak to the potential of a veto. Councilmember Fraley-Monillas said that should not be part of the Council’s deliberation on an amendment. It was the consensus of the Council to allow Mayor Earling to speak. Mayor Earling said he was troubled by the discussion and the slicing and dicing. He was hopeful the Council did not put the CAO in the position of a veto which would require review of this material again.

**Action on Amendment #6**

**UPON ROLL CALL, MOTION CARRIED (4-3), COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS NELSON, FRALEY-MONILLAS AND BUCKSHNIS VOTING YES; AND COUNCILMEMBERS MESAROS, TEITZEL AND TIBBOTT VOTING NO.**

**Amendment #7**

**COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO AMEND TO REVISE SECTION 23.90.040 DEVELOPMENT STANDARDS -**

**SPECIFIC HABITATS, TO READ, “C. RETENTION OF *NATIVE TREES AND UNDERSTORY* VEGETATION ON SUB-DIVIDABLE, UNDEVELOPED PARCELS.”**

Council President Johnson recalled when this was last discussed on April 19, staff provide a visual about how the 40% would be measured. Stating only vegetation means it could include things like huckleberry bushes or salal and she felt it was important to identify an ecosystem that includes trees and understory vegetation. Mr. Lien said he was unclear where this amendment would be added. Council President Johnson identified potential locations, noting the issue was retention of trees; native vegetation which could be anything from a grass to a tree. Mr. Lien explained the existing language is very nondescript and similar to language struck down in King County because it was broad and did not add definition to the type of habitat to be retained. This change was intended to make it more defensible, to describe the type of habitat which is the reason for native trees over 6 inch dba making up more than 40% of the canopy coverage. How the 30% or 40% could be met would be via maintaining existing vegetation or establishing new vegetation or a combination. On sites that have native vegetation, a 30% area has been set aside; on sites that do not have native vegetation, a landscape plan with native vegetation has been developed that includes trees, bushes, shrubs and ground covers.

Mr. Lien relayed his understanding of the amendment was to change 30% to 40%. Council President Johnson said her amendment included only the description of the vegetation to prevent a developer from retain native vegetation that was not trees. Mr. Lien said if 6 inch dba trees did not make up 40% of the canopy coverage, this would not be triggered. He asked if Council President Johnson’s concern was if this were triggered, the developer could remove all the trees and only retain 40% of native land cover. Council President Johnson said her concern is related to what is vegetation, stating native trees and understory provides a broader range than just vegetation. Mr. Lien argued that is more specific; vegetation covers trees, understory, groundcover, etc. Council President Johnson feared there was wiggle room with the word vegetation.

Mr. Taraday said if the motion was to insert those words into the title of Subsection C, absent any other change, it would not have any regulatory effect on the substance of the language in C, it only changes the title of the subsection. Council President Johnson asked how that language could be incorporated in the regulatory part of the section. Mr. Taraday questioned whether it was needed because the regulation addresses vegetation which is already a broad term; adding understory is simply a subset of vegetation and could reduce the applicability of the language by narrowing its applicability.

Council President Johnson asked if there was a way to modify this section to accommodate her intent. Mr. Lien assumed the intent was not to be specific to trees, understory or groundcover but to include all; in practice that is what happens today.

**Action on Amendment #7**

**COUNCIL PRESIDENT JOHNSON WITHDREW THE MOTION.**

**Main Motion #1 Restated:**

**TO APPROVE ORDINANCE NO. 4026, THE CRITICAL AREAS ORDINANCE, AS AMENDED.**

Council President Johnson said she cannot support the main motion because it encompasses everything. She was opposed to any regulation that is specific to a specific project whether it is by an individual developer or the City. She found the inclusion of the definition of height to accommodate the new community center offensive and she cannot ethically support that.

**Vote on Main Motion #1**

**UPON ROLL CALL, MOTION CARRIED (4-3), COUNCILMEMBERS BUCKSHNIS, MESAROS, TEITZEL AND TIBBOTT VOTING YES; AND COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS NELSON AND FRALEY-MONILLAS VOTING NO.**

**2. DAYTON STREET PLAZA PROJECT BUDGET AUTHORIZATION**

Parks & Recreation Director Carrie Hite requested the Council authorize project budget for the Dayton Street Plaza. She provided details regarding the project:

- Adopted in both the CIP and PROS Plan 5-6 years ago
- Authorized in the budget for the past 3 years
- Not completed because City has not had the capacity to construct it
- Went out to bid in January 2016
- Low bid was \$93,223
- Work authorized under the Mayor's authority
- Design errors in curb heights and sidewalk widths resulted in change orders bringing the project over the \$100,000 threshold for Council authorization

She recalled significant conversations with the City Council in recent years regarding capital projects and the purchasing policy. Language was included in the purchasing policy that allows staff to continue a project even if it goes over \$100,000 that allows the Mayor to preliminarily authorize it to avoid stopping the project awaiting Council approval. She noted stopping a project often adds to the project cost. Mayor Earling provided preliminary authorization and requested it be scheduled on the next Council meeting for Council authorization. An additional management reserve of 15% was added which she did not anticipate using as the project was 85% complete. The budget includes \$168,000; the \$120,000 authorization is within that budget amount.

