

EDMONDS CITY COUNCIL APPROVED MINUTES

November 18, 2014

The Edmonds City Council meeting was called to order at 6:30 p.m. by Mayor Earling in the Council Chambers, 250 5th Avenue North, Edmonds.

ELECTED OFFICIALS PRESENT

Dave Earling, Mayor
Diane Buckshnis, Council President
Kristiana Johnson, Councilmember
Lora Petso, Councilmember
Joan Bloom, Councilmember
Strom Peterson, Councilmember (arrived 7:25 p.m.)
Adrienne Fraley-Monillas, Councilmember
Thomas Mesaros, Councilmember

STAFF PRESENT

Jim Lawless, Assistant Police Chief
Phil Williams, Public Works Director
Carrie Hite, Parks & Recreation Director
Scott James, Finance Director
Shane Hope, Development Services Director
Patrick Doherty, Econ. Dev & Comm. Serv. Dir.
Rob English, City Engineer
Deb Sharp, Accountant
Kernen Lien, Senior Planner
Jeff Taraday, City Attorney
Scott Passey, City Clerk
Jerrie Bevington, Camera Operator
Jeannie Dines, Recorder

1. CONVENE IN EXECUTIVE SESSION REGARDING PENDING OR POTENTIAL LITIGATION PER RCW 42.30.110(1)(i)

At 6:30 p.m., Mayor Earling announced that the City Council would meet in executive session regarding pending or potential litigation per RCW 42.30.110(1)(i). He stated that the executive session was scheduled to last approximately 30 minutes and would be held in the Jury Meeting Room, located in the Public Safety Complex. No action was anticipated to occur as a result of meeting in executive session. Elected officials present at the executive session were: Mayor Earling, and Councilmembers Johnson, Fraley-Monillas, Buckshnis, Petso, Bloom and Mesaros. Others present were City Attorney Jeff Taraday, Finance Director Scott James and City Clerk Scott Passey. At 7:02 p.m. Mayor Earling announced to the public present in the Council Chambers that an additional 15 minutes would be required in executive session. The executive session concluded at 7:15 p.m.

Mayor Earling reconvened the regular City Council meeting at 7:18 p.m. and led the flag salute.

2. ROLL CALL

City Clerk Scott Passey called the roll. All elected officials were present with the exception of Councilmember Peterson.

3. APPROVAL OF AGENDA

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETSO, TO REORDER THE AGENDA AS FOLLOWS: CHANGE ITEM 8 TO ITEM 11, ITEM 9 TO

ITEM 10, ITEM 10 TO ITEM 8 AND ITEM 11 TO ITEM 9. MOTION CARRIED UNANIMOUSLY. (Councilmember Peterson was not present for the vote.)

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO HOLD THE PUBLIC HEARING FOR ITEMS 6 AND 7 AND MOVE THE DECISIONS FOR THOSE ITEMS TO FOLLOW ITEM 11. MOTION CARRIED UNANIMOUSLY. (Councilmember Peterson was not present for the vote.)

4. APPROVAL OF CONSENT AGENDA ITEMS

Councilmember Petso requested Items C, D and E be removed from the Consent Agenda and Councilmember Bloom requested Item A be removed.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETSO, TO APPROVE THE REMAINDER OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. (Councilmember Peterson was not present for the vote.) The agenda items approved are as follows:

- B. APPROVAL OF CLAIM CHECKS #211469 THROUGH #211552 DATED NOVEMBER 13, 2014 FOR \$1,797,077.68 (REISSUED CHECK #211496 \$32.76). APPROVAL OF REISSUED PAYROLL CHECKS #61281 \$33.11 AND #61282 \$708.90**
- F. INTERLOCAL AGREEMENT FOR JAIL SERVICES WITH SNOHOMISH COUNTY**
- G. RENEWAL OF INTERLOCAL AGREEMENT FOR JAIL SERVICES WITH YAKIMA COUNTY**

Item A: APPROVAL OF CITY COUNCIL MEETING MINUTES OF NOVEMBER 10, 2014

Councilmember Bloom requested the following corrections:

- Page 6, 2nd full paragraph, 4th sentence, add “not” following “that it would.”
- Page 6, 2nd full paragraph, 5th sentence, change “\$86,00” to \$86,000.”

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO APPROVE ITEM A. MOTION CARRIED UNANIMOUSLY. (Councilmember Peterson was not present for the vote.)

Item C: PUBLIC WORKS QUARTERLY PROJECT REPORT

Councilmember Petso suggested the Public Works Quarterly Report should have been reviewed in a study session prior to scheduling it on the Consent Agenda. She relayed a question that she had emailed to Public Works Director Phil Williams: the quarterly report shows the City will be receiving a grant in December for a project on 76th Avenue. When Council last discussed that project, concerns were raised regarding access and the backup that occurs at Edmonds-Woodway High School and College Place Elementary. She questioned why the City would accept a construction grant prior to resolving the access issues. Mr. Williams responded this project provides an opportunity to address backups onto 76th that occur with student drop-off at Edmonds-Woodway High School. Staff has met with representatives from Edmonds-Woodway High School and the Edmonds School District; the conceptual solution is to turn the high school driveway into an exit only and move access to the drop-off area to 216th. Staff will work with Edmonds-Woodway High School to design improvements and striping on their property to allow drop-off to occur in an efficient and safe manner. That design has not yet been done; staff plans to present an amendment to the David Evans & Associates design contract at next week’s study session to add that issue and others. Once resources are available, a detailed design will begin.

Councilmember Petso asked about a similar problem that occurs at College Place Elementary. Mr. Williams advised the design phase of the restriping project on the north end has not yet begun. Staff will work with Lynnwood and the Edmonds School District to accommodate the needs of College Place. He summarized staff is aware of the issue and it will be resolved during design.

Councilmember Petso asked whether the grant was for the intersection improvements only. Mr. Williams answered yes.

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCIL PRESIDENT BUCKSHNIS TO APPROVE ITEM C.

Councilmember Bloom commented the quarterly report indicates the 2014 funds for Neighborhood Traffic Calming have been carried forward into 2015. She recalled those funds had been allocated to the SR 104 crosswalk. Mr. Williams relayed his understanding that a budget adjustment could be made to move those funds into the 2015 budget to supplement the \$10,000 budgeted in 2015. The funds for the crosswalk were paid out of ending fund balance.

MOTION CARRIED (6-0-1), COUNCILMEMBER PETERSON ABSTAINED.

Item D: ADOPTION OF ORDINANCE NO. 3982 PROVIDING AMENDMENTS TO THE EDMONDS COMMUNITY DEVELOPMENT CODE (ECDC) MODIFYING THE DEFINITION OF "LOT" (ECDC 21.55.010), DEFINING "LOT OF RECORD" (ECDC 21.55.015) AND ESTABLISHING A PROCESS FOR DETERMINING "INNOCENT PURCHASER" (ECDC 20.75.180). (AMD20140001)

Councilmember Petso explained she previously voted against this and will vote against it again.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE ITEM D. MOTION CARRIED (6-1), COUNCILMEMBER PETSO VOTING NO.

Item E: REPORT ON FINAL CONSTRUCTION COSTS FOR THE PUBLIC WORKS YARD WATER QUALITY UPDATES -DECANT FACILITY RETROFIT PROJECT AND PROJECT ACCEPTANCE

Councilmember Petso inquired about the applicability of the City's purchasing policy to the project; the agenda memo states in accordance with purchasing policies, the Public Works Director can authorize the bid as construction costs for the project were less than \$50,000. As this project has an engineer's estimate of \$69,000 and total construction costs of \$51,000, she would expect it to be classified as a project in excess of \$50,000 and to follow that procedure in the purchasing policy. Mr. Williams answered staff tries to provide all the information about an entire project which is the intent of the purchasing policy. He agreed if the bids had been over \$50,000, Mayor Earling's signature would have been required. Councilmember Petso explained the reason for her questioning was recalling the experience with Haines Wharf.

