

EDMONDS CITY COUNCIL APPROVED MINUTES

Special Meeting

Monday, November 2, 2015

The Edmonds City Council meeting was called to order at 6:30 p.m. by Mayor Earling in the Council Chambers, 250 5th Avenue North, Edmonds.

ELECTED OFFICIALS PRESENT

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

ALSO PRESENT

Ari Girouard, Student Representative

STAFF PRESENT

Phil Williams, Public Works Director
Scott James, Finance Director
Shane Hope, Development Services Director
Jerry Shuster, Stormwater Eng. Program Mgr.
Bertrand Hauss, Transportation Engineer
Rob English, City Engineer
Kernen Lien, Senior Planner
J. Hwang, Police Officer
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Jerrie Bevington, Camera Operator
Jeannie Dines, Recorder

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

At 6:30 p.m., Mayor Earling announced that the City Council would meet in executive session to discuss real estate per RCW 42.30.110(1)(c). He stated that the executive session was scheduled to last approximately 30 minutes and would be held in the Jury Meeting Room, located in the Public Safety Complex. No action was anticipated to occur as a result of meeting in executive session. Elected officials present at the executive session were: Mayor Earling, and Councilmembers Johnson, Fraley-Monillas, Buckshnis, Petso, Mesaros and Nelson. Others present were City Attorney Jeff Taraday, Parks & Recreation Director Carrie Hite and City Clerk Scott Passey. The executive session concluded at 6:45 p.m.

Mayor Earling reconvened the regular City Council meeting at 7:00 p.m. and led the flag salute.

2. **ROLL CALL**

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

3. **APPROVAL OF AGENDA**

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

4. **APPROVAL OF CONSENT AGENDA ITEMS**

Councilmember Petso requested Item E be removed from the Consent Agenda and Councilmember Bloom requested Item A be removed.

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

- B. APPROVAL OF CLAIM CHECKS #216892 THROUGH #217006 DATED OCTOBER 29, 2015 FOR \$392,482.48**
- C. ACKNOWLEDGE RECEIPT OF A CLAIM FOR DAMAGES FROM STATE FARM INSURANCE (\$12,234.28)**
- D. AUTHORIZATION FOR MAYOR TO SIGN A GRANT AGREEMENT WITH THE DEPARTMENT OF ECOLOGY FOR \$633,750 TO DESIGN & CONSTRUCT A STORMWATER CONTROL FACILITY IN SEAVIEW PARK**
- F. APPROVAL OF THE 2015 3RD QUARTER BUDGET AMENDMENT**
- G. ADOPTION OF INDIGENT DEFENSE SERVICE STANDARDS**
- H. AGREEMENTS FOR REPRESENTATION OF INDIGENT DEFENDANTS - CONFLICT COUNSEL**

ITEM E: ADOPTION OF AN ORDINANCE FOR A SITE SPECIFIC REZONE REQUEST BY RDJ GROUP LLC TO REZONE THE EASTERN PORTION OF THREE EXISTING SINGLE-FAMILY LOTS OF RECORD ADDRESSED 16404 AND 16414 75TH PL. W AND 16420 76TH AVE. W FROM SINGLE-FAMILY RESIDENTIAL, RS-20, TO SINGLE-FAMILY RESIDENTIAL, RS-12, AS APPROVED BY THE CITY COUNCIL ON OCTOBER 20, 2015. (FILE NO. PLN20150034)

Councilmember Petso explained this is an ordinance related to a closed record review of a decision to rezone property in a landslide hazard area with a history of landslides to a higher residential density. She voted against it at the time and will vote against it again tonight.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE ITEM E. MOTION CARRIED (6-1), COUNCILMEMBER PETSO VOTING NO.

ITEM A: APPROVAL OF DRAFT CITY COUNCIL MEETING MINUTES OF OCTOBER 27, 2015

Councilmember Bloom requested two references to the “OF zone” in Mr. Blomenkamp’s comments on page 8 be changed to “OS zone.”

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ITEM A AS AMENDED. MOTION CARRIED UNANIMOUSLY.

5. AUDIENCE COMMENTS

Roger Hertrich, Edmonds, referred to information he provided the Council regarding hearings being held by Snohomish County related to changing specifications for height, setbacks, etc. for multifamily development in areas west of Highway 99. One of the areas is the Point Wells site. He suggested the City develop a policy for dealing with Snohomish County with regard to future annexation areas such as Esperance to ensure development under Snohomish County is similarity to Edmonds to avoid a development island when the area is annexed.

6. **STUDY ITEM**

A. **DISCUSSION ON THE UPDATED 2015 TRAFFIC IMPACT FEES**

Transportation Engineer Bertrand Hauss referenced the previous presentation regarding traffic impact fees, explaining the goal of tonight’s discussion is for the City Council to provide direction to staff regarding the traffic impact fee update so that an ordinance can be drafted, potentially a public hearing scheduled and to adopt an ordinance by year end.

Randy Young, Henderson Young & Company, highlighted information provided at the October 13, 2015 presentation:

- Definition of impact fees
- Reasons to change impact fees
- Rules for impact fees
- What impact fees can be used for
- Calculations and comparisons

He reviewed changes 2009 to 2015

- Added 6 projects
- Increased cost of 7 carry-over projects
- Reduced deficiency exclusion
- Excluded external costs & trips
- Eliminated long-term cost exclusion

He displayed the Edmonds project list, a total of \$21 million projects eligible for impact fees. He reviewed the calculation of impact fees and examples:

- Step 1: Eligible costs divided by growth trips = cost per trip
 - \$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/apartment
 - Office Example: \$5,530 cost per trip x 0.00197/square foot trip rate = \$10.89/square foot

Mr. Young provided a comparison of cost per trip:

Jurisdiction	Cost per trip
Kenmore	\$8,350
Lynnwood	7,944
Shoreline	6,124
Edmonds (update)	5,530
Bothell	5,426
Average of 8 others	4,486
Mill Creek	3,000
Snohomish County	2,453
Mukilteo	1,050
Edmonds (current)	1,050
Mountlake Terrace	714

Mr. Young provided alternatives to updating impact fees:

1. Raise taxes
 - Growth pays less, taxpayers pay more
2. Eliminate some projects

- Less cost, more congestion
3. Discount the cost per trip or phased increase
 - Growth pays somewhat less, more congestion

Councilmember Mesaros recalled during the previous presentation he pointed out the percentage increase, from \$1,050 to the proposed fee of \$5,530, was a huge jump. He would find it easier to approve if it was phased in over four years. If the cost of building office space is \$200/square foot, the proposed fee would be a 5% per square foot increase that the development must somehow incorporate into their financial plan. He remarked to a certain extent impact fees are a tax although they are not called a tax.

Councilmember Buckshnis favored holding a public hearing to hear what developers have to say. She supported increasing impact fees, noting without impact fees, Edmonds would have to do something like Seattle's Prop 1. If developers build in Edmonds, they need to address their traffic impact. She was amenable to a 2, 3 or 4 year phasing. The City's roads need attention and this is one way to pay for them.

Councilmember Nelson said growth creates impacts and everyone should pay their fair share including developers so that taxpayers do not bear the entire burden. He was open to phasing.

Council President Fraley-Monillas commented Kenmore gets more traffic than they could possibly want due to the new tolls, Lynnwood and Shoreline have bumper-to-bumper traffic and Edmonds is reaching bumper-to-bumper in areas outside downtown during peak times. Taxpayers have been paying for the roads for decades and it is only fair that developers constructing new buildings pay their fair share for transportation improvements. She was concerned traffic will become so impossible that no one wants to come to Edmonds and recognized the ferry increases traffic in Edmonds.

