

# **EDMONDS CITY COUNCIL APPROVED MINUTES**

## **May 19, 2015**

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  
Adrienne Fraley-Monillas, Council President  
Diane Buckshnis, Councilmember  
Kristiana Johnson, Councilmember  
Lora Petso, Councilmember  
Joan Bloom, Councilmember  
Thomas Mesaros, Councilmember  
Michael Nelson, Councilmember

### **STAFF PRESENT**

Don Anderson, Assistant Police Chief  
Phil Williams, Public Works Director  
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.  
Patrick Doherty, Econ. Dev & Comm. Serv. Dir.  
Shane Hope, Development Services Director  
Scott James, Finance Director  
Jerry Shuster, Stormwater Eng. Program Mgr.  
Leif Bjorback, Building Official  
Bertrand Hauss, Transportation Engineer  
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**

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY.**

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

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:**

- A. APPROVAL OF DRAFT CITY COUNCIL MEETING MINUTES OF MAY 12, 2015**
- B. APPROVAL OF CLAIM CHECKS #214242 THROUGH #214357 DATED MAY 14, 2015 FOR \$697,846.71 (REISSUED CHECKS #214281 \$61.73, #214309 \$140.00 & #214328 \$131.78). APPROVAL OF PAYROLL CHECK #61609 FOR THE PAY PERIOD APRIL 16, 2015 THROUGH APRIL 30, 2015 FOR \$368.03**
- C. ACKNOWLEDGE RECEIPT OF A CLAIM FOR DAMAGES FROM STATE FARM (\$14,106.31)**

- D. **ORDINANCE UPDATING THE CIVIL SERVICE COMMISSION (EMC 10.25.090) – FILLING OF VACANCIES-PROBATIONARY PERIOD**
- E. **NAMING FIRE STATION #16**
- F. **PROFESSIONAL SERVICES AGREEMENT FOR MANAGEMENT AND MAINTENANCE OF THE CITY'S COPIERS AND PRINTERS**
- G. **REPORT OF FINAL CONSTRUCTION COSTS FOR THE 15TH STREET WALKWAY PROJECT AND ACCEPTANCE OF PROJECT**

4. **PROCLAMATION IN HONOR OF PUBLIC WORKS WEEK MAY 17, 2015 THROUGH MAY 23, 2015**

Mayor Earling advised the proclamation was not available as there had been an issue with the coordination of documents.

5. **AUDIENCE COMMENTS**

**Chris Keuss** congratulated the Council on the Five Corners roundabout. He was skeptical when it was first proposed, concerned about the time, effort and cost and whether it would improve traffic flow. He has passed through the roundabout many times since it was constructed and in his experience most drivers yield and are very careful and considerate. He acknowledged it was a difficult decision for the Council at the time but from his perspective it was a great improvement to the intersection and the area. The pedestrian crossing is also an improvement. With regard to the artwork in the center, he immediately related it to the waterfront and pilings. He thanked the Council for the courage to vote for that project.

**Dave Teitzel, Edmonds**, said he was reluctant to comment on the purchase of the conference center because as a candidate for Council he did not want to politicize it but he is also an Edmonds taxpayer. After carefully reviewing the budget, he recognized the City is not flush with money and that expenses continue to exceed revenue. He was concerned the \$2 million to purchase the conference center plus \$500,000 to \$1 million for repairs would come at the expense of other high priority items identified in the Strategic Action Plan (SAP) as well as may require other creative funding methods such as bonding. He has yet to see a clear vision of what the conference center might be used for if City purchased it. He referred to SAP Item 3a.2, downtown restrooms, which is a high priority. As the North Sound Church is also interest in in purchasing the conference center, he suggested the City partner with them for space in the building for public restrooms due to the building's location close to downtown, the Saturday Market, the car show, etc. He urged the Council to carefully deliberate regarding the purchase.

**Dave Page, Edmonds**, appreciated the depth and breadth of the City Council's and Mayor's service on a beautiful evening like tonight. With regard to the conference center, he has been in the building several times and has done some research. In his opinion, if the building was a good deal it wouldn't be a good deal. He compared it to his boat, a hole in the water you continually feed money without expectation of any results. If the City was into real estate speculation, he acknowledged it may turn around in 5-6 years. One of the reasons Edmonds Community College wants to get rid of the building is cash flow and it is unlikely it will ever provide enough income to pay off a loan. The building is structurally obsolete, the roof and windows leak, and it is cold in the winter and hot in the summer. Although the building looks okay architecturally from outside, it is rife with problems. If the City had to pay prevailing wage to make the repairs, approximately \$80/hour, the repairs would cost a lot. He referred to comments on My Edmonds News about using it for a homeless shelter which he would support but not at this time or at this cost; there were other places the City needed to spend its money. He agreed with Mr. Teitzel that

purchasing the conference center was not a priority in the budget and with his idea about partnering with the church on public restrooms.

**Roger Hertrich, Edmonds**, relayed the Planning Board is holding a public hearing on May 27 on the Tree Conservation ordinance. The ordinance will require residents to obtain a permit for tree removal on private property and an inspection to determine if a tree can be cut. He summarized it was an invasion into residents' private lives; the ability to cut foliage or a tree should be the property owner's decision. The only way for the public to affect the ordinance is to express how they feel at the Planning Board's May 27 public hearing.

**Bob Sears, Edmonds**, said he recently learned about the proposed tree ordinance and "just about hit the roof." He read in the Beacon about things developers have done which were used to stick it to homeowners. Developers will do what they want to get what they want and pass the cost onto the home buyer. He questioned who he would pass the cost onto of removing a dead, diseased, dangerous or ugly tree. He summarized he was horribly opposed to the proposed tree code.

## 6. PUBLIC HEARING ON DRAFT CAPITAL FACILITIES ELEMENT FOR 2015 COMPREHENSIVE PLAN UPDATE

Development Services Director Shane Hope explained draft updates to the Comprehensive Plan are being reviewed one at a time. Drafts, with refinements, will be considered all together in early July. She explained the Capital Facilities Element is:

- Guided by State's GMA
- Consistent with rest of Comprehensive Plan

Capital facilities means real properties, buildings and other significant physical improvements such as:

- Schools and library
- Civic buildings
- Public parks and recreation facilities
- Water supply and sewage treatment facilities
- Public transit stations

The purpose of the Capital Facilities Element is to ensure adequate capital facilities to meet existing and future needs. Components of the Element include:

- Inventory of existing capital facilities
- Goals and policies for meeting future needs
- Capital improvement projects for 6-year period
  - With projected financing
- Public facility needs for 20 year period

The current proposal for the Capital Facilities Element includes:

- New introduction
- New maps and inventory of exiting cap facilities
- "Housekeeping" changes to goals and policies
- New performance measure
- 6-year financial plan of cap projects\*
- Description of longer term projects\*\*

\* Based on adopted 2015-2020 CIP

\*\* Based on adopted Capital Facilities Plan (CFP)

She displayed a map of major capital facilities owned by the City and other public entities and a map of Edmonds School District's inventory. The performance measure included in the plan (to be reported annually) is project delivery, based on comparison of expected results from approved CFP to actual results.

Ms. Hope highlighted the Capital facilities Plan section:

1. General projects
  - 2015-2020 (with projected funding)
  - Long term needs
2. Transportation Projects
  - 2015-2020 (with projected financing)
  - Long-term needs
3. Stormwater projects
  - 2015-2020 (with projected financing)
  - Long-term needs

She noted the City's Capital Facilities Element will not include Edmonds School District's Capital Facilities Plan, following the intent to make the City's Comprehensive Plan more focused on City facilities. Final refinements to the element will include:

- Consolidating background narrative and CFP into one Capital Facilities Element
- Adding list of existing City-owned capital facilities with acreage of parcels and/or floor area of buildings

She highlighted review of the Capital Facilities Element to date:

April 22, 2015 Introduction of Capital Facilities update to Planning Board  
May 13, 2015 Planning Board recommendation to move forward the draft Capital Facilities Element  
May 19, 2015 City Council public hearing  
May 26, 2015 City Council discussion of Capital Facilities Element  
June/July More public input, refinements and final decision by City Council on full Comprehensive Plan

Councilmember Petso referred to the text description of Old Woodway High School and requested it be updated based on recent events. She suggested it be more general and not include as many specifics that may/may not be in an application.

