

City Council
November 22, 2011

Mayor Johnson called the regularly scheduled meeting to order at 7:03 PM.

Upon roll call the following members were present: Montgomery, Twardoski, Patson, Harple and Boyle Barrett. Also in attendance was City Administrator Schmidt.

Mayor Johnson asked if there are any changes, additions or deletions to the agenda. There were none.

Finance & Public Safety: Council member Boyle Barrett stated they have not had any meetings since the last Council meeting, but they do have one coming up on the 28th and possibly one on December 4th, but we'll schedule that one later if we need to.

Streets & Utilities: Council member Montgomery stated their next meeting is December 7th at 7PM at City Hall.

Community Services & Recreation: Council member Patson stated they had a very brief meeting on the 15th and they reviewed a draft of the job description for the Youth Activities Coordinator. A copy has been provided tonight for all Council members. Shannon Vaughn has requested May 18 and 19 for the Relay for Life event and we will notify her that she needs to submit a Special Events Application. Recreation Services Director Boyd was contacted by a scout troop that wants to collect after holiday Christmas trees for a \$10 donation and the trees could be used for mulch. While we thought this was a good idea, trees are usually picked up for free. On the 26th of November, Stage Door Productions will be putting on an old time radio performance at the Multi-purpose Center. The program begins at 6 PM and they are collecting non-parishable food items at the door. We did not determine a date and time for our next meeting.

Community & Economic Development: Council member Boyle Barrett stated they have not had a meeting, and no meeting is scheduled at this time.

Mayor's Report:

Mayor Johnson stated she spent Thursday with the AWC Legislative Committee and they've come up with legislative priorities for the 2012 legislative session. Their top priority is letting the legislature know that we want to insure the continued appropriation of committed state shared funds, and that includes the liquor tax, the gasoline tax, and all of the funds that we get from the State. Also, local transportation funding, preserving the funding for infrastructure, the Public Works Trust Fund, and pursuing options for creating sustainable personnel related costs such as health care costs. There were many

others, but those are the ones that reached the top of the voting scale. After that she met with Kevin Phelps from the County Executive's office who has been charged with setting up the new 911 that passed. This is a county-wide dispatch for fire and police. We will be required to pay for it regardless of whether we use it or not. One of the cries was from the small cities saying we like the idea but we're not sure we can afford it. They want to sit down and talk with us after the first of the year and draw up a plan. We will have a seat at the table if we so wish, so right now it is up in the air but we definitely want a seat at the table. Mayor Johnson said she will keep reporting back on what's happening with that. Also, we have received notification from Pierce Transit that they are going to do a boundary review, and it will be in a resolution form for you at the next Council meeting. Again, we want a seat at the table. They are actually doing a favor for the cities that are no longer getting transportation services. Where we were going to have to legally challenge and ask to de-annex, they're going to do it for us basically by having a boundary review and redrawing the boundaries, because if we are outside the boundaries we have an option to opt out. So, again, that will up to the Council, but they want our reply in resolution form and each city will have a seat at the table, so if there is anyone who would like to be on this I would love for someone to do it. This group will meet at least once a month at the Pierce Transit Headquarters in Tacoma. The first meeting will be December 16th at 2:30 PM, and all of their meetings are in the afternoon. This will be about a six to seven month process.

Staff Reports:

City Administrator Schmidt stated that two of the things in the Governor's budget are elimination of the State share portion of the liquor excise tax to the cities, which is about 35% of what the State gets, and the city equalization assistance that we've been receiving since I-695 went into effect, and then the streamline sales tax. So, the combination of those two is about \$50K to our general fund. The legislature will pass the budget, so I encourage everyone to contact our legislators and let them know that \$50K will have a big impact on our general fund.

City Administrator Schmidt said we are moving forward with winter shutdown on the realignment project. Weather conditions and temperatures are not adequate for paving. Johansen still has some other things that need to be finished up on the site before we finish. Some of the trench patches have to be completed better. Right now they can't do those things with the weather like this, so they will come back and do that and then we'll wrap everything up for the winter.

City Administrator Schmidt said we actually got pictures today of Wickersham Basin at the end of the storm pipe and there is a lot of water coming out. We went out and looked at Division and the Ryan Road drainage ditch and there was not very much water there which is a miracle because usually that's running pretty full after the type of storm we've had the last few days. So, we're seeing a positive impact as a result of that.