Councilmember Petso asked how often the traffic impact fee should be updated. Mr. Young answered cities typically update the impact fee following an update of the Transportation Plan, every 3-4 years or as long as 6-7 years. Councilmember Petso observed if the Council opted to phase in the impact fee over four years, it would have just reached the recommended level by the time the fee needs to be recalculated. Mr. Young agreed that could happen. Councilmember Petso preferred a 2-3 year phase-in period.

Councilmember Bloom asked when the fees were last increased and what the fee amount was previously. Mr. Young answered the fee was last increased in 2009; the fee in 2004 was \$763 and \$1,050 in 2009. Councilmember Bloom asked whether other cities with larger fees such as Kenmore phased in their fees. Mr. Young did not have knowledge of all the cities; Shoreline adopted the full amount of their first impact fee with no phasing. Councilmember Bloom supported holding a public hearing. She did not support phasing in an increased fee based on the comparisons, traffic and project costs. Mr. Young said it is very common for cities to hold a public hearing although impact fee increases are not always controversial. In his experience nearly every public hearing on impact fees is attended by one representative of the development community, usually someone from the Master Builders. In some communities, a public hearing will also include testimony from commercial developers as well as people concerned with traffic congestion.

Councilmember Johnson asked the total cost of projects in 2009 that formed the basis for the calculation. Mr. Young recalled it was \$10-11 million and there was also a difference in the number of growth trips. Councilmember Johnson observed the proposed increase was five times the existing fee, but there were not five times more projects so the variable must be the growth trips. Mr. Young agreed, noting there was also a change in time horizon plus a change in the traffic model. The traffic modeling consultant was not here to address that. Councilmember Johnson requested that information be provided before the public hearing.

Councilmember Johnson pointed out a tax and a fee are different. Mr. Young agreed there was an important distinction. Taxes are paid without regard to whether a benefit is received; the government has the authority to charge the tax and the government uses the funds however they feel is best. An impact fee is charged for a specific thing, there are specific laws that require demonstrating a rational nexus. For an impact fee, the jurisdiction must demonstrate the amount of the fee is related to the amount of impact via trip counts that reflect the relative amount of impact of different development types on transportation.

Councilmember Mesaros commented the last update to the impact fee was a 25% increase; the proposed increase is over 400%.

Council President Fraley-Monillas relayed these are truly the costs of development. Everyone wants to some level of development in Edmonds but you can't complain about roads and do nothing about it. It is important to update the fee since it has not been updated in six years. She was interested in a public hearing but did not support phasing. Mr. Young commented there are a lot of facets to this issue; while it's important to be careful and concerned about how rapidly rates are increased and how that affects local businesses, it is equally important to remember the ultimate effect on businesses is not very much. If it put developers out of businesses or severely impacted development, he doubted there would be over 70 other cities in Washington with impact fees for traffic, parks, fire protection, schools, etc. High growth communities tend to have the highest impact fees because they need the most money to keep up.

Mayor Earling relayed it appeared the Council wanted to hold a public hearing, there was general comfort with the proposed \$5,530 amount but there were different opinions with regard to phasing. He requested the City Attorney draft an ordinance, leaving blanks for the period of time the fee would be implemented. Mr. Young recalled an example of a 3-year phase-in was provided at the previous presentation; Council comments tonight mentioned 2 and 4 years. He suggested providing draft ordinances with 2, 3 and 4 year phasing for the public hearing.

7. ACTION ITEMS

A. AGREEMENT FOR INDIGENT DEFENSE SERVICES

Parks & Recreation/Human Resources Reporting Director Carrie Hite relayed staff's recommendation to authorize the Mayor to sign a Professional Services Agreement with Snohomish County Public Defense Association to provide Indigent Defense Services. A presentation was made at last week's meeting. A question from Councilmember Petso was referred to Snohomish County Public Defense Association Executive Director Kathleen Kyle and her response was forwarded to Council today.

COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER NELSON, TO AUTHORIZE THE MAYOR TO SIGN A PROFESSIONAL SERVICES AGREEMENT WITH SNOHOMISH COUNTY PUBLIC DEFENSE ASSOCIATION TO PROVIDE INDIGENT DEFENSE SERVICES. MOTION CARRIED (6-0-1), COUNCILMEMBER PETSO ABSTAINING.

B. CLOSED RECORD REVIEW AND ACTION ON HEARING EXAMINER'S RECOMMENDED APPROVAL OF SETBACK VARIANCE FOR A SWEDISH HOSPITAL SIGN (PLN20150042)

Mayor Earling explained the purpose of the closed record hearing is for the City Council to consider the recommendation of the Hearing Examiner related to the application of Swedish Medical Center for a setback variance. Tonight's hearing follows a Type III-B process where the Hearing Examiner forwards a recommendation to the City Council for a final decision. Unlike the hearing before the Hearing Examiner, participation in tonight's hearing is limited to parties of record. The parties of record include the applicant, 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.

The Appearance of Fairness Doctrine (AFD) requires that this hearing be fair in form, substance and appearance. The hearing must not only be fair, it must also appear to be fair. He asked whether any member of the decision-making body had engaged in any oral or written communication with opponents or proponents of the project outside the presence of the other party.

Councilmember Petso said she was contacted today by a citizen who thought he was a party of record and asked why he had not receive notice. Councilmembers Mesaros, Bloom, Johnson, Buckshnis, Nelson, Council President Fraley-Monillas, and Mayor Earling indicated they had no contact or communication to disclose.

Mayor Earling asked whether any member of the Council had a conflict of interest or believed he/she could not hear and consider this application in a fair and objective manner. Councilmember Petso said she had no conflicts. She relayed the citizen who contacted her, Al Rutledge, is listed in the packet as having testified at the public hearing and he did not receive notice of tonight's hearing. Councilmembers Mesaros, Bloom, Johnson, Buckshnis, and Nelson, Council President Fraley-Monillas and Mayor Earling indicated they had no conflicts.

Mayor Earling asked whether any member of the audience objected to any Councilmember or his participation as a decision maker in this hearing. There were no objections voiced. He asked whether the Council agreed to the following procedure for presentation of oral argument:

- 5 minute introduction by staff
- 5 minutes of oral argument by the applicant
- 5 minutes from any other parties of record

Upon voice vote, this procedure was acceptable to Council.

Senior Planner Kernen Lien explained as this is a closed record review, he will use the same PowerPoint that was presented at the open record public hearing before the Hearing Examiner. Snohomish County Public Hospital District #2 is the property owner; a governmental agency is requesting the variance. He reviewed a public agency variance:

- Type III-B process
- Governmental Sign
 - ECDC 20.60.095 exempt except dimensional and placement standards
- ECDC 17.00.030
 - Action of the Hearing Examiner shall be a recommendation to City Council

He reviewed the required findings for a variance:

- Special circumstances exist
- Granting a variance would not be granting of a special privilege
- Proposal is consistent with the Comprehensive Plan
- Proposal is consistent with the Zoning Ordinance
- Not detrimental to surrounding properties
- Proposal is the minimum variance necessary

The staff report and the Hearing Examiner's report contain an analysis of the six criteria. Both staff and the Hearing Examiner felt the proposal was consistent with the criteria. He displayed an aerial view of Swedish-Edmonds Hospital and identified the new Ambulatory Care Center (ACC) addition which is the primary reason for the variance request. He displayed plans from the ACC addition, advising a new road

was constructed along the eastern side of the ACC addition. This is a directional sign to direct traffic to the new location of the emergency room entrance. The proposal is to place the sign 3 feet from the property line prior to crossing the intersection of 216th Street SW and the new road along the eastern side of the ACC addition. The Medical Use zone has a 15-foot building setback which is the reason for the variance request. Staff and the Hearing Examiner recommend approval with conditions.

Councilmember Mesaros inquired about the conditions. Mr. Lien said one condition was recommended by the Engineering Division to ensure none of the utilities are impacted by installation of the sign.

