CITY COUNCIL WORKSHOP MEETING AGENDA

City of Lake Stevens Vision Statement

By 2030, we are a sustainable community around the lake with a vibrant economy, unsurpassed infrastructure and exceptional quality of life.

October 21, 2025 - 6:00 PM
City Council Workshop Meeting
In person: The Mill, Sawyers Room, 1808 Main Street, Lake Stevens
or Join Zoom Meeting: [Zoom Link]
or call in at (253) 215-8782
Meeting ID: 81370806708 **Passcode:** 387228

1. **Call to Order**
2. **Discussion Items**
   A. PROS Plan Update and Discussion — Jill Meis
   B. Salary Survey Follow Up — Anya Warrington
3. **Executive Session**
   A. Confidential Session - Collective Bargaining-No Action to Follow
4. **Discussion Items**
   A. 2026 Budget Discussion — Barb Stevens, Brett Gailey, Gene Brazel
5. **Adjourn**

THE PUBLIC IS INVITED TO ATTEND

The City of Lake Stevens strives to provide accessible opportunities for individuals with disabilities. Please contact Human Resources, City of Lake Stevens ADA Coordinator, (425) 622-9400, at least five business days prior to any City meeting or event if any accommodations are needed. For TDD users, please use the state's toll-free relay service, (800) 833-6384, and ask the operator to dial the City of Lake Stevens City Hall number.

NOTICE: All proceedings of this meeting are audio recorded, except Executive Sessions.

CITY COUNCIL STAFF REPORT

Agenda Date: 10/21/2025

Subject: PROS Plan Update and Discussion

Contact Person/Department: Jill Meis, Parks Department

Budget Impact:

Legal Review: No

RECOMMENDATION(S)/ACTION REQUESTED:
For discussion

SUMMARY/BACKGROUND:
Staff and the City's consultant, Conservation Technix, are working to draft the first parks, recreation and open space (PROS) plan for the department. The PROS plan will guide the city's park planning efforts for the next 10 years. This work includes establishing a level of service, creating a project list with prioritization, existing facilities and condition assessments, goals and policies. The goal of this plan is to incorporate public input and balance the desires of the community with city resources. The city hosted the first open house in July and distributed a statistically valid survey to the community. Over 600 residents participated in the survey and provided input on topics ranging from usage, barriers to use and future needs. In addition to the survey and open house, focus groups were convened to give specific input on three primary topics; Park Enrichment, General Users and Youth Athletics. Along with these focus groups were interviews with individual stakeholders that participate in various roles within the community. The preliminary results are included in the presentation and will be discussed tonight.

The second open house is planned for November 10 and staff would like to have input from the City Council prior to this meeting to further inform this process.

APPLICABLE CITY POLICIES:

ATTACHMENTS:

1. LakeStevens_PROS_CC_Oct2025_v2

2025 Parks, Recreation and Open Space Plan

CITY COUNCIL WORK SESSION

OCTOBER 21, 2025

Agenda

1. Introduction
2. Overview & Timeline
3. Community Feedback
4. Next Steps
5. Discussion

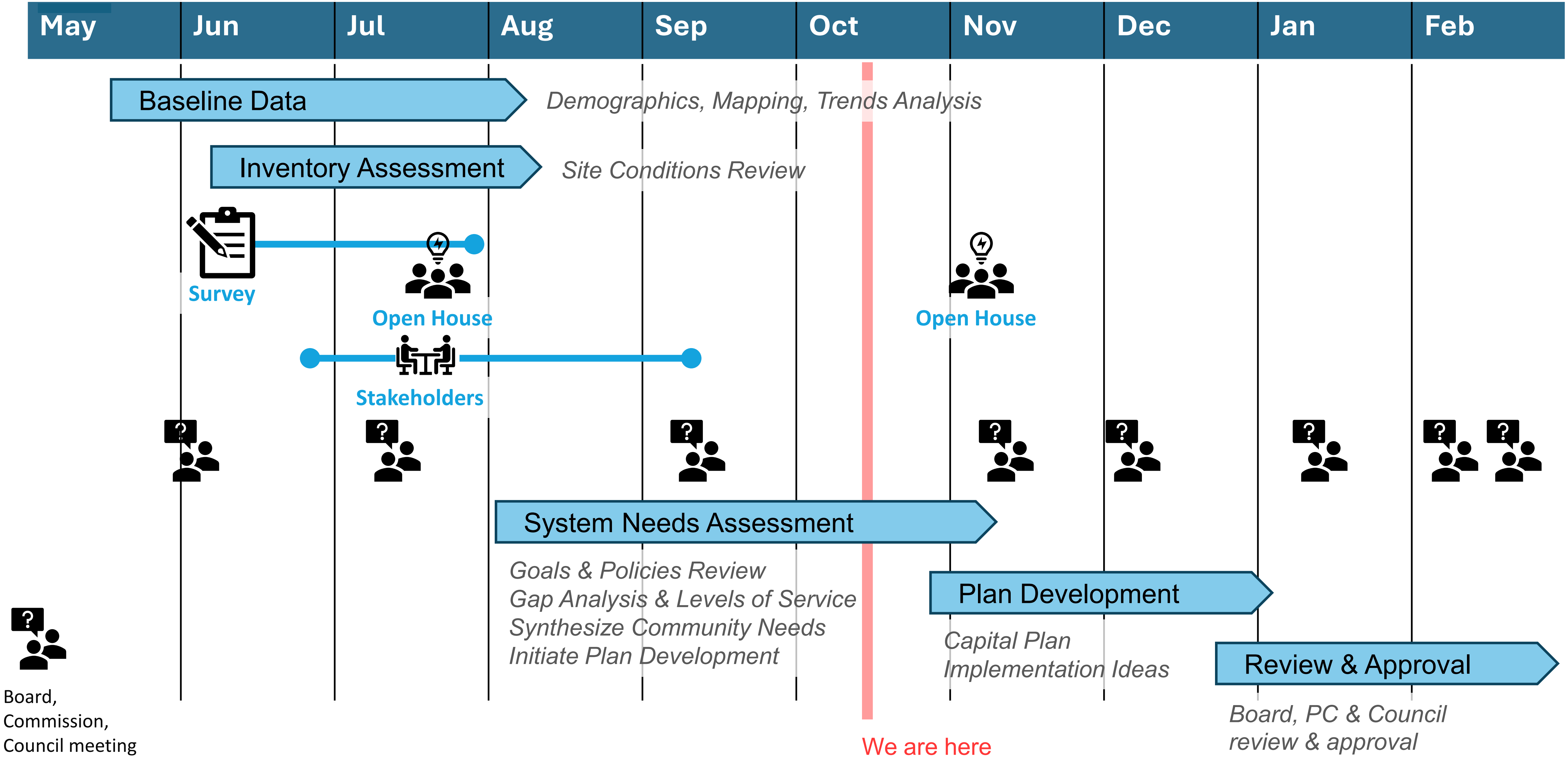
What is the Parks Plan?

Planning Forward

The Parks, Recreation and Open Space (PROS) Plan is a 10-year guide and strategic plan for managing and enhancing recreation opportunities, facilities, parks, and open space for the Lake Stevens community.

The PROS Plan will guide investments to improve the park system and help the City pursue grants and other funding.

