

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

Tuesday, November 6, 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 Pro Tem Marcus Tageant

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

ELECTED OFFICIALS ABSENT: Mayor John Spencer

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Human Resources Director Teri Smith, City Clerk Kathy Pugh, Police Chief John Dyer, Public Works Director Eric Durpos, Community Development Director Russ Wright, IT Manager Troy Stevens, Deputy City Clerk Adri Crim, Senior Engineer Grace Kane, Planning Manager Josh Machen, Associate Planner Jill Meis

OTHERS:

Mayor Pro Tem Tageant opened the meeting at 6:58 p.m.

Finance Director Stevens distributed a handout and provided a brief third quarter financial update.

2019 Budget and Chamber Lease/VIC: Director Stevens presented a PowerPoint and reviewed the proposed 2019 Budget including 2019 staffing levels, revenues and expenditures, what a 5% reduction in expenditures across all departments would look like, budget forecasts, managing budget risks, and revenue assumptions. Director Stevens reviewed funding increase to the general fund for utility taxes for electric, gas, water, and sewer; the street fund includes an increase to the garbage utility tax. She mentioned the surface water tax has been removed as requested by Council. The budget also includes revenues from the Transportation Benefit District which will not be effective until approximately six months into 2019.

Director Stevens next reviewed budgeted contributions for Snohomish Health District and the Senior Center, as well as reviewing the termination assumptions for both the Visitor Information Center Contribution Agreement and the Lundein House Chamber of Commerce Lease.

Councilmember McDaniel requested that going forward, if tenant improvements are necessary for leased premises, there be a tenant improvement agreement requiring itemized invoices to reflect any tenant improvements made.

Director Stevens said the first public hearing will be at next week's Council meeting.

Council discussion ensued on whether to continue with the Visitor Information Center Contribution Agreement and the Lundein House Chamber of Commerce Lease or if both should be terminated.

Councilmember Tageant suggested not paying the stipend and have the Chamber pay some rent until they could figure something out. He also suggested the City do their due diligence and work with the Chamber to help them find a new location.

Director Stevens said the 2019 budget is assuming the termination of the lease.

Councilmember Hilt does not see a compelling reason to terminate the lease with the Chamber. He commented the two parties have entered into a good faith agreement for that space and the Chamber is a very important partner with the City; he does not want to see the relationship between the City and the Chamber sullied by a premature termination.

Councilmember Petershagen agreed with Councilmember Hilt and added if the lease is terminated early, it would drive a wedge between the City and the Chamber. He sees value in the Visitor Information Center especially with the Lake.

Councilmember Tageant expressed concerns with some of the information that has been coming from the Visitor Information Center.

Councilmember Welch said he does not have any issues with the way the Visitor Information Center is currently being run.

Council consensus was to have further discussion on what to do with the Visitor Information Center contract and lease.

Director Stevens said the Visitor Information Center contract and lease are currently in the budget.

Councilmember Welch would like Council to consider not adding an additional \$20,000 for the Senior Center as the previous funds have not been used.

Director Stevens reminded the original intent for the money was to allow the Senior Center to hire an executive, but it was determined that that was not enough funding, so the Council decided to roll those funds forward and add an additional \$20,000.

Councilmember McDaniel asked that the budget continue to include the additional \$20,000 for the Senior Center so they can hire the executive.

Director Stevens said the budget is going to move forward as written. She mentioned there is a public hearing scheduled for the next Council meeting and it has been published in the local newspaper on October 29th and November 5th.

Lake Safety Code Amendments: Associate Planner Meis reviewed the suggested lake safety code amendments and responded to questions from Council.

Police Chief Dyer added that the Police Department met with staff several times to review the suggestion code amendments and offer additional recommendations.

Council discussed the amendments and expressed concerns that some of the language will restrict activities on the Lake which will lead to people not wanting to visit and utilize the lake.

Police Chief Dyer said staff will check with the Coast Guard about their regulations for the direction of traffic on a lake.

Responding to Councilmember Petershagen's question, Associate Planner Meis explained dock starts and returns will be preserved.

Councilmember McDaniel suggested the wording to be clearer that dock starts will not be allowed within 100 feet of City designated parks and public swim areas.

Councilmember McDaniel expressed concern with language designating days of the week and hours of operation for which certain activities could be allowed. She requested this be revised.

Associate Planner Meis summarized the requested changes and said staff will make changes and bring this item back to Council for approval.

Introduction to Small Cell Towers/Franchise: Planning Manager Machen presented a PowerPoint and explained the process for moving forward. He said the FCC has given 90 days to implement regulations for these types of facilities with an additional 90 days to adopt reasonable design guidelines.

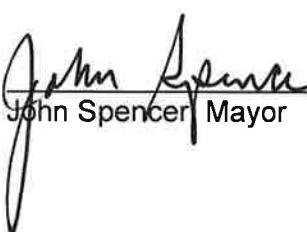
Food Vendor Trucks & Business Licenses: City Administrator Brazel said he is going to pull the City of Snohomish regulations and bring those back to Council for consideration.

NLC/AWC 2019: City Administrator Brazel mentioned the AWC conference is being held in Olympia and Council consensus was to attend. City Administrator Brazel mentioned the NLC will be held in Washington DC around the third week in March. Council discussed attending the NLC and consensus was to attend.

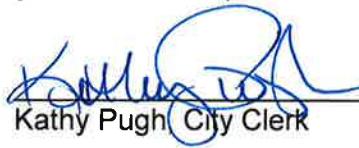
2019 Retreat: City Administrator Brazel mentioned several locations have been discussed and requested direction from Council.

Council consensus was to hold the 2019 Council retreat at Semiahmoo and have staff look at the calendar to determine what date to hold the retreat.

There being no further business the meeting was adjourned at 9:09 p.m.



John Spencer Mayor



Kathy Pugh City Clerk