

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

Tuesday, December 13, 2016

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

CALL TO ORDER: 7:05 p.m. by Mayor John Spencer

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Kurt Hilt, Todd Welch, Rauchel McDaniel, Kathy Holder, Marcus Tageant

ELECTED OFFICIALS ABSENT: None.

STAFF MEMBERS PRESENT: Interim City Administrator Mary Swenson, Finance Director/City Clerk Barb Stevens, Community Development Director Russ Wright, Public Works Director Mick Monken, Police Chief John Dyer, Human Resources Director Steve Edin, Deputy City Clerk Kathy Pugh, City Attorney Grant Weed, Senior Planners Stacie Pratschner and Melissa Place, Associate Planner Dillon Roth, Adam Emerson, Senior Engineer

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

Roll Call: All present.

Approval of Agenda:

Mayor Spencer said that the Public Hearing on the 2017 Budget will be heard first on the Public Hearing portion of the agenda.

Moved by Councilmember Tageant, seconded by Councilmember Hilt, to approve the agenda with the noted change. On vote the motion carried (6-0-0-0).

Guest Business: None.

Council Business:

- Kim Daughtry: Stakeholder Advisory Group ("SAG") meeting for SR 9/SR 204, Public Works & Economic Development subcommittees, Military Affairs committee for Economic Alliance for Snohomish County
- Councilmember Hilt: Snohomish Health District
- Councilmember Welch: Budget subcommittee, Parks subcommittee, Chamber of Commerce ribbon cutting for new Lake Stevens brewery
- Councilmember McDaniel: Fire Commission, Budget Subcommittee, Planning Commission, SAG meeting for SR 9/SR 204
- Councilmember Holder: Parks Subcommittee, Parks Board Meeting; Economic Development and Planning Subcommittee

- Councilmember Tageant: Budget Subcommittee, SAG meeting for SR 9/SR 204, Economic Development subcommittee

Mayor's Business: Met with Lake Stevens Historical Society and committed that the City will work with the Historical Society to preserve historical artifacts they have.

City Department Report:

- Chief Dyer: Everett Crime Mapping
- Human Resources Director Edin: Holiday party tomorrow; ramping up online recruitment system
- Finance Director Stevens: Financial Statement Audit update
- Deputy Clerk Pugh: Staff is working hard to disposition files across city departments
- Public Works Director Monken: Washington State Department of Transportation kick-off meeting for Interchange Justification Report for the SR 2/US 2/SR 204

Consent Agenda:

MOTION: Moved by Councilmember Tageant, seconded by Councilmember Welch, to approve (A) 2016 Vouchers [Payroll Direct Deposits of \$359,560.18, Payroll Checks 41429-41430, 41530-41531 totaling \$10,939.31, Tax Deposits of \$151,305.64, Electronic Funds Transfers (ACH) of \$211,005.82, Claims Check Nos. 41431-41529, 41532-41619 totaling \$654,020.28, Void Check Nos. 40218, 40367, 40517, 41128 totaling \$511.95, Total Vouchers Approved: \$1,386,319.28], (B) City Council Workshop Meeting Minutes of November 8, 2016, (C) City Council Regular Meeting Minutes of November 8, 2016, (D) City Council Special Meeting Minutes of November 29, 2016, (E) Boards and Commissions Reappointments, (F) City Attorney Retainer Agreement, (G) Public Defender Contract, (H) 91st Avenue Safe Routes to School Project Final Acceptance (I) Resolution 2016-23 Establishing Park Mitigation Fund 302, (J) Resolution 2016-24 Establishing a Capital Equipment-Vehicle Replacement Fund 515, (K) Interlocal Agreement with Snohomish County Conservation District (L) Contract Extension with ServPro re Asbestos Inspection/Removal, (M) Budget and Size Increase for Modular Structure Purchase re Temporary City Hall, (N) Master Non-Exclusive On-Call Public Works Contract for Electrical Services; (O) First Amendment to WAVE Broadband Agreement for Dark Fiber. On vote the motion carried (6-0-0-0).

Public Meeting:

Accept Final Plat and Associated Right-of-Way for Maple Rock II: Deputy City Clerk Kathy Pugh opened the public meeting and read the rules of procedure for public meetings for the record.

Associate Planner Dillon Roth presented the staff report and said tonight's requested action is to hold a public meeting to accept the Maple Rock II subdivision and the associated right-of way dedication. Planner Roth provided an overview of the plat, and he reviewed the process for the Maple Rock II subdivision. Planner Roth said that the final development meets all the requirements established by the City's standards and is consistent with applicable requirements and procedures of the City. Planner Roth invited questions of Council and there were none.