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO APPROVE ITEM E. MOTION CARRIED UNANIMOUSLY.

5. AUDIENCE COMMENTS

Farrell Fleming, Executive Director Edmonds Senior Center, referred to the proposed update to the Shoreline Master Program (SMP), specifically the restoration opportunity identified in the SMP that would pull back the parking bump-out at the senior center and align it with the bulkhead along the waterfront to restore beach habitat. If this restoration opportunity is pursued, he pointed out the

importance of reducing the parking setback to 40 feet as allowed by the SMP. The senior center currently has 79 parking spaces; if the existing bump-out is retained and used for parking, initial studies show up to 109 parking spaces could be provided, a most desirable increase. If the bump-out is pulled back and there is a 40-foot setback, parking spaces will be reduced to 86. A 60-foot foot setback reduces parking below the existing amount. He envisioned the new building would be very popular and the more parking the better. Parking on the waterfront should not be the only consideration; restoring beach habitat and beautifying the area should weigh more heavily in the long run. These two needs, parking versus restoration need to be balanced in light of the public programming nature of the new community/senior center. To achieve that balance, a 40-foot setback is appropriate. At the point construction is ready to begin, the restoration project may be able to attract significant state and federal funds.

Brent Malgarin, recalled at the last meeting when Pam Stuller advised there were approximately 350 members of the Edmonds Downtown Business Improvement District (EDBID), Councilmember Mesaros comment he found it surprising that all 350 supported the EDBID. He has been collecting signatures to shut down the EDBID because he is opposed to it on numerous levels. He has contacted 58 members, 48 have signed on to close it, 10 chose not to for various reasons. He summarized not all the members are in favor of the EDBID.

Val Stewart, Edmonds, speaking as a resident and not a Planning Board Member, thanked the Council for their unanimous vote on October 21, 2014 to approve a 100-foot setback and 50-foot buffers in the Urban Mixed Use IV shoreline environment in the SMP which shows a commitment to preserving and enhancing the nearshore environment. With regard to Item 8, SMP adoption, she explained the senior center is in the Urban Mixed Use I environment; the Council will need to consider how parking setbacks fit into the overall scheme of beach restoration and public access. She requested the Council consider the following in their decision-making: hard shoreline armoring such as concrete bulkheads, seawalls and riprap is no longer allowed unless there are extreme circumstances. In the past these techniques were utilized to combat shoreline erosion threatening properties along the shoreline. It is now known that hardening a shoreline can endanger neighboring properties and threaten salmon and is best used as a last resort. She described soft shore stabilization which focuses on enhancing ecological functions. Hard armoring techniques use manmade materials not found on the site; soft shore stabilization utilizes natural materials found locally such as sand, gravel, large wood and native plants. A recent UW study showed more shorebirds inhabit unarmored beaches. The connectivity between adjacent beaches is also an important feature of natural shorelines. She suggested two goals for Urban Mixed Use I, to restore natural beach habitat and to preserve and enhance public access.

Ron Wambolt, Edmonds, referred to the request by one Councilmember to allocate \$100,000 from Council funds in the budget for a train trench study and Mayor Earling's plans to request \$1.25 million from the legislature for an alternatives study. He has also heard the Council plans to only spend \$10,000 on a peer review of the study done by the consultant. He did not support spending any money on a specific remedy until a complete study of the alternatives has been conducted. He referred to incorrect information in My Edmonds News about the alternatives. He preferred to find out from experts what the right solution was before spending any money on a specific remedy.

6. PUBLIC HEARING ON 2015 PROPERTY TAXES

Mayor Earling recalled the Council voted under Agenda Item 3 to move the decisions on Items 6 and 7 until later on agenda due to Councilmember Peterson's request to be present for the decision. As Councilmember Peterson has arrived, he suggested moving the decisions back to those items.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETSO, TO MOVE DECISIONS REGARDING ITEMS 6 AND 7 BACK TO THOSE ITEMS. MOTION CARRIED UNANIMOUSLY.

Finance Director Scott James described the 2015 Regular Property Tax Levy:

- 2015 Budget Includes 1% Property Tax Increase
- Assessor Shows City of Edmonds Assessed Values Increasing 10.8% (Increase in AV before adding in new construction)
- New Construction adds \$26.57 million Assessed Value

He described the 2015 Regular Property Tax calculation for the City:

<u>Description</u>	<u>Amount</u>
2014 Levy Amount	\$9,819,161
Add New Construction	\$42,748
Add Allowance for Adjustments	\$32,985
Add Refunds	\$6,764
2015 Starting Point	<u>\$9,901,658</u>
Add 1% of 2014 Levy	<u>\$98,192</u>
Total 2015 Levy	<u><u>\$9,999,850</u></u>

Mr. James reviewed a graph of the ten year assessed property values history for the City, highlighting assessed values of \$4.8 billion in 2005, peaking at \$7.7 billion in 2009, and estimated at \$6.7 billion in 2015. He provided a graph of the rate per \$1,000 of assessed value history, highlighting a rate of \$1.69 in 2005, \$1.19 in 2008, \$1.76 in 2013 and projected to be \$1.47 in 2015.

He provided an overview of the 2008 – 2015 EMS Tax Levy:

- In 2008 citizens voted to make the EMS Levy a permanent \$0.50 levy
- During 2010 – 2013 assessed property values declined
- During this span of time Edmonds assessed value dropped just over 31%
- EMS levy cannot exceed \$0.50
- In a declining assessed value environment the City’s EMS levy also declines

Mr. James provided a comparison of EMS Tax Levy 2009-2015

<u>Year</u>	<u>Action</u>	<u>EMS Levy</u>	<u>Levy Savings</u>
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0
2010	Assessed Values Decline 9.8%	\$3,477,741	\$376,864
2011	Assessed Values Decline 7.5%	\$3,216,629	\$637,976
2012	Assessed Values Decline 9.9%	\$2,897,322	\$957,283
2013	Assessed Values Decline 4.3%	\$2,772,620	\$1,081,985
2014	Assessed Values Increase 10%	\$3,051,206	\$803,399
2015	Assessed Values Increase 11.3%	\$3,395,376	\$459,229
			<u><u>\$4,316,736</u></u>

He reviewed a graph of EMS Property Tax Rate per \$1,000 of assessed value history, highlighting \$0.47 in 2005, \$0.32 in 2008, and permanent levy effective in 2009. He described the 2015 EMS Property Tax calculation for the City:

<u>Description</u>	<u>Amount</u>
2014 Levy Amount	\$3,051,206
Add New Construction	\$13,283
2015 Levy	<u>3,064,489</u>
Add "Banked Capacity"	<u>\$330,887</u>
Total 2015 Levy	<u><u>\$3,395,376</u></u>

Mr. James explained why City administration is recommending these tax increases:

2015 New Ongoing Costs:	
Fire District 1 Services Contract	\$978,000
Prisoner Care	\$163,950
ESCA/SERS	\$9,300
SNOCOM	\$45,332
Impacts to the General Fund	\$1,196,582
Future Financial Challenges	
In 2016 Transfer to 617 Firemen's Pension Fund S/B increased by:	\$10,000
In 2016 transfer to 009 LEOFF Fund S/B increased by:	\$100,000
In 2016 Transfer to 012 Contingency Fund S/B increased by:	\$442,800
Impacts to General Fund	\$552,800
Total Impact to General Fund	\$1,749,382

Mr. James summarized the above financial challenges have no new ongoing source of revenue. He described the impact of the tax increases:

- 2014 Average Residence Value: \$351,100
- 1% Regular Tax Levy Increase: \$5.65
- Keeping EMS Levy at \$0.50: \$18.96
- Average Residence would pay \$24.61 in 2015
- Or about \$2.05 per month extra

Mayor Earling opened the public participation portion of the public hearing. There were no members of the public present who wished to provide testimony and Mayor Earling closed the public participation portion of the hearing.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO APPROVE ORDINANCE NO. 3983, LEVYING 1% REGULAR PROPERTY TAX INCREASE FOR 2015, LEVYING 11% EMS TAX INCREASE AND LEVYING \$925,309 FOR PUBLIC SAFETY VOTED DEBT FOR PUBLIC SAFETY COMPLEX.

