

EDMONDS CITY COUNCIL APPROVED MINUTES

November 26, 2013

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.

ELECTED OFFICIALS PRESENT

Dave Earling, Mayor
Lora Petso, Council President
Strom Peterson, Councilmember
Frank Yamamoto, Councilmember
Joan Bloom, Councilmember
Kristiana Johnson, Councilmember
Adrienne Fraley-Monillas, Councilmember
Diane Buckshnis, Councilmember

STAFF PRESENT

Al Compaan, Police Chief
Stephen Clifton, Community Services/Economic
Development Director
Phil Williams, Public Works Director
Roger Neumaier, Finance Director
Carrie Hite, Parks & Recreation Director
Rob Chave, Acting Development Services Dir.
Rob English, City Engineer
Sarah Mager, Accounting Supervisor
Debra Sharp, Accountant
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Jana Spellman, Senior Executive Council Asst.
Jeannie Dines, Recorder

1. ROLL CALL

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

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

At 6:02 p.m., Mayor Earling announced that the City Council would meet in executive session regarding pending and potential litigation per RCW 42.30.110(1)(i). He stated that the executive session was scheduled to last approximately 60 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 Yamamoto, Johnson, Fraley-Monillas, Buckshnis, Peterson, Petso and Bloom. Others present were City Attorney Jeff Taraday and City Clerk Scott Passey. The executive session concluded at 7:03 p.m.

Mayor Earling reconvened the regular City Council meeting at 7:05 p.m. and led the flag salute.

3. APPROVAL OF AGENDA

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

4. APPROVAL OF CONSENT AGENDA ITEMS

Council President Petso requested Item E be removed from the Consent Agenda.

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO APPROVE THE BALANCE OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:

- A. APPROVAL OF CITY COUNCIL MEETING MINUTES OF NOVEMBER 19, 2013**
- B. APPROVAL OF CLAIM CHECKS #205493 THROUGH #205646 DATED NOVEMBER 21, 2013 FOR \$1,030,376.55. APPROVAL OF PAYROLL DIRECT DEPOSIT AND CHECKS #60571 THROUGH #60583 AND REPLACEMENT CHECK #60593 FOR \$443,640.07, BENEFIT CHECKS #60584 THROUGH #60592 AND WIRE PAYMENTS OF \$123,102.61 FOR THE PERIOD NOVEMBER 1, 2013 THROUGH NOVEMBER 15, 2013**
- C. ACKNOWLEDGE RECEIPT OF CLAIMS FOR DAMAGES FROM SANDRA K. LUCE (AMOUNT UNDETERMINED) AND PEGGY ROSS (AMOUNT UNDETERMINED)**
- D. AUTHORIZE MAYOR TO SIGN CONTRACT TO AWARD BID FOR CITY PARK PLAY EQUIPMENT**
- F. AUTHORIZATION FOR MAYOR TO SIGN AND APPROVE THE SETTLEMENT AND RELEASE AGREEMENT FOR THE ANDERSEN PROPERTY AS PART OF THE FIVE CORNERS ROUNDABOUT PROJECT**
- G. APPROVAL OF PAYMENTS FOR KELLY DAY BUY BACK (CHECKS #60594 THROUGH #60627) FOR LAW ENFORCEMENT COMMISSIONED EMPLOYEES IN THE AMOUNT OF \$37,013.18 AND HOLIDAY BUY BACK (CHECKS #60628 THROUGH #60680) FOR LAW ENFORCEMENT COMMISSIONED EMPLOYEES AND LAW ENFORCEMENT SUPPORT SERVICE EMPLOYEES IN THE AMOUNT OF \$126,170.21 PER UNION CONTRACTS**

Item E: AUTHORIZE MAYOR TO SIGN FIRST AMENDMENT TO CONTRACT WITH CAROL MORRIS TO PROVIDE LEGAL SERVICES RELATED TO THE POINT EDWARDS BUILDING 10 CLOSED-RECORD APPEAL

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE ITEM E WITH THE CHANGES THAT MR. TARADAY HAS MADE, CHANGING THE AMOUNT TO AN ADDITIONAL \$5,000 FOR THE CAROL MORRIS CONTRACT UP TO A TOTAL OF \$10,000 AND WITH THE UNDERSTANDING THAT BY APPROVING ITEM E, COUNCIL IS ALSO AUTHORIZING THE COUNCIL PRESIDENT TO PAY THE ADDITIONAL INVOICES FROM THE COUNCIL CONTINGENCY BUDGET ITEM. MOTION CARRIED UNANIMOUSLY.

5. AUDIENCE COMMENTS

Natalie Shippen, Edmonds, said the City's sign code is largely meaningless because it regulates little and does not enforce what it regulates. Premise is defined as the actual physical area of the lot by which a sign is posted except within the boundaries of the BC and BD in the Downtown Activity Center where premises shall include any portion of the public sidewalk that fronts upon the lot, essentially giving the public sidewalk to the adjacent business. There is no enforcement except upon public complaint and anyone who requests investigation of a possible violation must provide their name. She concluded the sign code needed sweeping revisions. She disagreed with Mr. Chave's plan to work on solutions with the business community, pointing out businesses are the problem not the solution. She suggested the Council appoint a group of citizens with no economic interest in Edmonds work with Mr. Chave to revise the sign code. She suggested the group be provided sign codes from cities that have successfully attracted tourists such as Poulsbo and Port Townsend.

Roger Hertrich, Edmonds, referred to the proposed budget amendment to increase funding for the SR104 study from \$50,000 to \$150,000, and recommended the Council identify the reason for the study and/or the problem to be solved. Next, he questioned the amendment proposed by Council President Petso to reduce REET funding for paving. He also said the proposed budget included too many new hires and suggested placing the funds for new hires into the Council Contingency fund for consideration in 2014.

Bruce Witenberg, Edmonds, was appalled that some Councilmembers who profess to be public safety advocates do not support Police Chief Compaan's decision packages. He recalled comments he made at the last Council meeting regarding some Councilmembers' distrust of directors and their attempts to micromanage departments, finding this another example. Chief Compaan has the experience and expertise to make these recommendations; when cut were necessary, Chief Compaan offered not to fund the assistant police chief position for one year. He urged the Council to demonstrate their support for public safety by approving the decision package for a second assistant police chief position as well as the other Police Department decision package to add a police officer.

6. VETERANS' PLAZA UPDATE

Parks & Recreation Director Carrie Hite explained during the process of naming the mini park, there was a great deal of interest by the community in establishing a veterans' park. Following that process, she committed to working with a group to develop ideas for a veterans' park. Councilmember Peterson participated in the group as well as Ron Clyborne and Planning Board Member Neil Tibbott. The group discussed various locations for a veterans' park/plaza and identified the plaza outside the Public Safety building. If the Council agrees with the proposed location, the group will develop a design for a veterans' plaza and funding options.

Ron Clyborne, member of Veterans of Foreign Wars, American Legion, and Vietnam Veterans of America, advised there are over 500 members in these organizations and they, various Rotary Clubs, the Boots to Books Program at Edmonds Community College and various other service organizations support identifying a location in Edmonds to honor veterans. Edmonds is one of the few communities in the United States of this size and stature that does not have a location that honors veterans other than the monuments in front of the museum which is proposed to be moved. The proposed location for the Veterans Plaza, the plaza in front of the Public Safety building, is already a plaza and has two flagpoles, one that flies the American flag and the MIA/POW flag. The service organizations originally discussed a memorial park but now look forward to naming this location Veterans' Plaza to honor fallen heroes who did not return as well as honor veterans who have returned. He was a Marine in Vietnam and was one of the lucky ones able to return.

Mr. Clyborne explained the VFW and American Legion have set aside money to research and review what could be done in conjunction with the Parks and Planning Departments and the support of the City Council. It is the sacred obligation to honor the memory of veterans who sacrificed so much in the defense of liberty, freedom and the American way. In light of the willingness of those men and women who accepted the responsibility to defend America and who sacrificed so much in the discharge of their duties, creation of Veterans' Plaza would serve as a demonstration of the community's lasting gratitude and the high esteem in which they are held.

