

EDMONDS CITY COUNCIL APPROVED MINUTES

September 2, 2008

Following a Special Meeting at 6:30 p.m. for an Executive Session for legal advice regarding pending or threatened litigation, the Edmonds City Council meeting was called to order at 7:00 p.m. by Mayor Haakenson in the Council Chambers, 250 5th Avenue North, Edmonds. The meeting was opened with the flag salute.

ELECTED OFFICIALS PRESENT

Gary Haakenson, Mayor
Michael Plunkett, Council President
Peggy Pritchard Olson, Councilmember
Steve Bernheim, Councilmember
D. J. Wilson, Councilmember
Deanna Dawson, Councilmember
Dave Orvis, Councilmember
Ron Wambolt, Councilmember

ALSO PRESENT

Leif Warren, Student Representative

STAFF PRESENT

Al Compaan, Chief of Police
James Lawless, Assistant Chief of Police
Gerry Gannon, Assistant Chief of Police
Brian McIntosh, Parks and Recreation Director
Kathleen Junglov, Finance Director
Stephen Clifton, Comm. Serv./Economic Dev. Dir.
Noel Miller, Public Works Director
Debi Humann, Human Resources Director
Duane Bowman, Development Services Director
Mark Correira, Assistant Fire Chief
Carl Nelson, Chief Information Officer
Rob English, City Engineer
Bertrand Hauss, Traffic Engineer
Scott Snyder, City Attorney
Sandy Chase, City Clerk
Jana Spellman, Sr. Exec. Council Asst.

1. APPROVAL OF AGENDA

Mayor Haakenson added a 30 minute Executive Session at the end of the meeting regarding real estate negotiations, and added a Proclamation regarding the Sno-King Youth Club to Agenda Item 4.

Addition to
the Agenda

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER OLSON, TO APPROVE THE AGENDA AS AMENDED. MOTION CARRIED UNANIMOUSLY.

2. CONSENT AGENDA ITEMS

Councilmember Bernheim requested Item E be removed from the Consent Agenda.

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCIL PRESIDENT PLUNKETT, TO APPROVE THE BALANCE OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:

Roll Call

A. ROLL CALL

Approve
08/18/08
Workshop
Minutes

B. APPROVAL OF CITY COUNCIL SPECIAL WORKSHOP MINUTES OF AUGUST 18, 2008.

Approve
08/26/08
Minutes

C. APPROVAL OF CITY COUNCIL MEETING MINUTES OF AUGUST 26, 2008.

Approve
Claim Checks

D. APPROVAL OF CLAIM CHECKS #106461 THROUGH #106637 FOR AUGUST 28, 2008 IN THE AMOUNT OF \$698,636.97.

Snohomish
County
Regional
Drug Task
Force

ITEM E: SNOHOMISH COUNTY REGIONAL DRUG TASK FORCE AGREEMENT.

Councilmember Bernheim pulled this item to express his opposition, explaining he was opposed to spending scarce resources in an ineffective effort to have criminal control of drugs. He asserted the criminalization of drugs did not curb demand in society, and it raised the price of drugs, stimulated gun violence, bred crime, bred disrespect for law, and posed a danger to citizens at large and drug searches seriously restricted civil liberties. He pointed out the anti-drug effort distracted police from other duties and he preferred society approach drug abuse from a harm reduction standpoint rather than prohibition. As drugs were a public health problem, he preferred the funds be directed toward public health resources in Snohomish County rather than an anti-drug police task force.

COUNCIL PRESIDENT PLUNKETT MOVED, SECONDED BY COUNCILMEMBER DAWSON, TO APPROVE ITEM E. MOTION CARRIED (6-1), COUNCILMEMBER BERNHEIM OPPOSED.

Student
Representative
Leif Warren

3. INTRODUCTION OF STUDENT REPRESENTATIVE.

Council President Plunkett introduced Leif Warren, a student at Meadowdale High School, and described his background.

Student Representative Warren expressed his thanks for the opportunity to serve as Student Representative.

4. PROCLAMATION IN HONOR OF GREEN EDMONDS WEEK, SEPTEMBER 8 - 13, 2008 AND PROCLAMATION IN HONOR OF SNO-KING YOUTH CLUB'S "EVERYONE GETS TO PLAY DAY."

Green
Edmonds
Week
Proclamation

Mayor Haakenson read a proclamation in honor of Green Edmonds Week and presented it to David Kaufer and Teresa Wippel with Green for Good. Mr. Kaufer expressed their pride at hosting Green Edmonds Festival on Saturday, September 13 at the Frances Anderson Center and looked forward to Green Edmonds Week.

Everyone
Gets to Play
Day
Proclamation

Mayor Haakenson read a proclamation in honor of the Sno-King Youth Club's "Everyone Gets to Play Day" on September 6 and presented it to Ryan Flynn, Development Director, Sno-King Youth Club. Mr. Flynn invited the community to the event and to purchase tennis balls for the Running of the Balls event at their website, www.SKYC.net.

Six Year
Transportation
Improvement
Program

5. PUBLIC HEARING FOR THE SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM (2009-2014) AND PROPOSED RESOLUTION ADOPTING THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM AND DIRECTING THE SAME TO BE FILED WITH THE SECRETARY OF TRANSPORTATION AND THE TRANSPORTATION IMPROVEMENT BOARD.

Traffic Engineer Bertrand Hauss advised state law required each city update their Transportation Improvement Program (TIP) prior to adoption of the budget. The Plan must contain all regionally significant transportation projects that a city plans to undertake in the next six years. The TIP is submitted to state agencies as well as the Puget Sound Regional Council where the data is used to create a state-wide TIP database. The TIP was required to be financially constrained in the first three

years but was not required to be financially constrained in the last three years. Cities are not eligible for State or Federal grant funding unless the project was identified on the TIP.

Mr. Hauss assured approval & adoption of the 2009 TIP did not mean final Council approval of proposed projects. Additional opportunities to review projects include when a major update to the Transportation Element was reviewed by the Planning Board and City Council (Spring 2009), when staff presents the draft CIP for adoption, during the budget submission, when staff requests authorization to call for bids and when bids are accepted by the Council.

He reviewed transportation projects scheduled in 2009-2011.

