

EDMONDS CITY COUNCIL APPROVED MINUTES

November 15, 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

K. Ploeger, Police Sergeant
Al Compaan, Police Chief
Phil Williams, Public Works Director
Carrie Hite, Parks, Rec. & Cult. Serv. Dir.
Patrick Doherty, Econ. Dev & Comm. Serv. Dir.
Shane Hope, Development Services Director
Scott James, Finance Director
Rob Chave, Planning Manager
Rob English, City Engineer
Leif Bjorback, Building Official
Kernen Lien, Senior Planner
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Jerrie Bevington, Camera Operator
Jeannie Dines, Recorder

1. CALL TO ORDER/FLAG SALUTE

The Edmonds City Council meeting was called to order at 6:00 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

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

4. APPROVAL OF CONSENT AGENDA ITEMS

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

1. **APPROVAL OF CITY COUNCIL MEETING MINUTES OF NOVEMBER 7, 2016**
2. **APPROVAL OF CLAIM CHECKS**

3. **AUTHORIZE THE MAYOR TO SIGN AN INTERLOCAL AGREEMENT WITH OLYMPIC VIEW WATER & SEWER DISTRICT TO FUND MINOR UTILITY RELOCATIONS FOR THE MADRONA ELEMENTARY WALKWAY PROJECT**
4. **AUTHORIZATION FOR MAYOR TO SIGN A RIGHT-OF-WAY DEDICATION FOR THE SELECT HOMES SHORT PLAT**
5. **SEPTEMBER 2016 QUARTERLY FINANCIAL REPORT**
5. **STUDY ITEM**
 1. **2017 CONTINUED BUDGET REVIEW DISCUSSION**

Mayor Earling thanked Council President Johnson for having the courage to schedule a potentially 4-hour meeting and urged Councilmembers to be judicious in their comments. He was concerned the Council needed to complete several items this year and the goal was to complete meetings by the second week in December.

Councilmember Buckshnis commented she had spoken to nearly every director and several Councilmembers regarding the amendments she planned to propose.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO CHANGE "COUNCIL MISCELLANEOUS" ON PAGE 33 OF THE BUDGET BOOK TO "COUNCIL CONTINGENCY." MOTION CARRIED UNANIMOUSLY.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO CHANGE PROFESSIONAL SERVICES FROM \$12,000 TO \$6,000 ON PAGE 143 OF THE BUDGET BOOK (PUBLIC WORKS FACILITIES MAINTENANCE).

Councilmember Buckshnis explained she confirmed with Public Works Director Phil Williams that the Decision Package was \$6,000 and the amount reflected in the Budget Book was inaccurate.

MOTION CARRIED UNANIMOUSLY.

Mr. Williams advised there were three items that were double-entered, once as a decision package and again in the base budget.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO CHANGE TRAVEL FROM \$3,000 TO \$1,000 ON PAGE 143 OF THE BUDGET BOOK (PUBLIC WORKS FACILITIES MAINTENANCE).

Councilmember Fraley-Monillas asked what the travel budget has been in the past. Councilmember Buckshnis answered zero.

MOTION CARRIED UNANIMOUSLY.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO CHANGE RENTAL/LEASE FROM \$10,000 TO \$5,000 ON PAGE 143 OF THE BUDGET BOOK (PUBLIC WORKS FACILITIES MAINTENANCE).

Council President Johnson observed this had increased from a few hundred dollars to \$10,000. Councilmember Buckshnis comments the motion was to correct the amount; further discussion regarding the rationale could occur when the decision package was discussed. Mr. Williams answered the rationale is

in the decision package budget. The funds will be used to rent/lease specialized equipment from a local vendor instead of purchasing equipment. The correct amount for the 2017 budget is \$5,000.

MOTION CARRIED UNANIMOUSLY.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO CHANGE MISCELLANEOUS ON PAGE 143 OF THE BUDGET BOOK (PUBLIC WORKS FACILITIES MAINTENANCE) FROM \$13,000 TO \$5,000. MOTION CARRIED UNANIMOUSLY.

Councilmember Buckshnis said the total of those changes is \$21,000 which could be added to the \$100,000 in the budget for Council discretionary spending.

Finance Director Scott James displayed the following Council Requested Budget Changes:

Item #	Budget Book Page	Description	Cash Increase
GENERAL FUND			
1	New Item	Add Social Worker	\$ 50,000
2	New Item	Add Parking Enforcement Officer	82,300
3	New Item	Add Arborist	122,600
4	New Item	Add Traffic Officer	120,600
5	New Item	Pedestrian Safety Training	15,000
6	New Item	Pedestrian Safety Corridor – Pine Street	20,000
7	New Item	Health District Contribution	41,000
8	New Item	Historic Preservation Signage	10,000
9	New Item	Veteran’s Plaza Contribution	0
10	New Item	Student Saving Salmon Initiative	2,500
11	New Item	Increase Annual Senior Center Contribution	15,000
12	New Item	2 Radar Speed Indicator Trailers	22,000
		Impacts to General Fund	\$501,000
FUND 126 REET 1			
13	New Item	Land Bank Contribution	500,000
		Impacts to Fund 126 Ending Cash	\$50,000

Item 1: Add Social Worker - \$50,000

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO ADD A SOCIAL WORKER TO THE CITY COUNCIL PROPOSED BUDGET.

Councilmember Tibbott asked how a social worker would be utilized, whether they would be aligned with the Police Department or an outside agency. Councilmember Fraley-Monillas said the social worker would be similar to Lynnwood’s arrangement with the Y who have expressed interest in providing a social worker for Edmonds. As the Police Department has indicated they do not have the capacity to supervise this individual, she requested the individual be supervised by Lynnwood and assigned to Edmonds and provide services similar to those provided in Lynnwood. She commented in Lynnwood, the social worker is supervised by the Police Department as well as the Social and Health Services Committee.

Mr. James said he spoke with Lynnwood’s Commander Steichen who supervises the social worker and is in the process of proposing a full-time position to their Council. Lynnwood currently contracts with

Verdant for this position. Mr. James did not envision \$50,000 would provide adequate funding. Councilmember Fraley-Monillas said her intent was a part-time social worker to deal with the homeless issue. She suggested the contract arrangement could be determined after the budget is approved. She agreed the perfect place would be the Police Department where the social worker could contact and build relationships with the homeless. If the Police Department does not have the capacity to supervise the position, other arrangements can be considered. She suggested coordinating with Lynnwood, Verdant and the Y. She clarified her request was funding for a contract social worker.

MOTION CARRIED UNANIMOUSLY.

Item 2: Add Parking Enforcement Officer - \$82,300

Councilmember Fraley-Monillas commented on the lack of parking enforcement, explaining it is more than just parking in the downtown core, it includes abandoned cars, people sleeping in motorhomes on residential streets, etc. The City currently has 2 FTE allocated to animal control and parking enforcement. She has been told they spend 75% of their time on animal control and only 25% (0.5 FTE) on parking enforcement. Although there have been recent discussions about this issue, it has been a long-term problem and it is the Economic Development Commission's (EDC) top priority. She referred to an email from 2011 regarding complaints about parking and nothing has been done because there is inadequate parking. She summarized 0.5 FTE for a city Edmonds size is not enough. The reason the EDC has made it their top priority is because it affects businesses which in turn affects the City's revenues as well as the City's vibrancy. She was uncertain whether the Council's interest was to fund a permanent position or a one year position.

Police Chief Al Compaan commented the Police Department has had staffing issues after the retirement of one FTE assigned to parking/animal control. The Department has temporarily increased its downtown parking enforcement efforts; approximately half of what they encounter is overtime parking and half other types of violations. The advertisement for the second FTE position closes in the next 1-2 weeks and the goal is to rapidly fill the position and train the person. As an alternate strategy, he suggested the Council allow the Department six months to hire, train and deploy the person and if there is still concern with parking enforcement after that time, an increase could be considered. He acknowledged the difficulty allocating the 2 FTE to animal control and parking enforcement. Alternately if the Council wanted to increase parking enforcement immediately, he suggested 0.5 FTE dedicated strictly to parking.

Councilmember Fraley-Monillas suggested assigning one FTE to parking enforcement and one FTE to animal control. She appreciated the offer to reevaluate in six months but was uncertain what would change if the personnel continued to be allocated as they were today. She suggested hiring parking enforcement and then in six months consider whether that level of enforcement was still needed. As there were several businesses and residents present to make comment regarding the need for parking enforcement, she suggested the Council hear their concerns before making a decision.

Councilmember Teitzel relayed he has spoken with several businesses in the downtown core who stated they have seen parking tickets on windshields, indicating enforcement was occurring. He agreed with Chief Compaan's suggestion to evaluate the situation in six months.

Council President Johnson said parking has been an issue as long as she has been on the Council. Although enforcement has increased recently, that level had not been provided during the past six years. She recalled during the EDC's presentation, they identified three primary issues, parking was one of them. The BID (Ed!) also identified parking as one of their main issues. She preferred not to wait and to work with the Police Department to hire a person to do parking enforcement. She viewed parking enforcement as a high priority and wanted it funded in the 2017 budget.

Councilmember Nelson agreed with Councilmember Fraley-Monillas regarding the need for parking enforcement, relaying his research found the number of parking tickets issued during the last year was less than three per day. However, he was concerned with funding an additional position, as he has only heard suggestions to cut funding from other positions to fund this position. Although he agreed parking enforcement was needed, he was uncomfortable adding it until a different way to fund it could be identified.

Councilmember Buckshnis referred to Decision Package 10, additional administrative support in the Police Department, and suggested a parking enforcement position was more important. She recalled a Police Department administrative support person was added a couple years ago. If the Council was agreeable to funding a parking enforcement instead of an administrative support person, the net difference was \$4,000. Mayor Earling explained he asked directors to submit reasonable requests for staffing in their departments; the proposed budget has 4 additional FTE. He expressed concern with Council questioning the Chief's recommendation for a position to accomplish work that needs to be done in the department, telling him how to run his department.

