

## Snohomish City Council Meeting Minutes

March 6, 2018

1. **CALL TO ORDER:** Mayor Kartak called the Snohomish City Council meeting to order at 6:00 p.m., Tuesday, March 6, 2018 in the Snohomish Senior Center, 506 Fourth Street, Snohomish, Washington.

### MAYOR/COUNCILMEMBERS PRESENT

Larry Countryman  
Steve Dana  
Karen Guzak  
John Kartak, Mayor  
Tom Merrill  
Linda Redmon  
Jason Sanders  
Lynn Schilaty

### STAFF PRESENT

Pat Adams, HR Manager/City Clerk  
Denise Johns, Project Manager  
Glen Pickus, Planning Director  
Keith Rogers, Police Chief  
Steve Schuller, City Administrator  
Grant Weed, City Attorney

2. **APPROVE AGENDA** contents and order:

**MOTION** by Guzak, second by Sanders to approve the agenda as presented. The motion passed unanimously (7-0).

3. **APPROVE MINUTES** of the February 20, 2018 workshop and regular meeting.

**MOTION** by Guzak, second by Schilaty to approve the minutes of the workshop and regular meeting. The motion passed unanimously (7-0).

4. **CITIZEN COMMENTS** on items not on the Agenda

Mayor Kartak welcomed the citizens to the meeting and discussed the procedures for providing citizen comments.

**Barb Rohe, 606 Holiday**, announced on Saturday, March 24, 2018 from 8:30 to 9:30 p.m., citizens are encouraged to turn off non-essential electric lights in recognition of Earth Hour. For more information, go to [Earthhour.com](http://Earthhour.com).

**Morgan Davis, 206 Avenue I**, commented on the last Parks and Recreation Board meeting where the subject of resurrecting the Metropolitan Park District (MPD) was discussed. He does not support the MPD proposal as presented in the February 28 Parks Board agenda.

**Mary Curry**, congratulated Chief Rogers on his citizen outreach using the police department's twitter account. It has been well received.

**Cheryl Hoitink**, spoke to the high cost of City utilities. She would like the City to look into contracting garbage services with Waste Management NW and also look into another utility to provide water service.

**Bill Betten**, asked Mayor Kartak to explain if citizen addresses are required per Washington State law prior to providing citizen comments.

Mayor Kartak stated addresses are not required as a condition for providing citizen comments.

Citizen Comments: Closed

5. **CONSENT ITEMS:**

- a. **AUTHORIZE** payment of claim warrants #62262 through #62323 in the amount of \$201,472.74, and payroll checks #15470 through #15482 in the amount of \$416,646.47 issued since the last regular meeting.
- b. **APPROVE** Reclassification of Economic Development Manager and City Clerk/Human Resources Manager
- c. **AUTHORIZE** Mayor to Sign Construction Contract for WWTP Generator Addition Project
- d. **CONFIRM** Mayor's Reappointment to Planning Commission

**MOTION** by Guzak, second by Sanders to pass the Consent Items. The motion passed unanimously (7-0).

6. **ACTION ITEMS:**

- a. Award Bid and Authorize Contract for Hal Moe Building Demolition

Project Manager Denise Meta Johns stated the purpose of this agenda item is to authorize the Mayor to award and execute a construction contract between the City of Snohomish and North Hills Resources, Inc., the lowest responsive bidder for the Hal Moe Pool Demolition Project. This capital improvement project is identified in the City's 2018 Budget and consists of the Hal Moe Pool building demolition, grading, tree removal, hydroseeding, surface restoration and other related items.

Ms. Johns stated the Hal Moe Pool building is located on a City-owned site, and is bound by Third and Second Streets, Pine Avenue and the Centennial Trail. The site contains vehicle parking, Boys & Girls Club, Snohomish Skate Park, Tillicum Kiwanis Children's Playground; and the facility which occupies approximately 1.1 acres.

In 1989, the City transferred the Pool property to the Snohomish School District (SSD) allowing the SSD to accept ownership and construct a structure to enclose the then open-air pool. Upon construction of the new aquatic center on Maple Avenue, the SSD sold the Hal Moe Pool facility to the City for one dollar in 2013.