1. **Transportation Plan Update.** The Transportation Plan is an element of the Comprehensive Plan and consists of the Walkway Plan, Bicycle Plan and Transportation Element. Staff is currently working with consultant ICF Jones and Stokes and several citizen committees. Remaining work with the consultant includes travel forecast, traffic calming program, development of future project lists, financial plan, draft Plan, and public comment, followed by review and approval by the Planning Board and review and approval by the City Council. He anticipated the Plan would be finalized by spring 2009.
2. **SR 99 @ 76th Intersection Improvements** - installs southbound left turns from Hwy 99 onto 76th Avenue W with raised median, creates a safe left turn with the installation of a traffic signal at Hwy. 99 @ 228th Street SW with a left turn arrow, and adds a safe pedestrian crossing on Hwy. 99 between 224 and 238th. This project was recommended by the 2007 Hwy. 99 Traffic Safety and Circulation Study. The City contracted for this project with HDR; work remaining in 2009 includes a traffic signal warrant analysis, survey work, 15% design and a grant application. Pending a federal grant to be applied for in 2009, construction is scheduled for 2010. The cost estimate for this project was \$1.5 million.
3. **Puget Drive Walkway Project** - installs missing gaps of sidewalk on Puget Drive between Caspers Street and Olympic Avenue. This project was recommended in the 2002 Walkway Plan. The project design is complete and the project was bid early this summer. As bids were significantly higher than anticipated, staff plans to re-advertise for bids at the end of this year. The preliminary construction cost estimate is \$865,000; a \$425,000 Pedestrian and Bicycle Safety Grant has been secured and staff recently applied for a TIB grant in the amount of \$250,000. The remaining funds of \$190,000 would be provided by Fund 125:
4. **76th / 75th Walkway Project** - installs a sidewalk on the east side of 76th Avenue West from Meadowdale Beach Road to North Meadowdale Beach Road. This project was recommended in the 2002 Walkway Plan. Staff plans to re-advertise bids at the end of this year, expecting lower bids than bids obtained this summer. The preliminary construction cost estimate is \$1.5 million funded via Fund 125.
5. **Interurban Trail** - installs a missing Interurban Trail link between Mountlake Terrace and Shoreline. Design work anticipated to begin late 2008/early 2009. Preliminary construction cost estimate is \$1.16 million. Staff recently applied for a \$577,000 Recreation and Conservation Office (RCO) for construction with the remaining \$577,000 funded via Fund 125. If the RCO grant is received, he anticipated construction could begin by the end of 2009.

Mr. Hauss reviewed other transportation projects planned for the next three years:

- 238th @ 100th Avenue signal upgrades
- Annual street overlays: utility overlays only
- Arterial street traffic signal coordination
- Olympic View Drive sidewalk improvements (Lynnwood project)

- 226th St. SW walkway project (pending Federal Safety Grant)
- Edmonds Crossing Project

He reviewed rescheduled transportation projects, explaining many transportation projects have to be rescheduled to a later time, assuming adequate funding will become available then:

- Non-Motorized pedestrian/bicycle projects
 - Main Street Pedestrian Lighting
 - 80th Avenue W pedestrian improvements
 - Shell Valley project
 - Bikeway projects citywide
- Safety / Capacity Projects
 - 76th Avenue W @ 212th Street SW capacity improvements
 - Five Corners intersection improvements
 - Main St. @ 3rd Avenue signal upgrades
 - Olympic View Drive @ 76th intersection improvements
 - SR99 capacity improvements @ 212th, 216th and 220th
 - Citywide traffic calming
 - Annual school zone improvements
- Preservation / Minor Improvement Projects
 - Annual overlay projects
 - Citywide street improvements
 - Citywide signal improvements

Mr. Hauss relayed staff's recommendation that the Council approve the six year TIP and adopt the Six-Year TIP resolution.

Councilmember Orvis inquired if the 80th Ave. W sight distance project had been pushed back from the previous plan. Development Services Director Duane Bowman advised that project was associated with the McNaughton subdivision which had preliminary approval; an ongoing dispute between the McNaughton Group and the property owner has prevented the project from moving forward. The preliminary approval was good for five years. Councilmember Orvis noted only 2009-2011 must be funded; projects in the remaining three years did not need to be funded. Mr. Hauss agreed.

At Councilmember Wambolt's request, Mr. Hauss agreed to provide the Council a copy of the PowerPoint presentation.

Councilmember Bernheim asked if the Edmonds Crossing project included any Edmonds funds in the six year time period. Community Services/Economic Development Director Stephen Clifton responded it did not. Councilmember Bernheim inquired about federal and state funds for the Edmonds Crossing project in 2009. Mr. Clifton explained the \$1.1 million was for the removal of the Unocal pier funded by the State and \$2 million was for Washington State Ferries (WSF) consultants involved in design and permitting. He noted this was a pass-through fund; WSF sends the City the consultants' invoices as the City was the grantee for federal funds. The City processes the grant application and invoices and is reimbursed by the State.

Councilmember Wilson inquired if federal grants would be lost if construction on Edmonds Crossing did not begin. Mr. Clifton stated all \$12.3 million in federal funds had been obligated to ensure it was not lost; however, there was always the risk that WSF would consider reallocating unexpended funds.

Councilmember Wilson observed there were no funds allocated in 2010 and 2011 for non-motorized pedestrian/bicycle projects and asked if that was because so much would be spent in 2009. Mr. Hauss

responded many projects depend on grant funding. Public Works Director Noel Miller responded the focus was on the Interurban Trail which was a bicycle project.

Councilmember Orvis asked if the TIP was updated annually which would allow it to be revised if the Council approved a Transportation Benefit District (TBD). Mr. Hauss answered it was updated annually.

Mayor Haakenson opened the public participation portion of the public hearing.

Roger Hertrich, Edmonds, commented on the amount of funding for Edmonds Crossing, a project he deemed was in a state of flux as there was little funding available for ferry docks or ferries. He objected to committing funds to removing the pier, noting it did not need to be removed unless that location was used. He preferred State funds be used for more important projects. He referred to the 76th walkway project, noting there were no grants available for this project, requiring the City fund the entire \$1.5 million cost. He suggested delaying this project and increasing efforts to secure grants. Next, he noted there were insufficient funds to complete the 9th Avenue/Caspers walkway project and the funding cited in the TIP was possible grants. He suggested doing only a portion of the project such as the walkway on 9th Avenue or using asphalt rather than concrete.

Hearing no further public comment, Mayor Haakenson closed the public participation portion of the public hearing.

