

**CITY OF LAKE STEVENS
CITY COUNCIL REGULAR MEETING MINUTES**

Tuesday, July 10, 2018

Lake Stevens School District Educational Service Center (Admin. Bldg.)
12309 22nd Street N.E. Lake Stevens

CALL TO ORDER: 7:00 p.m. by Mayor John Spencer

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Kurt Hilt, Todd Welch, and Marcus Tageant

ELECTED OFFICIALS ABSENT: Councilmembers Brett Gailey and Rauchel McDaniel

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Police Chief John Dyer, Human Resources Director Teri Smith, Human Resources/Executive Assistant Julie Good, Senior Planner Josh Machen, City Clerk Kathy Pugh, City Attorney Grant Weed, Assistant City Attorney Brett Vinson, Commander Ron Brooks

OTHERS: Board and Commission Appointees Steve Ewing, Samara Heydon, Michele Hampton and Sam Hassan

Pledge of Allegiance: Mayor Spencer led the Pledge of Allegiance.

Roll Call: Moved by Councilmember Daughtry, seconded by Welch, to excuse Councilmembers Gailey and McDaniel from the meeting. On vote the motion carried (5-0-0-2).

Approval of Agenda:

Council President Tageant said Staff requested that Amendment No. 1 to the Janitorial Contract be added to the Consent Agenda as Item (E). The amendment was previously circulated to Council. City Clerk Pugh reminded that an executive session is to be added to the end of the agenda to discuss two real property matters. This is in addition to the executive session scheduled prior to Public Hearings on the agenda.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Welch, to approve the agenda with the noted changes. On vote the motion carried (5-0-0-2).

Boards and Commissions Oath of Office: Mayor Spencer administered the oath of office to newly appointed board and commission members Steve Ewing on the Planning Commission, Samara Heydon on the Veterans Commission, and Michele Hampton and Sam Hassan on the Salary Commission.

Citizen Comments:

Ray Mitchell, 2703 – 122nd Court NE, Lake Stevens, said it is time to revisit fireworks regulations and requested the Council hold public hearings on banning fireworks in the city.

Robert Kerr, 1705 – 95th Avenue NE, said his house was severely fire damaged on the Fourth of July fire from fireworks, and requested Council consider banning fireworks in the city.

Council Business:

- Councilmember Daughtry: Veterans Commission, Music By the Lake, Aquafest
- Councilmember Petershagen: Sewer District
- Councilmember Hilt: Snohomish Health District, Parks Board, Metro Tacoma Parks District
- Councilmember Welch: Music By the Park and Lundein Park
- Councilmember Tageant: Veterans Commission, Music By the Lake, Lundein Park, Chamber of Commerce.

Mayor's Business: Thanked the staff for readying Lundein Park for Music by the Lake, Seattle Water Treatment Plant tour, Sewer District Unification.

City Department Report:

- Community Development Director Russ Wright: Old Red Barn site update.
- Human Resources Director Teri Smith: Recruiting.
- Chief of Police John Dyer: Wyatt Park update, Fourth of July, Aquafest and National Night Out, Staffing update, Strategic Planning process.
- City Clerk Kathy Pugh: Staffing update.

Consent Agenda:

MOTION: Moved by Councilmember Welch, seconded by Councilmember Gailey, to approve (A) 2017 Vouchers [Payroll Direct Deposits of \$212,883.55, Payroll Checks 45569-45571 totaling \$39,497.43, Tax Deposits of \$97,672.63, Electronic Funds Transfers (ACH) of \$245,263.59, Claims Check Nos. 45572-45672 totaling \$187,511.02, Void Check Nos. 45404, 45358, and direct deposit 6/29/18 totaling \$4,071.73, Total Vouchers Approved: \$778,756.49], (B) City Council Workshop Meeting Minutes of June 5, 2018, (C) City Council Workshop Meeting Minutes of June 19, 2018, (D) City Council Special Meeting Minutes of June 19, 2018, and (E) First Amendment to Contract for Janitorial Services. On vote the motion carried (5-0-0-2).

Executive Session: At 7:26 p.m. Mayor Spencer announced an executive session lasting ten minutes to discuss potential litigation. The regular meeting of the City Council reconvened at 7:36 p.m.

