

EDMONDS CITY COUNCIL APPROVED MINUTES

September 20, 2016

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

J. Shier, Police Officer
Jim Lawless, Assistant Police Chief
Phil Williams, Public Works Director
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.
Rob English, City Engineer
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Andrew Pierce, Legislative/Council Assistant
Jerrie Bevington, Camera Operator
Jeannie Dines, Recorder

1. CALL TO ORDER/FLAG SALUTE

The Edmonds City Council meeting was called to order at 7:02 p.m. by Mayor Earling in the Council Chambers, 250 5th Avenue North, Edmonds. The meeting was opened with the flag salute.

2. ROLL CALL

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

3. APPROVAL OF AGENDA

COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO REMOVE AGENDA ITEM 7.1, REPORT ON BIDS FOR THE MADRONA WALKWAY PROJECT, AT THE REQUEST OF STAFF. MOTION CARRIED UNANIMOUSLY.

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

4. APPROVAL OF CONSENT AGENDA ITEMS

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TIBBOTT, TO APPROVE THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:

- 1. APPROVAL OF COUNCIL MEETING MINUTES OF SEPTEMBER 13, 2016**
- 2. APPROVAL OF CLAIM CHECKS**
- 3. ORDINANCE AMENDING THE EDMONDS CITY CODE (ECC), AMENDING PARKING PROVISIONS ON SUNSET AVENUE**

4. **INTERLOCAL AGREEMENT WITH CITY OF LYNNWOOD FOR BIOSOLIDS DISPOSAL**
5. **SETTING A DATE AND TIME FOR A PUBLIC HEARING ON ADOPTION OF A RESOLUTION EXPRESSING INTENT TO DISSOLVE THE EDMONDS TRANSPORTATION BENEFIT DISTRICT**
6. **ORDINANCE AMENDING EDMONDS CITY CODE (ECC) 4.04.020 RELATED TO CONCESSION AGREEMENTS**
7. **AUTHORIZATION TO CONTRACT WITH JAMES G. MURPHY TO SELL SURPLUS CITY EQUIPMENT**

5. **PRESENTATIONS/REPORTS**

1. **CONSTITUTION WEEK PROCLAMATION**

Mayor Earling read a proclamation declaring September 17 – 23 as Constitution Week and asking citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

Judy Lehman, Daughters of the American Revolution, accepted the proclamation, Ms. Lehman thanked the Mayor and City Council for the proclamation, remarking the Governor has approved a resolution as well as several other City Councils including Lynnwood and Mountlake Terrace.

6. **AUDIENCE COMMENTS**

Alvin Rutledge, Edmonds, reiterated a suggestion made in 2013-2014 to install a bulletin board in front of the Log Cabin. He referred to a survey done by the Snohomish County Youth Association that found 46% of 8-16 year olds know about marijuana. He referred to a community forum on opioids and heroin at Edmonds Community College on October 13 and suggested a Councilmember attend. The new Edmonds School District Superintendent plans to hold monthly meetings instead of roundtable meetings. He relayed Peggy Kennedy, the past Edmonds Food Bank Director, is now living in Everett.

Robert Stivers, Edmonds, said he would rather be enjoying the gorgeous sunset, be at a model railroad operations night or finishing dinner with his wife but he wanted to speak against the proposed lewd conduct ordinance. He referred to his previous comments opposing the ordinance, stating his reasons remain the same. It was a shame a few misbehaving baristas resulted in the Council considering this ordinance. As ignorance of law was no excuse, if the ordinance is passed he suggested a copy be made available to all residents to consult before dressing to go outside. He urged the Council to let the existing ordinance lie.

Marlin Phelps, Edmonds, relayed he received a letter today from the office of Senator Maria Cantwell offering their support for what has happened to him in Edmonds. He plans to pursue Senator Cantwell's help due to the horrible things that have happened in Edmonds that need to be looked into.

7. **ACTION ITEMS**

1. **REPORT ON BIDS FOR THE MADRONA WALKWAY PROJECT**

This item was delayed to a future meeting.

