

# **EDMONDS CITY COUNCIL APPROVED MINUTES**

## **January 27, 2015**

The Edmonds City Council meeting was called to order at 6:15 p.m. by Mayor Earling in the Council Chambers, 250 5<sup>th</sup> Avenue North, Edmonds.

### **ELECTED OFFICIALS PRESENT**

Dave Earling, Mayor  
Adrienne Fraley-Monillas, Council President  
Diane Buckshnis, Councilmember  
Kristiana Johnson, Councilmember  
Lora Petso, Councilmember  
Joan Bloom, Councilmember  
Thomas Mesaros, Councilmember

### **STAFF PRESENT**

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

### **1. CONVENE IN EXECUTIVE SESSION TO DISCUSS POTENTIAL LITIGATION**

At 6:15 p.m., Mayor Earling announced that the City Council would meet in executive session to discuss potential litigation per RCW 42.30.110(1)(i.). He stated that the executive session was scheduled to last approximately 45 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. Councilmember Mesaros left the executive session at 6:55 p.m. The executive session concluded at 7:00 p.m.

Mayor Earling reconvened the regular City Council meeting at 7:02 p.m. and led the flag salute.

### **2. ROLL CALL**

City Clerk Scott Passey called the roll. All elected officials were present.

### **3. APPROVAL OF AGENDA**

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER BUCKSHNIS, TO APPROVE THE AGENDA IN CONTENT AND ORDER. MOTION CARRIED UNANIMOUSLY.**

### **4. APPROVAL OF CONSENT AGENDA ITEMS**

Councilmember Bloom requested Item B be removed from the Consent Agenda.

**COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCIL PRESIDENT FRALEY-MONILLAS, TO APPROVE THE REMAINDER OF THE CONSENT AGENDA. MOTION CARRIED UNANIMOUSLY. The agenda items approved are as follows:**

- A. APPROVAL OF CORRECTION TO APPROVED CITY COUNCIL MEETING MINUTES OF JANUARY 13, 2015**
  
- C. APPROVAL OF CLAIM CHECKS #212553 THROUGH #212563 DATED JANUARY 20, 2015 FOR \$21,374.24 AND CLAIM CHECKS #212564 THROUGH #212617 DATED JANUARY 22, 2015 FOR 111,042.34. APPROVAL OF PAYROLL DIRECT DEPOSIT AND CHECKS #61460 THROUGH #61470 FOR \$476,624.22, BENEFIT CHECKS #61471 THROUGH #61479 AND WIRE PAYMENTS OF \$515,068.54 FOR THE PAY PERIOD JANUARY 1, 2015 THROUGH JANUARY 15, 2015**

**ITEM B: APPROVAL OF CITY COUNCIL MEETING MINUTES OF JANUARY 20, 2015**

City Clerk Scott Passey relayed the following correction requested by Councilmember Bloom:

- Page 13, last paragraph under Item 8, change first sentence to read: Councilmember Bloom explained she abstained because she did not have enough information to determine that the maximum amount of trees *feasible* were retained ~~that was feasible~~.

**COUNCILMEMBER BLOOM MOVED, SECONDED BY COUNCILMEMBER PETSO, MOVED TO APPROVE ITEM B AS AMENDED. MOTION CARRIED UNANIMOUSLY.**

**5. AUDIENCE COMMENTS**

Mayor Earling noted the first three names on the sign in sheet were not present: Edmonds IGA, Hamburger Harry's, and the Pancake Haus. He assumed they were signed up to relay their concerns related to lengthy power outages as a result of windstorms. He put IGA in contact with Steve Klein, CEO, Snohomish County PUD, and they have been working to resolve the problem.

**Lann Pepper, Edmonds**, explained their building experienced a 36-hour power failure 2 months ago. Residents must be 61 or older or have a disability to live at Soundview; over 42 residents live in each building. The power outages result in elevator failure, food spoiling and total darkness. Their building is on a grid with Woodway and they have been told Woodway does not want the trees cut back and as a result the power seems to go out more frequently than the surrounding area. For example, the condominiums above them and next to them are on the 4<sup>th</sup> Avenue grid and do not experience power failures as often. She pointed out the difficulty for IGA to operate their business during power outages and the resultant loss of food and employees unable to work. She summarized the building residents love living in Edmonds and are interested in having their power restored more quickly.

**Reid Huntington, Edmonds IGA**, provided the letter sent to PUD describing their concern with operating a retail business with lengthy power outages. He explained the power outage is more than just a loss of product but also a loss of revenue as insurance does not cover everything. IGA has been in the Edmonds location for nearly two years; they have big plans for store but each time a lengthy power outage occurs it sets them back. He was hopeful PUD will address the issue. Mr. Huntington advised Steve Klein, CEO, Snohomish County PUD, contacted IGA and assured they are looking into the matter. Mayor Earling assured the City will follow-up.

**John Osterhaug, President, Board of Directors, Edmonds Senior Center**, spoke in favor of Agenda Item 6, Authorization for Mayor to Sign Option to Lease and Ground Lease with the Edmonds Senior Center. The Council passed a resolution in late March 2014 in support of the Edmonds Senior Center replacing the existing aging, failing building with a new building that would serve as a senior center and a

community center. On the strength of that resolution, the senior center has initiated and pursued a program to accomplish that replacement. To pursue that program, they need to qualify for funding from foundations which includes meeting several criteria, one of which is to gain control of the property which is done via the Option to Lease and the Ground Lease. He asked for the Council's support.

**Natalie Shippen, Edmonds**, distributed a Request for Code Enforcement Action, the form resident a completes to request code enforcement. The form has a space for a signature but a signature is not required. The Request for Code Enforcement Action has not been successful because although the Council knows about the problems with the sign code, it has not been scheduled on an agenda. She distributed the Planning Board's extended agenda which does not include any reference to the sign code. The problems with the sign code were brought to the Council's attention in late 2013 and a member of the planning staff stated the sign code needed a major overhaul. The handling of this issue reflects problems with Edmonds' government and she suggested these issues be discussed at least once a month: the executive branch which suffers from chronic cronyism, the legislative branch's lack of purpose and an understanding of the check and balance system. She summarized the sign code is a nasty piece of special legislation, it is not enforced and it is stalled at the executive level. She urged the Council to schedule review of the sign code on a future agenda.

**Farrell Fleming, Executive Director, Edmonds Senior Center**, explained the urgency of Agenda Item #6; it is the cornerstone, foundation, lynch pin of all their fundraising efforts. The senior center cannot proceed without it to pursue government or foundation funding such as the Hazel Miller Foundation. The Option to Lease and the Ground Lease provide appropriate site control for an entity that does not own the property but wants to do something with it long term. He commended Ms. Hite and Mr. Taraday for their friendly, productive and hardworking assistance with this process. The partnership between the Edmonds Senior Center and the City began in 1967 and enabled the City to own the property in 1973 at a time when the City owned no waterfront property. The end result will be an extraordinary building that will serve all the citizens of Edmonds in a structure that is worthy of the extraordinary site. On behalf of the senior center members and everyone who uses the senior center and the many more who will use the new community center, he urged the Council to authorize the Mayor to sign Option to Lease and Ground Lease with the Edmonds Senior Center.

