

**CITY OF LAKE STEVENS
CITY COUNCIL REGULAR MEETING MINUTES
Tuesday, June 23, 2020
By Remote Participation**

CALL TO ORDER: 7:00 p.m. by Mayor Brett Gailey

ELECTED OFFICIALS PRESENT: None

ELECTED OFFICIALS PARTICIPATING REMOTELY: Councilmembers Kim Daughtry, Shawn Frederick, Mary Dickinson (7:07 p.m.), Anji Jorstad, Marcus Tageant, Gary Petershagen and Steve Ewing

ELECTED OFFICIALS ABSENT: None

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, City Clerk Kathy Pugh

STAFF MEMBERS PARTICIPATING REMOTELY: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Human Resources Director Anya Warrington, Police Chief John Dyer, City Clerk Kathy Pugh, Deputy City Clerk Adri Crim, IT Manager Troy Stevens, City Engineer Grace Kane, City Attorney Greg Rubstello, Senior Planner David Levitan, Planning Assistant Jill Needham

OTHERS: 2020 Aquafest Queen Trinity Martinez

Mayor Gailey opened the meeting at 7:00 p.m.

Pledge of Allegiance: Because a flag was not available for this remote meeting, the Pledge of Allegiance was not said.

Roll Call: It was noted for the record that Councilmember Dickinson would be joining the meeting shortly, all other Councilmembers were present.

Approval of Agenda: Moved by Councilmember Frederick, seconded by Councilmember Petershagen, to approve the agenda.

Councilmember Jorstad requested Consent Agenda Item D: Resolution 2020-13 Accepting Anonymous Donation for Police Department be moved to Action Items.

Councilmember Frederick accepted the friendly amendment to the main motion to remove Consent Agenda Item D and place it under Action Items.

VOTE: On vote the motion carried (6-0-0-1 with Councilmember Dickinson not present) and the agenda was approved with the noted change.

Guest Business: Mayor Gailey said it was a privilege and honor to participate in the judging for the Aquafest Queen and then introduced 2020 Aquafest Queen Trinity Martinez.

(Councilmember Dickinson joined the meeting at 7:07 p.m.)

Ms. Martinez thanked Mayor Gailey for his comments and said as Aquafest Queen she will work to be inclusive with people in their homes and to support the Food Bank. She believes and will encourage other young people to believe that they can become anything they want to be.

Councilmember Daughtry recognized Dixie Behn, who oversees the Miss Aquafest program.

Ms. Behn shared the role of the Aquafest royalty court is to promote the City of Lake Stevens and community service, and typically the royalty court completes more than 2700 hours of community service. The royalty court has in the past received the Presidential Volunteer Service Award and been invited to participate with other organizations as part of their volunteer programming.

Introduction of New Employees: Community Development and Planning Director Russ Wright introduced Senior Planner David Levitan and said new Building Inspector/Code Compliance official Nick Ewijk will be introduced to Council at a future meeting.

Citizen Comments:

Earl Gray, 2505 Meadow Drive, Lake Stevens, spoke regarding proposed Resolution 2020-15 and said the words are important, but more important is the actions that are carried out. Mr. Gray shared examples of harassment he has received because he is vocal on topics such as Black Lives Matter, including threatening emails, voicemails and messages left in his mailbox.

Kathy Christensen, 12225 – 12th Drive SE, Everett, said she listened to the Snohomish County Council Zoom meeting on January 22 and there were a lot of comments regarding racism in Snohomish County. She said it is ridiculous for people to pretend racism does not exist in this county, and shared example of racism.

Michelle G, 213 82nd Drive SE, Lake Stevens, said she is a white mother with African American children and described how her children have been harassed and racially profiled within the city, including by police and at events such as Aquafest. She said she knows what it is like to be a white mother with black children and be afraid, and that she moved to Lake Stevens to give her children a different life. She said it has been harder for her boys than her girls.

Victoria Horsman, 2507 Meadow Drive, Lake Stevens, said the Proud Boys are very active and pose a threat in Lake Stevens. She agreed with Mr. Gray's comments that the threats are real and said she and others are being targeted for being centrist. She does not feel safe and believes there needs to be action to make the city safer for everyone.