2. **ORDINANCE ADDING PUBLIC INDECENCY SECTIONS TO ECC 5.38 (OFFENSES AGAINST PUBLIC MORALS)**

Assistant Police Chief Jim Lawless recalled the ordinance was presented at the July 11 work meeting and forwarded to the August 2, 2016 Consent Agenda. It was pulled from the Consent Agenda due to concerns expressed by Councilmembers and the public. As a result, a meeting was held with Councilmembers Fraley-Monillas and Buckshnis, representatives from the City Attorney's office and the Prosecutor's office and himself to address specific concerns. The packet includes a red-line version of the ordinance that reflects the changes proposed at that meeting as well as a clean version. He highlighted the substantive changes:

- Title of the ordinance revised, replacing public indecency with lewd conduct
- Language related to public indecency and morals was changed to lewd conduct throughout the ordinance

Councilmember Fraley-Monillas thanked Assistant Chief Lawless for his work on this, finding the ordinance more palatable with the removal of public indecency and morals. Although she will support the ordinance as proposed to see how it is implemented, she still has concern with the language regarding cleft of a buttocks. While working on the ordinance, she saw workmen across the street whose attire would violate the ordinance. She understood perhaps why that language needed to be included and was confident the Police Department will do the right thing and not ticket workmen or people on the beach who may be scantily dressed.

Councilmember Buckshnis agreed the meeting was very helpful. She recalled one of her concerns was flashing which Assistant Chief Lawless explained was addressed in a different part of the code. She supported the removal of the language regarding public morals as well as the language regarding excretory functions in other than a restroom. Assistant Chief Lawless advised that issue is addressed in another ordinance.

Councilmember Teitzel agreed the revised ordinance was an improvement. He has a daughter in her early 20s who goes to the beach in a suit he would prefer she not wear. He referred to Section 5.38.150.C.2, "Public place" means any location, place or business frequented by the public, or where the public is present or likely to be present, or where a person may reasonably be expected to be observed by members of the public." He recalled the concern with bikini baristas stands is the public may drive by and see someone scantily clad in the window. He asked whether the Police Department's concern could be resolved if the stands had screening making it impossible to observe the person in the stand from the street or sidewalk. He recalled testimony from people who have visited these stands who said nothing inappropriate occurred and the barista is wearing a bathing suit. Assistant Chief Lawless responded it was not intended to target any specific business; speaking hypothetically, most of these types of businesses have some type of opaque covering over the window. At some point the window is opened to serve patrons and then it becomes public view. Not all members of the community go there solely for coffee which sometimes dictates behavior of baristas. In response to Councilmember Teitzel's question, the answer was no because there often is screening and the problem still exists.

Councilmember Nelson asked whether it was currently illegal to expose oneself in Edmonds and if that had been the law for at least the past 30 years. Assistant Chief Lawless answered yes and longer than 30 years. Councilmember Nelson asked how many people had been arrested for public exposure in the past 30 years. Assistant Chief Lawless answered very few. Councilmember Nelson summarized it is currently illegal and has been for a long time; the ordinance is simply tightening up and clarifying the existing language. Assistant Chief Lawless agreed, commenting it was the result of prior court cases where the existing ordinance was deemed to be too vague and not specific enough.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ORDINANCE NO. 4042, AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, AMENDING ECC 5.38 (OFFENSES AGAINST THE PUBLIC MORALS) TO CHANGE THE TITLE THERETO AND TO ADD SECTIONS PROHIBITING LEWD CONDUCT AND THE SOLICITATION OF LEWD CONDUCT. MOTION CARRIED UNANIMOUSLY

8. STUDY ITEMS

1. UPDATE TO THE 2016 TRAFFIC IMPACT FEES AND NEW SECTION 3.36 OF ECC

Public Works Director Phil Williams recalled the following was presented to the Council October 13 and November 2, 2015 by Randy Young, a statewide expert on impact fees and a sub consultant of Fehr & Peers, who updated the City’s Transportation Plan. At that time, Mr. Young described:

1. Definition of impact fees
2. Reasons to charge impact fees
3. Rules for impact fees
4. How impact fees can be used
5. Calculations and comparisons

The Council approved the updated Transportation Plan in 2015 which is updated on a 6-year cycle. The Transportation Plan includes an updated list of capital improvement projects, most of which are not growth related. This presentation does not address those projects. He reviewed changes to growth-related projects from the 2009 Plan to the 2015 Plan.