Council member Montgomery asked if there is any word on when auditor is going to do the closeout. Mayor Johnson said he has not yet given us a date of when he's going to

come back. City Administrator Schmidt said we sent our certifications and representations in last week. However, there is an issue that just popped up. The auditor had finished and left and then there was an issue, and he just called me on the phone last week, and there is a possibility that the City will receive its first finding in years. And, it is really over a technical error. When the City transferred from the ASP program to the Visions software program, everything came over into the new software program, but it is my understand that there is a BARS account code in the capital funds that was no longer valid under the State BARS manual. So, when we try reconciling our receipts against the bank's and the general ledger, the general ledger didn't read those numbers so there was about a \$1.3M deficiency. The auditor said all of our cash balances are fine; it's just that technical glitch that the general ledger didn't pick up. But that's a big enough issue that they were going to issue a finding as a result of it. We have since written a letter to the regional auditor and requested a down grade of that finding to just a management letter, and the correction has been made. Mayor Johnson said the Visions representative spent about four days here last week trying to find out where the glitch was.

Chief Arsanto said regarding the south sound 911, he and Kathy Loye will be attending all of those meetings. We need to stay informed because it's going to have a huge impact on our dispatch center. But, keep in mind that it's three and a half to four years away before the infrastructure is all built out and they are ready to bring people on. We will keep Council apprised, probably through committee meetings and things like that. We will keep everybody informed.

Chief Arsanto said he has been in contact with Skagit County, Monroe, Marysville, North Bend and Lynnwood, who are all taking a look at our jail. I believe North Bend is actually taking it to their Council next week. So, we're out there, the word's out there and we're in contact with people and we'll see what happens. There seems to be a lot of interest out there, but it doesn't change the fact of how big we are and the capacity we have to make, but at least it's looking like there are some folks interested.

Chief Predmore stated we were contacted last week by the general contractor on the fire station project who requested an urgent meeting to discuss delays in the project and some challenges that have resulted from sub-contractor scheduling. So, we spent close to five hours meeting today and we are still waiting for more information from them, but I am pretty confident that we will be bringing forward something in terms of extending the period of performance on the station project giving them a little bit more time because of some of the challenges that are being dealt with, and working out the rest of exactly what that means. It is not any one thing, it is a number of things that are all coming together, so once we actually have something in writing, we will bring it before the Council. I just wanted everyone to be aware that there are some meetings going on and some discussion, and that the substantial completion date of the current contract of December 25th isn't a realistic substantial completion date.

CITIZEN PARTICIPATION

Marvin Sundstrom, 881 Sheets Road, Buckley. Mr. Sundstrom spoke briefly regarding time limits on speaking during Citizen Participation.

MAIN AGENDA

Cancellation of Second City Council Meeting in December:

Council member Montgomery moved to cancel the regularly scheduled City Council meeting set for December 27, 2011. Council member Harple seconded the motion. City Administrator Schmidt stated that we hope to have the entire budget document done for the workshop on the 6th so Council can look at it and discuss it, and if there are any issues we can make corrections to it before we actually go to the 13th meeting. Council member Montgomery asked if there are going to be substantial enough changes that we are going to need another Public Hearing. City Administrator Schmidt said no because the Public Hearing on the budget really has to do with the guts of the budget. The only thing that has changed is some of the projections. **Motion carried.**

Fire Station Construction – Change Order #7:

Council member Montgomery moved to approve the Fire Station Construction Project Change Order No. 7 with Five Rivers Construction adding \$48,751.44 and eight days to the current contract amounts. Council member Harple seconded the motion. Chief Predmore explained the reasons for this change order, which have to do with work and improvements along Division Street. **Motion carried.**

CONSENT AGENDA

Council member Montgomery moved to approve the Consent Agenda. Council member Twardoski seconded the motion. Motion carried.

Approve Minutes of November 8, 2011

Claim check numbers 47682 through 47758, in the amount of \$200,935.86, for the period of November 9, 2011 through November 22, 2011, are hereby approved and ordered paid this 22nd day of November 2011.

City Council retreated into Executive Session at 7:30 PM, for approximately 15 minutes, to discuss Spiketon Ditch litigation, with action to follow. At 7:45 an additional 10 minutes was requested. At 7:55 an additional 10 minutes was requested.

City Council returned from Executive Session and reconvened the City Council meeting at 8:10 PM.

Settlement Agreement – Froemke & Spiketon Ditch Litigation:

Council member Boyle Barrett moved to authorize the Mayor and City Attorney to enter into a Settlement Agreement with the Froemkes based on terms in memorandum from the Attorney and the additional condition presented by the Attorney. Council member Montgomery seconded the motion. Motion carried with Council member Harple abstaining.

With nothing further the meeting was adjourned at 8:11 PM.



Mayor



City Administrator