Councilmember Buckshnis clarified the initial bid was \$95,000 but the budget was \$168,000. Ms. Hite explained the budget authorized \$168,000 which included other elements of the plaza. Park crews demolished and graded the plaza which saved money. Although \$168,000 was included in the budget, the low bid was \$94,000. Councilmember Buckshnis commented this was a lot of money for that little plaza.

Councilmember Teitzel observed 3 years ago the Council authorized \$168,000 for this project. The bid was less than that but due to change orders, the project cost exceeded \$100,000. He asked why further Council authorization was necessary if the Council already approved \$168,000 in the budget. Ms. Hite explained even though the funds are authorized in the budget, capital projects over \$100,000 require additional Council authorization. The purchasing policy to require Council authorization over \$100,000 was established as a result of the Haines Wharf project.

Council President Johnson asked if a management reserve is normally included in the project budget. Ms. Hite answered it is common to have a management reserve. Because a budget of \$168,000 was already authorized, she did not request a management reserve. The low bid was \$94,000 which the Mayor authorized and construction began. With change orders bringing the cost over \$100,000, the purchasing policy requires additional authorization from Council. Council President Johnson observed if the project had had a management reserve, it would have been over \$100,000 and would have likely come to Council for authorization. Ms. Hite answered agreed a 10% management reserve would have added \$9,000 for a \$103,000 project budget; however, the contract was only \$94,000.

**COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TIBBOTT, TO AUTHORIZE PROJECT BUDGET FOR DAYTON STREET PLAZA. MOTION CARRIED UNANIMOUSLY.**

**7. MAYOR'S COMMENTS**

Mayor Earling commented on the great kickoff for Civic Field Master Plan, an opportunity to begin imaging what that eight-acre site might be. He appreciated the great citizen participation at the kick-off meeting.

Mayor Earling relayed Snohomish County is considering a Public Safety bond issue that would raise the sales tax by \$.002. Snohomish County will hold a public hearing on Monday and must vote by Wednesday or Thursday for the measure to be on the August ballot. If the County Council approves the ballot measure, he suggested the Edmonds Council may want to schedule discussion on an upcoming agenda.

Mayor Earling wished a Happy Mother's Day on Sunday.

## **8. COUNCIL COMMENTS**

Councilmember Buckshnis reminded of the Cass Turnbull presentation on Thursday in Council Chambers, 7:00 – 9:00 p.m. on the Seven Myths of Site, Selection and Care of Trees Admission is free and refreshments will be provided. She announced the Floretum Garden Club plant sale in the PCC Parking lot on Saturday at 9:00 a.m.

Councilmember Nelson announced the open house for the Edmonds Waterfront Access Study on May 12 in the Library Plaza Room, 6:00 – 8:00 p.m. The open house will be an opportunity for the task force to share a smaller list of possible alternative and get feedback on the alternatives and criteria that will be applied to the smaller list of alternatives.

Councilmember Fraley-Monillas advised the Diversity Commission will hold its third meeting of the month tomorrow at the Senior Center. She requested a future Council agenda include discussion regarding the lack of parking enforcement and what the Council expects with regard to parking enforcement. She heard about this issue at the BID's yearend function as well as from a number of citizens. She advised Sunset Avenue is on the May 24 agenda.

Council President Johnson announced a public open house for the Highway 99 project on May 19 in the Swedish Hospital 4<sup>th</sup> Floor auditorium from 7:00 – 9:00 p.m.

Councilmember Mesaros advised the Edmonds Center for the Arts Center Stage event where programming for the coming year is announced is May 4. With regard to planning underway for the annual volunteer picnic, he observed the tentative date is Labor Day weekend and suggested consideration be given to selecting another date to maximize attendance.

As a member of the Civic Field CAP Councilmember Teitzel was pleased a lot of public attended the kickoff meeting. He was thrilled Walker | Macy was selected and assured there were wonderful thing in store for Civic Field and that everyone will love the changes.

Councilmember Tibbott reported on FD1's neighbor program at Fire Station 17 regarding neighborhoods organizing to respond to emergencies. He relayed practical suggestions to have a flashlight, sturdy shoes and a hardhat next to your bed. He provided Councilmember Teitzel a check for the volunteer appreciation picnic, noting donations allow volunteers to bring their families to the picnic.

## **9. CONVENE IN EXECUTIVE SESSION REGARDING PENDING OR POTENTIAL LITIGATION PER RCW 42.30.110(1)(i)**

This item was not needed.

10. **RECONVENE IN OPEN SESSION. POTENTIAL ACTION AS A RESULT OF MEETING IN EXECUTIVE SESSION**

This item was not needed.

11. **ADJOURN**

With no further business, the Council meeting was adjourned at 9:48 p.m.