- Added 6 new projects
- Removed 3 projects that were completed or soon to be completed
- Increased cost of 7 carry-over projects due to new information, scope changes and escalation
- Adjusted deficiency exclusion
- Reduced cost estimates by adjusting for external trips

He presented the growth-related project list from the adopted Transportation Plan (projects in italics are new in the 2015 Transportation Plan, others are carryover from 2009 Plan):

	Project	Total Cost	Existing Deficiency	Edmonds Growth	Eligible Cost
1	Olympic View & 174 th St. SW	\$ 610,000	0%	47%	\$ 286,700
2	Olympic View Drive & 76 th Ave. W	1,183,000	0%	47%	556,010
4	196 th St. SW (SR 524) & 88 th Ave	903,000	0%	63%	568,890
8	212 th St. & SR 99	2,806,000	0%	63%	1,767,780
14	220 th St. & SR 99	3,215,000	0%	33%	1,060,950
30	<i>SR 99 & 216th St SW</i>	<i>2,335,000</i>	<i>0%</i>	<i>33%</i>	<i>770,550</i>
11	Main St. & 9 th Ave.	911,000	0%	63%	573,930
15	220 th St. & 76 th Ave	4,314,000	0%	33%	1,423,620
20	<i>SR 104 & 238th St.</i>	<i>1,339,000</i>	<i>40%</i>	<i>49%</i>	<i>393,666</i>
21	<i>SR 104 & 76th Ave W</i>	<i>1,508,500</i>	<i>0%</i>	<i>49%</i>	<i>739,165</i>
A	<i>84th Ave. W, between 212th St. S & 238th St. SW</i>	<i>7,720,500</i>	<i>0%</i>	<i>65%</i>	<i>5,018,325</i>
B	<i>238th St. SW, between Edmonds Way & 84th</i>	<i>3,045,000</i>	<i>0%</i>	<i>65%</i>	<i>1,979,250</i>
C	<i>Add 228th St. SW from SR 99 to 95th Pl.</i>	<i>10,146,000</i>	<i>0%</i>	<i>65%</i>	<i>6,594,900</i>
	Total	\$40,036,000	1%	53%	\$21,733,736

Mr. Williams reviewed the calculation of impact fees

- Step 1: Cost per trip = eligible costs divided by growth trips
Example: \$21,733,736 eligible costs divided by 3,930 growth trips = \$5,530 cost per trip
- Step 2: Impact fee per unit of development (cost per trip x trip rate = impact fee rate)
Apartment Example: \$5,530 cost per trip x 0.74/trip rate = \$4,092/ impact fee rate
Office Example: \$5,530 cost per trip x 0.00197/square foot trip rate = \$10.89/square foot impact fee rate

He summarized the cost per trip is key: Eligible costs \$21,733,735 divided by growth trips 3,930 = cost per trip \$5,530. Mr. Williams provided a comparison of cost per trip compared to Edmonds updated amount:

Jurisdiction	Cost per trip
Kenmore	\$8,350
Lynnwood	7,944
Bothell	6,941
Shoreline	6,804
Edmonds (update)	5,530
Average of 8 others	4,761
Mill Creek	3,000
Snohomish County	2,453
Mukilteo	1,875
Edmonds (current)	1,050
Mountlake Terrace (currently being updated)	714

He described a phased increase of cost per trip:

	Cost per Trip
Edmonds (update 2019)	\$5,530
Edmonds (current)	1,050
Increase	4,480
Annual Increase: 3 years	1,493

He provided examples of the impact fee with the increase phased over three years:

	2016	2017	2018	2019
Previous Year	1,050	1,050	2,542	4,036
+ Annual Increase	0	1,493	1,493	1,494
Phased Amount	1,050	2,542	4,036	5,530

Mr. Williams relayed staff's recommendation:

1. Raise the impact fee to \$5,530/PM hour trip
1. Phase in over 3 equal annual steps
2. Schedule public hearing.

Councilmember Mesaros recalled his comments last November that this a huge increase from a percentage standpoint. He asked why the traffic impact fee was so low previously and how long it had been \$1,050. Mr. Williams answered the \$1,050 is based on the project list in the the 2009 Transportation Plan and the number of projected trips. Some sizeable projects have been added to the list included in the 2015 Transportation Plan approved by Council. To the extent those project generate new growth trips, they are included in the calculation which he acknowledged had a noticeable impact.