Public Hearing:

Temporary Encampments and Ordinance 1031: Mayor Spencer opened the public hearing.

Senior Planner Josh Machen presented the staff report and reviewed the history and public process in bringing this city-initiated code amendment forward. Planner Machen reviewed the changes made to the ordinance following Council's input on June 26th, and reminded this ordinance is brought forward on the recommendation of the City's insurer, WCIA, and that to date the City has not received any permit applications for temporary encampments. Planner

Machen commented that Council can adopt this ordinance this evening, and then work on fine tuning the requirements at a later date.

Mayor Spencer invited public comment.

Kristin Fetter-Walp, 2609 – 121st Drive NE, Lake Stevens, asked, if the regulations make it difficult for an organization to host, where would the people who might live at the encampment go. She reminded many are closer to homelessness than they would like to admit.

Michele Hampton, Post Office Box 596, Lake Stevens, distributed a page containing suggestions for amendments to the regulations. She encouraged that the ordinance be enacted this evening and amended at a later date if necessary, and also suggested the regulations contain directions for what happens at the conclusion of the 90-day period for the encampment.

Ray Welk, 2010 – 117th Avenue NE, Lake Stevens, asked why the ordinance limits sponsors to religious organizations. He asked if the Community Development Director makes decisions on applications for homeless encampments, will be opportunity for public input regarding each application. Mr. Welk also asked if there is a distance limit to locating encampments near schools and daycares, and how neighbors will be notified if an encampment application is received. He also asked what happens with encampment residents after warrant checks are completed.

Sue Davidson, 2007 – 117th Avenue NE, Lake Stevens, is disappointed that Council is entertaining this ordinance to locate encampments at churches only. She also asked about insurance requirements for the sponsors and enforcement.

Sean Hill, 11607 – 20th Street NE, Lake Stevens, is concerned that children will be vulnerable if a homeless encampment is located at the church near his home, and asked how their safety will be protected. He also said an exit strategy needs to be included in the regulations.

Jess Jorstad, 12509 – 5th Place NE, Lake Stevens, works in the field of homeless housing and shared informational resources. She said that people who need help in encampments are citizens and not guests of the community. Ms. Jorstad said to decrease homelessness, it is necessary to improve housing affordability.

Robin McGee, 2505 Meadow Drive, Lake Stevens, is concerned with the 90-day time limit and suggested the limitation be placed on persons and not the sponsoring organization. She commented that the limitation requiring encampments to be located in parking lots is a burden as parking lots are likely designed based on the number of church members, and said the requirement that no children under 18 be allowed, which seems particularly cruel.

Earl Gray, 2505 Meadow Drive, Lake Stevens, read excerpts from the court ruling involving the cities of Woodinville and Bothell, and commented on how Lake Stevens might or might not be impacted. He asked Council to consider the cost in time and money should the City be sued because of overly burdensome regulations.

Mayor Spencer closed the public comment portion of the hearing, and closed the public hearing.

Responding to Councilmember Hilt's question, Planner Machen said that the ordinance is intended to identify that unaccompanied minors under the age of 18 would be referred to

Children's Protective Services, and that the word "unaccompanied" was inadvertently left out. The intention was not to exclude families. City Attorney Brett Vinson commented he has seen ordinances from other jurisdictions written both ways, allowing and disallowing children under the age of 18. Councilmember Hilt clarified that the sponsoring agency could opt to disallow minors.

Councilmember Welch confirmed his understanding that no applications for homeless encampments have been received to date.

MOTION: Moved by Councilmember Hilt, seconded by Councilmember Welch, to approve Ordinance 1031 establishing regulations relating to Temporary Encampments with an amendment to Section 4, paragraph 9 that children under 18 who are not accompanied by parent or legal guardian will be allowed. On vote the motion carried (5-0-0-2).

Action Items:

Lake Stevens Downtown Subarea Plan and Approve Ordinance No. 1025 adopting a Downtown Planned Action, Ordinance No. 1026 amending Downtown Subarea and Comprehensive Plan and Ordinance No. 1027 amending Downtown Development Regulations:

Mayor Spencer said this action item was originally noticed to hold a public hearing on June 26, 2018 and a second public hearing on July 10, 2018. He invited a motion to reopen the public hearing.