Mayor Spencer invited public comment and there was none.

MOTION: Moved by Councilmember Hilt, seconded by Councilmember Tageant, to accept the Final Plat and Associated Right-of-Way for the Plat of Maple Rock II. On vote the motion carried (6-0-0-0).

Public Hearings:

Deputy City Clerk Pugh opened the public hearings and read the rules of procedure for record; she stated that the rules would apply for all three public hearings on tonight's agenda.

2017 Budget – Ordinance No. 975: Finance Director/City Clerk Barb Stevens said that tonight's requested action is to hold a public hearing and second and final reading and adoption of Ordinance No. 975 – 2017 Budget. Director Stevens reviewed the process in preparing the 2017 budget, identified budget priorities, reviewed city-wide revenue sources and expenditures, and the 2017 updates to the proposed 2017 budget following review by the Budget Subcommittee. Director Stevens invited Councilmembers' questions and there were none.

Mayor Spencer invited public comment and there was none.

MOTION: Councilmember Tageant moved, Councilmember McDaniel seconded, to close the public comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Holder moved, Councilmember Hilt seconded, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Daughtry moved, Councilmember Tageant seconded, to approving Ordinance 975 adopting the 2017 Budget. On vote the motion carried (6-0-0-0).

2016 Comprehensive Plan Amendments (LUA 2015-0119, LUA 2016-0007 and LUA 2016-0017): Senior Planner Stacie Pratschner presented the staff report and reviewed the public process undertaken to date to complete the 2016 Comprehensive Plan amendments. She explained that tonight's amendments include two citizen initiated amendments and concurrent rezone requests, and one city-initiated amendment and concurrent rezone request to the Comprehensive Plan, all of which are accomplished by ordinance. Planner Pratschner invited questions of Council and there were none.

Planner Pratschner reviewed that Ordinance No. 978 is a request by the Lake Stevens School District to amend the Comprehensive Plan Map to change the land use designation for two parcels located near Lake Drive and 28th Street NE from Medium Density Residential to Public/Semi Public. The Planning Commission recommends approval of this request. She then invited Councilmembers' questions and there were none.

Councilmember Holder disclosed that she is an employee of the school district

City Attorney Weed commented this disclosure applies to the rezone, and asked if Councilmember Holder's employment would have an effect on her ability to make a fair and impartial decision regarding the rezone affect. Councilmember Holder replied that it would not. City Attorney Weed then asked if there were any objections from the audience to Councilmember Holder participating in the decision making for the Lake Stevens School District request for rezone, and there were none.

Senior Planner Melissa Place reviewed that Ordinance No. 979 is a citizen-initiated map amendment and city-initiated expansion, which changes the land use designation for six parcels located near SR 92 and 127th Drive NE to Medium Density Residential, and an isolated parcel east of 127th Drive NE to General Industrial. It is the Planning Commission's recommendation to approve this request. She then invited Councilmembers' questions and there were none.

Planner Pratschner reviewed that Ordinance No. 980 amends the City's Comprehensive Plan and consists of city-initiated text amendments, amends the Official Comprehensive Plan Land Use Map and includes a city-initiated map amendment changing the land use designation for ten parcels located adjacent to SR-9 and 20th Street SE to Commercial. Planner Pratschner briefly reviewed some of the updates.

Director Wright reviewed the City-initiated land use amendment located near the intersection of Highway 9 and 20th Street SE, which is a result of reviewing the City's goals and how the properties on the west side of the intersection are used. Director Wright said there has been significant public comment during this process as it relates to this particular amendment and rezone. Director Wright then invited Councilmembers' questions.

Councilmember McDaniel commented that she has watched this process as it has evolved through the Planning Commission process and that a lot of time and consideration was taken, particularly with the residents affected by this change.

Director Wright responded to Councilmember Tageant's questions regarding traffic changes and impacts.

Discussion ensued and Director Wright responded to questions on how current homeowners located in the proposed rezone area will be affected by the rezone.

Mayor Spencer invited public comment regarding Ordinance No. 978 regarding Land Use Map Amendments requested by the Lake Stevens School District, and there was none.

MOTION: Moved by Councilmember Tageant, seconded by Councilmember Welch, to close the comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Welch, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember Hilt, seconded by Councilmember Welch, to adopt Ordinance No. 978 regarding Land Use Map Amendments requested by the Lake Stevens School District. On vote the motion carried (6-0-0-0).

Mayor Spencer invited public comment regarding Ordinance No. 979, a Citizen-initiated Land Use Map amendment, and there was none.