Robin McGee, Lake Stevens, said at the last Council meeting a comment was made about maintaining the charm of the community; she then reviewed statements made by City Councilmembers at the last meeting and suggested the city should strive to be a welcoming community. She commented that racism is killing people of color 24/7.

Nathan Packard, 924 117th Drive SE, Lake Stevens, said he understands some of the concerns and frustrations being shared, and he hopes conversations can focus on opportunities for improvement and how everyone can work together for solutions.

Elizabeth Coelho, Lake Stevens, thanked the Council for listening to the community and said she supports creation of a diversity and equity commission. She also expressed concern about Department of Corrections inmates being used for city projects such as landscaping; she views this as dehumanizing and requested city policy be changed.

Adriel Crowell, 11228 – 15th Place SW, Lake Stevens, agrees with the earlier comments that the city needs action as well as words and added there also needs to be more clarity on the anonymous donation to the Police Department.

Lina DiFiore-Muzzy, Lake Stevens, supports earlier comments and said as a white woman and a newcomer to Lake Stevens she does not feel safe, particularly in light of the stance she has taken against things she has seen. She suggested Mayor Gailey and Councilmembers need to spearhead change in the city.

Council Business:

- Councilmember Daughtry: Snohomish County Cities for Improved Transportation (SCCIT), War Memorial dedication and Farmers Market, both on July 4th, Chamber, Aquafest, Rotary, Kiwanis are working on a Celebrate Lake Stevens event scheduled for September 5th.
- Councilmember Petershagen: Planning Commission, Sewer Utility meeting, Farmers Market.
- Councilmember Frederick: Thanked Mayor for his time on proposed resolution 2020-15; commented the COVID numbers are not good and encouraged everyone to practice social distancing and hand hygiene and said the Governor has ordered everyone to wear face masks in public.
- Councilmember Dickinson: AWC Annual Conference, Senior Center, Library Board, Black Lives Matter march on June 13th, challenged the City Council and Mayor to attend the next march and said everyone needs to be a leader.
- Councilmember Jorstad: Recognized Director Wright and Planning Assistant Jill Needham for their work on the food vendor ordinance, Farmers Market.
- Councilmember Tageant: Sewer Utility meeting.

Mayor's Business: Has been working with Snohomish County Mayors on a variety of topics, SCT Steering Committee, Costco, upcoming capital projects being reviewed, BMX bump park proposal, Sewer Utility committee, recognized the Police Department for receiving their accreditation.

City Department Report:

- City Administrator Brazel: Farmers Market and noted Subway has commented on increased sales during Farmers Market.
- Finance Director Barb Stevens: Provided a review of revenues and said because the city is not as dependent on sales tax revenue as other cities, revenues are not as greatly reduced as initially expected. COVID-related expenditures of approximately \$143,0000 for supplies

and services were reviewed, and Director Stevens said some of these expenditures will be reimbursable under a FEMA grant, and the remainder will likely be reimbursable with the CARES commerce grant. The City is looking at additional funding for small business grants. The Mayor supports doing this, and if Council decides to increase the funding, they will need to approve an amending resolution.

Mayor Gailey said \$300,000 in small business grants was awarded in the first round which helped businesses to stabilize. He believes a second round of grants could be awarded in the total amount of \$100,000 to help businesses that did not make the first round and asked for a motion.

MOTION: Moved by Councilmember Daughtry, seconded by Councilmember Jorstad, to place another \$100,000 from the CARES Act funding into a community grant program for a second round of grants for small businesses.

Councilmember Petershagen asked if this is for businesses that did not receive money in the first round. Mayor Gailey responded that applications would be taken again and review would be weighted toward businesses that did not receive funding in the first round; if there is left over money, it could be awarded to businesses that received funding in the first round and also applied in the second round.

Councilmember Tageant asked if the criteria would be the same in the second round as the first, and Mayor Gailey responded that it would, other than weighting away from first round recipients.

Councilmember Jorstad asked if there would be a \$10,000 limit in place in the second round as there was in the first round, and Mayor Gailey said unless there is a reason to change, he believes the \$10,000 limit would be used in the second round.