**Roger Hertrich, Edmonds**, agreed with Mr. Fleming's comments. With regard to Fire District 1, he pointed out the invoices all the cities received totaled \$2.5 million; Edmonds' share was \$1.67 million. He asserted this was a bad deal because the City did not have a vote on the negotiating committee with the union, only a position. This is basically taxation without representation because whatever Fire District 1 negotiates, the City gets the bill. He suggested a fourth choice in Agenda Item 12 should be to terminate the agreement with Fire District 1. Another option would be to hire someone to assist the City in negotiating with Fire District 1.

**Ron Wambolt, Edmonds**, disagreed with Mr. Hertrich's comments regarding Fire District 1. He clarified he was not supporting the continuation of the agreement with Fire District 1 simply because he voted in favor of it when he was on the Council. He supported it because an analysis of the numbers shows it is clearly the right thing for the City to continue. When the City entered into the agreement in 2010, the savings were approximately \$1 million/year; the City now saves a few hundred thousand more each year. The \$1.67 million bill is still less than the City likely would have paid. During the 4 years prior to the City entering into the agreement with Fire District 1, the annual rate of increase averaged 5.4%; this bill is approximately a 3.47% increase. He summarized it is still a good deal and anyone doing an objective analysis would realize it is a dumb move to go back to the City having its own fire department.

6. **AUTHORIZATION FOR MAYOR TO SIGN OPTION TO LEASE AND GROUND LEASE WITH THE EDMONDS SENIOR CENTER**

Parks, Recreation & Cultural Services Director Carrie Hite explained there has been a very collaborative process with the Edmonds Senior Center, their attorney, Mr. Taraday and she was confident that Council direction given in December had been satisfied. She recalled the Council adopted a resolution for the senior center to rebuild in the current location. In October the Council gave staff direction to negotiate the Option to Lease and the Ground Lease with the senior center. At the December 9 study session, the Council provided further direction to staff on several issues and staff proceeded to negotiate those issues.

Ms. Hite reviewed the most substantive changes to the original proposal:

1. Lease Agreement is \$10/year. The Council has discussed the possibility and/or longer term goal of impacting the \$60,000 per year operational funds it allocates each year, as opposed to charging for the land.
2. The City and senior center worked out a mutually agreeable usage
3. The City added language to protect the desire of the Council to decide on the design and footprint of the building
4. The City added clarifying language that the park area surrounding the senior center is under control of the City, and accessible by the public
5. The City added language for the senior center to provide a performance bond
6. The City and senior center mutually agreed, and added language to share the cost of any parking study needed, the design and construction of the parking lot
7. The City revised the insurance requirements to be in alignment with the WCIA recommendations for insurance
8. At the Council's request, added termination language

Ms. Hite requested Council authorization for the Mayor to sign the Option to Lease and Ground Lease.

Councilmember Petso asked why action was requested at a study session. Ms. Hite relayed the need to approve the documents before the end of January due to an upcoming deadline. She recalled during the past two months there have been action items on study session agendas prior to the study session items.

Councilmember Johnson relayed her preference to approve this next week at a regular Council meeting.

**COUNCILMEMBER BUCKSHNIS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO AUTHORIZE THE MAYOR TO SIGN THE OPTION TO LEASE AND LONG TERM GROUND LEASE WITH THE SENIOR CENTER.**

Councilmember Buckshnis commented although the Council is in a study session format, the grant funding request has a February 1 deadline. She was agreeable to approving this tonight.

Council President Fraley-Monillas said this could be moved to next week's Consent Agenda. Ms. Hite explained the Hazel Miller Foundation indicated if this was approved tonight, they will fulfill the grant request from the senior center this month. If approval is delayed until next month, the senior center will need to wait another month for approval of the grant funding from the Hazel Miller Foundation. That is the reason it was expedited to be an action item tonight.

Councilmember Mesaros urged the Council to act on this tonight. Although the Council has established a format of conducting business on the first and third Tuesdays and study sessions on the second and fourth, exceptions will arise. Were tonight not a study session, this item would have already been approved.

Councilmember Johnson commented the senior center is a wonderful organization in a beautiful location and they have worked hard to implement the vision in the Strategic Action Plan. In reflecting on this decision, she realized it was a \$20 million decision that will impact the City for the next 55 years; the

value of the land is approximately \$9 million, the value of the senior center is approximately \$10 million and the improvements to the land are approximately \$1 million. The same environment did not exist 47 years ago when the senior center was created. There is now a situation where trains impede development as well as conflicts with the at-grade crossing.

She recalled at the December 9, 2014 meeting the City Attorney questioned whether this site was the optimal location for the senior center. There were two comments on that discussion: Councilmember Mesaros commented although the Council should be open to considering location options, there is a historical precedent for keeping it at its current location; a statement she agreed with. At that meeting, Councilmember Bloom recommended the Council honor the resolution that was unanimously approved in support of the senior center at the current location and that to question the location of the senior center at this point would be unfortunate timing as they are ready to begin their capital campaign. Councilmember Johnson recognized that as a valid point; however, in her opinion this is the time to pause and reflect about this \$20 million decision.

Councilmember Johnson explained the Council has a fiscal responsibility to all the citizens to carefully consider this decision that will last until 2070. For several years the Mayor, Staff and Council have discussed the increased train traffic, safety, noise, and delays. The City is asking the Legislature for funding to assist with the at-grade crossing. At the October 21, 2014 meeting where Mr. Fleming and Mr. Lovell made a presentation regarding the Option to Lease and Ground Lease, Shawn Ardussi, PSRC, also made a presentation regarding the regional impacts of the proposed Gateway Pacific Terminal at Cherry Point. That presentation indicated full build out could be as early as 2019 and there will be an additional 18 trains 1.6 miles in length and will result in at-grade delays of 2-6 minutes for each train. Her take away from that information was the City has no control over what BNSF does but does have control over its capital land use siting decision.

Councilmember Johnson summarized although she may be the only one speaking out in this way, she felt she had a responsibility to lay this out for the public. While she appreciated everything done to date, as a long range planner, the pieces of the puzzle need to be put in perspective. She urged the Council to take the time to make this decision very carefully and she did not think a one month delay for the funding from the Hazel Miller Foundation would make difference. She did not expect anyone to agree with her but felt it necessary to point out the obvious.

Council President Fraley-Monillas commented she has paused and reflected on this for the past two years. The Council has had a great deal of discussion about the possibility of building a new senior center as well as the at-grade crossing in that area. The land for the senior center was given to the City approximately 50 years ago; it has operated as a senior center in that location and no one has died due to a train blocking the tracks. If the senior center is not concerned about building there due to the train and the at-grade crossing, she was not concerned. She was not certain what a month delay would do to change anything. She preferred to move ahead tonight and value the senior center and those who have given their time, money and talents to create the senior center.

Councilmember Buckschnis commented she has also reflected, met with BNSF, and understands the issues related to transportation. She totally disagreed with Councilmember Johnson, expressing concern that Councilmember Johnson's comments make it sound like this has not been discussed at length and was something that had suddenly popped up. In fact, this has been discussed, the Council has given staff direction, passed a resolution, and the Hazel Miller Foundation is ready to assist with funding. She disagreed with delaying the senior center for transportation reasons, noting if that were done, the City may as well stop the master planning for Marina Beach.