MOTION: Moved by Councilmember Tageant, seconded by Councilmember Welch, to reopen the public hearing. On vote the motion carried (5-0-0-0).

Community Development Director Wright presented the staff report and reviewed the procedural history of bringing these ordinances forward, noting this process began two years ago, and that public comment and input has played a large part in the proposals that are under consideration. The goals of the plan are to revitalize the economic development of the Lake Stevens downtown, and spur the area as a destination for tourism and recreation. Tonight's request is to approve Ordinances 1025, 1026 and 1027.

Mayor Spencer commented these ordinances encompass a conceptual plan and that the historical museum will be located in downtown Lake Stevens; the goal includes having a historical district in the downtown area, adjacent to the park. He added that concerns about the location of the War Memorial are being addressed and one of the criteria is that the War Memorial will be a centerpiece of the park and visible from a distance.

Mayor Spencer invited public comment and there was none. Mayor Spencer then closed the public comment portion of the hearing, and he then closed the public hearing.

Mayor Spencer then invited Council's questions of staff and there were none.

MOTION: Moved by Councilmember Tageant, seconded by Councilmember Welch, to approve Ordinance No. 1025 establishing a Planned Action for the Downtown Subarea pursuant to the State Environmental Policy Act, Ordinance No. 1026 amending the 2015-2035 City of Lake Stevens Comprehensive Plan by adopting the Downtown Lake Stevens Subarea Plan, adopting a Subarea Capital Facilities Plan and amending the Official Comprehensive Plan Land Use and Shoreline Maps and Ordinance 1027 amending the Official Zoning Map with an area-wide

rezone, revising chapters 14.15C, 14.38, 14.40, 14.44, 14.110 of the Lake Stevens Municipal Code, and amending the Subarea Design Guidelines to be consistent with the adopted Downtown Lake Stevens Subarea Plan and Planned Action Ordinance. On vote the motion carried (5-0-0-2).

Professional Services Agreement with Mackenzie for the Design of the Lake Stevens Police Station: Chief Dyer presented the staff report and reviewed the competitive bidding process. Chief Dyer next reviewed the Mackenzie scope of work and the proposal, including the two options, one of which includes a Green Globe Certification demonstrating the City's commitment to energy conservation. The goal is to begin construction during the summer of 2019 with project completion in August 2020. Chief Dyer then introduced Project Manager Brett Hanson from Mackenzie, who can answer any specific questions.

Discussion ensued regarding the Green Globe Certification and whether the energy savings would make up the nearly \$100,000 in price difference. Director Wright explained the Green Globe Certification program and how it works, including making the building sustainable, and ensuring that it is energy compliant throughout the process. With the Green Globe Certification, a person is hired to calibrate the energy efficiencies built into the building throughout the project.

Brett Hanson, with Mackenzie, further explained that sustainable practices are adopted and integrated throughout the process. The Green Globe certification process is really aimed at commissioning or enhancing what is already being done for the building and maximizing those elements. The Green Globe certification will not significantly add to construction costs, but enhancements will bring value over time to the project.

MOTION: Moved by Councilmember Hilt to authorize the Mayor to execute a Professional Services Agreement with Mackenzie, an architecture design consultant, to design the Lake Stevens Police Station at the Chapel Hill site with two Green Globe Certifications in the amount of \$1,212,201 with a 7% management reserve of \$84,854 (Option 2). The motion failed for lack of a second.

Discussion ensued and Mr. Hanson further clarified what the Green Globe certification provides and how it is obtained. He also clarified what benefits the City would receive under Option 1 and Option 2, and what the design team will bring to the project. He then responded to Councilmembers' questions.

MOTION: Moved by Councilmember Welch, seconded by Councilmember Petershagen, to authorize the Mayor to execute a Professional Services Agreement with MacKenzie, an architecture design consultant, to design the Lake Stevens Police Station at the Chapel Hill site in the amount of \$1,130,521, with a 7% management reserve of \$79,136 (Option 1). On vote the motion carried (4-1-0-2).

Mitigation Impact Fees and Approve Resolution 2018-19 Setting Rates and Fees: Director Wright said the City has not changed its impact fees since 2009 and reviewed the options for Parks Mitigation fees and how the proposed fees were calculated.

Mayor Spencer shared how the fees were arrived at and invited Councilmembers' questions, and there were none.