Council President Johnson raised a point of order, relaying her understanding that Mayor Earling presented the budget to Council but it was now up to the Council how to proceed. Mayor Earling agreed it was the Council's budget but if changes were suggested that he felt comprised the budget, staff's work and the needs of the City, he should be able to speak.

Councilmember Mesaros referred to Chief Compaan's indication that he is adding staff to assist with parking enforcement. Councilmember Nelson's research that found only an average of three tickets a day are being issued indicates either parking is turning over within the time limit or not enough tickets are being issued. He asked Chief Compaan to comment on the number of tickets as well as Councilmember Buckshnis' suggestion to replace the request for an administrative position with parking enforcement. Chief Compaan responded parking tickets have averaged about 1,000/year over the past 5-6 years. The appropriate level of enforcement is a policy discussion with feedback from business owners, residents and downtown visitors. With 2 FTE assigned to animal control, parking enforcement and ordinance enforcement, it may be possible to issue slightly more than 1,000 citations/year. After one of the FTE retired, she returned on a part-time basis through the end of the year and emphasis on downtown parking enforcement has increased but that level will not be sustainable next year. If Council wants a more concentrated effort on parking enforcement, the Police Department's business model may need to be reconsidered as it relates to the level of enforcement. He did not envision his suggested alternative would increase the average of 1,000 citations/year by a huge amount. If the Council wanted to provide increased parking enforcement and the City's finances allow, a compromise may be a 0.5 FTE dedicated solely to parking.

Councilmember Mesaros said he may be willing to proceed with Compaan's suggestion for a 0.5 FTE but he was unwilling fund it from the requested administrative support position. Chief Compaan assured he would not have requested an additional administrative support position if it was not needed.

Councilmember Fraley-Monillas agreed there had been an increase in the number of parking tickets issued due to the Police Department assigning a part-time person to that activity. However, that does not address abandoned vehicles, people living in motorhomes or other parking issues in the City. Frequent public comments at Council meetings related to parking issues indicates there is a need for parking enforcement throughout the City. She agreed nothing would change unless the amount of staff allocated for parking enforcement changed. She was satisfied with not taking the funding from another request; it could be funded from ending fund balance. The Council has discussed parking enforcement for years and nothing has changed. She preferred to take public comment during the public hearing before making a decision.

Council President Johnson felt parking enforcement was a priority, commenting she served on the Parking Committee in the past where this was a frequent issue. Unless the Police Department business model was changed, the average three tickets/day was likely to continue once the new staff person is hired. She was flexible with how it was accomplished, either via a part-time or a full-time person but it needs to be addressed.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO CONSIDER THE COUNCIL'S REQUESTED BUDGET CHANGES FROM THE BOTTOM OF THE LIST. MOTION CARRIED (6-1), COUNCIL PRESIDENT JOHNSON VOTING NO.

Item 12: 2 Radar Speed Indicator Trailers, \$22,000

Councilmember Buckshnis said funding only one for \$11,000 was an option.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO PURCHASE ONE RADAR SPEED INDICATOR TRAILER FOR \$11,000.

Council President Johnson recalled two radar speed indicator trailers were purchased last year. Mr. Williams advised five poles were installed and two radar feedback signs were purchased with a plan to move the signs around to the various poles. The requested item is mobile trailers which are typically operated by the Police Department. Council President Johnson asked how many radar signs were in the City. Mr. Williams answered five.

Councilmember Nelson said the rationale for the trailers was they were mobile, the display was at the driver's height, and they track speeds long before the driver it. The City currently only has one trailer that is rotated throughout the City. The intent of requesting funding for two trailers was to increase the number of trailers in an effort to slow down drivers.

Councilmember Teitzel asked the cost difference between a pole mounted radar feedback sign and a radar speed indicator trailer. Mr. Williams answered the cost was approximately the same. The pole mounted signs are outside the roadway; a trailer can have a modest impact on parking depending on its location.

Councilmember Fraley-Monillas commented an advantage of the trailer was its mobility, the ability to move the trailer around to address speeding in specific areas.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER NELSON, TO AMEND THE MOTION TO TWO RADAR SPEED INDICATOR TRAILERS. UPON ROLL CALL, AMENDMENT FAILED (2-5), COUNCILMEMBERS NELSON AND FRALEY-MONILLAS VOTING YES; AND COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS BUCKSHNIS, MESAROS, TEITZEL AND TIBBOTT VOTING NO.

MAIN MOTION CARRIED (6-1), COUNCILMEMBER TIBBOTT VOTING NO.

Item 11: Increase Annual Senior Center Contribution - \$15,000

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO INCREASE THE ANNUAL SENIOR CENTER CONTRIBUTION BY \$15,000.

Councilmember Buckshnis explained this increase would increase the City's funding to the senior center to match the \$75,000 provided by Snohomish County which the County Council approved today. Mayor Earling clarified this was an increase in the senior center's operations budget.

Councilmember Fraley-Monillas relayed her understanding Senior Center Executive Director Farrell Fleming made this request to Mayor Earling after the budget process began so it was referred to this process. Mayor Earling said the the funding is to address the senior center's operational needs. He was agreeable to the request but because it was late to the budget process, it was proposed as a Council requested budget change.

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

Item 10: Student Saving Salmon (SSS) Initiative - \$2,500

Councilmember Buckshnis said she will withdraw this request and will request funding via the Council Contingency in 2016 for a piece of equipment. The SSS recently received \$15,000 for operating. The \$2,500 already included in the budget will remain.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO WITHDRAW THE REQUEST FOR THE STUDENT SAVING SALMON INITIATIVE. MOTION CARRIED UNANIMOUSLY.

Item 9: Veterans Plaza Contribution - \$0

Councilmember Buckshnis advised this will also be funded from the Council Contingency.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO WITHDRAW THE REQUEST FOR THE VETERANS PLAZA CONTRIBUTION. MOTION CARRIED UNANIMOUSLY.

Item 8: Historic Preservation Signage - \$10,000

Councilmember Buckshnis advised this will be funded via the Council Contingency in 2016, presented by Councilmember Teitzel.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO WITHDRAW THE REQUEST FOR HISTORIC PRESERVATION SIGNAGE. MOTION CARRIED UNANIMOUSLY.

Item 7: Health District Contribution

Councilmember Fraley-Monillas said she, Mayor Earling and Council President Johnson met with the Health District last week to discuss their request and having better communication between the Health District and the City. Those presented at the meeting agreed the \$41,000 contribution, \$1/capita (instead of the \$2/capita the Health District requested) would be a productive use of funds.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCIL PRESIDENT JOHNSON, TO PROVIDE \$41,000 TO THE SNOHOMISH HEALTH DISTRICT.

Council President Johnson commented this represents a trend in Snohomish County; the southern cities have agreed to \$1/capita and are working to convince neighboring cities. This is a one-time appropriation to help the Health District. The District will work more closely with the cities, perhaps adopting an Interlocal Agreement. The Health District currently has a number of unfunded positions that will remain unfunded in order to operate on a lean budget. She express support for the contribution.

Councilmember Buckshnis express support for the contribution, noting this would negate the need for Agenda Item 6.2.

MOTION CARRIED UNANIMOUSLY.

Item 6: Pedestrian Safety Corridor - Pine Street - \$20,000

Councilmember Mesaros said he lives in the Pine Street area at Pt. Edwards; several residents have spoken to him about how dark the corridor is, particularly this time of year. As he was driving yesterday the corridor yesterday, he saw a 6-point buck crossing the street, fortunately he has his high beams on or may not have seen him. The streetlights will benefit pedestrians as well as drivers. The \$20,000 includes undergrounding the wires; aboveground wiring would be less expensive.

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TIBBOTT, TO ADD \$20,000 TO THE BUDGET FOR LIGHTING ON PINE STREET.

Councilmember Fraley-Monillas asked how many lights the funding represented and where they would be located. Mr. Williams answered four and they would be located on the south side of Pine Street between the intersection with SR-104 and westward for several hundred feet where there were no lights. Councilmember Fraley-Monillas inquired about the east side of Pine. Mr. Williams said there are some lights there. The new HAWK signal 200 feet north of the intersection has resulted in a lot of pedestrian traffic. It is well lit on SR-104 but quite dark for first few hundred feet on Pine Street.

Councilmember Fraley-Monillas asked if any study had been done to identify other streets that needed improved lighting. Mr. Williams answered no, most of the 270 lights in the City are owned/operated by Snohomish County PUD. When the City receives requests for lights, PUD typically responds favorably by installing the light and adding it to the City's bill. Lights are usually added by installing a mast arm on an existing PUD pole. When the City installs lights, the code generally guides toward undergrounding power. In this case since the lighting is not associated with a new development, it is not required to be underground.

Councilmember Fraley-Monillas envisioned there could be 10 other area that lack adequate lighting and asked whether the cost would be \$20,000 for each one. Mr. Williams answered not necessarily, the City and PUD respond to citizens' requests for lighting, usually utilizing a nearby power pole.

Councilmember Teitzel commented there may be competing interests in this location; he was sympathetic to the ability for pedestrians to walk safely on Pine Street but was concerned the lights may impact wildlife and birds in the marsh who enjoy darkness. Mr. Williams commented in this case the lights would be installed on the south side of Pine Street east of the marsh with the entire Pine Street right-of-way between. The lights are would be well-shielded LED and light only the right-of-way with little light visible from above or the immediate vicinity. Councilmember Teitzel observed the hatchery and the demonstration garden were on the north edge of Pine Street and he anticipated there would be some light spillage into that area. He wanted to be very careful before proceeding.