Councilmember Petso referred to an email raising the issue of 14-day notice versus 15-day notice and asked whether that was taken care of or was it an outstanding procedural issue. Mr. Lien said that was in regard to the notice of application. The City code states a notice of application must be issued not less than 14 days prior to an open record hearing; State law states notice of application must be issued not less than 15 days prior to an open record hearing. The notice of application was initially published 14 days before the open recording hearing; that hearing was postponed and a new notice of application was published not less than 15 days prior to the open record hearing.

Councilmember Petso asked whether the City was required to give notice to all parties of record. City Attorney Jeff Taraday answered the code specified notice requirements for a Type III-B hearing relate to the Hearing Examiner hearing. He was not certain that notice of the City Council's closed record review was provided. Councilmember Petso observed from Mr. Taraday's explanation, a person who testified at the Hearing Examiner hearing would not be informed of the Council proceeding. Mr. Taraday did not think the code spoke to that. In summarizing Mr. Rutledge's remarks, the Hearing Examiner specifically stated Mr. Rutledge did not speak to the proposal.

Applicant

Tim Buell, representing Swedish Medical, said he had nothing to add to staff's presentation. He noted the person who spoke during the Hearing Examiner hearing spoke about a zoning issue on Highway 99 that did not have anything to do with the sign.

Parties of Record

There were no parties of record present who wished to speak.

Council Questions & Deliberation

With regard to notice, Mr. Lien said the only area of the code that addresses closed record hearings is related to closed record appeals, ECDC 20.07. For a closed record appeal, the code states all parties of record need to receive notice of the appeal. Mr. Taraday said in a closed record of appeal the code specifies the number of days to appeal a decision of the Hearing Examiner and an appeal brings the decision to the City Council. This is not that process. This is a closed record pre-decision hearing where the Hearing Examiner made a recommendation not a decision. The code distinguishes between the two but does not specify that any notice is required to be provided of the closed record hearing before the City Council. Mr. Lien explained he announced at the Hearing Examiner hearing that the closed record review was scheduled for November 2. All parties of record will receive notice of the final decision which can be appealed.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO UPHOLD THE HEARING EXAMINER'S RECOMMENDATION TO APPROVE THE SETBACK VARIANCE AND PASS RESOLUTION NO. 1342 INCLUDED IN EXHIBIT 5 ADOPTING THE HEARING EXAMINER'S FINDINGS AND CONCLUSIONS. MOTION CARRIED (6-0-1), COUNCILMEMBER PETSO ABSTAINING.

8. CONTINUED STUDY ITEMS

A. CONTINUED REVIEW OF CRITICAL AREA REGULATIONS UPDATE

Senior Planner Kernen Lien commented this is the fourth meeting with the City Council to discuss the Critical Areas Ordinance update. Tonight's presentation will relate to Exhibit 3 and address development flexibility for 1) reduced buffer, 2) physical separated and functionally isolated provisions, and 3) restoration projects.

Aaron Booy, ESA, recalled Council concern with development flexibilities that were not entirely consistent with Ecology guidance. The City received a comment review letter from Department of Ecology that expressed some of the same concerns. Exhibit 3 provides rationale and Best Available Science (BAS) associated with each of the development flexibilities.

He summarized BAS in the Critical Areas Ordinance (CAO) update:

- BAS should be included
- Use of "nonscientific information" is allowed, based on:
 - Local conditions
 - Economic consideration
 - Social considerations
- Rational and measures to minimize risk for development flexibilities should be documented

He explained the flexibility included in the proposed critical area regulations are not really departures from BAS. Ecology highlighted and he agreed the development flexibilities are not fully consistent with the exact language of Ecology guidance but there is good rationale for why they will be important for ongoing protection of critical area within Edmonds. He displayed an aerial of existing Edmonds conditions, identifying Shell Creek and Hindley Creek and a built out residential development pattern where the streams run through residential neighborhoods. There is some minimal amount of riparian vegetation along the streams but homes, yards and other associated structures are built up to the edge of the streams or within 10-15 feet. There are also many examples where streams are culverted for roads and road crossings as well as other areas of historical development.

He described physically separated and functionally isolated buffers:

- Allowed activity under new Section, ECDC 23.40.220.C.4
- Applicable to sites separated from a critical area by existing, legally established roads, trails and structures 12 feet or more in width
- May be determined to be both physically separated and functionally isolated, and not subject to stream and wetland buffer provisions
- The director may require a site assessment by a qualified professional to make the determination

He provided a photographic example of Shellabarger Creek running between two houses with little functioning riparian corridor, rockeries on both sides of the stream, lawn on one side and gravel on the other. He displayed an aerial view of the same area, highlighting two sample scenarios where the physically separated and functionally isolated provision could be applied:

1. Addition fronting central house – not allowed (driveway less than 12 feet wide)
2. Addition on north house – potentially allowed (central house physically separates this area, functional isolation would need to be documented)

Councilmember Johnson asked if this was an actual or theoretical example. Mr. Lien answered the property owner in Example #2 came to the City to inquire about an addition but did not move forward with it.

Mr. Booy continued his review of physically separated and functionally isolated buffers:

- Relevant BAS

- Buffer effectiveness influenced by many factors, with existing alterations degrading the functional importance
- Where full physical separation / functional isolation occurs, the value of maintaining the adjacent area is negligible or eliminated
- Rationale for allowance – allowing for future development/ redevelopment within areas where such activity would have no impact on the nearby stream or wetland
- Potential risks – misinterpretation and over-application
- Measures to minimize – clear criteria, and provisions to require an evaluation of functional isolation (including new language)

Give the identified risk of over-application, Councilmember Petso asked whether documentation of applicability should also be required rather than leaving it to the Development Services Director's discretion. Mr. Booy answered that could be an option. There will be situations where a stream runs along a roadway in a ditch during past historical development and the standard buffer associated with the stream would potentially extend across the roadway to properties on the other side. In that situation, where there is a full width City roadway and a clear functional separation from the areas on the opposite side, it would be fairly cut and dry that no function is provided by the separated buffer area and a determination could be made quickly. Councilmember Petso asked why 12 feet versus another number was selected. Mr. Booy answered 12 feet was selected in discussion with the Planning Board; 12 feet is the minimum standard width for a driveway.

Councilmember Buckshnis also questioned the rationale for 12 feet and asked whether the new regulations allow pervious or impervious or does it matter. Mr. Lien agreed the width of 12 feet was selected as it is the required minimum driveway width in Edmonds. The first proposal reviewed by the Planning Board was 8 feet and following discussion, they agreed on 12 feet. The 12 feet is for established roadways, paved trails 12 feet in width or more, or legally established structures or other paved areas.

Councilmember Johnson observed in this example the creek has a fairly discernable physical area; in a wetland where much of the hydrologic action occurs underground, she questioned how this BAS information could be relevant. Mr. Booy answered for wetlands it would still only apply to physical separation and functional isolation in the buffer area. In a wetland area where hydrology supports wetland conditions, any modifications would not apply in that area. The criterion in the proposed amendments to the critical area regulations requires verification that there is physical separation and function isolation. In a sloped wetland or buffer where information led planning staff to believe there was a functional connection through the physical separation, they could make the determination that the criteria did not apply. It requires some review and interpretation by planning staff but the criteria and putting the onus on the developer/applicant provides the City the ability to say no when there is a functional connection.

