

**CITY OF STANWOOD**  
City Council - Special Workshop Meeting  
Thursday, February 10, 2022 – 5:00 p.m.  
Zoom Online Meeting & Telephone  
**MINUTES**

**Call to Order**

Mayor Sid Roberts called the meeting to order at 5:00 p.m.

**Attendance**

Councilmembers present: Dani Gaumond, Marcus Metz, Darren Robb, Tim Pearce, Steve Shepro, Andreena Bergman and Tim Schmitt.

Also present: City Administrator Shawn Smith, Community Development Director Patricia Love, Public Works Director Kevin Hushagen, Finance Director David Hammond, Finance Manager Wendy Dowhower, Assistant to the Administrator and Communication Manager Krista Hintz and City Clerk Lisa Sokolik.

**1. Budget and Finance Overview**

Finance Director David Hammond said special workshops are designed to be interactive, informal, and informative, he regrets that this session is not in person, but asked council to not hesitate to ask questions anytime during the presentation. Councilmember Schmitt asked for context; why are they going over the materials, what is the purpose, what should council gain from this session and what are the next steps? Mayor Roberts answered that the items presented at workshops are informational. Councilmembers cannot have this type of informal dialogue at regular city council meetings. This is a budget year and workshops are a good way to get councilmembers the most information, get feedback and ask and answer questions, it is especially helpful for new councilmembers.

In 2015, Council adopted to budget on a biennial basis; the budget is put together on even years for the next odd/even years. This frees up time on the off-budget year to tackle big projects.

- The budget is legally required
- Fosters strategic planning and policy development
- Communicates fiscal information
- Provides operational guidance
- Provides accountability

The city has 30 funds, and each fund acts independently, e.g., sewer revenues cannot be used to pay for police officers, gas tax revenues cannot be used on anything other than streets maintenance and improvements. Revenue that comes into the General Fund can be used for any purpose.

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Utilities Funds (enterprise funds) are cost recovery funds. Sewer is paid for from the sewer fund, sewer revenues can only go into this fund. When there is not enough revenue to cover sewer costs, rates are analyzed to determine what is needed to make the fund break even, not to make a profit. Sewer, Water and Drainage all have their own capital funds and plant investment funds (often called system development charges).

Councilmember Shepro asked how much of property taxes go to the city. Hammond answered it is currently levied at \$1.50 per \$1,000.

Transportation Benefit District Sales Tax can only be used to maintain infrastructure within city limits. The tax was established with a vote in 2013 and expires June 30, 2023, council will have to consider whether to place it on the ballot to continue to receive that revenue. The TBD sales tax is paid by everyone who shops in Stanwood and not just city residents.

Councilmember Shepro asked if the TBD sales tax can be used for non-motorized trails and sidewalks. Hammond answered yes, for sidewalks and he will need to look further into using the revenue on trails.

Mayor Roberts asked if the City's 9.2% tax rate included the one-tenth percent rate increase that was just passed by Snohomish County for housing and the homeless. Hammond said no the tax rate will be going up to 9.3%.

Councilmember Robb asked if there has been a shift during Covid in revenues coming in from on-line shopping vs in town brick & mortar. Hammond answered that the Department of Revenue has that information to a limited extent, but he had to sign a privacy and confidential agreement.

Hammond discussed Real Estate Excise Taxes (REET) and how and when those funds can be used.

The general budget development schedule was presented and adoption of the 2023-2024 is scheduled for November 19, 2022

### **2. 2022 Workplan and Council Priorities**

City Administrator Smith gave a brief overview of the 2022 Workplan and the Council Priorities from the previous two-year budget:

- Support a Sustainable Local Economy
- Enhance Parks and Recreation
- Build Safe Streets
- Improve Public Engagement Opportunity

These priorities are what the budget was based on and the workplan is based on the budget. After the presentation, Smith would like to hear what the Councilmembers have as their priorities, so staff can take those priorities to develop the 2023-2024 budget themes.

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All the City Divisions are listed on the workplan with projects that will be worked on during the budget cycle. Some projects are listed in phases, and some have the final output. Ongoing projects and/or maintenance projects are listed so council can see what staff is working on. Some of the projects will not be completed as the budget for the project was based on receiving a grant.

Councilmember Schmitt asked if an ethics policy would be added the Human Resources section. Smith said yes, in the next 2-year workplan an ethics policy will be added.