Council President Johnson commented the sighting of a 6-point buck was a good sign for those who have not observed any mammals in the marsh. She asked whether this lighting could be a condition for the development on Pine Street. Mr. Williams answered some lights will be replaced as part of the development of Building 10; they are not responsible for installing lights on this portion of Pine Street. Council President Johnson asked whether consideration had been given to shorter pedestrian lights that may be less expensive and less intrusive such as bollard lighting. Mr. Williams said there is a sidewalk on the north side of Pine Street but not on the south side. Bollard lights have to be very close to the edge of the walkway and would not be successful unless associated with a sidewalk. Shorter lights require many more lights; four streetlights could illuminate this area due to their height; the lower the lighting source, the more lights are required. Council President Johnson said she was not convinced this project was needed this year.

To Councilmember Teitzel's comments about protecting wildlife, Councilmember Mesaros said he would rather have lights to see wildlife cross the road than not see them without lights.

COUNCILMEMBER BUCKSHNIS CALLED THE QUESTION. VOTE ON THE CALL FOR THE QUESTION CARRIED UNANIMOUSLY.

UPON ROLL CALL, MOTION FAILED (2-5), COUNCILMEMBERS NELSON AND MESAROS VOTING YES; AND COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS FRALEY-MONILLAS, BUCKSHNIS, TEITZEL AND TIBBOTT VOTING NO.

Item 3: Add Arborist

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO WITHDRAW THE REQUEST FOR AN ARBORIST.

Councilmember Buckshnis said the City already has an arborist on staff and after speaking with Ms. Hite and Ms. Hope, she was satisfied that was sufficient.

MOTION CARRIED UNANIMOUSLY.

Mr. James commented the Council approved four additions to the budget without identifying a funding source. He had hoped the Council would identify which items they planned to fund from the \$100,000 allocated to Council.

Councilmember Buckshnis commented the \$100,000 allocated to Council was increased to \$121,000 by the corrections the Council approved. The Council has not yet reviewed the decision packages which may also increase expenditures.

6. PRESENTATIONS/REPORTS

1. SMALL BUSINESS SATURDAY PROCLAMATION

Mayor Earling commented everyone is supportive of the businesses in the City, many of whom are small businesses. He valued their input and the dollars they generate and he was proud of the high quality businesses throughout Edmonds on Highway 99, Westgate, Five Corners and downtown Edmonds. The businesses will soon begin advertising Small Business Saturday.

Mayor Earling read a proclamation proclaiming November 25, 2016 as Small Business Saturday and urged resident of our community and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year. He presented the proclamation to Robert Boehlke, President, Edmonds Downtown Alliance, and Kimberly Koenig, President, Downtown Edmonds Merchants Association. Mr. Boehlke commented Edmonds is the personification of a small business community with many independent merchants that offer a variety of goods and services. Shop Small Business Saturday will be a busy day in downtown Edmonds with businesses stocked and decorated, the holiday farmers market, the annual tree lighting sponsored by the Chamber of Commerce at 3:30 p.m. and the free holiday trolley that will continue Saturdays in December. He invited the public to visit downtown Edmonds to enjoy the holidays.

2. SNOHOMISH COUNTY HEALTH DISTRICT PARTICIPATION

Heather Thomas, Public & Government Affairs Manager, Snohomish Health District, thanked the Council for supporting the Health District and being a leader in south Snohomish County. She looked forward to a continued partnership in 2017 and more frequently sharing of the work the Health District does on behalf of Edmonds residents with the Council.

7. AUDIENCE COMMENTS

Don Hall, Edmonds, provided an update on the Cascadia Art Museum at 190 Sunset:

- “Vintage Handmade Christmas cards by Northwest Artists” – now through January 8
- “A Spirit Unbound: The Art of Peggy Strong” – now through January 8
- “Northwest Painting and Studio Ceramics: A Regional Perception” – now through August 27

Mr. Hall advised the museum will be open 5-8 p.m. on Thursday for Third Thursday Art Walk; admission is free and 10% off purchases at the museum store.

Marlin Phelps, Edmonds, commented today is the anniversary of his brother’s funeral. At the funeral, at a clubhouse on a lake in Kitsap County, he told a story of catching a lot of fish with his brother using orange rapala and his brother asking why they worked so well. During their trip, a fisherman on the dock asked about using the orange rapala, recalling his brother had showed them to him at Kitsap Sports. In response to his brother’s question, he visited the Squamish Trout Hatchery, and learned the staff wear orange raingear when feeding the small fry trout, leading them to associate orange with food. He used this story as a metaphor, explaining Mayor Earling is the orange rapala, and questioned Mayor Earling has not done his fair duty to get a special prosecutor in the court. He envisioned it was the same reason children have gone missing from Edmonds.

Ken Reidy, Edmonds, relayed the Illinois Supreme Court stated the legislative powers of the city must be exercised for the public benefit but that does not authorize a municipality to sell or bargain legislation as a means of obtaining revenue. It would be a novel proposition to hold that the city as a condition precedent to the exercise of its lawful power and authority to vacate a street or alley no longer needed for public use could demand and receive from private parties a sum of money for its action. Such a holding would be dangerous in principle, contrary to good morals and against public policy. Minnesota believes that as a general rule a municipality has no proprietary interest in a public street, rather the city holds an easement in favor of the public granting a right to travel the street. The city does not hold a fee interest in the street and cannot ask a petitioner to pay compensation as a condition for granting a street vacation. In Washington State, *Puget Sound Alumni of Kappa Sigma Inc v. City of Seattle*, determined a city may not require payment of one-half appraised value of property in connection with street vacations because the city merely holds easements. Edmonds has not sought compensation for 14 of the last 22 street vacations identified by staff back to 1998; there were actually 15 vacation procedures, not 12 as indicated in the agenda packet. Since 1998 compensation has not be requested the majority of time and the maximum compensation was only requested 20% of the time. He hoped the City never chose to obtain revenue in this manner. The applicant has already paid a steep application fee of \$6,355, paid for an appraisal before Council discussed the need for compensation, will assume stormwater maintenance, and will provide multiple easements as well as prepare and execute easement documents. Staff has recommended maximum compensation of \$92,610 for the street vacation in Agenda Item 10.2. He urged the Council to refuse to barter or sell its legislation as a means of obtaining revenue.

Roger Hertrich, Edmonds, recalled in 1995 the Council formed the Transportation Facility Oversight Committee to discuss a solution and funding for a multimodal transportation facility. At the conclusion of their work, the City had a purchase and sale agreement with Unocal for the right-of-way over the tracks and along the Port. Unfortunately a city park is planned there. After studying several options on the waterfront, nothing better than Unocal was identified and Washington State Ferries purchased the Unocal site. He felt the At-Grade Crossing Task Force did an excellent job of studying all the sites and developing good answers. He supported the option of a land bridge at the end of Edmonds Street which is similar to a land bridge in Vancouver, Washington, that crosses two lanes of highway. He congratulated the members of the Task Force on the great product they produced.

Karen Wiggins, Chair of former Edmonds Parking Committee for 15-20 years, said the same parking issues existed during that time, not enough enforcement. When Officer Dawson leaves permanently and

even if the City hires another animal control/parking/ordinance enforcement officer, the situation will continue. She suggested if a 0.5 FTE worked only half days, they would be able to mark vehicles but not have enough time to return to see if vehicles had been moved. She pointed out businesses, who generate sales tax revenue for the City, take a risk coming to Edmonds and the City owes it to them to reduce that risk. A parking space can generate \$100,000/year in sales tax revenue. She proposed having a full-time employee dedicated to parking enforcement and enlarging the restricted parking area; commuter parking affects residents' visitor parking and enlarging the area would generate more revenue to help pay the officer's salary. She noted the employee parking permitted areas are also being used for all-day parking. She summarized the City needed to improve parking enforcement for the benefit of businesses as well as residents.

Pam Stuller, Walnut Street Coffee, representing downtown businesses, relayed support for increasing parking enforcement in downtown Edmonds. Although there has been discussion about increased enforcement, she has yet to see a white stripe on cars on her street or neighboring streets. She questioned the ability to understand whether there was a parking problem without knowing whether the 3-hour parking was effective and that could only be determined via enforcement. It is imperative to get a handle on parking enforcement and get traffic and parking moving. She was excited the EDC did a parking study and that parking enforcement was first on their list. She recommended enforcing the current limits before changing the time limits or expanding the restricted parking area.

Mayor Earling declared a brief recess.

