

EDMONDS CITY COUNCIL APPROVED MINUTES

November 1, 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

Al Compaan, Police Chief
D. Lim, Police Officer
Phil Williams, Public Works Director
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.
Scott James, Finance Director
Brian Tuley, IT Supervisor
Bertrand Hauss, Transportation Engineer
Dave Turley, Assistant Finance Director
Rob English, City Engineer
Kernen Lien, Senior Planner
Jaime Hawkins, Capital Projects Manager
Jeff Taraday, City Attorney
Linda Hynd, Deputy 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 7:03 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

Deputy City Clerk Linda Hynd called the roll. All elected officials were present.

3. APPROVAL OF AGENDA

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

4. APPROVAL OF CONSENT AGENDA ITEMS

Councilmember Buckshnis requested Item 4.1 be removed from the Consent Agenda so that she could abstain from the vote.

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

2. APPROVAL OF CLAIM CHECKS.

3. **ACKNOWLEDGE RECEIPT OF A CLAIM FOR DAMAGES FROM CAROLE E. NOWAK (\$3,963.04), FROM MAGIC TOYOTA (\$3,404.43), FROM TERRY OLMSRED (AMOUNT UNDETERMINED), AND FROM SCOTT AND MELISSA HANSON (\$682.13)**

ITEM 1: APPROVAL OF COUNCIL MEETING MINUTES OF OCTOBER 25, 2016

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE ITEM 1. MOTION CARRIED (6-0-1), COUNCILMEMBER BUCKSHNIS ABSTAINED.

5. PRESENTATIONS/REPORTS

1. **WSDOT 2016 AWARD OF EXCELLENCE - FIVE CORNERS ROUNDABOUT PROJECT**

Public Works Director Phil Williams introduced WSDOT Director of Local Programs Kathleen Davis. Ms. Davis introduced FHA Division Administrator Dan Mathis. She explained there are four recipients of the Award of Excellence, an award that formally recognizes local agencies that implement federal aid projects that include innovative design, environmental sustainability, good contracting and administration procedures and public acceptance. She presented the Director's Award to the City of Edmonds for the Five Corners Roundabout Intersection project. She commented on the artwork and the inscription in the sidewalk, "drawn to water, connected by the community" which she felt represents the community's vision. A fan of roundabouts, she recognized the safety benefits they provide. She expressed appreciation for the City's team for working with the community, businesses, contractor and to gain public acceptance of the roundabout. She recognized the members of her team Mehrdad Moini and Renae Larsen, NW Local Program Engineers, and the City's team.

Mr. Mathis congratulated the City on a fantastic project, commenting it was rare to see a project with this type of impact on a community with regard to safety and reducing congestion. The reduction in wait times at the intersection from over 2 minutes to 10 seconds was phenomenal. He recognized not everyone loves a roundabout the first time they use it but over time they come to love it, especially the amount of time it saves. He commended the City for this fantastic project and City staff, WSDOT staff, and the contractor for getting it delivered. Ms. Davis presented the award poster and plaque to Public Works and Engineering staff.

Mr. Williams expressed thanks to the Council, recognizing this and prior Councils for their efforts in getting the project approved. He recognized City Engineer Rob English for his work as well and specifically two staff members, Capital Projects Manager Jaime Hawkins, and Transportation Engineer Bertrand Hauss. Mr. Hauss was responsible for the project in the early stages, planning and getting it on the City and State Transportation Improvement Plan, and submitting the first application for funding in 2011. The City received funding for the design and right-of-way phases. Mr. Hauss also managed the design contract with David Evans and Associates and preparing the bid package. Once the bid was awarded, Mr. Hawkins managed the project during construction which included a stormwater vault; rerouting all the utilities including water, sewer, storm, gas, cable and communications; keeping traffic moving through the intersection during the project, etc. He also recognized Marshbank Construction, the contractor who built the roundabout.

Council President Johnson recognized another individual involved in the project, Arts & Culture Program Manager Frances Chapin, who led the design of the artistic element of the project. Council President Johnson said she represented the Council in that process. She recalled Council approval of the roundabout was a 4-3 decision and there was a great deal of skepticism by citizens. Once citizens experienced the final project, many agreed it was a good idea.

6. AUDIENCE COMMENTS

Terry Latin, Edmonds, described an ongoing problem with parking in his neighborhood from residents at 17929 75th Place West, a problem that continues to get worse. He requested Councilmembers contact him and offered to take Councilmembers to his neighborhood to see the problem. He submitted photographs of parking on 75th Place West, relaying tonight there were 7-8 cars in the driveway and 3 cars parked across the street partially on/off road, as well as a trailer being used as campsite. Today there were cords across road to provide power to cars across the street. Mayor Earling requested Police Chief Al Compaan contact Mr. Latin.

Marlin Phelps, Edmonds, said yesterday he had a hearing. Prior to last week's Council meeting, he spoke with the Mayor where he requested a level playing field, court observers and that the "thug cops that broke his arm not be there." He got one of his three requests. His court-appointed attorney apologized to the judge for having caught her in a lie. He referred to indiscretions and how home values in the City are either stagnated or going down because nobody wants to live in a town where a citizen can have everything taken away. He said Judge Fair did a fantastic job, having one not guilty in his nine-year tenure in Edmonds court; every other person was found guilty. According to U.S. Constitution, if everyone is guilty, no one is truly guilty. He said the court is a money-making machine and referred to a letter to the Justice Department on which he copied Mr. Taraday who forward it to the prosecutor's office and the prosecutor used it out of context to have him remanded. He said the Council, Mayor and Mr. Taraday are making poor decisions and it is time to get it right, time to separate good citizens from criminals. He asserted anyone with a badge or who works in the Clerk's office or the City Attorney's office, and does not live in Edmonds, have been fleecing the City. He referred to the Zachor's luxury homes in Mountlake Terrace as an example.

Chris Keuss, Edmonds, thanked the City and businesses for the trick-or-treating downtown yesterday, noting it required a lot of police officers to staff it as well as a great deal of effort for business to participate. Next, he expressed disappointment in the City Council's majority decision to recommended to the State Department of Ecology a 125-foot setback for the Edmonds Marsh. The current setback is 25 feet. The most recent review and analysis by Ecology puts the recommended setback at 65 feet. He agreed the marsh habitat needs to be protected. Adoption of the Council's recommendation by Ecology would likely prohibit any new development at Harbor Square which is on Port property adjoining the marsh. The existing concrete box buildings, grandfathered by existing regulations, will remain long into the future. Although this may be considered a win for the City Council and some residents, it is actually a loss for the City, the waterfront and the economic vitality of the area. With 125-foot setbacks, it is unlikely Harbor Square will be redeveloped and possibly that is the Council majority's goal. His disappointment was not with the decision, the Council has the right to make that decision based on public, staff and expert input. What the Council majority accomplished is a potential rift between the Port and the City. The Port may have been willing to work with the City and agree to a compromise position; unfortunately, this did not happen and is the type of legislation that tears the country apart. He summarized the Council missed an opportunity to work with the Port to develop a plan for the future.

Ken Reidy, Edmonds, thanked the five property owners at Five Corners who contributed land to the roundabout project. He submitted a formal request for the City Council to be open and transparent and make full disclosure to the citizens explaining why the City Council's October 2, 2012 vote was not acted on. The approved minutes of that meeting indicate Motion 3, directing the City Attorney to modify Resolution 853 to specify that a record will be kept in the form of notes on executive session regarding litigation only, passed 4-3. However, the City Attorney and City Council did not act. He requested full public disclosure of what occurred after the Council's October 2, 2012 vote and to state publicly the Council's rules when an approved motion is not acted on. Earlier this year an incomplete agenda packet was provided to Council that abdicated for complete repeal of Resolution 853, a great resolution passed in 1996 because it was in the public interest. The 2016 agenda packet was missing an explanation of what

happened to the October 2, 2012 vote. Also missing from the agenda packet was Resolution 1150 that requires prior to adjournment of executive session, the Council shall by consensus determine what, if any, information may be released regarding the executive session. The flawed new Resolution 1360 claims, Whereas, if the City continues the practice of note taking, the possibility of release of the non-privileged notes could discouraged Councilmembers from speaking candidly on important matters that properly could be discussed in executive session. He said that was not possible as all know while speaking that per Resolution 1150, Council may reach consensus to release executive session information prior to adjournment of the executive session. He requested the Council repeal Resolution 1360 and return to what is in the public interest, Resolution 853 or an improved Resolution 853. Relying on people's memories of what was said in executive session is foolish; he recommended video recording of all executive session.

