

CITY OF LYNNWOOD
CITY COUNCIL BUSINESS MEETING MINUTES
July 12, 2010

1
2 10. CALL TO ORDER - The July 12, 2010 Business Meeting of the Lynnwood City Council,
3 held in the Council Chambers of Lynnwood City Hall, was called to order by Mayor Gough
4 at 7:22 p.m. The flag salute was led by Councilmember Loren Simmonds.

5
6 20.

ROLL CALL

Mayor Don Gough (Absent)
Council President Ted Hikel
Council Vice President Stephanie Wright
Councilmember Loren Simmonds
Councilmember Jim Smith
Councilmember Mark Smith (Excused)
Councilmember Kerri Lonergan
Councilmember Kimberly Cole

Assistant City Administrator Art Ceniza
Council Assistant Beth Morris

Others Attending:

Interim Finance Director Dugan
Economic Development Director Kleitsch
Public Works Director Franz
Deputy PW Director Elekes
Community Development Director Krauss
City Attorney Larson
Acting Human Resources Director Itaoka
Community Affairs Director Yim
Assistant Planner Balisky
Parks and Recreation Director Sordel

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8
9 30. APPROVAL OF MINUTES

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11 *Motion made by Councilmember Lonergan, seconded by Council Vice President Wright, to*
12 *approve the following minutes as presented:*

- 13 • *Business Meeting 6/28/2010*
14 • *Special Work Session 7/6/2010*

15 *Motion passed unanimously.*
16

17 40. MESSAGES AND PAPERS FROM THE MAYOR - None

18
19 50. COUNCIL COMMENTS AND ANNOUNCEMENTS

20
21 50.1 Stephanie Wright reminded the public that Shakespeare in the Park begins this week
22 at the Lynndale Amphitheater.

23 50.2 Loren Simmonds invited everyone to the 2010 PaR for Kids Golf Tournament on
24 Friday, July 30 at the Lynnwood Golf Course. He also noted that Lynnwood
25 University will be starting up in September. The registration deadline is August 30.

26 50.3 Kerri Lonergan stated that Tuesday, August 3 will be National Night out against
27 Crime. School supplies collected during the event will be donated to the annual Back
28 to School Resource Fair for the Edmonds School District. She encouraged everyone
29 to participate.

30 50.4 Kimberly Cole shared two positive comments she had received during the week
31 regarding the Code Enforcement department and Parks department. She expressed
32 appreciation for the positive feedback.

1 50.5 Jim Smith commented that the Council has now approved a Transportation Benefit
2 District which has the authority to raise taxes. There is a proposal to raise car tax
3 taxes by \$20 in the Council's packet. A public hearing was started tonight and has
4 been continued to August 9 at 6:00 p.m. He encouraged anyone interested in this
5 item to attend the next hearing.

6 50.6 Ted Hikel also encouraged citizens to come to the hearing. He congratulated
7 Washington's Most Wanted Officer of the Month of June, Cole Langdon.
8

9 60. PRESENTATIONS AND PROCLAMATIONS
10

11 A. Recognition: Latino Education and Training Institute 2010 Census Leadership Project
12

13 Community Affairs Director Emily Yim discussed the 2010 Latino Leadership
14 Census Project. She recognized and presented Certificates of Recognition to the
15 students who volunteered 40 to 50 hours of community service during the months of
16 March and April.
17

18 70. WRITTEN COMMUNICATIONS AND PETITIONS - None
19

20 80. CITIZENS COMMENTS AND COMMUNICATIONS
21

22 80.1 Max Fischbach, PO Box 2057, Lynnwood, WA 98036, complained about the change
23 of Lynnwood from a great bedroom community to an over-commercialized residential
24 area at the expense of those citizens who desire to reside in a residential community.
25 He reviewed his business and professional experience and criticized the budget
26 procedures and processes in the City. He recommended that the City look at zero-
27 based budgeting and reviewed specific areas of concern, especially increased taxes,
28 personnel costs, Council benefits, renovation of the recreation center, and
29 mismanagement of the City.
30

31 80.2 Al Rutledge, 7101 Lake Ballinger Way, Edmonds, discussed the Lake Ballinger
32 Forum. He noted that Snohomish County Councilmember Mike Cooper has put his
33 application in to run for Mayor of Edmonds. He suggested that perhaps Mr. Fischback
34 ought to put his name in for County Councilmember.
35

36 90. BUSINESS ITEMS AND OTHER MATTERS
37

38 90.1 UNANIMOUS CONSENT AGENDA
39

40 *Motion made by Councilmember Cole to adopt the following Consent Agenda items:*
41

42 A. *Resolution: Scheduling of Perrinville Annexation Hearing for September 13 2010*
43 *Adopt Resolution #2010-09 scheduling the Public Hearing on the Perrinville*
44 *Annexation for September 13, 2010.*
45