Councilmember Wilson pointed out most of the funding for Edmonds Crossing was secured by Mr. Clifton several years ago for specific components of the project and it would be lost if it was not spent. He pointed out the Caspers walkway project was the top rated project for grants in the State this year.

COUNCILMEMBER WILSON MOVED, SECONDED BY COUNCIL PRESIDENT PLUNKETT, TO APPROVE RESOLUTION NO. 1180 ADOPTING THE SIX-YEAR TRANSPORTATION IMPROVEMENT PROGRAM.

COUNCILMEMBER ORVIS MOVED, SECONDED BY COUNCILMEMBER WILSON, TO AMEND THE MOTION BY MOVING \$292,000 IN FUNDING FOR THE 80TH AVENUE WEST SIGHT DISTANCE IMPROVEMENT PROJECT FROM 2013 AND 2014 TO 2012.

Councilmember Orvis explained this was a special situation where a development was planned across the street and negotiations were ongoing. He recalled this development was made possible via a high density rezone, a decision he disagreed with, that also involved a land sale from the City to the developer. He concluded it was appropriate that revenue from the land sale, approximately the cost of this project, be used for that safety improvement. He noted the project could not be scheduled in 2009-2011 because funds were not yet available due to a lawsuit but he was hopeful the project could begin once the lawsuit was resolved. Mr. Hauss explained funding was split between 2013 and 2014 as design was typically done the year prior to construction. He suggested \$50,000 for design in 2012 and \$242,000 in 2013. Mr. Miller commented the TIP was a planning tool and moving the funds would not materially alter the Plan.

THE VOTE ON THE AMENDMENT CARRIED UNANIMOUSLY.

THE VOTE ON THE MAIN MOTION AS AMENDED CARRIED UNANIMOUSLY.

6. AUDIENCE COMMENTS

Green Living
Event on
09/11/08

Bob Freeman, Edmonds, Sustainable Edmonds, invited the public to the Greener Living event on September 11 at Edmonds-Woodway High School Great Hall from 7:00 - 9:00 p.m.; doors open at

6:30 p.m. The event will include speakers David Kaufer, Teresa Wippel as well as Seth Goldberg, an expert in lead testing of household materials and toys, who will conduct some lead testing at the event.

Request for Investigation of 9/11 Events

George Everett, Edmonds, requested the City adopt a resolution calling for an investigation into the events of 9/11. He referred to reasons he provided last week for disbelieving the official story regarding the disintegration of three towers at the World Trade Center that defied the laws of probability and violated the laws of physics. He posed a series of questions about what happened on 9/11 including why military jets were not scrambled to intercept the hijacked planes, why the pilots did not send out an immediate distress signal, why did the pilots give up their planes to people armed with box cutters, how did the hijackers find the Pentagon and Twin Towers without assistance, why did the Twin Towers shatter into small fragments, why was debris removed so quickly, why did no one hear Flight 77 flying inches above traffic in route to the Pentagon, why were there no pieces of passengers or luggage at the Pentagon, why were government executives helping with cleanup, how did Building 7 crumble late that afternoon, and why did the White House want to limit the investigation. He encouraged citizens to visit PatriotsQuestion911.com, sign a petition at AE911.org and Firefightersfor911truth.org, watch the program on Seattle's Channel 77 on Thursdays at 11:00 a.m. and attend the lecture by Dr. Paul Zarembka, editor of the Hidden History of 9/11, at Trinity United Methodist Church in Ballard on September 6 at 7:00 p.m.

Drug Prevention

Don Hall, Edmonds, agreed with Councilmember Bernheim's comments about how funds for drug prevention should be spent, noting there were many others who agreed with his viewpoint. He did not support the City expending any funds on the old Safeway and Skipper's properties because the City did not know what they wanted to do with the property, the City had limited funds to even do basic improvements/maintenance, and the average citizen would only support bond issues for basic needs such as public safety, streets, and sidewalks, not buying property that was better left to development via a private-public partnership. With regard to Edmonds Green Week, he reported Microsoft and the University of Washington had eliminated the use of Styrofoam and plastic eating utensils and he urged the Council to eliminate those items as well as plastic bags in the City.

Old Safeway and Skipper's Properties

Use of Styrofoam and Plastic

PCC

Roger Hertrich, Edmonds, referred to the comments he made last week regarding the fence permit required for the PCC trash enclosure and asked if PCC had applied for a fence permit. He noted it now appeared there was a roof being constructed on the fence. He congratulated PCC on their signage, finding them attractive and appropriate for the site. He suggested the signs be used as an example of appropriate signage in the City. Next, he encouraged the Council not to raise taxes on all utilities, noting utilities were not a discretionary item, particularly for those on fixed incomes. He also did not support a B&O tax and suggested withholding salary increases as a way to save money. He suggested Mayor Haakenson donate his salary increase to fund the appraisal of the Antique Mall and Skippers properties.

Taxes

Antique Mall and Skippers

Dave Page, Edmonds, in response to Mr. Hertrich's comments regarding the Mayor's salary, reported the Mayor's salary in the small town of Damascus, Oregon, was \$250,000. He referred to a letter to the editor last week about the Antique Mall property, and that the property owners, developers and City have an obligation over time not to allow property to remain in blight. He asked when the preliminary budget would be available. Mayor Haakenson answered approximately two weeks.

Antique Mall Property

7. FIBER OPTIC NETWORK RECOMMENDATIONS - UPDATE AND NEXT STEPS.

Fiber Optic Network

Rick Jenness, Citizens Technology Advisory Committee (CTAC), presented a summary of recommendations developed by the Committee and staff as a result of 3-4 years of concerted effort regarding a fiber network in the City. He reviewed CTAC's vision to construct a municipally owned fiber-optic network available to every home and business in the City that delivers voice, internet and

television services from a number of competing commercial providers, more economically and at world class speeds. And working with local governmental, educational, and commercial partners, develop and distribute locally relevant content that enriches/enhances the Edmonds civic experience.

Mr. Jenness described the location of City-owned fiber assets including 24 strands from the Public Safety Complex (PSC) to the ferry (from WSDOT 2005), 24 strands from Public Works Administration (PWA) building on 212th to PSC (from WSDOT 2005), 24 strands from PWA to 238th (City built 2006), and 6 strands from 238th to Westin building (purchased from Seattle Fiber Consortium 2005). He described current uses including City expense reduction via T-1 replacement and partnerships to provide internet access to Edmonds Community College, Stevens Hospital, Edmonds School District and City of Lynnwood (via Net River) that would generate revenue of approximately \$1,000-\$3,000/month and save the users approximately 50% on existing internet costs.