The facility consists of two structures. A 3,700 square foot concrete masonry unit (CMU) block building constructed in the 1960s containing a lobby, lockers rooms, and office. The second structure approximately 14,000 square feet, was constructed with large glulam columns and beams. It was built in the late 1980s to enclose the pool.

To learn the potential uses for the facility, the City commissioned two professional studies in 2014: a structural assessment by CG Engineers and research of public opinion about park and recreation by EMC Research, Inc.

To further study the opportunities for the pool building use, the Hal Moe Pool Advisory Committee was appointed by City Council in December 2015 and convened January 2016. The Committee's community-centered effort focused on researching potential uses for the facility and site.

At the August 2016 City Council meeting, staff presented the Committee recommendation that the City study the feasibility of redeveloping the building into a multi-use facility. Council directed staff to proceed with developing a Request for Proposal for an architectural team to study the building.

At the June 2017 City Council Meeting, upon completion of a preliminary study, staff presented the Hal Moe Advisory Committee recommendation for the project to move forward with the existing building to be demolished and the site be developed as a park.

At the August 20, 2017 City Council meeting, Council authorized development of the Hal Moe Pool Demolition bid package with a Supplemental Contract amending the original contract scope of work with ARC and increasing the cost not to exceed to \$71,205.

At the November 21, 2017 City Council meeting, Council authorized a Supplemental Contract for ARC to complete additional hazardous materials handling, removal, and disposal sections of the Hal Moe Building Demolition bid package.

Bids were solicited through the public bid process and a bid opening was conducted on Thursday, February 22, 2018. Ten bids were received and after review of the certified bid tabulation, it was determined that North Hills Resources, Inc. is the successful low bidder in the total amount bid of \$373,727.51.

Work is expected to begin in April and the project duration is anticipated to be approximately sixty (60) days with substantial completion status in July. The engineer's estimate was \$500,000 to \$700,000.

Councilmember Guzak noted twenty-one contractors attended the pre-bid meeting and ten bids were received. She thinks this is a wonderful bid package.

Mayor Kartak thanked Ms. Johns for her thoughtful presentation and hard work on this project.

Citizen Comments:

**Lya Badgley, 110 Cedar**, spoke in support of the Hal Moe Building Demolition Project and for parks and open green space.

**Bill Betten, 7429 Orchard**, would like the Council to discuss saving some items from the Hal Moe building to honor Mr. Moe. The items could be incorporated into the new park. Specifically, the lettering on the side of the wall, would create a nice memorial.

Mr. Schuller responded staff will work with the contractor to retain salvageable items.

**Morgan Davis, 206 Avenue I**, does not support the use of Real Estate Excise Tax (REET) funds for demolition and remodeling projects, including the Carnegie Remodel.

**Mike Coombs, 1808 Terrace**, encouraged the Council to keep Hal Moe's name at the new park site to honor Mr. Moe.

Citizen Comments: Closed

**MOTION** by Schilaty, second by Guzak that the City Council **AUTHORIZE** the Mayor to sign and execute a construction contract with North Hills Resources, Inc., in a total amount not to exceed \$412,000, including 10% contingency for the Hal Moe Pool Building Demolition Project.

Councilmember Guzak stated this is a wonderful bid and a great bargain. She is pleased to see the project moving forward and with the creation of a park at this location.

Councilmember Redmon stated she had attended most of the Hal Moe Committee meetings. The process was very thorough. This project reflects what the community told the Council they wanted. She supports the motion.

Councilmember Sanders stated he supports the Hal Moe building demolition project. However, he also wants the Council to keep in mind the need to pursue funding for other projects, such as social programs.

Councilmember Dana stated a thorough assessment was completed on the Hal Moe building, and there was a public process in determining the potential uses for the building. It demonstrated there was quite a bit of analysis completed on the structure, which supported the ultimate decision that the structure needed to be removed. He would like to ensure this process is consistently used for these type of decisions. He supports the motion.