Councilmember Mesaros referred to the SR-104 & 238th project, commenting crossing the street there is an adventure. He asked what Snohomish County responsibility is for that intersection as Esperance is located on the east side. Mr. Williams answered for any project involving the Esperance area, the City would seek to partner from Snohomish County. The status of those discussions has not advanced; the projects need to be on the City's lists first. Staff will also seek grant funding for many of the projects. He clarified there are a lot of projects on the Capital Improvement Program; this \$21.7 million represents only a fraction of all the projects.

Councilmember Mesaros asked the proposed effective date of the change. Mr. Williams answered that was up to the Council. It could be now or January 1, 2017. He recommended January 1, 2017 when all the City's fees are updated. Councilmember Mesaros liked the 3-year phase in to mitigate the increase, recognizing even then it was more than a 100% increase in each of the 3 years.

Councilmember Tibbott commented a number of cities such as Mill Creek and Mukilteo have planned communities within their city limits. He asked about the effect those large planned developments, which have their own impact fees, have and whether they lowered the impact fees charged by the city. Mr. Williams said he was not certain, he assumed those communities may have other options to assist with funding for needed projects such as agreements or LIDs. Most of those town centers are fairly new and may not yet have deficiencies.

Councilmember Tibbott said the reason for his question was those other funding sources may explain why Edmonds is facing a significant increase, planned developments are not occurring Edmonds. Mr. Williams agreed, commenting because the town centers are new and likely do not have deficiencies yet, there may not be as many per capita projects on the list which reduces the traffic impact fee. As those town centers age and need to be replaced or require capacity increases due to growth, the impact fee will increase. Councilmember Tibbott said that helps explain the large increase.

Councilmember Tibbott asked about waiving fees for affordable housing. Mr. Williams said he was not aware of a program that did that. Councilmember Tibbott said Monroe waived impact fees on a large affordable housing development. That is a key consideration for most affordable housing non-profit organizations when planning the development. Mr. Williams offered to research and email Council regarding where and how that has been done. City Attorney Jeff Taraday said cities can exempt certain types of projects from impact fee but in exempting them, the city is simply agreeing to pay the fee for that type of project from the General Fund. There is no real exemption; a city cannot give a project truly a free pass without making the payment for the project. That likely was what was done in the instance Councilmember Tibbott cited.

For example, if the City waived fees for a 40-unit affordable housing apartment complex, Councilmember Tibbott asked the source of funding and amount. Mr. Williams assumed it would be the General Fund or another general revenue source; he was uncertain if REET could be used. Mr. Taraday answered most cities do not waive fees for that reason; it is difficult to make it pencil out when certain types of projects are exempted from impact fees. Problems include, 1) where the money comes from, and 2) where to draw line with regard to the type of project. Councilmember Tibbott said he interested in best practices in other cities and how that might apply to Edmonds.

Councilmember Teitzel said he was also struggling with the magnitude of the increase, over 400% and \$4500 over the current fee. He asked when the traffic impact fee was last adjusted. Mr. Williams answered 2009. Councilmember Teitzel asked when consideration would be given to increasing it again. Mr. Williams answered in 6 years. Councilmember Teitzel asked it was possible or likely that the \$5,530 impact fee would decrease in 6 years. Mr. Williams answered the way it would decrease is if projects are

funded and completed and removed from the list and if new growth-related projects are not added, the numerator would decline over time. Generally, what happens is projects are finished and new projects developed. Councilmember Teitzel relayed his understanding it was unlikely the traffic impact fee would decrease. Mr. Williams agreed that was likely true, the number generally increases over time if for no other reason that the cost of the projects increases over time.

Councilmember Fraley-Monillas agreed with Councilmember Tibbott regarding ways to encourage affordable housing. She observed the proposed increase puts Edmonds almost in the middle of the other cities, Kenmore, Lynnwood and Shoreline are above. She noted Kenmore's impact fee was 30% above and a lot of development is occurring in Kenmore; Bothell and Lynnwood are also developing. She inquired about the average of 8 other cities. Mr. Williams answered that was the average of the eight cities on the list. He said being in the middle was accidental but not an unwelcome outcome.