Marti Jones, Edmonds, quoted a character played by Maggie Smith in a PBS drama, "speculation is the enemy of calm." From those opposed to Ecology's recommendations for a 110-foot buffer buffer, she has heard a lot of speculation and negative assumptions that Harbor Square cannot be redeveloped with a 110-foot buffer. However, she has not heard the Port say they cannot develop with a 110-foot buffer. She questioned making that assumption without further study or plans. She recalled PCC redeveloped the store in Westgate with a positive assumption that they could include rain gardens, a rain barrel, energy efficient lighting, etc. to have an environmentally sound business that makes Edmonds better ecologically. She suggested stepping back and not assuming the 110-foot buffer will be a negative thing; it may be a positive thing. She assured there were many developers who would like to construct LEED certified buildings and have the opportunity for a marquee development. She concluded this was how development could occur next to a sensitive ecologic wetland in a wise way that did not damage the natural surroundings.

Phillip Butler, Edmonds, said he has spent most of life overseas, a great deal in Europe. While traveling in Europe, he has seen the synthesis of old and new, rapid change and timeless traditional. The issue of the Edmonds Marsh and the Willow Creek daylighting is a classic illustration of an opportunity to come to grips with the reality that Edmonds is becoming a designation, yet also becoming a city known for recalcitrant City Council unwilling to accept the realities of modernization. There is nothing to suggest that the significant setback proposed by the City Council, in contrast to the 65-foot setback proposed by Ecology and recommended by Mayor Earling and other Councilmember, would impede synthesis of the best of old and new. He and his wife have been actively involved in the daylighting of Willow Creek and the Edmonds Marsh. His wife has participated in a variety of activities including the front page of the Edmonds Beacon, bringing attention to the Edmonds Marsh and been a consistent advocate for the salvation of the Edmonds Marsh. He feared what was at heart was a disingenuous ruse to push back against development of the Harbor Square site and building heights and not a concern about the Marsh. He urged the Council to look at the facts and step away from this old position that divided the Council and City departments and find a compromise and depend on Ecology.

Suzy Schaefer, Edmonds, spoke regarding the Edmonds Marsh and the concern about the buffer. She appreciated Ms. Jones' comments, remarking that type of development would be cool. She thanked the Council for approving the 110-foot buffer, commenting if she was on the Council, she would have approved a 300-foot buffer due to her background in the environment and her knowledge that many birds are disappearing because there is not enough space. She commented buffers are not arbitrary but are needed for the creatures who use them. Edmonds is built out; this is a last-ditch effort to have a special place, other than parks which are that are not connected. Having seen the Edmonds Marsh go from 100 acres to 22 acres, she questioned how much smaller it can get. She supported keeping Edmonds Marsh a viable environmental place in the community where birds and other creatures live. The Save Our Marsh group's only agenda is to support the marsh. Compromise is not appropriate for the Edmonds Marsh; the buffer the City Council approved is the minimum.

Alex Witenberg, Edmonds, was glad to see the additional of a School Resource Officer (SRO) as a decision package in the Police Department's budget. When he was at Edmonds-Woodway High School, the SRO was fantastic resource for students. The position was lost during the economic downturn and it was time bring it back as resource for the City's younger residents. Next, regarding Council and Mayor salaries, he recommended forming an independent salary commission. He did not support a system where the City Council could choose to alter their own salaries and have it activated at different times, resulting in Councilmembers being compensated differently; forming an independent body avoids that.

Bea Wilson, Edmonds, relayed she attended last night's Port Commission meeting where she learned marina revenues were substantially decreased to reduced salmon runs and less fishing activity which affects moorage revenues. After the meeting she discussed the potential of marine education opportunities with Port Commission Chair Faires and Executive Director McChesney as a way of stimulating activity and revenue. She shared with them how the salmon journey on the Cedar River brought 3,000 visitors; an annual marine program using citizen educators to provide community education and activities. Mr. McChesney asked for another meeting to investigate how to collaborate on expanding the Edmonds Marsh and Willow Creek as a year-round learning center. Both Mr. Faires and Mr. McChesney stated they supported collaboration to engage Edmonds residents to learn about the Port Commission and contribute ideas for activities that would mutually beneficial for the Edmonds Marsh and the Port. Current research indicates an urgent need for outdoor schools which provides an enhanced appreciation for all life, making way for civility.

7. PUBLIC HEARINGS

1. PUBLIC HEARING FOR 92ND AVENUE WEST STREET VACATION

Senior Planner Kernen Lien explained:

- ECDC 20.70.050.B – Petition of owners of more than two-thirds of property abutting the portion of street or alley to be vacated
 - Two property owners abut the property: Westgate Chapel and the Walters.
- Resolution No. 1371 set public hearing for tonight

Mr. Lien displayed and reviewed a map of the area, identifying the area of 92nd Avenue West requested to be vacated. He reviewed:

- ECDC 20.70.020 Criteria for Vacation
 - The vacation is in the public interest
 - Primarily the removal of maintenance responsibilities and cost for the City
 - No property will be denied direct access as a result of the vacation
 - All parcels have access to 228th
- ECDC 20.70.140 Final Decision
 - Following the public hearing, the city council shall:
 1. Adopt an ordinance granted the vacation; or
 2. Adopt a motion denying the vacation; or
 3. Adopt a resolution of intent where specific conditions must be met within 90 days (staff's recommendation)
 - a. Either
 - i. Monetary compensation up to one-half fair market value
 - ii. Grant of substitute public right-of-way
 - iii. Any combination of a.i or a.ii
 - Or
 - b. Grant of an easement to the City in exchange for easement vacated
- Utilities and easements
 - Stormwater facilities

- Snohomish County Comments
 - Transfer ownership to Westgate Chapel
 - May require easements
- Olympic View Water and Sewer
 - Requested easements
- Other utilities
 - PUD, cable, gas?
- Property borders Edmonds and Esperance (unincorporated Snohomish County)
 - Property on east side of 92nd Avenue West in Esperance
 - Property on west side of 92nd Avenue West and all right-of-way in Edmonds
- Monetary compensation
 - City may receive up to ½ of the value of the vacated area
 - Appraisal based on multi-family as a highest and best use
 - Pre-vacation
 - 171,191 square feet
 - 114 multi-family units (RM-1.5 zone)
 - Appraised value of \$2,166,000
 - Post Vacation
 - 191,514 square feet
 - 127 multi-family units (RM-1.5 zone)
 - Appraised Value \$2,355,000
 - Difference in appraised value of \$189,000
- 228th Street alignment
 - Transportation plan identifies street improvements along 228th St SW between SR 99 and 95th Pl W
 - 228th Street right-of-way does not align at 92nd Avenue W
 - Public Works recommends not vacating the 10' by 30' to ensure smooth transition for 228th St SW street improvements
- Adjusted monetary compensation
 - Post vacation
 - 191,214 square feet
 - 127 multi-family units (RM-1.5 zone)
 - Appraised Value \$2,355,000
 - Adjust for removing 300 square feet from vacation
 - \$12.60 per square foot X 300 sq. ft. = \$3,780
 - Adjusted appraised value \$2,351,000
 - Difference in appraised value of \$185,220
 - One-half of appraised value = \$92,610

Mr. Lien relayed staff's recommendation:

- Direct staff to prepare Resolution of Intent to Vacate
- Proposed conditions in staff report

Councilmember Fraley-Monillas asked about the appraised value of the property. Mr. Lien explained the difference in the pre-vacation and post-vacation of the Westgate Chapel property is \$185,220; the City can ask for up to one-half of the appraised value, \$92,610.