46 B. *Contract: Lynnwood Tourism Website Services*

1 *Authorize the Mayor to extend the contract with Blizzard Internet Marketing to provide*
2 *web site support, optimizations services, marketing support and management fees for*
3 *an amount not to exceed \$18,000.*

4
5 *C. Contract Extension: Seabold Group*

6 *Authorize the City Attorney to extend its contract with the Seabold Group not to exceed*
7 *\$41,375*

8
9 *D. Voucher Approval*

10 *Approve claims and payroll in the amount of \$3,180,915.90 and \$1,140,640.43*
11 *respectively, and that the lists be made part of the record of this Council meeting.*

12
13 *Motion passed unanimously.*

14
15 90.2 PUBLIC HEARINGS OR MEETINGS

16
17 A. Public Hearing: Perrinville Pre-Annexation Zoning on 60% Annexation Petition

18
19 Council President Hikel introduced the item; reviewed the purpose of the hearing
20 and order of speaking; and opened the public hearing at 8:07 p.m.

21
22 Staff Presentation:

23
24 Assistant Planner Lauren Balisky made the staff presentation regarding this item.

25
26 Public Testimony and Comment: None

27
28 Questions and Answers: None

29
30 The public testimony portion of the public hearing was closed at 8:14 p.m. There
31 will be a second hearing on September 13, 2010.

32
33 90.3 UNFINISHED BUSINESS

34
35 Council recessed from 8:16 to 8:24 p.m.

36
37 90.4 OTHER BUSINESS ITEMS

38
39 With the consent of the Council, items 90.4 B and C and New Business were addressed prior to
40 item 90.4 A – Executive Session.

41
42 B. Authorize Mayor to discuss the possible sale of the City-owned Business Park to
43 Edmonds Community College

44
45 *Motion made by Councilmember Simmonds, seconded by Council Vice President*
46 *Wright, to authorize the Mayor to discuss the possible sale of the City-owned*
47 *Business Park to Edmonds Community College.*

1
2 Councilmember Simmonds noted that Edmonds Community College has been
3 interested in this issue for a number of years. Some things have come to pass that
4 raise the issue substantially enough that there needs to be some discussion with the
5 community college.
6

7 Councilmember Jim Smith did not feel that they need to authorize the Mayor to be
8 talking to people although he understands the spirit in which this was brought
9 forward. He noted that he would be abstaining from the vote.
10

11 Council President Hikel stated that the reason they have to give authorization to the
12 Mayor is because the last action of the Council was to turn down this action. Last
13 year there were discussions regarding this and when it came to a vote the Council
14 voted not to go forward with the sale. This precluded the idea of the administration
15 talking to the community college without the consent of the Council.
16

17 *A roll call vote was requested by Councilmember Jim Smith. Upon a roll call vote*
18 *the motion carried 5-0 with Councilmember Jim Smith abstaining.*
19

20 C. Work Session: Update on timeline for permanently filling vacant Finance Director
21 and Human Resources Director positions
22

23 Acting Human Resources Director Paula Itaoka presented a summary of the status
24 of the Finance Director and the Human Resources Director recruitment process.
25

26 Councilmember Jim Smith commented that a major challenge in this process is the
27 reputation of the administration as being hard to get along with. He thinks it would
28 be difficult under the current circumstances to be attracting a large pool of
29 qualified potential candidates. He asked legal counsel to provide a memo stating
30 what type of resolution or procedures they could enact in the near future to protect
31 directors and to guarantee that they are protected in their roles and provided with a
32 non-hostile work environment. Acting Human Resources Director Itaoka indicated
33 they could provide a memo and pointed out that they already have whistleblower
34 regulations in place.
35

36 Councilmember Lonergan thanked Acting HR Director Itaoka for pointing out the
37 unique challenges. She asked Interim Finance Director Dugan if he was open to
38 continuing his employment past the end of March if the Council should approve it.
39 Interim Finance Director Dugan stated that he was absolutely not available.
40

41 Councilmember Cole asked if the City is bound to do all of the steps described by
42 Acting HR Director Itaoka. Ms. Itaoka explained that they were not bound to hire a
43 search firm at all, but described the benefits of using one. Councilmember Cole
44 commented that she feels a local search for the HR Director might be more
45 appropriate if there is a very well-qualified candidate already in our midst.
46

1 Councilmember Simmonds asked Interim Finance Director Dugan what a
2 reasonable transition timeframe would be for bringing in a person from the outside.
3 Interim Finance Director Dugan explained why he was not available past March 1.
4 Regarding the transition, he said it would depend entirely upon who they hire. If
5 they hire a Western Washington Finance Director there really doesn't need to be an
6 overlap. If someone is recruited from another state some overlap might be
7 beneficial because Washington State Law has a particular uniqueness. In that case,
8 three months would be the most that he thought would be necessary for an overlap,
9 but one month might be sufficient.