A priority for Councilmember Shepro is to purchase land in northeast Stanwood for a community park. In 2018, the Council passed a resolution with the stated goal to develop a new park north of Stanwood in the general area of 280<sup>th</sup> St NW up to 300<sup>th</sup> St NW. He would like to start the search for land and create a plan to purchase it. Councilmember Pearce agrees with Shepro.

Councilmember Robb agrees with Shepro and Pearce about acquiring land for a park in northeast Stanwood. Thinking about the top priorities leading into the next budget, Robb said the current four priorities are still just as relevant as they were two years ago.

Councilmember Metz's top priority is parks and recreation and for city beautification; those are the things that will bring people here to live and to do business.

Councilmember Bergman agrees with Robb, the current priority bullet points are still relevant. She would like to add road maintenance and completion of sidewalks as a priority. One thing she has heard from citizens, they want more events that they can attend in town like a 4<sup>th</sup> of July fireworks show.

Councilmember Gaumond would like to cater to families. If the city can recruit businesses and have a city center to attract families, they will stay and shop here instead of going to another city.

Councilmember Schmitt likes the current four bullet points but would like to add a fifth point with the theme of enhancing our neighborhoods. He would like to see neighborhoods stay vibrant, prevent urban sprawl, remain family friendly, and traffic friendly to create a better quality of life for citizens.

Community Development Director Love spoke on what it would take to add a park in northeast Stanwood. It is a funding issue. It is in our code that new neighborhoods coming into Stanwood must provide a community park and maintain it. Council can change the code on how parks come into Stanwood. Love does agree that land is being purchased up, she recommends that council start looking at the size and what type of uses they want in a park and start looking at what land is available.

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### 3. Mayor Full-time Status

Councilmember Schmitt is proposing that the mayoral position be a paid, full-time position with a livable family wage defined by the to the salary commission starting in 2023. A mayor typically works 30 hours per week, a mayor should be more accessible, and it would be more appealing to potential candidates if they were paid a livable family wage. Metz agrees and asked if there is a matrix to determine when a mayorship warrants a full-time status.

Councilmember Shepro would like to begin investigating a plan, see what other communities are doing and plan what the role or job of a full-time mayor would be.

Councilmember Pearce agrees with Shepro to begin investigating a plan and see how comparable cities are doing it. Pearce asked if the Salary Commission would set the mayor's salary since they set raises, or would the Council set the mayor's salary since Council sets the budget? Pearce commented on Schmitt's statement of wanting the full-time mayor to potentially start in 2023, generally these things go with election cycles so legal would have to be consulted if it can be done mid-term or in 4 years. Pearce does agree that this is worth looking into.

Mayor Roberts responded that the City Attorney would need to be consulted. Councilmembers cannot raise their salaries during their term, but mayors can. He is hearing that Councilmembers need to have further discussion, get more information, have some research done and have the attorney weigh in.

Councilmember Robb supports the idea of looking into it but doesn't think it should be a priority. Legal or not, he doesn't know if he would support a switch since the mayor was just elected and as Councilmember Schmitt mentioned one of the reasons for making the change is to have a larger more candidate pool. He would support the change at the next election, but not anytime sooner. Robb added that the primary reason he would support the change, other than it is a full-time job at part-time pay, is more for regional exposure. Stanwood is growing and there is more money coming down through Federal to State sources and to have more of a presence at regional committees and with regional discussions, so Stanwood doesn't get left out of the conversations and opportunities, it is more realistic to expect that level of regional involvement from a full-time mayor.

Councilmember Pearce gave some background; when council decided to hire a City Administrator, it was to free up the mayor to do certain things and the day-to-day operations would be handled by the City Administrator. When looking at the job description for a full-time mayor, the City Administrator job description will also need to be looked at to balance the two out.

Mayor Roberts thanked everyone for the discussion. He wanted to say a few things. That it is understood that this is not his topic, and he is not pushing for it. If the council decides to hire a full-time mayor, and he thinks they should, because Stanwood deserves a mayor who is visible and involved., but the city needs the City Administrator position as it is the focus of all the work that gets done.

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The Mayor commented on Robb's point, he is attending all the regional meetings now, he knew the job description when he ran for office and he is not lobbying for a change. He does think council needs to discuss the issue and whatever they decide is fine with him. He is very happy to serve the City of Stanwood as Mayor loves working with Smith and city staff.

### 4. Adjourn

Mayor Roberts Adjourned the meeting at 6:30 pm.

CITY OF STANWOOD

ATTEST:

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Sid Roberts, Mayor

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Lisa Sokolik, City Clerk