**VOTE ON THE MOTION:** The motion passed unanimously (7-0).

b. Carnegie Building Project – Conceptual Site Plan Approval

Project Manager Denise Meta Johns stated the purpose of this agenda item is for City Council to review and approve the *Carnegie Project Conceptual Site Plan*, which requires the Annex removal. She noted, as a City-funded capital improvement project, staff requires clear direction from City Council regarding the Carnegie Annex removal before continuing design development.

The Carnegie is arguably the most significant historic civic structure remaining in Snohomish. Located within the National Register listed Snohomish Historic District, its rehabilitation will create a focus for cultural and recreational events within the community. It is prominent among the City's existing important venues, parks, and other landmarks.

Besides park and utility structures, the City has four facilities: 1) City Hall at 116 Union Avenue, 2) Public Works Shop at 1801 First Street, 3) Police Station at 230 Maple Avenue, and 4) the Carnegie Building at 105 Cedar Avenue.

Ms. Johns reviewed the Carnegie building's history and community process as follows:

1873, fourteen years after Snohomish was founded, a handful of citizens pooled their own books to establish the second library in the State of Washington.

1910, Snohomish Carnegie Library opened, the (Andrew) Carnegie Foundation grant program awarded \$10,000 to the construction project.

1968, Sno-Isle Library District expanded the Carnegie Library by building the annex. The work demolished the original entrance and obscured the building facade.

1969, establishment of Snohomish's Historic Society with the goal to ensure the historic structures in town remained intact by listing an area of the City on the National Historic Register.

2003, new library (Sno-Isle) built at 311 Maple Avenue; Carnegie used as community space for various organizations, including the City. Annex area often leased.

2005-2011, the City and Snohomish Carnegie Foundation conducted a robust community outreach to develop Carnegie programming and architectural concepts.

August 2007, Council directed the Foundation to conduct a cost estimate and marketing study to determine the feasibility for rehabilitating the annex building.

February 2008, City Council directed that the Annex not be upgraded and be demolished when it came time for the Carnegie building rehabilitation.

April 2011, the Council unanimously (7-0) passed a motion to approve the Carnegie 2011 Design Report for site development and Building Rehabilitation Plan which called for the demolition of the annex and the restoration of the 1910 building.

2012/2013, the City completed seismic and structure upgrades, utility improvements, and installed a new roof on the 1910 Carnegie building, funded by federal (FEMA) and state grants, City funds from building lease revenues, and private funds, providing approximately \$1 million for the project.

2017, Carnegie building closed to public access because of the Annex's excessive roof damage and water penetration into the annex portion of the building.

June 20, 2017 - City Council Workshop, Council directed staff to proceed with developing plans for a City-funded Carnegie Building Rehabilitation capital project.

August 15, 2017 - City Council Meeting, Council directed staff to proceed with the Carnegie work schedule which included a public outreach plan and hiring an architectural team. The Carnegie webpage was set up to provide information, updates and means to receive public comment.

September 12, 2017 - the first Town Hall project meeting was held, approximately 50 people attended and their comments and questions were answered by the consultant and staff.

October 17, 2017 - City Council received citizen comments regarding the Carnegie Project and authorized an architectural team (ARC Architects) to develop plans for the Carnegie Building Project.

January 11, 2018 – the second Town Hall meeting was held with over 100 people attending. Community members were provided an opportunity to present Carnegie planning and design ideas. The City's consultant team presented sketches and planning-level cost estimates. The Mayor, staff, and consultant team responded to comments and questions. An overwhelming majority endorsed the architectural team's conceptual floor and site plans.

The Carnegie Library building, owned by the City of Snohomish, has been used as a community space throughout its history. Staff receives countless citizen requests for it to be upgraded and accessible. In 2008 and 2011, the City Council unanimously approved plans to remove the Annex as a part of the building rehabilitation. In 2017, the City Council directed staff to move forward with the same approved master plan which removes the Annex. Until 2017, the project was to be a public/private partnership. With the project becoming a publicly-funded project, staff is requiring clear direction regarding the Annex building in order to continue developing design drawings.

Staff is requesting authorization from Council to direct the City's architectural team to continue to develop 30% plans, specifications and cost estimates for the Carnegie Project based upon the February 2018 *Carnegie Project Conceptual Site Plan*. If approved by Council, the City's architectural team will further refine floor and site plans and cost estimates, to be presented at the third Town Hall meeting scheduled for spring 2018.