Councilmember Buckshnis commented staff on the Element. She referred to the timeline for the Senior Center grounds, 2021-2025, and suggested it be moved to 2017-2018 as it appears that project will be happening sooner rather than later. She referred to the cost of civic playfields in the plan, \$3 million in 2015 and \$3 million in 2017 and suggested revising it to be more realistic.

Councilmember Mesaros referred to the drawings of Edmonds Crossing that include daylighting of Willow Creek and suggested the alignment be one of the three options under consideration. Ms. Hope advised that could be considered, pointing out this update reflects the past language. Councilmember Mesaros suggested including a note that the alignment is one of several concepts.

Mayor Earling opened the public participation portion of the public hearing.

**Roger Hertrich, Edmonds**, referred to the project on the former Woodway High School fields, relaying that a section of the code says the City shall assure adequate public notice and participation in the siting of essential public facilities, reviewing these facilities through conditional use permit, allowing for the identification of community impacts and mitigation measures. He questioned whether that course was

followed when the City dealt with the Edmonds School District and Verdant regarding the ball fields and did not think the City did. He asserted all the City's actions are determined by how much money it can get out of Verdant. He suggested listing Verdant as part of the plan because apparently the City does whatever Verdant wants. He proposed the City withdraw funds for the two ball fields until the City regained control of its own facilities.

Hearing no further comments, Mayor Earling closed the public participation portion of public hearing.

**7. PUBLIC HEARING ON DRAFT 2015 TRANSPORTATION PLAN**

Transportation Engineer Bertrand Hauss provided an outline of the report:

1. Goals and policies – includes updates from Planning Board and City Council; comparison table in appendix
2. Transportation Network – includes project list reviewed in April
3. Implementation and Financial Plan – includes new material on costs and funding

With regard to recent funding sources, Mr. Hauss explained since adoption of the 2009 Transportation Plan, 16 Non-Motorized/Capital Transportation implementation projects have been/will soon be completed throughout the City. These projects were funded by:

- \$20,000,000 in grant funding secured→\$3,300,000/year
- Only \$1,920,000 in Fund 112→\$320,000/year

All projects took place due to secured grants:

- 92% of costs funded by grants
- 8% of costs funded by Fund 112 (gas tax, REET, General Fund transfer)

Since such an annual grant funding amount is very unlikely to reoccur and in order to complete additional transportation improvements within next 6 years, additional Fund 112 will need to be provided.

**Don Samdahl, Fehr & Peers**, reviewed projects costs:

Category	Costs (Million)
Roadway	\$ 49
Pedestrian and Bicycle	\$ 33
Preservation and Maintenance	\$ 44
Other (Traffic Calming, operations, etc.)	\$ 7
Total Cost	\$133

**Randy Young, Henderson & Young**, reviewed Potential Project Revenues – Current Sources:

Source	Amount (\$M)
Grants (Unsecured)	\$18.6
REET for Street Preservation	\$15.8
Transfers from General Fund for Street Preservation	\$11.3
Motor Vehicle Fuel Tax	\$ 8.0
Traffic Impact/Mitigation Fees	\$ 4.0
Stormwater Funds	\$ 1.5
Transfers from Capital Fund	\$ 0.5
Interest Income	\$ 0.1
Total	\$59.8

He reviewed costs compared to revenue:

Category	Costs (Million)
Existing Funding Sources	\$ 60
Compare to Total Costs	\$133
Revenue Shortfall	\$ 73
Potential Additional Optional Sources	\$144

He explained the Comprehensive Plan must demonstrate the City has the capacity/ability to generate the funds but they money does not have to be available in order to adopt the project list. He reviewed additional optional revenues sources:

Source	Amount (\$M)
TBD License Fee (requires voter approval) Assumed up to \$80 per license per year	\$64
TBD Sales Tax (at 0.2%)	\$24
Business License Fee for Transportation (at \$50 per year per FTE employee)	\$15
Red Light Violation Fine - must be used for safety projects (at \$50 per violation after program costs)	\$29
Transportation Levy (at \$0.20 per year)	\$8
Non-Motorized Mitigation Fee	\$4
Local Improvement District/Roadway Improvement District (at 20% of project costs)	Not estimated
Additional Grants	Not Estimated
Other (from Transportation Committee <ul style="list-style-type: none"> <li>• School zone Speed violations</li> <li>• Shift more REET funds to Transportation</li> <li>• Utility Fee</li> </ul>	Not Estimated
Total	\$144

Mr. Hauss identified next steps:

- May 26 City Council Discussion
- June 10 Public Open House
- End of June Adopt Final Plan

Mr. Hauss requested any financial questions be asked tonight or emailed during the week as Mr. Young is unable to attend next week's study session.

Councilmember Buckshnis complimented staff and the consultants on the report. She referred to Item 11 on page 4-2 of the report, Main Street & 9<sup>th</sup> Avenue N, install traffic signal and a footnote that states a roundabout would be an alternative. Mr. Samdahl said they were asked to look at a compact urban roundabout in that location; a quick layout indicates it may be possible so it was included in the plan as an option. When a project was designed it would be looked at further. He acknowledged it was a fairly tight location. Councilmember Buckshnis asked if it would be similar to what is used in Seattle neighborhoods. Mr. Samdahl said it would not be a mini roundabout like what is used between two neighborhoods streets; this would be between a mini roundabout and a large roundabout like Five Corners.

Councilmember Buckshnis referred to page 410 of the packet, noting \$1.6 million per year has been budgeted for overlays in the recent past; the plan increases that to \$2.4 million from 2016 to 2021 and \$2.5 million from 2022 to 2035. She asked how that amount was determined when Mr. Williams has said \$1.6 million. Mr. Hauss explained those amount were necessary to improve the overlay cycle from the current 60 years to 20-30 years. Public Works Director Phil Williams said the amounts mentioned in the past have been increased due to inflation as well as the significant additional cost to upgrade ramps and

driveways to bring the street into ADA compliance which was not part of the calculation when this was discussed five years ago. Councilmember Buckshnis asked whether the plan identified a specific amount for chip seal. Mr. Williams explained this is street preservation projects; in some cases that may be a grind and overlay, in others slurry seal or chip seal may be advisable. He anticipated slurry and chip seal will have a future in the street preservation program but the exact amount will be determined later.

Councilmember Petso referred to tables 3-39 and 3-40 that show various intersections that are projected to have inadequate level of service (LOS) and said she was unable to find projects to address that. For example 244<sup>th</sup> & Highway 99 has a proposed LOS E, yet there is no project proposed to address it. She asked whether all the areas expected to have a failed LOS have a project and if not, why not. Mr. Samdahl answered the section of Hwy 99 in the location has a LOS E policy based on the State's Highway of Regional Significance. There are a couple intersections on Highway 99 that are not proposed to be brought into full compliance due to the cost to adding additional lanes.

Councilmember Petso believed the LOS for that intersection was D; she referred to page 3-40 where the E indicates it is below standard. Mr. Hauss answered it is a Highway of Statewide significance so the intersections are not required to meet the City's LOS standard. The City of Shoreline is completing improvements nearby. Mr. Samdahl corrected his earlier statement, 244<sup>th</sup> has a LOS D Highway of Statewide Significance but is not subject to concurrency. The project under construction by Shoreline was included; however, even though that project will greatly improve what would exist, the LOS is projected to be E in the future. Councilmember Petso asked whether the City has the option to design a project to improve that. Mr. Hauss said the standard for an intersection on a Highway of Statewide Significance is LOS E, so there is no requirement. Councilmember Petso clarified the LOS for that intersection is actually D. Whether the improvement was required or not, she asked whether the City had the option to improve it. Mr. Hauss said that may be something to look at.

Councilmember Petso asked if there were other intersections in the list that will be below LOS but for which projects are not identified. Mr. Hauss said proposed improvements at Highway 99 @ 212<sup>th</sup>, Highway 99 @ 212<sup>th</sup>, and Highway 99 @ 220<sup>th</sup> are identified in the Transportation Plan. Mr. Samdahl clarified there are improvements identified for Highway 99 @ 212<sup>th</sup> and 220<sup>th</sup>, however, even with improvements, the intersections will still operate at LOS E or F. Additional improvements could be identified to make them meet LOS D. The Transportation Committee and staff felt the magnitude of those projects would be too expensive but it could be revisited.