Councilmember Bloom expressed her appreciation for Councilmember Johnson's comments. After a great deal of thought, she is ready to support this action but remains concerned that there is no emergency

vehicle or pedestrian access in the Comprehensive Plan. She pointed out it is just a matter of time until something serious happens on the waterfront; there have been instances of heart pains when a train was blocking the tracks and emergency access was not possible. She was willing to support this as there was unlikely to be a different result with a one week delay but pledged to continue working to get emergency vehicle and pedestrian access in the Comprehensive Plan as soon as possible, emphasizing that is a separate issue from the alternatives study. Other considerations in addition to emergency vehicle and pedestrian access include climate change, rising tides, and recent storms that have resulted in large waves over the boardwalk which required removing people from a small house next to the senior center.

**MOTION CARRIED (5-1), COUNCILMEMBER JOHNSON VOTING NO.**

**7. PRESENTATION OF EDMONDS DOWNTOWN ALLIANCE (AKA EDBID) GRANTS PROGRAM**

Development Services Director Patrick Doherty recalled the Edmonds Downtown Alliance (Ed!) presented their work plan and budget to the Council in November which the Council approved with amendments. The amendments related to the proposed grant program were to return the grant program to Council for review prior to implementation and for City staff to review each grant considered by the Ed! Board for compliance with RCW 35.87A.010 and Edmonds City Code 3.75.030 prior to awarding the grant. The grants program is a pilot program and Ed! will provide information regarding the program when presenting its 2016 work program and budget later this year.

**Pam Stuller, President, Ed! Members Advisory Board**, explained the grants program originated via a suggestion from a property owner, Bob Rochell, whose wife is a member of Ed! The grants program is a way for Ed! to mobilize its members, encourage ideas and a way for members to propose and implement small projects.

**Natalie-Pascale Boisseau, Member, Ed!**, explained she consulted with several people and researched what other BIDs are doing with regard to grants and supporting initiatives. The program includes two options:

- 1) Small Grants Program
  - Offered quarterly
  - Any member in good standing is eligible to apply or sponsor an application
  - Examples include back alley festival or community recycling and garbage can program
- 2) Partnership Program
  - Offered semi-annually
  - Requires matching funds
  - Any member in good standing or in a collaborative partnership with a nonprofit agency or private company may apply or sponsor an application
  - Examples include Swedish-Edmonds or senior center

Project categories include:

- Community events
- Neighborhood marketing initiatives
- Business recruitment and retention
- Safety and cleanliness
- Appearance and environment
- Transportation
- Historic education/heritage advocacy

Ms. Boisseau reviewed general criteria for Small Grants Program and Partnership Program:

- Project submitted must meet the Ed! mission and comply with the approved purposes and categories of the grants program
- Project must not duplicate existing services or initiatives;
- Project must be realistic in scope and qualify for readiness and feasibility;
- Project must not benefit a sole enterprise, company or member;
- Projects must include letters of support and/or demonstrate community support'
- Grantees must agree to include the approved Ed! logo and acknowledgement of Ed! funding in their printed materials, website and other collateral materials
- Project must encourage collaborative efforts
- Additional criteria for Partnership Program includes
  - Projects must have existing partial funding commitments, have significant matching funds, and/or generally demonstrate diverse sources of income;
  - Project must encourage partnerships between private enterprise, members and/or community organizations

Applications will be reviewed by the Grant Committee composed of three members. Each proposed grant will be reviewed by City staff for compliance with RCW and ECC. The Grant Committee will submit its recommendation of awards to the Ed! Members Advisory Board who will approve the final awards. Applications are due quarterly for the Small Grants Program and twice-annually for the Partnership Program. Grant funds will be disbursed on a reimbursement basis after delivery to Ed! of corresponding itemized invoice(s), together with supporting receipts or other materials. One month after the completion of the Project, a final report will be sent to Ed!. The report will include: outcomes, results of measured goals, community benefits, participation, financial statement of expenses and revenues, including amount of award used. Any unused portion of award will be returned, as well as the complete award if the project is canceled within the agreed timeline.

Ms. Boisseau explained this is a pilot program; implementation will be through 2016 as the program has not yet been announced. A budget of \$10,000 has been allocated to this program, enough to welcome a few good projects but not too big.

Councilmember Buckshnis advised she participates on the WRIA 8 Grant Funding Board and they score applications. She asked whether a scoring mechanism would be created. Ms. Boisseau advised there would be. Councilmember Buckshnis asked whether the Council would review the scoring mechanism or would it be self-directed by Ed! and City staff. Ms. Stuller advised the intent was to be self-directed. The amount allocated to the grants program was \$10,000; Ed! is not trying to deny Council information, but she was confident a decision matrix could be developed to determine grant awards.

Councilmember Buckshnis asked how a three member committee to review grants was selected rather than five or seven members. Ms. Boisseau answered the intent was enough people to have a diverse point of view and an easy number to gather to review grant applications. The Advisory Board will make the final decision. Other tools will be created to measure the success of projects.

Councilmember Buckshnis referred to Portland's micro lending program which is another mechanism that could be helpful to businesses.

It was the consensus of the Council to schedule this on next week's Consent Agenda.

8. **PRESENTATION OF A SUPPLEMENTAL AGREEMENT WITH SHANNON & WILSON FOR THE FINAL FEASIBILITY STUDY OF THE WILLOW CREEK DAYLIGHT PROJECT, TO PERFORM ADDITIONAL WORK FOR THE EDMONDS MARSH RESTORATION PROJECT, AND TO REDUCE THE FLOODING AT DAYTON ST. AND SR104**

Public Works Director Phil Williams explained the contract with Shannon & Wilson is closely related to another consulting contract with SAIC who is working on the issues of flooding at SR 104 & Dayton and westward on Dayton. Data collected by the two studies has been shared and funded by grant and stormwater funds. The amendment will utilize the same funding sources to continue that work.

The City was unable to obtain access to the Unocal/Chevron property to conduct a survey of old pipes that run through a corner of the marsh property until the property sale is complete. The proposal is remove and modify some tasks and reallocate the funds toward new tasks; the net result is a \$38,160 increase.

City Engineer Rob English reviewed the amendments.

- Remove survey work associated with pipe culverts and design and permitting - \$54,000
- Add Tasks 13-16 associated with the marsh and improving stormwater/flooding situation at Dayton & SR 104 - \$61,000
  - Task 13 - Harbor Square Outfall Storm Improvements
  - Task 14 - Dayton St. Isolation Survey
  - Task 15 - Dayton St. Isolation Analysis and Design
  - Task 16 - Dayton St. Isolation and Harbor Square Outfall Permits
  - Task 17 - Upper Marsh and Tributary Connection Surveys
  - Task 18 - Management Reserve

Councilmember Mesaros asked why Chevron was not willing to allow access, commenting it did not appear very neighborly. Mr. Williams speculated the property transfer to the State was to someday facilitate construction of Edmonds Crossing. All the cleanup work is directed under a consent decree with the Department of Ecology who has strongly held views on what has been presented and whether it is adequate, whether additional data needs to be collected, the level of cleanup, where it is measured, etc. Chevron likely does not want to do anything to prevent an early resolution. The only reason Chevron has given is the risk associated with having a third party on the property.

