

**CITY OF LAKE STEVENS**  
**CITY COUNCIL REGULAR MEETING MINUTES**  
Tuesday, August 25, 2020  
By Remote Participation via Zoom

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

ELECTED OFFICIALS PRESENT: Councilmembers Kim Daughtry, Gary Petershagen, Shawn Frederick, Mary Dickinson, Anji Jorstad, Steve Ewing and Marcus Tageant

ELECTED OFFICIALS ABSENT: None

STAFF MEMBERS PRESENT: City Administrator Gene Brazel, Finance Director Barb Stevens, Community Development Director Russ Wright, Public Works Director Eric Durpos, Police Chief John Dyer, City Clerk Kelly Chelin, City Attorney Greg Rubstello and IT Manager Troy Stevens.

OTHERS:

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**Pledge of Allegiance:** Mayor Gailey led the Pledge of Allegiance.

**Roll Call:** All present.

**Approval of Agenda:** City Clerk Chelin stated for the record that there was a small typo on the staff report for the Salary Commission appointments. The report read "Veterans Commission" in one place in the document and that should be corrected to read "Salary Commission".

**MOTION.** Moved by Councilmember Jorstad, seconded by Councilmember Daughtry, to approve the agenda. The motion carried (7-0-0-0).

**Citizen Comments:**

Christine Egelstad, 8919 131<sup>st</sup> NE, Lake Stevens. Ms. Egelstad spoke in support of the full-time Mayor position stating that the previous Mayor, John Spencer, worked full-time hours. She stated that the City has grown to over 30,000 residents and the City needs a full-time Mayor position.

Earl Gray, 2505 Meadow Dr, Lake Stevens. Mr. Gray stated that when the Mayor was elected, it was a part-time position. He stated these are uncertain financial times and to wait on making the Mayor full-time until the residents can vote on it.

Robin McGee, Lake Stevens. Ms. McGee stated that she submitted comments online about the full-time Mayor position. She stated that this is not the right time to make this decision and the voters voted in a part-time Mayor. She agreed that a full-time Mayor may be necessary but not right now.

Sue Fernald, Lake Stevens. Ms. Fernald stated that she was in support of the full-time Mayor position. She stated this decision is more important now than ever.

Sam Low, Lake Stevens. Mr. Low stated that he remembers talking to Mayor Spencer in 2016 about the need for a full-time Mayor position. Mr. Spencer agreed at the time but wasn't interested. He urged the Council to make this decision now and this is the right time.

Todd Welch, Lake Stevens. Mr. Welch stated that he was on the Council for 8 years and for the last 6 years, the Mayor has worked full-time hours. He told the Council that now is the right time to make the Mayor full-time.

**Council Business:**

Councilmember Dickson reported that the Senior Center is giving away 150 meals a day and would like the City to fulfill the \$20,000 commitment to the Senior Center. She also thanked resident Kathy Benson for making face masks and raising money for the food bank. She has sold over 800 masks and raised \$4,000 for the food bank.

Councilmember Jorstad reported that tomorrow is the last day of the Farmers Market.

Councilmember Fredrick reported that the COVID numbers are trending in a good direction and thanked everyone for the team effort. He met with local farmers and activities are opening across Snohomish County.

Councilmember Ewing stated that he sat in on the interviews for the Salary Commission and any of the 6 applicants would have been great. It was a difficult decision. He stated that September is Suicide Awareness Month. Lastly, he thanked Governor Inslee for lifting restrictions on funerals.

Councilmember Tageant stated the Farmers Market is evolving and the last day is tomorrow. He reported there is a lot of construction going on and thanked Public Works Director Durpos and his crew for all the hard work.

**Mayor's Business:**

**Childhood Cancer Awareness Month Proclamation.**

Mayor Gailey read the proclamation into the record.

**MOTION.** Moved by Councilmember Daughtry, Seconded by Councilmember Tageant to approve the Proclamation. The motion carried (7-0-0-0).