Councilmember Bloom asked whether the 11% increase in the EMS tax increase was equal to the \$0.50 EMS levy. Mr. James answered yes, it would bring the levy up to \$0.50. Councilmember Bloom observed the voters already approved a \$0.50 EMS tax levy.

MOTION CARRIED UNANIMOUSLY.

7. PUBLIC HEARING AND POTENTIAL ACTION ON 2014 AMENDMENTS TO THE COMPREHENSIVE PLAN

Development Services Director Shane Hope explained the Council previously discussed these amendments, they were reviewed by the Planning Board and a recommendation forwarded to the City Council and the Council had further discussion in August. She identified the proposed amendments:

- Replace the existing Parks, Recreation and Open Space (PROS) Plan with the plan approved by Council in February 2014
- Replace the existing Community Cultural Plan with the plan approved by Council in February 2014
- Text amendment regarding Westgate
 - Does not change the code

- Work with the existing code or the proposed code for Westgate.

Parks & Recreation Director Carrie Hite explained there was a robust public process to develop the PROS Plan and Community Cultural Plan. The Planning Board vetted the plans in December 2013 and held a public hearing on January 8, 2014. The Council reviewed the plans and held two public hearings on February 4 and 25 and unanimously approved the plans on February 25, 2014. The plans have been submitted to the State to be eligible for the grant process; grants were due May 1, 2014. This is basically a housekeeping amendment; the City has traditionally included the PROS and Community Cultural Plans in the Comprehensive Plan.

Ms. Hope advised the Capital Facilities Plan (CFP) is not part of this proposed amendment. That will be considered as part of the budget process and a future amendment to the Comprehensive Plan.

Mayor Earling opened the public participation portion of the public hearing. There were no members of the public present who wished to provide testimony and Mayor Earling closed the public participation portion of the hearing.

Councilmember Bloom referred to the Westgate text language and asked the difference between mixed use and a mix of uses and why mixed use was selected rather than mix of uses. Ms. Hope responded they can mean the same thing; mixed use refers to a mix of different types of uses. Councilmember Bloom relayed her understanding of Ms. Hope's explanation that using one or the other would not limit where uses could be placed on a site and would allow room for whatever final decisions is made regarding Westgate. Ms. Hope agreed.

Councilmember Petso referred to discussions regarding flexible mixed use on Highway 99 such as commercial development at the front of a site and residential toward the back instead of the standard mixed use with residential over commercial. She asked whether the term mixed use would include both types of development. Ms. Hope answered it would allow full flexibility.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE ORDINANCE NO. 3984, AMENDING THE CITY OF EDMONDS COMPREHENSIVE PLAN; ADOPTING THE 2014 PARKS RECREATION AND OPEN SPACE PLAN AND THE 2014 COMMUNITY CULTURAL PLAN AS ELEMENTS OF THE CITY OF EDMONDS COMPREHENSIVE PLAN TO REPLACE THE EARLIER VERSIONS OF THOSE ELEMENTS; AMENDING SUBSECTION C OF THE COMMERCIAL LAND USE CHAPTER OF THE LAND USE ELEMENT TO INCORPORATE NEW LANGUAGE FOR THE WESTGATE NEIGHBORHOOD. MOTION CARRIED UNANIMOUSLY.

8. INTENT TO APPROVE SHORELINE MASTER PROGRAM

Senior Planner Kernen Lien reviewed the City approval process:

- Assemble complete draft SMP
- Complete SEPA review and documentation
- Provide Growth Management Act 60-day notice of intent to adopt
- Hold public hearing
- Prepare a responsiveness summary
- Approve SMP and submit to Ecology
- Demonstrate compliance with Guidelines

He explained Ecology's approval process generally takes six months to complete. The process for a "minor" amendment is the same as a full blown SMP update. He reviewed the ecology approval process:

- Provide public notice and opportunity for comment

- Minimum 30 day comment period
- Send comments to local government within 15 days
- Local government has 45 days to prepare response to comments
- Prepare decision packet
 - 30 days after receiving response to comments, Ecology prepares decision packet
 - Ecology may:
 - Approve the submitted SMP amendment as is
 - Approve the SMP amendment subject to required changes
 - Delay the SMP Amendment
- Work with local government to finalize SMP amendment approval

He explained with the proposal to redevelop the Edmonds Senior Center building, questions arose regarding how the SMP applies to the site. The SMP Restoration Plan includes a restoration opportunity: relocation of parking lot (bump-out) to restore beach habitat. In the proposed SMP relocation has been changed to reconfiguration to address the bump-out, not relocation of the entire senior center parking lot. He identified the bump-out on an aerial photograph, explaining the bump-out was constructed in the early 1960s for the geodesic dome that was brought up from the Seattle's World Fair. He provided a photograph of the bump-out from the beach level and the seawall project completed in 2003. The restoration project would be to remove the bump-out and line up the beachfront.

Mr. Lien identified SMP regulations that apply to the Senior Center development:

- Urban Mixed Use I Environment
- Senior Center structure
 - 15-foot setback
 - 30 feet in height
- View corridor
 - 30% of parcel width
 - Adjacent to north or south property line, whichever will result in the widest view corridor given development on adjacent properties
- Parking
 - 60-foot setback

He described parking setback reductions allowed in the Urban Mixed Use II:

- 1 square foot for every foot of walkway or publically accessible open space
- Minimum 40-foot setback

He displayed a potential site plan for the senior center, identifying the 60-foot parking setback. The parking in the site plan is similar to the existing parking; he identified the area of parking that would be considered a nonconforming use and could continue as a nonconforming use. An option would be to apply the parking setback flexibility allowed in Urban Mixed Use II to the Urban Mixed Use I.

For Councilmember Bloom, Mr. Lien explained within the Urban Mixed Use I environment where the senior center is located, the parking setback is 60 feet and there is no option to reduce it to 40 feet. In Urban Mixed Use II, the setback can be reduced 1 foot for every lineal foot of walkway or square foot of open space provided to a minimum of 40 feet. He displayed a potential site plan if the bump-out was removed and the parking setback reduced.

Councilmember Petso asked what other properties would be affected by a change to allow the parking flexibility in Urban Mixed Use I. Mr. Lien identified the properties in the Urban Mixed Use I environment, advising all properties in that area could benefit from the setback reduction.

Mr. Lien identified the provision for parking setback reduction flexibility in 24.60.080.D.3.c; the Council could approve a change to allow the parking setback reduction flexibility that applies to Mixed Use II to apply to Urban Mixed Use I.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO HAVE THE PARKING SETBACK FLEXIBILITY IN URBAN MIXED USE II APPLY TO URBAN MIXED USE I.