City Attorney Rubstello suggested the motion be treated as a motion to amend the original resolution to increase the funding, and everything is then in place and a vote would authorize the Mayor to sign an amended resolution.

AMENDMENT TO MOTION: Councilmember Daughtry amended his motion to be an amendment to Resolution 2020-11, a Resolution of the Lake Stevens City Council authorizing the Mayor or designee to distribute grant funds up to \$10,000 per qualifying small businesses, located within Lake Stevens, as selected under the Lake Stevens Community Small Business Emergency Grant. Councilmember Jorstad seconded the amendment to the main motion. On vote the Amendment to the Main Motion carried (7-0-0-0).

VOTE ON MAIN MOTION: On vote the Main Motion, as amended, carried (7-0-0-0).

- Public Works Director Eric Durpos: Farmers Market, request for sidewalk/pedestrian facilities on North Lakeshore Drive, and particularly at Drew's Point. Director Durpos said staff is looking at ways to make the right of way safer and add striping and additional signage, and recommended the pavement and sidewalk ranking plan be updated in 2021.

Consent Agenda: Moved by Councilmember Tageant, seconded by Councilmember Daughtry, to approve the Consent Agenda:

- A. 2020 Vouchers [Payroll Director Deposits in the amount of \$237,878.54, Payroll Check Nos. 50552-50554 totaling \$4,404.25, Electronic Funds Transfers (ACH) of \$304,372.25,

- Claims Check Nos. 50555-50707 totaling \$2,357,017.89, Void Check No. 49850 in the amount of \$103.70; Total Vouchers Approved \$2,903,569.23
- B. City Council Regular Meeting Minutes of June 9, 2020;
 - C. Interlocal Agreement with Snohomish County re IT Storage;
 - D. [Removed];
 - E. Resolution 2020-14 Accepting Donation of Supplies and Services from Ray Moore Construction for The Mill;
 - F. Authorize Mayor to Enter Necessary Agreements with WSDOT re Road and Drainage Purposes at SR 9/South Lake Stevens Road/24th Street SE

On vote the motion carried (7-0-0-0).

Public Hearing:

Ordinance 1090 re Mobile Food Vendors: Mayor Gailey opened the public hearing.

Assistant Planner Jill Needham presented the staff report and provided a brief history of mobile food trucks in the city, saying that before the interim ordinance they were only allowed as part of a special event permit. She explained that Attorney Rubstello is recommending there be some insurance liability requirements. Planner Needham explained that pursuant to RCW 36.70A.390, a public hearing is required within 60 days of adopting an interim ordinance. That public hearing is scheduled for this evening.

Responding to Councilmembers' questions, Attorney Rubstello explained mobile food vendors should have comprehensive or operations insurance, but generally it is not necessary to name the city as an additional insured. The city should ask for proof of insurance. He added that for vendors parked on the public right of way, that is a judgment call, but in his experience it is not necessary. He recommended the minimum amount of required insurance be \$1,000,000.

Councilmember Jorstad suggested, and Councilmember Daughtry agreed, looking at the industry standard for insurance so that vendors are not unduly burdened, and Director Wright said this can be looked at during the development of the final ordinance.

Mayor Gailey opened the public comment portion of the hearing.

Andrea Duerr, 2010 Grade Road, Lake Stevens, is an owner of Lake Stevens Brewing, and said they are very grateful for this ordinance. She added they are receiving pushback from vendors regarding the \$150 application fee, and their business has been paying the fee. She asked that this be looked at.

Victoria Horsman, 2507 Meadow Drive, Lake Stevens, asked if the fee questions can be answered at this time. Mayor Gailey said generally questions are not answered during the public hearing.

Mayor Gailey then closed the public comment portion of the hearing.

Planner Needham explained the fee was established as part of the interim ordinance and is not included in the fee resolution because this is an interim ordinance.

Director Wright added the fee is intended to recover staff time spent to review and issue the permit. In developing the ordinance other jurisdiction fees were reviewed; staff time was then

estimated to be two hours to process the application and the City charges \$75 per hour for staff time. The interim ordinance will provide time to evaluate the process and look at other cities' fees, and then return with an adjusted fee.