He described near term potential future uses including expanded City use via wireless water meter reading, public safety officers remote wireless access, and municipal workers remote wireless access as well as expanded partner use such as the Port of Edmonds; Mukilteo and Shoreline School Districts; State Inter Governmental Network hub; SnoCom/South County access; County, State and Federal agencies, PSE and PUD meter reading. Longer term future uses include commercial content providers (home and SMB) such as Comcast, Time Warner, Cox Communication, ClearWire, Microsoft, and Verizon as well as commercial internet access which could be an economic development magnet.

Mr. Jenness described the roadmap to the vision via incremental growth by continuing to expand City and partner usage by replacing more T-1's and wireless meter reading and expanding the partner base outside City limits as well as facilitating network growth with other public works projects such as the Olympic View Drive conduit. The completed vision includes five regional nodes (footprints) - three "Super" nodes (Hubs) and two Neighborhood nodes (Cabinets). All nodes are connected to a fiber "ring" that provides dual route redundancy. Homes and businesses are connected to a node via dedicated "access fiber." He identified the consultant recommended locations of the neighborhood nodes, pointing out two nodes already had fiber in front of it.

Mr. Jenness described the following incremental steps:

- Identify node locations (complete)
- Interconnect the nodes (2 of 4 ready now)
- Recruit service providers
- Allow neighborhoods to self select
- 60% commitment to hook-up
- Construction begins
- Continue until coverage is complete

He relayed the Committee's policy recommendations:

- Adopt Policy requiring conduit installation during major road construction/repair
- Adopt Policy requiring new developments to install communications conduit
- Review development/engineering standards pertaining to underground fiber
 - New technology allows minimally invasive installation at 30% of cost

He relayed construction recommendations:

- Approve water meter replacement proposal with wireless meter reading package.
- Direct staff to seek grant funding for a downtown pilot installation and Community Technology Showcase (possibly at Francis Anderson Center).
- Direct staff to update the consultant's financial summary to reflect PEG revenue sources.

Council President Plunkett asked if the City's investment was subject to other providers wanting to partner with the City. Mr. Jenness agreed the question often arises why the City would build its own fiber network when Verizon was constructing their own commercial proprietary network. He acknowledged Verizon and Comcast would not be the initial customers. The customers would be those without a franchise agreement with Edmonds, who did not have a broad base of support, and did not have a market presence in the area, but could enter the marketplace with a small amount of capital because they did not have to build their own network. The benefit to citizens was they could offer the same packages and channel lineup as Verizon and Comcast for 30-40% less. He noted Verizon and Comcast would soon have less than 50% of the market share each but must cover the entire cost of the network. Therefore it would make business sense to users not currently in the market and may make sense to Comcast when rebuilding their network.

Council President Plunkett expressed concern with unintended consequences, fearing the City would be at providers' whim. Mr. Jenness agreed there was risk with the unknown although indications are that the amount of information flowing in the next 2-5 years would be significantly more than current; the only investment was the technology to deliver those bytes.

For Councilmember Wambolt, Mr. Jenness clarified the City purchased the strands from 238th to the Westin at a cost of less than \$50,000 along with an annual maintenance fee; the WSDOT fibers from the ferry terminal to Hwy. 99 were given to the City in exchange for expedited right-of-way approval. The cost to construct the fiber from 238th to the Westin would have been several million dollars.

Councilmember Wilson viewed economic development as the biggest potential impact of this project and asked about expanding this service to businesses. Mr. Jenness viewed the network and the capacity of the network as a magnet whereby a small startup software organization could have the same bandwidth as one of Microsoft's data centers. The question now was how to utilize the bandwidth in a manner that made Edmonds more attractive to businesses. He noted the existing fiber passes by many of the business areas in the City. To date, the users pay for the connection to the network so the City did not expend any capital extending use of the network.

Councilmember Wilson expressed support for the recommendation that would require new development to install communication conduit. Mr. Jenness noted the mechanism for a group of businesses to hookup would be similar to residents as they would also be allowed to self-select hookup. Councilmember Wilson inquired how a neighborhood would self-select. Mr. Jenness envisioned public meetings to inform citizens, anticipating some citizens would be very inspired by the potential and would likely champion self-selection of their neighborhood. For Councilmember Wilson, Mr. Jenness explained the current wireless capabilities did not have the capacity to compete with fiber optics.

Council President Plunkett suggested leasing the fiber optic backbone to existing companies. Mr. Jenness advised the focus has been on public education and government customers. To date commercial users have not been pursued due to the need to clarify some legal issues. Before larger providers such as Comcast would be interested in leasing equipment from the City, the market share would need to be more than 800-900 residents along the existing route. He envisioned equipment would be leased to small business via a commercial provider such as Comcast or Verizon.

Mayor Haakenson suggested continuing this discussion during the budget process as there were some financial ramifications.

Councilmember Wilson requested the Community Services/Development Services Committee be provided information about future policies such as development regulations particularly for commercial development.

Findings of
Fact re: Arbor
Court at
23800-23824
Edmonds
Way

8. **APPROVAL OF FINDINGS OF FACT RELATED TO THE 7/29/08 AND 8/05/08 CLOSED RECORD REVIEW: APPEAL OF THE HEARING EXAMINER DECISION TO DENY THE REQUEST TO SUBDIVIDE ARBOR COURT, A 1.27 ACRE PARCEL DEVELOPED WITH 35 TOWNHOMES, INTO 35 FEE-SIMPLE TOWNHOUSE PARCELS. THE SITE IS LOCATED AT 23800 – 23824 EDMONDS WAY. (FILE NOS. P-08-16 AND APL-08-4)**

City Attorney Scott Snyder explained the Findings of Fact adopted by reference the staff report and Hearing Examiner conclusions. In discussion with Councilmember Orvis, he learned that neither staff nor the Hearing Examiner addressed the street issue. Councilmember Orvis disagreed, noting the Hearing Examiner did address streets, however, staff did not. Mr. Snyder referred to the following addition on page 2, paragraph 3, “The staff report Findings 3(a) and 5(a) are supplemented to reflect that the subdivision will be served by private access easements.” He agreed the staff report did not reference streets in their recommendation. He noted the plat map showed the plat was served by private roads which the Hearing Examiner found to be inadequate and the Council overturned the Hearing Examiner’s decision.