Councilmember Teitzel referred to the map that illustrates the jog in 228th. He asked what was gained by not granting vacation of that small area into 228th. Mr. Williams answered the CIP and the transportation impact fee project list include improvement of 228th to SR104. There is currently 60 feet of right-of-way east and west of 92nd Avenue West but they do not line up, resulting in the jog. The City could either

retain that area now or buy it later. Councilmember Teitzel inquired about the lots to the west of the jog that extend into 228th. Mr. Williams said the roadway would be transitioned to that alignment.

Mr. Lien introduced Jim Egge, land use consultant representing Westgate Chapel. Mr. Egge introduced Westgate Chapel Executive Pastor Brent McAtee and Westgate Chapel Board Chair John Murphy. Mr. Egge commented the City has no plans to extend 92nd Avenue West to the south and the 1919 dedication of 92nd Avenue West it was partially vacated north of the area proposed to be vacated somewhere between 1965 and 1969 prior to when the apartments (now Sequoyah Condominiums) were constructed, essentially eliminating the ability to extend 92nd Avenue West to the south. All properties directly affected by the vacation have signed the petition, the Walters and Westgate Chapel. If the vacation is approved, Westgate Chapel will obtain easements with each utility purveyor to allow them to maintain their facilities and the church is amicable to taking over maintenance of the City's stormwater system and granting the City any privileges. There have been no written objections to the vacation.

Mr. Egge recognized the City has the authority to require up to one-half of the appraised value for compensation. The right-of-way in this area was dedicated in 2 parts while in Snohomish County in 1919 and in 1955 at no cost to the City. He was unsure who constructed the road although it is quite poor condition now. Some reduction in compensation is justified as the City acquired the property at no cost and the appraiser stated the roadway had only three years of life remaining.

Mr. Lien stated in addition to the adjustment in the appraisal for the 30 square feet, the appraisal also included a value of the existing asphalt on 92nd Avenue West of \$14,000. Staff did not include that in the valuation and recommendation as the property was annexed in 1995 and the City has not put any money into the street.

Councilmember Teitzel asked for confirmation that no residents living near the vacation had expressed any concern. Mr. Lien agreed, advising the only comment received was an email from Ken Reidy that all Councilmembers received.

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

Ken Reidy, Edmonds, relayed the City's code states that an applicant may apply for a street vacation. Included in the list of required submittals is Item G, two copies of an appraisal. Requiring an appraisal with an application seemed premature; per the Supreme Court, the authority to require compensation is permissive which means allowed but it is not the Council's obligation to require compensation for street vacation. He questioned why an applicant had to acquire and pay for an appraisal with the application prior to City Council's discussion whether to grant the petition and/or require compensation and suggested the applicant be reimbursed for this expense. He referred Item 2 on page 98 of the Council packet which states the City may require either/both/neither monetary compensation or require a grant of an easement to the City. History has shown the City has required both monetary compensation and a grant of an easement at times. He referred to the last sentence of Item 2, the City of Edmonds is not requiring an easement thus the City should be monetarily compensated for the vacation. The fact that the City is not requiring an easement does not mean that the City should be monetarily compensated for the vacation. He supported not charging the applicant \$92,610 for the street vacation when the property owner dedicated the easement and the City was not charged for the easement rights. He cited past instances when City has not required compensation including over 4,000 square feet in his neighborhood that was subject to a vacation and no compensation was required. This vacation is already in the public interest which is plenty without the need for \$92,610 in compensation. He referred to Items 3 and 4 on page 100 of the packet, conditions that include the provision of easements to OVWSD as well as other vague unidentified entities. He preferred to follow State law whereby the City retained the easement or right to grant easements in the vacated land for the construction, repair and maintenance of public utilities and surfaces.

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

Councilmember Fraley-Monillas inquired about staff's recommendation. Mr. Lien referred to the recommendation on page 100 of the packet, to direct staff to prepare a resolution of intent to vacate with several conditions:

1. City will retain the northern 10 feet of the western 30 feet of 92nd Avenue West
2. City releases all ownership of the stormwater facility to Westgate Chapel
3. OVWSD easements be provided for their utilities in that area
4. Easements be provided to the other dry utilities in that area
5. The petitioners pay the City \$92,610, one-half of the appraised value
6. If the area of vacation or the three vacant lots to the east side of 92nd Avenue West are to be developed in the future, a fire access road easement will be required
7. If the current road surface becomes unusable, blocked or removed, thereby denying emergency access, the existing fire hydrant located on the west side of 92nd Avenue W, mid-block between 228th Street SW and the terminus of the existing road shall be rotated 180 degrees so the largest outlet (nozzle cap) faces west

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE STAFF'S RECOMMENDATION RELATED TO THE STREET VACATION OF 92ND AVENUE WEST.

Although she appreciated the Council's desire to move forward, Council President Johnson observed the Council had three public hearings tonight and it has been the Council's practice this year not to take action the same night as the public hearing. She felt that was a good practice that gives Council time to listen and weigh the information and comments. She requested the Council continue that practice.

Councilmember Buckshnis said this year the Council has been wishy-washy about making motions following public hearings, recalling she and Council President Johnson voted against a motion made following a public hearing due to past practice. Since the practice had been so wish-washy, she was satisfied with moving forward. She agreed with requiring compensation because it enhances the property and could eventually lead to development. She asked whether that was a reason for requiring compensation. City Attorney Jeff Taraday explained the City has the authority under State law and City code to require payment in exchange for a street vacation. In his experience, that was a common practice but it is permissive; the City is not required to require compensation but may require compensation. Councilmember Buckshnis referred to the example Mr. Reidy provided that occurred 15 years ago. Mr. Taraday said he was not familiar with that example, but agreed with Mr. Reidy that monetary compensation was permissive, the City is not required to require compensation but may require compensation. From his perspective, one of the primary public interests in vacating the public street is the compensation.

Mayor Earling clarified this is not a final decision, it is to direct staff to prepare a resolution for approval by the Council.

Mr. Taraday explained under State law, because the property has been dedicated to the public for 25 years or more, the City can require full compensation. He was not suggesting that because City code suggests one-half the appraised value, but that is already more lenient toward the property owner than State law.

Councilmember Teitzel said the vacation is in the interest of the private property owner for the purpose of development of the property; therefore, the City should be compensated for the benefit to the property owner. He asked if there was a precedent in Edmonds for requiring/not requiring compensation for a street vacation. Mr. Taraday answered he was not certain. Mr. Lien said he believed so, if the Council approves the motion, he will provide that information along with the resolution.

Councilmember Buckshnis supported staff's recommendation to require compensation of \$92,610.

COUNCILMEMBER BUCKSHNIS CALLED THE QUESTION. VOTE ON CALL FOR THE QUESTION CARRIED (6-1), COUNCIL PRESIDENT JOHNSON VOTING NO.

Council President Johnson recalled during the SR104 study there was discussion about realigning the intersection on the other side of the church to align with 92nd Avenue West because it is a major north-south road to Bowdoin Way and provides an east-west connection to 228th. Public Works Director Phil Williams said there is an opportunity to realign the way that 228th comes into SR104, straightening the 90-degree jog and treating the other cross streets differently. No concept has been developed or designed. He doubted that would occur along the 92nd Avenue West alignment but likely would occur on the 95th Avenue West alignment to match the other side of the intersection.

MOTION CARRIED (6-1), COUNCIL PRESIDENT JOHNSON VOTING NO.

2. PUBLIC HEARING: PROPOSED 2017-2022 CAPITAL FACILITIES PLAN/CAPITAL IMPROVEMENT PROGRAM

City Engineer Rob English provided a diagram showing components found only in the CIP and only in the CFP and components found in both the CIP and CFP. The CIP contains 6-year maintenance projects with funding sources, the CFP contains long range (20-year) capital project needs, and both contain 6-year capital projects with funding sources.