At a Council meeting in late spring, the Council would review the 30% Design, Construction Cost Estimates, and Phasing Options for future construction project(s).

The 30% plans would show a comprehensive renovation and associated cost estimate, and also how the project could be completed in a couple of phases, depending on Council's future schedule and funding decisions.

In order to set the foundations for a successful project, staff requires clear confirmation and direction from City Council regarding the Carnegie Annex removal before continuing design development. Staff provided the following options for the Council to consider:

**Option A:** That the City Council approve the February 2018 *Carnegie Project Conceptual Site Plan* which re-purposes the 1910 Carnegie, provides accessibility improvements, restores the front entrance to the 1910 building, demolishes the 1968 Annex, and creates park open space in the downtown historic district; *or*

**Option B:** That the City Council direct staff to put the current project on hold, and schedule a workshop in the future for Council to direct the Mayor and staff on next steps and priorities

Citizen Comments:

The following citizens expressed their **support** for the *Carnegie Project Conceptual Site Plan*, as presented:

**Matt Bachleda**, 911 Avenue A  
**Sarah Dylan Jensen**, Manager, Snohomish Farmers Market  
**Phillip Baldwin**  
**Michael Edwards**, Carnegie Foundation  
**Bernadette Utterback**, Volunteer Snohomish Library  
**Rebecca Dickinson**  
**Eric Lewis**  
**Kendra Trachta**, 1621 Holly Vista  
**Bob Taylor**, 605 Avenue A  
**John First**, 425 Ninth  
**Melody Clemans**, 313 Avenue D  
**Lori Henderson**, 410 Avenue C  
**Kari Zimmerman**  
**Terry Lippincott**, 605 Avenue A  
**Tom Engel**, 422 Avenue A

The following citizens expressed their **lack of support** for the *Carnegie Project Conceptual Site Plan*, as presented:

**Mike Coombs**, 1808 Terrace  
**Cheryl Hoytink**  
**Bill Betten**, 7429 Orchard  
**Mary Hendrickson**, 6303 Home Acres Road  
**Rolf Rautenberg**  
**Morgan Davis**, 206 Avenue I

Citizen Comments: Closed

**MOTION** by Guzak, second by Redmon that the City Council **APPROVE** the February 2018 *Carnegie Project Conceptual Site Plan* which re-purposes the 1910 Carnegie, provides accessibility improvements, restores the front entrance to the 1910 building, demolishes the 1968 annex, and creates park open space in the downtown Historic District.

Councilmember Dana stated many citizens have a strong sentiment for saving and restoring the Carnegie Building. He appreciated their efforts. He noted, the question before the Council tonight appears to have nothing to do with the Carnegie and everything to do with the other asset on the site, which is the 1968 Annex, and whether it can be saved. It's clear from the public discussion over past years that the Carnegie Foundation viewed the Annex as a scar on the face of the beautiful old library. They had a chance to fund the restoration with private money, and he suspects also had a chance to demolish the Annex up until about a year ago, but the Foundation couldn't swing the deal. The City then decided to bring the project back into the full control of the City. When that event took place, there should have been a renewal of the public process to determine whether either of the structures on the site warranted rehabilitation. He believes without a warrant, the Council is squandering public money. The fact that the City spent nearly \$1 million completing an earthquake driven seismic refit complicates the analysis. The City is already into this deal for a large amount of money. He would like to know what the asset will be when the project is complete. How specifically will it be used? He is concerned the City is contemplating restoring a building that has no useful public purpose. The City is considering spending millions of dollars restoring a building for which the City has no use. Other than sentimental value, he can see no compelling reason to begin this project with public money. It's his view there should be some analysis to determine how much is too much when the City proposes multimillion dollar projects. The issues regarding the Carnegie building are better suited for another time, because the issue on the agenda tonight is the fate of the Annex.