Councilmember Peterson thanked Parks & Recreation Director Carrie Hite and Parks Maintenance Manager Rich Lindsay for developing creative solutions. He also recognized Mr. Clyborne and Mr. Tibbott and other members of the community who participated in identifying a location. He found this a perfect opportunity and placement for a Veterans' Plaza with the firefighters' memorial nearby and the Public Safety building, all great representations of first responders. The plaza is easily accessible and provides a place for veterans to enjoy and reflect on their and others' service. He asked the Council for their support in proceeding with developing design ideas. He summarized this is a great opportunity for Edmonds and he was honored to be part of it.

Councilmember Fraley-Monillas commented this was a great idea that showed respect. Both her parents served in WWII; this location is a more appropriate way to honor veterans than the park in the ferry holding area. She commended whoever identified the Public Safety building plaza. Ms. Hite credited Mr. Lindsay with developing the idea.

7. COUNCIL DISCUSSION AND POSSIBLE ACTION ON PROPOSED AMENDMENTS TO THE 2014 BUDGET

Mr. Neumaier explained the Council reviewed the Mayor’s recommended budget in October. Last week the Council reviewed and discussed proposed budget amendments. Testimony has been taken during several Council meetings and will be taken again tonight. The schedule targets December 3 for budget adoption. Tonight’s schedule includes action on proposed amendments. He explained Councilmembers received a list of proposed amendments; the list groups related budget amendments which can be passed as a group or individually.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER YAMAMOTO, TO PUT THE MAYOR’S BUDGET ON THE TABLE FOR DISCUSSION.

Councilmember Buckshnis requested further information regarding the property tax ordinance.

Mr. Neumaier clarified the Council will amend the budget tonight but the budget will not be acted on tonight. He will provide further information regarding the property tax ordinance and the Council needs to vote on the property tax ordinance tonight.

MOTION CARRIED UNANIMOUSLY.

Mr. Neumaier explained Council motions on amendments, either individually or as a group, will be followed by discussion of specific issues and a vote. Some of the budget amendments early on the list affect later amendments. Accounting Supervisor Sarah Mager demonstrated how the spreadsheet will be updated as amendments are approved. Mr. Neumaier explained the vote on the property tax ordinance will occur after the amendment discussion and a decision whether to levy a 1% increase in general property tax. He will make a presentation on the property tax ordinance at that time. The state requires the property tax ordinance to be adopted by November 30, 2013.

Council President Petso asked the effect on the General Fund ending balance if the Council approves all the proposed amendments. Mr. Neumaier answered it would increase fund balance at the end of 2014 by \$62,967. The projection in out years is a decrease of \$137,000.

Councilmember Buckshnis pointed out not approving Package #3 will have a \$95,000 impact on the budget. Mr. Neumaier explained if the Council does not approve Package #3, the budget stands as proposed by Mayor Earling. If the Council approves Package #3, it reduces Mayor Earling’s proposed budget by \$10,067.

Public Testimony

There were no members of the public present who wished to provide comment.

Mr. Neumaier briefly reviewed each amendment package followed by Council discussion and action:

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
1	Development Services Building Professional Services information omitted from recommended budget		\$32,000	001	Chave

COUNCIL PRESIDENT PETSIO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE PACKAGE #1, ADDING \$32,000 INTO THE BUDGET FOR PROFESSIONAL SERVICES.

At Councilmember Bloom's request, Acting Development Services Director Rob Chave explained building professional services covers external reviews, particularly complex projects where structural reviews are sent to a consultant. There are several projects in the coming year that meet that criterion such as the Swedish-Edmonds emergency room expansion. This proposed amendment anticipates those required expenditures. Councilmember Bloom relayed her understanding this was not an ongoing expense. Mr. Chave agreed it would vary year-to-year depending on activity.

UPON ROLL CALL, MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
2	Eliminate Decision Package #5 – Non-Departmental Longevity Program		(31,900)	001	Buckshnis

Councilmember Buckshnis preferred that Package #2 be discussed by Council committee; she had some ideas about handling longevity in other ways.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO APPROVE PACKAGE #2, ELIMINATING DECISION PACKAGE #5, NON-DEPARTMENTAL LONGEVITY PROGRAM.

Councilmember Peterson did not support the motion, recalling this was proposed by a consultant in February. The Council approved some of the consultant's recommendations but delayed a decision on this recommendation. When it was discussed again a few months ago, it was delayed until the budget forecast determined whether there funds were available. The Mayor's budget indicates there are funds for this item. He was frustrated by the Council kicking the can further down the road. He was also concerned that the Council was willing to pay \$30,000 - \$40,000 for contract labor but was not willing to support existing City staff who may do some of the work the Council wanted to outsource. The nonrepresented employees who have worked for the City a long time deserve this compensation; it is a nod of appreciation to what staff has done, particularly during the past 10 years during staff shortages and budget cuts. He concluded it was important to give nonrepresented employee the longevity program that many other employees receive.

Councilmember Fraley-Monillas pointed out other employees received longevity pay as part of a negotiated package; those employees gave concessions in order to receive the longevity. She agreed this decision has been delayed twice and reappeared in the Mayor's budget. She recalled the Council's previous action was to not give longevity pay; it was not to delay a decision until the budget.

Councilmember Buckshnis was hopeful this issue could be resolved in the coming year. In her conversations with Parks & Recreation Director Carrie Hite, there are a variety of ways monetary value can be provided to long term employees. A lump sum is among the options being reviewed by the auditor and Mr. Taraday.

Councilmember Yamamoto commented \$31, 900 for approximately 40 employees was very minimal. He supported rewarding employees for their work; without that, there was no incentive for them to stay. He did not support the motion.

Councilmember Johnson commented there were very different budgetary circumstances when the Council last discussed this. She was interested in longevity pay for employees with 20+ years of service. The current proposal is to reward employees at incremental 5-year steps. The cost to provide 1% to nonrepresented

employees who have been employed 20+ years would be \$6,500 and \$13,000 to provide 2%. She favored true longevity pay for employees with 20+ years of service.

MOTION CARRIED (5-2), COUNCILMEMBER PETERSON AND YAMAMOTO VOTING NO.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
3	Decision Package # 16: An additional policeman rather than another Assistant Chief		(10,067)	001	Buckshnis

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO APPROVE PACKAGE #3, TO ADD A POLICEMAN RATHER THAN AN ANOTHER ASSISTANT CHIEF.

Councilmember Buckshnis said this amendment was the result of her meeting with four citizens; she may now vote against the motion. She found the information that Police Chief Compaan provided compelling; the budget includes another police officer and another supervisor is needed for the 51 commissioned officers in the Police Department.

Councilmember Peterson did not support the motion, commenting if any department needs excellent management, it is the Police Department. The chief and assistant chief have done an admirable job over the last year since the former assistant chief retired. If the Police Department were management heavy, he would consider replacing an assistant chief with another police officer but that is not the case. It is imperative to give the chief and assistant chief some help so that the City's police force can continue to keep citizens safe and make the City proud.

Councilmember Fraley-Monillas commented there has been an approximately 20% reduction in the police force in the last ten years due to cuts to direct service employees. She was approached by three patrol officers during the last six weeks and when asked whether they would rather have another assistant police chief or a patrol officer, all three said another patrol officer. She will support this amendment package for those two reasons.

Councilmember Yamamoto relayed none of corporations he is familiar with have only two management executives running a department 24/7. He was certain if management were queried, they would say there needed to be more management. He did not support the motion, pointing out the plan is to promote an assistant police chief from within and the budget includes another police officer.

Councilmember Johnson commented the questions are whether to have an additional assistant police chief and what the Police Department needs. Chief Compaan has explained the difficulty the department experienced during the past year with only one assistant chief, explaining she relied on his judgment over her own because he is the expert in that field. Hiring additional police officers is a separate question. She did not support the motion because she believed the Police Department needed another assistant chief.

Council President Petso was sympathetic to citizens' wishes to have additional officers. She found it interesting that the officers themselves would like additional officers but was inclined to vote no on this amendment because she believed Councilmembers have reason to bolster the Police Department's management team.