Project Timeline



Survey Highlights

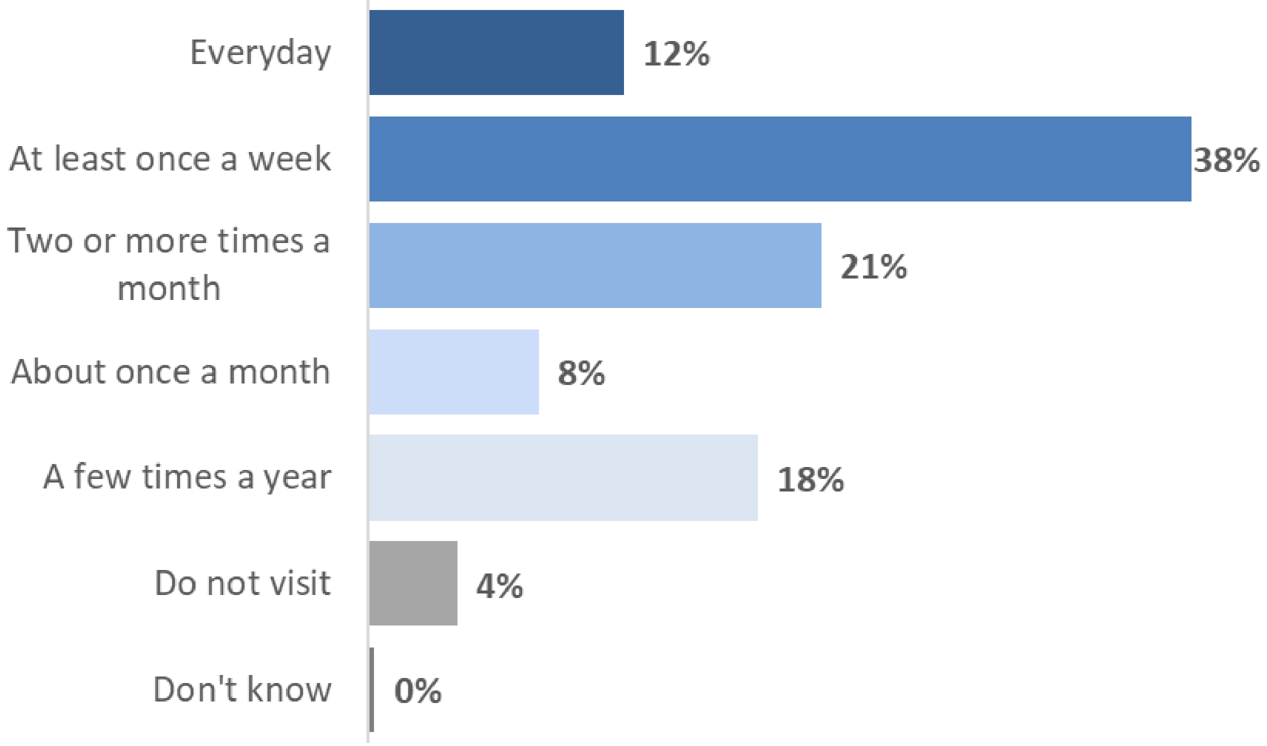
611 responses

97%

feel local parks, recreation opportunities are important or essential to the quality of life.

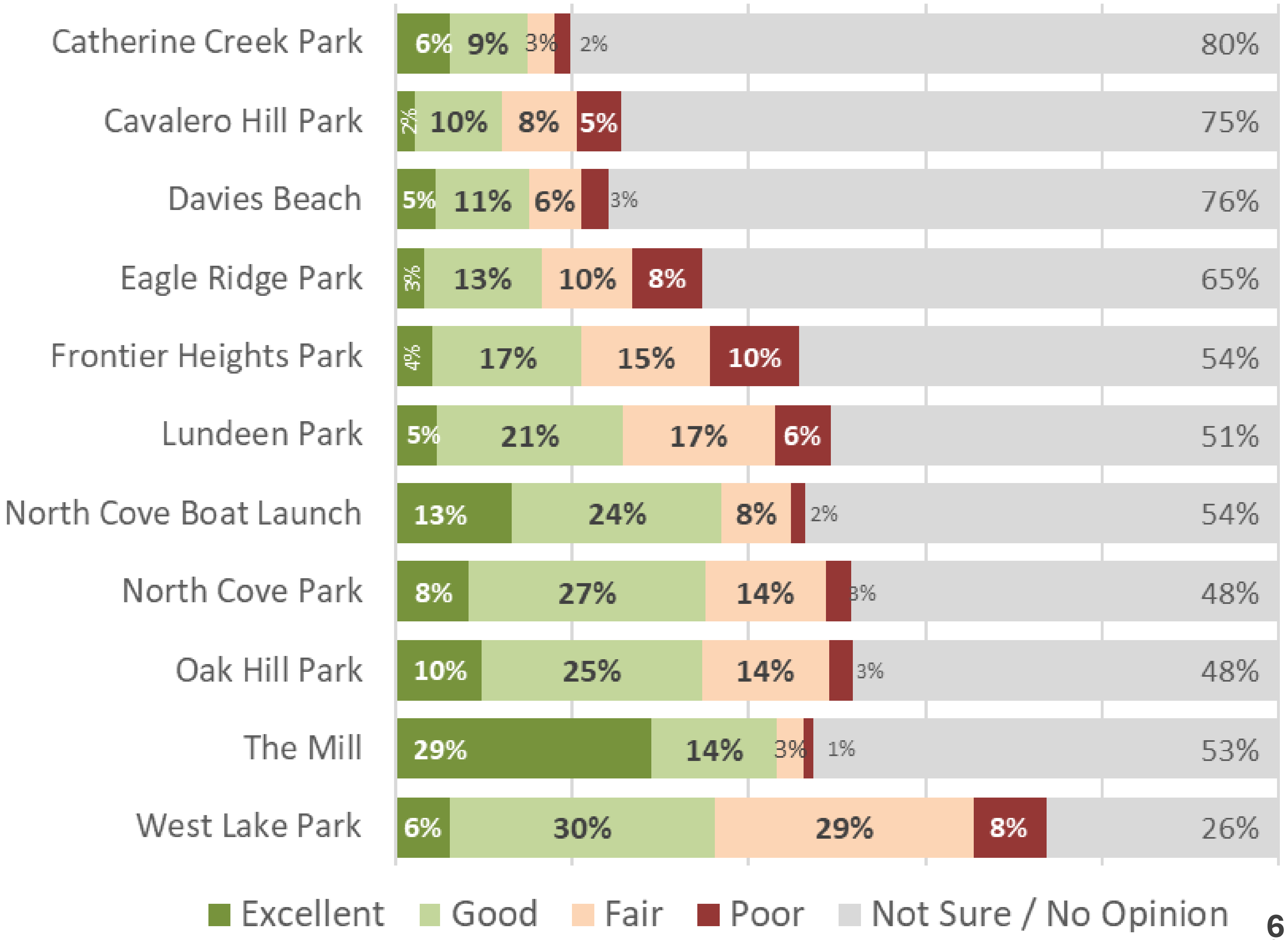
Visitation:

78% visit or use parks monthly



Survey Highlights

Facility Conditions

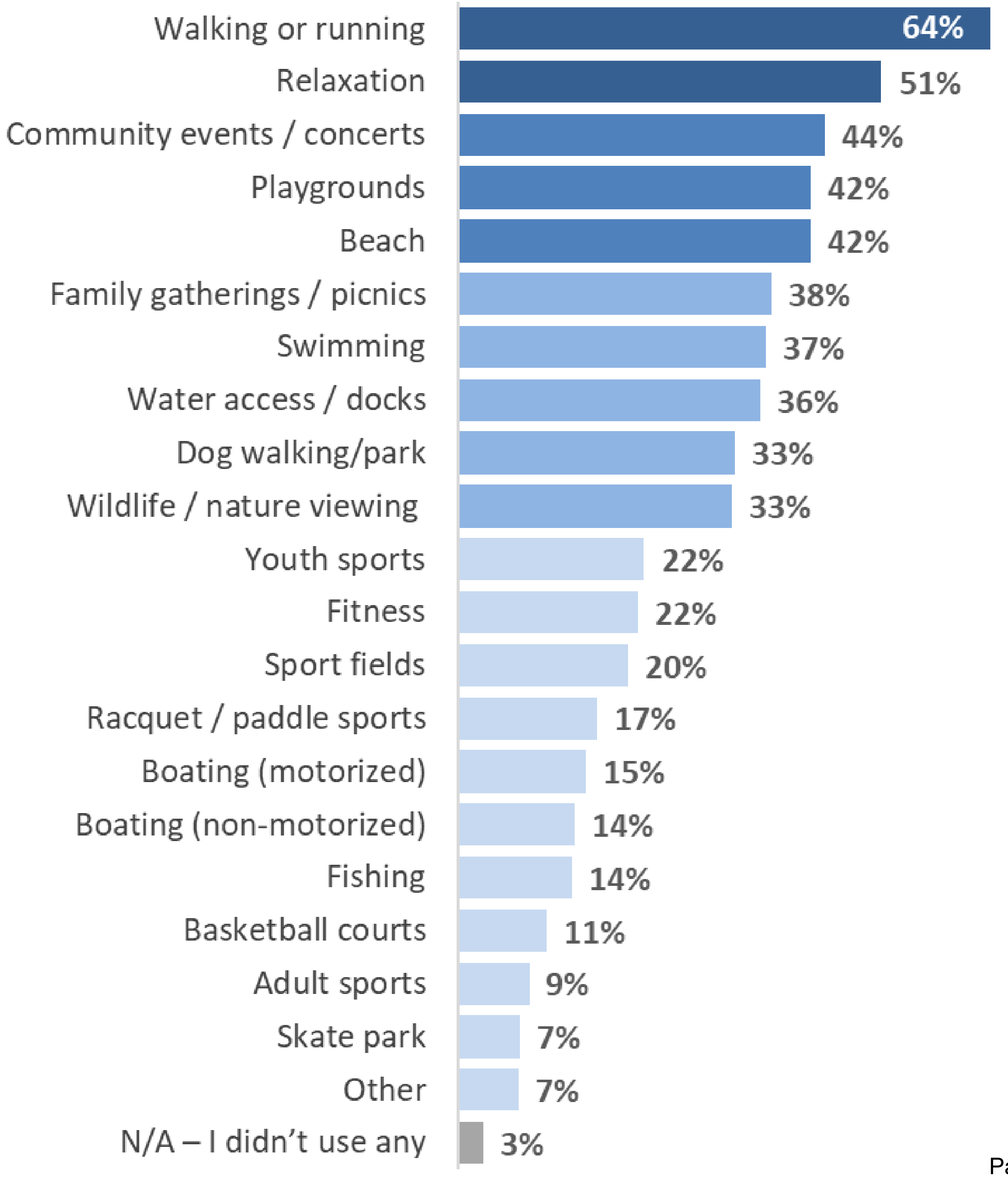


73%

Very or somewhat satisfied with the City's parks or open space.

Survey Highlights

Visitation - Top reasons



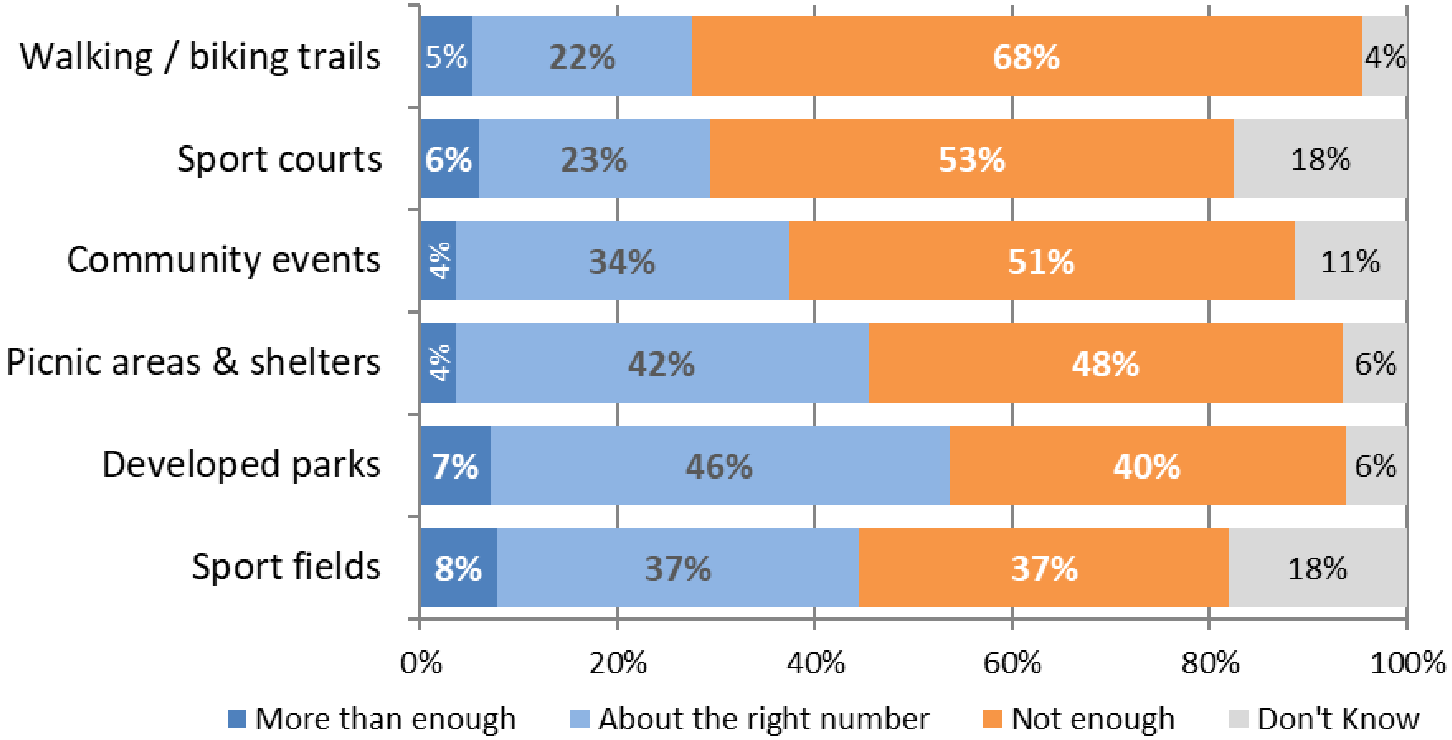
Top Reasons for <u>Not</u> Visiting More

- Do not know what is offered (22%)
- Too far away / Lack transportation (20%)
- Are not well maintained (19%)
- Age or physical limitations (14%)
- Barriers to physical accessibility (11%)