Mr. English provided a summary of CIP fund numbers and the department managing each fund:

Fund	Description	Department
016	Building Maintenance	Public Works
112	Transportation	Public Works
125	Capital Projects Fund	Parks & Recreation/Public Works
126	Special Capital/Parks Acquisition	Parks & Recreation/Public Works
129	Special Projects	Parks & Recreation
132	Parks-Construction (Grant Funding)	Parks & Recreation
421	Water Projects	Public Works
422	Storm Projects	Public Works
423	Sewer Projects	Public Works
423	Wastewater Treatment Plant	Public Works

Mr. English highlighted projects in the 2016 CFP/CIP:

- 228th Corridor project – completed
- 238th walkway from 100th to 104th Avenues – will complete in 2016
- Pavement preservation program
- 236th Street Walkway – began last week
- 76th Avenue & 212th Street Intersection Improvement Project – rebid in 2017

He displayed a graph of the City's Capital Program 2008-2017, highlighting 2017 totals:

- Fund 423 Sewer: \$ 5,135,070
- Fund 422 Storm: \$ 4,058,099
- Fund 421 Water: \$ 5,517,640
- Fund 112 Streets: \$ 7,062,022
- Parks: \$ 3,595,000
- General Fund Total: \$25,637,830

Mr. English highlighted key 2017 projects:

- 112 Street Fund
 - 76th/212th intersection improvements
 - Citywide bicycle improvements
 - 238th St Walkway from SR104 to SR99
 - 84th Ave overlay from 220th St to 212th St
- Transportation – 126/125 REET Funds
 - Pavement preservation program
 - Traffic calming program
 - Curb ramp upgrades program
 - Minor sidewalk replacement
 - Audible pedestrian signals
 - SR99 Access management pre-design (216th to 224th)
 - ADA Transition Plan Update (underway)
 - Trackside warning system Main/Dayton (2016-17)
 - 220th Signal coordination (grant?)
 - Local match for Waterfront At-Grade Alternatives
- Utility Fund
 - 7,300 ft of watermain replacement
 - Overlay 8,200 feet of street affected by waterline replacements
 - Seaview infiltration project
 - Willow Creek/Edmonds Marsh: design
 - Stormwater Comprehensive Plan update
 - Dayton St pump station (2017 or 2018)
 - 2,900 ft sewermain replacement
 - 3,000 ft CIPP sewermain rehabilitation
 - Pavement overlay on 8,600 ft of street affected by sewermain replacements
 - Complete water system Comprehensive Plan update

Parks & Recreation Director Carrie Hite reviewed:

- 2016 Accomplishments
 - Acquisition and planning of Civic Field
 - Opening of the spray park
 - Completed Dayton Street Plaza
 - Luminous Forest (4th Avenue)
 - Wayfinding signs
 - Approved Marina Beach Master Plan
 - Fishing Pier Rehabilitation
 - Downtown Public Restroom
 - REET 125
 - Yost spa rebuild, in progress
 - Frances Anderson Center stage replacement, in process
 - Veteran's Plaza, in progress
 - Marina Beach Playground replacement
 - Meadowdale preschool playground replacement, in process
- 2017 Parks CIP/CFP projects:
 - Edmond Marsh, daylighting of Willow Creek
 - Parklet development
 - Outdoor fitness zones
 - City gateway replacement
 - Meadowdale playfields

- City storage building
- Civic grandstand removal
- Community Garden
- Veteran's Plaza
- Waterfront Redevelopment/Walkway completion
- Land acquisition opportunities

Ms. Hite requested the Council consider deleting the following from the Parks CFP:

- Cultural Arts Facility Needs Study; can be completed as operational item, and if determines a facility is needed, then would be added to CFP
- Downtown Public restroom: completed

Mr. English reviewed the CFP/CIP Schedule:

- July:
 - City staff begins development of capital budgets
- August/September
 - Submit proposed capital budget to finance
 - Prepare draft CFP and CIP
 - Planning Board presentation
- October
 - Planning Board; public hearing (10/12/16)
 - City Council; public hearing (11/1/16)
- November/December
 - City Council approval
 - Adopt CFP with budget into the Comprehensive Plan

Council President Johnson asked about the deadline for adopting the CIP. Mr. English answered it tied to the budget so if changes were made to the budget, it could impact 2017 CIP projects. Ideally the Council would approve the CIP before or in conjunction with the 2017 budget.

Councilmember Teitzel asked the position of outdoor fitness zones on the Strategic Action Plan (SAP) priority list. Ms. Hite answered there are several park items on the SAP list. The 2014 PROS Plan update considered those items and further defined them. The SAP includes more broad goals such as increasing quality of life, maintaining parks, and creating amenities. Outdoor fitness zones are specifically identified in the PROS Plan. Councilmember Teitzel asked whether the outdoor fitness zones would be completely grant funded. Ms. Hite answered no, an application for a \$100,000 grant has been submitted and \$75,000 is included in the CIP.

Councilmember Teitzel asked if construction of the storage shed in City Park will be complete before the grandstands at Civic Field are demolished, due to a timing issue for storage. Ms. Hite answered that is the goal. The Facilities Manager and the Parks Maintenance Manager are working on the storage shed; it may be constructed in-house. Staff will alert the tenants of the stadium storage and provide them time to vacate.

Councilmember Buckshnis expressed concern with some items in the CIP such as the aquatic facility and suggested Council have a serious discussion about needs and wants and what has happened in the area such as Lynnwood and Shoreline's aquatic facilities. She understood the concept of a placeholder but recommended during the summer next year the Council consider which placeholder items should remain in the CIP. She observed the CIP includes \$1 million for pavement preservation which is also a decision package. She asked if approving the CIP automatically approved that decision package. Mr. Williams said the 2017 draft budget includes \$1.1 million for pavement preservation in the first year of the CIP. There are also amounts for pavement preservation in the out years. Approving the CIP would be strongly

suggestive of approval of the decision package although the Council could change their mind. Councilmember Buckshnis summarized some items in the CIP are decision packages that require Council decision.

Council President Johnson relayed her interest in the acquisition of open space, expressing concern that including \$200,000 in each year's budget but not letting it accumulate did not allow an amount that could be used for purchases. She suggested the Council discuss having an acquisition of open space account that could build up to \$1 million in 3-5 years. She did not like the idea of budgeting such a small amount and relying on bonding for the remainder. She relayed a desire for some funding for critical areas, recalling some past opportunities have been lost. She suggested there could be 1-3 funds with one including funds for the Edmonds Marsh. Ms. Hite relayed a few Planning Board members have expressed interest in that too. In 2015 the \$200,000 carried over in 2016 was added to the \$200,000 in the 2016 budget and used to purchase Civic Field along with grant funds. She suggested at the end of 2017 Council could discuss moving the \$200,000 into a fund that would begin to accumulate until an opportunity arises. She supported having an opportunity fund, noting when property becomes available, it is often necessary to act fast and without available funds, it is difficult to be nimble and competitive in acquiring land. It is a goal in the PROS Plan to continue to acquire open space and to be aggressive about acquiring beachfront in particular. Mayor Earling commented the \$400,000 in the budget closed the purchase of Civic Field.

Councilmember Buckshnis clarified this is a policy issue, not CFP/CIP issue. She agreed if the \$200,000 is not used, it should be allowed to accumulate. She recalled in the past the Council Contingency fund was allowed to accumulate. She envisioned if a fund were established, it could be used to purchase property such as the tiny house property.

Mayor Earling opened the public participation portion of the public hearing. Hearing no comments, he closed the public participation portion of the public hearing. He relayed staff's recommendation to forward this item for approval on the Consent Agenda.

Council President Johnson commented presentations were made to Council last week and this week and a public hearing held this week. The Council has time to discuss this further and she was not in a rush to schedule it on next week's Consent Agenda or to take action tonight.

Councilmember Buckshnis commented this may be putting the cart before the horse. She reiterated the \$1 million pavement preservation is a decision package but it is already included in the CIP. She did not object to scheduling the CFP/CIP on the Consent Agenda but if that were done, the funds for pavement preservation should not be a decision package. Mr. Williams commented one or the other needs be approved first. Councilmember Buckshnis recalled last year the Council approved the CFP/CIP and budget at same time.