Councilmember Petso referred to page 3-44, accident history analysis, which indicates there were 90 accidents at Westgate, the most of any of the intersections, and the highest rate of accident per million entering vehicles of 1.4. She asked whether any projects were proposed to improve safety in that area. Mr. Samdahl answered a specific safety project is not identified other than what was discussed as part of the Westgate Plan such as making it more pedestrian friendly at the intersection to slow traffic. The higher rate of collisions is due to the high volume of traffic.

Councilmember Nelson asked how roadway speed factors into accident rates. Mr. Samdahl answered speed certainly is a contributing especially with rear-end accidents but more so with the severity of accidents. Councilmember Nelson asked how Edmonds compared to other cities with regard to traffic safety. Mr. Samdahl answered Edmonds' highest collision rates are lower than other communities which often exceed 2 collisions per million entering vehicles. There were no glaring safety locations where there was a high number of injury or fatality accidents that they felt needed a specific safety treatment. Some of the improvements proposed at intersections such as turning lanes and signals will contribute to safety. Councilmember Nelson asked the percentage of reduction. Mr. Samdahl answered that could be calculated for a specific location, but was not done as part of this plan.

Councilmember Mesaros referred to table 3-8 on page 3-44, suggesting comparative information for cities Edmonds' size or the State be included. Mr. Samdahl advised the average for the state is in the high 1s for what the State considers high collision locations. He agreed comparison information could be included.

Councilmember Johnson referred to potential project revenues based on current sources. The City currently allocates the first \$750,000 of REET to parks and the remainder to transportation. She recalled the Transportation Committee discussed potential funding from REET 1 and 2 for transportation, yet that was not identified on Table 4-3, Potential Additional Optional Sources. She asked about potential additional funding from REET 1 and 2. Mr. Young agreed that could be provided. Councilmember Johnson commented that policy decision was made 20-25 years ago and the Council may want to revisit it.

Mayor Earling opened the public participation portion of the public hearing.

**Roger Hertrich, Edmonds**, referred to the proposal for a signal at Puget Drive and 88<sup>th</sup>, recalling an earlier consultant suggested improvements to the intersection to increase sight distance to make it safer. That appears to have been abandoned, and now the proposal is for a signal which he did not think would work on a hill. He referred to the proposal for a signal at Main & 9<sup>th</sup> as well as other options. He referred to Olympic Avenue, recalling in the past the neighborhood was opposed to having the road widened. He expressed concern with the optional funding sources, commenting Edmonds is not Lynwood and residents do not want a red light fee or an \$80 license fee. He suggested the City be practical about what citizens want. He encouraged the Council to protect REET funds; the City has a good park system that needs REET funds and enough has been provided for transportation.

Hearing no further comments, Mayor Earling closed the public participation portion of public hearing.

**8. RESOLUTION TO DISSOLVE EMERGENCY SERVICES COORDINATING AGENCY (ESCA)**

Mayor Earling advised Councilmembers were provided individual briefings on the need to dissolve ESCA.

Assistant Police Chief Don Anderson explained since 1994 the City of Edmonds has via Interlocal Agreement (ILA) received emergency management services from ESCA. This has been in partnership with other cities in southwest Snohomish County as well as three cities in northwestern King County. Governance of ESCA is by its board of directors with each member city having one board representative. At a March 26, 2015 Board meeting, the Board passed a resolution recommending to the City Councils of ESCA cities the dissolution of ESCA and termination of the ILA effective December 31, 2015. Formal action by those City Councils and notification to the ESCA director of action taken is requested by June 30, 2015.

Members of the ESCA Board are presenting cities within Snohomish County consensus that the Snohomish County Department of Emergency Management (DEM) is a very viable alternative to ESCA. DEM is able to provide a level of service commensurate with that mandated by federal law and the RCW on the provisions of relevant comprehensive emergency management plans and programs. In addition to DEM's ability to meet service expectations, they are also able to provide those services at lower cost to the ESCA cities. The financial specifics are noted in the fiscal impact section of the agenda memo but preliminary estimates are that DEM is able to provide this service at a savings of \$49,761 annually.

For these reasons discussions have occurred between representatives of the ESCA Board and representatives of DEM to include development of an ILA that can be presented for City Council approval. The intent is for an ILA with DEM to take effect on January 1, 2016 but to also include at no cost to the City certain bridge provisions to ensure a smooth transition from ESCA to DEM during the

time period between when the ILA is ratified to the end of 2015. It is expected an ILA with DEM can be presented to the Council with the next 60 days. Staff recommends the City pass the resolution to dissolve ESCA no later than June 30, 2015 with the dissolution effective at the end of the day December 31, 2015.

Mayor Earling relayed Chief Compaan is the City's delegate to ESCA and Assistant Chief Anderson is the alternate and has been participating discussions for several months.

Councilmember Nelson asked about bridge during the gap between ESCA and DEM. Assistant Chief Anderson said an ESCA committee is working on an ILA that will address equipment, volunteer coordinator services, etc. to ensure there is no gap in service.

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO ADOPT RESOLUTION 1334, DETERMINING THAT THE EMERGENCY SERVICES COORDINATING AGENCY (ESCA) SHOULD BE DISSOLVED EFFECTIVE DECEMBER 31, 2015. MOTION CARRIED UNANIMOUSLY.**

**9. EDMONDS FISH HATCHERY LEASE AGREEMENT**

Parks & Recreation Director Carrie Hite explained the Edmonds Fish Hatchery which has been operated by Edmonds Trout Unlimited for the past 10 years hosts many salmon hatchlings every year as well as a numerous educational programs. Trout Unlimited's lease is up and staff is seeking a lease agreement with them for five additional years. Trout Unlimited is interested continuing to operate the fish hatchery and in the zero sum lease. The City does not have the capacity to operate the hatchery. They are only interested in five years because they believe their capacity may diminish after five years. She plans to work with them on public outreach campaigns to identify another volunteer group to steward the fish hatchery at the end of the five year lease. She requested Council review the agreement and schedule approval on next week's Consent Agenda.

Mr. Hite explained during discussions with Trout Unlimited, they also expressed concern with the number of people who use the hatchery facility without any contractual/lease arrangement. As a result language has been added to the lease to give Trout Unlimited the ability to operate the hatchery and have third party leases for insurance purposes. Trout Unlimited and the City Attorney are satisfied with the language in the agreement.

Living near the fish hatchery, Councilmember Mesaros said it is a beehive of activity on the weeks and Trout Unlimited has done a great job assembling a core group who do gardening and take care of grounds, as well as provide educational activities. He summarized the fish hatchery is a great asset to the City. Ms. Hite assured that will continue to happen with the tightening of lease with regard to the use of the facility. The Park Department will continue to oversee the demonstration garden and volunteer activities, provide porta potties during events, pick up debris following a cleanup day, etc.

Councilmember Nelson said he has visited the hatchery with his children to feed the salmon. He asked the potential for another group to operate the hatchery beyond five years. Ms. Hite responded Trout Unlimited is interested in working with the City to find a sustainability plan for their organization; she envisioned that organization would continue to be involved by engaging some younger people. The core group is getting older and they are concerned with their ability to continue to do the physically demanding work. Future efforts will include working with the media on recruiting volunteers to continue its sustainability. Short of that group, there is no Plan B at this time.

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCIL PRESIDENT FRALEY-MONILLAS, TO SCHEDULE APPROVAL OF THE FISH HATCHERY LEASE ON THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY.**

## 10. MARINA BEACH PARK MASTER PLAN BRIEFING

Parks & Recreation Director Carrie Hite explained the Planning Board was recently provided an update and the Council has previously been briefed on the project. Two open houses have been held; the last open house, attended by over 100 people, provided a tremendous amount of public input and began to shape ideas for the master plan. She thanked Councilmember Nelson for attending the last open house. The virtual, online open house, launched the next day, has received a lot of traffic and the City has received numerous emails.

At the last briefing to the Council three alternatives were presented, A: south through the off-leash area, B: north through the main park area, and C: a combination of A and B. Using input from the first public open house, the Project Advisory Committee, the Council and Planning Board, a decision was made to follow through on two concept options that follow the north alignment and the middle alignment.