Councilmember Orvis asked whether the City was exposed to liability via the use of the term “private access easement,” asserting that per the City’s code a private access easement that served over 35 units was a street. Mr. Snyder responded his direction via a 4-3 vote of the Council was to overturn the Hearing Examiner’s decision which required adoption of staff’s findings. To address Councilmember Orvis’ question, he added the above referenced sentence.

Councilmember Orvis expressed concern with exposing the City to liability via the deliberate failure to enforce exception. He wanted to ensure the City was covered, noting the way the City would defend itself against a deliberate failure to enforce was to show its reasoning. Mr. Snyder explained in the example provided by Councilmember Orvis, Ocean Shores’ liability, that was a unique factual situation in which a city official knew that a home was built in violation of setback requirements and allowed the house to be completed. The city was later responsible for the cost of tearing the house down. He noted that case was unlikely to be resolved in the same manner today due to the Nycrum decision. In the Ocean Shores case, staff chose not to enforce its code versus in this case the majority of the Council disagreed with the Hearing Examiner and with Councilmember Orvis’ position on the interpretation. Staff’s decision was long standing and had been affirmed by prior Hearing Examiner decisions as well as this decision by the Council. He was not concerned with potential liability although he respected Councilmember Orvis pointing out that how the houses would be served was not explicit in the findings which he attempted to correct by the addition. Councilmember Orvis expressed his disagreement.

COUNCILMEMBER WAMBOLT MOVED, SECONDED BY COUNCILMEMBER OLSON, TO APPROVE THE FINDINGS OF FACT. UPON ROLL CALL, MOTION CARRIED (4-3), COUNCIL PRESIDENT PLUNKETT AND COUNCILMEMBERS WILSON, WAMBOLT AND OLSON IN FAVOR; COUNCILMEMBERS ORVIS, DAWSON AND BERNHEIM OPPOSED.

Councilmember Orvis asked Mr. Bowman help him understand why sidewalks and standard street widths are not required for a development such as this in an effort to help him make better decisions in the future.

General Fund
Revenue
Options

9. **GENERAL FUND REVENUE OPTIONS.**

Mayor Haakenson explained this was an information-only topic, a repeat of information provided at the Council retreat a few weeks ago, and somewhat more substance than provided during Mayor’s comments at last week’s Council meeting. His intent was for the viewing audience to be aware of the deficits facing the City, approximately \$1.5 million in 2009 and \$4.5 million in 2010, noting many people were aware of deficits facing other cities and counties due to effects of the initiative process

and faltering economy. In order to balance the budget and continue to provide the same service levels, new revenues must be identified. The Budget Review Team, including Councilmembers Wilson and Wambolt, plans to meet next Monday to begin the budget review process. He pointed out typically the budget address was provided in late October; however, due to the difficulty of this budget, the budget address would be moved forward a month to provide the Council additional time to deliberate.

Finance Director Kathleen Junglov recalled at the August 18 Council retreat staff presented a summary of the first draft of the 2009-2010 biennial budget. Preliminary numbers show the City's General Fund with a deficit of \$1.5 million in 2009 and growing to \$4.5 million in 2010. The City has faced ongoing budget challenges since the passage of I-695 which eliminated the MVET and I-747 which limited property tax increases to 1%. Compounding the budget problems for the 2009-2010 biennium are assessed valuation lower than anticipated impacting the amount to be collected from the EMS levy, the impact of the poor economy on sales tax revenue, CPIU at 5.8% and CPIW at 6.2%. Current forecasts are that sales tax revenue will be \$400,000 under budget in 2008 and remain at that lower level through 2010.

Ms. Junglov recalled staff presented a list of General Fund revenue options at the Council retreat. Options that do not require a vote of the people include the following:

- **Utility tax increase on water, sewer, storm** - a 1% increase would provide the General Fund an additional \$100,000 in revenue; 2% would provide \$200,000. There is no limit on the tax rate for water, sewer and storm utilities
- **Increase Cable TV utility tax** - the City can impose a franchise fee of 5% and a utility tax of up to 6%. The tax is currently at 1%; each additional 1% would generate approximately \$90,000. Imposing a 6% utility tax would generate approximately \$450,000 annually.
- **Development Services Department Fees** - raising fees by 16% and requiring permit applicants to pay all consultant review costs, the City would recoup a minimum of \$67,000/year.
- **Increasing Business License Fees** - a survey of neighboring cities found the City's business license fees were much lower. Doubling the fees would provide approximately \$87,000/year in revenue and still be on the lower end of the range. The last increase in business license fees was in 1996.
- **Transportation Benefit District (TBD)** - after following a prescribed process that includes public comment, the Council may form a TBD. Without a vote of the people, the Council can approve up to a \$20 annual vehicle fee or a commercial and industrial impact fee. Should the Council approve a \$20 fee, in 2009 the proceeds would eliminate the need for the General Fund transfer of \$700,000 to the Street Fund to support operations, preservation and maintenance which are allowable expenditures of TBD funds. She noted the \$20 fee would not be used for capital projects; with a vote of the people the annual vehicle fee could be increased to \$40 which would provide an additional \$700,000 for capital projects.
- **EMS Transport User Fees** - this fee is currently being assessed by other Fire Districts and cities. During 2007 the City of Edmonds EMS provided 1,663 BLS transports and 578 ALS transports. It appears the City would collect approximately \$700,000 per year based on Everett's billing and collection experience.
- **B & O Tax** - the maximum rate that can be charged is .02%; the rate is applied to the gross receipts and at a minimum the first \$20,000 of gross receipts can be exempted. There are currently approximately 40 Washington cities that impose a B&O tax. She noted it was difficult to estimate the amount that could be generated via a B&O tax without knowing the rate or minimum amount exempted. Should Edmonds impose a B&O tax, it would impact all companies doing business in Edmonds, not just local businesses.

Ms. Junglov reviewed revenue options that would require a vote of the people:

- **Utility tax increase on electricity, natural gas, telephone and solid waste** - a 1% increase would have a \$35/year impact to the average customer and would provide the General Fund with an additional \$650,000 in revenue.
- **General Property Tax Levy Lid Lift** - levy lid lifts can be temporary for a period of time and for a specific purpose or be permanent. For example a levy lid lift in the amount of \$2 million would cost the owner of a home valued at \$500,000 approximately \$131/year.
- **Gambling** - for example, there are currently three casinos operating in Mountlake Terrace and that City's budget includes \$1.6 million in gambling tax revenue for 2009.
- **Regional Fire Authority** - a separate taxing district that is a standalone provider of fire and EMS services. The City could form its own or partner with neighboring jurisdictions. Should the voters approve a Regional Fire Authority, it would free up approximately \$4 million in general fund revenues for other purposes including tax relief.