Councilmember Tageant supports reducing the fee.

Councilmember Daughtry asked if other cities were looked at when setting the fee, and Planner Needham responded they were; those fees range from \$80 to \$150. As explained the fees in the interim ordinance are based on two hours of staff time at \$75 per hour.

Councilmember Jorstad believes, and Councilmember Dickinson agreed, it is important to not charge a fee that is higher than neighboring cities. She believes it is important to not put business owners in a difficult spot regarding the fees and to make the process as barrier free as possible.

Mayor Gailey invited additional questions of Council, and there were none. Mayor Gailey then closed the public hearing.

Responding to Mayor Gailey's question, City Attorney Rubstello explained if there is no change to the interim ordinance, no action is necessary and the interim stays in place. The only legal requirement was to hold a public hearing within the 60-day period.

Action Items:

Resolution 2020-13 Accepting Anonymous Cash Donation for Police Department:

Director Stevens said this is a generous donation made by a local construction company to the city each year. She explained the company reaches out to the Chief of Police to see what is needed, and the funds are used for things the city cannot pay for without a policy in place, such as AEDs in police vehicles, the Explorer Program and the annual awards banquet. She believes the donor does not want recognition and before disclosing who it is, she would have to reach out to the donor. Director Stevens added the Council is required to approve donations over \$5,000 which is why this is before Council tonight.

Chief Dyer agreed with Director Stevens' comments and added the same donation is made to the fire department. This business owner feels himself to be very lucky and wants to give back to his community. He added that uses of the donated funds are negotiated with the donor.

Director Stevens added any changes to the donation require donor agreement.

Responding to Councilmember Jorstad's question, Chief Dyer clarified this donor typically asks for a list and then selects from the list where the donation will be applied and sets the amount. He clarified an equal donation is given to the fire department each year as well.

Responding to Councilmember Petershagen's question, Chief Dyer said this donation is a bit of an outlier, but throughout the year other donations may be received, usually in smaller amounts. He noted a larger donation was received for the canine program and clarified this anonymous donation has been received the past three years.

Responding to Councilmember Dickinson's question, Chief Dyer said the donation is used for the Explorer Program, the Volunteer Program, and placing AED's in police vehicles, and this information is in the Council packet.

MOTION: Moved by Councilmember Petershagen, seconded by Councilmember Daughtry, to approve Resolution 2020-13, Accepting an Anonymous Cash Donation for the Police Department for the purpose of the Explorer Program costs, AED machines and volunteer programs. On vote the motion carried (7-0-0-0).

Resolution 2020-15 Condemning Racism and Committing to Increased Education, Awareness, Dialogue and Action:

Council President Tageant said he met with Councilmembers Jorstad and Frederick after the last meeting and revised the resolution originally presented. This was a collaborative effort and the draft was provided to councilmembers for input, including proposed next steps. He hopes this will pass this evening as it is important to the community to have something in place and to provide direction for next steps.

Councilmember Frederick commented this has been a collaborative effort that started almost immediately. He said it included all the Councilmembers and the Mayor and thanked everyone for their conversations. He believes the conversations are really important and he looks forward to continuing down this path.

Councilmember Jorstad thanked her fellow Councilmembers for their collaboration, and Mayor Gailey for bringing forward the original resolution two weeks ago. She said the first resolution was not perfect, nor is this one, and she believes striving for perfection leads to frustration. Councilmember Jorstad believes the first resolution was a first step that opened up conversation and dialogue and brought community members forward to provide input; she appreciated Mayor Gailey's willingness to bring the first resolution forward and his continued collaboration. Councilmember Jorstad said this is difficult and hard, and it should be, and Councilmembers and the Mayor should be able to sit in that difficult spot to help the community move forward. She thanked her fellow Councilmembers and Mayor Gailey for moving this resolution forward tonight.

Councilmember Dickinson agreed with the comments of Councilmembers Tageant, Frederick and Jorstad, and Mayor Gailey, and said this is a first step and she looks forward to the next steps.