**Chris Jones, Landscape Architect, Walker | Macy**, identified members of the Project Advisory Committee:

- Carrie Hite – Recreation and Cultural Services Director, City of Edmonds
- Renee McRae – Interim Assistant Park Director, City of Edmonds
- Keeley O’Connell– Senior Project Manager, Earth Corps
- Jerry Shuster – Stormwater Engineering Program Manager, City of Edmonds
- Rich Lindsay – Park Maintenance Manager, City of Edmonds
- Diane Buckshnis – City Council, Floretum Garden Club, OLAE
- Val Stewart – Planning Board, City of Edmonds
- Rick Schaeffer – Tetra Tech
- Susan Smiley – Edmonds Floretum Garden Club
- Joe Scordino – Community Member (retired NOAA fisheries)
- Ron Brightman – City of Edmonds Tree Board
- Laura Leeman – Community Member (Edmonds Moms Group)
- Kevin Conefrey – Edmonds Arts Commission

Stakeholder meetings have been held with the following:

- Dave Earling (Mayor of Edmonds)
- Joan Bloom (City Council)
- Dr. Kent Saltonstall (City of Woodway)
- Susie Schaefer (Friends of Edmonds Marsh)
- Marla Kempf, Bob McChesney and Jim Orvis (Port of Edmonds)
- Kojo Fordjour (WSDOT)
- Tammy Armstrong (Department of Natural Resources - DNR)
- Karen Andres and Susan Tarpley (Ranger Naturalists)
- -Kristiana Johnson, Lora Petso, Adrienne Fraley-Monillas (City Council)
- Susan Morrow (Seal Sitters)
- Ann Aldrich, Diane Buckshnis, Julie Nealey (OLAE, Off Leash Area Edmonds)
- Kernen Lien (Senior Planner, City of Edmonds)
- Walter Smith (Burlington Northern Santa Fe - BNSF)
- Neil Tibbott and Phil Lovell (City of Edmonds Planning Board)

He displayed a project schedule, explaining there have also been two open houses, the first in March, another a few weeks ago and a final open house will be held in July. He displayed the Site Analysis which

was previously provided to the City Council and at the two open houses. He described stream alignment options A, B and C. He summarized comments from the 30-40 attendees at the first open house:

- Disinterest in Option A
- Beach, views, environment, picnic tables, seating, walking, active/passive recreation opportunities
- Parking capacity
- Restroom facilities
- Provide more habitat and educational opportunities
- Willow Creek alignment and impacts
- Dog and human conflicts. Dog impacts to environment

Two options were presented at Open House #2 that reflected alignments B and C. He reviewed elements of each option:

#### Option 1

- Minimal change to park, people say the park operates successful as is
- Maintains same number of parking stalls 57 (includes 3 ADA stalls)
- Stream Alignment B
- Off-leash dog area in same location, reduced by 15% due to the buffer area
- Bridge connects parking lot to the off-leash dog area
- Difference between Options 1 and 2, Option 1 has a turnaround in the parking lot
  - Drawing does not show 100' radius required for fire access. Meeting with Fire Department to confirm the required radius
- Lawn area reduced from existing
- Added overlook area south of marina
- Creek flows through park, fence on the north side of dog park to keep dogs out of creek
- 2 alternative locations for restrooms – centrally located that equally serve park and dog users
  - Planning Board pointed out parking outside the park property; centrally located restrooms could consider that
- Potential for nature play (rocks, boulders, logs) and environmental education in buffer area

#### Option 2

- Stream alignment C
- Maintains off-leash dog park in existing location
- Fence on north side
- Curved bridge provides more visual interest
- Overlook at the current Unocal overlook
- 57 parking stalls (including 3 ADA) in parking lot, not have a turn around
- Maximizes lawn area where turnaround would be
- 2 restrooms alternatives, centrally located and north toward bridge near parking lot
- Overlook in similar location as Option 1
- Both options maximize amount of beach space

He relayed a question that arose at the Planning Board regarding planting at the mouth of the creek. He provided a photograph of Carkeek Park, advising planting material would be similar to Carkeek Park with more dense materials further up the channel. Future drawings will illustrate trails and perspectives of that experience.

He summarized comments from the 100+ attendees at Open House #2:

- No clear preference between Option 1 vs. Option 2. Most prefer a hybrid
- Primary Considerations:

- Dog Park
- Turnaround
- Restroom Location
- Parking
- Open Lawn Space

Mr. Jones reviewed next Steps:

July 8, 2015    Open House #3  
 July 22, 2015    Present Master Plan to Planning Board  
 July 28, 2015    Present Master Plan to City Council  
 July/August    Comment Period  
 November    Adoption of Master Plan

Council President Fraley-Monillas liked Option 1 because the turnaround at end of parking lot improves the ability to unload and improves ability to see cars.

Councilmember Mesaros echoed the importance of the turnaround, noting it would be helpful in unloading kayaks closer to the water.

Councilmember Nelson liked Option 1 because the beach was more continuous. He also supported a Fire Department-compliant turnaround.

Councilmember Bloom observed the turnaround did not have sufficient radius for a fire turnaround but Option 2 does not have any turnaround. She asked whether fire equipment would be required to back out of the parking lot in Option 2. Mr. Jones answered in small parking lots a hammerhead at the end of the parking lot was a work around. Councilmember Bloom asked if the vegetation in the dog park would be part of the design. Mr. Jones answered it was for illustrative purposes only; they have heard a lot of plant material is not desirable in the dog park because it does not survive. The only way for plant material to succeed is a raised planter. Most people prefer the openness in the dog park.

Councilmember Bloom asked whether there has been any discussion about partnering with the Port on restrooms. Mr. Jones identified the location of the Port restroom, relaying the Port prefers they and the City have their own facilities recognizing the use will likely be shared.

Councilmember Petso liked the two overlooks in Option 2, one at the north and another by the dog park. Mr. Jones relayed comments regarding Option 1 included that the bridge seemed to only serve the dog park users and not general park users. Moving forward, the use of the bridge needs to be balanced to ensure the southern portion of the site, while primarily for dog users, also accommodates everyone else.

Councilmember Johnson recalled during the first open house the focus was on people who use the off-leash area, the grassy area, etc. Her focus was on the fish; Willow Creek is being daylighted to enhance the marsh and encourage the return of fish. She asked Mr. Jones to address the proposed buffers for daylighting Willow Creek and how the gradient will work in the different tide configurations. Mr. Jones displayed Option B, explaining the planning effort began with what is required in the Shoreline Master Program (SMP), a 100-foot buffer. In discussions with Mr. Lien and Ms. Hope, they learned there is an option for a 50% buffer reduction which has been vetted with funding sources. Department of Ecology requires only a 35-foot buffer as part of their grant program. There is significant work to be done with regard to that reduction and proving it is a reasonable approach given water quality and other issues. With regard to tides, Mr. Jones relayed Shannon & Wilson's indication that there will be a 3-5-inch water cover at low tide similar to the Carkeek Park photo and 3-5 foot water depth at the deepest locations at the mouth of the creek at high tide.

Councilmember Johnson asked how a play area in the creek would affect salmon recovery. Mr. Jones explained the play area would not be within the creek. He displayed Option 1, identifying the location of the centrally located play space, and a nature play area with logs and/or boulders on the margin which can be within the buffer area.

Councilmember Johnson relayed her understanding from Keely O’Connell that salmon use olfactory senses to return to the marsh. She asked how that would be affected by water quality in Puget Sound. Stormwater Engineering Program Manager Jerry Shuster said it depends. The channel is being designed for small Chinook to come into the marsh to feed, not to spawn because Willow Creek is too small for Chinook salmon. If the channel is opened and the tidal influx into the marsh and marsh water out into Puget Sound, the salmon will sense that and it will point them toward the marsh.

Councilmember Mesaros said it would have been wonderful to have the two overlooks yesterday when a pod of orcas visited for nearly an hour.

Councilmember Buckshnis thanked Mr. Jones for his presentation and assured Councilmember Johnson Ms. O’Connell indicated the reduced buffer is workable because it is at the mouth of the stream where salmon do not need the entire 100-foot buffer.

