

**CITY OF LAKE STEVENS**  
**CITY COUNCIL WORKSHOP MEETING MINUTES**  
Tuesday, October 15, 2019  
Lake Stevens Fire Station 82 Conference Room  
9811 Chapel Hill Road, Lake Stevens

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

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

ELECTED OFFICIALS ABSENT: Councilmembers Gary Petershagen and Marcus Tageant

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Interim Human Resources Director/Risk Manager Julie Good, Deputy City Clerk Adri Crim, Police Chief John Dyer

OTHERS:

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Mayor Spencer called the meeting to order at 7:00 p.m. and turned the meeting over to Council Vice President Gailey.

**Preliminary Budget Discussion:** Director Stevens presented a PowerPoint presentation and reviewed the 2020 Budget Calendar. She then reviewed the item requests for Public Works Capital Equipment, Planning & Economic Development Program Support, Internet Technology System Security and Support, and Administration Department Support. Director Stevens also explained there is an item request for a 6-year capital lease to own Vector truck for Public Works.

Chief Dyer explained the Police Signing Bonus request would be a placeholder in the budget in case it had to be used, otherwise it would go back into the general fund. He then explained it would be split where half is issued after FTO (Full Time Officer) and half after probation but is for in state lateral positions only.

Director Stevens reviewed the 2020-2022 Capital program outlook and the 2020 Capital budget. She then reviewed the facility capital projects and said there are also a few projects included in the plan that do not have any identified funding.

Mayor Spencer discussed potential plans for some of the City facilities and where they could be in the future.

Director Stevens reviewed the Park capital program, and Transportation and Stormwater capital projects. She then shared the next steps in the budget process.

**Everett Waterline Discussion:** Director Wright said staff is working with the City of Everett to develop a master interlocal agreement that will identify the permitting authority and responsibilities of each agency in maintaining the water corridor, and it will also recognize use rights located on top of the water corridor. The agreement will also address questions that arise

with private development. He said the draft agreement has been sent to the City of Everett and legal counsel for review.

**Costco Development Agreement:** Director Wright said the City and Costco are negotiating a development agreement and it is still in draft format. He said once the Development Agreement is closer to a final format it will be bundled with the permits and presented to Council. He then reviewed the draft Development Agreement elements.

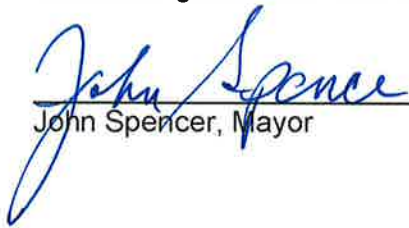
Responding to Councilmember McDaniel's question regarding contribution to the sewer infrastructure by the Sewer District, Administrator Brazel explained the Sewer District has committed to contributing to the sewer infrastructure between the Costco frontage and Highway 9.

Director Wright next reviewed the mitigation strategy and components of mitigation, together with the options presented by Costco.

Director Wright said Council is the decisionmaker on the Development Agreement, which will include a noticed public hearing.

City Administrator Brazel explained there will be two things presented to Council; the first will be the Development Agreement, followed by the Infrastructure Agreement which gets in to the details of the project.

There being no further business the meeting was adjourned at 8:07 p.m.

  
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John Spencer, Mayor

  
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Kathy Pugh, City Clerk