10
11 Councilmember Simmonds discussed the loss of institutional memory that might
12 occur as the result of some other potential changes in the Finance Department.
13 Interim Finance Director Dugan explained that there are a couple people who will
14 be eligible for retirement. Should they decide to do that, overlap might be
15 beneficial in those positions. This would also give the opportunity for
16 consideration of reorganization.

17
18 Councilmember Simmonds then asked legal counsel how the Council could
19 communicate with the Mayor that they were comfortable with an internal
20 promotion if they were to determine that they did not want to do a search. City
21 Attorney Larson commented that they might need to alter the budget to remove the
22 money for the executive firm search. Councilmember Jim Smith explained that that
23 there is a resolution that dictates that three people come to the Council. City
24 Attorney Larson commented that if they have already established a policy on that
25 matter then it would have to be amended.

26
27 Councilmember Simmonds wondered how a search could be conducted without
28 the benefit of the Acting HR Director. City Attorney Larson explained that
29 somebody else would have to do what that person would normally do. This could
30 be an administrative person from a different department. Interim Finance Director
31 Dugan added that some cities have used other HR departments in this type of
32 situation.

33
34 Council Vice President Wright concurred with Councilmember Cole that a local
35 search for the HR Director makes sense and that they should use an executive
36 search for the Finance Director. She then asked Interim Finance Director Dugan
37 how they might go forward with that. Interim Finance Director Dugan commented
38 that oftentimes other cities are willing to offer assistance in those types of
39 circumstances. The Finance Director position would be more of a challenge
40 without an executive search and pointed out that it took three executive searches
41 the last time. Council Vice President Wright spoke in support identifying the
42 source of the funding and starting that process as soon as possible.

43
44 Councilmember Jim Smith stated that the search for the Finance Director is critical
45 as well as overwhelming. He spoke in support of doing this right in order to get
46 quality in this area. He felt that some of the problems they had in the past were
47 because of undue pressure that had been given to the person in that position. He

1 recommended getting started on the process of finding a Finance Director and start
2 developing a plan for the HR Director. He commented that Acting HR Director
3 Itaoka and her staff should not be involved in the recruitment of an HR Director at
4 all to avoid any appearance of conflict of interest.
5

6 Council President Hikel agreed with Councilmember Jim Smith and spoke in
7 support of staying with process. He also believes that they have an obligation to
8 Ms. Itaoka to recognize the fact that there is a second job in HR that is going
9 unfilled related to dealing with labor negotiations. He felt that asking her to do the
10 Director position as well as handle the labor negotiation process was beyond what
11 is reasonable. He spoke in support of funding the two positions in the HR
12 department and as well as funding the search and selection process for those
13 positions and the Finance Director position.
14

15 Councilmember Simmonds commented that one of the reasons Ms. Itaoka was
16 hired was that she brought an expertise regarding labor management and
17 negotiations which the City is very involved with currently. Because of this he was
18 reluctant to put the HR position on the back burner. He also suggested that they
19 consider looking at the issue of the division of labor the Human Resources Director
20 and the other HR position. Acting Human Resources Director Itaoka commented
21 that the current situation could open the door to the possibility of rethinking how
22 they do business.
23

24 Councilmember Cole reiterated that this is an opportunity to look at things like
25 consolidation and job descriptions. She stated that she would be hesitant to put a
26 \$20,000-\$25,000 search out for the HR position although she understands the
27 principle of keeping things uniform. She felt that taking things case by case was the
28 only option they have in the current economic situation.
29

30 100. NEW BUSINESS

31
32 Council President Hikel reported that the State Auditors have requested an Entrance
33 Conference for Wednesday at 10 a.m. Council was polled for availability and it was decided
34 that the date would be set up.
35

36 *Council President Hikel made a scheduling Motion for a Special Work Session to be held on*
37 *Friday, July 23, 2010 at 6:30 p.m. This will be an Executive Session only for the purpose of*
38 *discussing a personnel matter. The motion was seconded and carried.*
39

40 90.4A Executive Session

41
42 Council President Hikel stated that need for an Executive Session for
43 approximately 45 minutes for the purpose of discussing a personnel matter
44 regarding complaints/charges against a public official. Executive Session was held
45 from 9:15 to 10:00 p.m. No business was conducted after the Executive Session.
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1 110. STAFF REPORTS - None

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3 120. ADJOURNMENT

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5 The meeting was adjourned at 10:00 p.m.

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Don Gough, Mayor

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15 _____
Patrick Dugan

16 Interim Finance Director