Ms. Junglov concluded this was intended as an overview of revenue options and more detail would be provided as the budget process progressed.

Mayor Haakenson suggested after Councilmembers Wambolt and Wilson had an opportunity to review the budget, Council President Plunkett begin scheduling budget workshops.

Council President Plunkett asked if the projected deficits included carrying forward an ending cash balance of approximately \$1 million. Ms. Junglov answered yes. Council President Plunkett observed the Council could impose a \$20/year TBD vehicle license fee that would generate \$700,000 and the voters could approve an additional \$20/year vehicle license fee that would generate an additional \$700,000. Ms. Junglov agreed. He suggested the list of revenue sources that required a vote of the people also include the voter-approved \$40/year TBD vehicle license fee.

Councilmember Bernheim observed Snohomish County was holding a budget forum in the Edmonds Council Chambers September 15 regarding the County's budget. He hoped there would be ample opportunity for public input into the City's budget, noting an exchange of information and understanding of motives was more likely to generate support. He was generally supportive of EMS User Fees, noting they were typically covered by insurance and did not affect the service or cost to the user. He also supported forming a TBD due to his belief that vehicles were a major expense to the City's infrastructure and the elimination of MVET via I-695 allowed cars a "free ride" and a TBD would be an appropriate tax on vehicles, unfortunately only \$20/year and without regard to their gross weight or emissions.

Councilmember Bernheim also supported an increase in Business License Fees, noting businesses paid very little taxes in the City and it was time to share the burden. He also supported increasing taxes on cable TV, noting the tax increase for those with basic cable service would be very small, but those with more extensive cable services should pay higher taxes. He also supported a B&O tax, noting a maximum of 0.2% would result in a business with \$1 million in gross revenue paying \$2,000/year. He did not support increasing Development Services Department fees until there were increases in customer satisfaction in that department.

Old Antique
Mall and
Skipper's Site

10. **DISCUSSION ON APPRAISAL/ENVIRONMENTAL DUE DILIGENCE PROCESS FOR THE DOWNTOWN WATERFRONT ACTIVITY CENTER PROPERTIES KNOWN AS THE OLD ANTIQUE MALL AND SKIPPER'S SITE.**

Mayor Haakenson commented before the Council began deliberation on a possible appraisal on the Antique Mall and Skipper's site, he felt obligated to share his thoughts about the process, noting he was speaking for himself and staff. He requested the Council drop the idea of acquiring the Antique Mall and Skipper's property and walk away. He questioned why the Council wanted to spend money the City did not have on an appraisal of the properties to use in negotiation with the property owners,

when one property owner was not interested in a sale and the other property owner has quoted a large purchase price that was much higher than its assessed value. Further, neither property owner has given permission to allow access on their property for an appraisal and more importantly, to do an environmental assessment of what might be found in the soil. The area is surrounded by previous oil contamination; this type of assessment could be as much as \$500,000.

He questioned how the Council would finance the appraisal and assessment from a budget with a deficit of \$1.4 million in 2009 and \$4.4 million in 2010 and where would the millions of dollars come from to buy the property even if the City was successful in negotiating a purchase price. He anticipated the Council would ask the taxpayers to vote on a bond measure to purchase the property, an election that would cost approximately \$60,000 - \$70,000. Based on the current budget shortfall, he anticipated the voters will be asked to vote on some type of tax increase to allow the City to continue to provide current service levels. Sound Transit plans to ask voters this fall to pay more and he expected Stevens Hospital would do the same next year. He questioned how a purchase of property would fare in view of the other requests for taxpayers' money.

He pointed out the Council was no closer to a plan than they were a year ago to explain why the City should purchase the property and that lack of information did not instill confidence in the voting public. He questioned why the Council was interested in purchasing the property and assumed it was because the Council was interested in what was developed on that site. He explained that was why development codes were created; current City code was the result of past City Council decisions and whatever was built on the site must adhere to that code. If the Council disagreed with what may be proposed on the site by the current owners, he suggested the answer was not for the City to purchase the property but to amend the code to the current Council's satisfaction.

Mayor Haakenson emphasized the City Council and staff were not experts in land development. Expensive consultants would be necessary to determine how to best redevelop the land if the City purchased the property. Private consultants have suggested a mixed use development with retail and office spaces and some residential units as well as open space areas throughout the development, ideas the Council has dismissed. While he did not suggest or endorse any previous iterations, he questioned whether another consultant would suggest anything different for the site than had already been proposed. Private property owners were best suited to pay for the design and development of their own land; they expect the City to have codes and design standards in place to guide potential developers in their process - that was the City Council's role.

The Mayor asserted the Council has yet to determine a plan for how to use the land. The Council has discussed many options including a park, an idea that seems to have waned. There has also been discussion about a pool on the site. He pointed out Lynnwood was building a new pool and a new YMCA pool will be opening on the Edmonds border within weeks. There is no evidence that a pool can be self-supporting and the City clearly cannot subsidize any new amenities. There has also been talk of an outdoor amphitheater, open space, smaller scale development, or a new train station, all things that a private developer could construct.

Mayor Haakenson concluded there was no plan for how the land would be used and there was no need for the Council to be involved as property owners or developers. It was time to let the property owners move forward with their own plans under existing City codes. If current codes did not allow the property owners to build what they want, the code already allows for a Master Plan process to convince the Council of changes that might be needed to the code in order to make a project viable. Throughout this discussion the property owners have said they plan to apply for permits for projects by the end of 2008. He suggested waiting to see what they had in mind, as the Council and staff had more pressing priorities to focus on.

Council President Plunkett noted the Council packet included a draft scope of work (Exhibit 2) for the environmental review. As previously discussed, this was not the ultimate environmental review but an initial environmental review that would be provided to an appraiser to be used in determining a price based on market value and environmental review. If the Council approved the scope of work, it would be distributed as part of an RFP process.

COUNCILMEMBER BERNHEIM MOVED, SECONDED BY COUNCIL PRESIDENT PLUNKETT, TO ADOPT THE ENVIRONMENTAL SCOPE OF WORK AS PROPOSED BY STAFF WITH AN EYE TOWARD ROLLING IT INTO A COMMERCIAL APPRAISAL.