MOTION: Moved by Councilmember Holder, seconded by Councilmember Hilt, to close the public comment portion of the hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Tageant, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Welch, to approve Ordinance No. 979, a Citizen-initiated Land Use Map amendment. On vote the motion carried (6-0-0-0).

Mayor Spencer invited public comment regarding Ordinance No. 980, regarding City-initiated Land Use Maps and Text amendments and 2016 Comprehensive Plan Amendments.

Angela McClure Miller, 2109 – 97th Drive SE, said she bought her home in 2006 and raised her family here. She said there are other areas in the City that could be designated commercial rather than disrupting existing residences and is strongly against rezoning adjacent to SR 9 and 20th SE.

Ken Fitzgerald, 2217 – 97th Drive SE, said that if the changes adjacent to SR 9 and 20th SE are approved the result will be a land-locked cul-de-sac with no development options for a future developer.

Andrew Fredette, 2220 – 97th Drive SE, does support the rezone and does not want to live next to a commercially zoned property. His home is his future, and there are other lands available for rezone to commercial.

Sally Jo Sebring, 1023 99th Avenue SE, is concerned about affordable housing; she commented new housing is expensive, and the homes that will be affected by a rezone to commercial adjacent to SR 9 and 20th SE are affordable.

Pamela Corbert, 3420 98th Drive SE, said that her parents live in the area that will be affected by the proposed rezone of properties adjacent to SR 9 and 20th Street SE, and that they cannot afford to move.

Mark Miller, 2109 97th Drive SE, commented his home is affordable and he and his wife want to look forward to living in their home for a long time. He understands the master plan, but asked that the City give the residents affected by the proposed rezone adjacent to 20th SE a chance.

Ron Large, 2103 – 97th Drive SE, is concerned about his home location in relation to the boundaries for the proposed rezone adjacent to SR 9 and 20th Street SE.

Dan Rike, 9706 20th Street SE, is against the proposed rezone adjacent to SR 9 and 20th Street SE. He is concerned that with the Everett water pipeline in the area it will limit commercial construction, even if the rezone is approved. High Density Residential would make more sense.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Welch, to close the public comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember McDaniel, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Moved by Councilmember McDaniel, seconded by Councilmember Holder to approve Ordinance 9890 regarding City-initiated Land Use Maps and Text amendments and 2016 Comprehensive Plan Amendments.

Discussion ensued and Director Wright responded to Councilmembers' questions including that the proposed amendments brought forward tonight have been reviewed and recommended by the Planning Commission and discussion about the City of Everett pipeline. Director Wright also said that the impetus for the proposed rezone is to create synergy between the two sides of the roadway to have similar land uses on both sides of the roadway. In response to a question about interest in economic development in the proposed rezone area, Economic Development Coordinator Jeanie Ashe said there has been no interest to date in commercial development, due in part because the City has aggressively planned for infrastructure on the west side of Highway 9. Homes in the area will not be forced out, but will remain as nonconforming uses.

VOTE: On vote the motion to approve Ordinance No. 980, regarding City-initiated Land Use Maps and Text amendments and 2016 Comprehensive Plan Amendments carried (5-1-0-0).

Lake Stevens School District #4 Request for Rezone: Senior Planner Pratschner presented the staff report and said tonight's requested action is to hold a public hearing and to adopt Ordinance 981 amending the Official Zoning Map and rezoning two parcels totaling approximately 38 acres from High Urban Residential to Public/Semi-Public. The parcels are located near Lake Drive and 28th Street NE, and Lake Stevens School District is the proponent. The Planning Commission recommends approval of this rezone. Planner Pratschner reviewed the public process. She then invited Councilmembers' questions and there were none.

Mayor Spencer briefly left the meeting.

Council President Welch invited public comment and there was none.

MOTION: Councilmember Tageant moved, Councilmember McDaniel seconded, to close the public comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Holder moved, Councilmember Hilt seconded, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Hilt moved, Councilmember McDaniel seconded, to approve Ordinance 981, amending the Official Zoning Map enacted by Ordinance 937k, approving the Lake Stevens School District #4 Rezone near Lake Drive and 28th Street NE rezoning two parcels totaling approximately 38 acres from High Urban Residential to Public/Semi-Public. On vote the motion carried (6-0-0-0).