Mayor Earling requested a show of hands of Councilmembers who supported forwarding the 2017-2022 CFP/CIP to the Consent Agenda; Councilmembers Tibbott, Teitzel, Nelson and Mesaros indicated their support. Mayor Earling advised a Councilmember could pull it from the Consent Agenda if they wished.

Council President Johnson commented the remainder of department presentations will be made tonight; next week the Council will begin discussing decision packages which she felt was the appropriate time to deal with the CIP.

It remained the consensus of the Council majority to forward this item to the Consent Agenda.

3. **PUBLIC HEARING: UPDATE TO THE 2016 TRAFFIC IMPACT FEES AND NEW SECTION 3.36 OF ECC**

Public Works Director Phil Williams commented this is the fourth discussion with Council:

- Previous discussions occurred on:
 - October 13, 2015 (presentation by consultant Randy Young)
 - November 2, 2015
 - September 20, 2016
- Previous meetings addressed:
 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

He reviewed changes from the 2009 Plan to the 2015 Plan.

- Added 6 new projects
- Removed projects
 - 3 projects completed/to be completed in 2017
- Increased cost of 7 carry-over projects
- 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>
<i>A</i>	<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>
<i>B</i>	<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>
<i>C</i>	<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/apartment
 - 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 the Edmonds' fee:

Jurisdiction	Cost per trip
Kenmore	\$8,350
Lynnwood	7,944
Bothell	6,941
Shoreline	6,804
Edmonds (update)	5,530
Average of 8 others	5,100
Mill Creek	3,000
Snohomish County	2,453
Mukilteo	1,875
Edmonds (current)	1,050

Mr. Williams described a potential reduction for low income housing:

- Partial exemption of not more than 80% of impact fee, in which case no explicit requirement to pay the exempted portion of the fee from public funds
- Exemption identify in RCW 82.02.060
- Cities of Everett, Kenmore, Bellingham and Monroe are using this same exemption

Mr. Williams relayed staff's recommendation:

1. Raise impact fee to \$5,530 per PM peak hour trips
2. Phased over 3 equal annual steps through 2019
 - \$2,543 in 2017
 - \$4,037 in 2018
 - \$5,530 in 2019
3. Implement a low income housing discount program up to 80% for qualified projects

Councilmember Tibbott observed several projects have been on the list for a long time and asked to what extent those must remain on the list. Mr. Williams explained these projects are identified in the Transportation Plan to address a deficiency and are used to calculate the traffic impact fee. These projects will not be completed with traffic impact fees alone or with City funds alone; staff seeks opportunities for grants, making it difficult to predict the order that projects will be funded.

Councilmember Tibbott observed the Main & 9th signal had been on the list for years. He asked if that was being more seriously considered in the next 3 years. Mr. Williams recalled discussions about signals at Main & 9th and at Caspers; the signal at Caspers was removed but the Main & 9th signal was retained as an option. There could be a signal at that location but a mini roundabout was more likely when the intersection was projected in the near future when the level of service fails. That project has not been designed but projections indicate the intersection level of service will fail in the future. Councilmember Tibbott asked if was projected to fail within this budget cycle. Mr. Williams answered sometime within the planning horizon of the Transportation Plan.

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

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO FORWARD TO THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY.

Mayor Earling declared a brief recess.

8. STUDY ITEMS

1. MAYOR AND COUNCIL COMPENSATION REVIEW

Council/Legislative Assistant Andrew Pierce recalled during a presentation in September, the Council raised several questions regarding the criteria and how the comparative cities were selected. He provided the following information:

- Salaries should be based on realistic standards in order to pay elected officials according to the duties of their office.
 - ~Washington Citizens’ Comm. Of Salaries for Elected Officials
 - Regional /Market Comparisons
 - Evaluation of Official Duties – includes evaluation of expertise and knowledge and skill required to perform the duties of the office.
- Criteria for comparison
 - Mayor/Council Government Structure (strong mayor)
 - Cities in the Puget Sound Region
 - With Populations between 20K – 60K
 - Without City Administrators in Addition to Mayor
- Four comparative cities identified
 - Marysville Pop. 60,020
 - Redmond Pop. 54,144
 - EDMONDS Pop. 40,000
 - Bremerton Pop. 37,729
 - Lynnwood Pop. 35,836
- City Councilmembers’ duties
 - Nothing in City code outlining Councilmembers’ duties
 - General job description includes
 - Develop policy
 - Study
 - Research
 - Time to attend meetings and preparation
 - Etc.
- Comparison of Council President and Councilmembers’ salaries and benefits:

City	Council President Salary	Council Member Salary	Benefits	Total CP	Total CM
Redmond	\$1,000.00	\$1,000.00	\$1,124.10	\$2,124.10	\$2,124.10
AVERAGE	1,050.00	970.00	374.70	2,404.38	2,271.05
Edmonds	1,200.00	1,000	707.51	1,907.51	1,707.51
Bremerton	1,00.00	1,000.00	0/no data	1,000.00	1,000.00
Marysville	950.00	950.00	0/no data	950.00	950.00
Lynnwood	1,100.00	900.00	2,081.53	3,181.53	2,981.53

- Mayor duties
 - The mayor shall be the chief executive and administrative officer of the city, in charge of all departments and employees, with authority to designate assistants and department heads. The mayor shall see that all laws and ordinances are faithfully enforced and that law and order is maintained in the city, and shall have general supervision of the administration of city government and all city interest. [Ord. 2349 § 2, 1983].
 - The mayor shall devote full time to execution of the duties of the office of mayor and shall not engage in any occupation or professional inconsistent with the full-time performance of the duties of mayor. [Ord. 2349 § 4, 1983].
- Comparison of Mayor monthly salary and benefits

City	Mayor Salary	Benefits*	Total

Redmond	\$11,416.66	\$2,452.45	\$13,869.08
Marysville	10,659.93	2,449.48	13,109.41
AVERAGE	9,838.69	2,412.21	12,250.89
Edmonds	9,622.84	2,006.04	11,628.88
Bremerton	8,917.00	2,571.00	11,488.00
Lynnwood	8,577.00	2,582.10	11,159.10

*Does not include benefits such as car allowance

- Edmonds mayor's current salary sits 2.2% below the average salary of mayors in comparable cities. However, the Edmonds mayor's current salary sits 15% below the highest comparable city's mayor.
- Edmonds Mayor's benefits package sits 16% below the average of comparable mayor benefits packages, and 22.3% below the highest comparable city's mayor's benefits package.
 - Benefit differences may depend on plans the cities are involved in
- City Administrator duties/qualifications
 - Duties: Serves as administrative, assistant executive, personnel and liaison officer and building official for the City. Recommends appointments and removals of all department heads and staff. Recommends policy and implements policy as established by the Mayor and City Council.
 - Typically Supervises: Treasurer, City Clerk, Police Chief, Public Works Supervisor, Fire, Administrative Officer and Building Inspector.
 - Typically Requires: Advanced Education in Public Administration, Business, or related field, and multiple years of senior management experience preferably in municipal government or related public sector.
 - Mayor in Council/Mayor form government is similar to weak, in weak Mayor selected from Councilmember. Most of those cities have a city administrator. City administrator duties/qualifications:

- Cities with City Administrator/Weak Mayor

City	Pop	CoS/CAO Salary
Sammamish	45,789	\$16,13
Bothell	33,505	15,501
Mercer Island	22,699	14,677
Lakewood	58,163	14,158
Shoreline	53,007	13,911
SeaTac	26,909	13,469
Kenmore	20,460	13,268
Bainbridge Island	23,025	12,941
Burien	33,313	12,917
Maple Valley	22,684	12,654
University Place	31,144	12,612
Puyallup	37,022	12,500
Mountlake Terrace	19,909	11,813
Edmonds	38,709	9,623
Average		13,581

Mr. Pierce commented it was difficult to compare mayor and city administrator salaries as the duties may vary; a better survey would need to be conducted.