Councilmember Wambolt agreed with Mayor Haakenson's comments, noting although Mayor Haakenson provided several valid reasons, the bottom-line was the City did not have the funds to purchase the property as the Council will realize during the budget process. He referred to the \$4.5 million deficit in 2010, pointing out future revenue projections may be too optimistic and the situation may be worse than projected. He concluded he had no interest in conducting an environmental assessment or an appraisal to buy land the City did not have the money to buy.

Council President Plunkett agreed with Councilmember Wambolt with regard to the operating and capital budget, pointing out the intent of some Councilmembers was to give the voters an opportunity to decide whether it was worthwhile to them. If a City project on that site was to be successful, the citizens would need to support it and he wanted to give the voters an opportunity to decide whether to tax themselves to do so. Therefore the purchase and development would not have an impact on the budget other than funds for some consulting work.

Councilmember Olson agreed with Councilmember Wambolt, noting the City had no concrete plan and no money and it was ridiculous to even consider it.

Councilmember Bernheim disagreed the proposed action was ridiculous although it was ridiculous to expect there to be a plan at this point when the objective was to create a public space in that area that reflected the desires of the residents. He noted many people had expressed their support to him for this project; a smaller number had expressed their opposition, primarily because funds were not available. He disagreed that the Council had been discussing this for years; this Council had only been talking about it since January 2008; prior to that time the only ones discussing redevelopment were the owners and a small group that included Councilmember Wambolt and Mayor Haakenson who participated with the owners in presenting a proposal to expand the zoning in that area to allow buildings from 40-80 feet in height. Over \$100,000 in Port and City funds was spent on those consultants who answered to the owners. The proposal before the Council was some funding for consultants who answered to the City Council and its constituents.

He noted bad economic times were irrelevant; capital investments must be considered in bad and good economic times. This was an effort to look toward the future, to imagine Edmonds in 20 years. If the City did not purchase the property, he feared there was a high likelihood it would look the same as it did 20 years ago and today. With regard to the suggestion to allow the property owners to develop the property, he noted if the property owners submitted permits by the end of the year, it would be reviewed via the existing process and if approved, development could begin. He welcomed proposals by the property owner.

Councilmember Bernheim acknowledged there was disagreement with regard to finances; it was a question of priorities. He recognized times were tough, the reason he favored a B&O tax and an increase in the cable TV utility tax. He favored reasonable and fair taxes to pay for the services

citizens receive, noting taxes would need to be raised if the current taxes did not cover costs. With regard to comments regarding a park and/or swimming pool on the site, he found this an effort to distract citizens from the real issue, noting a pool on the site had never been the focus of any discussion at ACE or the City Council. He envisioned the City would purchase the property and develop it into a regional attraction, increasing property values and making Edmonds a more desirable place to live. The current codes were adequate and would allow construction of a public facility or development by the property owners. Obtaining an environmental review and appraisal for the modest cost of \$20,000 would provide useful information to begin negotiations with the property owners, either to develop the site under the current code or make them more willing to sell to the City at a reasonable price.

Councilmember Bernheim disagreed with the comment that there was no plan for the site, recalling the plans proposed by the Edmonds-Woodway High School students, plans developed by ACE, the suggestion by Snohomish County Councilmember Cooper for a Farmer's Market, and his own suggestions for a parking facility or rerouting the ferry holding lanes, as well as the City leasing the property to shop owners and restaurants. He requested flooding be added to the environmental review.

Council President Plunkett commented the public had seen a vision funded by the Port and City administration for 4-10 story buildings and 700 condominiums. He was hopeful this Council would support developing a vision for the people of Edmonds, something with energy and synergy that would bring people to Edmonds, create an attractive destination, and that would be an economic development project. He recalled the Council had already given direction to staff regarding moving toward developing a vision, anticipating the Council would not seek a vote of the people until a plan was developed. This action was the first step toward a vision and a people's plan for the Waterfront Activity Center.

Councilmember Orvis expressed support for the motion, and for continuing to move toward development of a plan and asking for the public approval. Until the public said stop, he was unwilling to stop.

Councilmember Dawson remained open to the idea that there was a role for the City in the development of these properties. However, she did not support a piecemeal approach such as doing an appraisal before the Council knew whether there was funding available for a consultant to develop a vision for the property and a plan to take to the voters and without a timeline for when a ballot measure might be presented to the public. She was hesitant to expend even the modest sum of \$20,000 until the Council was committed to the idea of moving forward with a broader plan. She objected to the timing, noting there was no imminent danger of these properties being poorly redeveloped, nor could the previous vision be constructed without action by the Council to amend the zoning, nor did she envision a ballot measure in the next few months. She was also uncertain that an appraisal conducted now would be valid in 6-12 months given the current volatility of the real estate market.

Councilmember Dawson pointed out there were a number of ideas for the property including private redevelopment of the properties which would not require public expenditure on an appraisal or an environmental review that was constrained by the lack of site access. If the Council chose to move forward, she recommended determining whether there were funds available in the budget via the budget process to develop a public vision for the property.

Councilmember Wilson stated many of Mayor Haakenson's comments were warranted although he would prefer to have known they were coming. To Councilmember Bernheim's point it would be ridiculous to have a plan at this point, he noted this issue was presented to the Council in September

2006 and the Council should have developed some type of plan in that two year period including the eight month period Councilmember Bernheim and he had been on the Council. Councilmember Wilson stated he voted to support the appraisal previously, recalling he also made a motion in April for an appraisal and purchasing a portion of the property for a pool, a motion that was subsequently tabled. He noted the only other plans that have come forward were the result of WG33. He recalled a list of proposals developed by Councilmember Bernheim at the February Council retreat, some of which he found inappropriate such as reclaimed marsh land. He was embarrassed at the Council's inaction in developing any type of plan.

Councilmember Wilson disagreed with the comment that the Council did not have the courage to make a decision, pointing out the Council simply did not have the capacity to make a decision. This was a perfect example of how the Council was underperforming the expectations of the citizenry. Although he could support the City purchasing a portion of the property for construction of a family recreation center that perhaps included an indoor pool, he reiterated the need for a plan and vision for the site. He was unable to recommend further action with no end point in sight, particularly in view of the budget deficit of \$5.5 million in the next two years. He would not support the motion and preferred to discuss it via the budget process.