UPON ROLL CALL, MOTION FAILED (1-6), COUNCILMEMBER FRALEY-MONILLAS VOTING YES; COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS BLOOM, JOHNSON, PETERSON, YAMAMOTO, AND BUCKSHNIS VOTING NO.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
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4	Eliminate Decision Package #39 - "Eliminate transfer for LED fixtures to streetlights and improve Library HVAC systems	(210,000)	001	Petso
4	Eliminate Decision Package #39 - "Eliminate transfer for LED fixtures to streetlights and improve Library HVAC systems	(210,000)	016	Petso
4	Eliminate Decision Package #39 - Grants Portion	(90,000)	016	Petso
4	Eliminate Decision Package #39 - "Eliminate transfer from General Fund for LED fixtures to streetlights and improve Library HVAC systems	(300,000)		Petso

Mr. Neumaier explained package #4 has been modified since it was first proposed; instead of removing this expenditure of which \$90,000 was proposed to be a State grant, the proposal is to fund the \$210,000 via a low interest loan instead of on a cash basis from the General Fund.

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO APPROVE THE THREE AMENDMENTS THAT COMPRISE ITEM #4.

Council President Petso explained the ESCO III energy efficiency project approved in March 2013 has not yet been completed; that project was originally proposed to be funded via a low interest loan. The proposed budget pays the contribution to that project from General Fund cash. This project is just being formulated now and details are not available. The projects typically include the low interest loan and grant as part of the funding package. She preferred to rely on the grant rather than transfer money from the General Fund. This would allow more of the Council-proposed amendments to be funded and in the future the Council would have the option to fund the project from either General Fund cash or a low interest loan.

Councilmember Buckshnis commented \$210,000 of the \$300,000 cost would be funded via a low interest loan plus the \$90,000 grant. She asked how this impacted decision packages (DP) 38 and 39. Mr. Neumaier answered DP 38 and 39 are unrelated. He explained this project is proposed to be funded via ESCO IV; it is the same approach but in a different area. Councilmember Buckshnis inquired about the loan's interest rate. Mr. Neumaier relayed Public Works Director Phil Williams' estimate of 3%.

For Councilmember Yamamoto, Council President Petso explained the ESCO III project was initially to be funded via a low interest loan; a decision was made to fund the project from General Fund cash. When the complete project comes to the Council, the Council can make a decision whether to fund it via a loan or cash.

Councilmember Peterson asked about the return on investment of the energy savings. Mr. Neumaier relayed Mr. Williams' anticipation that the projects will probably pay for themselves; the funding source needs to be considered in that analysis. It is a policy decision for the Council. Although he understood the efficiencies in taking advantage of low interest loans, Councilmember Peterson was concerned with Council President Petso's support for using a loan for this project so that the Council could spend the \$210,000 somewhere else. He may be more comfortable if the \$210,000 were used for other energy retrofit opportunities. Mayor Earling advised his charge to staff was to identify one-time efficiencies that could be done on a cash basis.

Councilmember Buckshnis asked if that was the same reason DP 38 was to be funded with cash rather than an ESCO III loan. Mayor Earling answered yes. Mr. Neumaier explained when that project was originally presented to the Council, the interest rate was estimated to be 2%; it has increased to 3%. Councilmember Buckshnis asked whether the \$90,000 grant was guaranteed. Mr. Neumaier answered that was an assumption; Public Works believes they can obtain the grant. If they did not, they would return to the Council.

Council President Petso commented the reason for the difference between the ESCO III project and the ESCO IV project is the ESCO III project is defined and underway and cash funding makes more sense. The ESCO IV project is still in a conceptual stage and based on past experience, she was uncertain it would be funded in 2014.

Councilmember Bloom asked whether the \$210,000 could be allocated to another expenditure such as streets. Mr. Neumaier answered it is the Council’s decision; the alternatives are to not spend the money or spend the money elsewhere.

Councilmember Bloom expressed support for the motion, relaying her preference to use the 3% loan and use the cash for another purpose.

UPON ROLL CALL, MOTION FAILED (3-4), COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS BLOOM AND FRALEY-MONILLAS VOTING YES; COUNCILMEMBERS JOHNSON, PETERSON, YAMAMOTO AND BUCKSHNIS VOTING NO.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
5	Reduce Decision Package #48 and amount included as regular transfer from General Fund to Risk Management by \$300,000		(300,000)	001	Petso
5	Eliminate \$129,000 transfer to Fire Fighters Fund		(129,000)	001	Petso
5	Adjust Decision Package #36 to increase General Fund for paving and reduce REET for paving		450,000	001	Petso
5	Reduce Decision Package #48 and amount included as regular transfer from General Fund to Risk Management by \$300,000.	(300,000)		012	Petso
5	Adjust Decision Package #36 to increase General Fund for paving and reduce REET for paving		(450,000)	126	Petso

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO APPROVE THE AMENDMENTS LABELED AS PACKAGE #5.

Council President Petso recalled an audience member asked for clarification regarding this amendment. She explained by Council policy, the excess in Fund 126 (REET) is dedicated to park improvements and acquisition. The Mayor’s budget proposes instead to spend that money on paving. This package of amendments retains the use of the 126 Fund for park acquisition and improvements and delays a decision to use park funds for roads for at least another year. At that point the Parks, Recreation and Open Space (PROS) plan will be updated and the Council will be in a better position to determine how much funding can be allocated to paving projects. To avoid impacting the Mayor’s proposed paving plan under this amendment, funding for paving comes from the General Fund.

Councilmember Buckshnis suggested separating these amendments. She did not support reducing the transfer to the Risk Management Fund because of large, upcoming lawsuits. She referred to the Risk Management policy.

Council President Petso commented the \$900,000 proposed to be transferred into the Risk Management Fund is in excess of the target balance established by Council policy. The policy was 2%; the proposed transfer is at least 3%. That Council policy will be further violated unless this package of amendments is approved.

Councilmember Bloom expressed support for not utilizing funds from the REET 126 Fund particularly because the PROS Plan has not been completed. She questioned why this was proposed as part of the budget process. She also agreed with Council President Petso regarding the Risk Management Fund.

Councilmember Fraley-Monillas asked whether the items within package #5 could be separated. Mayor Earling commented that was the Council's decision; the motion is to approve them as a package. He relayed the Finance Department's indication that the \$129,000 could be used. He expressed his interest in identifying a stable funding source for paving via accessing some REET funds.

Councilmember Buckshnis pointed out only \$300,000 was being added to the Risk Management Fund, not \$900,000. Mr. Neumaier agreed, relaying the intent was to have the required amount in the fund during and at the end of the year. Councilmember Buckshnis recalled the fund was depleted last year and an amendment was required to replenish it.

Councilmember Yamamoto did not support the motion, especially eliminating the \$129,000 transfer to the Fire Fighter's Fund. Mayor Earling relayed Ms. Neumaier and Ms. Hite determined the \$129,000 could be used without damaging the fund. He did not support the other four items in the package of amendments.

Council President Petso referred to an interfund transfer on page 61 of the budget book of over \$900,000 into the Risk Management Fund.

Councilmember Johnson supported increasing paving in the City but was concerned with how REET 1, REET 2 and TBD funds were allocated. She acknowledged that is a larger issue that the Council may want to address in the coming year. She suggested separating the items in this package of amendments.

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO AMEND THE MOTION TO REMOVE THE ELIMINATION OF THE \$129,000 TRANSFER FROM THE FIRE FIGHTERS FUND.

Council President Petso asked for clarification what removing the \$129,000 meant. Councilmember Peterson responded that amount would not be part of Council President Petso's motion. He felt it best to separate the funding sources, pointing out the Fire Fighter's Fund was very different than the other two sources.

Councilmember Bloom preferred to review each item separately rather than remove and vote on them one item at a time.

Councilmember Fraley-Monillas suggested the maker of the motion withdraw the main motion. Council President Petso responded if the Council did not approve the main motion, it would be procedurally appropriate following that vote to make motions on individual items.