Councilmember Fraley-Monillas observed the Redmond and Marysville's mayor's salary and benefits were higher than Edmonds. She asked the population of those cities and number of staff the Mayor supervises. Mr. Pierce answered Marysville's population is estimated at 60,000 and there are 258 FTE; Redmond's estimated population is 54,000 with 609 FTE and Edmonds estimated population is 40,000

with 220 employees. He commented one of the difficulties in surveying elected officials' salaries is matching the criteria with comparator cities; it was very difficult to do with regard to population and FTE and Mayors' salaries do not appear to correlate to the number of employees. He referred to a master listed in the Council packet used in the analysis, pointing out for example Bremerton's Mayor earns substantial less than Edmonds' Mayor but has more employees and conversely Marysville's Mayor earns substantially more and has slightly fewer employees.

Councilmember Fraley-Monillas observed Lynnwood's population is 35,000 and 332 FTE. Mr. Pierce agreed, noting the number of FTE can differ depending on whether the City has its own fire department, etc. He was not certain why Redmond had so many FTE.

Councilmember Teitzel when the Edmonds Mayor had a salary adjustment. Mr. Pierce answered from his research, it was in 2012. Mayor Earling advised there was a cost of living increase in 2012. Councilmember Teitzel asked whether a CEO in private industry would go six years without a salary increase. Mr. Pierce answered likely not, CEOs typically set the pace for raises. It is difficult to compare private and public because the markets are different although they do influence each other. For example City Administrators often are offered a higher salary than a strong Mayor because they compete with private industry.

Councilmember Teitzel asked if there had been base salary increases for the other strong Mayors in the past six years. Mr. Pierce did not have that information; it would need to be collected via survey.

Councilmember Buckshnis referred to the previous agenda memo that provides the history of disbanding the salary commission and the Mayor's COLA increase. She favored an ordinance establishing a salary commission with members appointed by Councilmembers. In the interim, she felt the Mayor deserved a 5% raise.

Councilmember Fraley-Monillas commented she spent her life working for government, and pointed out the Governor of Washington State earns \$175,000 and has many more employees than any city. The County Executive earns about the same as Marysville's Mayor. She agreed there was a difference between public and private employees. Elected officials acting to set compensation of other elected officials creates political and legal pitfalls. The legalities are simple to ensure compliance with; however, the potential for political consideration to play a factor in such an action is the reason the state legislature codifies the use of the salary commission to remove political considerations from the process. In Edmonds, the City Council has a close working relationship with the Mayor. Councilmembers individually and as a body work closely with the Mayor. Asking Councilmembers to take such action to affect the compensation of the Mayor with whom they work, puts Councilmembers in a potentially difficult position, making a decision influenced by politics rather than economic considerations. The real problem is the Council's decision could be completely impartial but the perception to the public may be different. When considering the compensation of other strong Mayors, Edmonds' Mayor is compensated fairly with the exception of benefits. She recommended reconvening the salary commission with members appointed by the Council which will remove the electeds from the process.

Councilmember Tibbott agreed with forming a salary commission to consider Councilmember compensation. The Council could move ahead with increasing the Mayor's base salary which has not had a COLA for several years. He agreed with Councilmember Buckshnis' suggestion for a 5% increase for the Mayor and to form a salary commission in 2017.

Councilmember Nelson relayed as previously stated, he is not supportive of an increase in the Council salary regardless of what body makes that decision. He questioned how the Council decides to increase/not increase the Mayor's salary without it being a reflection of the current Mayor. When Councilmembers say the Mayor deserves an increase, he questioned whether they meant the current

Mayor Dave Earling or the position he holds, which he felt could not be separated. He did not support putting the Council in that position and supported forming a salary commission or other independent body to make that decision.

Council President Johnson supported the idea of a salary commission because it takes the matter out of the hands of elected officials. She did not like the idea of two-tiered salary for Councilmembers. She referred to the decision tree Mr. Pierce prepared on page 374 of the Council packet, which may be a good tool to review the information. Mr. Pierce reviewed the decision tree:

- Increases by ordinance
 - Mayor: increase can take effect before the Mayor's next term in office
 - Council: increase may not take effect before the Councilmember's next term in office
- Salary Commission
 - Mayor or Council: salary commission is authorized to review and submit salary increases without further action from the City Council. Increases take effect when the new salaries go into effect, and any decreases will not take effect until the official's next term of office.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCIL PRESIDENT JOHNSON, TO INSTRUCT THE CITY ATTORNEY TO DRAFT AN ORDINANCE CREATING A SALARY COMMISSION WITH CITY COUNCILMEMBERS APPOINTING THE COMMISSIONERS.

City Attorney Jeff Taraday relayed the RCW requires the members of the salary commission be appointed by the Mayor with approval of the City Council. Councilmember Buckshnis restated her motion:

TO INSTRUCT THE CITY ATTORNEY TO DRAFT AN ORDINANCE CREATING A SALARY COMMISSION.

Mr. Taraday read the language from the RCW: the members of such commission shall be appointed in accordance with the provisions of a City charter (Edmonds does not have) or as specified in this subsection which states shall be appointed by the Mayor with approval of the City Council.

Councilmember Teitzel expressed support for the concept of creating a salary commission to consider City Council salaries. He was less clear how to address an adjustment in the Mayor's base salary. He questioned whether this motion was to create a salary commission to consider both Council and Mayor's salaries. Mayor Earling relayed his understanding it was for both the Mayor and Council.

Mr. Taraday said if it is the Council's intent to form a salary commission to consider salaries of all elected officials, it was unlikely to happen for 2017. Taking the step to form a salary commission defers any increases to 2018.

Councilmember Teitzel expressed concern with delaying action in view of the justification for adjusting the Mayor's salary. He preferred not to wait to adjust the Mayor's salary but supported having an external body review Council salaries. He was not in favor of an adjustment in Council salaries but could change his opinion based on the commission's work.

Councilmember Buckshnis observed an ordinance would not be effective for 30-60 days and asked if the Council could establish a salary for the Mayor as part of the budget process. Finance Director Scott James answered yes. Councilmember Buckshnis supported forming a salary commission to review all elected officials' salaries and to address the Mayor's salary during the budget process. Mr. Taraday observed the commission would set the salary beginning in 2018 and the Council would set the salary for the Mayor in 2017. Councilmember Buckshnis preferred to make it simple and easy; the Council controls the budget and can address the Mayor's salary via the budget process.

Mayor Earling relayed his understanding that the intent was to form a salary commission to consider all elected officials' salaries but some Councilmembers are interested in a pay increase for the Mayor's position for 2017.

Councilmember Fraley-Monillas asked whether the Mayor would get a COLA as he did two years ago. Parks & Recreation Director Carrie Hite answered the Mayor has not received a COLA since 2012. Councilmember Fraley-Monillas agreed with providing the Mayor a COLA similar to other staff. She objected to arbitrarily pulling a number out of the air when all the questions have not been answered. She was aware a number of Councilmembers have discussed this issue with the Mayor and felt the only way to do it in a fair and impartial manner was to engage an external body to determine the position's salary. Discussions between Councilmembers and the Mayor was not a fair and equitable process for either the Mayor or the City. She did not support an immediate increase for the Mayor but did support the formation of a salary commission.

Councilmember Buckshnis raised a point of order; the motion is regarding the formation of a salary commission and does not address raising the Mayor's salary.

MOTION CARRIED UNANIMOUSLY.

Mr. Taraday clarified unless directed otherwise, he will not bring back an ordinance until after the budget is adopted. He feared acting on the ordinance prior to adopting the budget could cause confusion.

2. DISCUSSION REGARDING THE 2017 PROPOSED CITY BUDGET

Council President Johnson recommended the department heads be allowed to make their presentations and Councilmember ask questions via email or other methods. Due to the late hour, she fear if there were too many interruptions staff would not get through their presentations.