Survey Highlights

Amenity Interests

Strong demand
for trails &
sport courts



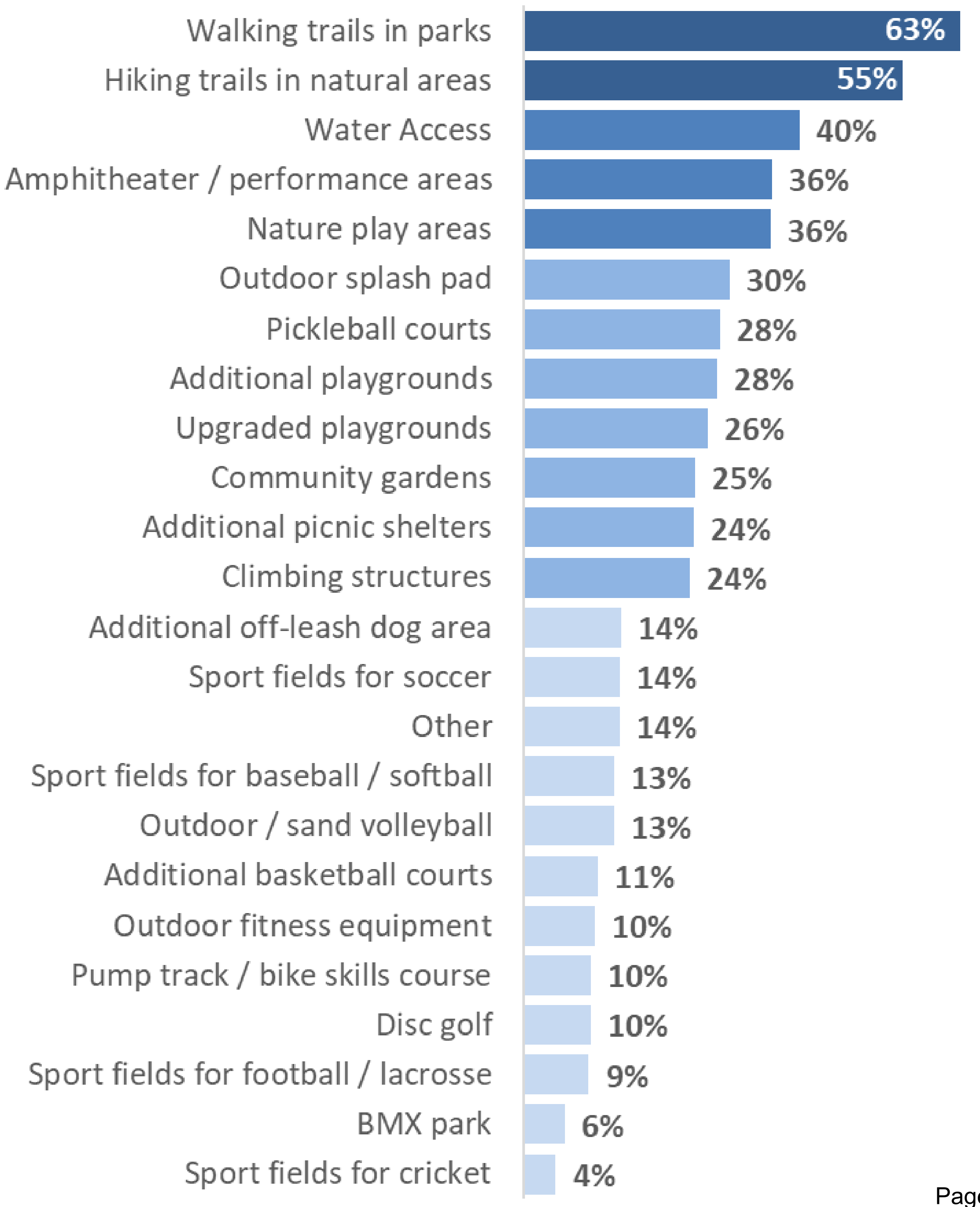
Why leave the City for recreation

- Walking, hiking, and biking trails
- Recreational activities and facilities
- Larger and more diverse playgrounds and parks
- Indoor recreation
- Arts, culture, and community events