Councilmember Wilson questioned how the Council could ask the voters for a tax increase upward of \$20/month for basic services and continue to say perhaps funds would be available to purchase a large property in the bowl that had flooding issues. The public needed to know that without new revenues and/or a tax increase, entire departments such as the Parks Department would be eliminated. He concluded the time to discuss new projects/initiatives had elapsed because the focus now must be on basic government needs.

Responding to the comment that the property owners previously had 20 years to develop the property, Councilmember Wambolt pointed out Mr. Gregg had owned the former Skipper's property for less than one year. To Council President Plunkett, he noted reference to the taller building proposal was a red herring; the final, refined plan was for much shorter buildings. He acknowledged over \$100,000 was spent by the City and Port on consultants; it was done in good faith at the time. He questioned why it was necessary to expend further funds now. To Councilmember Wilson's comment that a \$20/month tax increase would be necessary, Councilmember Wambolt pointed out that was only to balance the budget, not purchase this property; purchasing the property would cost nearly twice that amount. Although the Council would love for the City to purchase the property so that it could be developed exactly how the citizens wanted, that was a dream and not reality. He did not support wasting money to place a measure on the ballot when it was not a reasonable proposition in these difficult economic times. He questioned if a levy lid lift of \$20/month to balance the budget would pass, recalling a levy lid lift proposal in 2002 or 2003 failed.

Councilmember Bernheim suggested Councilmember Wambolt should have considered this when he voted to approve a \$100,000 salary increase for Mayor Haakenson, a decision he did not agree with because it sent the wrong message about the City's budget. He objected to using the fiscal crisis as an excuse for stopping the proposed expenditure on an appraisal and environmental review in view of other expenditures the Council approved. The reason for proposing the \$20,000 expenditure on an appraisal and environmental review, a small fraction of the \$100,000 expended previously, was to take the first step because until the fair market value was determined, further decisions could not be made. If an appraisal determined the value was \$20 million, he agreed the Council should focus on other things; however, if the appraisal determined the value to be \$8 million due to environmental issues, the proximity to trains, access issues, etc., that may present an opportunity to purchase the property.

Councilmember Bernheim agreed with Councilmember Wambolt that Mr. Gregg had owned the former Skipper's property for less than year and planned to submit plans for development. He reiterated he welcomed the property owners developing the property under the current zoning.

To Councilmember Bernheim's comment that the Council had not been working on this for two years, Mayor Haakenson recalled the City Council and the Port held a joint meeting in September 2006 to discuss this project and how to proceed. To Councilmember Bernheim's comment that City government spent \$100,000 on this project, the City expended \$30,000. Mayor Haakenson also objected to Councilmember Bernheim's characterization that he was provided a \$100,000 salary increase. Councilmember Bernheim clarified that was the amount over a four year period.

Councilmember Wambolt commented although Mayor Haakenson and he participated in the owners' group, they were observers and never voted on anything. He also pointed out one appraisal on a property of this value would not be sufficient, at least two or three would be necessary and each would likely be different. He agreed with Councilmember Dawson that an appraisal today may be inaccurate by the time a ballot measure was presented to the voters.

UPON ROLL CALL, MOTION FAILED (3-4), COUNCIL PRESIDENT PLUNKETT AND COUNCILMEMBERS BERNHEIM AND ORVIS IN FAVOR; COUNCILMEMBERS WILSON, OLSON, DAWSON AND WAMBOLT OPPOSED.

11. MAYOR'S COMMENTS

Restriping of SR104

Mayor Haakenson reported WSDOT planned to begin the long awaited restriping of SR104 to accommodate ferry traffic soon. The existing right lane of the holding lanes from SR104 to 15th Avenue would be striped to designate it as a ferry holding lane and allow access from neighborhoods. The safety of the intersection of Pine Street and SR104 would also be improved via turn lanes and prohibiting access across Pine Street.

PCC Market

Mayor Haakenson reported on his visit to PCC this evening, remarking it was an absolutely gorgeous building. He urged the public to visit the store, expressing his pleasure with their decision to open the first PCC in Snohomish County in Edmonds.

Police Chief Al Compaan 30th Anniversary

Mayor Haakenson congratulated Police Chief Al Compaan on his 30th anniversary as an employee of the City.

Tragedy in Skagit Co.

Mayor Haakenson reported a tragic shooting incident today in Skagit County resulted in six deaths, including a Skagit County Sheriff's Deputy. He expressed the City's condolences to the families.

12. COUNCIL COMMENTS

Council President Plunkett congratulated Chief Compaan on his anniversary. He thanked the Council for their debate on the previous agenda item, noting the good job done by the Council even when addressing emotional issues. By contrast, some other City Councils get very personal during their debate; Edmonds City Councils have always done a good job of speaking to the issue.

Greener Living Event

Councilmember Wilson referred to the Greener Living event on September 11 that will include testing toys for lead by Seth Goldberg, ESSCO (Environmental Services and Solutions Corporation). He

Toy Safety

noted the 2008 legislative session resulted in the most stringent toy safety laws in the country; however, there was only one full-time federal employee involved in testing toys. He explained the standard for parts per millions of lead in the United States in a toy was 100 parts per million; in

Europe it was 40 parts per million. The American Academy of Pediatrics recommends nothing more than 10 parts per million because 3 parts per million in a child's blood equates to an IQ drop of 10 points. Earlier this year he invited ESSCO to test toys and other appliances in his home. He displayed several toys that had over 1,000 parts per million and up to 20,000 parts per million, a cutting board that had 16,000 parts per million and several coffee mugs that had over 10,000 parts per million. He encouraged the public to bring toys to be tested at the Greener Living event at Edmonds-Woodway High School Great Hall on September 11 beginning at 7:00 p.m.

Councilmember Bernheim thanked everyone for listening to his comments, noting as long as the Council had the discussion, the decision would be appreciated by the citizens.

Excused
Absence

COUNCILMEMBER BERNHEIM MOVED, SECONDED BY COUNCILMEMBER ORVIS, TO EXCUSE DEANNA DAWSON FROM THE AUGUST 26, 2008 CITY COUNCIL MEETING. MOTION CARRIED (6-0-1), COUNCILMEMBER DAWSON ABSTAINED.

Student Representative Warren commended the Council on their debate.

Executive
Session

13. EXECUTIVE SESSION

At 9:55 p.m., Mayor Haakenson recessed the City Council to an Executive Session regarding real estate negotiations. It was expected the Executive Session would last approximately 30 minutes with no action to be taken. The meeting was adjourned at the conclusion of the Executive Session.