With regard to the buffers, Ms. Hite explained this is the master planning process, not permitting. She believes the project will meet the threshold for the 50-foot buffer reduction. The Council will also be considering a critical areas update in the near future, probably before permits are requested for the Marina Beach Master Plan. It has been an interesting challenge to design daylighting Willow Creek to allow salmon to feed in the marsh while preserving the park and access to Puget Sound. That will be part of discussion during the critical areas update.

Ms. Hite thanked the Council for their feedback and direction. Based on Council comments and public feedback Staff will to work with Walker | Macy to fine tune the master plan and develop a hybrid option with regard to two overlooks, the restrooms, the turnaround, etc. She invited the Council and the public to the July 8 open house and encouraged Councilmembers to call or email her with any questions before then.

Mayor Earling declared a brief recess.

## **11. UPDATE ON DEVELOPMENT ACTIVITIES/PROJECTS**

Development Services Director Shane Hope explained Development Services includes Building, Engineering and Planning. She displayed photographs of the staff team, highlight 3 staff members who between them have 63 years of service. Staff works hard to serve the public; there was a total of 4,472 Building Division inspection in 2014. Through the end of April 2015, Building has performed 1,753 inspections. She highlighted land use applications received, 48 through April 2014 compared with 58 through April 2015.

She displayed graphs of Development Services permit history that illustrated total Development Services revenue and number of building permits 1985 – 2014 and January through April 2001 – 2014. She provided a comparison of the number of Building Permits issued and valuation, through April 30, 2014 and April 30, 2015. She summarized both the number of permits and valuations are higher in 2015.

Building Official Leif Bjorback reviewed solar permits issued 2014-2015:

Year	Number of Permits	# of Permits Applied for Online	% Online	kW
2012	3	0	83%	11.0
2013	6	0	90%	41.0
2014	39	35	86%	241.4
2015	15	13	53%	93.3
Total	63	53	84%	386.7

He displayed a proclamation issued by Governor Inslee declaring Edmonds and others cities to be Northwest Solar Communities. He displayed a map of key development projects, noting major commercial projects are on Highway 99, business districts and in the bowl as well as residential projects throughout the City. He displayed photographs of residential projects, advising the Development Services Department currently has 68 active new single family residence projects in the works including the 7-lot Shoreshire, 6-lot Shaw Lane and the Woodvale subdivision.

He displayed photographs and described commercial development:

- Swedish Hospital project
  - 94,117 square foot emergency department expansion, \$28 million in valuation
- New post office mixed use building
  - 94,256 square feet, 43 residential units, post office, retail space \$7.2 million in valuation.
  - Phase 2 will have a similar look, fronting on Main Street, retail and restaurant on street level with residential above and parking below.
- Prestige Care
  - New 48,782 square foot skilled nursing facility on 76<sup>th</sup> Ave W, \$6.9 million in valuation, less institutional and more livable
- Cedarview Memory Care Center
  - 70,897 square feet, 80 bed \$7.1 million in valuation
- Campbell Nelson parking lot for extra vehicle storage

Mr. Bjorback described tenant improvement projects:

- Restaurant in former O'Reilly's building
- Harbor Freight
- Winco Foods
  - Total interior overhaul of existing 90,000 square foot supermarket plus upgrades to exterior and parking lot
- Salish Crossing
  - New tenants include Museum, distillery, bottling company Spud
  - Top Pot Donuts in new building in north end of parking lot
- Several examples of new tenants downtown
- Channel Marker moved to Harbor Square
- Edmonds Museum
- City Park Spray and Play – construction begins next week.

Ms. Hope highlighted other development services work projects:

- Development Code rewrite
- Comprehensive Plan update
- Critical area Ordinance updates
- Engineering Standards update
- SR 104 study

- Electronic Plan review implementation
- Permit Center/Green Room remodel

She advised the Development Services Permit Center counter is closed all day on Wednesdays for a limited period of time to catch up on plan review. She displayed a photograph of staff's bike commute challenge.

Councilmember Mesaros referred to the graph that illustrates the number of building permits was down in 2008/2009 and is slowing increasing. He asked about staffing during that time. Ms. Hope offered to provide Council that information as she was not employed by the City at that time. Councilmember Mesaros commented on how staffing impacts the ability to serve the public; if there is not adequate staff, that should be considered.

Councilmember Nelson asked whether Snohomish County will bring back the solarize campaign, noting it resulted in a significant increase in solar permits. Many people living in the Pacific Northwest may not realize not only can they achieve an electric bill of zero but can be a net provider of electricity using their solar panels. Ms. Hope answered there was interest in doing that. She agreed it was a great opportunity to get the word out. There is also more education happening; for example a NW Tour of ecofriendly buildings included some Edmonds projects. The availability of the online permit makes it very easy. She anticipated as more people become aware, with the City's assistance, the momentum will continue.

Councilmember Mesaros asked whether there was an opportunity for the City to put solar panels on its buildings. Parks & Recreation Director Carrie Hite advised the City is engaged in a solar cooperative and there are a number of panels installed on the Frances Anderson Center roof. The City receives quite a discount on energy for the Frances Anderson Center via the community solar cooperative. Proceeding with part 2 with the solar cooperative has been considered but they are not yet ready.

Mayor Earling highlighted the workload occurring on the 2<sup>nd</sup> floor. He recalled in 2008 people complaining that staff didn't have enough to do which he noted was not true. The workload now is staggering, thus the decision to close the permit center on Wednesdays. Staff is available by phone and appointments. He summarized staff is doing a fabulous job even with the heavy workload,

**12. AMENDING THE CITY CODE REGARDING DELINQUENCY CHARGES, THRESHOLD ACCOUNT BALANCES, AND TURN-ON AND TURN-OFF CHARGES**

Finance Director Scott James explained additional language has been added since this was initially presented to the Council on April 1. He reviewed revised language in the ordinance that accomplishes the following:

- Section 7.10.025
  - Utility billing delinquency charge changed from 10% of the outstanding balance to a flat \$25 fee
  - Remove reference to the Finance Committee
  - Include provision for appeal and a \$100 appeal fee
  - Amend the threshold for account balances to be considered delinquent from \$21 to \$40
  - Clarifies the placement of liens for unpaid accounts and allows pursuit of foreclosure as authorized by RCW
  - Increase the charge for turning water on or off at the main other than during regular working hours from \$75 to \$125
- Section 7.10.070
  - Add Section 3: "Applicability. The provisions of this ordinance shall be applicable to existing delinquent account balances and the delinquency charge on such balance shall be calculated

in conformance with Section 1, above, except in cases where applying the fee calculated under Section 1 would increase the amount of the delinquency charge, in which case, the delinquency charge calculated under Section 1 would only be added to accounts that continue to be delinquent after the effective date of this ordinance.”

Councilmember Mesaros referred to the fee for an appeal and asked if an appellant still pays the \$100 fee if they win. Mr. James answered yes, the fee is intended to cover some of the cost incurred. City Attorney Jeff Taraday answered that fee is consistent with other appeal processes. The purpose of the appeal fee is to defray the administrative cost of the appeal. Councilmember Mesaros commented if the administration was done right, an appeal would not have been necessary. Mr. Taraday said language could be added to excuse the appeal fee in instances where the appellant prevails.

Councilmember Petso asked why an appeal fee would be charged on utility accounts and whether the City received a lot of appeals. Mr. James answered none have been brought to Council; only a few have recently been brought to the Finance Director which he, the City Attorney and Mayor have handled. Councilmember Petso observed this provision would only apply if the person has already worked with staff and is dissatisfied with staff’s decision and wants to appeal to Council. She asked whether the intent was to charge a \$100 appeal fee at that point. Mr. James answered yes.

Councilmember Bloom referred to the turn on and off charges and asked if that was related to a property owner asking to have the water turned on or off at their home. Mr. James answered yes. Councilmember Bloom asked whether that happened frequently. Mr. James answered it does happen; the goal is to minimize afterhours calls and recover the cost. Councilmember Bloom asked why someone would ask to have their water turned off. Mr. James answered a burst pipe, construction, etc. Public Works Director Phil Williams explained there are two time periods and costs, during working hours and afterhours. If a customer is behind on their bill and staff turns their water off during working hours, there is a \$20 charge. If a customer asks to have their water turned off, there would also be a \$20 charge if it is during working hours. If a customer plans to be out of town for a significant period of time, it may be cost effective to have the water turned off to avoid the fixed monthly charges that would accrue to the account. The more common occurrence is a customer who is behind on their payments and staff ends up turning the water off for which there is a \$20 charge. If a customer asks to have their water turned on afterhours, the proposal is a \$125 charge.