Councilmember Johnson said gravel or impervious surface seems to change the character of the hydrology. If historically there was a paved area regardless of the hydrology, she asked whether there would be an opportunity to waive the requirement. Mr. Booy agreed for a paved area with sheet flow running off it directly into a wetland or stream, there would be an important connection between the paved area and the adjacent resource. These provisions are not looking at a paved area but the area beyond it where there is no imperious surface and because of the requirement that it be functionally isolated, presumably there would be no surface water connection between the isolated area and the adjacent resource. With regard to the concern with sheet flow from an impervious surface directly into a wetland or stream, there are other provisions for those situations such as allowances for buffer reduction and development within the previously developed footprint. The focus of this provision is on areas that are on the far side of the impervious surface or structure that provides the physical separation and functional isolation.

Councilmember Johnson asked if the physically separated and functionally isolated language came from DOE. Mr. Booy responded this language is not included in DOE's guidance for small cities. Mr. Lien explained there is a similar provision in the Shoreline Management Plan. Staff developed this as a result of encountering it while implementing the critical area regulations over the past 10 years. He referred to the photograph of a stream that is highly channelized; there is a house adjacent to the stream, but because it is technically within the buffer, an addition would not be allowed. This is a means of providing some flexibility given that the City is highly developed and in example #2, the addition would not have any impact on the stream. If the addition is physically separated and functionally isolated, by definition, it will not have any impact on the critical area. A number of jurisdictions have similar language including Tacoma and eight others. Mr. Booy advised through his work with other communities this is often a practice that is not addressed in the code; the standard buffer requirement is not applied for roadways, legally established structures, etc. Including it in the code removes that ambiguity; other cities have done the same, providing criteria so it can be applied fairly and consistently.

Councilmember Nelson agreed he had seen physically separated and functionally isolated provisions in other cities' codes. He asked whether other cities included a specific measurement such as 12 feet. Mr. Booy relayed Redmond has a minimum width but he did not recall the amount; Tacoma does not have a minimum width, their code only addresses physical separation and functional isolation and ensuring review is done to verify the functional isolation exists. Councilmember Nelson asked why Tacoma did not have a minimum width but the proposal was to have a minimum width in Edmonds. Mr. Lien explained one of the reasons for a minimum width is to establish a base standard; at least a 12 foot width is required. There were questions with the interim ordinance regarding the width and minimum separation; including a width establishes a minimum requirement. A minimum width also addresses questions that arise such whether a paved path provides physical separation and functional isolation.

Mr. Booy continued his presentation, describing buffer reduction through buffer enhancement:

- Development standards – ECDC 20.50.040.G.4 (wetlands) and 23.90.040.D.2 (streams)
- Existing allowance
- Proposed updates would further limit the existing allowance
 - Only when averaging is not feasible
 - Maximum buffer reduction = 25%
- New criteria to ensure that functions are increased or retained through plan implementation

He provided a photographic example taken from the street where Hindley Creek runs through a forested area in a backyard adjacent to lawn, a driveway, a home and ornamental vegetation. He provided an aerial view of the same property and reviewed:

- Residential addition proposed
- Opportunity for buffer averaging
- Restoration feasible, and provided so that stream functions and values are increased or retained

He provided further information regarding buffer reduction through buffer enhancement:

- Relevant BAS
 - No explicit support for buffer reduction standards
 - BAS does suggest a range of buffer widths – no set width that ensures protection
 - BAS documents the important of buffer condition, and suggests that alternative strategies (beyond just buffer width requirements) may be useful.
- Rational for allowance – maintaining some flexibility for new development/redevelopment on highly constrained parcels, while improving conditions
- Potential risks – misinterpretation and over-application
- Measures to minimize – updated criteria that provide preference for averaging, limit the allowance to 25% maximum, and that ensure any reduction results in increased/retained functions

Councilmember Buckshnis asked about the buffer reduction, recalling it previously was 50% and was changed to 25%. Mr. Booy explained the existing code allows a 50% reduction; the proposal is a maximum 25% reduction, requiring 75% of the standard buffer width to be maintained.

Mr. Booy reviewed critical areas restoration projects - new section ECDC 23.40.215

- Buffer flexibilities for stream-daylighting and wetland creation/expansion projects
 - 25% reduction allowed
 - 25% to 50% reduction for constrained properties where reduction is the minimum necessary, and there is a net environmental benefit consistent with CAO intent
- Relevant BAS
 - No explicit support for buffer reduction standards, even for restoration projects
 - Ecology guidance does support streamlining to facilitate restoration
 - Removal of fish passage barriers is a high priority for WDFW, suggesting prioritizing these efforts over ensuring standard buffers is warranted
- Rational for allowance – modeled after a State SMA provision, intended to avoid placing undue (or prohibitive) restriction on important restoration projects
- Potential Risks – future stream segments and wetlands with relatively narrow buffers
- Measures to minimize – criteria that buffer is at least 50%, and that widest possible is provided

Councilmember Nelson questioned a project that would restore a creek or wetland but also reduce the buffer to enhance the environment. Mr. Booy suggested envisioning a stream in a pipe underground that a passerby would not even be aware of, there is no riparian buffer and there is often pavement on top. For example, Willow Creek as it leaves Edmonds Marsh, passes under the railroad tracks, along a roadway, through the park southwest of the marina; for majority of the distance of the culverted stream there is no riparian vegetation. If the City daylighted that stream, removing it from the culvert and restoring the channel, instead of requiring the full 100-foot standard buffer which would have significant impacts to the roadway, the park, and the adjacent marina, this provision would allow the buffer to be reduced to a minimum of 50% of the standard buffer. It is not applicable to an existing stream channel that is already daylighted or an existing wetland.

Councilmember Nelson asked if Mr. Booy was saying a 50-foot buffer was just as good as a 100-foot buffer in that situation. Mr. Booy answered he was not saying a 50-foot buffer was as good as a 100-foot buffer; a 100-foot buffer would be better but to achieve feasible restoration within an urban situation, applying a standard buffer would be very limiting. He clarified a daylighted stream with a 50-foot buffer would be better than leaving the stream in the culvert.

Councilmember Buckshnis agreed with everything in Mr. Booy's memo (Exhibit 3) except for this provision. She pointed out WRIA8 has done a great deal of work to promote salmon recovery. The economic feasibility sometimes cannot be projected because people cannot visualize how wonderful having salmon returning to an estuary would be. She preferred a trigger or amount, not just allowing it to be the director decision, such as requiring Council approval. For example requiring Council approval if the buffer is proposed to be reduced from 100 feet to 50 feet, similar to spending limits that are established for the Mayor. She suggested a mechanism whereby Council was apprised. She recalled providing an example to Mr. Lien that in the end the Council had no say.

Mr. Lien said the opportunity for Council input is via this policy. Staff's position is a daylighted creek with a 50-foot buffer is better than a culverted creek; in the end, there is a net benefit from the project. The intent of this provision is not to discourage a project that will provide a net benefit. This would be applicable to restoration projects, not projects where mitigation is required. This was modeled after a SMA provision where the SMA and SMP would not apply in the expanded area when a shoreline project expands the shoreline jurisdiction. Appeals will come to the Council. Councilmember Buckshnis said the

example she provided was tree cutting in 2005 where the developer paid a fine and the trees were cut again a few years ago. The Council had a strong opinion about the situation but the fee was minimal and Council discussed it at length in executive session. Mr. Lien said that is a separate issue. The opportunity for Council input is now and ultimately implementation of development regulation is up to the Development Services Director.

City Attorney Jeff Taraday said the development permit types in Title 20 are where Council sets policy direction over who makes decisions on permits and the appeals for each permit type. If the Council wanted to establish a special process for certain types of critical area approvals, Title 20 could be changed so that instead of Director approval, it goes to the Hearing Examiner. Just because a permit is currently a Type II staff decision, does not mean it cannot be changed; it can be revisited by the Council.