Survey Highlights

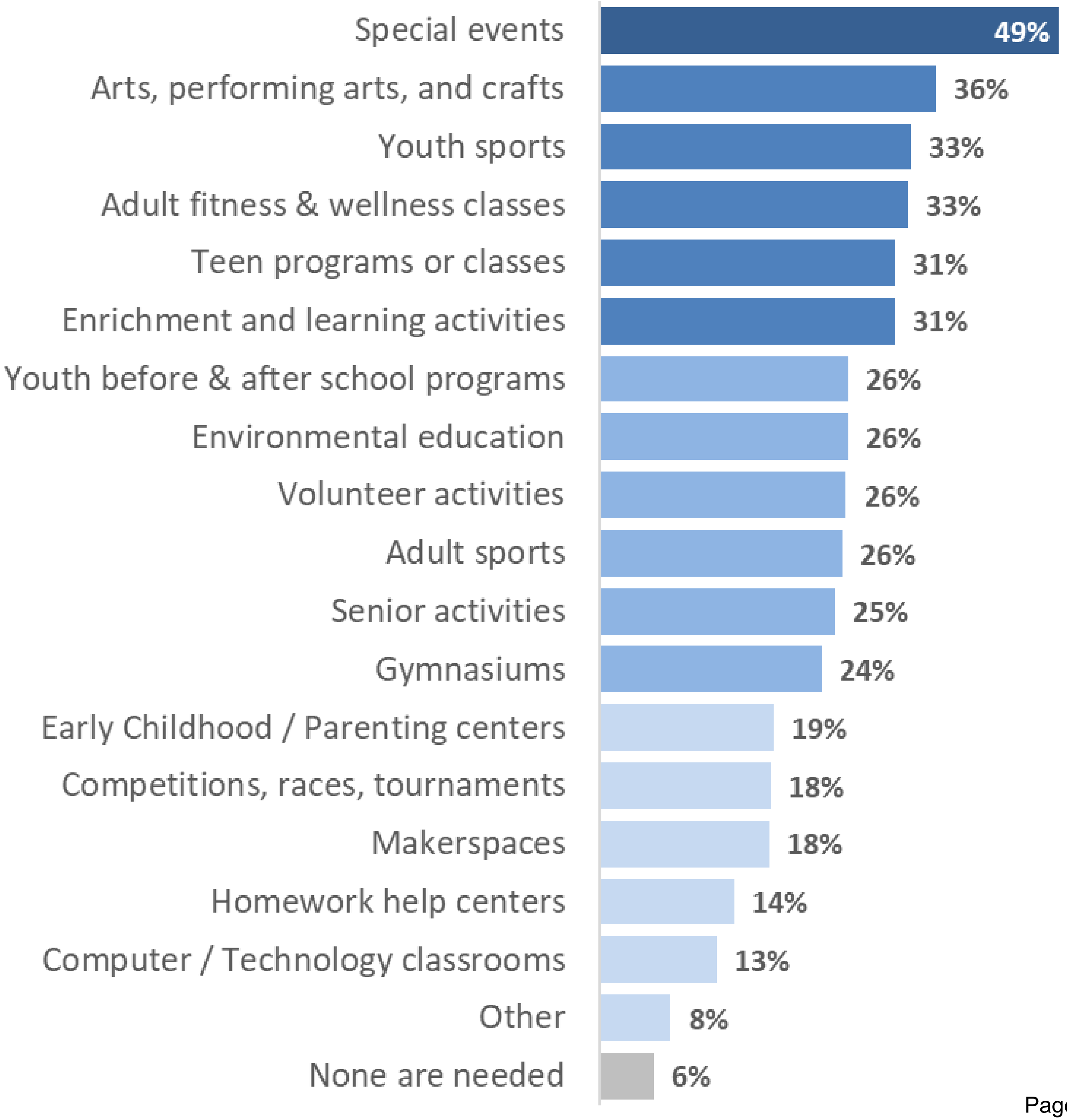
Amenity Interests

Strong interest in trails, water access, group gathering spaces & playgrounds



Survey Highlights

Recreation Interests

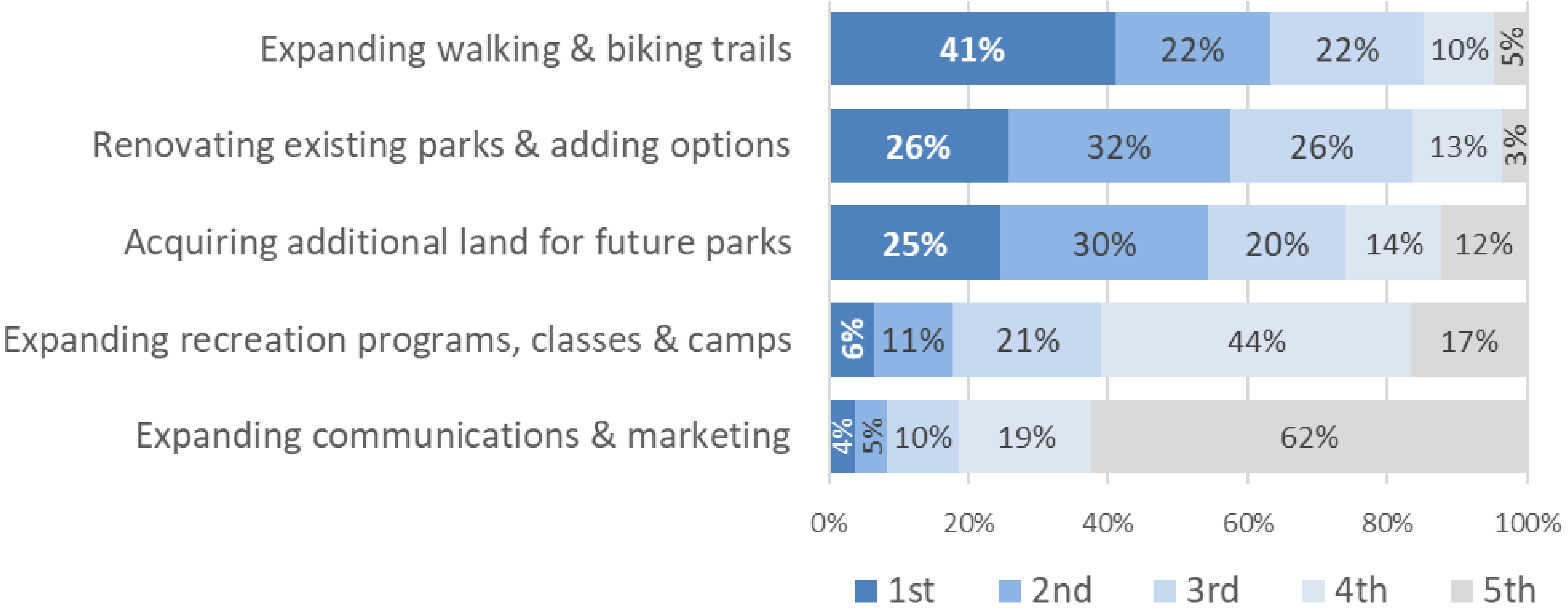


85%

Very or somewhat supportive of developing additional indoor recreation facility space.

Survey Highlights

Investment Priorities



Other Feedback

Take Care of What You Have

- Continue to upgrade existing parks
- Accessibility
- Balance investments in neighborhood parks vs. lakefront parks
- Upkeep & maintenance
- Communications & marketing
- Partner to share facilities & outdoor space

Expand Recreational Opportunities

- Expand trails & connections
- Install addition sport courts for basketball, pickleball, tennis
- Install additional sport fields for all-season play
- Provide more covered spaces
- Provide more access points to the lake

System Analysis

Examining System Gaps

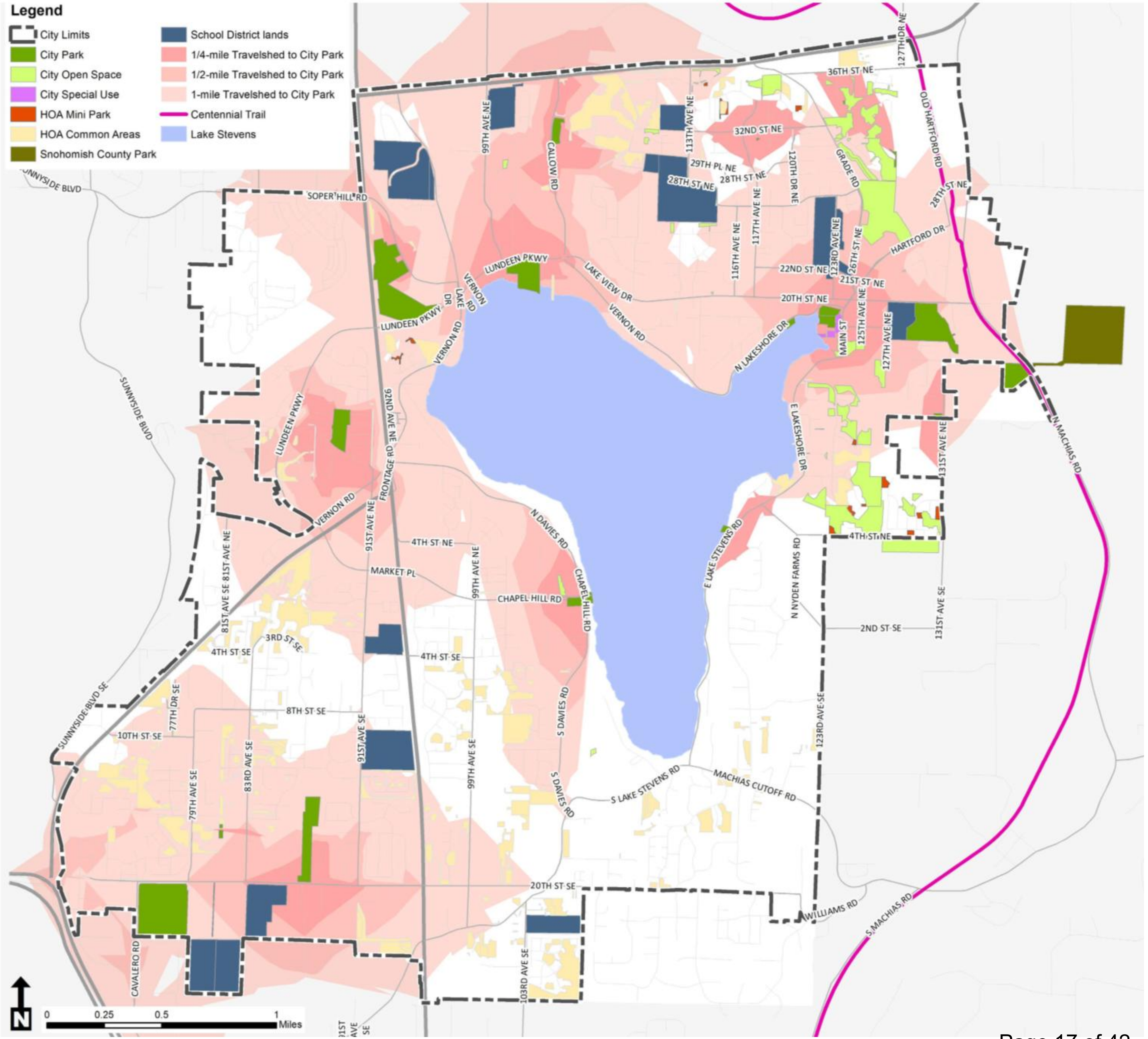
- Park Access & Distribution
- Physical Accessibility
- Diversity of Places & Spaces
- Serving Today's Residents
- Planning for Future Growth

System Analysis

Travelshed Mapping (to ½ mile)