AMENDMENT CARRIED (5-2), COUNCIL PRESIDENT PETSO AND COUNCILMEMBER BLOOM VOTING NO.

UPON ROLL CALL, THE MAIN MOTION AS AMENDED FAILED (3-4), COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS BLOOM AND FRALEY-MONILLAS VOTING YES; COUNCILMEMBERS JOHNSON, PETERSON, YAMAMOTO AND BUCKSHNIS VOTING NO.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO ELIMINATE THE \$129,000 TRANSFER TO THE FIRE FIGHTERS FUND AND HAVE THAT BE ADJUSTED TO DECISION PACKAGE 36 TO INCREASE THE GENERAL FUND FOR PAVING AND REDUCE THE REET FOR PAVING.

Mr. Neumaier demonstrated the impact of Councilmember Buckshnis' motion on the spreadsheet, explaining the motion has a neutral impact on the General Fund and increases the REET fund balance.

Council President Petso clarified the amendment would not transfer \$129,000 to the Fire Fighter Pension Fund and instead allocate those funds to paving projects, thus preserving \$129,000 in the REET 126 fund. Mr. Neumaier agreed.

MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
6	Increase Professional Services in Development Svcs for code re-write. (One-Time)		75,000	001	Bloom
6	Code Re-write of Tree Code (One-Time)		25,000	001	Bloom

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO INCREASE PROFESSIONAL SERVICES IN DEVELOPMENT SERVICES DEPARTMENT FOR THE CODE REWRITE, A ONE-TIME EXPENDITURE OF \$75,000 AND A REWRITE OF THE TREE CODE, A ONE-TIME EXPENDITURE OF \$25,000.

Councilmember Bloom explained \$75,000 was previously earmarked for 2014 but was not included in the 2014 budget pending hiring of a Development Services Director. She preferred not to delay the code rewrite and to include the funds in the 2014 budget. The \$25,000 would allow the Tree Board to seek matching grant funds. A rewrite of the tree code is an enormous project and she was uncertain it could be completed for \$25,000 although it would allow a good start. The Tree Board also believes these funds will allow them to seek matching grants for mapping the tree canopy and impervious surfaces.

Councilmember Peterson asked what would be addressed with this year's \$75,000. Mr. Chave answered those funds were earmarked for Carol Morris to complete the basics for a good portion of the code as well as funds to allow Code Publishing to update the website; it would not address the tree code. Some of the funds will be carried forward into 2014. The \$75,000 that Councilmember Bloom's amendment contemplates would focus on sections that Ms. Morris's review has not addressed.

Councilmember Peterson suggested the motion be amended to include the inventory of the tree canopy and impervious surfaces. Mr. Chave agreed.

Councilmember Johnson suggested the Code Rewrite in package #6 be considered as part of package #14, Small Matching Grant Reserves for Boards and Commissions. She explained her intent was to have one line item for funding for boards and commissions.

COUNCILMEMBER JOHNSON MOVED TO AMEND THE MOTION CONSIDER ALL THE BOARDS AND COMMISSION PACKAGES AS ONE DECISION PACKAGE FOR A TOTAL AMOUNT OF \$102,000 WHICH INCLUDES THE ARTS COMMISSION, THE HISTORIC PRESERVATION COMMISSION, THE MATCHING GRANTS FOR BOARDS AND COMMISSIONS AND THE TREE BOARD, PACKAGES 6, 9 AND 14. MOTION DIED FOR LACK OF A SECOND.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO AMEND THE MOTION TO HAVE THE REWRITE OF THE TREE CODE INCLUDE SURVEY OF THE TREE CANOPY AND IMPERVIOUS SURFACES. AMENDMENT CARRIED (6-1), COUNCILMEMBER JOHNSON VOTING NO.

MAIN MOTION AS AMENDED CARRIED 7-0.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
7	Half-time coordinator of all volunteers (Ongoing)		40,000	001	Bloom

Councilmember Bloom relayed she is considering withdrawing this amendment following a discussion with Ms. Hite. The original intent of this amendment was related to the fact that last year when the Council approved student representatives on boards and commissions, there was no staff member available to recruit students. As a result of her conversation with Ms. Hite, she realized what she wanted was to involve more youth. She and Ms. Hite also discussed adding contract funds to assist with the volunteer appreciation picnic that was organized by Councilmember Johnson this year.

Ms. Hite clarified Councilmember Bloom was interested in increasing youth involvement in the City, on boards and commissions, events, planning processes, etc. Engaging youth in City government will take a great deal of outreach. In response to Councilmember Bloom’s suggestion for someone to assist with the volunteer appreciation picnic, she suggested including funds in the volunteer picnic package for contract staff to help organize the picnic.

Councilmember Bloom asked Ms. Hite to comment on potentially funding a youth coordinator position next year. Ms. Hite explained there are several cities in the region that have incorporated youth councils into their government model. That would require establishing a position that would develop relationships with local schools, get to know the students and recruit positions on a youth council. If the Council is interested in pursuing that, she offered to review other cities’ models and develop a proposal for the following year’s budget.

Councilmember Buckshnis asked about gift of public funds when hiring a caterer for the volunteer picnic. Mr. Neumaier answered the amount per person could not be increased but funds for organizing it would not be a conflict.

Councilmember Fraley-Monillas advised this year’s volunteer picnic was organized by Councilmember Johnson, Senior Executive Council Assistant Jana Spellman and herself with Council President Petso assisting with serving. She summarized Councilmember Johnson and she have the volunteer picnic under control.

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO WITHDRAW PACKAGE #7. MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
8	30,000 - 40,000 to hire a temporary part time Department contract staff to coordinate the strategic plan times		40,000	001	Fraley-Monillas
8	30,000 -40,000 to hire a temporary part time Department contract staff to coordinate the economic redevelopment to Highway 99 for 1 year.		40,000	001	Fraley-Monillas

COUNCILMEMBER FRALEY-MONILLAS MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO APPROVE PACKAGE #8 WITH IT ONLY BEING ONE POSITION INSTEAD OF TWO.

Councilmember Fraley-Monillas relayed this would be beneficial as little progress has been made on the strategic plan in the past two years. The person would coordinate the elements of the strategic plan and bring them together in a document for the Council and staff. The person could also coordinate planning for

Highway 99 as well as talk with the neighborhoods and businesses, coordinate redevelopment with the Economic Development Department and provide frequent reports to the Council. She envisioned this as one contract person via an RFQ process but with some level of Council access to this individual. This would be a one-time expenditure for 2014, approximately 10 months by the time the person was selected.

Councilmember Buckshnis clarified it took two years to develop the strategic plan; the plan was adopted in April 2013. She felt staff, led by Community Services/Economic Development Director Stephen Clifton, was doing a great job. She suggested holding retreats next year with the Council, EDC and stakeholders to work on the strategic plan. She felt this proposal was premature, advising the Highway 99 Task Force has done a great deal of work such as obtaining grants for the Internal District lighting.

Councilmember Fraley-Monillas pointed out the Highway 99 Task Force has been meeting for ten years; there is not sufficient staff to visit businesses. The City Council has become centric on issues in the downtown core; other areas of Edmonds need more attention. She invited Mr. Clifton to describe how he envisioned this position. Mayor Earling suggested he also describe efforts related to the strategic plan. Mr. Clifton advised Mayor Earling and the directors met to discuss this position and determined a contracted person could assist with both the strategic plan as well as the economic development. Many of the plan actions in the strategic plan are related to Highway 99. A contract person familiar with community organizations, comprehensive planning, land use planning, etc. could perform both functions.

With regard to the comment that little has been accomplished on the Strategic Plan for two years, Mr. Clifton explained the strategic plan took about 1½ years to complete and adopted on April 2, 2013. Implementation of the plan has only been underway for the past seven months. Some actions the Council took this year relate to plan actions such as adopting new regulations for public markets and some of the proposals in the 2014 budget are related to plan actions such as communications, economic development, promoting the arts, and a contract person to develop Facebook, YouTube and Google pages. He envisioned this person would report to his department because the job duties relate to economic development and the strategic plan. He envisioned issuing a Request for Qualifications (RFQ) or Request for Proposals (RFP).