8. PUBLIC MEETING

1. PUBLIC COMMENT ON THE RECOMMENDATIONS OF THE AT-GRADE RAIL CROSSINGS ALTERNATIVES ANALYSIS

Mr. Williams introduced Rick Schaefer, Tetra Tech, who presented the results of the At-Grade Rail Crossing Alternatives Analysis to the Council last week. Today is the advertised public meeting to receive comments on that report. He displayed a photograph of the intersection of Main Street crossing, identifying conflicts that include ferry loading/unloading, 40 trains/day, pedestrian and commercial traffic, etc. He recognized members of the Task Force who were present including Phil Lovell, Kurt Greiner and Councilmember Nelson. Mr. Williams reviewed:

- Public meetings

November 18 th	January 27 th	May 12 th	September 14 th
116 attendees	83 attendees	58 attendees	49 attendees
	38 newcomers	28 newcomers	11 newcomers
326 online visits	175 online visits	268 online visits	40 online visits
259 visitors	131 visitors	191 visitors	30 visitors
54 comment submittals	33 comment submittals	20 comment submittals	17 comment submittals

- Aerial map identifying location of initial concepts
- Level 1 outcomes
 - 51 concepts/variants
 - 6 early recommendations
 - 13 advancing concepts
 - 10 Level 2 alternatives*
 - *11th alternative was added during the Level 2 evaluation (Edmonds Crossing)
- Level 2 Alternative Evaluation Criteria
 - Purpose and Need
 1. Reliable emergency response
 2. Reduce ferry delays
 3. Reduce delays & conflicts at crossings

- 4. Safe/efficient passenger connections
- Other Functions
 - 5. Emergency evacuation
 - 6. Urban design & community goals
 - 7. Consistent with transportation operations
- Implementation
 - 8. Fundable and permittable
 - 9. Temporary construction impacts
 - 10. Environmental effects
 - 11. Address sea level rise impacts
- Alternatives Cost Estimate summary

Alternative	Type	Construction Cost ¹	Project costs	ROW	Total Cost
Admiral Way Overpass	Emergency Access Roadway	\$20,100,000	\$4,400,000	\$3,500,000	\$28,000,000
Dayton Street Overpass	Emergency Access Roadway	21,800,000	4,400,000	2,800,000	29,000,000
Edmonds Street Overpass	Emergency Access Roadway	18,100,000	4,200,000	1,700,000	24,000,000
Midblock Overpass	Pedestrian/Bicycle	4,200,000	700,000	1,100,000	6,000,000
Main Street Overpass - Elevators	Pedestrian/Bicycle	5,100,000	900,000	2,000,000	8,000,000
Main Street Underpass	Pedestrian/Bicycle	14,500,000	3,400,000	31,100,000	21,000,000
Dayton Street New Ferry Terminal	Ferry Terminal Relocation	210,000,000	47,000,000	29,000,000	286,000,000
Main Street Ferry Overpass – Full build	Ferry Terminal Relocation	123,000,000	26,000,000	9,000,000	158,000,000
Main Street Ferry Overpass – Min. build	Ferry Terminal Relocation	103,000,000	23,000,000	2,000,000	128,000,000
Main Street Ferry Underpass	Ferry Terminal Relocation	291,000	62,000,000	4,000,000	357,000,000
Pt. Edwards Ferry Terminal – Min. build ²	Ferry Terminal Relocation	232,000,000	51,800,000	10,200,000	294,000,000

¹Using WSDOT and Sound Transit unit cost bases²

²Point Edwards previous estimate was developed in 2009 as part of the minimum build report

As the ferry options are not affordable, Ferries is not pursuing any large scale project in the near future and at least for 20 years, the Task Force’s recommends the Edmonds Street Overpass. He displayed several renderings of the Edmonds Street overpass, explaining the intent was a 16-foot wide at-grade structure that would accommodate a full-size pumper truck or aid car, protected by bollards at each end. Use of the overpass would be primarily pedestrian bicycle non-motorized access but in an emergency, the bollards could be removed to allow emergency vehicles to reach the waterfront.

Councilmember Fraley-Monillas inquired about using the overpass to offload the ferry in an emergency such as a train stopped on the tracks. Mr. Williams answered if the emergency condition lasted more than a few minutes, it could be activated as an emergency route, using Ferry and City personnel to flag the route. Depending on how long the emergency lasted, the overpass could also be used to load the next ferry. As soon as the emergency condition was abated, the overpass would return to non-motorized traffic.

Councilmember Fraley-Monillas relayed the tracks have been blocked 1-2 times/year in the past. Mr. Williams agreed, recalling the last time the tracks were blocked, people on the west side were evacuated through open box cars. With the overpass, pedestrians could easily cross the tracks. Councilmember Fraley-Monillas asked if vehicles offloaded from the ferry in an emergency using the overpass would

drive up Edmonds Street. Mr. Williams agreed that would be the route; flaggers could be used to direct drivers.

Councilmember Nelson recalled he neglected last week to properly thank Mr. Williams and Mr. Doherty, key City staff who attended very Task Force meeting, kept the Task Force on track, and provide answers to questions. In response to Councilmember Fraley-Monillas' comments, he said ferry offloading would only occur in an emergency that resulted in trains stopped for several hours; the day-to-day use of the connector would be for pedestrian and bicycles. He was happy with the Task Force's work and their recommendation.

Recognizing that response time in an emergency was critical, Councilmember Teitzel asked if the bollards could be designed to retract electronically. Mr. Williams answered that technology is available; the bollards could be lowered by public safety personnel via a remote or manually. Councilmember Teitzel expressed concern with additional response time if the bollards had to be removed manually. Mr. Williams answered that aspect has yet to be designed; the technology exists to have them retract electronically.

Councilmember Buckshnis asked if the overpass would connect to the Sunset walkway or would that neighborhood be further disrupted. Mr. Williams agreed there would be disruption during construction. The overpass has not been designed; compatibility of the walkway with the flyover and the angle from Edmonds Street, clearance over the tracks, etc. will be considerations. He assured the goal of the design would be to not interfere with that connection. The flyover would provide a great connection from Sunset to the beach. Councilmember Buckshnis referred to Mr. Williams reference to the overpass as a flyover and asked for confirmation that it will be kept as low as possible so it does not impede views. Mr. Williams agreed the intent was to go up as little as possible, that location was high enough above the tracks that vertical elements can be minimized.

Public Comment

Phil Lovell, Edmonds, member of the Task Force, said his remarks were extracted from a memo he sent to the entire Task Force early July 2016. He expressed support for the Task Force's recommendations of an Edmonds Street flyover concept as the best waterfront access solution to the overall challenge. This solution recognizes emergency crossing of the tracks should be the high priority in terms of results to be achieved. He did not believe it was the Task Force's responsibility to support an omnibus track-crossing solution for motor vehicles, bicycles and pedestrians. Traffic will continue to use at-grade crossings at Main and Dayton; reconfiguring the ferry terminal to facilitate railroad track crossing does not make sense, particularly given major challenges of cost and time associated with such a solution. The Edmonds Street flyover makes the most sense for the following reasons:

- Likely the lowest cost vehicle and pedestrian/bicycle solution for emergency access over the tracks
- Provides for emergency unloading of the ferry in case of train blockage
- Should emergency conditions require, ferry loading could be accommodated by extending the current access route a few 100 feet onto Sunset and turning left onto the flyover ramp (not currently recommended by the Task Force)
- Provides permanent bike and pedestrian link between Sunset Avenue and the Edmonds waterfront
- Design could incorporate a pedestrian-accessible mini park at the top of the ramp structure with seating, planting, viewpoint, etc.
- Ramp would only be open vehicle access during emergency conditions under police control, otherwise always open for bikes and pedestrians
- Design could be similar to the overview area incorporated into the Haines Wharf Park

- Solution will be disruptive to the current configuration of Bracketts Landing Park and likely will necessitate reconfiguration of parking and restroom access. May be opportunity to enhance/upgrade restroom facility to serve general public and not just divers
- This solution has virtually no impact on Main or Dayton view corridors or waterfront use from the downtown waterfront area

Bob Rinehart, Edmonds, thanked the Council for being so conscientious about addressing this and many other issues. He also commended the Council for absorbing the occasional slings and arrows. Mr. Reinhart recognized the at-grade crossing was a complex issue and it was important to frame the core issues and priorities; the Task Force did a wonderful job focusing on critical issues. He had the bad fortune of being one of the people stranded on the west side of the tracks for 2-3 hours when the tragic accident occurred. He was able to observed firsthand the enormous challenge of getting an emergency to the west side of the tracks. As a good friend of the City's former Fire Chief Tom Tomberg, he recalled Chief Tomberg often saying was impractical and cost prohibitive to site station on the west side of the tracks. He echoed Mr. Lovell comments and expressed his full and unequivocal support for the Task Force 's recommendation.

Jim Cutts, Edmonds, echoed Mr. Lovell's comments and expressed support for the Edmonds Street overpass as it was the least obtrusive of the three options considered and it would work well. It also appears to be cost efficient, provides a good connection for pedestrians and will accommodate emergency vehicles.

Roger Hertrich, Edmonds, commented this is best new solution that has been identified. In addition to safety, this option is an economic driver because it provides a tourist attraction and opportunity to view the waterfront. The land bridge could be designed to be wider than 18 feet or to include a bulb out viewpoint. The overpass would be a great extension of the trail system and provides emergency vehicle access over the railroad tracks if the tracks were blocked. To the concern expressed about the height of the railing, he suggested a glassed-in structure like the ferry overhead loading. He envisioned the view from the overpass would be as good as any that could be found in the Puget Sound area.

Hearing no further comment, Mayor Earling closed public comment. He commented on the importance of moving this project along as staff is beginning to meet with State legislators and as well as Congressional staff and representatives. He was told by City Attorney Jeff Taraday that this project would need to be added to the CIP.

Council President Johnson commented everyone has been thanked except the consultant; she thanked Mr. Schaefer for his leadership in guiding the City through the process. She expressed support for the project, finding it an excellent project, the best design for the City with the least impact.

Councilmember Buckshtnis asked if the at-grade crossing analysis was already on the CIP/CFP. Mr. Williams answered the analysis is on the CIP but that process has now been completed and the report delivered. A definitive project needs to be added to the CIP so the City can seek funding.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO ADD THE AT-GRADE CONNECTOR TO THE CIP.

Councilmember Nelson recalled he thanked Mr. Schaefer last week; Mr. Schaefer is not only a phenomenal consultant; he is also a citizen of Edmonds.

Councilmember Teitzel asked for clarification, this is the Edmonds Street connector; the Task Force also assessed a mid-block crossing between Main and Dayton. He asked if that was a longer range project

funded by BNSF in the future when double tracking is completed. Mr. Williams answered something like that will have to be constructed by BNSF and/or Sound Transit when double tracking is completed. The estimated cost is \$6 million. Councilmember Teitzel summarized that was a conversation for another day.