Police Department

Police Chief Al Compaan reviewed:

- Recent highlights:
 - 2015 Activities
 - Part 1 Crimes Solved - 38.7%
 - Felony Filings - 346
 - Traffic Citations and Infractions - 4,533
 - DUI Arrests - 98
 - Total Misdemeanor Arrests - 883
 - Animal Control Incidents - 1,113
 - Parking Citations - 1,002
 - Firearms Related Requests (CPL, Transfers) - 874
 - Public Disclosure Requests - 1,842
 - Traffic Collisions Investigated - 776
 - Total Dispatched Calls for Service - 23,874
 - Decision Packages/Changes
 - DP # 9: Radio Enhancement
 - Adds a police radio antenna/repeater in the Public Safety Building to resolve "dead zones" in the building to improve transmit and receive capability. \$23,607.
 - DP # 10: Police Staff Assistant
 - Adds PSA to our front office/records area. Needed due to volume and increased complexity of work, data entry, report processing, quality control, archiving, records destruction, front counter, phones, general customer service. \$78,018.
 - DP # 11: School Resource Officer

- Adds a police officer position for assignment at Edmonds Woodway High School. Partnership with Edmonds School District, 50/50 cost share salary and benefits, plus contribution to vehicle. \$134,644.
 - DP # 12: Replace SWAT transport vehicle
 - Replaces 1989 bus purchased from CT in 2007. Will utilize currently accrued B-Fund. Purchase price includes outfitting of vehicle. Planned 20 year service life. \$41,500.
- Expenditures

Expenditures	2016 Modified Budget	2016 YE Estimate	2017 Recommended	Discussion
Salaries, benefits	\$8,217,060	\$8,110,010	\$8,734,720	Incl DP 10 Staff Asst & DP 11 SRO
Overtime	396,240	433,550	454,780	
Supplies/Equip.	111,630	103,060	111,900	
Prof. Services	117,170	99,380	117,670	
Other	185,300	174,370	203,020	Incl DP 9 Radio Enhancement
Rental/Lease	595,100	594,100	842,630	Large share of increase due to IT
Intergovernmental	10,550	10,550	10,550	
Total Budget	\$9,633,050	\$9,525,020	\$10,475,270	

- Revenue

Revenue	2016 Modified Budget	2016 YE Estimate	2017 Recommended	Discussion
Intergovernmental	\$49,500	\$61,120	\$106,740	DP 11 SRO
Special Events	38,300	44,980	43,000	
Animal License & Adoptions	44,800	35,250	35,090	
Grants	22,470	23,635	19,030	
Other	13,000	23,161	14,000	
Total	\$168,070	\$188,146	\$217,860	

City Clerk

Finance Director Scott James reviewed:

- Programs:
 - City Hall Front Desk/Reception
 - Business Licensing
 - Records Management
 - Public Record Requests
 - City Council Agenda & Meeting Management
- 2016 Accomplishments
 - City Hall Front Desk/Reception
 - Responded to thousands of walk-in customers, requests, inquiries, and phone calls
 - Business Licensing (3,500+)
 - Business License revenues: \$116,000
 - Non-Resident BL revenues: \$67,500
 - BL Penalty – late fees \$12,500
 - Parking Permit revenues: \$25,100
 - Records Management
 - Filed, recorded, tracked 1,000's of pages of records

- Public Record Requests (200+)
 - Provided 10,000+ pages/files in response to public records requests
- City Council Agenda & Meeting Management
 - Coordinated agendas, minutes and meeting packets for 50+ Council meetings
- Expenditures

Expenditures	2016 Modified Budget	2016 YE Estimate	2017 Recommended	Discussion
Total	\$72,963	\$91,210	\$639,880	2017 estimate includes DP#2 & 3

The 2017 Clerk's Office Budget totals approximately \$640,000, which represents an 8% increase over the estimated 2016 budget. This is primarily due to increase in salaries and benefits, and two Decision Packages totaling \$11,000).

- Decision Packages
 - DP #2: Adds \$1,000 to 2017 costs for potential overtime needs related to unanticipated work products and special/one-time projects.
 - DP #3: Adds \$9,500 to ongoing costs for a web-based public records software module
 - Currently the Clerk's Office manages records requests manually – software would automate and facilitate the process
 - Records software is used by many other jurisdictions, including the City of Kirkland, which won a state award for its record request process
 - Provides automation, routing, tracking, reporting, and reminders. Also facilitates notification and response and streamlines the process for all users, including staff and the general public
 - Public submits requests on the online portal, where they are automatically numbered, logged and routed
 - System reminds internal users of response deadlines, sends automated notifications to requestor
 - Requestors download records through the web portal; records are stored in the cloud for a given retention period
 - Log of past requests is made available online for transparency

Mayor's Office

Mr. James reviewed:

- 2016 Accomplishments
 - Continued street resurfacing program
 - In 2016, we resurfaced 8.6 lane miles
 - This is on-top of the 8.7 lanes miles resurfaced in 2015 and 5.8 miles in 2014
 - 2014 – 2016 – 23.1 lane miles resurfaced
 - City has over 287 lane miles of streets
 - Continued success in achieving major grants in Parks, Engineering and Public Works
 - 2012: \$2,345,067
 - 2013: \$2,085,121
 - 2014: \$3,920,991
 - 2015: \$7,163,929
 - 2016: \$3,551,898
 - Expanded public communication program with continuation of Town Halls, twice monthly media columns a continued presence on Facebook
 - Success in Olympia: assembled funding for Alternatives Analysis, \$10M for Highway 99, ECA roof, and rehab of Fishing Pier
 - Maintained strong financial position
 - Significant progress made in economic development

- Challenges
 - Continued vigilance of Edmonds long-term financial health
 - Access to and from Waterfront
 - Resolution of Fire District 1 contract
 - Creating new revenue streams
 - Strategy to maintain long-term street repaving needs
 - Maintain and advance infrastructure needs
 - Continued success in gaining grants

- Expenditures

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Total	\$260,250	\$260,480	\$273,590	

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, to EXTEND THE MEETING FOR 15 MINUTES. MOTION CARRIED UNANIMOUSLY.

City Council

Mr. James reviewed:

- Expenditures

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Total	\$295,500	\$303,730	\$365,120	

Finance & Information Services

Mr. James reviewed:

- 2016 Accomplishments

- Finance

- Completed 2015 Audit
- Investment earnings
 - 2012: \$57,344
 - 2013: \$74,830
 - 2014: \$163,214
 - 2015: \$336,926
 - 9/30/2016: \$326,075
- Debt Savings:
 - Last February we paid off the 1996 Public Safety Bond early, saving the City \$13,000
 - Last month, we completed the Refunding of the City's 2007 LTGO Bond, saving the City \$367,541
 - Combining the Additional Investment earnings and bond interest savings, we will have increased the City's cash flows over \$982,000 since I came to the City 2 ½ years ago
- Hired new Assistant Finance Director, Dave Turley

- Challenges

- Develop Long-range Financial Plans
- Review Financial Policies

- Expenditures

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Total	\$939,820	\$890,960	\$1,029,560	New staff member

- Decision Packages

- DP#5: \$3,500 for GASB 73 Implementation

IT Supervisor Brian Tuley reviewed:

Information Services

- Goal of Information Surfaces:
 - Stability
 - Redundancy
 - Security
- Future:
 - Proactive
 - Communication

- Expenditures

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Fiber budget	\$59,200	\$59,200	--	Consolidated
Information services	840,910	804,830	890,430	Consolidated expenses
Total	\$900,100	\$864,030	\$890,430	

- Decision Packages

- DP #73: (\$15,000) Reduction of expense for equipment replacement
- DP #74: \$6,500 Redundant internet connection
- DP #75: (\$23,200) Reduction of expense in supplies budget
- DP #76: \$700 Increase for conference related travel expenses

Mr. Tuley described the creation of a new internal service fund for IT with A & B Funds:

- Provides even and steady funding for IT equipment
- Helps the City meet the auditor’s recommendation
- Stabilizes the IT budget
-

He described the purpose of each fund:

- A Fund
 - Ongoing operations
 - Communications
 - Licensing
 - Maintenance
 - Professional Services
 - Salaries
 - Software
 - Formula charged back to Departments based on:
 - % of support time (using help desk ticket system)
 - Devices Counts
 - Computers
 - Smart Phones
 - Desktop Phones
 - Licensed Applications
 - Network Accounts
 - Staff Count
- B Fund
 - Hardware Replacement
 - Desktops
 - Infrastructure – Networking / Servers / Storage
 - Printers
 - Assigns life cycle period to hardware (4-7 years)

- Model builds replacement costs over 7 years
- Develops annual average to keep fund positive
- Fund seed money of \$40,000 from 2016 capital fund
- \$95,000 annually toward hardware replacement
 - Charged back to Departments based on device counts
- Graph of B Fund Balance 2016-2023
 - 2016: \$45,000
 - 2017: \$60,430
 - 2018: \$108,730
 - 2019: \$80,000
 - 2020: \$21,530
 - 2021: \$5,640
 - 2022: \$6,450
 - 2023: \$23,690

Non-Departmental

Mr. James reviewed:

- Purpose
 - Non-Departmental is used to segregate all costs not directly identifiable to departments and those expenditures and services that are required by law or contract that are beneficial to all citizens
 - The Finance Department provides oversight to the Non-Departmental budget
- Key Non-Departmental Expenditures:

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Liability & Property Ins	\$534,440	\$538,750	\$600,850	Rate increase
Fire District Contract	8,327,000	8,327,000	7,713,000	Approx 2.5% inc
Prisoner Care	612,390	612,000	620,000	
SNOCOM	986,770	986,770	1,028,700	Approx 4% inc
Debt Service	214,450	205,550	204,870	Stabilized for 2017
Interfund Transfers	2,904,320	3,364,120	1,063,200	Review later
Other ND Expenditures	1,376,630	1,291,130	1,452,210	Contact Mr. James with questions
Total	\$14,956,000	\$15,325,320	\$12,682,830	

- Liability & Property Insurance
 - When we built the 2016 Proposed Budget, we estimated that we would pay WCIA a total of \$884,141 in 2016
 - The Proposed 2017 Budget includes \$977,424 for WCIA, an increase of \$93,283 or 10.6% increase
- Fire District 2017 Contract
 - For 2016, we estimated that the City will pay Fire District 1 \$8,327,000 for services
 - The 2016 Estimate included a “Retro” payment of \$802,000
 - The 2017 Proposed Budget includes a base payment of \$7,713,000
 - The 2017 FD1 Budget includes a 2.5% increase for services
- Transfers within General Fund

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
LEOFF Medical (009)	\$275,000	\$275,000	\$275,000	Target Balance
Risk Mgmt (011)	--	--	--	
Contingency (012)	--	582,300	--	2016 Trsf for FD1

Hist Preserv (014)	5,000	5,000	5,000	
Building Maintenance	415,000	415,000	100,000	Stabilize ongoing transfer
Total	\$695,000	\$1,277,300	\$380,000	

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO EXTEND THE MEETING FOR 10 MINUTES. MOTION CARRIED UNANIMOUSLY.

- Transfer to other funds:

Expenditures	2016 Budget	2016 YE Estimate	2017 Recomm.	Discussion
Firemen's Pension (617)	\$15,000	\$15,000	\$15,000	Continue funding
LTGO Debt Serv (231)	166,950	166,950	168,200	Scheduled payment
2014 Debt Serv (232)	949,540	949,550	--	Scheduled payment
Technology Rental (512)	--	--	45,000	New fund startup \$
Cemetery (130)	40,000	40,000	40,000	Operating transfer
Street Maint. (111)	400,000	400,000	400,000	Operating transfer
Street Constr.(112)	512,830	390,320	--	
Sister City (138)	5,000	5,000	5,000	Operating transfer
Municipal Arts (117)	15,000	15,000	15,000	Per City policy
Park Constr. (132)	110,000	110,000	--	
Total	\$2,214,320	\$2,091,820	\$688,200	Bonds paid off in 2016

- Decision Packages
 - DP #6: \$100,000: Council Contingency to fund Council priorities
 - DP #7: \$5,000 – Cover increase of Public Defender Consultant
 - DP #8: \$45,000 – New IT Fund Start-up funds
 - New Increase: \$50,000 – Prosecutor Contract
 - Mr. James will draft and email Councilmembers a decision package
- Other Finance Managed Funds
 - Finance is responsible for the budgets of several other small funds:
 - LEOFF Medical
 - Risk Management
 - Contingency Reserve
 - Employee Parking
 - LID and Debt Service Funds
 - Fireman's Pension
- Recommend closing Fund 213
- Recommend retiring 1996 Public Safety Bond Fund

9. MAYOR'S COMMENTS

Mayor Earling commented on the wonderful Halloween celebration last night, the largest crowd he has seen since being involved in 1980. He recognized the Chamber for putting on this event, made possible with funds the Chamber raises at the Taste of Edmonds.

Mayor Earling reminded next week's Council meeting will be on Monday, November 7 and Tuesday, November 8 is election day.

10. COUNCIL COMMENTS

Councilmember Nelson echoed Mayor Earling's comments regarding Halloween downtown and expressed appreciation to the Chamber for organizing the event and getting the businesses participate. He was thankful the weather cooperated until his family went trick-or-treating in the neighborhoods.

Councilmember Fraley-Monillas encouraged the public to turn in their ballots.

Councilmember Buckshnis said she will not be at the Council meeting Monday as she will be returning from Green Bay, Wisconsin. She thanked everyone who has reached out to the Council regarding the Edmonds Marsh. She encouraged the public to vote.

Council President Johnson said she has been troubled this week about the letters to Ecology contradicting the original letter sent by the City Council. In discussing with City Attorney Jeff Taraday how to heal the chasm that has hit the City Council, one of his suggestions was to hold a special meeting to talk about it. She offered to organize a special meeting if Councilmembers were willing. Mr. Taraday said a special meeting requires a majority vote of City Council, noting if a majority did not want to have a meeting it likely would not be a very effective special meeting anyway. He suggested determining whether Councilmembers were interested in a special meeting before selecting a date. Council President Johnson commented the Council needed to move swiftly and whether the Council was interested in having an off-camera, consolatory discussion or should the Council just move on.

Councilmember Mesaros suggested due the late hour, scheduling this discussion at the beginning of Monday night's agenda. Council President Johnson said that did not suit her purposes.

COUNCIL PRESIDENT JOHNSON MOVED TO PLAN A SPECIAL MEETING WITHIN THE NEXT 1-2 WEEKS TO DISCUSS HOW TO WORK TOGETHER AS A COUNCIL. MOTION DIED FOR LACK OF A SECOND.

Councilmember Teitzel compliment the crews who did a great job of installing the downtown restroom in time for last night's festivities. The restroom and landscaping look great although there is more work to be done.

Councilmember Teitzel explained he lives on the northern border of Civic Field; after the hybrid plan was introduced, several of the neighbors along Civic Field (not him) were concerned with the proposal to move the skate park from its current location to a site near the northern fence. That was not shown in Plan A or B option, and came as a surprise to the neighbors. Ms. Hite has assured them the skate park will not be located there and will be moved to either the current location of the baseball field or behind the Boys & Girls Club building.

Councilmember Mesaros agreed Halloween downtown was very fun.

Councilmember Tibbott praised the Tree Board for their work on Saturday revegetating an area. He also praised the City's stormwater system which has been tremendously tested during the past month. The City has invested a great deal in its stormwater system; citizens should appreciate that the City takes the handling of stormwater seriously.

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

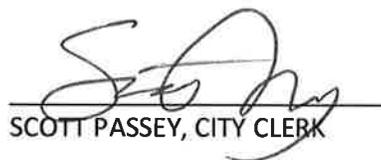
This item was not needed.

13. ADJOURN

With no further business, the Council meeting was adjourned at 10:25 p.m.



DAVID O. EARLING, MAYOR



SCOTT PASSEY, CITY CLERK