MOTION: Moved by Councilmember Ewing, seconded by Councilmember Jorstad, to approve Resolution 2020-15 a Resolution of the Mayor and City Council of the City of Lake Stevens condemning racism and committing to increased education, awareness, dialogue and action to ensure we are one welcoming community around the lake. On vote the motion carried (7-0-0-0).

Waterfront Residential Code Amendments and Task Force: Director Wright introduced the topic and explained the process for selecting task forces. He explained notices are placed on the website and Facebook page, as well as being sent out to members of the community who previously expressed an interest. A scoring matrix is developed to ensure good collaboration, including representation from interested citizens, and the building and development communities.

Senior Planner David Levitan commented the city is establishing a Waterfront Residential Task Force and briefly reviewed the history leading to this task force. Staff proposes the formation of a Waterfront Residential Task Force consisting of nine to 11 members, including one

Councilmember and one Planning Commissioner, as well as city residents, including representatives living in Waterfront Residential zones, members of the building and development community, and some representation from the Urban Growth Area. The task force would meet four to five times through the summer and fall. Formation of the task force has been advertised, and tonight Council is requested to appoint a member to participate on the task force. He added the Planning Commission selected Janice Huxford to represent them, and that 15 applications have been received so far. The application period is open to June 30, 2020. Planner Levitan then responded to Councilmembers' questions and clarified the Council liaison position would be in addition to the nine-11 member task force and would be a participating member of the task force

Councilmember Frederick volunteered to be the liaison to the task force.

MOTION: Moved by Councilmember Ewing, seconded by Councilmember Daughtry, to appoint Councilmember Frederick to the Waterfront Residential Task Force. On vote the motion carried (7-0-0-0).

Civic Campus: Director Wright briefly reviewed that a request for proposal was issued to develop and construct a civic campus at Chapel Hill as a public/private partnership. The facility is envisioned to have space for a new City Hall, Court/Council Chambers and Sewer District offices, along with areas for private development. Staff originally asked that Council nominate one or two members to serve on the selection committee to review materials and interview finalists, and Mayor Gailey would like to see up to three Councilmembers participate in this process. Staff supports this recommendation.

Councilmembers Daughtry, Dickinson Jorstad and Ewing said they would like to volunteer. Discussion ensued and it was noted with four councilmembers there would be a quorum, requiring public notice. Councilmember Jorstad said she will step back and act as alternate for Councilmember Ewing.

MOTION: Moved by Councilmember Petershagen, seconded by Councilmember Frederick, to nominate Councilmembers Daughtry, Dickinson and Ewing to participate on the selection committee, with Councilmember Jorstad as alternate. On vote the motion carried (7-0-0-0).

Discussion Items:

Old Police Station: City Administrator Brazel said with the upcoming move of the Police Department into its new facilities, the building at 2211 Grade Road will be vacant. He noted Council approved a structural remodel of the Grade Road building in the 2020 budget. He commented several things need to happen to continue the downtown revitalization, which staff refers to as "dominoes," including relocation of the Library and Historical Society/Museum. He noted the Library has been a great partner on the Chapel Hill location and was verbally offered the Grade Road building several months ago.

He said a variety of uses have been considered, including housing the Library, Food Bank, or temporary City Hall facility, or surplus the property. He added another option is to sell the building and apply the funds to another project or relocate City Hall to the Grade Road building and surplus the existing modulars. Also available will be the old evidence facility that can be used for storage or other uses. Staff is asking Council to provide input on moving forward.

Discussion ensued, with Councilmember Ewing asking about feedback from the Library and Food Bank regarding use of the Grade Road site, and what the fair market value of the building is. Administrator Brazel responded the Library has expressed some concerns about this becoming their "final" home which may affect their long-range plans, and the building is not the best design for the Food Bank. Director Wright estimated the fair market value is approximately \$1,000,000, but an appraisal will be needed if the property is surplus.

Responding to Councilmember Dickinson's question, Director Durpos said the police building is a modular building and he has consulted with a contractor regarding repairs to the building. Director Durpos said \$200,000 is budgeted for additional analysis and to complete restoration and fix major structural concerns. Staff has been monitoring the "sinking" of the building over the last three years, and it seems to have "bottomed out" and has not settled any more.