Councilmember Petso asked whether Ecology's comments were in the Council packet. Mr. Lien advised they are in Exhibit 8; he read a paragraph from the October 29, 2015 letter: "The City has provided additional information through a memorandum prepared by ESA dated October 22, 2015. This memorandum provided a thorough explanation of the rationale for these wetland buffer reductions. In light of this explanation, Ecology offers our support of the critical area ordinance updates being considered for adoption by the City Council." Councilmember Petso asked about Ecology's earlier comments. Mr. Lien advised they are also contained Exhibit 8; he referred to an Ecology letter dated October 26, 2015 that mentioned concerns about the restoration project provision and buffer width reductions.

Councilmember Petso relayed she was contacted today regarding the previously developed footprint exception. She pointed out there could be a property where development in the buffer is irregularly shaped and the desire would be to cover essentially the same square footage but not the irregular shape of the existing development. She asked how that situation would be addressed under the code as currently drafted. Mr. Lien answered if a house within a critical area buffer burns down, it can be rebuilt in the exact same footprint. Another provision is development in the previously developed footprint, an irregularly shaped house with a lawn between the house and critical area would not meet the definition of developed footprint; anything new would be required to meet different provisions of the CAO. If the existing house were demolished and rebuilt, whatever is rebuilt must comply with the critical area regulations. There is nothing in the draft CAO that addresses that specific situation. He was familiar with the situation Councilmember Petso referenced.

Councilmember Petso inquired about changing the regulations to limit it to like-for-like development. For example compacted gravel, considered existing development, is replaced with a 5-story structure; she felt that would have a different impact on the nearby critical area. She suggested the regulations be tweaked to allow a structure to be replaced with a similar size structure or a parking area replaced with a parking area. Mr. Lien observed the provision Councilmember Petso was referring to was development within the previously developed footprint; the definition is a legally established paved area, structures or other pervious surface areas. He recalled development that this provision applied to when the interim ordinance was in place, the American Brewery silo. In that case there was a paved area behind American Brewery where the owner wanted to add a silo that was technically in the Edmonds Marsh buffer. The silo did not add new impervious surface or have any new impact to the critical area. The proposed provision would allow improvement over existing conditions; allowing the silo to be constructed on the blacktop area in exchange for buffer enhancement of the Edmonds Marsh. American Brewery's proposal was for 1,100 square feet and they provided 1,100 square feet of buffer enhancement.

Councilmember Petso asked whether protecting the functions and values of critical area also included habitat, temperatures, etc. or was it only impervious surface. Mr. Lien answered habitat is taken into consideration; the physically separated and functionally isolated provision includes criteria related to hydrological, geological, or biological habitat connection. The science studies address a range of buffers;

each study focuses on the buffer width for a certain function such as removing phosphorous, a specific creature, etc. so the studies provide a range of buffers. The intent of the proposed regulations is to allow some flexibility in developed areas while getting some enhancement of critical areas. That is the reason for flexible standards for development within developed footprint, buffer averaging, buffer width reduction, etc.

Councilmember Petso suggested eliminating physically separated and functionally isolated and the buffer reduction as they are noncompliant with BAS, and tweaking previously developed footprint to better reflect the expected impact on the range of functions and values that a critical area can provide. She felt there was a big difference between a compacted gravel area and a tall structure in terms of the impact on adjacent wildlife.

Councilmember Johnson recalled staff indicated a 50% buffer for a restoration project was better than a creek in a pipe. Ecology's comments state reducing buffers to between 50% to 75% of the standard buffer for streams and wetlands is not consistent with BAS or their guidance for wetland mitigation in Washington State. She referred to Marina Beach and the daylighting Willow Creek which is estimated to cost \$5 million and questioned reducing the buffer for economic reasons or adjacent projects if the goal is to improve salmon habitat in the estuary marsh. She said that seems counterintuitive if the goal is to daylight Willow Creek and improve salmon habitat, why start with a reduced buffer. Mr. Lien answered there are tradeoffs. A daylighted stream is better than a culverted stream; Willow Creek is currently culverted for 1,500 feet; daylighting Willow Creek opens the channel which provides an avenue for salmon to reach the marsh. That is a benefit of daylighting the stream. A 50-foot buffer still provides some functions and values. With regard to tradeoffs, a standard 100-foot buffer would essentially wipe out Marina Beach. Daylighting Willow Creek and providing a 50-foot buffer will provide salmon access to the marsh, and provide an area for citizens to enjoy Puget Sound and the daylighted stream. Ultimately a daylighted Willow Creek is better than a culverted Willow Creek.

Councilmember Johnson pointed out the Council has not adopted the Marina Beach Master Plan; perhaps there is a problem with the assumption that the dog park needs to be balanced with activities on both sides of the creek. If the purpose of daylighting Willow Creek is to improve salmon habitat, that should be the goal and not balancing other needs. She summarized it was a question of priorities. Mr. Lien said he was only using Marina Beach as an example; there are other areas with the same tradeoffs. Councilmember Johnson questioned those tradeoffs; this is the Council's opportunity to make a policy decision and she did not want to give away salmon habitat or creek enhancements especially if Ecology did not support it. She summarized the proposed provisions were headed in the wrong direction.

Councilmember Bloom agreed with Councilmember Johnson and had similar concerns. She referred to the Development Services Director making decisions regarding critical area waivers, buffer averaging, etc. The definition of director states the City of Edmonds Development Services Director or his/her designee. She objected to allowing those decisions to be made by the director's designee as she felt it was a very serious role, a role of accountability. She asked under what circumstance would a critical area waived need to be done so quickly that the Development Services Director could not be the one that reviewed and made the final decision. Mr. Lien said that relates to how development review is conducted in the City. There are four planners; when a critical area application is submitted, it is assigned to a planner. The planner does a desk review looking at the critical area maps, soils, topography, etc. as well as a site visit to ensure the maps accurately reflect conditions and makes the determination. If the language "director or his/her designee" were changed, the director would need to do all the development review with regard to critical areas in the City.

Councilmember Bloom said that was not her suggestion; she understood the director cannot do all the onsite visits, review, etc. She was suggesting the Development Services Director have final authority and accountability for that decision. The planner presents the recommendation to the director but the director

signs off on it since it is such an important decision. She noticed in the comments that many citizens are concerned with enforcement of critical areas; allowing planners to make those decisions is not doing a service for those citizens. Development Services Director Shane Hope appreciated the interest in having a good process and ensuring any waivers are carefully thought through. She suggested staff return with a proposal that allows a director-only decision on waivers but recognizing it would be based on knowledge from the direct review, site visit, etc. by the planner. She questioned if there is value added for the director to sign off when he/she relies on the planner who does the work.

Councilmember Bloom responded she believed there is. The City did not have a Development Services Director for a number of years and planners signed off on things that were not necessarily done properly. She referred to the situation cited by Mr. Blomenkamp, a critical area waiver done by a planner in 1993 related to the Woodway Fields that the Development Services Director never signed off on it even though the code states he/she is supposed to. She summarized errors can arise later related to the way it has been done in the past and there is value added in having the director be accountable and responsible. Ms. Hope said one of the reason for “director or his/her designee” is it is intended to provide some accountability; the director has the oversight, they may not do the actual review themselves because they count on the work done by staff. She acknowledged were things that were problematic in the past. With the language “director or his/her designee,” as long as there is a director, there is an accountability system.

Councilmember Bloom reiterated she would like to change it to be the responsibility of the director. If there were an extended leave of absence, one specific designee could be identified such as Mr. Lien’s position who knows the code well. She was not comfortable with final decisions being signed off on by a planer and wanted anywhere in the critical area regulations that states “director or his/her designee” changed to “Development Services Director” with any designation done on a case-by-case basis if the director was not available to designate the authority. Ms. Hope questioned what value is added if she signs off on something she does not have knowledge of. She relies on the planner, similar to the building official who relies on the plans examiner. She understood certain things could require the director’s involvement but to require the director sign off on everything, there was no way she can know everything. Councilmember Bloom asked if Ms. Hope was suggesting the Development Services Director only sign off on waivers and she could not sign off on everything. Ms. Hope offered to return to Council with options.