MOTION CARRIED UNANIMOUSLY.

Mayor Earling also thanked Mr. Schaefer.

9. PUBLIC HEARINGS

1. 2017 BUDGET REVENUES, INCLUDING PROPERTY TAX LEVIES

Finance Director Scott James reviewed the 2017 Regular Property Tax Levy

- 2017 budget includes 1% property tax increase
- Assessor shows City of Edmonds assessed values increasing 11.4%
- New construction adds \$39,277,000 assessed value
- 2017 Regular Property Tax Calculation

<u>Description</u>	<u>Amount</u>
2016 Levy Amount	\$10,064,874
Add New Construction	53,646
Add Allowance for Adjustments	10,030
2017 Starting Point	<u>\$10,128,550</u>
Add 1% of 2016 Levy	<u>100,650</u>
Total 2017 Levy	<u>\$10,229,200</u>

- Graph of Assessed Value History 2008-2017
 - 2008: \$7,615,549,203
 - 2009: \$7,709,209,490
 - 2013: \$5,545,239,847
 - 2017: \$8,208,433,390
- Graph of Tax Rate History 2008-2017
 - 2008: \$1.1894
 - 2013: \$1.7614
 - 2017: \$1.2461

Mr. James reviewed the 2008-2017 EMS Tax Levy:

- In 2008, Citizens voted to make the EMS Levy a Permanent \$0.50 Levy
- During 2010 – 2013 we saw our Assessed Property Values decline
- During this span of time Edmonds AV dropped just over 31%
- EMS Levy cannot exceed \$0.50
- In a declining AV environment, the City’s EMS Levy also declines
- Proposing in 2017 to use the remaining banked capacity
- Comparison of EMS Tax Levy 2009-2017:

<u>Year</u>	<u>Action</u>	<u>EMS Levy</u>	<u>Levy Savings</u>
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0
2010	Declining Assessed Values start a 4 year skid	3,477,741	376,864
2011	EMS Levy Declines	3,216,629	637,976
2012	EMS Levy Declines	2,897,322	957,283
2013	EMS Levy Declines	2,772,620	1,081,985
2014	EMS Levy Increases	3,051,206	803,399
2015	EMS Levy Increases	3,395,376	466,862

2016	EMS Levy Increases	\$3,692,091	170,901
	Total Levy Savings through 2016		\$4,494,460
2017	EMS Levy Increases	3,973,270	(118,665)
	Total Levy Savings through 2017		\$4,375,795

- Graph of the EMS Levy Rate per \$1,000 AV history
 - 2008: \$0.32
 - 2009: \$0.50
 - 2017: \$0.48
- 2017 EMS Tax Levy Calculation

<u>Description</u>	<u>Amount</u>
2016 Levy Amount	\$3,684,514
Add New Construction	19,640
Add Allowance for Adjustments	3,500
Add Refunds	56,980
2017 EMS Levy Starting Point	<u>\$3,764,634</u>
Add "Banked Capacity"	170,090
Add 1% of 2016 Levy	38,546
Total 2016 Levy	<u>\$3,973,270</u>

Mr. James described the impact of the tax increases:

- 2016 Average Residence Value is \$428,400
- 1% Regular Tax Levy Increase = \$5.89
- Keeping EMS Levy at \$0.48 = \$16.82
- Average residence would pay \$22.71 in 2017 or about \$1.89 per month extra

Mr. James relayed Council motions:

- Approve Resolution No. XXXX Finding Substantial Need to Levy Property Taxes Using a Limit Factor of 101% Notwithstanding a Lower National Inflation Rate.
- Approve Ordinance No. XXXX Levying 1% Regular Property Tax Increase for 2017 and Levying 5.7% EMS Tax Increase.

Councilmember Fraley-Monillas did not recall the 1% property tax increase had been combined with the EMS levy in the same ordinance in the past. Mr. James responded that was has been done in the past; it could be divided into separate ordinances. He explained when the permanent EMS levy was passed in 2008 it was at \$0.50 and has not dropped below below \$0.50. This year the banked capacity is limited to \$70,000 providing an opportunity to utilize the 1% increase. Even with the proposed increase, the EMS levy is below \$0.50. Citizens voted in 2008 to keep the EMS levy at \$0.50 but the 1% cap prevents the City from raising the levy to \$0.50. If the levy gets too far below \$0.50 another vote is required unless the legislature amends the RCW.

Councilmember Fraley-Monillas commented that was a pretty big ask, she may have to vote against it due to her concern with the 5.7% increase in the EMS tax levy. Mr. James explained EMS levy revenues have been declining since 2009 and as a result citizens received approximately \$4.5 million in savings. The City is still behind in collecting the EMS revenues that citizens approved which provides justification for the increase. Councilmember Fraley-Monillas said she was not debating the EMS levy itself, she preferred to separate the property tax from the EMS levy.

Councilmember Teitzel said if Sound Transit 3 which includes a property tax and sales tax increase had not passed, he would be comfortable with the proposed increases. He was concerned about the cumulative

effects on Edmonds citizens of ST3, the proposed 1% as well as the proposed utility rate increase. He asked if the 1% could be banked and utilized next year. Mr. James said the increase can be banked; he recommended if the Council did not approve the 1% increase, it be banked.

Councilmember Buckshtnis asked if \$1.89/month included the EMS levy. Mr. James agreed it did. Councilmember Buckshtnis asked about the impact of Sound Transit Proposition 1 (ST3). Mr. James relayed per the voter's pamphlet, the proposition costs \$14/month per adult. Councilmember Buckshtnis asked how much revenue the EMS tax levy increase generated. Mr. James estimated \$38,546.

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

Don Hall, Edmonds, agreed with Councilmember Teitzel. He said the Council talks about low income housing but it seems like every week the Council talks about adding more taxes. Although \$1.89/month does not sound like much, combined with ST3, utility taxes increases, etc. a lot of people cannot afford it. He did not support continuing to tax and tax citizens and although he recognized the city needed the money, he recommended squeezing a little.

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

Mayor Earling said the cumulative effect of the EMS levy and property tax increase was \$138,000/year. If the Council did not approve the increases, there would need to be \$138,000 in reductions.

Mr. James relayed information regarding voter passed initiatives/propositions:

- Initiative 1433 (Minimum Wage) was Passed by Citizens last week
 - 64% of Edmonds Voters –Voted for 1433
- Sound Transit Prop 1 received 54% of Edmonds voters
 - Sound Transit is Authorized to levy or impose:
 - An additional 0.5% sales and use tax
 - A property tax of \$0.25 or less per \$1,000 of assessed valuation, and
 - Additional 0.8% motor-vehicle excise tax
 - According to voters pamphlet, cost is \$14/month/adult

Council President Johnson commented some years the Council has approved the 1% increase and some years it has been banked. She asked how many years can be banked. Mr. James answered there is no time constraint on banking. Council President Johnson asked if the banked capacity could be unbanked at any time. Mr. James said the City has the opportunity to use banked capacity once a year. Council President Johnson said the Council has four public hearings scheduled tonight and a tight budget; she preferred to place the resolution and ordinance on the Consent Agenda which would give the Council time to consider public comments.

Councilmember Nelson pointed out the difference between a statewide initiative that voters approved and a tax the Council is being asked to impose. At the end of the day citizens will pay all the additional taxes but ST3 was approved by the voters not the Council. He was more concerned about the utility rate increase of \$29/month, over \$300/year than this property tax increase.

Councilmember Fraley-Monillas how much surplus there was in the budget. Mr. James referred to estimates in the budget book, commenting the budget book indicates the City was spending more than its budget authority primarily because the third quarter budget amendment was not approved before the budget was presented. He summarized it would be very close this year, typically there is 1-2% of the budget left; he expected to use most of the budget this year.

Councilmember Fraley-Monillas inquired about reserves. Mr. James referred to the Council Contingency Reserve (budget book page 60) which was estimated to end 2017 with slightly under \$5.5 million. The Risk Management Reserve is estimated to be \$975,000 at the end of 2017. The Risk Management Reserve was supposed to be approximately 2% of ongoing revenues. The range for the Council Contingency is 8-16%, the \$5.5 million is less than 16%. Councilmember Fraley-Monillas asked what the \$5.5 million reserve would be used for. Mr. James answered the uses are identified in the ordinance that created the fund, primarily for emergencies or economic downturns.

Councilmember Fraley-Monillas summarized the \$5.5 million was just in case something happens, a catastrophe, slide, earthquake, etc. Mr. James said when he came to Edmonds he was excited about the level of reserves; as the Mayor stated in his budget message, economic recovery is in year 9 in 2017; that usually begins to level off in year 10 and begins to decline. Reserves are important in the event of a decline to prevent budget cuts that dramatically impact of level of service, stress on staff, infrastructure decline, etc. He summarized a healthy reserve helps mitigate those declines. Councilmember Fraley-Monillas said she also wanted to have healthy reserves but agreed with Councilmember Teitzel that the more citizens are taxed, the less personal reserves they have.

Without separate ordinances for the property tax and EMS levy tax, Councilmember Fraley-Monillas said would not support it. Mr. James asked if she would be more comfortable if the increase in property tax and the EMS tax levy were in separate ordinances. Councilmember Fraley-Monillas said that was her personal preference. Mr. James said it would be easy to provide separate ordinances.

Councilmember Buckshnis agreed with Councilmember Nelson’s comments. She preferred to discuss the increase in utility taxes first. The utility tax increase of \$33/month per household has a larger impact than the proposed \$1.89/month increase for property and EMS tax levy. She would be able to identify \$138,000 in the budget if the Council did not approve the 1% increase and she preferred not to use reserves.