Councilmember Nelson commented the people developing in Shoreline are the same people developing in Shoreline, Mill Creek, Bothell and Edmonds and asked whether they would be shocked to by the proposed increase. Mr. Williams answered there are some developers whose efforts are strong in Edmonds, but generally it is a regional economy. The difference between the median, the high and the low does not change the economics of overall development. Impact fees are a small amount compared to the cost of a new home or building. He recalled Mr. Young's comments last year that although it may seem like a big increase, fees are a small percentage of the cost of development and people overestimate the impact that has on development decisions. Those decisions are actually made regarding location, land cost, etc. rather than fees. Some of the highest fees are charged in the hottest growing markets in the region.

Council President Johnson referred to the cost per multi-family unit. Mr. Williams displayed the sample calculation for an apartment and said the impact fee for multi-family unit is three-fourths of the fee for a single family. Council President Johnson said that would answer the question regarding how much it would cost the City to supplement the cost of waiving fees for affordable housing. If the fee for an apartment is \$4,092 multiplied by 40 for a 40-unit development, the amount paid from the General Funds would be approximately \$160,000. Mr. Williams agreed that would be the amount if traffic impact fees were totally waived. There are other options such as a percentage reduction to help a project pencil out.

Council President Johnson commented although it may look like the impact fee is being increased by 400%, the last bit of growth over capacity is the most expensive. Once an intersection reaches LOS D and approaches LOS F, the last increment is the most expensive. It can be expensive to achieve that final growth.

With regard to exemption from traffic impact fees, Mr. Taraday answered the statute treats a full waiver differently than a partial waiver. With a full waiver, the City would need to pay the fee on behalf of the development from other public funds. The statute also provides specifically for low income; a full waiver can be granted for low income housing or other development activities with broad public purposes. A partial waiver can only be granted for low income housing. A partial exemption of not more than 80% of the impact fees does not carry the obligation for the City to pay the exempted portion from other public funds.

Councilmember Buckshnis asked if low income housing referred to Section 8 housing or affordable housing. Mr. Taraday said that language was in RCW 82.02.060; he would need to do additional research to determine whether it was defined or whether it was up to the city to define what they wanted low income housing to be. Councilmember Buckshnis said she supported incentives for affordable housing and suggested development agreements may be another method for addressing impact fees.

Councilmember Mesaros referred to Council President Johnson's example about the impact of waiving impact fees for a 40-unit development, noting \$160,000 would be the cost in 2019; it would be less in 2017 or 2018 when the impact fee was lower. Mr. Williams agreed.

Mr. Williams said the packet also includes a suggested code change. In the downtown BD zones, it has been difficult to implement the traffic impact fees. For example, a business on a small lot downtown such as a donut shop is replaced with a use that increases the expected trips and traffic impact fees are collected. That use later changes again to an insurance office and there are fewer expected PM Peak trip generated. The City does not offer a rebate for traffic impact fees. The space is later replaced with a more intense use and traffic impact fees are again collected. Determining whether a building ever had a higher use requires a historical analysis which is cumbersome for staff. If downtown is treated as a block with some properties increasing in intensity and others decreasing in intensity, it tends to cancel out the traffic impact over time. Staff recommends a code change to treat all downtown BD zones as specialty retail and all have the same trip rate. The only time a fee would be paid is if a larger building were constructed in the specialty retail area. This would be much simpler for staff and more fair for developers downtown.

Mayor Earling said he and Council President Johnson will determine a date for the public hearing.

2. MAYOR AND CITY COUNCIL SALARY REVIEW

Councilmember Buckshnis said this has been on her mind since 2014. As budget discussions are approaching, she wanted to discuss this with Council. She provided the following information:

- In 2011, a salary commission gave the Mayor a salary increase to \$113,000.
- In 2012, the Mayor received a COLA to bring his salary to \$115,000.
- In 2011, a salary commission recommended to aggregate the \$50 per-meeting fee to bring Council members salary to \$1,000 a month.
- The City Council President receives \$200 more or a total of \$1,200.
- City of Edmonds' Financial have grown from \$138 million to \$156 million (FYE 2010 – 2015).
- During that same period, people employed by the city of Edmonds has decreased from 266 employees to 219.
- In addition to regular yearly Administrative duties – Mayor and Council had long-range planning items like the Comprehensive Plan, Critical Areas Ordinance, Shoreline Master Program, Stormwater Code Update, etc.
- Comparables in packet are comparables used for salaries of non-reps. Populations 20,000 higher or 20,000 lower than Edmonds 40,000 population.
- Data showed that all Edmonds elected officials' salaries are less than the average of the cities surveyed.
- Currently, the Mayor's salary is 13% below comparables cities.
- Many of comparable cities have City Administrators that assist Mayor
- Most Importantly – IF City Council decides to set a new salary for Council members, any increases WILL NOT take effect until the candidate for that position has been elected in the future (2018 – Positions 1, 2 and 3; and 2020 – Positions 4, 5, 6 and 7).

Councilmember Buckshnis reviewed options for Mayor and City Council salary increases:

- 1) Via a Council action
 - Current seated Councilmembers cannot increase or decrease their own salary after his or her election or during their terms (Article 11, Section 8 in conjunction with Article 30, Section 1 of the state constitution).
 - Any increase or decrease in the salaries of those elected officials will not take effect until an election for that elected position has been held.
 - Salary of the Mayor may be increased at any time by Council for following year.

- 2) Via the use of a Citizens' Salary Commission
 - Council would reestablish the Citizen's Salary Commission via ordinance.
 - Salary Commission can effectively be selected by Mayor or Council.
 - Salary Commission members review the comparables and set the compensation (RCW 35.21.015) and that commission will have the authority to set the compensation for the elected officials. Commission decisions take effect immediately at the next year.
 - Citizens do not understand the amount of time being a Councilmember or Mayor takes.
- 3) Hybrid of Council Action for Mayor and Salary Commission for Council.
 - Council can review comparables for the Mayor and decide upon a salary for the Mayor for next year.
 - Council can establish a Salary Commission to perform the duties as described in Option #2 for the Council.
- 4) Do nothing this year.
 - Council does not want to consider any option at this time
- 5) Provide more detailed information that Council may want to investigate as to the history of the salary commission.
 - Council just wants the issue to simmer until more information is obtained
 - Another agenda memo regarding pros and cons of a Salary Commission and its history.
 - Just not enough information and needs more City Council Meetings to make a decision.

Councilmember Buckschnis explained the Mayor in several of comparably sized cities are members of the Council and not elected Mayors. She relayed the following suggestions:

- For the Mayor if Option #1 or #3 is selected:
 - 5% increase plus 100% CPI-W COLA beginning 2017.
 - 5% increase plus 100% CPI-W Cola beginning 2017.
 - Another 5% increase and 100% CPI-W Cola beginning 2018.
 - From January 1, 2019 and beyond a 100% CPI-W cola to keep up with market.
 - Financial Impacts:
 - 2017: \$5,750 + 2% COLA, total \$8000 increase
 - 2018: \$5,875 + 2% COLA, total \$8000 increase
- For the Council if Option #1 is selected:
 - \$200 per month increase (to \$1,200 per month)
 - \$300 per month increase (to \$1,500) for the Council President (CP) for 2018, if CP is newly (re)elected
 - In 2018 and 2019 and beyond: 100% CPI-W for only newly (re)elected Councilmembers
 - In 2020, bring all four newly (re)elected up to same pay so all Councilmembers making same salary
 - Financial impact will not occur until 2018
 - 2018: Three newly (re)elected Councilmembers will be compensated at \$1,200 per month, plus a 100% CPI-W from 2017.
 - 2019: The same three Councilmembers would be given another 100% CPI-W COLA from 2018.
 - 2020: The same three Councilmembers would be given another 100% CPI-W COLA from 2019 and the four newly (re)elected Councilmembers would be compensated at the same rate as the other three so all will be on the same payment schedule (\$1,200 plus accumulated CPI-W).
 - All CP will now make the additional \$300 to total of \$1,500.

Councilmember Mesaros agreed it was time to give the Mayor a raise, the position is lagging behind and needs to keep up with the salaries paid by comparable to ensure the necessary leadership is attracted to Edmonds. Edmonds is a \$156 million corporation; if the City were hiring a CEO to run the corporation,

the person would be paid much more. Councilmember Buckshnis commented a City Manager would also be paid a lot more. Councilmember Mesaros said it is also time to increase the Council salaries and the Council may chooses to create a Salary Commission to do that. Although there may be a disparity in the salaries over two years due to the election cycle, a higher salary would attract appropriate leadership to the City Council. He supported Councilmember Buckshnis' recommendation.