Councilmember Bloom assumed the CAO also applied to the City such as when trees were removed on a steep slope to replace a sewer line. Mr. Lien agreed. Councilmember Bloom cited an example provided by a Tree Board Member and asked about the City’s responsibility to plant trees in an area where a sewer or water line was installed. Mr. Lien answered when the utility engineers plan water and sewer main replacements, they identify any critical areas and ask him what will be required. If a City utility project is located in a critical area, staff must provide a critical area report that is submitted review along with the SEPA. Councilmember Bloom asked whether trees the City removed on a steep slope would need to be replaced. Mr. Lien answered it depends on the project; staff does not usually like to plant trees on top of sewer lines. Councilmember Bloom noted there are some trees that can be planted on top of or adjacent to sewer lines. She said this is an issue because a lot of trees are being lost and the City taking responsibility for replacement would help improve the canopy.

Public Works Director Phil Williams did not recall any trees were removed in the example Councilmember Bloom cited. A waterline was replaced on a steep slope; vegetation, jute matting and seeds and native grasses were planted. There was a desire by the neighbors for additional plantings for visual enhancement versus holding slope. Staff offered to buy the plants if the neighborhood wanted to have a planting party. Councilmember Bloom said trees were cut and left as crags along the walkway. She inquired about the City’s responsibility if trees are removed for the installation of a sewer or water line. Mr. Williams answered the City must comply with the CAO; if that requires replanting, it would be preferable not to plant along the utility alignment. Mr. Lien recalled another project where trees were

removed, the pump station 2 project on Shell Creek a few years ago. In that instance, a critical area report, a stream study, and a wetland report was done and every tree that was cut down was replaced at a ratio of 2:1 as required by the code. He summarized the City also has to comply with critical area regulations.

Councilmember Buckschnis offered to email her question to staff.

Council President Fraley-Monillas referred to the City of Sammamish’s (population 50,000) wetland development standards that Ms. Stewart provided her which she provided to all Councilmember, City Clerk and Mayor. She suggested Councilmembers review those regulations prior to the Council’s next discussion.

Councilmember Mesaros asked where removal/replacement of trees was located in the ordinance. He recalled Mr. Hertrich’s comments a few weeks ago regarding a 3-inch tree and 4-inch tree. Mr. Lien referred to 23.40.220.C.7, Allowed Activities, where specific species are mentioned that can be removed in a critical area including noxious species, blackberries, English ivy, etc. An additional limitation is added in the draft critical area regulations that allows up to 1,500 square feet of invasive and noxious weeds, English ivy, Himalayan blackberry, Evergreen blackberry, Scot’s broom, Hedge and field bindweed to be removed in a critical area within a 3 year period. With regard to a suggestion to allow removal of alders, Mr. Lien referred language added in section, 23.40.220.C.2 that addresses operation, maintenance and repair exemptions, “Operation and maintenance also includes normal maintenance of vegetation performed in accordance with best management practices...” A definition was also added of operation and maintenance and best management practices with regard to vegetation, “Normal maintenance of vegetation” means removal of shrubs/non-woody vegetation and trees (less than 3-inch diameter at breast height) that occurs at least every other year. Maintenance also may include tree topping that has been previously approved by the City in the past 5 years.” As drafted, alders in a critical area less than 3-inches in diameter could be removed as normal maintenance of vegetation. If alders were added to the list in C.7, it would be limited to 1500 square feet of alder removal within a 3-year period.

Council President Fraley-Monillas suggested the definition of normal maintenance of vegetation should be “chest height” instead of “breast height.” Mr. Lien said that was standard terminology.

Mayor Earling advised staff will return this to Council for another study session. He declared a brief recess.

B. SEPTEMBER 2015 QUARTERLY FINANCIAL REPORT

Finance Director Scott James provided multiple choice questions, the answers to be revealed at the end of his presentation. He displayed and reviewed 3rd Quarter 2015 Revenue Summary – General Fund Types without bond proceeds and General Fund Revenue Budget to Actual. He displayed a comparison of General Fund Revenue Budget to Actual, highlighting taxes:

General Fund Resource Category	YTD Actual		
	9/30/2014	9/30/2015	% Change
<u>Taxes</u>			
Property Taxes	\$7,413,082	\$7,779,098	4.9%
Sales Tax	4,267,681	4,937,480	15.7%
Utility Tax	5,094,356	5,075,412	-0.4%
Other Taxes	<u>667,384</u>	<u>699,942</u>	4.9%
Total Taxes	\$17,442,503	\$18,491,932	6.0%
<u>Licenses & Permits</u>			
Business Licenses & Misc Permits	\$ 169,438	\$ 163,897	-3.3%
Franchise Fees	817,758	851,573	4.1%
Development Related Permits	<u>647,556</u>	<u>537,866</u>	<u>-16.9%</u>

Total Licenses & Permits	1,634,752	1,553,336	-5.0%
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He reviewed Sales Tax Analysis by Category September 2015 YTD, pointing out retail automotive is the largest single source of sales tax revenue followed by contractors. He displayed a bar graph of Change in Sales Tax Revenue September 2015 compared to September 2014. Contractors have had the largest gain in 2015, \$415,754 above 2014.

Mr. James reviewed 3rd Quarter 2015 General Fund – Fund Expenditure Comparison, advising General Fund expenditures are 9.2% higher than 2014, primarily due to paying \$1.6 million more for Fire District 1 services. He displayed a General Fund Department Expense Summary, advising the year is 75% completed and expenses are at 71% of budget. He displayed the 3rd Quarter 2015 Revenue Funds Summary – Special Revenue Funds, advising Special Revenues Fund revenues are 40.6% higher this year due in large part to grant revenues which are \$2.6 million higher in 2015 than in 2014.

He reviewed 3rd Quarter 2015 Motor Vehicle Fuel Tax Revenues 2010 – 2015, advising only modest growth is seen, 1.9% over last year. He displayed 3rd Quarter 2015 Hotel/Motel Lodging Tax Revenues 2010 – 2015, advising lodging taxes are approximately 13% higher than 2014. He reviewed the 3rd Quarter 2015 Real Estate Excise Tax Revenues which has experienced phenomenal growth, 42.2% higher than 2014.

The 3rd Quarter 2015 Expense Summary - Special Revenue Funds illustrates expenditures are 35.9% higher than last year; the majority of the increase is due to construction outlays with street construction expenses \$968,000 higher than 2014 and park construction expenses \$733,000 higher than 2014.

The 3rd Quarter 2015 Revenue Summary - Utility Funds illustrates utility fund revenues are \$1,113,000 higher than 2014 due primarily to increased water, stormwater, and sewer sales. He reviewed the 3rd Quarter 2015 Expense Summary – Utility Funds, advising utility expenses increased \$1.2 million over 2014 primarily due to capital expenses for waterline replacements and the expenditures in the water fund for increased demand for water.

Mr. James provided answers to the quiz:

1. The Sales Tax rate for the City of Edmonds is 9.5%. Of this 9.5%, what percent of the sales tax comes to Edmonds?
 - a) 0.90%
 - b) 0.85%**
 - c) 0.25%
 - d) 0.10%
 - e) 6.50%
9.50%

2. How much money would I have to spend for the City to earn \$1.00 of Sales Tax Revenue?
 - a) \$109.50
 - b) \$95.00
 - c) \$117.65**
 - d) \$85.85
 - e) \$950.00

3. As of September 30, 2015, the City received \$4,937,480 in sales tax receipts. How much money had to be spent in order for the City to receive this much sales tax revenue?
 - a) \$493,748,100
 - b) \$53,183,600
 - c) \$580,880,000**

- d) \$37,757,200
- e) None of the above

Councilmember Buckshnis commented the investment revenue is looking good, \$135,000 more than last year. She recalled the investment policy was revised recently and inquired about Mr. James' discretionary limit. Mr. James explained the policy was amended to allow 75% in the Snohomish County pool. November 3 is the balancing date for the federal budget and bond sales are temporarily suspended. When bond sales are back on the market, he will bring an investment portfolio request to the Mayor. Councilmember Buckshnis asked for the Snohomish County pool prospectus.