Councilmember Buckshnis referred to failing manholes under SR 104 and asked whether this would address that. Mr. Williams answered the two independent projects intersect in several places including Shellabarger Creek. Normally the flows in Shellabarger Creek go through 2 culvers and under SR 104 into and through the marsh. When flows are high, the capacity and slope of the culverts as well as vegetation creates enough blockage that flows go north and bubble up near Dayton on the northwest corner of the Waste Water Treatment Plan property. That contributes significantly to flooding problems as well as increases the duration, intensity and frequency. The intent is to keep the water flowing through the culverts rather than heading north and to make improvements to the culverts as well as the sides of the culverts which help solve flooding problems as well as assist the marsh.

Councilmember Buckshnis asked whether there were any State grants. Mr. Williams answered grants can be expected associated with the daylighting of Willow Creek and restoration of the Edmonds Marsh. The culverts themselves whether they function as designed is a maintenance issue for Washington State Department of Transportation (WSDOT). After several meetings, WSDOT understands a key part of the future of this project will be to ensure the culverts are the right size, that they are not dilapidated or failing and will probably need to be replaced due to their age. WSDOT has a project on their unfunded project list to address that and the City would then take care of the downstream portion to ensure the water has somewhere to go.

Councilmember Johnson asked whether there was a way to use the contract to estimate the cost of replacing the culvert at SR 104 and the marsh. Mr. Williams answered WSDOT has identified a project and likely have a better idea of what replacement will cost; the City will rely on their cost estimate. Whatever the cost is, it should be paid by WSDOT; it should not be Edmonds' responsibility to identify

grant funds to replace the dilapidated culverts. To the extent any berming or other modification needs to occur on the roadside channel on the east of SR 104 to direct water to those culverts may be an eligible City expense. Mr. English commented the elevation of the culvert themselves does not necessarily restrict flows, the sediment buildup within the marsh is what impedes flows. Mr. Williams said the alignment, size and depth of the culverts may be workable; if they are replaced, it may be advantageous to tweak the angle to help facilitate flows.

Councilmember Johnson relayed her understanding there was a sedimentation problem. Mr. Williams agreed, advising it has existed for a very long time but was much worse in the early years.

It was the consensus of the Council to schedule this on next week's Consent Agenda.

9. **DISCUSSION OF THE DRAFT LAND USE ELEMENT FOR THE 2015 COMPREHENSIVE PLAN UPDATE**

Development Services Director Shane Hope explained a major review of the Edmonds Comprehensive Plan is due to the State by mid-2015. Similar to the other elements of the plan, the intent with the Land Use Element was to update data, make minimal changes to the goals and policies and recognize planning is now through 2035 with regard to housing and job targets. Key changes to the Land Use Element include:

- Updated Census, housing and population targets data
- Added text to explain regional planning policies
- Moved design standards for the Downtown/Waterfront to Urban Design section
- Reformatted goals and policies
- Updated outdated text in Open Space and Noise Pollution sections
- Removed Water Resources and Drain Management section (information covered in Utilities Element)

In response to a question the Council raised at the public hearing regarding Edmonds Crossing, Ms. Hope explained the plan includes language about Edmonds Crossing, simplified slightly from the original language. The advantage to retaining reference to Edmonds Crossing is it allows flexibility should the project progress while not emphasizing or requiring anything be done.

Another question the Council raised was whether Westgate should be added to the two existing activity centers, Downtown/Waterfront and Highway 99 Medical. Although that could be done, it was not proposed due to the intent for a limited update of the Comprehensive Plan.

In response to Council interest in emergency access to the waterfront, Planning Director Rob Chave referred to language added on packet page 210, "Increased concern about conflicts and safety issues related to the interaction of rail, ferry, vehicular and pedestrian traffic." Language was also included in Short Term Actions (packet page 220), "Develop a short term plan and strategy to address transportation conflicts and safety issues involving the interaction of rail, ferry, vehicular and pedestrian traffic in the waterfront area."

Councilmember Petso advised she had numerous questions and asked Ms. Hope if she would be willing to meet with her. Ms. Hope answered yes. Councilmember Petso referred to discrepancies in the amount of land allocated to parks 6.5% on page 8, 6.5% and 4.4% on page 10, 6.8% on page 47, 5.27% on page 50 and 5% in open space on page 51. She recalled when reviewing the PRO Plan, park acreage was different depending on the perspective, whether land use or maintenance. She suggested for purposes of allocating park land in the Land Use Element, it be from a land use perspective and not include parks in Lynnwood, that are underwater, or the historic museum. Ms. Hope offered to review and adjust inconsistencies or if there is a difference, explain why it is different.

Councilmember Petso noted there is new language regarding annexation, for example of the Esperance area, that appears to obligate the City to encourage annexation. She preferred to allow the residents to seek annexation and feared one of the standard ways of encouraging annexation was to allow annexation without assuming their share of the City's bonded indebtedness. She preferred not to imbed those decisions in the Comprehensive Plan. Ms. Hope explained under State law the City is supposed to move forward on annexation; whether that actually occurs will depend on a number of factors. Esperance is part of Edmonds' urban growth area; under countywide planning policies, the City is obligated to move in that direction. Any final decisions will be via Council direction. Mentioning annexation in the Land Use Element adheres to State law and provides direction but is not a mandate.

Councilmember Petso referred to the interest in de-emphasize the motor vehicle in land use planning and increase the emphasis on other methods. She referred to language regarding Highway 99 regarding access by nearby residents and visitors from other parts of the region. She did not feel she fit either of those categories and suggested wordsmithing to address that. Another example was in downtown, building design should discourage automobile access. She noted automobile access was not a problem if a person lived or had transit access to downtown but it was difficult for residents in her neighborhood because bicycling requires riding uphill. She also feared this would hurt downtown businesses that rely on people driving, walking and using transit to reach downtown. Ms. Hope offered to review the language, assuring the intent was to accommodate automobile traffic at the same time increasing opportunity for pedestrians and bicycles.

Councilmember Petso commented residential growth is often emphasized in Edmonds, to the extent that Edmonds is seventh in the State for residential density. The problem with that is it seems to go along with de-emphasizing commercial which creates jobs. She questioned the ability to create more jobs, using the rezone on Highway 99 to allow residential only as an example. She suggested the plan should acknowledge that a rezone from mixed use to allow only residential will reduce the number of jobs created. Ms. Hope anticipated more jobs will be created even with more residential development due to the likelihood of commercial development that makes sense with residential development.

Councilmember Petso relayed her understanding that residential mixed use was the most profitable types of development in Edmonds from an economic standpoint from the perspective of a developer or property owner. Ms. Hope answered residential development is the most profitable for developers who specialize in residential; other developers who specialize in commercial may not think that.

Councilmember Bloom referred to the language Mr. Chave cited regarding emergency vehicle access on packet pages 210 and 220. She recalled staff had said emergency vehicle and pedestrian access would be addressed in the Transportation Element; she viewed it as both a land use and transportation issue. Ms. Hope answered it is primarily a transportation issue but there is a relationship to land use which is the reason there is some mention in draft Land Use Element. She acknowledged the wording could be enhanced. Councilmember Bloom requested it be enhanced as emergency vehicle and pedestrian access is a land use issue.