Councilmember Fraley-Monillas commented there are at least 80 elements in the strategic plan and she was concerned no one had the time to chase them down. Mr. Clifton has taken on the responsibility of the strategic plan but prior to the adoption of the strategic plan, he already had a full-time job. She envisioned hiring someone who could coordinate the 80 elements and provide a document to Council and staff to move the strategic plan forward.

Councilmember Yamamoto commented he has been involved in the strategic plan from its inception; before he was a Councilmember, he was the Chair of the EDC, Councilmember Buckshnis was the Council representative and Councilmember Johnson was the Planning Board representative. He suggested the EDC and Highway 99 Task Force provide the Council updates, envisioning that could be accomplished without spending \$40,000 to hire a contract person.

Councilmember Peterson commented it is too early in the strategic plan process to bring in an outside professional hired by the City. Many of the 80 elements in the strategic plan are outside the City's purview. He preferred to hold a roundtable with the Council, EDC, Chamber of Commerce, Swedish-Edmonds Hospital, the Port, and other organizations identified as key stakeholders in the strategic plan. He preferred it be a community led project rather than a City-led project, noting there may be funding opportunities from other stakeholders.

Councilmember Peterson took issue with spending \$40,000 - \$60,000 to hire outside contract employees when City staff has been overworked and often underpaid over the past ten years and the Council chose not to provide longevity pay. Much of the internal work related to the strategic plan and Highway 99 could be

done in-house. He may be amenable to an RFP process if that is what the organization committee recommends next year.

Councilmember Fraley-Monillas clarified her amendment had nothing to do with the EDC, it was related to the strategic plan. The strategic plan requires community input; she questioned who would collect information from the community. She expressed willingness to withdraw her motion.

Council President Petso thanked Councilmember Fraley-Monillas and Mr. Clifton for clarifying this amendment and for considering whether this person could also handle the social media improvements suggested by Mr. Clifton. She described things that have happened over the past year that led to her support for this contract person such as the Planning Board’s interest in starting a Highway 99 Task Force, unaware there already was one and the PROS Plan committee’s believe they had to include a proposal to move the senior center because it was in the adopted strategic plan. She relayed 63% of the respondents to the strategic plan survey felt moving the senior center was a low or very low priority. When the strategic plan was adopted, it was acknowledged the low priorities would not attract a great deal of City resources and were left in the plan in case another organization wanted to pursue it. She supported hiring a contract person to coordinate implementation of the strategic plan.

Councilmember Buckshnis clarified the strategic plan is a dynamic process and other stakeholders are involved. She recalled if one citizen recommended moving the senior center, it was included in the strategic plan; that was one of her criticisms of the strategic plan process. The stakeholders in the strategic plan are working on their elements and a meeting has not yet been held to discuss their efforts. She preferred to allow the stakeholders and the EDC to continue their efforts and determine later whether a coordination person to is necessary.

Mayor Earling asked the estimated cost of hiring one person for this position. Councilmember Fraley-Monillas answered \$70,000; he/she would report to Mr. Clifton with feedback to the City Council.

UPON ROLL CALL, MOTION FAILED (3-4), COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS BLOOM AND FRALEY-MONILLAS VOTING YES; COUNCILMEMBERS JOHNSON, PETERSON, YAMAMOTO AND BUCKSHNIS VOTING NO.

COUNCILMEMBER JOHNSON MOVED, SECONDED BY COUNCILMEMBER BLOOM TO APPROVE HIRING A TEMPORARY PART TIME DEPARTMENT CONTRACT STAFF TO COORDINATE THE STRATEGIC PLAN TIME. UPON ROLL CALL, MOTION CARRIED (4-3), COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS BLOOM, JOHNSON AND FRALEY-MONILLAS VOTING YES; COUNCILMEMBERS PETERSON, YAMAMOTO, AND BUCKSHNIS VOTING NO.

Mayor Earling asked for clarification if the estimated cost was the \$30,000 - \$40,000 range identified in the proposal and reporting to Mr. Clifton with feedback to the Council. Councilmember Johnson answered yes.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
9	Transfer from GF to Historical Preservation Fund for reprint of historic preservation brochures		2,000	001	Johnson
9	Grant Funding for Historical Preservation Printing	5,000		014	Johnson
9	Transfer of Funds from General Fund for Historic Preservation Brochures	2,000		014	Johnson
9	Historic Preservation Commission Calendar		5,000	014	Johnson
9	Historic Preservation Commission Brochure		2,000	014	Johnson

COUNCILMEMBER JOHNSON MOVED, SECONDED BY COUNCIL PRESIDENT PETSO, TO ADOPT THE ENTIRE PACKAGE #9.

For Councilmember Yamamoto, Mr. Neumaier explained there is \$2,000 allocated from the General Fund for the brochures and the \$5,000 depends on grant revenue; if the grant is not received, the expenditure will not occur. Councilmember Johnson relayed her understanding that if the grant was received, \$5,000 from the General Fund would not be needed. Mr. Chave advised the funding is currently structured as Mr. Neumaier described. Mr. Neumaier suggested amending the package as follows:

Pkg #	Amended Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
9	Transfer from GF to Historical Preservation Fund for reprint of historic preservation brochures		7,000	001	Johnson
9	Transfer of Funds from General Fund for Historic Preservation Brochures	7,000		014	Johnson
9	Historic Preservation Commission Calendar		5,000	014	Johnson
9	Historic Preservation Commission Brochure		2,000	014	Johnson

Council President Petso expressed support for the proposal. She pointed out reprinting of the historic preservation brochure is done every few years when the HPC runs out of brochures; they were last reprinted in 2007.

MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
10	Annual Citizen Appreciation Picnic		1,000	001	Johnson

COUNCILMEMBER JOHNSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE PACKAGE #10. MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
11	Council part-time legislative analyst position		40,000	001	Johnson

COUNCILMEMBER JOHNSON MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO APPROVE #11, COUNCIL PART-TIME LEGISLATIVE ANALYSIS POSITION, IN THE AMOUNT OF \$40,000.

Councilmember Johnson explained this would be a new position to provide support to the Council. Many cities have legislative analysts; she suggested filling the position on a trial basis such the second and third quarters for half the amount. That would allow time for Council to consider how the position would assist them.

Councilmember Buckshnis did not support the motion, questioning the need for another position when the Senior Executive Council Assistant to always been able to obtain whatever information she needed. Her research found most other small local cities do not have a part-time analyst other than a council assistant.

Councilmember Bloom expressed interest in funding this position and suggested the Council discuss the details of the position at a Council retreat. If the position is not funded, she requested it be discussed at next year's retreat.

Councilmember Peterson did not support the motion, preferring to discuss it at a Council retreat before funding it. The Council has historically had a half-time person to support the Council; he found this a radical increase.

Councilmember Yamamoto agreed with Councilmember Peterson, relaying his preference to outline the position before funding it.

UPON ROLL CALL, MOTION FAILED (3-4), COUNCILMEMBERS BLOOM, JOHNSON, FRALEY-MONILLAS VOTING YES; COUNCIL PRESIDENT PETSO AND COUNCILMEMBERS PETERSON, YAMAMOTO AND BUCKSHNIS VOTING NO.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
12	Transfer of \$100,000 from General Fund to 112 for SR104 Study.		100,000	001	Johnson
12	Transfer of Funds from General Fund for SR 104 Study	100,000		112	Johnson
12	Increase Fund for SR104 Study from \$50,000 to \$150,000.		100,000	112	Johnson

Councilmember Johnson requested a legislative analyst be discussed at the Council retreat.

COUNCILMEMBER JOHNSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO APPROVE PACKAGE #12.

Councilmember Johnson explained last year a \$150,000 transportation study of the SR104 corridor from the ferry to 76th was included in the CIP. The Council allocated \$50,000 toward that study in last year’s budget; those funds will be carried over into 2014. The additional \$100,000 would provide the necessary funding for the study. The purpose of the study is to identify what the roadway configuration would be, look at the roadway from edge to edge, sidewalk improvements, driveway access, internal circulation and the relationship to the built environment. It would not include any transportation modeling, traffic analysis or traffic impact analysis. She and City staff met yesterday to discuss the project limits, scope, and funding. She summarized it was important to do this study in conjunction with the Westgate form-based code.