Councilmember Mesaros referred to Slide 16 which indicates Fund 120 Hotel/Motel Tax is up 100%; his calculations indicate it is actually up 5%. Similarly Slide 17 indicates the Bond Reserve Fund is up 100% but it is actually down.

Councilmember Petso expressed appreciation for the note on the statements indicating interfund loans have been made. She asked whether there was a policy that required he advise Council when those loans were made. Mr. James said notification is required; a memo is included in the packet to advise Council of interfund loans.

Council President Fraley-Monillas suggested Mr. James review the investment portfolio with the Council after the budget is adopted. Mr. James agreed, asking whether she was interested in something specific. Council President Fraley-Monillas said it would be good for the Council and citizens to know what outstanding bonds the City has, maturity dates, etc. Mr. James said an investment report is included in all the monthly financial reports.

C. DEPARTMENTS CONTINUE TO PRESENT THEIR 2016 BUDGET REQUESTS

Public Works - Utilities

Public Works Director Phil Williams Public Works and Utilities a lot of interfund transfers. Major differences year to year are related to capital program. Operations and maintenance fairly steady. He reviewed:

- 2015 Accomplishments
 - Stormwater
 - Serviced 3,024 of 6,702 catch basins
 - Serviced 725 of 1,491 manholes
 - Total structures serviced 3,749 of 8,193 (45.7%)
 - Completed the Dayton St. Pump Station Feasibility Study
 - Completed the stormwater capacity analysis for downtown Edmonds
 - Design completed on 105th /106th AVE SW storm project (Build 2016)
 - Final Feasibility Study for the Willow Creek Daylight Project completed (by 12/2015)
 - Began updating the Stormwater Management Code (update to Council early 2016)
 - Worked with Planning and other Departments on review of Low Impact Development (LID) Code
 - Obtained two grants from the Department of Ecology: Seaview Park Infiltration Facility (\$633,750) and Phase II Permit Compliance (\$50,000)
 - Water
 - 8,400 ft (1.6 miles) of water main replacement
 - Replaced 2 PRV's
 - Installed one new Intertie between Edmonds and Lynnwood
 - 800 linear feet of pavement overlay on City
 - Sewer
 - 2,700 ft of sewer main replacement

- Installation of 3 new hybrid blowers (Phase 4) \$1.1 million
- 300 and 500 building PLC replacements (\$800,000)
- Installed Mercury carbon modules in incinerator (will save nearly \$4M)
- Clarifier #3 repair structural Investigation and design

Combined

- \$17.5 Million Water/Sewer/Storm Capital Projects Bond
- 2016 Utility Budget Issues
 - Last year of a three-year rate package
 - WWTP Outfall Pipe upgrade
 - LS#1 Pump Station Metering and Flow Study
 - Lake Ballinger Sewer Trunk Main Study
 - 2016 Water System Comprehensive Plan
 - 2016/2017 Stormwater Comp Plan Update
- Decision Packages/Changes
 - DP #17: LIDAR/GIS Data - \$3,000
 - DP #18: Software support GIS web app - \$3,600
 - DP #44: Construction Inspector \$102,420
 - DP #52: Asset Mgmt. mobile field conversion - \$50,000
 - DP# 59: Water Maintenance Worker - \$67,080
 - DP #61: Stormwater Maintenance Worker - \$60,880
 - DP #62: Stormwater Code updated for Phase II NPDES \$50,000
- Expenditures

Expenditures	2015 Budget	2015 YE Estimate	2016 Recommended	Discussion
Utilities – Water, Sewer, Stormwater	\$33,655,930	\$28,640,440	\$35,329,590	Last year of 3-year rate increase

Public Works – Roads (Fund 111 - Operations and Maintenance and 112 – Capital)

- 2015 Accomplishments
 - Pavement Preservation – 9.5 lane miles
 - Construction 228th St/76th Ave Improvements – const. began May 26th- complete by 12/31/2015
 - Completed 2015 Comprehensive Transportation Plan
 - Completed SR104 Study
 - 238th St. new sidewalk, rain gardens, storm system, and paving
 - Design of walkway on 236th St. - construction 2016
 - Design of 76th/212th Intersection Improvements and corridor striping - construction 2016
- Challenges/Opportunities 2016
 - Pavement Preservation - \$1,030,000 in 2016 – approx. 6.4 lane miles
 - Need to continue replacing/upgrading signal cabinets \$70,000
 - Waterfront Access/At-grade crossing study \$450,000 (2016)
 - Go to bid in March & Begin Construction 76th/212th Project in April - \$4,974,000
 - Construction of 236th St Walkway \$593,000
 - Discuss new TBD Authorities
- Decision Packages/Changes
 - Trackside (Wayside) Warning Horn System \$300,000
 - City-wide ADA Transition Plan \$110,000
 - ADA Curb Ramps \$25,000
 - Minor sidewalk program \$50,000
 - Traffic Calming \$20,000
- Expenditures

Expenditures	2015 Budget	2015 YE Estimate	2016 Recommended	Discussion
Fund 111/112	\$12,844,546	\$12,831,430	\$10,255,350	Capital Driven

Public Works – Administration, Engineering, Facilities, Fleet (AEFF)

- 2015 Accomplishments
 - Engineering Reviews (YTD September)
 - 330 Engineering permits were issued
 - 1,700 Engineering inspections have been performed
 - \$50,000 collected in traffic impact fees
 - Permits issued, inspections completed for numerous large development projects: Edmonds Post Office, Swedish Hospital, Prestige Skilled Nursing Facility, Brackett Court, Edmonds Memory Care, Starbucks on Edmonds Way, WinCo, Sherwood Elementary, Seabrook Plat (9th & Caspers) and 7 short plats.
 - Permits were issued for 40 single family residential projects
 - Permits were issued for approximately 160 additions/remodels & miscellaneous projects
 - AEFF
 - Unit #47 2015 Freightliner Vactor, replaced Unit #31, 1996 Volvo Vactor \$450K
 - Unit #19 2014 New Holland/Diamond mower, replaced Unit # 91, 2002 New Holland/US mower \$132k
 - Unit #10 2015 Isuzu NPR flatbed, replaced Unit #133, 2003 Isuzu NPR flatbed \$50K
 - Unit #310 2015 Ford SUV Interceptor, replaced Unit #651, 2008 Crown Vic \$55K
 - Unit #42 2015 Ford 3500 Transit van, replaced Unit #26, 2010 Chevrolet 3500 van \$38K (includes propane conversion)
 - Unit #112 2015 Solar Tech Variable message trailer \$20K
 - Unit #113 2015 Solar Tech Variable message trailer \$20K
 - In-house remodel of Finance offices and Green Room construction
 - ESCO IV for Library HVAC
 - Fishing Pier Rehab Design and grant acquisition
 - Meadowdale Clubhouse re-roofing project
- Challenges/Opportunities 2016
 - Maintain level of service on development reviews and inspections while updating the development and stormwater codes and our engineering standard details.
 - Completion of the 228th St. /76th Ave. Improvements Project
 - Construction of 212th/76th Intersection Improvements Project
 - Increasing maintenance investments in City-owned buildings
 - Delivering \$21.1M in capital improvements
- Graph of City Capital Program for Storm, Water, Sewer, Fund 112 and Parks, 2008-2014 actual, 2015 estimate and 2016 budget, advising the total capital program for 2016 is \$21,115,800.
- Decision Packages/Changes
 - DP #19: Increase Facilities Capital annual funding from \$56,600/yr to \$100,000/yr
 - DP #43: Return the custodial FTE removed in 2011 \$57,120/yr
 - DP #44: Construction Inspector (\$144,800 – includes new vehicle)
 - DP #45: Waterfront Access At-Grade Crossing Study \$450,000
 - DP #46: SR99 Access Mgmt. Study 220th-224th \$10,000
 - DP #47: Commute Trip Reduction program costs \$1,000
 - DP #48: FS20 Generator Replacement \$43,000
 - DP #49: FS17 Vehicle Bay Ceiling replacement \$10,000
 - DP #50: City Hall Fire door repairs \$6,000
 - DP #51: FAC Floor Repairs \$10,000 (DP51)

COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO EXTEND THE MEETING FOR 20 MINUTES. MOTION CARRIED UNANIMOUSLY.