Councilmember Bloom referred to a statement on page 210, "Edmonds Community College has expanded its downtown presence through initiatives with the Edmonds Conference Center (formerly the Edmonds Floral Conference Center) and is working with the Edmonds Center for the Arts to enhance overall operations." She asked whether that statement should be corrected as the sale of the building is being negotiated. Ms. Hope answered not until the building is sold; the language could be revised if the sale occurs before the Comprehensive Plan is finalized. Councilmember Bloom relayed a question from the Economic Development Commission whether the building's contract required public use. She will ask the City Attorney to research that.

Councilmember Buckshnis asked whether information had been added since the public hearing such as regarding annexation. Ms. Hope answered it was already in the document. Councilmember Buckshnis referred to correcting scrivener's errors such reference to the South County Senior Center which is now the Edmonds Senior Center. She recommended Westgate be considered an activity center and offered to submit additional comments to staff.

Councilmember Johnson inquired about the February 25 open house. Ms. Hope answered the public process to date has included meetings before the Planning Board and the City Council but that does not reach everyone. She was hopeful the open house on February 25 from 5:30 to 7:00 p.m. in the Brackett Room at City Hall will reach a broader number. The intent of the open house is to describe the process as well as provide summaries of the draft elements reviewed to date, and identify the schedule for the remaining elements and gather input.

Councilmember Petso referred to Councilmember Buckshnis' suggestion to make Westgate an activity center. She recalled at the time of the Westgate Comprehensive Plan amendment, the Council approved a concept that would allow mixed use as well as also allow the current general business use to remain. The Council did not agree and eventually tabled adoption of specifics regarding Westgate. She asked the effect of drafting language to designate Westgate an activity center. Mr. Chave explained PSRC's Vision 2020 identified several regional centers; Edmonds identified two areas that had all the ingredients of an activity hub – transit, pedestrian friendly, various uses, etc., Downtown/Waterfront and Highway 99 near the hospital and high school. Westgate is not large enough and although it has some of the features, it did not have the critical mass and was identified as a community commercial center, a different designation than a neighbor center such as Five Corners. Westgate is a key commercial area that attracts a wider area as well as serves the local neighborhood but does not rise to the level of an activity center.

Mayor Earling declared a brief recess.

#### **10. DISCUSSION OF DRAFT ORDINANCES TO CONSOLIDATE AND CLARIFY ANIMAL REGULATIONS**

Development Services Director Shane Hope explained to better coordinate and consolidate the regulations regarding animals, two draft ordinances have been prepared to move portions of the zoning code that reference animals into Chapter 5.05 of the City Code and make other clarifying amendments. The Planning Board held a public hearing and recommended approval. Amendments to the Zoning Code and Development Code require a public hearing at the Council; a public hearing is scheduled on February 2.

Assistant Police Chief Lawless explained the intent of the changes was to consolidate all animal regulations in a single place as well as modify the animal noise language. He reviewed the proposed changes:

Attachment 1: Draft Ordinance A

- 5.30.130.A: Delete “Frequent, repetitive or intermittently continuous sounds made by any animal except that such sounds made in animal shelters or in commercial kennels duly licensed shall be exempt.”
  - System of declaring a nuisance is not currently user friendly and somewhat pits neighbor against neighbor
  - Not comfortable with enforcement action automatically resulting in a misdemeanor
- Move keeping of domesticated animals in residential zones from Section 17.35.030 to 5.05.015
- Remove 5.05.15.D: antiquated language regarding chickens
- Revise Section 5.05.115.B to read, “Nuisances are hereby defined to include, *but not limited to, the following:*”
- Revise Section 5.05.115.B.5 to read, “Any animal which howls, yelps, whines, barks or makes any noises in such a manner as to disturb any person or neighborhood to an unreasonable degree,

taken to be continuous noise for a period of ten (10) or more minutes or intermittent noise that totals a period of twenty ( 20 ) or more minutes in one (1) hour, except that such sounds made in doors in animal shelters or in commercial kennels duly licensed shall be exempt.”

- Previously no definition of continuous noise.
- Section 5.05.115.C: delete language regarding misdemeanor with a maximum penalty
- Section 5.05.115.C.1: add, “Any person violating any provision of this section shall be guilty of a civil infraction, which shall be punishable by a fine of \$100.”
- Section 5.05.115.C.2: add, “Any person committing a second violation of any provision of this chapter within one calendar year shall be guilty of a civil infraction, which shall be punishable by a fine of \$250”
- Section 5.05.115.C.3: add “Any person committing a third violation of any provision of this chapter within one calendar year shall be guilty of a misdemeanor and, upon conviction thereof, be sentenced to a fine not to exceed \$1,000 and/or 90 days in jail.”
- Move Section 17.35.040, Keeping of poultry and covered animals in residential zones, to Section 5.05.130.1
- Add Section 5.05.13.1.B: “Up to three domestic female chickens may be kept on a lot(s) or premises associated with a single - family residential dwelling unit. A chicken coop or other pen or enclosure is an accessory structure and subject to all requirements of the applicable zone. An accessory dwelling unit shall not be considered as a separate dwelling unit when determining the number of chickens that may be kept on a single - family lot or lots (when a single - family residence is located on more than one lot)”
- Delete Sections 5.05.130.1.C – G.
- Section 16.20.010.B.4: delete “the keeping of three or fewer domestic animals”
- Section 16.20.010.B.5: delete “the keeping of horses, subject to the requirements of Chapter 5.05 ECC
- Section 16.30.010.B.3: delete, “The keeping of one domestic animal per dwelling unit in multi-family building, according to Chapter 5.05 ECC.”

ACOP Lawless advised there were several meetings held with Ms. Hope, the City Attorney, him and other staff to review several iterations of the amendments; animal control officers who provided input regarding enforceability and reasonableness.

ACOP Lawless reviewed amendments to Attachment 2: Draft Ordinance B:

- Section 5.30.020.E: add, “Frequent repetitive or intermittently continuous sounds” mean sounds that are continuous for a period of ten (10) or more minutes or intermittent for a period totaling twenty (20) or more minutes in one (1) hour.”
- Revise Section 5.30.140 to read: “Whenever it is stated in writing by three or more persons having separate residences in a neighborhood that any person is violating any of the provisions of this chapter, the noise control administrator or his/her designee shall review such complaints. After the noise control administrator or his/her designee determines that a violation has occurred, the administrator or his/her designee shall advise the ~~person~~ owner of the complaint and that such violation is a nuisance and must cease. Failure of any person to cease any violation of this chapter shall be ~~deemed a misdemeanor~~ subject to penalties as established in this chapter.”

ACOP Lawless referred to Section 15.30.020.J, explaining a noise control administrator means the person designated by the mayor to enforce noise violations or any police officer which also includes animal control officers.

Mayor Earling commented this is a large problem for staff and the Mayor's office who spend a considerable amount of time trying to solve animal control issues. He commended the Development Services and Police Department for the extraordinary work they have done.

Council President Fraley-Monillas referred to an email the Council received today from a citizen asking whether an animal would be allowed to bark for 20 minutes/hour at night. It does not appear the policy addresses nighttime. ACOP Lawless responded there was no delineation made with regard to hours of the day. He noted dogs typically sleep when the owners sleep and some owners want their dogs outside to alert them of prowlers; however, dogs do not distinguish between wildlife and a prowler. The proposed language is a compilation of other ordinances; none of the ordinances that staff reviewed delineated hours of the day. The proposed ordinances were developed in consultation with the City Attorney and past cases before the Municipal Court Judge.