Mr. James commented on mandatory increases that necessitate raising taxes:

- Public Defender (page 57) \$17,500
- WCIA Insurance (page 57) \$66,410
- FD1 (page 57) \$188,000
- SERS (page 57) \$9,700
- SNOCOM (page 57) \$41,930
- Prosecutor (New Item) \$50,000
- Total \$373,540

Mr. James pointed out the Council also approved several additions to the budget and identified \$22,000 in funding:

- Social Worker \$50,000
- Radar trailer \$11,000
- Senior Center \$15,000
- Health District \$41,000

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE THE STAFF RECOMMENDED ACTION.

Mr. Taraday recalled earlier discussion about moving the staff recommended motions to the Consent Agenda. If the motion was to approve the staff recommendation, he requested separate motions for each.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO MOVE TO CONSENT A RESOLUTION 1374 FINDING SUBSTANTIAL NEED TO LEVY THE REGULAR PROPERTY TAXES AND THE EMS PROPERTY TAX USING A LIMIT FACTOR OF 101% NOTWITHSTANDING A LOWER NATIONAL INFLATION RATE. MOTION CARRIED (6-1), COUNCILMEMBER TEITZEL VOTING NO. [Note: The resolution number was later removed and assigned to another resolution.]

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TIBBOTT, TO MOVE TO CONSENT ORDINANCE NO. 4048 LEVYING 1% REGULAR PROPERTY TAX INCREASE FOR 2017. MOTION CARRIED (6-1), COUNCILMEMBER TEITZEL VOTING NO.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO MOVE TO CONSENT APPROVAL OF AN ORDINANCE LEVYING AN EMS PROPERTY TAX INCREASE OF 5.7%. MOTION CARRIED (6-1), COUNCILMEMBER FRALEY VOTING NO.

Mr. Taraday observed the Council moved two ordinances to the Consent Agenda; it was his understanding the Council wanted the ordinance in the packet divided and both placed on the Consent Agenda. Council agreed that was the intent of the motion.

2. PUBLIC HEARING & DISCUSSION REGARDING THE 2017 PROPOSED CITY BUDGET

Finance Director Scott James identified the following changes:

- New Decision Packet for prosecutor contract - \$50,000
- Lodging Tax – no net change
- Move Historic Preservation Signage to Council Contingency - \$10,000

Mr. James requested the Council identify which of the changes requested in Agenda Item 5.1 would be funded by the \$100,000 allocated to Council. Mayor Earling advised some of the Council requested changes will be funded from Council Contingency and will not impact the \$100,000. Councilmember Buckshnis summarized the Social Worker - \$50,000, Radar Trailer - \$11,000, Senior Center - \$15,000, and Health District - \$40,000 leaves \$5,000 of the \$121,000 allocated to Council. Mr. James observed the Council has not made a decision on the Parking Enforcement Officer - \$82,300, Traffic Officer - \$120,600, or Pedestrian Safety Training - \$15,000.

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

Bruce Witenberg, Edmonds, said the Council has heard anecdotal evidence about parking but the issue has not been studied. The EDC listed parking as its #1 priority but to his knowledge the EDC has not proposed how to solve the issue. The Council also controls Ed!'s budget and work plan. He suggested the Council utilize these two advisory group to provide more than anecdotal evidence before tinkering with the Police Department's budget. He reminded the Police Department has the community's public safety as well as its statutory responsibilities in mind. When the Police Department requests administrative support to comply with increasing public records requests, the Council should accept that as a fact. When the Police Department says it's important to have a School Resource Officer at Edmonds-Woodway and have partnered with the School District to reduce the cost, the Council needs take that information as fact. He encouraged the Council to adopt the Police Department budget and decision packages as presented and utilize advisory groups to provide the Council advice regarding the parking issue using direction provided by the Council.

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

3. PUBLIC HEARING ON THE ASSUMPTION OF DUTIES OF THE EDMONDS TRANSPORTATION BENEFIT DISTRICT

Public Works Director Phil Williams explained tonight is the date selected and advertised for the public hearing. Last month the Council adopted a resolution expressing the Council’s intent to evaluate the option of absorbing the duties, responsibilities, assets and liabilities of the Transportation Benefit District into the City’s general government. He recommended the Council absorb the TBD; there are no changes in the finances, revenues or use of the revenues. This simplifies the administration function of the TDB which currently functions as a separate government with the same seven as officers for the TBD and the City Council.

Mayor Earling opened the public participation of the public hearing. There was no one present who wished to provide comment and Mayor Earling closed the public participation portion of the hearing.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO FORWARD THIS TO THE CONSENT AGENDA.

Council President Johnson recalled a resolution or ordinance attached to the initial TBD that specified the first \$20 would be used for operation and maintenance; she asked if that would be retained under the new configuration. Mr. Williams did not recall that was changed in the proposed ordinance. How the TBD revenues are spent is up to the Council; he recommended continuing to allocate the revenues to Fund 111 for street maintenance. City Attorney Jeff Taraday offered to research whether that was addressed in the proposed ordinance.

MOTION CARRIED UNANIMOUSLY.

4. PUBLIC HEARING ON THE UTILITY RATE ANALYSIS

Public Works Director Phil Williams explained the City has been embarked on what began as a six-year effort to use current revenues for pipe replacement for water, sewer and stormwater. The City is halfway through that cycle; this discussion last occurred during the 2014 budget discussions in late 2013 when the Council approved increases for 2014, 2015 and 2016. The current proposal is to continue the increases for the next three years. Projections for the first three years have been quite accurate. If the City wants to be independent of debt and save the \$50 million in interest incurred by borrowing between now and 2033, pipe replacement needs to be paid using current revenues instead of borrowing.

Mr. Williams said the only other choice is to reduce the investment in pipe replacements which is currently 1% per year. Replacing all the pipes will take 100 years and when complete, replacement/rehab will likely begin again. He acknowledged no one likes to raise rates. He displayed a comparison of Edmonds’ total utility bill with 12 other cities for a customer using 1000 cf of water per month, noting the average Edmonds customer uses 750 cf:

City	Current	2019 projected at 3% for all cities except Edmonds. Edmonds projected at recommended rates
Seattle	\$227.50	\$ 248.60
Kirkland	\$159.63	\$ 195.83
Lake Forest Park	\$162.82	\$ 177.92
Shoreline	\$154.60	\$ 168.93
Woodinville	\$150.13	\$ 164.05
Arlington	\$129.77	\$ 141.80
Edmonds		\$ 132.25
Mukilteo	\$117.60	\$ 128.50

Redmond	\$114.99	\$ 125.65
Edmonds	\$103.28	
Everett	\$102.36	\$ 111.85
Mountlake Terrace	\$ 97.85	\$ 106.92
Lynnwood	\$ 90.69	\$ 99.10

Councilmember Buckshnis referred to a question she submitted to staff about a lower rate increase. Mr. Williams recalled Councilmember Buckshnis inquired about a 9.5% increase, explaining that would result in funding going negative in the near future. Councilmember Buckshnis suggested the Council consider the increase next year when things have settled down and the impact of ST3 is known. She suggested waiting until next year would provide more time to study possibly reducing the increase and borrowing a little. She expressed concern citizens were being taxed and taxed. Mr. Williams clarified these are rates, a fee for specific utility services, it is not a tax. The rates include utility taxes which go into the General Fund. There is a proposal to reduce the water utility tax from 18.7% to 10% over the next 5 years which will reduce the amount rate payers pay. Most cities adjust their rates annually based on budget discussions in the fourth quarter but it could be done at any time.

Councilmember Buckshnis envisioned the conversation would be different next year as the Council may return to committees who can more closely study issues and resolve citizens' concerns. She suggested waiting until next year, recognizing there may not be four votes to proceed. She asked what happens if the proposed rate increase was not approved. Mr. Williams answered staff was in the process of developing the 2017 projects for replacement of water and sewer lines so the discussion is timely. He pointed out the rate increases are the same as were proposed three years ago. Councilmember Buckshnis acknowledged that, pointing out the City still has bonding capacity. She appreciated the intent to fund pipe replacement with current revenue but there may not be the votes on Council for the increase.

Councilmember Mesaros referred to chart, observing the \$29.97 increase was over a 3-year period, a 3% increase each year. Mr. Williams clarified the 3% was the amount assumed each other entity would increase their rates each of the 3 years and that amount was used to compare to Edmonds' rate in 3 years when Edmonds' rate has been increased more than 3%/year. Edmonds' rates are increasing 9%/year for water, 9.5%/year for sewer and 10%/year for stormwater. Councilmember Mesaros summarized the total utility bill for an Edmonds resident using 1000 cf water/month would increase the second year from \$103 to approximately \$113. Mr. Williams agreed, noting there was a fixed fee for water and a volumetric rate, using less water only results in a savings in the volumetric rate.

Councilmember Mesaros agreed the City has borrowing capacity but that will cost the City more in the long run. Replacing 1% of the pipes will not keep up with the demand and he envisioned over 25-30 issues will arise because the pipes are not being replaced faster. He recalled pipes have been dug up in the City that were much older than originally thought. Mr. Williams said debt is a great tool for large capital projects but should be used for something other than what is a long term maintenance project to replacing buried lines. He recalled the Council had agreed funding pipe replacement with debt did not make sense.

Councilmember Tibbott recalled hearing from citizens over the past several months that they appreciate the City's investment in stormwater infrastructure and the budget includes \$4 million in improvements in 2017, near 4 times the amount spent on street resurfacing. Citizens also appreciate the investment the City is making in other systems such as waste water treatment which all contribute to a better environment, cleaner water entering Puget Sound, etc. This is an investment the citizens have said they appreciate and want to prioritize. He supported the philosophical shift supported by the previous Council and recommended continuing with that course. If the proposed rate increase is approved, the increase in 2017 is \$10/month or about \$120/year.