Councilmember Fraley-Monillas said the Mayor's comparables are skewed because 6 of the cities have populations 2-3 times the size of Edmonds. She questioned why Mukilteo was not included. She suggested reconsidering the cities used as comparables. Councilmember Buckshnis recognized the wrong form was included in the packet. Councilmember Fraley-Monillas looked forward to the new data.

Councilmember Fraley-Monillas asked whether any other Councils received increases based on CPI. Parks & Recreation/HR Reporting Director Carrie Hite said a few cities provide CPI increases for Councils and Mayors; she can provide that data. Councilmember Fraley-Monillas asked whether the 5% increase for the Mayor was a starting place. Councilmember Buckshnis said a 5% plus a COLA would bring the increase to 7% and the Mayor's position was approximately 13% below the comparable cities.

Councilmember Fraley-Monillas referred to the comparison of Council compensation and asked why benefits for Lynnwood and Kirkland were \$2000/month. Ms. Hite answered most of the cities in that range allow benefits for self, spouse, significant other, and/or family which significantly drives up the monthly compensation. Councilmember Fraley-Monillas said family benefits was cut prior to her election to the Council; previously Councilmembers could insure themselves and their families with the same cost sharing as City staff. Councilmember Buckshnis relayed reducing the medical benefit to Councilmember only was a Council decision.

Councilmember Fraley-Monillas asked whether any comparable cities received benefits that differed from Edmonds. Ms. Hite answered cities provide typical basic benefits such as medical, dental, life insurance. There were no anomalies identified such as a car allowance, sick leave, etc.

Councilmember Fraley-Monillas suggested identifying a few other cities with a strong Mayor form of government. Ms. Hite commented it was difficult to identify comparables with strong mayors as there are only a handful of cities in the Puget Sound region with a strong mayor. The comparable cities listed for the Mayor are the Puget Sound cities that have strong mayor, Mukilteo was inadvertently omitted. Councilmember Fraley-Monillas inquired about Arlington. Ms. Hite said Arlington's population is much lower. She offered to work with Councilmember Buckshnis to provide more data.

Councilmember Buckshnis said the Mayor in many cities have an administrative director, chief of staff, etc.; Edmonds' Mayor does it all. Councilmember Fraley-Monillas said it was her understanding Patrick Doherty served in that capacity in the Mayor's absence.

Councilmember Teitzel looked forward to a more accurate list of comparables. He expressed support for an increase for the Mayor, observing the Mayor has not had a salary adjustment for six years and his position is very demanding and more than a full-time job. He was less comfortable about an increase for the City Council; it appears based on the comparables that Edmonds is higher paid than Councilmembers in comparably sized cities. He agreed Edmonds Councilmembers have a substantial job that took a great deal of time and effort but he was concerned with getting out of step with comparable sized cities. Councilmember Buckshnis pointed out some cities do not offer any benefits like Lacey and Bothell; comparable cities have both salary and benefits. Combining salary and benefits, Puyallup's total compensation is \$2000, Lynnwood's is \$2900, and University Place's is \$1500. In the six years she has served on Council and the work she did as Council President, it was her conclusion that that Edmonds

Councilmembers were underpaid. She wanted to attract more people to run for Council and to invigorate the Council.

Councilmember Teitzel asked how much time the Council had to make this decision to include it in the 2017 budget. Councilmember Buckshnis asked what additional information the Council needed. Mayor Earling said he must present the budget on October 11.

Councilmember Nelson was not interested in a salary increase for the Council at this time. He had a conflict with Council deciding to increase the Mayor's position salary for the current seated Mayor. If the Council increases the salary for the position, he preferred it be effective with the next election cycle. Councilmember Buckshnis pointed out the Council increased the Judge's salary and questioned why the Council should not be able to increase the salary of the current Mayor. Councilmember Nelson said under the circumstances of how the Council works with the position of the Mayor on a daily basis, voting whether or not to provide a raise, having the Mayor select the Salary Commission to provide a raise, it was too sticky for him.