Administrator Brazel said the next step for the City is to have more discussion with the Library and provide them with a letter giving them notice of the need to relocate because the structure they are in needs to be removed. The Historical Society is on board. He will meet with the Historical Society and bring them up to date.

Councilmember Petershagen asked if there is a contractual obligation to find space for the Library. He noted there are spaces available for lease that might work. Administrator Brazel responded there is an agreement with Sno Isle that provides the City will provide a space and the Library will provide the service. It is the City's hope to provide a space in the community for the library, and it is ultimately the Library's decision on whether they accept the facility option offered by the City. When the City first suggested the Grade Road facility the Library did express concerns regarding the integrity of the building and whether it could house a library. These concerns can be addressed when the structure is remodeled. Under the agreement the City can offer the space, and if the Library does not like it, they need to inform the City of that.

Further responding to Councilmember Petershagen's question, Administrator Brazel clarified the City provides a city-owned space, and there is no rent requirement. Administrator Brazel added a discussion has taken place with the Library regarding the Civic Center at Chapel Hill and the Library has said they typically do not lease spaces. Administrator Brazel said this is a point of contention with other cities in Snohomish County, space is difficult to find and the library is receiving space at no charge.

Councilmember Petershagen requested further discussion on financial obligations. He noted Sno Isle has a nice facility in Snohomish and he does not believe the City provided the facility. Administrator Brazel replied that is correct, and that in Snohomish, and also in Monroe, Sno Isle was able to pass bonds to build those buildings. In Lake Stevens two bond proposals have failed.

Councilmember Petershagen wondered what the City's financial obligation is to the Library. He noted the City has been blessed to receive grant funding for some of its capital projects, and he believes that may not continue. He would like a better understanding of what the City's obligations are to provide a building for the Library.

Councilmember Dickinson commented that Sno Isle is seeking a grant funds through the state right now, and they did receive funding of \$150,000 from the Legislature for building design. She added it is unfortunate the bonds did not pass.

Councilmember Petershagen suggested a subcommittee for more discussion and for a better understanding of what the City's obligations are.

Councilmember Jorstad suggested having someone from Sno Isle speak to Council to better understand what the barriers and frustrations are so that Council can make a better decision.

Administrator Brazel said he will reach out to Sno Isle to have someone speak at a Council meeting. He added each of these components will be discussed in conjunction with the plans for 18th (Festival) Street, which he will be bringing to Council. It is important that everything fall together so that everything is seamless as these projects move forward.

City Council Agenda Format:

Council President Tageant said it is late and requested this item be put over for discussion at the upcoming retreat.

MOTION: At 9:11 p.m., moved by Councilmember Jorstad, seconded by Councilmember Dickinson, to extend the meeting up to 10 minutes. On vote the motion carried (7-0-0-0).

Citizen Comments:

Victoria Horsman, 2507 Meadow Drive, Lake Stevens, said the Library is an important and intrinsic part of the community, and marginalizing it is not in the best interests of the community. She commented the Library serves multiple purposes and she does not believe the Grade Road facility is adequate for these purposes.

Melissa Knaak, 12110 – 26th Street NE, Lake Stevens, is happy to see the Council taking up the Library location and taking a look at the contract. She believes the Library needs a larger location and does not believe the police station building is adequate. She encouraged the City work with Sno Isle to find a better solution than the police station building.

Mayor Gailey commented it is important that the City have a library facility, and this is why as part of the Civic Center project, he reached out to the Library to partner in this facility. He said this will provide the Library with a centralized location that provides in addition to books, a place for people to meet, and a safe place for youth to study and have access to resources they may not have at home, such as internet. He also commented on the money issues and encouraged those who support the library at the Civic Campus to work with the library to help make this happen.

Executive Session: None.

Adjourn:

Moved by Councilmember Daughtry, seconded by Councilmember Frederick, to adjourn the meeting at 9:18 p.m. On vote the motion carried (7-0-0-0).



Brett Gailey, Mayor



Kathy Pugh, City Clerk