Council President Fraley-Monillas suggested nighttime barking would be more disruptive than barking that occurred during the daytime. Ms. Hope pointed out dogs barking during the day may be an issue for people who sleep during the day. Council President Fraley-Monillas responded a smaller number of residents sleep during the day. She suggested reducing the amount of time noise could occur at night such as 10 p.m. to 6 a.m. Ms. Hope advised that could be considered at the February 2 public hearing.

Councilmember Bloom referred to reference to female chickens and asked whether other poultry such as ducks, geese and quail were allowed. ACOP Lawless advised they are allowed. Councilmember Bloom suggested other poultry such as ducks, geese, quail, etc. be specified and not just chickens. ACOP Lawless advised female chickens was specified to prevent the keeping of roosters. Councilmember Bloom suggested adding reference to ducks, geese and quail. Ms. Hope offered to research whether they were included by definition.

City Attorney Jeff Taraday explained based on this language, poultry is prohibited and the exception to the rule is hens. If the Council's intent is to allow other poultry, the ordinance will need to be revised. ACOP Lawless suggested that may be a separate discussion, recalling during previous discussions the intent was to allow hens.

Councilmember Petso offered to forward the letter the Council received and asked staff to provide comments related to the citizens' other concerns. She relayed a concern that when the dog license fees were changed, the non-resident fee was less than the resident fee. ACOP Lawless advised revisions to the pet licensing fees will be a separate discussion. He advised the City has issued three licenses to Esperance residents. Non-residents are not required to license their pets in Edmonds; it is done as a mechanism to return an animal that gets loose. Input from those residents was they would not license their dogs if the fee was increased.

Councilmember Buckshnis commended staff on the revisions to the ordinances.

Councilmember Johnson referred to deleted Section 5.05.130.1.G that contained a definition of poultry as pheasants, quail, guinea fowl and pea fowl. She suggested instead of only referencing chickens, referencing poultry and the definition.

A public hearing is scheduled for February 2, 2015.

11. **PRESENTATION OF A SPRINT MASTER USE AGREEMENT AND SITE USE AGREEMENT FOR INSTALLATION, OPERATION AND MAINTENANCE OF THEIR WIRELESS EQUIPMENT IN THE RIGHT OF WAY**

City Engineer Rob English explained in 2013 Sprint submitted a permit application to modify their existing wireless antenna facility at 8730 Main Street. In reviewing the application, staff found there was no existing Master Use Agreement (MUA) with Sprint for that facility. Staff and Mike Bradley, Lighthouse Law, negotiated the MUA. The conditions are similar to the MUA the City has with three other wireless providers, AT&T/Cingular, T-Mobile and Clearwire that were executed in 2005/2006. The most significant change is the fee structure; the fees in the previous agreements ranged from \$2,000 – \$5,000 and the range in this MUA is proposed to be \$9,000 – 12,000 depending on the type of installation. Another change proposed for this MUA is a Site Use Agreement, contained in Exhibit B, that will be executed for each installation and allow staff to track and document each installation.

The second attachment is the Site Use Agreement for Sprint's wireless facility at 8730 Main Street for which the City issued a permit in October 2013. The Site Use Agreement addresses fees since installation of \$11,250 and a 5% fee increase per year, the 5 year term, and potential renegotiation in 5 years. He recommended placing the ordinance on next week's Consent Agenda.

Councilmember Petso observed the MUA was not related to a specific site tower but any Sprint wireless facility. Mr. English agreed. Councilmember Petso asked whether it authorized new facilities or changed the permitting requirements for facilities. Mr. English answered new facilities still require a permit and review by Planning and Building for compliance with the code. A new facility would also require a Site Use Agreement and appropriate fees.

Councilmember Petso asked whether this agreement would allow the wireless provider to circumvent any currently required notification of neighbors or opportunity for comment. Mr. English answered he was not aware that there was a public meeting requirement. Mr. Taraday answered this is primarily a franchise to allow use of City right-of-way from a property rights standpoint; it does not have much to do with land use permitting. He was not prepared tonight to answer the land use permitting question tonight. From a big picture standpoint, he suggested Councilmembers think of this as a property right that was being granted via a franchise to allow Sprint to use the public right-of-way. He summarized this was a real estate document, not a land use document.

Councilmember Petso pointed out the MUA granted use in multiple unspecified locations. Mr. Taraday answered he was not prepared to explain how this interfaces with the land use code. If Councilmember Petso's question was whether this granted the provider any easier access to a facility in Edmonds than they would otherwise have without a MUA, Public Works Director Phil Williams said the provider would still be required to satisfy all the code conditions. The MUA only provides a mechanism for approving use of the City's rights-of-way, establishes a fee, allows tracking of facilities, etc. There was no intent to change any of the existing requirements they would otherwise be required to meet in the code

Councilmember Johnson relayed a concern from a resident on Main about super tall structures with cell antennas. She asked whether that had been addressed in the development code. Mr. English answered he was not extremely familiar with the development code but any proposal to install a larger facility would go through plans review. Councilmember Johnson commented the pole was noticeably tall, approximately 30-50% taller than a standard telephone pole. Mr. Williams answered from a right-of-way standpoint, verticality is not an issue. He offered to provide Council an answer before next week's meeting. Councilmember Petso said she has also been contacted by residents regarding those "already super high towers." She said they may be super tall PUD structures that have cell facilities attached.

Councilmember Bloom referred to language in the second attachment regarding wireless facilities at 8730 Main Street located on a Snohomish PUD pole.

It was the consensus of the Council to schedule this on next week's Consent Agenda. Staff will provide answer to question regarding super tall poles.

12. **DISCUSSION AND POTENTIAL ACTION AUTHORIZING MAYOR TO SIGN PROPOSED AMENDMENT(S) TO THE CITY OF EDMONDS AND THE FIRE DISTRICT 1'S FIRE AND EMERGENCY SERVICES INTERLOCAL AGREEMENT**

Mayor Earling explained in late August Fire District 1 (FD1) provided the City an invoice for \$1.67 million invoice for 2013 and 2014 which was reflective of additional costs as a result of multiple years of negotiations that the FD1 Commission had with their union membership. Since that time 25 meetings have been held either in-house with FD1 or with the other 2 contract cities, Mountlake Terrace and Brier. Of those meetings, 12 meeting had been held with FD1 including 1 meeting that Mr. James and a Councilmember had with the State Auditor. The meetings focused on a request to justify the costs; receiving a \$1.67 million bill in late August with a request to pay it by September 15 with no backup material was difficult to accept. It has been difficult to get some of the requested information from FD1 over the last several months and some of the answers are still forthcoming.

As important is examining the text of the original contract and seeking clarity regarding a contract written five years ago under a different administration and several different FD1 Commissioners. FD1 has taken the position that until the City pays the bill, they are not willing to entertain any negotiation with regard to the text in the existing contract. FD1 has committed in writing and verbally that they will enter into negotiations as soon as the City pays bill. FD1 has agreed to allow eight payments over two years and has extended the deadline on at least two occasions but are taking the position that it is now time to pay the bill. Mayor Earling emphasized the community has received superb service from FD1 personnel; that is not part of the issue. There are still outstanding concerns and depending on Council action, staff will move forward with further negotiations regarding the text of the contract.