Mayor Earling opened the public participation portion of the public hearing. There was no one present who wished to provide comment and Mayor Earling closed the public participation portion of the hearing.

COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO ADD THIS TO NEXT WEEK'S CONSENT AGENDA AND IF ADDITIONAL DISCUSSION WAS NECESSARY, A COUNCILMEMBER COULD PULL IT FROM THE CONSENT AGENDA.

Councilmember Fraley-Monillas did not support the motion. Edmonds' population has a very high percentage of seniors, many on fixed incomes and many households are considered the working poor. Social Security is giving seniors a \$4-5/month raise. She realized for some Councilmembers \$10/month was not a lot to spend on something as important as this but she viewed it as a regressive tax that affects the working poor, the disabled, seniors and those who simply cannot afford it. She did not support this tax at this time.

At Council President Johnson request, Mr. Williams advised there is a low-income discount available; customers whose income qualifies can get a significant discount on their utility bill.

To Councilmember Fraley-Monillas' comment that this is a tax, Councilmember Mesaros clarified this is actually a fee for usage. The assumption on is 1000 cf of water/month; most citizens use 700 cf water/month and likely many use less than that so the increase would be less than \$10/month. Citizens with economic challenges have the opportunity to apply for the low-income discount. Borrowing money creates an even greater burden on taxpayers. Mr. Williams commented water usage depends on family size; a family of 2 may use 400 cf/month instead of 700.

Councilmember Fraley-Monillas appreciated Councilmember's views and the fact that there is a discount. However, the discount does not make utilities free for seniors, people with disabilities and low income families. In view of the passage of the Sound Transit proposition, the property tax increase the Council approved and the fact that seniors will receive only a \$4-5/month increase, she could not support the proposed increase.

UPON ROLL CALL, MOTION CARRIED (5-2), COUNCIL PRESIDENT JOHNSON AND COUNCILMEMBERS BUCKSHNIS, MESAROS, TEITZEL AND TIBBOTT VOTING YES; AND COUNCILMEMBERS NELSON AND FRALEY-MONILLAS VOTING NO.

Mr. Taraday clarified the motion was to move to Consent. There are two ordinances related to this item; his assumption both were referred to the Consent Agenda. Mayor Earling confirmed.

Mayor Earling declared a brief recess.

10. ACTION ITEMS

1. CLOSED RECORD REVIEW FOR THE MEADOWDALE CLUB HOUSE PLAY STRUCTURE VARIANCE (PLN20160043)

Mayor Earling explained the purpose of this closed record hearing is for the City Council to consider the recommendation of the Hearing Examiner on an application for the setback variance for the Meadowdale Clubhouse play structure. This variance review is a Type IIIB decision; when public projects like this require a variance, the Hearing Examiner holds a public hearing and makes recommendation to the City Council. Tonight the Council holds a closed record review and makes the final decision on the variance.

Mayor Earling opened the closed record hearing. The parties of record would normally include the applicant and any person who testified at the open record public hearing on the application and any

person who individually submitted written comments concerning the application at the open record public hearing. In this case the applicant was the City's Parks, Recreation & Cultural Services Department, represented by Carrie Hite. Senior Planner Kernen Lien presented the staff report to the Hearing Examiner on behalf of the Development Services Department. No one else spoke at the open record public hearing; therefore only Ms. Hite and Mr. Lien will be allowed to present.

The Appearance of Fairness Doctrine requires that this hearing be fair in form, substance and appearance. The hearing must not only be fair but also must appear to be fair. Mayor Earling asked whether any member of the decision-making body had engaged in communication with opponents or proponents regarding the issues in this matter outside the hearing process. Councilmembers Nelson, Fraley-Monillas, Buckshnis, Teitzel, Mesaros, and Tibbott, Council President Johnson and Mayor Earling advised they have had no communications with either party.

Mayor Earling asked if any member of the decision-making body had a conflict and believed he/she could not hear and consider the application in a fair and objective manner. Councilmembers Nelson, Fraley-Monillas, Buckshnis, Teitzel, Mesaros, and Tibbott, Council President Johnson and Mayor Earling advised they had no conflicts and could hear it in a fair and impartial manner.

Mayor Earling asked if any audience member objected any Councilmember's or his participation as a decision-maker in the hearing. No objections were voiced.

Mayor Earling described the hearing procedures: staff and the applicant would each have five minutes to present.

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TIBBOTT, TO APPROVE THE PROPOSED HEARING PROCEDURES. MOTION CARRIED UNANIMOUSLY.

Staff

Senior Planner Kernen Lien displayed a site plan of the Meadowdale Clubhouse located on the corner of N Meadowdale Road and 68th Avenue. He also identified 164th Place SW. There has been a play structure at the site for 20 years. The structure was non-confirming and was removed. Whatever a non-conforming structure is removed, the replacement must conform to the zoning standards. As a corner lot, there are 25-foot street setbacks from N Meadowdale Road, 58th Avenue and the terminus of 164th Place SW. He reviewed variance criteria:

1. Special circumstances existing
2. Will not be a grant of special privilege
3. Consistent with Comprehensive Plan
4. Consistent with Zoning Ordinance
5. Not detrimental
6. Minimum necessary

Other locations on the site will not work for siting the play structure due to trees and slopes. The structure was moved as far from the property line as possible and still accommodate the play structure's fall zone. The variance sites the play structure in the same location it has existed for the past 20 years and there have been no complaints. The staff report identifies how the application meets the six criteria and the Hearing Examiner's recommendation details how he felt it met the criteria.

Applicant

Carrie Hite, representing Parks, Recreation & Cultural Services Department, explained an application was submitted for a variance for the Meadowdale Clubhouse play equipment. The Department removed the existing equipment that was deteriorating and unsafe before preschool students started school in September. The Department applied for a variance on September 2, 2016 and a hearing was scheduled on

October 13, 2016. The play area serves the preschool as well as the local neighborhood. It has been in place for 24 years; the City issued the same variance in 1993 for this same location. There is no other suitable location on the site. Replacement of the play structure is in the Parks, Recreation and Open Space Plan as well as in this year's CIP. The playground provides opportunity for youth to be active, creative, work as a team, cooperate, have fun and build life skills. She requested the Council accept the Hearing Examiner's recommendation and approve the variance.

Councilmember Teitzel asked about siting the play structure west of the club house. Mr. Lien answered that is a critical area, the slopes are approximately 20%. Siting the play structure in that area would require clearing trees and leveling the space. The trees provide a buffer to the surrounding neighborhood, making that location more detrimental.

Councilmember Tibbott inquired about the materials used for padding below the play structure. Ms. Hite answered it is a product called EverLawn and contains no crumb rubber. It is a new playground padding specifically for preschoolers that is softer and more aesthetic and adds fall protection in fall zones. It is a pervious surface. Councilmember Tibbott observed the dead-end street to the north provides additional buffer north of the property line. Mr. Lien said there are no residences at the terminus of 164th Place. He identified the houses closest to the play structure.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO APPROVE RESOLUTION 1374, RESOLUTION OF THE CITY OF EDMONDS, WASHINGTON, ACCEPTING THE HEARING EXAMINER'S RECOMMENDATIONS REGARDING THE MEADOWDALE CLUB HOUSE PLAY STRUCTURE SETBACK VARIANCE (PLN20160043) AND ADOPTING THE HEARING EXAMINER'S FINDINGS AND CONCLUSIONS AS THE CITY COUNCIL'S OWN. MOTION CARRIED UNANIMOUSLY.

2. RESOLUTION OF INTENT TO VACATE A PORTION 92ND AVENUE WEST STREET VACATION

Senior Planner Kernen Lien recalled the Council held a public hearing on November 1, 2016 and requested he return for further discussion regard compensation for properties being vacated. He reviewed:

- ECDC 20.70.140 and RCW 35.79.030 allow the City to seek compensation up to one-half of the appraised value of the area to be vacated.
- Series of vacations initiated by the City in 1998 (Ordinances 3197-3208) noted that the public interest outweighed the necessity to require compensation
- 10 vacations since 1998 were identified
 - 8 required compensation
 - 5 half the assessed value
 - 3 less than half value due to other site restricts
 - 2 did not require compensation
 - Civic Field right-of-way
 - Between 8th & 9th Avenues

He provided the following examples:

- Ordinance 3565 - \$67,731
 - Area of 219th St SW Street vacation
 - City required half of assessed value
- Ordinance 3551 - \$62,500
 - Daley Street and 8th, subdivided after vacation and residence constructed
 - City required half of assessed value
- Ordinance No. 3647 - \$7,500
 - 8th & Sprague street

- City required less than half as property largely undevelopable due to critical area

The resolution of intent in the Council packet includes monetary compensation for half the assessed value.

Councilmember Mesaros asked the fee the applicant paid for City review. Mr. Lien answered it was \$6,355 which included a SEPA fee of \$610 which was refunded as it was exempt from SEPA. Councilmember Mesaros asked if the fee was ever incorporated in the compensation. Mr. Lien said that was not specifically identified in the ordinances he researched.

Council President Johnson requested Mr. Taraday comment on the testimony provided by Mr. Reidy regarding street vacations in Washington. City Attorney Jeff Taraday said during public comment Mr. Reidy referenced a case, Puget Alumni of Kappa Sigma v. City of Seattle which criticized the City of Seattle for requiring compensation to offset a street vacation. That case was decided in January 1967 and at the time RCW 35.79.030 did not provide the express authority it currently does for cities to take compensation for street vacations. Later in 1967, shortly after that case was decided, RCW 35.79.030 was amended by the State legislature to expressly provide the authority to require compensation. Cities clearly have the authority in Washington state to require compensation. From a public policy standpoint, he pointed out if cities did not have the authority to require compensation, most cities would likely never vacate streets because there would be very little incentive to do so as well as concern about possibly needing it in the future. This is the bargaining the legislature has provided, cities are allowed to request compensation which keeps properties being used efficient because cities no longer have the incentive to hold onto unused streets.