Mayor Gailey reported that the staff is busy preparing the budget for 2021. He stated that he has spoken to developers recently, and they are eager to get into the City. He is still working on broadband at home for all the Lake Stevens School District students who are homeschooling. He had a meeting with the Washington State Department of Transportation on the Highway 9/SR 204 project Phase 2 which will start in spring of 2021. He stated that Costco is still coming to the City. Lastly, the Farmers Market has been a huge success.

**City Department Report:**

City Administrator Brazel asked Chief Dyer to give a report on some recent police activity.

**Consent Agenda:**

**MOTION:** Moved by Councilmember Tageant, seconded by Councilmember Petershagen to approve:

- A. 2020 Vouchers – Barb
- B. City Council Regular Meeting Minutes of July 14, 2020 – Kelly
- C. Bid Award and Contract with Trinity Contractors for North Cove Park Phase II - Eric
- D. Bid Award and Contract with HW Lochner for Construction Management re Costco – Eric
- E. Public Works Reorganization – Anya/Eric
- F. Appointment of Salary Commission Members – Kelly
- G. Ordinance 1092 Amending LSMC re Council Meeting Location - Kelly

The motion carried (7-0-0-0).

**Public Hearing:**

**Machias Industrial Annexation.**

Mayor Gailey opened the public hearing at 7:47 p.m.

Director Wright explained that on August 16, 2017, the City of Lake Stevens received an annexation petition signed by the property owner representing more than 10 percent of the assessed value in the Machias Industrial Annexation area. The property is approximately 67 acres and 18 parcels totaling over \$7.25 million in value. The annexation would include the right-of-way along Machias Road. The petitioner owns 57 percent of the land by assessed value. Located adjacent to Lake Stevens city limits, the Machias Industrial Annexation area is currently zoned Heavy Industrial.

The City adopted land use and zoning designations for its Urban Growth Area with the adoption of Ordinances 1073 and 1074 for its Urban Growth Area. These ordinances designated the subject properties GI (General Industrial) in the City's Comprehensive Plan and Official Zoning Map. Public meetings were held on April 20, 2017 and September 8, 2017 with subsequent meetings with individual property owners since. The City Council passed Resolution 2017-015 accepting the petition and allowing circulation of the 60 percent petition. The Council approved an updated 10 percent request on August 27, 2019.

At its August 11, 2020 special meeting, City Council approved Resolution 2020-19 authorizing a Notice of Intent to Annex to be submitted to the County and Boundary Review Board (BRB). After the City Council passed Resolution 2020-19, the Snohomish County Assessor's office identified scrivener's errors in the petition and legal description and requested additional certification documentation for the petitioners.

The public hearing was advertised pursuant to RCW 35A.14.130. To date, no public comments have been received. After the BRB has reviewed the annexation, and the County validates the petition, the City Council will have the final decision to annex the property by ordinance.

Mayor Gailey opened the public hearing for public comment:

Janice, Lake Stevens. Janice asked several questions of the Council including what the decision of light industrial means, if this annexation is being generated by a developer and what infrastructure the City is willing to do in this area.

Mayor Gailey closed the public comment period of the hearing.

**MOTION.** Moved by Councilmember Ewing, seconded by Councilmember Tageant to continue the public hearing to September 8, 2020. The motion carried (7-0-0-0).

**Action Items:**

**Ordinance 1093 re Full-Time Mayor.**

City Administrator Brazel explained that during the City Council meeting on July 14, 2020, a subcommittee was created to discuss the need for a full-time Mayor. Councilmembers Anji Jorstad, Gary Petershagen and Steve Ewing, along with City Administrator, Gene Brazel, and HR Director, Anya Warrington, participated in this subcommittee. The subcommittee met on multiple occasions and compiled information to assist in the discussion and decision by Council.