Councilmember Johnson asked how long the 60-foot setback had been in effect in the SMP. Mr. Lien answered at least since the SMP was last updated in 2000. Setbacks differ for parking and structures, largely because parking is not considered a priority use within the shoreline area. The parking setback flexibility may have been allowed for the Urban Mixed Use II zone because that zone largely applies to the marina where parking is important and where there is a water dependent use versus the Urban Mixed Use I zone where uses are office space and some residential.

Councilmember Johnson asked if a 60-foot setback was consistent with any grant or State regulation. Mr. Lien answered not that he aware of.

MOTION CARRIED UNANIMOUSLY

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO APPROVE RESOLUTION 1326, EXPRESSING INTENT TO ADOPT AN UPDATE TO THE SHORELINE MASTER PROGRAM. MOTION CARRIED UNANIMOUSLY.

9. DISCUSSION ON THE PROPOSED 2015-2020 CAPITAL FACILITIES PLAN/CAPITAL IMPROVEMENT PROGRAM

City Engineer Rob English recalled a presentation was made to Council in October; this discussion has been carried forward for several Council meetings. Staff's recommendation is to approve the 2015-2020 Capital Improvement Program (CIP) and an ordinance be prepared to adopt the 2015-2020 Capital Facilities Plan (CFP) with the budget.

Councilmember Johnson commented there is one new project description related to the senior center. Parks & Recreation Carrie Hite highlighted two changes, the first in the CFP related to the senior center. A rebuild of the senior center has been in the CFP for quite some time. That has been revised to reflect that the non-profit will rebuild the senior center and the City's responsibility will be to rehabilitate the grounds and beach access surrounding the senior center when construction begins. The second change is the addition of the Veterans Plaza in the CIP which includes a project description, project benefit rational and a \$10,000 initial budget based on Councilmember Peterson's recommendation.

Council President Buckshnis relayed she has provided input to staff regarding funding for the Sunset Avenue project. She agrees with keeping that project on the list but preferred to see how the design goes before estimating the cost. She felt including \$2 million in 2018 was premature.

Councilmember Fraley-Monillas asked whether the funding was included as a placeholder. Mr. English responded if the City applied for a construction grant in the future to build something more permanent such as sidewalks and facilities on the south and north end, it would be appropriate to have the \$2 million in the plan. If the Council chose to construct something less, it was better to have the funds in the plan than to have no funding. Councilmember Fraley-Monillas supported retaining the full \$2 million.

Councilmember Petso suggested restoring the project description back to a walkway versus a multiuse pathway. She asked why that was not recommended by staff. Mr. English answered that could be done, it was up to the Council. Public Works Director Phil Williams agreed that could be done, pointing out a

multiuse path was the intent when staff applied for the design grant. The trial project in place on Sunset Avenue, recommended to be in place for one year, will allow the public to experience the geometry and for the Council and public to evaluate the results. He explained the important of gaining some experience with the multiuse pathway. If it is discovered via that experience that it does not work, the City would have the justification to return to the granting agencies and request a change. If the Council decides to change it to a walkway that does not allow wheeled vehicles like bicycles, etc., that experience cannot be gained and it will look like the City changed its mind rather than having any documented reasons.

Council President Buckshnis explained the reason she wanted to remove/lower the dollar amount was to provide the Council more control over determining whether or not to continue with a multiuse path. Mr. Williams assured the Council has total control over the project. The project has not yet been designed; there have been concepts proposed and there is the current trial. At the end of the trial there will be many opportunities for the Council and public to comment on the final geometry. The \$2.099 million in funding is in 2018 because the funds are not available and the project has not yet been designed. It is important to have a project and funding in the out years to show the City is thinking about a project that will cost more than a trivial amount of money.

Councilmember Fraley-Monillas preferred to retain multiuse in the description at least until the trial period is concluded. Council can change how much is spent on the project, however, changing the project to a walkway at this time defeats the purpose of the trial multiuse pathway.

For the granting agency and the public, Councilmember Petso stated her opinion that the concept has been tested and it does not work. The two things that do not work are, 1) the angle parking, and 2) the multiuse pathway. The angle parking is unsafe for drivers backing out and she has witnessed people using the pathway crossing the street to the sidewalk when they see a bicycle approaching. She was hopeful that would be sufficient to persuade the granting agencies should that issue arise. The project was originally on the CIP as a walkway project, people enjoy it as a walkway and she preferred to return to a walkway.

Councilmember Johnson asked what the project description was in last year's CIP. Mr. Williams answered it has been called the Sunset Avenue Walkway. There was an expectation when staff interacted with the granting agencies that a multiuse pathway would be built. His intent is to protect the funds spent to date to bring the project to this point to avoid the granting agencies requesting the money back because the City did not build what they said they were going to build. The project description in the 2012 CIP is to develop a 200-foot trail with the expansive views of Puget Sound, Olympic Mountains and train to connect downtown businesses to surrounding neighborhoods, water access points and the existing parks. The details state the walkway will be ADA accessible and will accommodate walkers, joggers, bicycles, picnickers and those who would enjoy the view.

Councilmember Bloom agreed with Council President Buckshnis about removing the amount, explaining the project is very controversial and there are a lot of strong feelings on either side. She will find it difficult to approve the CFP/CIP until the issues related to the Sunset Avenue Walkway have been resolved. She commented this discussion has been scheduled on the agenda on two prior occasions but as removed due to lengthy agendas. There were a number of items on the CFP/CIP that she wanted to discuss further and she felt the Council could not vote on the CFP/CIP tonight without an opportunity for a thorough discussion.

Main Motion

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER MESAROS TO APPROVE THE DRAFT 2015-2020 CAPITAL IMPROVEMENT PROGRAM (CIP) AND DIRECT AN ORDINANCE BE PREPARED TO ADOPT THE 2015-2020 CAPITAL FACILITIES PLAN (CFP).

Councilmember Bloom reiterated the Council has not had enough opportunity to discuss the individual projects on the CFP/CIP. For example the alternatives study is still a large issue; it has been discussed for two years and each time it becomes increasingly confusing as to what the study will consider.

Councilmember Mesaros spoke in favor of the motion as well as including \$2 million for the Sunset Avenue Walkway project. He emphasized these are not final project plans; it is declaring the City's intent. The projects will still return to the Council for approval and there will be tremendous opportunities to discuss projects and even discard them.

Amendment #1

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO AMEND TO POSTPONE UNTIL NEXT WEEK'S WORK SESSION.

Council President Buckschnis anticipated the CFP/CIP would have been discussed at a study session as there are some contentious items. With regard to whether to include the \$2 million for the Sunset Avenue Walkway, she commented there are two sides to every story. The CIP is a wish list; in a perfect world the CIP could match the budget. She supported moving the discussion to a study session.

Councilmember Fraley-Monillas commented Councilmembers' minds are already made up with regard to the walkway, it was no secret and it had been going for months. She asked, 1) what would be gained by postponing the discussion to another study session where Councilmembers could just agree to disagree again, and 2) when does the CFP/CIP need to be completed and adopted. Mr. English answered the CFP can be adopted with the Comprehensive Plan amendment which was done earlier tonight or when the budget is approved. The CIP is a guidance tool for the budget; it should be adopted ahead of or with the budget.

If the Council approved the CFP/CIP tonight, Councilmember Fraley-Monillas asked whether individual projects could come back to Council such as the at-grade separation or the walkway. Mr. English responded the Council could bring specific projects back for discussion. If any project moves forward, there are milestones for City Council approval such as the design consultant, etc. Councilmember Fraley-Monillas observed approving the CFP/CIP with the Sunset Avenue Walkway did not give staff authorization to build it. Mr. English assured pros/cons will be discussed with the Council and public at the end of the trial.