Council President Johnson said she was concerned the City may need that street in the future. She asked the church's intended use of the property. The applicant, Westgate Chapel's consultant, Jim Egge, said the church has no current plans for the right-of-way. The church has been accumulating properties around its perimeter for a number of years, some of which was converted into additional parking. As the appraisal indicates there are a number of utilities in the right-of-way so physically nothing can be done with the property unless the utilities, including a City storm drain system, are moved. The only thing the church could do would be to accumulate that area into the value and density allowed by ordinance to increase the yield allowed on the site.

If the intent for the property was to expand parking, Council President Johnson asked if there was any other arrangement the City could make for parking that would not require vacating the street. Mr. Lien commented the church expanded parking on the north side some years ago. An analysis of the church's parking requirements or whether they are meeting the requirements has not been done. Generally parking is required to be within 500 feet of the use. The church obtained a CUP or variance in the past when they expanded the parking to 228th. He was not aware of the church's plans for the street proposed to be vacation. He identified parcels the church owns and a parcel for which they have a first right of refusal.

Councilmember Teitzel relayed his understanding there were 12 vacations in 1998 for which the City required no compensation because the public interest outweighed the necessity to require compensation. Mr. Lien agreed there were 12 as well as 2 before those 12 that were initiated by the City Engineer, one for right-of-way adjacent to the Edmonds Cemetery and the other for 237th Street where Edmonds abuts Woodway where the right-of-way was vacated but easements were retained for a stormwater facility. No compensation was required for those two vacations. Of the 10 vacations since 1998, 3 were City initiated, compensation was required on 1 City-initiated vacation.

Councilmember Teitzel asked if there was any public interest with regard to the proposed vacation such as the property owner maintaining the stormwater system once the vacation is complete. Mr. Lien said the

public interest supporting the vacation is the ongoing maintenance responsibilities with the church assuming ownership of the stormwater facilities and the right-of-way. The appraisal also included a valuation of the existing pavement on 92nd Avenue and that was not included in staff's recommendation for compensation. State law would allow the City to seek compensation for the utilities. Mr. Taraday said State law would also allow the City to recover full value of the property, not just half. Staff's recommendation is half the appraised value.

Councilmember Fraley-Monillas asked the value of the property. Mr. Lien referred to the appraisal in the packet which considered the number of units based on the RM 1.5 zoning pre and post vacation. He described the monetary compensation:

- 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
- Staff recommends not vacating the north 10x30 area
- Difference in appraised value is \$185,000

If Westgate chose to build housing, Councilmember Fraley-Monillas asked if the street could be used as a driveway. Mr. Lien answered one of the criteria for vacation is that no property will be denied direct access. He identified a property that has access from 92nd Avenue as well as properties owned by the church that have access from 92nd Avenue as well as through the church parking lot. If the area were redeveloped in the future, access easements may need to be established and the vacated area could be used as a driveway. One of the conditions in the staff report and the resolution is related to fire access which would be reviewed with any future development.

Councilmember Fraley-Monillas supported staff's recommendation as the public policy appeared to treat everyone in same manner.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE RESOLUTION 1375, A RESOLUTION OF THE CITY OF EDMONDS, WASHINGTON, STATING ITS INTENT TO VACATE A PORTION OF 92ND AVENUE WEST LYING SOUTH OF 228TH STREET SOUTHWEST UPON THE FULFILLMENT OF CERTAIN CONDITIONS. MOTION CARRIED (6-1), COUNCIL PRESIDENT JOHNSON VOTING NO.

11. STUDY ITEMS

1. DEVELOPMENT FEE SCHEDULE FOR 2017

Development Services Director Shane Hope explained the existing fees were determined several years ago based on a study of the typical times that review of permits took and recognizing some things for which the Council wanted to provide a lower fee as a public policy. The proposed changes to the fee schedule considered increases in costs, primarily salaries and benefits and did not include a study of the time required to process the permit. She highlighted the primary changes:

- Organizational changes to make the fee schedule clearer
- Hourly rate changed from \$90 to \$100
 - Puts Edmonds about in the middle of other cities

- Convenience fee of 3% to recover credit card transaction fees
- technology fee increased from \$25/permit to \$35/permit

Councilmember Buckshtnis asked about the projected increase in overall revenue and whether it was included in the 2017 budget. Ms. Hope answered the convenience fee was estimated to provide \$15,000 and the additional revenue generated by the fees was included in the 2017 budget. Planning Manager Rob Chave commented the increases vary; planning fees are based on staff time; revenues are projected to increase as much as 10%. Building fees which are based on a valuation table are estimated to increase 3-5%. He commented building revenues are usually more predictable than discretionary permits which vary wildly from year to year. Most development revenue is from building fees which have less variation.

Councilmember Teitzel referred to the \$125 sign fee and asked if the efficiency to the City of a permit is considered in the fee. For example, the City could not previously enforce A-board signs; the permit makes it easier to enforce, thus is an efficiency for the City. Ms. Hope said State law requires the City to consider cost recovery and not what enforcement would cost. Councilmember Teitzel summarized there was no way under State law to net out the efficiency gain. Ms. Hope said under State law the City is restricted in how the fee is calculated.

Councilmember Mesaros how many people use credit cards to pay their fees. Ms. Hope answered a sizable portion. She estimated \$20,000 in credit card fees were paid from General Fund last year as it was not included in the budget which also set a limit on the amount that could be charged. With the proposed convenience fee, customers can charge as much as they want.

Councilmember Mesaros asked if the City paid a fee to deposit a check. Mr. James answered yes, a minimal amount, 5-6 cents. Councilmember Mesaros asked if customers ever pay in cash. Ms. Hope answered occasionally for small permit but it was rare. Councilmember Mesaros observed although a fee is not charged for cash, processing cash required more time than processing a credit card. Ms. Hope said the City is charged directly for credit card transactions. Councilmember Mesaros suggested because electronic payment made processing more efficient, the fee for using a credit card be incorporated into the fee structure rather than charging more to use a credit card. He suggested that be considered for the future; not penalizing those who make the process more efficient.

Council President Johnson asked if there was a sliding technology fee. She observed a sign code application would now have a \$35 technology fee, the same as a large project. Ms. Hope said large projects have numerous permits, each with a technology fee.

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO MOVE THE RESOLUTION FOR THE 2017 FEE SCHEDULE TO CONSENT. MOTION CARRIED UNANIMOUSLY.

COUNCILMEMBER MESAROS MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO EXTEND FOR TEN MINUTES. MOTION CARRIED UNANIMOUSLY.

2. AUTHORIZATION TO RELEASE THE SALVAGE OF UNIT 779-POL TO EVERGREEN ADJUSTMENT SERVICE

Mr. Williams said this is a wrecked police car and this is the necessary step to release the salvage.

COUNCIL PRESIDENT JOHNSON MOVED, SECONDED BY COUNCILMEMBER TEITZEL, TO FORWARD THIS TO NEXT WEEK'S CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY.

12. **MAYOR'S COMMENTS**

Mayor Earling reported on the successful opening of the holiday market on Saturday even with the inclement weather. The market will be open on Saturdays through Christmas. He commented on the holiday lights downtown and encouraged the public to visit downtown and enjoy lights.

13. **COUNCIL COMMENTS**

Councilmember Teitzel wished Councilmember Mesaros Happy Birthday.

Council President Johnson thanked Councilmembers for agreeing to come an hour early tonight, especially Councilmember Mesaros who missed his birthday dinner.

Council President Johnson relayed the upcoming agendas are very full and asked Councilmembers to inform her if they planned to be absent from any meetings for the remainder of the year.

Councilmember Buckshnis reported the Halloween Howl was great despite the inclement weather. She relayed the founder of Students Saving Salmon, Rondi Nordal was honored by the Snohomish County Conservation District as a young environmental leader of the year. Students Savings Salmon received a \$12,000 grant from the Rose Foundation Puget Sound Migration and Restoration Fund for water quality testing lab costs, lessons by educators, field trips and planting of 400+ trees in Edmonds.

Councilmember Fraley-Monillas reported she attended the holiday market. She relayed the League of Women Voters is hosting a film and discussion regarding Snohomish County and sex trafficking at the Edmonds Unitarian Universal Church at 8109 244th Street SW on Thursday, November 17 at 6:30 p.m.

Councilmember Nelson reported on Veteran's Day he was invited to the Fallen Heroes Project dinner by Michael Reagan, a Vietnam veteran and artist who draws portraits of fall soldiers; he is trying to draw every soldier killed in Iraq or Afghanistan. He has been doing this for 13 years, has drawn 4,634 portraits, drawing 2 portraits a day. He is an amazing individual, one of Edmonds finest.

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

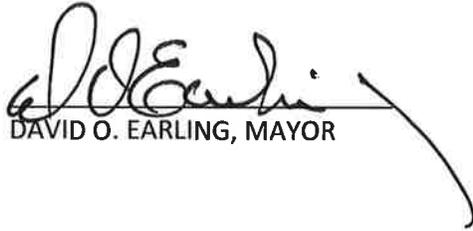
This item was not needed.

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

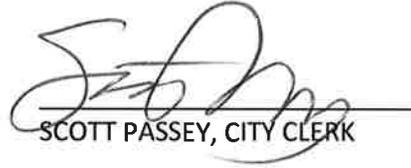
This item was not needed.

16. ADJOURN

With no further business, the Council meeting was adjourned at 10:07 p.m.



DAVID O. EARLING, MAYOR



SCOTT PASSEY, CITY CLERK