Staff next reviewed the recommendation to increase the Traffic Impact Fees 20% and recommended reviewing these fees again in five to six years. This increase is still below the state-wide average. Director Wright shared how the proposed fee increase was arrived at and how it compares with surrounding cities.

Finance Director Stevens further clarified how the traffic impact fees are accounted for and utilized with the TIZ 2 and TIZ 3 zones.

Director Wright then responded to Councilmembers' questions as to why staff is not recommending going to the higher state average rate for the traffic impact fees, and said that if the Council wants to move to the higher rates, then staff needs to look at the methodology to be sure the correct discount rate, based on the city's projects, is being used. The park methodology is sound.

Director Wright said that if there is consensus from Council, the proposed changes will be incorporated into Resolution 2018-19 setting rates and fees. He then responded to questions.

Turning to Resolution 2018-19, Director Wright reviewed other proposed changes, including a fee for temporary encampments, waiving of the first \$5 in copying fees for public records requests and an update to facility rental fees to provide rental fees for the use of athletic fields. Director Stevens added there is a small fee increase under the RCW's that calls out state building code fees from \$4.50 to \$6.50 for each residential permit and an additional \$25 fee for each commercial building permit.

MOTION: Moved by Councilmember Tageant, seconded by Councilmember Welch, to approve Resolution 2018-19, repealing Resolution 2018-11 and adopting amounts for the Rates, Fees and Deposits for various services performed by the City and fines levied against code violators, to include the Park Mitigation Fees and Traffic Impact Fees as recommended by staff, New Land Use Fees for Services Actions or Permits.

Director Wright clarified the Park Fees would be around \$4100 per single family units and then be graduated for multi-family and accessory dwelling units or apartments with studios or one bedrooms, and the Traffic Fees as proposed by staff would be \$2,771 for Zone 1, combined Zones 2 and 3 would be \$3,500. The Temporary Encampment fee would be \$1,250.

VOTE: On vote the motion carried (5-0-0-2).

MOTION: At 8:59 Councilmember Tageant moved, seconded by Councilmember Hilt, to extend the meeting, not to exceed 9:30 p.m. On vote the motion carried (5-0-0-2).

Request for Qualifications re Brokerage Services: Director Wright presented the staff report and said this request for qualifications for brokerage services relates to the determination of fair market value and sale of surplus properties on 20th Street SE, as authorized in Resolution 2018-16. The term of the contract would be 180 days with an option to extend, and the chosen broker will be required to keep Council apprised of its marketing strategy and the status of sales of the property. Director Wright then responded to Councilmembers' questions.

MOTION: Moved by Councilmember Hilt, seconded by Councilmember Welch, to approve the format of the Request for Proposals for Brokerage Services. On vote the motion carried (5-0-0-2).

Discussion Items:

Volunteer Recognition – Community Service Award and Citizen of the Year: Mayor Spencer said this was discussed earlier with staff and this discussion will be postponed to a later date.

Second Quarter Financial Updates: Finance Director Stevens provided second quarter financial updates and responded to Councilmembers' questions.

Executive Session: At 9:05 p.m. Mayor Spencer announced an executive session to last 15 minutes to discuss potential litigation and two real property matters, with no action to follow.

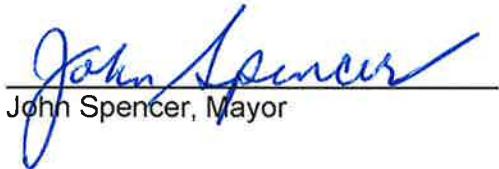
Councilmember Tageant recused himself from discussion of the real property matters, and left the executive session and meeting at 9:10 p.m.

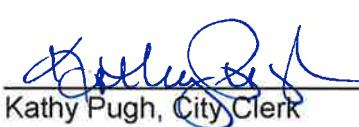
At 9:25 p.m. City Administrator Brazel announced the executive session is being extended 3 minutes.

At 9:28 p.m. the regular meeting of the City Council reconvened.

Adjourn:

Moved by Councilmember Daughtry, seconded by Councilmember Petershagen, to adjourn the meeting at 9:29 p.m. On vote the motion carried (5-0-0-2).


John Spencer, Mayor


Kathy Pugh, City Clerk