The subcommittee discussed their recommendation to make the Mayor position full-time at the City Council meeting on August 11, 2020. Staff reviewed the presentation materials and facilitated questions from Council. Council requested public comment prior to taking action, which was posted on the City's website and comments were viewable to Council prior to this meeting.

**MOTION.** Moved by Councilmember Ewing, seconded by Councilmember Daughtry, to approve Ordinance 1093 for a full-time Mayor position.

Councilmember Tageant stated that he does believe the full-time Mayor position is needed however hes not sure it's the right time. He believes the citizens should vote on this issue therefore he will be voting no on the motion.

Councilmember Fredrick stated that good work has been done on this. He stated he has some concerns with the proper compensation for the Mayor. He agrees a full-time Mayor is needed but is concerned with the economy and the loss of jobs. He also stated that the residents voted in a part-time Mayor. He suggested having a vote in 2021 by the residents.

Councilmember Daughtry stated he has a different perspective. He believes the City has always put off this decision and the City has been behind in making the Mayor full-time. He stated that we would gain a lot with a full-time position. The Council is voted in for a reason and the Council can make this decision. He will be voting in favor of the Ordinance.

Councilmember Jorstad stated she felt that she was in a tricky situation. She appreciated all the comments made by the Council tonight.

Councilmember Ewing stated that a full-time Mayor should have happened a long time ago. He stated he agrees with Councilmember Daughtry. He believes this is the right decision for the City.

Councilmember Tageant stated that this has moved fast, and he would like more time to evaluate the decision. He suggested adding it to retreat coming up on September 25.

Councilmember Petershagen stated that all the comments have been good, and he has been thinking this over as well. He has been thinking about whether this is an investment or an expenditure. The City has a lot of projects going on and we need a full-time Mayor for all the current issues. He agreed with Councilmember Daughtry that this is a Council discussion not a ballot measure. He will be voting in favor of the Ordinance.

Councilmember Fredrick asked for the true budget impact. He would like to see a graph with the Mayor position and all the other decisions that have been made.

**MOTION.** Moved by Councilmember Jorstad, seconded by Councilmember Dickinson to table this resolution to the October 13, 2020 Council Meeting. The motion carried (4-3-0-0 with Councilmember Daughtry, Councilmember Petershagen and Councilmember Ewing voting no).

**Discussion Items:**

**Budget Amendment.**

Director Stevens explained that in addition to the beginning balances, amendments are being proposed in revenue and expenditure line items throughout the funds. Proposed amendments are based changes in estimates, or other obligations related to grants, previously approved projects or new requests.

**Summary of Ordinance 1095 - Amendment #2 to the 2020 Budget – CITYWIDE**

Budget Action	Budgeted Beginning Balance	Budgeted Resources	Budgeted Expenditures	Budgeted Ending Balance
2020 Original Budget - 1071	\$31,121,718	\$43,474,883	\$50,477,474	\$24,119,127
Budget Amendment #1 - 1079	\$3,925,844	\$4,431,747	\$8,674,370	(\$316,779)
Budget Amendment #2 - 1095	\$0	\$889,927	\$1,801,781	(\$911,854)
<b>Totals</b>	<b>\$35,047,562</b>	<b>\$48,796,557</b>	<b>\$60,953,625</b>	<b>\$22,890,494</b>