Based on:

- Park entry points (not property edge)
- Travel along road network
- Data segmented by park classification & amenity type



System Analysis

Levels of Service: NRPA Metrics

City services are lower than comparable agencies for

- Sport fields
- Sport courts

Amenities	All Agencies	Similar Size Jurisdictions	Lake Stevens	Lake Stevens (w/ pending parks*)
			Number of People per Amenity	
Playgrounds	3,737	3,320	**6,026**	**5,273**
Diamond Fields	4,749	3,408	**NA**	**NA**
Rectangular Field	5,946	4,002	**NA**	**42,180**
Community Gardens	35,065	27,230	**42,180**	**42,180**
Dog Parks	47,247	26,534	**42,180**	**21,090**
Splash pad/Spray grounds	49,392	29,804	**42,180**	**42,180**
Tennis Courts (outdoor)	6,794	6,284	**NA**	**NA**
Pickleball Courts (outdoor)	10,419	7,333	**NA**	**10,545**
Basketball Courts (outdoor)	8,500	8,000	**14,060**	**10,545**
Disc Golf courses	66,923	32,519	**42,180**	**42,180**
Skate Park	55,772	35,000	**42,180**	**21,090**

* Cavallero & Frontier Parks

meet/exceed median comparables

near median comparables

below median comparables

Next Steps

- Open house #2 (Nov 10th)
- Additional sessions with Board & Council
- Compile draft Plan (late 2025)
- Review & approval (early 2026)

Questions / Comments?

Compensation Study: Non-Represented and Teamsters Positions

City Council Meeting
October 21, 2025

Range Midpoint vs Market Data

On Average - Current Range Midpoint as a Percent of Market Data

Category	Vs 60th
Non-Represented Jobs	95%
Teamsters Jobs	91%

Department	Vs 60th
Administration	97%
Finance	97%
Human Resources	95%
Information Technology	94%
Parks & Recreation	94%
Planning & Community Dev	97%
Police	91%
Public Works	93%

Non-Represented Positions

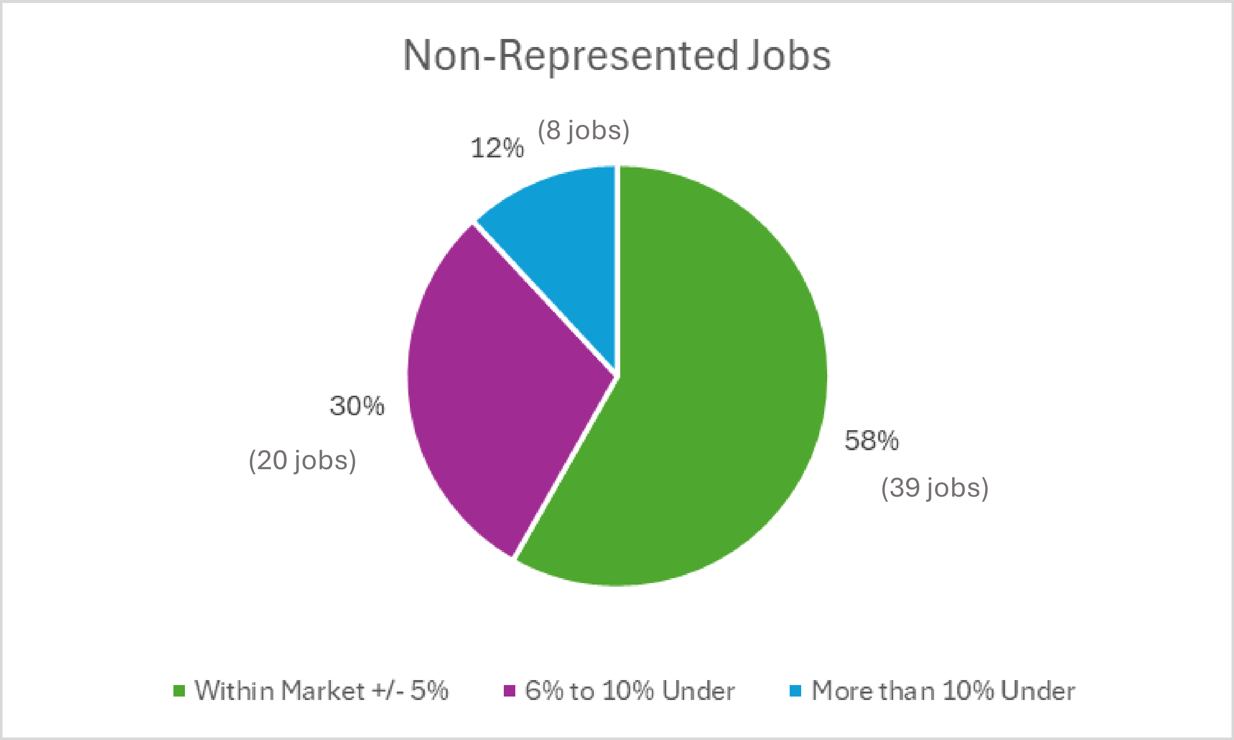
Range Midpoint vs Market Data

On Average - Current Range Midpoint as a Percent of Market Data

Non-Represented Jobs	Vs 60th
All Jobs vs Market	95%

Department	Vs 60th
Administration	97%
Finance	97%
Human Resources	95%
Information Technology	94%
Parks & Recreation	94%
Planning & Community Dev	97%
Police	91%
Public Works	95%

Range Midpoint vs Market Data



Implementation Options

Option 1: COLA Only (2.44%)
- $257,144 with benefits

Option 2: COLA + Job/Grade to 95% of market
- $345,386 (3.4%) with benefits
  - Includes $88,242 for market adjustments

Option 3: COLA + Job/Grade to 100% of market
- $404,979 (4.0%) with benefits
  - Includes $147,835 for market adjustments

Assumptions:
- Market reference set at the 60th percentile
- Job/grade changes for only jobs below 95% of market (16 jobs)
- Step-for-step employee placement

Mayor’s Recommendation

- COLA + Job/Grade to 95% of market
- Brings all non-represented jobs under 95% of market to within 5% of market
- Overall range midpoint for all non-rep jobs vs market will be 99% of market

- Fund allocation: General Fund = 66.7% or $230,372

Executive - 0.2%	Finance - 4.5%	General - 29.2%
HR - 5.3%	IT - 8.8%	Law Enforcement - 14.1%
MSD - 4.6%	Permits - 4.2%	Rental Program - 0.3%
Streets - 11.0%	Surface Water - 17.9%	

Benefit Comparison

Type	Average	Lake Stevens	Notes
Medical/Dental/Vision	98% EE/94% Family	100% EE/90% Family	50% of the cities have the same or offer better split
Holidays	12.4	13	
Vacation	99.6	112	
2025 COLA	4%	3.24%	
	# of Cities		
FSA	9	No	
Longevity	3	Yes	Variable Rates

CITY COUNCIL STAFF REPORT

Agenda Date: 10/21/2025

Subject: 2026 Budget Discussion

Contact Person/Department: Barb Stevens, Brett Gailey, Gene Brazel, Administration

Budget Impact:

Legal Review: No

RECOMMENDATION(S)/ACTION REQUESTED:
Discuss 2026 Budget Information

SUMMARY/BACKGROUND:
In the budget session, we will cover:

- Overview of General fund projections: We'll review the 2025 and 2026 budget outcomes.
  - Updated revenue strategies: We'll discuss current strategies and revisit new methods for generating revenue.
  - Cost allocation projections: We'll present updated cost allocation strategies and the effects on the general funds.
  - Citywide cost reduction efforts: We'll discuss ongoing and planned initiatives to cut operational costs and streamline processes.
- Review the 2026 Proposed Operating & Capital project budgets and forecast.