Councilmember Peterson asked whether the Alternatives Analysis was in last year's CFP/CIP. Mr. English recalled a lengthy discussion last year regarding the title of that project. Councilmember Peterson understood there is a lot of controversy regarding the Sunset project but the Council has discussed that project a great deal. There have been fairly extensive discussions regarding most of the other projects as well. The reason he made the motion to approve the CFP/CIP is to take some action and he was unsure what the purpose of postponing would be. He did not support the motion to postpone to next week's study session, finding the CFP/CIP has been discussed enough.

Councilmember Petso referred to inconsistencies between the budget and CIP for 2015 and asked what happened if the budget and CIP did not match. She has discovered at least four instances where they do not match. Mr. English responded there is no specific requirement that the CIP mirror the budget but they should as the CIP is a planning level document. Councilmember Petso recalled in prior years if the budget included funds in 2015 for a project, the CIP showed the same amount and the CIP description was added to the budget book. It does not appear that was done this year; there are different amounts and different projects. Mr. English expressed interest in the differences she had discovered; it was his understanding Councilmember Petso's questions had been addressed by the Finance Director. Councilmember Petso said postponing until next week would provide an opportunity for the Council to adopt a CIP that agrees with the budget because they currently do not entirely match.

Councilmember Petso asked in what year the Alternatives Analysis was funded. Mr. English answered there is \$1 million in 2019 and \$1 million in 2020. Councilmember Petso commented that project, which formerly was imminent, had been pushed out to 2019. Mr. English agreed, noting the first three years of the CIP are constrained; projects in the first three years have secured funding or funding is reasonably expected to be secured. Funds for the Alternatives Analysis are not secured; therefore, that project is in the second three years.

Mr. Williams advised if the budget and CIP do not match, the budget is controlling as only what is authorized in the budget can be spent. If more was listed in the CIP for a project than was included in the budget, a budget amendment would be required. Mr. Taraday agreed the budget controlled.

If the Council wanted to spend money on a preliminary analysis of a train trench and peer review, Councilmember Petso asked whether the train trench would need to be in the CFP/CIP or was that a separate budget item. Mr. English answered the Council could chose to add it to the budget regardless of whether it was in the CIP. City Attorney Jeff Taraday commented there is no RCW that controls the CIP and it can be amended at any time. The CFP, which is part of the Comprehensive Plan and technically subject to the once a year limitation, can also be amended in conjunction with a budget amendment.

Councilmember Petso asked whether the CIP needs to be revised to reflect decisions the Council makes during budget deliberations. Mr. Taraday answered because there is no RCW that speaks to the CIP, it is not illegal for the two documents to be inconsistent although he assumed the intent was for them to be consistent. To the extent there was any conflict, the budget controls.

Councilmember Petso observed there are projects in the CIP that are inconsistent with the Comprehensive Plan such bike lanes on 76th in the CIP and bike lane on 84th in the Comprehensive Plan. Mr. Taraday responded the CIP and CFP are intended to be consistent. Because the CIP does not have a State law effect, to the extent there is an inconsistency, the CFP controls over the CIP. The CFP is adopted by ordinance as part of the Comprehensive Plan; the CIP is an internal document.

Call for the Question

COUNCIL PRESIDENT BUCKSHNIS CALLED FOR THE QUESTION. UPON ROLL CALL, CALL FOR THE QUESTION CARRIED (4-3), COUNCIL PRESIDENT BUCKSHNIS AND COUNCILMEMBERS BLOOM, JOHNSON AND PETSO VOTING YES; AND COUNCILMEMBERS FRALEY-MONILLAS, MESAROS AND PETERSON VOTING NO.

Councilmembers misunderstood that the above vote was for the Call for the Question.

Reconsider

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCILMEMBER FRALEY-MONILLAS, TO RECONSIDER THE MOTION FOR THE CALL FOR THE QUESTION. MOTION CARRIED UNANIMOUSLY.

Action on Call for the Question

MOTION CARRIED UNANIMOUSLY.

Action on Amendment #1

UPON ROLL CALL, AMENDMENT CARRIED (4-3), COUNCIL PRESIDENT BUCKSHNIS AND COUNCILMEMBERS BLOOM, JOHNSON AND PETSO VOTING YES; AND COUNCILMEMBERS FRALEY-MONILLAS, MESAROS AND PETERSON VOTING NO.

Action on Main Motion

COUNCILMEMBER PETERSON WITHDREW THE MAIN MOTION.

Mr. Williams requested Councilmembers email staff regarding what they would like to discuss at the study session.

Mayor Earling commented what was lost in the Council's discussion was the fact that the Council ultimately must approve any project before it moves forward which provides plenty of opportunity for investigation and detailed discussions. The decision on the CFP and CIP is in fact not a final decision but simply to keep projects on a list. In some cases it is a wish list; not including any indication of the value on the wish list such as for the Sunset Avenue project begins to neutralize the City's ability to obtain grants.

10. AUTHORIZATION FOR A SOLE SOURCE PROCUREMENT OF DIGITAL UNIVERSAL CAMERA (DUC), STEERABLE PIPE RANGER VIDEO TRANSPORTER AND APPURTENANCES TO RETROFIT THE PUBLIC WORKS SEWER VIDEO CAMERA TRUCK

Public Works Director Phil Williams explained the Public Works sewer video truck is used to periodically video the sanitary sewer pipe system to look for defects; those repairs are then added to the Wastewater CIP. The same needs to be done in the storm system which will require an expansion of the current capabilities. The proposed purchase of a higher definition camera will allow staff to video-inspect both sewer and storm pipes using the existing Cues truck/chassis, software and equipment. Cues has an approximately 80% market share in the State of Washington for this type of equipment. The new camera is compatible with an existing chassis and the proposal also includes the purchase of an updated chassis, Pipe Ranger 2. The intent is to begin videoing both storm and sewer pipes late 2014/early 2015.

Mr. Williams explained the Storm Fund will pay the Sewer Fund for the trained staff to operate the truck; the cost of the equipment will be shared by the two utilities. In the interest of consistency spare parts, existing training, it is preferable to continue with the existing company, Cues, the reason for the recommendation for sole source procurement. The packet also includes a Vendor Certification stating Cues has not offered this at lower price to other clients. For example, Seattle paid \$98,000 for the camera last year; Edmonds's price is \$91,000. He summarized this is a good case for a sole source procurement and he recommends Council approval.

Councilmember Petso referred to an email the Council received tonight questioning the appropriateness of the sole source procurement. She asked why this was not first discussed at a study session. Mr. Williams answered it would typically have been discussed at a study session; however, the order needs to be submitted in a couple days in order to pay for it out of the 2014 budget. He assured no additional or different information would have been provided at a study session.

Councilmember Petso asked whether the Finance Director had reviewed the sole source procurement and the concerns raised by the citizen. Mr. Williams advised it is not a finance question; the question is whether it meets the criteria in the City's purchasing policy for a sole source procurement.

Councilmember Petso asked whether the policy requires that other vendors be contacted. Mr. Williams answered no. Councilmember Petso asked whether there was a requirement for a firm or not to exceed price. Mr. Williams referred to the letter from Cues that outlines the cost. He assured if the invoice from Cues does not match their quote, it will not be approved.

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCIL PRESIDENT BUCKSHNIS, TO APPROVE THE RECOMMENDED SOLE SOURCE PROCUREMENT FROM CUES, INC. OF A VIDEO CAMERA SYSTEM AND VARIOUS SUPPORTING ATTACHMENTS.

Council President Buckshnis clarified the reason this vendor was selected was because the City has the equipment that fits this camera. Mr. Williams provided an analogy, rather than purchasing Toyota headlights and adapting them to fit your Honda, it is preferable to purchase Honda headlights.