Councilmember Dana said it has been assumed by the Carnegie Foundation that the Annex should be demolished. However, there hasn't been any analysis concerning why it should be destroyed – or why it shouldn't be destroyed. There have been comments about the cost of repairing it. One comment by former Councilmember Tom Hamilton characterized the Annex as a black hole for public money. He doesn't know how anybody would know that without completing an analysis. Part of the public discussion needs to be about the public benefits of both structures. This could be a case where keeping the Annex makes more sense than demolishing it. The Council won't know all the possibilities since, to his knowledge, there has not been a true public discussion about them. It has always been assumed by the Carnegie Foundation that the Annex needed to be removed, and not because it was structurally deficient, but because it was an eye sore. Councils over the past ten years have conceded certain things to the Carnegie Foundation, and if they had come up with the money, the Foundation may have indeed torn down the Annex, but they didn't.

Councilmember Dana indicated the Council is being asked to make significant decisions about a building – to vote to tear down a building that may have value to the community – but not sentiment attached to it. Their job as elected officials is to be stewards of the public trust. They need to do their due diligence to ensure the decisions they make fulfill that obligation. Councilmember Dana doesn't believe the Council has a real idea of what it would cost to replace the roof or restore the Annex because the Carnegie Foundation wanted it torn down. The Foundation didn't ask the questions they should have, because they didn't want to confront the answers. He believes a restored Annex alongside the restored Carnegie has a better chance of providing benefit to the community, than the Carnegie building alone. He can see how the Annex may have more useful applications than the Carnegie. He supports Option B, which puts the current project on hold. He recommended at a minimum that a proper assessment be conducted similar to the public process conducted to demolish the Hal Moe Building.

Councilmember Dana continued that efforts have been made to create a vision for the restored Carnegie, but he hasn't seen anything to suggest that Councilmember Hamilton's comment about the "black hole for public money" isn't actually the Carnegie building. The City needs a proper economic analysis of the project before a decision is

made to demolish one, or to restore the other. He is asking that the City Council support Option B.

Councilmember Redmon explained that she conducted an historical review of this project dating back to 1910. To directly address some of Councilmember Dana's information, she noted in 2004 the City Council established and directed the Carnegie Library Preservation Committee with Ordinance 2044 to work with the City to develop design and cost estimates for repair and restoration. On February 1, 2005, the Carnegie Library Preservation Committee (a citizen committee), along with the architect selected for the project, presented a rehabilitation master plan to the City Council. On March 14, 2005, the City Council decided a non-profit foundation should be formed and they tasked that non-profit foundation with a strategic plan, a survey of the community and fund raising. This was the point at which the original plan to separate the Annex was made. The non-profit foundation became the Snohomish Carnegie Foundation, and it was incorporated as directed by the Council. Later that year, the Foundation became a 501(c)(3). In 2007, the City Council directed a feasibility study for the Annex, which was paid for by the Snohomish Carnegie Foundation and a business plan was drafted. On February 19, 2008, a feasibility study was returned with three options:

- 1) Keep the Annex and sell it to an independent party. The value at that time was \$375,000.
- 2) Keep the Annex, update it and rent it out. Two independent consultants worked on this project. Matson Carlson & Associates provided a construction cost estimate of \$455,000. Pat Sisneros with the Everett City College School of Business Design, completed a financial analysis. The analysis found that the City would need a tenant to improve the building into useable space. Market rent of \$5,600 per month would be needed to cover the cost of the update. At the time, this was not considered feasible.
- 3) Demolish the Annex and create a downtown park for the City's long term strategic plan. The result of this was a unanimous vote of the Council to demolish the Annex. Therefore, no further maintenance expense would be devoted to the Annex from this point forward. This is the point where the Annex was determined to not be feasible for refurbishing.

Councilmember Sanders referenced a question brought up by a citizen asking about the Carnegie building's State and National Historic Landmark status. He asked if staff could comment on what efforts have been made to ensure the City is not violating any historic landmark guidelines, or if there is any related liability associated with this proposal.

Mr. Schuller replied that since the building is located with the Historic District, there would be a Design Review Board process.

Councilmember Schilaty responded to a point raised by Councilmember Dana where he referenced that the City had already invested \$1 million into the Carnegie building. She wished to clarify those funds were received from a FEMA grant and were not borne by the City.