Due to time constraints, the proposed budget as presented will not include recommendations regarding the salary market survey. Proposed recommendations and effects on the budget will be brought back for consideration.

APPLICABLE CITY POLICIES:

ATTACHMENTS:

1. 2026 Council Budget Presentation 10.21.25 - Mayor's Proposals

One Community Around The Lake

Council Retreat

2026 Budget Discussion

OCTOBER 21, 2025

Today’s Agenda

General Fund Outlook & Review of Mayor’s Proposals

- Revenue Strategies
- Cost Allocations
- Citywide Cost Reductions

2026 Budget Priorities

Public Safety	• Implement Traffic Safety Camera Program
Information Technology	• Safeguard Data • Critical System Support
Maintain Infrastructure & Programs	• Maintain Levels of Service • Encourage Innovative Process Improvement

Revenue Strategies

Resource	Description	2025	2026
Pandemic Recovery (M)	Redistribute expenses to Capital Project Funds		$1,200,000
Property Tax	Redistribution between Street & General		$940,000
Interest Earnings	Sweep Interest from Allowable fund to GG	$115,000	$10,000
Credit Card Fees	Recoup fees – Resolution Passed		$54,000
Technology Fees	Recoup fees – Resolution Passed		$25,000
Utility Tax	Impose Tax on City's Stormwater Utility		$560,000
Sales Tax	Impose Councilmanic Public Safety Sales Tax		$375,000
Permit Reimbursement	*Eliminate Reimbursement for Permit Related Wages*		*($-2,000,000)*
	Subtotal	*6% > Base*	*$1,164,000*

Revenue Strategies

- Utility Tax – Stormwater
  - Absorb the tax internally
  - 10%
  - $560,000 annually
  - Required 60-day Notice

- Public Safety Sales Tax
  - 0.1% sales tax
  - Councilmanic
    - If Imposed April 2026
      - Receipts in June
      - $375,000 in 2026
  - Some challenges

Utility Taxes Imposed by City – Filtered to Snohomish County

Source: AWC 2024 Utility Tax Survey

Organization	Utility tax rate - Natural gas	Utility tax rate - Electricity	Utility tax rate - Telephone	Utility tax rate - Cable TV	Utility tax rate - Garbage	Utility tax rate - Water	Utility tax rate - Sewer	Utility tax rate - Stormwater	Franchise fee amt - Cable TV	Franchise fee amt - Garbage	Franchise fee amt - Water	Franchise fee amt - Sewer	County
City of Gold Bar	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%							Snohomish
City of Arlington	6.00%	6.00%	6.00%	8.00%	8.00%	5.00%	5.00%	5.00%	5.00%				Snohomish
City of Mukilteo	6.00%	6.00%	6.00%	6.00%	6.00%			6.00%	5.00%	7.00%	4.00%	4.00%	Snohomish
City of Snohomish	6.00%	6.00%	6.00%		5.33%	5.33%	5.33%						Snohomish
City of Monroe	6.00%	6.00%	6.00%			10.00%	10.00%		6.00%	6.00%			Snohomish
City of Granite Falls	6.00%	6.00%	6.00%			20.00%	20.00%		5.00%	7.00%			Snohomish
City of Everett	6.00%	6.00%	6.00%	6.00%	6.00%								Snohomish
City of Brier	6.00%	6.00%	6.00%	5.00%		1.00%				3.00%	1.00%		Snohomish
City of Stanwood	6.00%	6.00%	6.00%	3.00%	6.00%	10.70%	6.00%	6.00%					Snohomish
Town of Darrington	6.00%	5.00%	6.00%	6.00%	8.00%	8.00%							Snohomish
Town of Woodway	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%		10.00%	10.00%	Snohomish
City of Lake Stevens	6.00%	6.00%	6.00%		6.00%	6.00%			5.00%				Snohomish
City of Lynnwood	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%					Snohomish
City of Marysville	5.00%	5.00%	6.00%										Snohomish
City of Bothell	6.00%	6.00%	6.00%	8.00%	5.00%	11.15%	6.00%	6.00%					Snohomish
City of Edmonds	6.00%	6.00%	6.00%	6.00%	6.00%	10.00%	10.00%	10.00%					Snohomish
City of Mountlake Terrace	6.00%	6.00%	6.00%	5.00%	10.00%	13.80%	10.00%	10.00%					Snohomish
City of Sultan	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%						Snohomish
City of Index	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Snohomish
City of Mill Creek	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Unkown	Snohomish

Notes:

Some cities were not included in the results of the AWC survey. This occurs if a city fails to fill out the survey or does so late. In these cases, information was gathered from entity websites where readily available. No information was readily available for the Cities of Index and Mill Creek.

The Town of Woodway imposes a 6% utility tax on Sewer and a 10% franchise fee on the sewer utility as well.

The City of Mukilteo does not impose a utility tax on Sewer but does charge a 4% franchise fee on the sewer utility.

Property Tax Overview

AV increased 5.5%

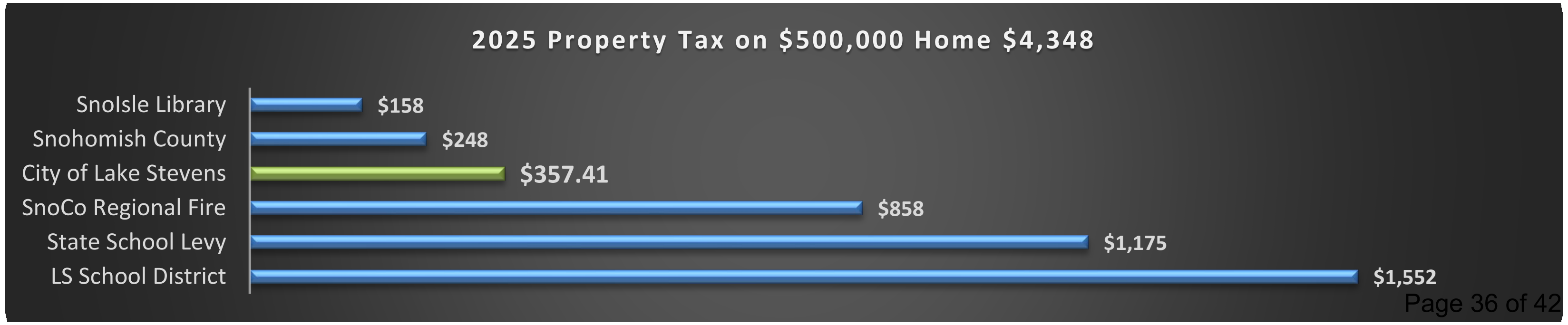
2026 Estimated Levy - $6,740,885
2026 Levy Rate - $0.692

- *Redistributed* Property Tax
  - General Fund Allocation 86%
    - $5,797,000
  - Street Fund Allocation 14%
    - $ 944,000

- Approximately 2.1% Increase Overall
  - 1% Regular Levy increase $32,933
    - Lower of 1% of HLL or PY Levy
  - New Construction $67,925
  - Refunds $38,025

Year	AV	/1000	Levy Rate	City Portion Per $1000 AV
2025	$100,000	100	$0.7148	$71.48
2025	$500,000	500	$0.7148	$357.41
2025	$1,000,000	1000	$0.7148	$714.83
Year	**5.5% AV Increase**	**/1000**	**2026 Levy Rate @ 1%**	**City Portion Per $1000 AV**
2026	$105,500	105.5	$0.6920	$73.00
2026	$527,500	527.5	$0.6920	$365.01
2026	$1,055,000	1055	$0.6920	$730.02