Hild (aka The Refuge) Rezone: Senior Planner Place presented the staff report and said tonight's requested action is to hold a public hearing and to approve Ordinance 982 related to the Hild Rezone. Planner Place commented this is a citizen-initiated request for rezone of approximately 15.5 acres located on the west side of 127th Drive NE between SR-92 and 36th Street NE from Planned Business District to Medium Density Residential. Additionally the City is recommending that the proposed change be extended to the Planned Business District-zoned parcels that are adjacent to the eastern and western boundaries of the project area and that comprise approximately an additional 3.5 acres, and that an isolated 0.44 acre parcel east of 127th Avenue SE currently zoned Planned Business District be rezoned to General Industrial. Planner Place then reviewed the public process and noted the Planning Commission recommends approval of the request. She then invited Councilmembers' questions and there were none.

Mayor Spencer invited public comment and there was none.

MOTION: Councilmember Daughtry moved, Councilmember Tageant seconded, to close the public comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Tageant moved, Councilmember Welch seconded, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Tageant moved, Councilmember Welch seconded, to approve Ordinance 982, amending the Official Zoning Map, enacted by Ordinance No. 974, approve the Hild (aka The Refuge) rezone and a city-initiated expansion totaling approximately 19 acres, changing the zoning of six parcels located near SR-92 and 127th Drive NE, currently zoned Planned Business District to High Urban Residential and an isolated parcel east of 127th Drive NE currently zoned Planned Business District to General Industrial. On vote the motion carried (6-0-0-0).

SW Quad Rezone: Director Wright presented the staff report and said tonight's requested action is to hold a public hearing and approve Ordinance 983, amending the Official Zoning Map enacted by Ordinance 74, approving the SW Quad Rezone adjacent to SR-9 and 20th Street SE rezoning 10 parcels totaling approximately 8.5 acres from Mixed Use Neighborhood to Neighborhood Business as a concurrent land use action. Director Wright reviewed the public process and said that it is Planning Commission's recommendation to approve this request. He then responded to Councilmembers' questions related to what uses are allowed in commercial, neighborhood business and mixed use zoning designations.

Mayor Spencer invited public comment.

Dan Rike, 9706 – 20th Street SE, said he purchased property in the area with the intent to develop it as High Density Residential. He clarified his understanding of how the land could be developed and reiterated his concerns regarding the complications presented by the pipeline to development.

MOTION: Councilmember Welch moved, Councilmember Daughtry seconded, to close the public comment portion of the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember Welch moved, Councilmember Daughtry seconded, to close the public hearing. On vote the motion carried (6-0-0-0).

MOTION: Councilmember McDaniel moved, Councilmember Daughtry seconded, to approve Ordinance 983, amending the Official Zoning Map enacted by Ordinance 74, approving the SW Quad Rezone adjacent to SR-9 and 20th Street SE rezoning 10 parcels totaling approximately 8.5 acres from Mixed Use Neighborhood to Neighborhood Business as a concurrent land use action.

Discussion ensued regarding the benefits of neighborhood business vs. commercial zoning designations, and Director Wright clarified the various zoning designations and what type of development each would allow.

VOTE: On vote the motion carried (5-1-0-0).

Action Items:

Approve Resolution 2016-22 authorizing the establishment of the International County/City Management Association Retirement Corporation (ICMA-RC) Deferred Compensation Plan: Human Resources Director Steve Edin presented the staff report and said that adoption of this resolution provides City employees with a third option for deferred compensation and related benefits, all to the benefit of City employees. He then invited Councilmembers' questions and there were none.

MOTION: Councilmember Tageant moved, Councilmember Hilt seconded, to approve Resolution 2016-22 authorizing the establishment of the International County/City Management Association Retirement Corporation (ICMA-RC) Deferred Compensation Plan. On vote the motion carried (6-0-0-0).

2017 Legislative Agenda: Interim City Administrator Mary Swenson distributed the 2017 Legislative Agenda – Top Priority Items which has been amended to remove presumptive disease issues and to include continued support and progress of improvements to the U.S. 2 Trestle.

MOTION: Motion by Councilmember Hilt, second by Councilmember Tageant, to approve the 2017 Legislative Agenda as amended. On vote the motion carried (6-0-0-0).


Executive Session: At 9:01 p.m. Mayor Spencer announced an executive session beginning at 9:05 p.m., following a brief recess, and lasting 8 minutes minutes for the purpose of discussing a real property acquisition, with no action to follow.

At 9:13 p.m. the regular meeting of the City Council was reconvened.

Study Session: None.

Adjourn:

Moved by Councilmember Hilt, seconded by Councilmember Tageant, to adjourn the meeting at 9:13 p.m. On vote the motion carried (6-0-0-0).



John Spencer, Mayor



Kathy Pugh, Deputy City Clerk