Council President Petso questioned how the roadway would be designed if the study did not include traffic, capacity or access analysis. Councilmember Johnson responded because the section of SR104 from Highway 99 to the ferry is considered a highway of statewide significance, there are no level of service requirements. A complete transportation study done in 2009 determined no capacity improvements were needed at that time. Two subsequent traffic analyses have been conducted for the intersection of SR104 and 100th/9th Avenue. The transportation element of the Comprehensive Plan will be updated in 2015.

Councilmember Bloom asked whether this would include pedestrian and non-motorized improvements. Councilmember Johnson answered yes.

Council President Petso relayed although she voted in favor of this study last year, she does not support the study now because it has morphed into a study that will not include traffic or capacity analyses. Problems that exist at the Westgate intersection and capacity issues at SR104/76th Avenue indicate those analyses need to be included in the study. She questioned designing a sidewalk or bike lane only to find it needed to be removed to create travel lanes. Councilmember Johnson answered the CIP project has not changed; it never included that level of traffic analysis.

Councilmember Buckshnis inquired about the outcome of the meeting between Mayor Earling, Mr. Chave, Mr. English, Mr. Hauss and Councilmember Johnson. Mayor Earling responded as a result of that meeting, staff is comfortable with the scope of the study.

Councilmember Bloom asked why a capacity analysis would not be included in the study and whether there was a risk that sidewalks and bike trails could be eliminated in the future to add a right turn lane at Westgate. City Engineer Rob English explained modeling that was done in the 2009 Transportation Plan to 2030 based on projected growth both regionally and within Edmonds projected a level of service (LOS) at that intersection of D. LOS D is the City’s accepted LOS but as Councilmember Johnson indicated, there is no LOS standard because SR104 is a corridor of statewide significant. When proposed development at Westgate was considered last year, the projected growth remained at LOS D. Through the planning horizon of 2030 there is no projection for LOS to drop below D.

Councilmember Bloom asked whether there was a risk that sidewalks and bike trails could be eliminated later. Mr. English answered based on best guestimates of population growth, etc. the LOS D is adequate. The Transportation Plan will be updated as part of the Comprehensive Plan update in 2015; that planning horizon is 2035 or 2040. He summarized it is difficult to project beyond that timeframe.

Councilmember Yamamoto asked whether the study would be completed next year. Mr. English anticipated beginning the study next year, acknowledging one of the challenges is staff levels. Councilmember Yamamoto asked whether the complete \$150,000 was needed in 2014 or if only half would be needed in 2014. Mayor Earling relayed staff’s indication it would take approximately nine months to complete the study. Mr. English advised the duration of the study will be determined by the consultant’s scope of work; there will be an RFQ process followed by consultant selection and development of a scope of work that will be presented to the Council for review and approval.

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

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
13	Green Resource Room at City Hall.		25,000	001	Peterson
13	Green Resource Room at City Hall.		8,333	421	Peterson
13	Green Resource Room at City Hall.		8,333	422	Peterson
13	Green Resource Room at City Hall.		8,333	423	Peterson

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE PACKAGE #13, A GREEN RESOURCE ROOM AT CITY HALL WITH \$25,000 FROM THE GENERAL FUND AND THE REMAINDER FROM EACH OF THE UTILITY FUNDS.

Councilmember Peterson explained the Green Resource Center, located on the second floor in the Building Department, would provide a place for staff to present green alternatives to developers and citizens as well as provide staff training on the latest green building technology. This will continue Edmonds’ excellent progress on more energy efficient public buildings as well as residences and commercial buildings.

Councilmember Fraley-Monillas asked how the \$25,000 would be used. Councilmember Peterson answered it would fund reconfiguration of the second floor to provide space for displays such as pervious pavement, insulation values, etc. It would also fund staff training. Councilmember Fraley-Monillas asked who would provide staff training. Councilmember Peterson answered there are many organizations that provide training; staff that attend training can then train other staff.

Councilmember Yamamoto inquired about the \$8,333 from each utility. Councilmember Peterson advised the funding provided by the utilities was appropriate because green building techniques have a positive effect on each utility.

For Councilmember Bloom, Councilmember Peterson explained the total funding is \$50,000; \$25,000 from the General Fund and the remaining \$25,000 equally divided between the three utilities. This is a one-time expenditure to create the Green Resource Center; there may be minor ongoing expenses such as reprinting of materials, etc. Councilmember Bloom asked whether there would be matching funds for grants to pay for training. Councilmember Peterson responded he was not aware of grant-funded training; there are many reasonably priced training opportunities.

Councilmember Bloom inquired about the utilities providing funding. Councilmember Peterson explained training will include low impact development technology which is related to stormwater as well as water conservation technology which is related to water and sewer. There is also a General Fund element.

Councilmember Johnson said education is a good first step in green technology. This has been discussed for years by the Mayor’s Climate Protection Committee as well as the Planning Board. Education will result in better results for green buildings in the City.

MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
14	Small Matching Grant Reserves for Boards and Commissions		50,000	001	Peterson

Councilmember Peterson explained he will reduce the amount requested as it was intended to include the tree code rewrite by the Tree Board which was approved as Package #6.

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE #14 IN THE AMOUNT OF \$25,000.

Councilmember Peterson explained unlike the funding for the tree board rewrite, this would provide matching grants funds for boards and commissions that could be accessed quickly rather than seeking Council approval for individual requests. He had nothing specific in mind other than allowing boards and commissions to be creative in identifying opportunities.

Councilmember Bloom asked how boards and commission members know about grants, know the matching funds are available or access the funds. For example the Tree Board does not have a dedicated staff member to seek grants. Councilmember Peterson explained members of boards and committees often have professional experience and/or networking where they learn about grant opportunities.

Councilmember Bloom asked whether a limit would be established for each board or commission. Councilmember Peterson answered no, envisioning grant opportunities would be vetted through staff with a recommendation to Council.

Council President Petso clarified the funds would not be awarded without Council approval. Councilmember Peterson answered that would be ideal particularly in this first stage. If the funding was successful, perhaps in future years funding under \$2,000 could be done without Council approval.

Mr. Neumaier clarified this amount would be in Non-Departmental and would be accessed via a department asking the Council for authority. Councilmember Peterson agreed.

Councilmember Fraley-Monillas was uncomfortable with this concept when it had not been vetted well and many boards and commissions do not have staff support.

Councilmember Bloom commented most boards and commissions have Council liaisons. For example as the liaison to the Tree Board, she will inform them of the availability of these funds. Mayor Earling offered to send a notice to all boards and commissions of the availability of the funds and with further Council input, outline the process for accessing the funds.

UPON ROLL CALL, MOTION CARRIED (5-2), COUNCILMEMBERS YAMAMOTO, BUCKSHNIS, BLOOM AND PETERSON AND COUNCIL PRESIDENT PETSO VOTING YES; COUNCILMEMBERS FRALEY-MONILLAS AND JOHNSON VOTING NO.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
15	Marsh Restoration Using Council Reserved \$200K (note that we need to establish a mechanism for contributions)		200,000	126	Buckshnis
15	Remove Council reserve for projects		(200,000)	126	Buckshnis

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETERSON, TO PUT \$200,000 ASIDE IN A NEW FUND FOR MARSH RESTORATION.

Councilmember Buckshnis advised there is a tremendous amount of money available. She also recommended establishing a 501(c)(3).

Council President Petso asked if this was intended to be a transfer from the General Fund or the 126 Fund. Councilmember Buckshnis answered it was from the \$400,000 membership/non-departmental in the General Fund.

MOTION CARRIED UNANIMOUSLY.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
16	Bank 1% Property Tax instead of Levying it in 2014	(98,000)		001	Petso

Council President Petso advised this item will be considered separately with the property tax ordinance.