Finance Director Scott James explained he also found the bill much larger than expected; similar increases were sent to the other two contract cities, Brier and Mountlake Terrace. In addition to attending many meetings, he also attended meetings with the former fire chief to gain insight and with the finance directors of other two contract cities to gain additional facts regarding the retroactive bill. The three finance directors posed several questions to FD1's finance director related to the, 1) the labor contract, and 2) the basis for the contract. The City's contract with FD1 includes options for raising salaries according to CPI, using comparable cities and an arbitration ruling. It was discovered FD1 worked with a third party negotiator to reach an agreement.

FD1's contract with the union expired in 2012 which raises the question why the City did not better anticipate this increase. All three mayors indicate they had asked FD1 for information regarding the cost increases. FD1's administration indicated there was no way to share that information until the union contracts were settled. As written, the City's contract with FD1 does not provide a provision for FD1 to pass on estimated costs, only costs that are negotiated as part of a labor agreement. The City asked FD1 for a copy of Exhibit C, the costs associated with labor, overhead for administration and equipment and the basis for the rate increase which was a list of comparable cities.

The State Auditor recently completed an audit of FD1's 2013 financials and he requested a meeting with the Auditor to discuss the results. A meeting was held with FD1 Commissioners (noticed because a majority of the Commission attended), Councilmember Petso, him, FD1 administration and several staff members from the auditor's office. His intent was to gain an understanding what was audited and if there was anything in the audit justifying rate increase. The auditors looked at Exhibit C to determine whether it matched the contract and labor costs, etc. The auditor found the cost increases were justified. The auditor declined to look at the contract itself as it was the outside scope of their audit.

Mr. James relayed the City asked for concessions from FD1 related to the overhead charge. He explained FD1 was not exempt from the recession and also experienced revenue reductions as well as

administration staff reduction. The City suggested Edmonds share in the administration reduction by way of a reduction in the overhead charge. FD1 declined, stating the City received the services outlined in the contract.

With regard to how the bill got so large, Mr. James explained the labor agreement covers 2013 and 2014. When the City's contract with FD1 was signed in 2009, the labor agreement had expired and a new labor agreement was negotiated that covered 2010 - 2012. Edmonds only experienced one increase of approximately \$20,000 for that 3 year period. The labor group did not want FD1 to follow-up on increases in that contract due their fear concessions would need to be made such as layoffs. The labor group agreed to a 1 month increase that the City saw in 2012. The labor group did not get increases for 2010, 2011, 2011, 2013 and 2014 with the exception of the one increase in 2012. When the labor group began bargaining the new contract, the economic climate was improving and FD1 revenues were increasing. When the agreement was settled, there was a lot of ground to make up for the years that the labor group did not receive increases which is the primary reason the bill for the retro is so high.

City Attorney Jeff Taraday referred to Section 4 of the Interlocal Agreement (ILA) between the City and FD1, Annual Contract and Transport Fees Payment Terms. The packet includes proposed changes to Section 4 that it is hoped FD1 will agree to in the future. It was hoped FD1 would agree to an amendment that would incorporate the City's proposed revisions in exchange for the City's agreeing to pay the retro payment invoice. FD1 has refused to consider those changes until after invoice paid.

The reason the City is in this situation is related to Paragraph 4.4 of the ILA. When the City was preparing its 2013 budget in September 2012, the labor agreement between FD1 and the union had not yet been finalized so the City did not have the new contract payment amount that ordinarily would be adjusted by September 1 according to Paragraph 4.4. Under the ILA, the contract payment is adjusted each September 1; that cannot happen if the labor agreement is not settled. Under 4.4, once the labor agreement is settled, the District's station personnel costs and the District's indirect costs will be adjusted upon execution of the labor agreement but will be retroactive to January 1. The drafters of the agreement never contemplated a situation where it would take more than a year to settle the labor contract such as happened in this instance. Ideally the adjusted numbers would have been provided in September 2012; that labor agreement was settled in April 2014. While the agreement specifically addresses the payment being retroactive upon execution of the labor agreement it did not address this scenario where it occurred over a year later.

With regard to whether the City could take the position of only being responsible for a year of the retro pay was evaluated, legally Mr. Taraday did not recommend the City take that position given other language in the contract and that there was no express language in the contract suggesting an intent of the parties to let the City not pay for the actual cost of service just because a labor agreement was late in being resolved. At the end of the day, the City received a service from FD1 and the City now has to pay for that service. The auditor confirmed what the City is being billed for is the actual cost of the service. Any argument to not pay to the bill is essentially an argument that the City should not pay for the actual cost of the services that were provided. The agreement does not include any language to suggest an intent of the parties that FD1 would subsidize Edmonds and allow the City not to pay a portion of its bill.

Mr. Taraday said going forward the parties recognize from a budgeting standpoint not being able to identify its fire costs at the time the budget is prepared creates major problems for the City. The proposed amendments to the ILA include a new process for FD1 to communicate actual or at least anticipated labor costs to the City during the budget process. The timing of the labor contract, the lack of an estimation of actual labor costs and the lack an invoice for the estimated labor costs is what has resulted in this large bill. FD1 seems open to fixing this issue among other issues in the contract.

**COUNCIL PRESIDENT FRALEY-MONILLAS MOVED, SECONDED BY COUNCILMEMBER MESAROS, TO SIGN THE CONTRACT THAT EQUALIZES THE PAYMENTS OVER 2 YEARS AND PAY THE BILL.**

Councilmember Petso said she was able to attend the meeting with FD1 and auditors. Several questions were raised as a result of information revealed at that meeting. FD1 has not responded to all the questions regarding the amount they have billed. She will abstain from the vote because although she recognized a lot was due, she did not have sufficient information to ensure the entire amount invoiced was due.

Councilmember Buckshnis said she attended a couple meetings. The City made significant cuts to salaries during the Great Recession; in 2010 to 2014 the City experienced was only a .10% increase in salaries and benefits, from \$16,305,766 to \$17,810,248. She complimented Mayor Earling for a great job of controlling salaries and benefits. She relayed FD1 does not see any differentiation between the process and the amount owed. Mr. Taraday agreed that was FD1's position. FD1 has not ruled out revising the contract language to make it more workable from a budget standpoint but they are completely unwilling to allow the City to defer payment until the budgeting issue is addressed. Councilmember Buckshnis said FD1's compromise is the payment structure. Mr. James explained FD1 has offered concessions; when they first presented the bill on August 22, the due date was September 15. Administration felt it could not be paid without conducting some due diligence and demanded an extension which FD1 allowed until November 30. FD1 later extended the deadline to January 31. Second, FD1 allowed payments over eight 8 and third; FD1 offered a \$63,000 reduction in the bill.

Councilmember Buckshnis said FD1 Commissioners were invited to tonight's meeting. They declined, finding it was not to their benefit. She applauded the tremendous amount of work staff, Mr. Taraday and the mayor have done. She summarized the City has no alternative than to approve the motion and immediately begin work on amending the ILA language.