Mr. Williams continued his review of Decision Packages/Changes:

AEFF: Total \$749,000 + \$50,000 (police mobile computers) = \$799,000

- Canopy for Propane station \$22k (DP63)
- Convert (4) work trucks - propane use \$30k (DP64)
- Nine new mobile Police computers \$50k (DP65)
- Sidewalk Program \$50k
- ADA Ramp upgrades \$25k
- (2) Signal Cabinet replacements \$70k
- 17 new vehicles
 - (3) Motorcycles (\$75k)
 - (4) Patrol cars (\$240k)
 - (2) Police Admin cars (\$66k)
 - New Engrg. Car (\$30k)
 - Replaced Engrg. Car (\$33k)
 - Parks 1-ton flatbeds (\$90k)
 - Building Div. Car (\$30k)
 - Streets Div. cars (1) pick-up, (1) electric (\$65k)
 - Parks backhoe/loader (\$120k)

- Expenditures

Expenditures	2015 Modified Budget	2015 YE Estimate	2016 Recommended	Discussion
Engineering, Facilities, Fleet, Administration	\$5,483,550	\$5,383,010	\$6,268,740	17 new vehicles + 2 new positions

Mayor Earling advised questions regarding the budget will begin next week.

D. CITY COUNCIL MEETING AGENDA FORMAT

Councilmember Bloom requested the Council discuss reordering agenda so that Approval of Agenda occurs after Audience Comments. This is in response to a request to ban crumb rubber when the media was present; it would have been more responsive to inform them that the matter would be scheduled on a future agenda instead of waiting until Council Comments. She did not envision this would happen often but would be a way to be more responsive to the audience.

Council President Fraley-Monillas distributed notes related to Council discussion in 2000 regarding the order of the agenda. Prior to 2011 Audience Comments were at the end of the agenda and it was moved to the beginning to allow citizen comment before Council discussed agenda items.

Councilmember Buckshnis did not support placing Approval of Agenda after Audience Comments. The Council President pays a great deal of attention to the agenda and she feared the process would deteriorate if things were added to the agenda on the fly. She found the existing format acceptable. With regard to the presence of the media cameras, the Council’s responsibility is to be responsive to citizens, not the local or national news.

Councilmember Mesaros did not support having Approval of the Agenda after Audience Comments. The Council is thoughtful about its agenda and citizens may be disappointed if they came to the meeting expecting the agenda to be changed and the Council decides not to change it. Approving the agenda after

Audience Comment could result in changing the agenda for some and not for others if there is no criteria for amending the agenda. The current order of the agenda allows public comment and Councilmembers always have the ability to add items to the agenda.

Councilmember Petso asked if Robert Rules allowed an agenda item to be added when the agenda is approved or later via agreement of the body as whole. City Attorney Jeff Taraday answered yes, the issue is permanently amending the agenda order so that Approval of the Agenda occurred after Audience Comment. Councilmember Petso summarized if a majority of the Council wanted to discuss an item raised during Audience Comment, it could be added to the agenda. Mr. Taraday agreed.

Council President Fraley-Monillas commented an item can be added to the agenda at any point during the meeting via a majority vote of Council. Mr. Taraday answered as a general rule yes, the Council controls its agenda throughout the meeting.

Councilmember Bloom observed there appeared to be no interest by Council in making this change so she would drop the request.

9. MAYOR'S COMMENTS

Mayor Earling reminded of the Holiday Market on Saturdays from November 21 through December 19 in the parking lot between City Hall and the Rusty Pelican. Mayor Earling reported the new Sound Transit CEO will be announced later this month.

10. COUNCIL REPORTS ON OUTSIDE BOARDS AND COMMITTEES

Councilmember Petso reported the Public Facilities District and Historic Preservation Commission continue to do great work. The Economic Development Commission (EDC) developed a list of items they would like to work on in the upcoming year if the EDC is renewed. Those items will be included in the packet when discussion regarding the EDC is presented to the Council.

Councilmember Mesaros reported the New World project is going fairly well with only a few minor glitches. Three Edmonds representatives attended SNOCOM's retreat last month where the future of SNOCOM and issues related to capital costs, locations, etc. were discussed.

Councilmember Mesaros reported the SeaShore Transportation Forum did not meet last month due to a major transportation conference on the eastside which he was unable to attend. He reported the Port Commission approved the Port's 2016 budget at its last meeting.

Councilmember Bloom reported the Tree Board discussed the Arbor Day celebration, turnover of board members, and ideas for the future such as speakers and public education. Board members will bring ideas for the coming year to the next meeting. One Tree Board Member coordinated a project with Public Works to spread mulch and plant trees in an area where sewer and water lines were installed. The Tree Board also participated in an Arbor Day planting event in Yost Park.

Councilmember Bloom referred to a debate on My Edmonds News regarding whether a police officer was present in the Council Chambers last week, assuring there was a police officer present last week and there is one tonight. She again requested the police be relieved of their responsibility at Council meetings as she did not believe the Council needed the protection and their services are better used elsewhere.

Councilmember Johnson reported tickets are still available for the Heritage Days Dinner on Friday, November 13. She was unable to attend the meetings earlier in October that she is assigned to due to health issues.

Councilmember Buckshnis reported on Lake Ballinger/McAleer Creek Watershed meeting. They are working on the Ballinger Park Master Plan and seeking grant funds from various sources for the estimated \$14 million cost. She is researching a 1942 court order that Edmonds put on Lake Ballinger to keep the lake at a certain level.

Councilmember Nelson reported on the Snohomish County Emergency Radio Systems Board meeting; a consultant has been hired to study replacing the countywide public safety radio system. During the August 29 windstorm all the radios were fully operational. The volume of traffic during a 12 hour that day was equivalent to 2 weeks of normal radio traffic. He reported the Climate Protection Committee now has three citizen members.

Council President Fraley-Monillas reported the EDC issue is coming to Council in 2 weeks on November 17. She reported on a tour she took of Hwy 99 this weekend including visiting Winco after the Seahawks game when it was very busy. She encouraged the public to try the New Taiwanese Boiling Point Restaurant at 220th & Hwy 99.

With regard to having a police officer in Council Chambers, Council President Fraley-Monillas explained police officer was present for many years, it happened to have been the Police Chief. She preferred to be safe than sorry and did not think it was worth sacrificing safety. Because the Council does not know the background of everyone attending Council meetings, she personally felt safer having an officer in the room. She wished everyone running for election good luck.

Student Representative Girouard reported her leadership class at Edmonds-Woodway High School is having a Veterans Day Assembly on November 10. She invited veterans to attend the assembly so that they could be honored. Mayor Earling suggested she contact the local media about publishing a story which may increase attendance.

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 10:22 p.m.