Councilmember Buckshnis preferred to vote on this item separately. She relayed the 2014 budget is very aggressive and there are unknowns associated with the 7% increase in revenue and the 16% increase in expenditures. The City could use the \$98,000 generated by a 1% increase in the property tax in a variety of ways such as a redundant fiber optic line, etc. She preferred to maintain the status quo of levying a 1% property tax increase each year.

Mr. Neumaier advised two ordinances have been prepared; they are identical with the exception of the property tax levy; one ordinance increases the property tax levy by 1%, the other banks the 1% property tax increase. There are three elements in the property tax ordinance: general property tax, the emergency medical services (EMS) levy, and the public bond levy which will expire after 2016. With regard to the EMS levy, he explained it has been at \$0.50/\$1000 of assessed value. Property values decreased in recent years; when property values increase, the Council needs to affirm the \$0.50/\$1000 level.

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER PETERSON, TO EXTEND THE MEETING FOR 40 MINUTES. MOTION CARRIED (6-1), COUNCILMEMBER FRALEY-MONILLAS VOTING NO.

Mr. Neumaier explained the Mayor's budget assumed the EMS levy would continue at the \$0.50/\$1000 level. That will generate only 80% of the revenue generated in 2009. Based on advice from the County

Assessor's Office, the ordinance must explicitly state the City wishes to keep the levy rate at \$0.50 and state the change in the amount and percentage. The ordinance states there is an 11% increase in the EMS levy to achieve consistency in the rate. With regard to the public bond levy, Mr. Neumaier explained it will expire after 2016; there is no proposal to increase or decrease that element. He summarized the policy issue for the Council's consideration is whether to bank the 1% property tax or levy the 1% property tax.

Mayor Earling suggested the Council complete their review of the amendment packages before voting on the property tax levy.

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
17	Reduce Decision Package #46- GF portion of Reserve for Major Capital Projects. This package could positively impact the General Fund fund balance by an amount of from \$0 to \$400 thousand General Fund impact			001	Buckshnis

Pkg #	Proposed Amendment Description	Revenue \$	Expense \$	Fund	Requester
18	To the extent that the Council uses the \$400,000 one-time project reserve to fund Projects, this amendment will transfer that \$400,000 to those projects rather than use fund balance		400,000	001	Neumaier

Mr. Neumaier explained with the amendments that have been approved, the amount in Council one-time projects is \$497,000.

COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETERSON, TO REMOVE \$400,000 FROM THE GENERAL FUND BECAUSE THE COUNCIL EXPENDED IT IN THE PREVIOUS 15 ITEMS.

Council President Petso clarified the motion was effectively approving Item 18. Mayor Earling agreed.

MOTION CARRIED UNANIMOUSLY.

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO CONTINUE THE MAYOR'S BUDGET AS AMENDED TO THE DECEMBER 3 MEETING. MOTION CARRIED UNANIMOUSLY.

Property Tax Ordinance

Mr. Neumaier distributed the two property tax ordinances, levying the 1% property tax increase or banking the 1% property tax increase.

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO APPROVE ORDINANCE NO. 3946 USING THE BANKED CAPACITY VERSION OF THE ORDINANCE.

Council President Petso relayed a citizen's appreciation for the Council not taking money from citizens if it was not needed. She expressed support for banking the capacity, noting it could be levied in future years if necessary.

Councilmember Buckshnis relayed she heard from six citizens who preferred to maintain the status quo. The budget shows a \$1.6 million deficit because expenses are 16% more than revenue. She preferred to maintain the status quo of a 1% increase that had been done since the Eyman initiative was passed in 1999. She envisioned the additional \$98,000 could be used for a variety of purposes including fiber optic redundancy or to cover the \$98,100 that the Council exceeded its allocation for one-time expenditures.

Councilmember Fraley-Monillas commented the City was at a point where they could give a little back to citizens. If an additional \$98,000 was needed, she suggested it be identified elsewhere in the budget. There is an opportunity this year not to levy the 1% property tax increase, although she recognized the banked capacity may need to be levied next year, resulting in a 2% increase. She supported the motion, summarizing it was a good thing for the taxpayers.

Councilmember Peterson did not support the motion, pointing out it has been over a decade since Eyman's initiative put a chokehold on city and county governments. The City provides service to its citizens and it is due to the incredible staff that services have continued to exceed those offered by neighboring cities. Citizens are aware that services such as an additional patrol officer or the other amendments the Council approved cost money. He recognized some of the Council amendments were not must-haves such as the Green Resource Room, but citizens are willing to provide their share to support quality of life. He emphatically opposed banking the 1% property tax increase.

Councilmember Bloom expressed support for the motion. She was disturbed by the approval of a 3 year 9.5% utility rate increase, a \$266 increase to the average household. She felt this was the least the Council could do to give citizens a little bit of a break, recognizing if the budget looked bad next year or the following year, the Council could levy the banked capacity and citizens would understand.

Councilmember Johnson expressed support for the motion, finding it an opportunity for the Council to save taxpayers some money. She was willing to relook at the budget to identify additional savings to compensate for this.

Councilmember Peterson referred to the utility rate increases, explaining those increases were necessary because the City has not raised some utility rates in nearly a decade, kicking the rate increase can down the road. Now the Council wants to kick the tax increase can down the road and he anticipated the Council would balk at raising property taxes 2% in the future even if the City needed the money. If the Council was really interested in saving money in the budget, the Council likely would not have approved the foregoing amendments.

Councilmember Buckshnis advised the utility rate increase is approximately \$7.50/month or \$90/year for 3 years. She agreed with Councilmember Peterson's comments. She questioned the source of the additional \$98,000 expended on Council amendments.

Council President Petso commented the budget was not \$98,000 in the hole. There is a budget deficit of \$1.6 million; most of it one-time expenditures. The City will end next year with nearly \$10 million in the 001 and 002 funds. The Council could look for the \$98,000 but she was inclined to say close enough and not worry about it due to the City's healthy reserves.

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

8. DISCUSSION OF THE VOUCHER TO THE PUBLIC FACILITIES DISTRICT (PFD)

Finance Director Roger Neumaier referred to Councilmember Bloom's question at the last Council meeting regarding whether the Public Facilities District (PFD) had indicated their intent to request a lower loan amount. He explained the budget included \$190,000; the PFD requested \$180,000. There was no discussion or intent to request a lower amount.

9. **CONTINUED DISCUSSION REGARDING THE ESTABLISHMENT AND OPERATION OF ANY STRUCTURES OR USES RELATING TO COLLECTIVE GARDENS, MARIJUANA PRODUCTION, PROCESSING, OR RETAILING IN THE CITY OF EDMONDS**

City Attorney Jeff Taraday explained this was introduced to the Council in August/September; the memo from that packet is included in tonight's packet. Since that time all three Council committees have addressed the issue. He outlined the Council's policy choices: allow I-502 marijuana stores in Edmonds or ban them. That decision will determine how staff proceeds. The moratorium expires approximately February 20, 2014.

Councilmember Fraley-Monillas spoke in favor of allowing dispensaries in Edmonds, particularly in the Hospital District, recognizing marijuana is increasingly prescribed for medical purposes. She recognized further discussion of the specifics would be required.

Councilmember Johnson recalled Mr. Taraday's advice to wait to observe what happened in Kent's case. Mr. Taraday answered it is still his opinion that the Council has the ability to ban but there has not yet been a definitive ruling from the Court of Appeals or Supreme Court. That is also the consensus among attorneys in the municipal law community. If anything changes in the coming months and it is determined the City cannot ban, he will immediately inform the Council.

Council President Petso asked Police Chief Compaan, 1) whether he has a recommendation regarding allowing or banning and 2) what he knows about difficulties or problem that arise if they are allowed. Chief Compaan answered this is uncharted territory; he has his own personal and professional opinions. One can hypothesize about the value added to society; there is still the conflict between state and federal law although the Attorney General of the United States has indicated the federal government will take a step back with certain conditions. The regulatory infrastructure established by the Liquor Control Board (LCB) provides a fairly high degree of regulation including security and siting. There needs to be further uniformity between the medical marijuana and the retailing of marijuana in state law as there currently are two separate systems that are somewhat in conflict. He assumed the legislature would be revisiting that issue. He agreed it was a policy decision for the Council.