Councilmember Bloom asked if someone doing construction on Saturday, an allowable time for construction, would they incur an afterhours charge if they asked have their water turned off. Mr. Williams explained most people can turn their own water off inside their house. If they were working on their service line, they can also turn off the water on their side of the meter. If the City is asked to turn off their service which includes notice to the Finance Department to discontinue service, a charge is levied.

Council President Fraley-Monillas recommended adding wording that the appeal fee is waived if the citizen wins their appeal. Mr. Williams suggested staff return with a proposal, possibly related to the amount of the delinquency. He noted there are currently 9 accounts that together have \$188,000 in unpaid charges. He suggested possibly an appeal of a large amount should pay a fee because the issues would be more complicated.

Councilmember Petso suggested inserting a period after “mailed” and delete “and by paying an appeal fee of \$100.” She noted if there is an appeal to Council, \$100 is unlikely to compensate for the effort that goes into the appeal. Since it is potentially unjust, she suggested appeals be free and assume there will not be very many which has historically been the case.

Councilmember Mesaros commented if the Council finds itself involved in 30 appeals a month, a fee can be reinstated.

Mayor Earling questioned whether the Council really wanted these actions coming to them for a decision. Councilmember Mesaros answered no, but did not think they would because either a customer owed the money or they didn't. He did not mind having a penalty if a customer owed the money and was found to owe it after the appeal was completed. He did not want an appeal fee for a customer who won their appeal. Mr. James said one of the proposals was to reduce the fee to a flat \$25 which would reduce the need for an appeal. He encouraged the Council adopt these revisions tonight.

**COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ORDINANCE NO. 4000 AMENDING ECC 7.10 REGARDING WATER SERVICE TO CLARIFY THE CALCUALTIN OF THE DELINQUENCY CHARGES AND TO AMEND THE TURN ON AND TURN OFF CHARGES.**

**COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO AMEND THE ORDINANCE BY DELETING THE \$100 FEE AS FOLLOWS: PUT A PERIOD AT THE END OF THE WORD "MAILED" AND DELETE "AND BY PAYING AN APPEAL FEE OF \$100." AMENDMENT CARRIED UNANIMOUSLY.**

**MAIN MOTION AS MENDED CARRIED UNANIMOUSLY.**

**13. DISCUSSION AND POTENTIAL ACTION REGARDING POTENTIAL SUBMITTAL OF LETTER OF INTEREST TO STATE TO ACQUIRE THE EDMONDS CONFERENCE CENTER**

Economic Development & Community Services Director Patrick Doherty reviewed responses to questions raised by the Council at the May 12, 2015 meeting (responses provided in italics):

Condition of the Building/Premises

1. Has there been additional damage to the building since last summer's reconnaissance?  
*No additional damage of note has occurred since last summer.*
2. What improvements, maintenance or damage corrections have been made over the years?
  - Stage lights and sound system was installed in the auditorium. (The large monitors are property of the church that conducts services every week.)
  - The HVAC system was upgraded and considered to be in excellent condition, including new gas meters and web-based HVAC controls. Completed Fall 2013, \$90,000.
  - LED lighting in the auditorium for energy savings performed, December 2013, \$60,000.
  - Roof was replaced in 2013.
3. Would repair of the damage assessed by the engineers entail just repair of identified damage or an entire recladding of the building?  
*The engineer's report proposes entire recladding of the building, estimated to cost \$1,012,161.23. Edmonds Facilities Maintenance Manager Jim Stevens believes that the type of water leakage experienced at the Conference Center could lead to additional damage not identified by the engineers, deeper under the cladding system, such as dry rot in supporting members, damaged insulation, etc. The total cost of remediation could very likely be greater. In addition, once the cost of remediation approaches/exceeds the total value of the building, it is often prudent to consider rebuilding, not repair.*
4. In addition to the 27 on-site parking spaces, are there any other spaces associated with the Center, such as through shared-parking arrangements on near-by properties?  
*As it turns out, the Surplus Property Bulletin is incorrect. There are approximately 13 spaces on site, with approximately an additional 10 spaces on the adjacent site to the north (215 4th Avenue North, sold to a private party and containing a duplex with four exclusive parking spaces. The remaining parking spaces are covenanted to the Conference Center. Exact covenant details are not yet*

available.) Other parking for up to approximately 5 spaces, principally for staff, has been provided through the City's on-street parking system.)

5. What is the Center's capacity for meetings, gatherings, conferences, etc.?

*The Conference Center includes the following facilities for meetings, conferences, etc.:*

- *Chrysanthemum Hall, 3,410 SF, approximately 220 theater-style seating, up to 400 standing room*
- *Orchid Room, 1,380 SF, approximately 90 theater-style seating*
- *Rhododendron Room, 930 SF, approximately 60 theater-style seating*
- *Total occupant load, per Fire Code, is 750 – which is standing room only.*
- *The facility includes a “prep” kitchen, four small offices, and restrooms upstairs and downstairs.*

#### Operations, Pro Forma

1. Could we have previous and/or earlier years' profit/loss statements?

*The College and/or State are not providing additional years' P/L statements, but the official response from the State is that the 2013-2014 P/L ending balance (-\$52,910) is representative of previous years' losses.*

2. What are the College's marketing efforts? Is the College maximizing its efforts to develop business and usage of the Center?

*Direct quotes from the College: “What are the College's marketing efforts? The marketing efforts for the College's Creative Retirement Institute, ULearn and ArtsNow programs are by TV (Channel 26, the college channel), direct mail, brochures, the College catalog which is mailed to nearly every citizen in Edmonds, Lynnwood, Brier, Mukilteo and Woodway and ads in the local newspapers.”*

*“Is the College maximizing its efforts to develop business and usage of the Center? Yes, within the good business practices for the College's community mission activities as required by the State Board of Community and Technical Colleges. We advertise the use of the facility for community use, private industry seminars/training and private individual use such as receptions, weddings and general public activities. We do not promote facility use beyond the College's charter under state law for community colleges.”*

*The conference center fulfills a niche for meetings and conferences for nonprofit agencies, state and governmental agencies, no so much for corporate or large professional associations or other non-meeting type uses such as weddings, gatherings, parties, class reunions. It is not Class A conference space.*

#### Potential Uses of the Building/Site

1. Conference Center

*The most obvious outcome would be continued use of the building as a conference center. As seen to date, that use requires an on-going subsidy of approximately \$50,000 per year, given the current mix and frequency of uses and users. Without detailed analytics of these uses/users and a prospective pro forma by an expert in the field, it is not known at this time whether the center's usage could be further enhanced, thereby also improving the bottom line.*

2. Business incubator

*There is no formal concept identified in the City's Comprehensive Plan or CFP for a business incubator, but there has certainly been discussion about this concept. Recently the Business Districts Enhancement Subgroup of the Economic Development Commission raised this notion, explored it to some degree, and at their latest meeting dismissed the notion as not feasible at this time. Members of that Subgroup intend to report back their opinion at the next EDC meeting on 5/20/15. As to whether the building could serve this purpose, its current configuration is not conducive to a business incubator, which usually consists of many small, separate offices, a small number of conference rooms and/or classrooms, support space, and possibly a studio/production room. The large meeting spaces in this building are not conducive to this model.*

3. Art Center/Art Museum

*The notion of an arts center/arts museum has been discussed over the years and is identified as a potential CFP project, with a placeholder cost estimate of \$5 million. The building, as currently configured, could serve to provide space for exhibits, small performance, gatherings, instruction, but would not meet the demands for art- production or shop space contemplated in this art center/art museum concept. This concept would also require continual public subsidy. Lastly, if the building were razed, a new development could conceivably meet these needs on this site.*