Councilmember Johnson pointed out Mr. James offered several courses of action:

- 1) Authorize the Mayor to sign the Fire District 1's proposed amendment, and/or
- 2) Authorize the Mayor to sign the City's proposed amendments, and/or
- 3) Authorize the Mayor to sign the Fire District 1's proposed amendment upon receiving a verbal commitment from Fire District 1's Commissioner(s) to address the City's proposed amendments within an established time period, such as within the next two months.

She asked which option the motion addressed and whether FD1 provided a verbal commitment at today's meeting that they would address the issues within the next couple months. Council President Fraley-Monillas advised FD1 committed to renegotiate the contract. The motion is Option 1.

Councilmember Bloom asked Council President Fraley-Monillas why she was proposing Option 1. Council President Fraley-Monillas answered Option 1 divides the payment into 8 equal payments. The City has the money to pay the bill in its entirety but the ability to pay it in 8 payments with a very low interest rate (the State Pool Investment rate which is currently .09%) appeals to her.

Councilmember Bloom pointed out the only difference between Option 1 and 3 was in Option 3 the Council authorizes the Mayor to sign FD1's proposed amendment upon receiving a verbal commitment to address the City's proposed amendments. Council President Fraley-Monillas said FD1 has refused to sign or talk about any amendment until the City pays the bill.

Councilmember Bloom asked what questions FD1 failed to answer with regard to the invoice. Councilmember Petso answered one of the questions that resulted from information she received at the meeting with auditor pertained to the vehicle replacement funding or apparatus funding schedule. It is not a large portion of the bill but there has been no response to the question that was raised. Mr. James agreed

that question that has not been addressed. Exhibit C of the contract indicates the apparatus escalator is 4%; Exhibit D also contains an escalator of 3%. Those issues can be resolved during negotiation of the contract terms. Mayor Earling assured staff will continue to pursue the answer to that question as well as other potential financial benefits but there is a payment deadline.

Councilmember Buckshnis recalled Commissioner Kenny, Fire Chief Widdis and FD1's attorney said they were willing to open the contract to renegotiate the terms; therefore, Option 3 was the best choice. Mr. James agreed FD1 is willing to open the contract and negotiate the terms but did not commit to negotiating the City's proposal and indicated they have some of their own requests to negotiations. Mr. James recommended the Council approve Option 1.

Councilmember Bloom asked for clarification whether FD1 was willing to commit to addressing the City's concerns. Mr. Taraday explained the City's initial hope was to trade the City's willingness to pay the bill for the amendment to the agreement that is included in the Council packet. If Option 3 is interpreted to be that action, that is not going to happen. Option 1 already includes a statement in the amendment that FD1 drafted that FD1 intends to work with the City to negotiate provisions that will improve the contract. Specifically, Paragraph 5 of FD1's amendment reads, "Commencing in February, 2015, the parties agree to meet and discuss options for assessing the Agreement and to address potential amendments to the Agreement that may be desired by each party." That statement does not say FD1 will adopt Edmonds' proposed amendments but they recognize that will be on table for discussion. Council President Fraley-Monillas summarized FD1 is willing to discuss the contract; there just is not a specific time table.

Mayor Earling commented based on the amount of progress made during the last five months; he would be reluctant to recommend the Council give direction to solve all the problems in two months. He noted it is often a challenge just to schedule meetings. There is a commitment from FD1 to begin in February looking at the City's and FD1 issues and reaching a resolution.

Councilmember Bloom Section referred to Section 8.1, Agreement Administrators, that addresses the District providing the Mayor quarterly reports and as well as two District Board Commissioners, two City Councilmembers, the District Fire Chief and Mayor meeting at least once per year on or before April 1. She asked whether those have occurred and if not, why not. In order to support Option 1, she wanted assurance FD1 was willing to amend the contract to avoid surprises in the future as well as assurance that the requirement for quarterly reports and an annual meeting as specified in the current contract would be met starting immediately. Mayor Earling answered there have been meetings but probably not quarterly. During the Regional Fire Authority (RFA) meetings, the mayors of the three cities realized they did not know how much they should be paying for fire service. The District and City interfaced on a regular basis during the RFA process and have had numerous meetings with FD1 over the past several months. He committed to calling the parties together for a meeting by April 1, recognizing several meetings regarding negotiations would also be held during that time. He suggested Council President Fraley-Monillas appoint two Councilmembers to participate in that meeting.

Councilmember Bloom observed it appeared the requirement for quarterly reports/meetings had been met. She asked whether an annual meeting on or before April 1 with two District Board Commissioners, two City Councilmembers, the District Fire Chief and Mayor had been held in the past. Mayor Earling answered it has not. When he took office in 2012 he was not aware that was required by the contract and the meeting was not held in 2013 or 2014. He assured it would be held in 2015. Mr. Taraday observed the Joint Annual Meeting referenced in Section 8.2 has been held.

**MOTION CARRIED (5-0-1), COUNCILMEMBER PETSIO ABSTAINED.**

**13. MAYOR'S COMMENTS**

Mayor Earling reported WSDOT is expecting to have a ribbon cutting on the SR 104 crosswalk within the next 2 weeks; the public and the Council will be notified when that is scheduled. He remarked the crosswalk will improve pedestrian safety when crossing that very busy street as well as allow people to more freely east to west. He said Go Hawks.

**14. COUNCIL COMMENTS**

Council President Fraley-Monillas announced her appointment of Dulane Fleetwood to the Economic Development Commission. In response to Councilmember Johnson's comments about the senior center and Councilmember Bloom's comments about emergency vehicle access, Council President Fraley-Monillas commented identifying funding for a major project will be a difficult task in the coming 1-2 years. She suggested the City begin talking about providing emergency services on the waterfront such as training in CPR, operation of Automated External Defibrillators (AED) and basic first aid and having volunteers available on the west side of the tracks to provide first aid. She suggested the City could fund AEDs for buildings on the waterfront and provide first aid training to volunteers in those buildings. She suggested discussing that option along with emergency vehicle access. She said Go Hawks.

On behalf of the Tree Board, Councilmember Bloom announced an open house to learn about trees that attract wildlife and are suited to small yards, help in selecting the right tree for a yard's conditions and free trees on January 31 from 9 a.m. to 12 pm at PUD's office at 21018 Highway 99, Edmonds.

Councilmember Petso said Go Hawks.

Councilmember Mesaros said he was glad to hear about WSDOT's plans for a ribbon cutting for the SR 104 crosswalk as he crosses there when walking to and from Council meetings. He reported the power was out at Pt. Edwards for 36 hours earlier this month and for 14 hours during the last 10 days. He reiterated his offer to represent the City at the Super Bowl; he is leaving for Arizona on Thursday.

Councilmember Johnson announced a series of classes offered by Pacific Science Center, Port Townsend Marine Science Center and Edmonds Community College regarding how to be toxic free. The classes will offer tips on cleaning products, personal care, home garden and food and making toxic free cleaning products. The classes will be held at the Edmonds Conference Center on Mondays January 26 through March 9 from 6:30 to 8:30 p.m. She said Go Hawks.

Councilmember Buckshtnis said Go Redwings; the hockey season has begun at her house.

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

This item was not needed.

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

This item was not needed.

17. **ADJOURN**

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

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DAVID O. EARLING, MAYOR

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SCOTT PASSEY, CITY CLERK