Councilmember Dana stated whether the \$1 million was from the City's budget or not, it was still public money. As stewards of public money, the Council has an obligation to use it wisely.

Councilmember Redmon wished to address the feasibility in current day funds. At the September 12 meeting, per ARC Architects, it would cost approximately \$758,000 to separate and rehab the Annex. This amount did not include any seismic retrofitting, water or sewer, or structural issues. With those additional items in consideration, the estimate would be closer to \$900,000 to \$1 million for 3,500 square feet of usable space.

To make a comparison to the 2008 financial analysis, a \$900,000 City bond at 4% would necessitate \$9,000 rental revenue per month, which does not take into account a possible energy bill of \$2,000 per month during the winter months, since it is not an energy efficient building.

Councilmember Guzak stated the previous plan designed by BOLA Architects is very similar to the current design, and has already passed the Historic Design Review Board. The State Architectural Department has also been contacted and they encourage saving the historic Carnegie Building. The Snohomish Carnegie is one of the few left in the state not renovated to its original condition.

Councilmember Merrill stated this project follows the same project plan all large projects follow. Staff and the citizens did their due diligence. Toward the end of the decision making process, two different visions emerged. One vision is to restore the Carnegie, with a downtown park, the other vision is to keep the Annex and have additional space for the City to use. The Council could argue about this for a very long time. As Councilmember Redmon pointed out, it is very expensive by several different plans to restore the Annex. He is concerned about opportunity costs. This is a major City asset sitting on the corner deteriorating and it has been unusable for sixteen years. That is an opportunity cost lost to the City – either as a source of revenue or to draw people to Snohomish to attend events. Given the opportunity costs and the fact that a project never gets less expensive when it is delayed, he supports Option A.

Councilmember Dana stated the City can't overlook the fact that the City has Phase I and Phase II of this project, and is projecting at this time, it will cost almost \$3 million dollars to complete the restoration. Councilmember Redmon addressed some costs with the Annex renovation. When the City is proposing spending \$3 million on the Carnegie building, primarily to restore the upper floor, it will be spending \$3 million dollars for a 2,000 square foot building. That is a waste of public money. When you compare it with renovating the Annex at \$900,000, it would be a bargain for a 4,500 square foot structure. At what point does the renovation of the Carnegie go beyond the ability of the community to pay? He does not feel this is a good community investment.

Councilmember Schilaty stated the Council also needs to take into consideration the will of the community. This has been fifteen year project. The will of the community is to move forward with the restoration of the Carnegie. Studies and analyses were completed, and all have concluded that the Annex must be removed. This project has resounding community support. The City has an asset sitting in the middle of the community, and the project needs to move forward.

Councilmember Sanders stated it is important to remember that Option A is asking the Council to approve moving forward with the conceptual site plan. This is a 30% design review. The City has reviewed this project for a long time and has heard from the community. At 30% design review, the plan allows the Council to continue to refine the numbers, and decide whether or not to phase aspects of the plan out. The project cannot move forward until the numbers are refined. He supports Option A and moving forward with the conceptual site plan. He appreciated the hard work of Project Manager Denise Johns and all the other contributors who have dedicated their time and energy to this project over the past several years.

Councilmember Countryman supports Option B. He has concerns regarding the costs associated with this project, and he sees a lot of flaws in the design.

**VOTE ON THE MOTION:** The motion passed (5-2). Countryman and Dana voted nay.

Mayor Kartak explained that although he favored saving the 1968 Annex, he supports the Council's decision. He wanted clarity, and is excited to move forward with this project.

7. **ADJOURN** to **EXECUTIVE SESSION** at 8:25 p.m. for five (5) minutes to discuss pending litigation, pursuant to RCW 42.31.110(i) with no action to follow.
8. **MOTION** by Guzak, second by Sanders to adjourn the meeting. The motion passed unanimously (7-0). **ADJOURN** at 8:34 p.m.

APPROVED this 20<sup>th</sup> day of March 2018

CITY OF SNOHOMISH

ATTEST:

\_\_\_\_\_  
John Kartak, Mayor

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Pat Adams, City Clerk