MOTION CARRIED UNANIMOUSLY.

Mayor Earling declared a brief recess.

11. DISCUSSION AND POTENTIAL ACTION ON THE PROPOSED EDMONDS DOWNTOWN BUSINESS IMPROVEMENT DISTRICT WORK PROGRAM AND BUDGET FOR YEAR 2015

Economic Development & Community Services Director Patrick Doherty explained this item is further discussion regarding the 2015 work program and budget for the Edmonds Downtown Business Improvement District (EDBID) also known as the Downtown Edmonds Alliance. At the Council's request, the EDBID's 2015 budget compared to previous years will be provided.

Pam Stuller, Walnut Street, President, EDBID Members Advisory Board, explained the EDBID has a very effective Board, and each of the 11 elected members take their role as stewards of the EDBID's resources very seriously. The Board holds publicized semi-monthly meetings that are open to members and the public. The EDBID has accomplished a great deal since their inception approximately 18 months ago from the creation of the bylaws and work plan to a new name and official identity. Much of that progress is due to an enormous amount of volunteerism.

As a young organization, Ms. Stuller recognized it took time to develop trust and create a successful precedent. The Board appreciates the scrutiny of the Council and seriousness with which they do their jobs and assured the elected board members share that commitment. While it is discouraging to hear about a petition to disband the EDBID, with over 320 businesses, there remains a tremendous amount of support for what the EDBID is doing. She looked forward to beginning the exciting and strategic work that the EDBID was created to implement.

Cadence Clyborne, HDR Engineering, EDBID Treasurer, explained in response the Council's request, the budget summary was revised to be more consistent with a balance sheet format. She displayed the balance sheet, highlighting the 2015 proposed budget that is in the work plan, 2014 end of year projection, year-to-date, and 2013 final financials. The 2015 proposed budget includes:

- Beginning balance of \$48,129
- Estimated revenues of \$81,880 from assessments (assumes 92% collection rate)
- Total revenue of \$130,009
- Estimated expenses as outlined in work plan
- Estimated ending balance of \$46,009

She explained financial information has always been included in the EDBID minutes. At the request of a member a few months ago, the spreadsheet has been posted to the EDBID's website. In the future the new balance sheet format will be presented at EDBID meetings and posted on the website. The Advisory Board meets at 8:00 a.m. the 2nd and 4th Thursday in Room 225 at the Edmonds Center for the Arts.

Main Motion

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO APPROVE THE EDMONDS DOWNTOWN BUSINESS IMPROVEMENT DISTRICT'S 2015 WORK PROGRAM AND BUDGET.

Amendment #1

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE WORK PLAN TO INCLUDE A REVIEW OF THE EQUITY OF THE FEES ASSESSED BY THE CITY TO EDMONDS TO EDBID MEMBERS BE COMPLETED AND PRESENTED TO COUNCIL BY JUNE 2015.

Councilmember Bloom relayed her understanding and appreciation for the work done by the Advisory Board. The reason she was proposing these amendments was because in talking with business owners and the fact that a petition was being circulated, there is a lot of conflict and people who are unhappy with the way things have been done as well as how the EDBID was set up. Her amendments are an attempt to resolve the concerns she has heard; unless the concerns of the membership are considered, the EDBID will be unable to move forward in a manner that will work for all the members. For example, although friends of the EDBID and all the members of the EDBID were invited to a get-together, the voucher based on \$12 lunches indicated only 26 people attended which was not a good turnout.

Councilmember Bloom referred to an email she received at 6:15 p.m. today that she forwarded to Councilmembers expressing concerns with the EDBID. She stated the membership of the EDBID is not supporting the Advisory Board's work; the business owners she has talked said they wish they had been asked about the Ed! brand and there are questions about the square footage fee assessment. She summarized many members are dissatisfied but are afraid to speak their mind. She recognized the hard work done by the Advisory Board and assumed they would not have to work so hard if they had the support of the membership.

With regard to the proposed amendment, Councilmember Bloom pointed out the square footage range for assessments is too large; the EDBID essentially assesses a 5,000 square business and a business with a very small space at a similar rate.

Councilmember Petso asked whether the Council has full discretion to review and make changes to assessments. City Attorney Jeff Taraday responded everything about the EDBID is subject to the Council's discretion. He noted to the extent the direction in Councilmember Bloom's motion required a financial expense for the EDBID, it did not fit within any of the categories of authorized expenses.

Councilmember Petso asked whether a more appropriate way would be to schedule a review of the EDBID fees as a future Council agenda item. Mr. Taraday commented the Council has a lot of power over the EDBID; he was unsure procedurally what would need to happen to review the assessments but he could research that in the meantime.

Action on Amendment #1

COUNCILMEMBER BLOOM WITHDREW THE AMENDMENT WITH THE AGREEMENT OF THE SECOND.

Councilmember Bloom requested the Council President schedule a review of the EDBID Assessments on an upcoming study session. Recognizing that the issue of sending businesses to collections was also not a work plan item, she requested that issue be discussed at a future study session. She pointed out 29 business owners have been sent to collections.

Amendment #2

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE MOTION TO REQUEST CLARITY BE ADDED TO ITEM C, ASSESSMENT AND EVALUATION, AND ITEM D, MEMBER ENGAGEMENT AND OUTREACH, SPECIFICALLY REGARDING EFFORTS TO OBTAIN ANONYMOUS INPUT FROM BID MEMBERS.

Councilmember Bloom referred to the EDBID's written response to this suggestion stating this could be incorporated. She requested specific language be included regarding obtaining anonymous input from EDBID members as some members are not comfortable sharing their thoughts.

Councilmember Petso asked what specific language Councilmember Bloom would like to have added. Councilmember Bloom suggested Survey Monkey surveys be conducted on a regular basis to get input

related to the work the Board is doing. Councilmember Petso asked Mr. Doherty whether that was something he could assist the EDBID with. Mr. Doherty answered yes.

Councilmember Peterson asked whether the motion included direction to act on the surveys, pointing out Survey Monkey is very unscientific. Councilmember Bloom said she wanted the Advisory Board to get input from people who are uncomfortable sharing input with the Board. She was not suggesting how they would use the information, only providing an avenue for members to provide input without being identified.

Council President Buckshnis asked how the Board would use the input from such surveys. Councilmember Bloom responded she hoped the Board would use the information to inform how they spend the EDBID members' money.

Action on Amendment #2

UPON ROLL CALL, AMENDMENT FAILED (3-4), COUNCILMEMBERS BLOOM, FRALEY-MONILLAS AND PETSO VOTING YES; AND COUNCIL PRESIDENT BUCKSHNIS AND COUNCILMEMBERS JOHNSON, MESAROS AND PETERSON VOTING NO.

Amendment #3

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE MOTION TO REDUCE THE AMOUNT BUDGETED FOR ADMINISTRATIVE SERVICES IN ITEM B TO \$6,000 FOR 2015 WHICH EQUALS \$500 PER MONTH.

Councilmember Bloom said the reason for this motion was because there was not the support of the EDBID that she would like to see at this point and she anticipated \$6,000 for administrative services would be more acceptable to the membership than \$17,000. She explained \$6,000 would allow the EDBID to hire a contract administrative person at the rate of \$25/hour for 20 hours/month or 5 hours/week. That person could do minutes, post on the EDBID website, etc.; the EDBID could consolidate what the person did and use the person very effectively.

Council President Buckshnis referred to the EDBID's written response that there is a lot of administrative work. Her issue is ensuring the 501(c)3 is totally separate; the EDBID administrator cannot provide administrative services to the 501(c)3. Ms. Clyborne advised their research of other BIDs with 501(c)3s found they have an agreement with the city for payment for services. That has not yet been fully vetted by the board. She advised there are other administrative costs in addition to hiring a consultant such as the post office box, supplies, website fees, etc.