Council President Petso referred to the required buffer zone around schools, parks, daycares, etc. and asked whether an existing facility would be grandfathered if a daycare or park opened within the buffer. Mr. Taraday answered he was uncertain what the LCB would do in that situation; there may be a renewal process. He reiterated there is a fundamental question to be answered, whether the Council wants to allow marijuana facilities or ban them. If the Council wants to allow them, there will be plenty of time to work out the details such as the question Council President Petso posed. However, if the Council wants to ban them, that question does not need to be answered.

Councilmember Buckshnis did not support a ban. Chief Compaan explained there is a difference between dispensaries and retail establishments. Dispensaries are still illegal under state law although some municipalities have looked the other way. Mr. Taraday clarified the decision tonight is only the I-502 LCB licensed facilities. Anything else will be banned because it is not allowed under state law now.

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO DIRECT STAFF TO BRING BACK A RECOMMENDATION ADOPTING ZONING AND OTHER ISSUES IN FAVOR OF ALLOWING MARIJUANA BUSINESSES AS RELATED TO I-502. MOTION CARRIED (6-0-1), COUNCILMEMBER JOHNSON ABSTAINED.

10. **REPORT ON CITY COUNCIL COMMITTEE MEETINGS OF NOVEMBER 12, 2013**

Public Safety & Personnel Committee

Councilmember Peterson reported on the following items discussed by the committee:

- A. Residential Dwelling Sprinkler Report – Information only
- B. Update for renewal of 2014 Executive Assistant to Council Employment Agreement – Consent Agenda
- C. Discussion and potential action regarding Chapter 2.10 – Full Council agenda item
- D. Discussion and possible action regarding Code of Conduct – Full Council agenda item
- E. Discussion regarding Council attendance via speaker phone – Full Council agenda item

Finance Committee

Councilmember Yamamoto reported on the following item discussed by the committee:

- A. Update for renewal of 2014 Executive Assistant to Council Employment Agreement – Consent Agenda
- B. Authorization for Mayor to Sign Intergovernmental Cooperative Purchasing Agreement with Alderwood Water & Wastewater District (AWWD) – Consent Agenda
- C. Authorization for the Mayor to Sign the SRF Loan from the State of Washington for WWTP Switchgear Project – Full Council agenda item
- D. Discussion of Edmonds Public Facilities District Task Force Preliminary Report – Information only
- E. Discussion and Potential Action regarding Audited Financial Statement Issue and Council Oversight of Removing Receivables – Full Council agenda item after PFD audit completed
- F. 2013 November Budget Amendment – Full Council agenda item
- G. 2013 September Budgetary Financial Report – Full Council agenda item
- H. Authorization for Mayor to Sign HGAC Interlocal Contract for Cooperative Purchasing Agreement – Consent Agenda

Parks, Planning & Public Works Committee

Councilmember Johnson reported on the following item discussed by the committee:

- A. Minor technical amendments to ECDC 10.90.040 regarding the Historic Preservation Commission's powers and duties - Consent Agenda
- B. Expression of support for potential solar grant partnership – Consent Agenda with understanding future memorandum of understanding resulting from successful grant require further Council review
- C. 2014 Engineering and Development Services Fees resolution – Full Council agenda item
- D. Authorization for Mayor to sign agreements with Frontier, Snohomish County PUD, Comcast, and Astound Broadband, LLC for the underground conversion of overhead utility lines within the Five Corners Roundabout project limits – Consent Agenda

COUNCIL PRESIDENT PETSO MOVED, SECONDED BY COUNCILMEMBER PETERSON, TO EXTEND THE MEETING FOR 10 MINUTES. MOTION CARRIED UNANIMOUSLY.

Councilmember Johnson continued her report regarding items discussed by the Parks, Planning & Public Works Committee:

- E. Authorization for Mayor to Sign Intergovernmental Cooperative Purchasing Agreement with Alderwood Water & Wastewater District – Consent Agenda
- F. Authorization to award a contract for the Citywide Safety Improvements Project – Consent Agenda
- G. Authorize Mayor to sign Interlocal Agreement with Snohomish County for Conservation Futures Grant to acquire beachfront property – Consent Agenda
- H. Authorization for Mayor to sign HGAC Interlocal Contract for Cooperative Purchasing Agreement – Consent Agenda
- I. Authorization for Mayor to sign Supplemental Agreement #8 with David Evans & Associates for additional illumination work for the Five Corners Roundabout project – Consent Agenda

- J. Authorization for Mayor to sign an Interlocal Agreement (ILA) with Snohomish County for a Natural Yard Care Practices Outreach Program Targeting Homeowners – Consent Agenda
- K. Authorization for the Mayor to sign Supplemental Agreement No. 2 with the Blueline Group for additional construction inspection and administration services – Consent Agenda
- L. Acceptance of a 50-foot street dedication (105th Pl W) and authorization for Mayor to sign face of plat documents accepting the street dedication – Full Council December 3, 2013
- M. Veterans’ Memorial Park Update – Full Council November 26, 2013
- N. City Park project update – A special Parks, Planning & Public Works Committee meeting was held on November 20.

11. REPORT ON OUTSIDE BOARD AND COMMITTEE MEETINGS

Councilmember Fraley-Monillas reported the Parking Committee is discussing more parking downtown. The building to the south of the ferry terminal has underground long term rental parking. The Highway 99 Task Force asked Mr. Chave to propose amendments to the zoning on Highway 99 to allow different types of development. The EDC was provided an update on the Westgate project.

Councilmember Johnson reported on the Historical Society dinner that was attended by over 200 people. She attended the Planning Board’s November 13 meeting, the HPC’s November 14 meeting and the EDC’s November 20th meeting.

Councilmember Peterson reported on the PFD meeting, relaying the PFD has hired some additional staff to fill vacancies. ECA Staff reported ticket sales for all this year’s performances have been at or near 90%.

Councilmember Buckshnis reported on the WRIA 8 meeting, relaying that the legislature funded the Puget Sound Acquisition and Restoration Program in the amount of \$70 million for 2013 through 2015. Seven members of WRIA 8 are retiring. She reported Mayor Earling provided an update on Sound Transit at the Snohomish County Tomorrow meeting. The meeting also included updates on SEPA regulations and the 2015 Comprehensive Plan update.

Councilmember Bloom reported the Tree Board meeting included comment from a citizen concerned with a large tree in the City right-of-way. Mr. Lindsay will follow up with the citizen. The Tree Board also reviewed the draft proposal for obtaining permitting and approval for tree removal and trimming within City rights-of-way, funding for the tree code rewrite and impervious surface and tree canopy inventories.

Councilmember Bloom reported the Port meeting included reports from Commissioners regarding information provided at a conference regarding farmers markets and DOE stormwater regulations.

Council President Petso reported on meetings staff held with residents: November 20 to discuss the Sunset Walkway project and November 21 to discuss the 76th Avenue construction project.

Mayor Earling reported the Sound Transit Board approved the Northgate to Lynnwood preferred alternative.

12. MAYOR'S COMMENTS

Mayor Earling reminded of Small Business Saturday, an opportunity to shop local, and the tree lighting ceremony on Saturday at 4:30 p.m. in front of City Hall.

13. COUNCIL COMMENTS

Council President Petso reported according to the code, the EDC is to provide a report on or around the first meeting in December. By mutual agreement it will be scheduled the first week of January.

Councilmember Bloom relayed the Port's invitation for the public to visit the marina for Holiday on the Docks sponsored by the Edmonds Yacht Club in the guest moorage area of the Port marina December 1 through January 5.

Councilmembers Buckshnis and Johnson wished everyone Happy Thanksgiving and safe travels.

Councilmember Fraley-Monillas congratulated Senator John McCoy, 38th District, who was appointed tonight.

Mayor Earling relayed Swedish-Edmonds Hospital is again operational following a fire on Thursday, November 21.

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 10:55 p.m.