Councilmember Fraley-Monillas said in considering whether to provide a raise, it was important to have accurate information regarding the comparables. The Council cannot determine whether the Mayor's salary is high or low with the current information.

Council President Johnson said this should be two-step process, 1) decide whether or not to have a Salary Commission, and 2) whether to consider an ordinance raising salaries. In her personal opinion, there was a question of equity. She was not interested in Council Positions 1, 2 and 3 earning more than Council Positions 4, 5, 6, and 7. Over 2 years, that is a difference of \$4800. She would feel personally obligated to take Councilmembers in Positions 4-7 out to lunch every week to even it out. The inequity of salaries was a situation she would like to avoid.

Councilmember Buckshnis asked if Council wanted data provided that removed the five cities whose populations were not comparable to Edmonds and to have another study session. She displayed the five options and asked for Council direction. Councilmember Fraley-Monillas suggested another study session with updated information that included Mukilteo and potentially other cities for both Council and Mayor.

Councilmember Fraley-Monillas said she did not think \$200 increase/month would attract new people to run for Council. If the Council's salary were doubled, perhaps that would attract a few new people. She suggested considering an increase in benefits such as allowing medical coverage for family members.

Councilmember Mesaros said the sooner the information can be provided the better, next week's agenda if possible. He supported reviewing a correct list of comparables for the Mayor's salary and the Council taking action.

Councilmember Buckshnis relayed her understanding from a former Councilmember that one of reasons health benefits were limited to Councilmembers only was inequity, some Councilmembers had benefits for only themselves and others had benefits for their family.

Councilmember Teitzel expressed support for an increase for the Mayor and data that shows see how out of pace he was with Mayors in comparably sized cities. He was less inclined to adjust the Council's salary as he was not sure an additional \$200/month would do much good. Councilmember Buckshnis said the \$200 increase was to recognize the hard work the Council does. Councilmember Teitzel agreed, but did not support an increase for the Council unless the data convinced him otherwise.

9. MAYOR'S COMMENTS

Mayor Earling acknowledged the Council for work they did on the Volunteer Dinner last Friday at the Senior Center. All Councilmembers attended and it was a fabulous evening. Although the attendance may not have been as high as anticipated, those that attended enjoyed the evening and the format.

Mayor Earling requested Councilmembers provide him their feedback by tomorrow regarding the HR Director interviews; he would like to make the appointment in next few days.

10. COUNCIL COMMENTS

Councilmember Tibbott reported this weekend he and his wife had an opportunity to visit the artist studio tours. It was a fantastic opportunity to interact with the artists and see their projects. One of the highlights was the opportunity to sit down with Sculptor David Varnau and hear his enthusiasm for his art. He looked forward to next year's artist studio tour and encouraged citizens to participate.

Councilmember Teitzel reported he attended the Master Builders Association affordable housing forum last Thursday; it was excellent and very well attended. He encouraged Councilmembers to attend similar forums in the future. He reported on a forum hosted by the Snohomish County Housing Consortium regarding Sound Transit 3 that included speakers for and against the measure. He learned a great deal; as it is a very complicated and expensive issue for the region, he was concerned the general populous does not understand the issues. He recommended Councilmembers and citizens attend a pro/con forum, read about ST3 and make an informed decision in November on this important issue for the region.

Council President Johnson thanked all the volunteers who contribute to the City, those who were able to join the Council at the Volunteer Appreciation Dinner and those who were not.

Councilmember Buckshnis echoed Council President Johnson's comment.

Councilmember Fraley-Monillas reported an ST3 presentation was provided at the South County Cities meeting; she encouraged everyone to research this complicated issue. She thanked the Council for assisting with the Volunteer Appreciation Dinner, particularly the cleanup. She received several compliments from volunteers regarding the format of the evening. She appreciated Councilmember Mesaros identifying a bad bottle of wine.

Councilmember Nelson expressed appreciation to the coordinators of the Volunteer Appreciation Dinner, Councilmembers Teitzel and Fraley-Monillas. The attention to detail was evident; it was a wonderful event and this was his favorite of the two he has attended.

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

This item was not needed.

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

This item was not needed.

13. ADJOURN

With no further business, the Council meeting was adjourned at 8:45 p.m.