Action on Amendment #3

AMENDMENT FAILED (1-6), COUNCILMEMBER BLOOM VOTING YES.

Amendment #4

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE MOTION, TO REMOVE ITEM K, RESEARCH OF POTENTIAL BOUNDARY ADJUSTMENT, FROM THE WORK PLAN.

Councilmember Bloom reiterated due to the conflict in the membership, she felt this was not the time to seek new members.

Councilmember Petso asked whether this was something the Council could do when/if they wished. Mr. Taraday suggested to the extent this required a financial expense on the part of the EDBID, it did not fit in any of the categories of expense authorized in the implementing legislation, probably should not be undertaken by the EDBID and therefore would be inappropriate to include in the work plan. Exploring a modification to the boundaries would be more appropriately undertaken by the City or the Economic

Development Director. Mr. Taraday provided further context; the Council is approving the budget for the EDBID, authoring them to spend money on certain items. This does not fit within the categories of expense that the City authorized when it created the EDBID; it can be worked on by City staff. He suggested the motion be acted on.

If this was not a budget item and was just something the EDBID planned to work on, Councilmember Peterson questioned why it was not appropriate for the EDBID to include it in their work plan. The budget implication would occur if/when a decision was made to expand the boundary. To the extent the EDBID wants to do leg work to explore changing the boundaries, they do not need to come to the Council for authorization if it does not require an expense. That effort would be similar to what occurred prior to forming the EDBID which did not require Council authorization. Mr. Taraday responded by keeping this item in the work plan and the administrative person working on it, that would be an inappropriate use of the funds. Councilmember Peterson suggested if it is not in the work plan, some members may object to the Board talking to potential new members. Mr. Taraday summarized the Council's role is related to approving expenditures; anything that occurs outside that is not within the purview of this action item.

Councilmember Mesaros observed there was nothing in the budget related to Item K and the motion is not in order as it does not reflect budget items which are the Council's purview.

Action on Amendment #4

AMENDMENT CARRIED (5-2), COUNCILMEMBERS PETERSON AND MESAROS VOTING NO.

Amendment #5

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, TO AMEND THE MOTION TO REMOVE THE \$10,000 ALLOCATED TO THE SMALL GRANTS PROGRAM.

Councilmember Bloom explained the EDBID membership should not be expected put their money toward the 501(c)3, a separate organization that the EDBID is forming. It made no sense to her and she felt those funds should be retained within the EDBID.

Councilmember Petso relayed her understanding the EDBID would be in charge of the small grants, not the 501(c)3. Ms. Stuller explained the intent of the small grants program is to harness the power of the membership by providing them grants to help be the boots on the ground to get more done in the coming year. The grants are intended to completely apply to the scope of work and are a way to help catalyze additional action from the membership. Ms. Clyborne advised the small grants program is entirely unrelated to the 501(c)3.

Councilmember Petso relayed the EDBID could have included \$10,000 in their budget for miscellaneous projects; by setting up a grant program there will be application deadlines, documentation, etc. Ms. Stuller agreed. Councilmember Petso asked whether the intent was to spend the money "come heck or high water" or would the funds be held if no appropriate applications are submitted. Ms. Stuller advised the funds would not be granted unless appropriate applications were received.

Councilmember Petso suggested an amendment requiring each proposed grant be reviewed by City staff for compliance with the applicable RCW and ECC provisions prior to the award of a grant. Ms. Stuller had no objection to adding that language to the work plan. Councilmember Petso advised she would probably not support the proposed amendment and would make the amendment she described.

Action on Amendment #5

AMENDMENT FAILED (1-6), COUNCILMEMBER BLOOM VOTING YES.

Amendment #6 and Action

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER BLOOM, TO AMEND THE MOTION TO ADD THE FOLLOWING AS THE NEXT TO THE LAST SENTENCE OF PARAGRAPH J OF THE WORK PLAN, “EACH PROPOSED GRANT WILL BE REVIEWED BY CITY STAFF FOR COMPLIANCE WITH RCW 35.87A.010 AND EDMONDS CITY CODE 3.75.030 PRIOR TO AWARD OF A GRANT.” MOTION CARRIED UNANIMOUSLY.

Councilmember Peterson voiced his opposition to the suggestion of having further discussion regarding some issues at a Council study session, anticipating a series of micromanaging meetings. He recognized it was up to the Council President when/if to schedule that discussion.

Councilmember Bloom suggested the Council also discuss having a representative attend EDBID Advisory Board meetings; she recommended the Council President and one other Councilmember. The Council needs to be very involved in the oversight of the EDBID as the EDBID Advisory Board is the only one of the City’s boards that has the authority to spend money. She disagreed with Councilmember Peterson because the Council is responsible even if it possibly means micromanaging.

Councilmember Fraley-Monillas suggested this may be an appropriate topic for the Council retreat in early 2015.

Action on Main Motion as amended

MOTION CARRIED (6-1), COUNCILMEMBER BLOOM VOTING NO.

Councilmember Petso requested the Council President schedule the EDBID fees and collection policy on a future study session. Council President Buckshnis advised she has scheduled those as well as research of a potential boundary adjustment on the December 9 study session agenda.

12. REVIEW & POTENTIAL APPROVAL OF UPDATED RIGHT-OF-WAY TREE MANAGEMENT POLICY

Public Works Director Williams advised this was discussed at last week’s study session. A resolution and policy in place since 1978 establishes guidelines for trimming and removing trees in the right-of-way that are not street trees and require any trimming or removal to be authorized via a right-of-way construction permit issued by the City. The policy authorizes specific reasons for trimming or removing a tree in the right-of-way related to safety such as the tree impedes sight lines, is diseased and in danger of falling, or is causing damage or significant maintenance to public infrastructure. Neither the policy nor the resolution included the ability to authorize removal/trimming of a tree in the right-of-way that is damaging private infrastructure.

The proposed policy would add the ability for the City to issue a permit if a tree in the right-of-way is causing damage to private infrastructure. The Tree Board reviewed the issue and provided a recommended policy. He referred to three revisions he suggested at last week’s study session, two that were typos and a third, to remove the requirement to obtain a right-of-way permit to trim/remove a tree over 8 feet tall. He pointed out an 8-foot tall tree could be 1-2 inches in diameter. He reviewed the practical implications of requiring a right-of-way permit to trim/remove any tree feet tall over a height of 8 feet: apply for a right-of-way construction permit, minimum price \$115; and hire a certified arborist to prepare a report stating the tree meets the criteria for removal, at a cost of several hundred dollars. He doubted many property owners would go to that effort to trim/remove a tree of that size. Further, a tree of that size was unlikely to be causing safety issues or damaging private infrastructure. He noted one of the criteria in the proposed policy was a tree could be trimmed/removed if it had grown to a size that was inappropriate for its current location.

Councilmember Bloom expressed concern with removing that requirement in view of how hard the Tree Board worked on the proposed policy. The Tree Board includes a certified arborist and others with experience with trees. She consulted the Tree Board Chair, Susan Paine, who is very familiar with Seattle's tree code, regarding the proposed change. Ms. Paine's response was a permit to trim an 8-foot tree is needed; she envisioned a person harming a young tree under 6 inches in diameter by harsh pruning. Councilmember Bloom referred to trees in the right-of-way that have so harshly pruned that they do not grow properly. She preferred to retain the requirement for a permit for trees 8 feet in height. Mr. Williams understood Ms. Paine's point of view but questioned the City's ability to control pruning via a permit program. He reminded a tree would need to meet the criteria for removal before a permit could be issued. He suggested an educational campaign citing the national standards on tree pruning rather than a regulatory approach may be more successful in addressing those concerns.

