

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

Tuesday, December 12, 2023, at 6:00 p.m.

By Remote Participation via Zoom and In Person at The Mill, 1808 Main Street,
Lake Stevens.

CALL TO ORDER: 6:00 p.m. by Mayor Brett Gailey

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Ryan Donoghue, Mary Dickinson, Marcus Tageant, and Anji Jorstad

ELECTED OFFICIALS ABSENT: Councilmember Steve Ewing

Call to Order

Mayor Gailey called the meeting to order at 6:00 p.m.

Pledge of Allegiance

Mayor Gailey led the Pledge of Allegiance.

Roll Call

All Councilmembers were present except Councilmember Ewing.

Approval of the Agenda

MOTION. Councilmember Daughtry made a motion, seconded by Councilmember Donoghue, to approve the agenda. The motion passed 6-0-0-1.

Guest Business

New Employee Introduction of Taylor Pesce, Surface Water Field Technician

Citizen Comments

Liz Brown, Teamsters Representative. Liz voiced frustrations on the union negotiations with Teamsters.

Kym Shipman, Kathy Benson, Sally Jo Sebring, Shaelynn Bates, Abe Martinez and Representative Sam Low, Lake Stevens. Each of them acknowledged and thanked outgoing Councilmember Mary Dickinson for her work on the Council.

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Donoghue, to excuse Councilmember Ewing. The motion passed 6-0-0-1.

Council Business

Recognition of Outgoing Councilmember Mary Dickinson

Mayor's Business**City Department Report**Update on the Transportation Benefit Program and Draft Implementation Plan**Consent Agenda**

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Daughtry, to approve the consent agenda. The motion passed 6-0-0-1. The consent agenda included the following:

- 2023 Vouchers
- Professional Services Agreement to KPG Psomas for the 91st Ave SE Sidewalk Phase I Project
- Professional Services Agreement to BCRA for the Eagle Ridge Park Improvements Phase II Project
- Interlocal Agreement Amendment for Lake Management with Snohomish County
- Interlocal Agreement Amendment for 2024 Stormwater Education and Outreach with Snohomish Conservation District
- Ogden Murphy Wallace Contract - Amendment 1
- Feldman & Lee Contract - Amendment 4

Public HearingTEFRA Public Hearing on City's Issuance of Tax-Exempt General Obligation Bonds to Finance a Historical Museum

Director Stevens explained that the City Council authorized the purchase of property for a city hall complex and directed staff to bring back a bond ordinance in the amount of \$10 million for the purchase and improvement of certain public buildings to include a museum to be operated by the Lake Stevens Historical Society.

Because the City intends to finance the museum buildout with bond proceeds, and the user of the facility will be a nonprofit (rather than the City), the federal tax code requires extra steps to treat these bonds similarly to the "governmental" bonds that will finance the City Hall project. One of these extra steps is to hold a public hearing, known as a TEFRA Hearing.

The TEFRA Hearing is a public inquiry required by the federal Tax Equity and Fiscal Responsibility Act of "TEFRA", Section 147(f) of the IRS Code, for non-profit borrowers that intend to issue tax-exempt debt. The hearing is held to allow members of the public to comment, contest, oppose, or support the use of tax-exempt bonds for a non-profit borrower that is providing a public benefit.

No action is needed following the public hearing as City Council will consider a bond ordinance in January 2024 to authorize the issuance of the museum portion of the bonds at the same time as the City Hall bonds.

Mayor Gailey opened the public hearing at 7:10 p.m.

City Clerk Chelin read the names into the record of comments submitted. Each of these emails received were in favor of the bonds for the museum:

Gail Chism
Alfred Jubie
Loren Nordby
Diana Norris
Kathie Edney
Diane Lundberg
Tonia King
Robert Murphy
Mac Fraser
Cheree Mattson
Sharon Pratt
Debbie Taylor
Cindy Rose
Karin Palagyi
Robert Kroeze
Robin Lindsay
Cyndi Fraser
Louise Neys Johnson

Mayor Gailey closed the public hearing at 7:13 p.m.

Council received a bond presentation from David Trageser, Managing Director, Local Government Finance, D.A. Davidson & Co.

Council took a break from 7:24 p.m. to 7:27 p.m.

Executive Session

At 7:27 p.m., the Council recessed to Executive Session to discuss Property Acquisition per RCW 42.30.110. Action is expected to follow. The session will be 15 minutes and Council is expected to return by 7:55 p.m.

At 7:55 p.m., the session was extended to 8:01 p.m.

The meeting reconvened to regular session at 8:01 p.m.

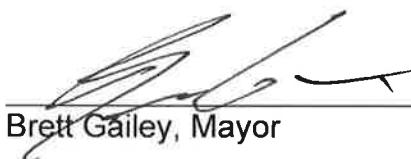
MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Daughtry, to authorize the Mayor to sign the purchase and sale agreement for the appraised value with available grant funds for 2210 Hartford Drive. The motion passed 6-0-0-1.

Review of draft agenda for December 19, 2023

Adjourn

MOTION. Councilmember Jorstad made a motion, seconded by Councilmember Petershagen, to adjourn the meeting. The motion passed 6-0-0-1.

The meeting was adjourned at 8:03 p.m.



Brett Gailey, Mayor



Kelly M. Chelin, City Clerk