4. Indoor Farmers Market

*The CFP identifies the notion of a public market structure near the Waterfront, conceptualized to serve a farmers market year-round, with a placeholder cost estimate of \$5 million. Other cities' year-round farmers market structures (Olympia, Puyallup, e.g.) are indoor/outdoor structures, often with roll-up type garage doors, accessible from all sides for vehicles, loading/unloading, pedestrians, etc. The structure, as currently configured, would not work well for a farmers market. The delivery, set-up and sale of produce, flowers, fish, and other "messy" items would not be compatible with this structure. There is also very little access for vehicle loading/unloading to numerous vendors simultaneously. Certainly a subset of farmers or crafts market fare, such as arts, crafts, fully canned/jarred/boxed items, etc., could occur within the building, but such vendor stalls are usually seen as an adjunct to a greater farmers market that could not occur on the site as currently configured. Also, there is very little on-site parking to accommodate vendors and visitors. While not meeting the CFP concept of a farmers market near the Waterfront, if the building were razed, the site could conceivably function to house a farmers market, including an indoor/outdoor structure.*

5. Other uses in the CFP

a. Parks & Facilities Maintenance & Operations Building

*The uses housed in and operating from this facility, currently in City Park, are entirely incompatible with the existing Conference Center building and site. It is possible that one or two staff members currently officed in that building could be sited elsewhere, but in fact they are most effective when working in proximity to the parks and facilities maintenance staff.*

b. Boys & Girls Club

*This concept is identified in the CFP with a placeholder cost estimate of \$5 million. It is not clear why this project is identified as a "city" project, given that the Boys & Girls Club is a successful, nonprofit, social-services agency that develops its own facilities in most, if not all, locations. Certainly the City could contribute funding if it wishes to. The Conference Center building is not configured to meet the needs of a Boys & Girls Club, which would require multiple activity rooms, classrooms, more offices, etc. The building could theoretically be gutted and reconfigured to meet this need. Further, the building could be razed to potentially meet the needs of a Boys & Girls Club, which could be negotiated with that entity.*

6. Some of the uses in the old Public Works Building (ArtWorks, Driftwood Players, etc.)

*The current tenants of the old PW Building at 2nd and Dayton include ArtWorks and the Driftwood Players. Both tenants use the space for shop, production and other "messy" uses that require more of a warehouse space. The Driftwood Players have a rehearsal stage, which could theoretically be housed in the Conference Center, but then also set design (including carpentry, painting, etc.) and storage – uses incompatible with the Conference Center. ArtWorks has "hot shop" uses and other quasi-industrial arts- production activities and uses incompatible with the Conference Center. Theoretically the building could be razed, however, and a new building could be constructed to house these uses, possibly in conjunction with arts-exhibit space.*

7. Would it be a useful site for "surge space" for the Senior Center during its reconstruction?

*The Conference Center could function relatively well as "surge space" for the Senior Center during its reconstruction. The kitchen is more of a "prep kitchen," and not so full service as the Senior Center's, but for an interim location it could serve the function. The principal question here would be whether this temporary use justifies purchase of the building. Perhaps if another, future use for the building and/or site were identified, this temporary use could make some sense.*

8. If the City were to take over the Conference Center and use it as such, how we would we manage it? City staff? Management contract?

*The short answer is that it would be most cost-efficient to contract out the management of the facility either under the management of a City staff person or entirely out-sourced. There is even a possibility that the ECA could be contracted to take over management, if they were interested.*

Purchase, Price, Deal Terms, etc.

Some of the responses to these questions should only be answered in Executive Session. Partial responses can be shared here.

1. Would the PFD be interested in either a) our acquisition of the Center and/or b) in any affiliated usage and/or operations with the Center?

*ECA Director Joe McIalwain has indicated he intends to provide some level of response to these queries.*

2. Regarding the potential price offer, do any of the following relate to the value/price, and/or can we get more information about any of the following vis-à-vis the price?

a. Would the remediation of water-leakage damage be a potential deal term?

b. Does the fact that it was gifted to EdCC affect the price?

*Per City Attorney Taraday, it appears from review of the records that the City has no legal interest or rights in the property since its donation to the College. As such, it appears this fact does not affect the price.*

*Mr. Taraday advised if the City did have any interest it would show up in a title report and none has been provided.*

c. Does the assessed value have any bearing on the price? What is the assessed value, including break-down between land and improvements?

*The assessed value per Snohomish County Assessor records is \$1,892,000, comprised of \$809,300 for the land, and \$1,082,700 for the building.*

d. What would other "mutual and offsetting benefits" might be to include in deal terms?

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER PETSO, TO EXTEND THE MEETING FOR 15 MINUTES. MOTION CARRIED UNANIMOUSLY.**

Mayor Earling advised Mr. Doherty is on vacation out of the country next week.

Councilmember Bloom referred to a conversation today with a citizen who is very interested in an incubator project and who felt the upstairs room would be conducive to an incubator project. There are a handful of people very interested in an incubator project beyond those who spoke when the ECA subgroup discussed an incubator project. In that meeting Mr. Doherty relayed Mr. McIalwain had suggested perhaps they would be interested in running the conference center. Mr. Doherty said as Mr. McIalwain had not responded he assumed he was not authorized to provide an official response. If the City purchased the center and if the City continued to operate it as a conference center, there is the possibility that the PFD/ECA could respond positively to managing the facility.

Councilmember Petso inquired about the process that would need to occur for the Council to move forward. Mr. Doherty explained the State extended the deadline for submittal of a letter of interest to June 1. Within 10 days of the submittal, an offer would need to be submitted, a total of approximately 20 days from now. If the Council decided tonight to submit a letter of interest, the letter would be submitted as close to June 1 as possible and during the remaining time do whatever due diligence Council requests. Councilmember Petso asked what happened if the Council voted tonight to submit a letter of interest on May 29 and then decided not to submit an offer. She asked whether the Council was bound in anyway by submittal of a letter of interest. Mr. Doherty answered no, there was no earnest money deposit, etc. In a

normal private sector property transaction an earnest money deposit is made and a due diligence period is negotiated and if the purchaser walks away, the earnest money deposit may be lost.

Councilmember Petso observed if the Council took action tonight to submit a letter of interest, there would be 10 days in May and 10 days in June for further investigation at the end of which the Council could decide to walk away with no downside. Mr. Taraday agreed there was no demerit against the City if the Council submitted a letter of interest but did not submit an offer.

Councilmember Mesaros was in favor of submitting a letter of interest because he did not have all the facts regarding whether the City should or should not purchase the property. It was his understanding by submitting a letter of interest the City would get more information from the State. Mr. Doherty answered he did not expect to get more information from the State. There are certain things the City could do such as obtain a title report. Some of the scenarios are so complex there is no definitive way to flesh out or do proforma analysis without hiring several experts because they are so prospective. He cautioned there was not a wealth of information that would be available during that period of time; there may be some but likely little from the State.

Councilmember Mesaros felt more information could be found but agreed a proforma could not be done. He suggested the Council think through whether the property could be purchased at such a reasonable price that it would behoove the City to purchase it and hire a firm to operate it as a conference center or partner with the ECA. Mr. Doherty said the State will not indicate who else is contacting them for information. Councilmember Mesaros pointed out after June 1 and during the 10 days for submitting an offer, the City will know what other government agencies have submitted letters of interest. There is an opportunity to learn more after June 1; if the Council does not submit a letter of interest it will not learn anything and there is no downside to submitting the letter other than the time to write the letter. At this point he did not have enough information to say he was in favor of purchasing or not purchasing the property; submitting a letter of interest would buy time. Mayor Earling advised Mr. Doherty is leaving Thursday on vacation.

Councilmember Buckshnis said she is a realist, a fiscal conservative and a pragmatic person. She had no interest in submitting a letter of interest. She did not want another aging building in the City's inventory. The Council cannot even find \$1 million for civic fields. If money grew on trees she would be in favor of purchasing it, razing it and building something else. She has been in the building every week for the past six years; when it rains, the building leaks and she was certain there was dry rot and other problems. She questioned why the Council was still talking about it; the City does not need a conference center. She urged the Council to be realistic and look at the money the City has and the projects that are already envisioned. She preferred to spend \$1 million on the civic fields.