Councilmember Petso provided a scenario: a homeowner with a 5-inch diameter tree over 8 feet tall located in the City right-of-way trims the tree periodically. Under the proposed code, that homeowner would be in violation of the code. Mr. Williams agreed the homeowner would be in violation, both in the proposed code and the existing code. Councilmember Petso asked about enforcement. Mr. Williams advised enforcement occurs when a situation is brought to the City's attention. Councilmember Petso relayed her understanding under the proposed code, a property owner would be required to obtain a right-of-way permit to trim a tree larger than 6-inches in diameter or over 8 feet tall. Mr. Williams agreed.

Councilmember Johnson referred to the criteria, observing most of them are very specific and not subject to opinion. However, the criteria that a tree has outgrown its location could be disputed and she preferred it not be included as a criteria. Mr. Williams advised the permit requires a State certified arborist determine the tree has outgrown its location. The City needs to have that expertise available as well; there is currently no certified arborist on staff. When the tree code is presented to Council it will include some resource requests. Councilmember Johnson stated the determination that a tree has outgrown its location is a judgment call and even two arborists could have a difference of opinion. She preferred not to have a judgment call be a criterion, commenting there are historic trees that may be more valuable than the shade they create.

COUNCIL PRESIDENT BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER PETSO, TO EXTEND THE MEETING UNTIL 10:30 P.M. MOTION CARRIED UNANIMOUSLY.

Councilmember Bloom commented the report by a certified arborist would address Councilmember Johnson's concerns. She agreed it was a subjective, noting there are also plans for a Heritage Tree Program which hopefully will protect valuable, old trees. A certified arborist will be able to determine whether a young tree has outgrown its location or if it is a valuable, old, native tree. Councilmember Johnson recalled when this first arose, the example staff provided was a very mature cedar tree whose roots essentially destroyed the adjacent property owners' grass. Mr. Williams commented it was a massive Redwood tree that grew very fast. That tree is causing some of the problem listed as criteria for removal/trimming in the policy and the policy would allow roots to be pruned, etc. Another issue with a tree like that is the cost to trim or remove it. As long as the tree is not damaging public infrastructure, the property owner would initiate the process, pay the permit fee, hire the arborist, and pay for removal/trimming if the City is convinced it meets the criteria.

Main Motion

COUNCILMEMBER PETERSON MOVED, SECONDED BY COUNCIL PRESIDENT BUCKSHNIS, THAT THE CITY COUNCIL ADOPT THE UPDATED RIGHT-OF-WAY TREE MANAGEMENT POLICY AS AMENDED BY THE EDMONDS CITIZENS TREE BOARD.

Councilmember Peterson clarified this was the policy on page 988-990 of the packet (includes amendments recommended by Mr. Williams).

Councilmember Bloom preferred to vote on the Right-of-Way Tree Management Policy recommended by the Tree Board. Mr. Williams distributed the policy as recommended by the Tree Board. (includes the requirement for a permit for an 8-foot tall tree).

Amendment #1

COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER JOHNSON, TO AMEND THAT THE COUNCIL APPROVE THE RIGHT-OF-WAY CODE ORIGINALLY RECOMMENDED BY THE TREE BOARD.

Amendment #2 and Action

COUNCILMEMBER PETSO MOVED, SECONDED BY COUNCILMEMBER PETERSON, TO AMEND THE AMENDMENT TO FIX THE TYPOGRAPHICAL ERRORS POINTED OUT BY MR. WILLIAMS AND CHANGE THE TITLE OF SECTION 5 TO “REPLANTING. RECOMMENDED REPLANTING RATIOS.” MOTION CARRIED UNANIMOUSLY.

Action on Amendment #1

MOTION CARRIED (6-1), COUNCILMEMBER MESAROS VOTING NO.

Action on Main Motion as amended

MOTION CARRIED UNANIMOUSLY.

13. PUBLIC COMMENT AND DISCUSSION REGARDING THE 2015 PROPOSED CITY BUDGET

Mayor Earling opened the opportunity for public comment.

Kurt Greiner, Edmonds, referred to two funding proposals in the Council’s allocation of \$250,000, \$10,000 for a peer review and \$90,000 for a train trench study. He urged the Council not to approve the \$10,000 peer review because a firm could not be asked to compare the current \$10,000 study because it was not complete. He referred to the Tetra Tech Report which states until the design is complete there are a myriad unknown conditions that cannot be specifically accounted for in the construction cost estimate. He relayed an email from Phil Lovell that the estimate in the Tetra Tech report can be judged as inadequate in depth but further refinement and/or accuracy of any estimate at this point would be pointless without further design development. After reviewing the Tetra Tech report and applying standards he was familiar with, he emailed the Council an outline of other ways of doing this that are less expensive, more environmental and will save time. Until those are properly identified, he did not see how a peer review could be done. He urged the Council to approve the \$90,000 study to obtain that information so that a peer review can be conducted. With regard to alternatives such as moving the ferry terminal, he pointed out ferries cannot dock there in bad weather, the site is not ready and the funds are not available. With regard to an overpass, a study was completed in 2012. He concluded the City needed to consider alternatives; it is good business as well as required by NEPA.

Hearing no further comment, Mayor Earling closed the opportunity for public comment.

Councilmember Petso explained although she initially requested \$10,000 for a peer review, she withdrew that request when a consensus emerged that it was not really a study worthy of being peer reviewed. Her current proposal is \$90,000 for a preliminary study and \$10,000 for a peer review of that preliminary study.

Finance Director Scott James reviewed the Council’s list of changes

Proposal #	Description	Cash Increase (Decrease)
1	Veterans Park Design	(\$10,000)
2	Train Trench Study (\$90,000) & Peer Review (\$10,000)	(\$100,000)

3	Highway 99 Study and Planning	(\$100,000)
4	Planned Action EIS (2015 Phase 1 \$75,000, 2016 Phase 2 \$75,000)	(\$75,000)
5	Building & Facility Maintenance Needs Study	(\$20,000)
Subtotal of Allocations		(\$305,000)
Amount Requests Exceed Balance to Allocate		(\$55,000)

Due to the late hour, Mayor Earling suggested deferring further discussion to next week.

Council President Buckshnis commented although she was ready to vote on the budget now, she encouraged Councilmembers to provide questions/concerns/changes to staff so the process can move forward during future budget discussions.

Councilmember Petso advised in addition to one-time expenditures the Council has allocated from the \$250,000, she is considering funding Police Department Decision Package 3, ongoing cost to restore the Crime Prevention Officer. She will forward Councilmembers the original decision package which was pulled when the Fire District 1 bill was received. To help cover the cost, she is reviewing the budget for ongoing expenditures that could be convert to onetime items; one potential source is converting the Finance Department Intern to a one-time expenditure rather than ongoing.

Mr. James advised he will post the latest revisions to the 2015 preliminary budget book changes and the Council allocation of the \$250,000 to the City's website tomorrow.

14. MAYOR'S COMMENTS

Mayor Earling reported the Swedish-Edmonds auction last Friday raised \$708,000.

15. COUNCIL COMMENTS - None

16. CONVENE IN EXECUTIVE SESSION REGARDING PENDING OR POTENTIAL LITIGATION PER RCW 42.30.110(1)(i)

This item was not needed.

17. RECONVENE IN OPEN SESSION. POTENTIAL ACTION AS A RESULT OF MEETING IN EXECUTIVE SESSION

This item was not needed.

18. ADJOURN

With no further business, the Council meeting was adjourned at 10:29 p.m.