**Summary of Ordinance 1095 – Amendment #2 to 2020 Budget by FUND**

Fund #	Fund Name	Change in Beginning Balance	Change in Resources	Change in Expenditures	Change in Ending Balance
001	General	\$1,030	\$1,103,900	\$700,323	\$404,607
101	Street	\$0	\$0	\$78,298	(\$78,298)
112	Municipal Arts Fund	\$0	\$27,000	\$0	\$27,000
301	Cap. Proj.-Dev. Contrib.	\$27,374	(\$926,158)	(\$414,975)	(\$483,809)
302	Park Mitigation	\$124,034	\$980,000	\$1,633,130	(\$529,096)
304	Cap. Improvements	(\$124,034)	\$100,000	(\$24,034)	\$0
305	Downtown Redevelopment	\$0	(\$1,000,000)	(\$1,000,000)	\$0
306	Facility Capital Project	\$0	\$173,000	\$471,796	(\$298,796)
401	Sewer	\$0	\$0	\$55,022	(\$55,022)
410	Storm and Surface Water	\$0	\$7,426	\$9,778	(\$2,352)
411	Storm Water Capital	\$0	\$501,001	\$412,617	\$88,384
520	Equipment Fund-Police	\$1,548	\$13,980	\$0	\$15,528
621	Refundable Deposits	(\$29,952)	(\$100,000)	(\$129,952)	\$0
	<b>Total</b>	<b>\$0</b>	<b>\$889,927</b>	<b>\$1,801,781</b>	<b>(\$911,854)</b>

This is amendment No. 2 for 2020. This Ordinance will come back for action on September 8, 2020.

### Food Truck Ordinance.

Assistant Planner Needham explained that the City Council held a public hearing on the interim Ordinance on June 23, 2020. Since then, staff has made revisions to the interim code based on comments from Council, Planning Commission, the Fire Department, the Food Truck Association, and public comments received. A public hearing on the proposed changes was held at Planning Commission on August 5, 2020.

The following list summarizes changes:

- Added definition for Mobile Food Preparation Vehicle in 14.08, as defined by the IFC.
- Added 14.44.085(b) (1), requiring Fire approval for all Mobile Food Preparation Vehicles operating within the City, even those associated with events.
- To remove redundancies and streamline the application process, staff has removed 14.44.085 (c)(5) and (7), requiring a wastewater/grease disposal plan and proof of L&I approval. 14.44.085 (d)(6)(ii) has also been removed, which requires vendors to have a trash can on site. The Snohomish Health District has many identical regulations and permit submittal requirements.
- An insurance requirement has been added, as shown in 14.44.085 (c) (9). Certificate of public liability insurance must be included with application submittal in the amount of \$500,000 minimum for injuries and \$25,000 for damages.
- Added 14.44.085 (d) (5), requiring Fire Dept. approval. Fire may require an inspection and/or separate permit in the future.
- Only vendors operating on 20th ST SE or 20th ST NE right of ways may not operate between the hours of 4 p.m. and 6 p.m., as shown in 14.44.085 (d) (7). This restriction does not apply to vendors on other right-of-ways.
- Renamed 'Concession Agreement' in 14.44.085 (e) to 'Public Property Use Agreement' to better reflect the intent.
- The minimum distance a vendor may operate from an existing brick-and-mortar restaurant without the owner's permission has been reduced from 250 to 150 feet, as shown in 14.44.085 (e) (2). Language outlining the measurement method has been added.
- Added (iii) to LSMC 14.44.085 (e) (4) to restrict mobile vending units from selling on state and federal highways.

The proposed fees for addition to the Fees Resolution are as follows:

- Initial application fee of \$75
- Annual renewal fee of \$50

The Council asked how it was going with the food trucks at the Lake Stevens brewery. Assistant Planner Needham stated there has been no issues and that the food truck has been a huge success at this location.

Councilmember Petershagen stated that Exhibit 1 of the staff report states "Flood Hazard Regulations" in the subject line. It should read "Food Trucks".

Discussion incurred about the fire inspections of the Food Trucks. More research on this topic will come back at the Council's public hearing on September 22, 2020.


**Citizen Comments:**

Jerry Stumbaugh, Lake Stevens. He thanked the Council for all they have done for the Senior Center.

Melissa Knaak, Lake Stevens. She thanked the Council for taking additional time to consider the full-time Mayor position.

**Adjourn:**

MOTION. Moved by Councilmember Daughtry, seconded by Councilmember Jorstad, to adjourn the meeting at 8:59 p.m. The motion carried (7-0-0-0).

  
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Brett Gailey, Mayor  
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Kelly Chelin, City Clerk