Council President Fraley-Monillas observed the report which includes photographs of damage, indicates there is approximately \$1 million in damage as determined by an outside agency hired by Edmonds Community College. Mr. Doherty clarified the report contains photos of the damage the engineer found in the seven places they tested; that was not necessarily all the damage. Council President Fraley-Monillas relayed rumors/comments from citizens that the report is inaccurate and there is only \$250,000 in damage. Mr. Doherty said there is no other report from an engineering firm so he was uncertain how other estimates were determined. However, the rough order of magnitude by engineers included contingencies and ranges of costs. Theoretically if there was no more damage than what the engineers found, the 20% contingency could be removed. The engineer's estimate was prepared using unit costs and profit was added. He summarized if everything was no worse than what the engineer found, there was potential for the cost to be less due to the contingency; however, that would only reduce the cost of repairs to approximately \$800,000. Conversely, the engineers don't know what they don't know and the cost of repairs could be higher. Council President Fraley-Monillas summarized the cost of repairs was \$800,000 and above.

Council President Fraley-Monillas said the Council could discuss this again at the May 26 meeting but she questioned what additional information would be available. Mr. Doherty said he was in the office tomorrow and will monitor email while on vacation and could do specific things like request a title report. If the Council submitted a letter of interest on June 1, Council President Fraley-Monillas asked what information could be gathered by June 10. She asked whether the intent was to hire another firm to look at the damage to the building, hire someone to do a proforma, etc. Mr. Doherty said it depends on the questions the Council has. There was not enough time to write a contract to hire someone to do that work. A title report could be requested and he will send any additional questions to the State; they may/may not reply.

Council President Fraley-Monillas expressed interest in learning about potential further damage in the building unless the Council intended to tear it down and build something else. Mr. Doherty was uncertain there was the ability to determine that in the timeframe. Further, the City does not own the building and therefore has no right to hire someone to do an inspection. The City would first need to ask the State for permission and then do a quick bid process; he was uncertain and inspection and report could be done within a week. He was very pessimistic about the ability to accomplish that in the timeframe provided and because the City does not own the building. Council President Fraley-Monillas said that was an important factor; she wouldn't buy a house without knowing what the problems were and she was unsure she was willing to spend the City's money if she didn't know what the problems were.

**COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO EXTEND THE MEETING FOR 10 MINUTES. MOTION CARRIED UNANIMOUSLY.**

Councilmember Bloom relayed in her conversation with Mary Heffernan Trester who runs the EdCC education program at the conference, she indicated they have only a temporary location for their program. One potential is the City could lease the space back to EdCC and they could run the program. Mr. Doherty answered theoretically that was possible. Councilmember Bloom was puzzled Mr. Doherty had not received much information from the State; in her conversation with Stephanie Fuller today, she was very forthcoming about the offsets that could be provided to purchase the property. Councilmember Bloom suggested having an executive session to allow her to share those with Council although she almost felt she should share them with the public.

In response to Councilmember Bloom's question whether this would be a space Parks would be interested in for arts or culture, Ms. Hite said she talked to Arts and Culture Manager Frances Chapin last week and they toured the conference center on Friday. It is definitely a potential space for arts and cultural programs and activities for the City and one of the goals in the Cultural Plan is to maximize the use of space for arts and culture. The building is located on the 4<sup>th</sup> Avenue Cultural Corridor and the City currently does not own any property in that corridor so the building could be a potential asset. Her concerns include the cost to purchase the property and competing priorities in the adopted CIP. One in particular she was concerned about was the City's ability to afford the purchase of the civic fields. She recommended looking at the macro level of fixing the space in order to operate it, staff capacity to create a business plan or proforma as well as long term operating costs and staff to operate it. She summarized although it was consistent with the Cultural Plan she has concerns.

Councilmember Bloom observed the purchase was consistent with the Comprehensive Plan Land Use Element which states the Edmonds Community College has expanded its downtown presence through initiatives with the Edmonds Conference Center, formerly the Edmonds Floral Center, and is working with Edmonds Center for the Arts to enhance overall operations. Ms. Heffernan Trester informed her they have a cooperative relationship with the ECA, Ms. Chapin and with the City.

Councilmember Nelson commented it seemed like the Council was trying to put a square peg in a round hole. This is a conference center but it is not an amazing conference center. He questioned whether the City wanted to operate it as a conference center when others have struggled to make work. The net loss could be acceptable if it served some public good but he did not see any public good. The other option was to buy it, tear the building down and build something else which raises the question of what else would be built. All the ideas about making this something other than conference center do not seem to fit. For example a year-round, the market in Puyallup is in a big barn; that makes sense, this building is not that. He did not support the purchase because he did not see how it fit.

**COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO SUBMIT A LETTER OF INTEREST PRIOR TO THE STATE'S DEADLINE.**

Councilmember Bloom said she really wanted to have an executive session to discuss this. Mayor Earling inquired about the grounds for an executive session. Mr. Taraday relayed the Council may go into executive session to consider the selection of a site or acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. There is also a basis for executive session under subsection (i), potential litigation.

Councilmember Petso said one reason for her motion, in addition to Mr. Doherty being gone and therefore the Council should take action tonight, was the PFD Board meeting is next Thursday. There will at least be two pieces of information provided, a title report and information from the PFD and she was hopeful some sort of inspection could be arranged during the next 10 days. In any event there was no downside to submitting a letter of interest. To Councilmember Bloom's request for an executive session, she said Roberts Rules allows her to demand it via calling for the orders of the day on which no vote is required.

Councilmember Buckshnis did not support the motion because in addition to being a fiscal conservative, the Council has not talked about parking for the building. She recalled parking has been an issue with Westgate and Highway 99 but yet no one is talking about parking for this building. In her experience when there are more than two events at the center, there is no parking.

Mayor Earling suggested the Council have an executive session prior to next week's meeting rather than tonight. Councilmember Petso preferred to vote on the motion and then discuss whether to have an executive session.

Councilmember Bloom strongly supported submitting a letter of interest. Many people have talked about an overall use for the facility; one of the things Ms. Hite and she discussed was an interim plan such as a winter market instead of a year round farmers market and/or for EdCC or ECA to operate it. She said 75% of the bookings are non-profit which produce less revenue because Edmonds Community College operates it as an education facility. There could be more income potential as a result of continued rental to North Sound Church, possibly to Rick Steves, more expensive rentals, etc. She acknowledged there is a question about damage but that could be an offset to the purchase price. Submitting a letter gives the City an additional 10 days to look at issues and decide with a reasoned mind whether to move forward with submitting a bid.

Council President Fraley-Monillas said the Council still had another week to work through issues. She understood Mr. Doherty would be gone but someone could do the research between now and next Tuesday. She found it difficult to support submitting a letter of interest when there were still so many questions.

Councilmember Petso preferred to authorize the letter now because there was no downside. She was amenable to discussing the issue next week but there would not be an answer or information available from the PFD Board until the Council's June 2 meeting.

Councilmember Johnson said from her perspective the strongest reasons for acquiring the building were its location on the 4<sup>th</sup> Avenue Arts Corridor and the CFP contains an arts museum project. Any additional information that can be provided by Mr. Hite, Ms. Chapin or Mr. McIalwain by next week would be helpful. On the other hand she viewed this as a tremendous risk and a white elephant, but the Council needs to make a decision tonight and move forward.

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

The Council agreed to have an executive session before next week's Council meeting.

**14. MAYOR'S COMMENTS**

Mayor Earling reminded of the Memorial Day service at 11:00 a.m. at the Edmonds Cemetery.

Mayor Earling announced the City will be celebrating its 125<sup>th</sup> Anniversary on August 11. Washington State University and Bartell are also celebrating their 125<sup>th</sup> anniversaries and have agreed to join in the City's celebration. He invited anyone who knew of other 125<sup>th</sup> anniversaries to inform the City.

Mayor Earling commented although a proclamation was not read tonight, this week is Public Works Week.

**15. COUNCIL COMMENTS**

Council President Fraley-Monillas relayed since the City's anniversary, August 11, is a Tuesday, there are plans to cancel the Council meeting.

Council President Fraley-Monillas relayed she and Mayor Earling attended the Edmonds Police Department's award ceremony. She congratulated Officers Jason Robinson, Nicholas Bickar, Douglas Compton and Jason Shier; non-commissioned officer of the year Amy Collins, and recipient of the David Stern Memorial Award Sergeant Michael Richardson.

**16. CONVENE IN EXECUTIVE SESSION REGARDING A REAL ESTATE MATTER PER RCW 42.30.110(1)(c)**

This item was not needed.

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

This item was not needed.

18. **ADJOURN**

With no further business, the Council meeting was adjourned at 10:35 p.m.