City Portion Variance 2025 v 2026				
Years	**AV**	**/1000**		**Variance Per $1000 AV @ 1%**
2025 v 2026	$5,500	5.5		$1.52
2025 v 2026	$27,500	27.5		$7.60
2025 v 2026	$55,000	55		$15.19



Expense Strategies

Expense	Description	Total	General Fund
Vacant Positions	8 positions & 2 Reclassifications Remain on hold	$700,000	
Redistribute Admin OH	Distribute share of Admin Costs to Permit Funds		$282,000
Community Development	Direct Allocation of Staffing to Permit Fund		$2,252,700
North Cove Project	Remove GF contribution to PD Boat Relocation Project		$54,000
Janitorial	Eliminate 2 positions – Limited contract	$140,000	$112,000
Vehicle Lease Policy	Increase from 5-year standard replacement to 7 years	$51,500	
WCIA Insurance	*Raise Deductible for Property Insurance to $25,000*	*$64,000*	*$43,000*
City Attorney	Limit Use & Meeting Attendance		
VEBA/Vacation Cash Out	Hold Program Initiation	$46,200	
Contribution to Art	No contribution in 2026		$25,000
Tuition Reimbursement	Hold Program in 2026		$10,000
Annexation / UGA	Hold Expenses for 2026		$20,000
	Subtotal	*11% < Base*	*$2,798,700*

Wages & Benefit - Insurance Benefits

Medical/Dental	Employee/Dependents	Estimated Cost for Self	Total	General Fund
Citywide - Current	0% / 10%	$0	$3,600,000	$2,350,000

Medical/Dental	Employee/Dependents	Total	General Fund
Non-Represented	5% / 15%	($124,500)	($63,000)
Teamsters	5% / 15%	($53,000)	($19,800)
Guild	*5% / 15%*	*($96,300)*	*($96,300)*
Estimated Cost for Employee to Insure Self Only		*($1,000*5%)*12 = $600 annually*	

Medical/Dental	Employee/Dependents	Total	General Fund
Non-Represented	10% / 20%	($210,000)	($106,000)
Teamsters	10% / 20%	($88,000)	($33,000)
Guild	10% / 20%	*($160,000)*	*($160,000)*
Estimated Cost for Employee to Insure Self Only		*($1,000*10%)*12 = $1,200 annually*	

Wages & Benefits

HRA/VEBA – Dual Insurance Opt-Out Incentive

Provides incentive to employees to NOT cover dependents under city insurance when they covered elsewhere.

- Reduces potential costs to the city
  - 11 participants
  - Teamsters & Non-Represented

Incentive is based on 50% of “employee only” rate

- 2025 monthly incentive $477.31
- 2026 will increase to $518.85

- Maintain incentive under current %
- Freeze incentive – no increases
- Reduced flat rate incentive

Cost of Living Adjust	Notes	Total	General Fund
Non-Represented	90% CPI-W 2.44%	$240,000	$127,000
Teamsters	Negotiations (Using Non-Rep)	$66,000	$25,600
Guild	Comm: 3.00%; Non-Comm: 2.44%	$168,000	$168,000

2026 Mayor’s Preliminary Budget – All Funds

Fund Name	Beginning Cash Balance	2026 Proposed Revenues	2026 Proposed Expenditures	2026 Proposed Ending Cash Balance	Revenue Over Exp (+)
General Fund (000)	$3,865,732	$22,104,926	$23,470,382	$2,500,277	($1,365,456)
Other General Funds (000)	$15,444,954	$3,150,450	$7,538,577	$11,056,827	($4,388,127)
Special Revenue (100)	$4,228,970	$5,897,845	$6,984,417	$3,142,398	($1,086,572)
Debt Service (200)	$0	$1,873,887	$1,866,287	$7,600	$7,600
Capital Projects (300)	$20,194,599	$7,628,352	$12,297,305	$15,525,646	($4,668,953)
Other Proprietary (400)	$61,419	$1,348,936	$1,340,436	$69,919	$8,500
SWM Funds (400)	$7,765,986	$7,658,826	$10,465,863	$4,958,948	($2,807,037)
Internal Service (500)	$2,037,376	$1,403,150	$1,505,324	$1,935,202	($102,174)
Trust (600)	$34,642	$395,900	$396,961	$33,581	($1,061)
Totals	**$53,633,679**	**$51,462,272**	**$65,865,552**	**$39,230,399**	($14,403,280)

No.	Fund Name	Beginning Cash Balance	2026 Proposed Revenues	2026 Proposed Expenditures	2026 Proposed Ending Cash Balance	Revenue Over Exp (+)
001	General Fund - Operating	$3,865,732	$22,104,926	$23,470,382	$2,500,277	($1,365,456)
002	Reserve Fund	$9,700,006	$1,000,000	$0	$10,700,006	$1,000,000
003	*Permitting - Managerial*	*$1,311,120*	*$1,740,000*	*$2,749,250*	*$301,870*	*($1,009,250)*
004	Pandemic Recovery - Managerial	$4,432,615	$50,000	$4,482,615	$0	($4,432,615)
005	Rentals - Managerial	$1,213	$360,450	$306,712	$54,951	$53,738
000	**General Funds**	**$19,310,687**	**$25,255,376**	**$31,008,959**	**$13,557,104**	**$ (5,753,583)**

2026 Mayor's Preliminary Budget – All Funds

No.	Fund Name	2026 Beginning Cash Balance	2026 Base Revenues	2026 Base Expenditures	2026 Base Ending Cash Balance	Revenue Over Exp (+)
001	General Fund	$3,865,732	$20,744,781	$26,134,340	($1,523,827)	($5,389,559)
002	Reserve Fund	$9,700,006	$900,000	$0	$10,600,006	$900,000
003	Permitting - Managerial	$1,311,120	$1,740,000	$2,281,000	$770,120	($541,000)
004	Pandemic Recovery - Managerial	$4,432,615	$50,000	$4,482,615	$0	($4,432,615)
005	Rentals - Managerial	$1,213	$360,450	$233,455	$128,208	$126,995
000	**General Funds**	**$ 19,310,687**	**$ 23,795,231**	**$ 33,131,410**	**$ 9,974,508**	**$ (9,336,179)**

No.	Fund Name	Beginning Cash Balance	2026 Proposed Revenues	2026 Proposed Expenditures	2026 Proposed Ending Cash Balance	Revenue Over Exp (+)
001	General Fund - Operating	$3,865,732	$22,104,926	$23,470,382	$2,500,277	($1,365,456)
002	Reserve Fund	$9,700,006	$1,000,000	$0	$10,700,006	$1,000,000
003	*Permitting - Managerial*	*$1,311,120*	*$1,740,000*	*$2,749,250*	*$301,870*	*($1,009,250)*
004	Pandemic Recovery - Managerial	$4,432,615	$50,000	$4,482,615	$0	($4,432,615)
005	Rentals - Managerial	$1,213	$360,450	$306,712	$54,951	$53,738
000	**General Funds**	**$19,310,687**	**$25,255,376**	**$31,008,959**	**$13,557,104**	**$ (5,753,583)**

2026 General Fund Forecasted

All numbers are estimates. Numbers for years two through six can change as 2025 continues and the 2026 Budget is developed and discussed. Long-term General Fund forecast often go in a negative fund balance, usually by the third or fourth year. This does not mean the City will run out of money but instead illustrates the path the City could realize if no adjustments are made during the first two years.

Adjustments to the forecast model have been made to illustrate cost savings measures as implemented citywide in 2025.