

**Town of Coupeville  
Regular Council Meeting  
Tuesday, May 13, 2008  
6:30 p.m.**

**PRESENT: Mayor Nancy Conard, Councilmembers Dianne Binder, Bob Clay, Molly Hughes, and Jim Phay.**

A motion was made by Councilmember Clay, second by Councilmember Phay, to excuse Councilmember Ann Dannhauer. The motion passed 4-0.

**STAFF PRESENT:** Public Works Director Malcolm Bishop, Town Marshal Dave Penrod, Clerk-Treasurer Judy Thomas

Mayor Conard welcomed members of Boy Scout Troop #4065 who are working on their 'Citizenship in the Community' badge, accompanied by BSA Chair Rod Grant. Boy Scout Conner Craig introduced Nathan Comb, Jared Dickson, Anthony Itotani, Daniel Saunders, and Kyle Kendall and explained some of the other requirements to earn the badge.

Mayor Conard asked that one item be added to the agenda to approve the contract with Hokkaido Drilling, Inc. for Well 1-07, as complete and authorize release of retainage.

**APPROVAL OF MINUTES**

The minutes of the regular meeting of April 22, 2008 were approved as submitted.

**MAYOR'S REPORT**

- Mayor Conard reminded Council that Saturday, May 17th is the Penn Cove Water Festival with the Town Council hosting the dinner for the participants at the Town Park.
- Mitigation committee has completed the task of developing a marketing plan and it has been submitted to CTED (Community Trade and Economic Development). CTED will return the contract. The first \$5,000 (of the \$25,000) will need to be spent by June 30th.
- Representatives from the Washington State Ferries provided training to local businesses on how to use the new reservation system that will begin on May 19th for the Keystone/Port Townsend ferry run.
- She met with organizers of the Whidbey marathon today, and they discussed the possibility of bringing the marathon back to Coupeville; and she'd explained that we are interested in doing what we can to see that happen.
- She noted that the workshop with Ebey's Reserve is scheduled for Thursday, May 15th at the Rec Hall. Owners of historic homes have been invited to attend the workshop. Reserve Manager Mark Preiss and she will discuss how homes got on the national historic register; an historic architect will make a presentation on design guidelines; and Larry Kwarsick will talk about the Town Code, demolition, tax incentives that are available, and how we can help the owners of these properties.

- We received five RFP's (request for proposal) for the reclaimed water use feasibility study and have narrowed it to three firms who will be interviewed later this month.
- We had some great candidates for the deputy marshal position and have made an offer of employment. We are hoping to get him enrolled in the June Police Academy.
- Monday, the Island County Board of Commissioners approved the contract with the Town of Coupeville, allowing us to contract with WSU to provide support services to implement our climate protection and sustainability plan.
- There is a small committee working to pool their resources to replace the fading sailing ship sign at the entrance to Coupeville on Highway 20.
- She followed up on the question raised by Councilmember Hughes at the last meeting about sale of the Library, and explained that the documents will be negotiated after the successful bond election.
- Marshal Penrod has been working with Island County and the State Patrol on speed emphasis, and some of our officers have been working on this program, primarily on the north end of the island. Our officers have been doing this on their off-time and will be compensated through a state grant.
- Mark Preiss, Larry Kwarsick and she have been talking about taking the next step on the design guidelines that was prepared last year. They propose that a committee be formed that is made up of three members of the Design Review Board, one member from the Planning Commission, and one member of the Town Council, and ad hoc representation from Ebey's Reserve to work through the guidelines so that we have something that we can take to the public. Larry Kwarsick has suggested we include the tree ordinance when discussing design standards on public or private property. She asked for volunteers and Councilmembers Binder and Clay offered to serve on this committee.
- Since the last Council meeting she attended the COG (Council of Governments) meeting and they primarily talked about the use of rural county funds for the Freeland sewer project; she attended a RTPO meeting; heard from the Department of Transportation about projects on the island; attended a meeting of the Sno-Isle Libraries which they approved the same agreement the Town had approved at its last meeting; attended the Beachwatchers graduation; and issued a proclamation on the day of prayer.
- On May 5th attended a meeting of the Island County Climate Change Coalition with a nice presentation by the director of NW Clean Air, Mark Asmundson, who was previously the mayor of Bellingham.
- She attended the CWCC meeting on May 8th and gave the state of the Town address.

### **AUDIENCE INPUT**

Gordon Burton, Coupeville, asked if the Town has an emergency preparedness plan. Mayor Conard responded that yes, we have an emergency preparedness plan, although it is in the process of being updated.

**NEW BUSINESS**

**Cancel the regular Council Meeting of June 10, 2008 and schedule a Town Meeting at the Rec Hall**

Mayor Conard explained that all Councilmembers had confirmed that they would be available to attend a Town meeting, instead of the regular meeting on June 10th, and the topics will be discussed later in this meeting.

Council Action: A motion was made by Clay, second by Councilmember Hughes, to cancel the regular Council meeting of June 10, 2008 and schedule a Town Meeting on the same day and time at the Rec Hall. The motion passed 4-0.

**Approval of special event permit application from CHWA for the 2008 Wharf Fest on June 28-29, 2008 -Staff recommends approval of the special event permit application.**

Council Action: A motion was made by Hughes, second by Councilmember Binder, to approve the Special Event Permit Application for the Wharf Festival on June 28-29, 2008. The motion passed 4-0.

**Approve appointments to Island County Joint Tourism Board - Mayor recommends confirming the appointments of Marshall Bronson, Dianne Binder and Don Piercy to the Island County Joint Tourism Board**

Mayor Conard explained that previously the Council had confirmed the appointment of Marshall Bronson, as the Town Council representative and Dianne Binder to serve as the lodging industry representative, and she suggested they switch those positions as a result of the last election; and Dianne Binder serve as the Council representative. Also, the CWCC has asked Don Piercy be appointed as the CWCC representative.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to confirm the appointments Marshall Bronson, Dianne Binder and Don Piercy to the Island County Joint Tourism Board. The motion passed 4-0.

**Approve agreement with Ebey's Landing National Historical Reserve Trust Board for Cultural, Recreational and Educational Services - Mayor recommends approving the agreement for cultural, recreational and educational services with Ebey's Landing National Historical Reserve Trust Board.**

Mayor Conard explained that the 2008 budget includes allocations to Ebey's Reserve for their 30th anniversary celebration and for conducting workshops for owners of historic properties in Coupeville. This agreement provides the formal authorization and approval of the payment of these funds. These funds will help pay for some of the speakers for the educational workshops.

Council Action: A motion was made by Councilmember Hughes, second by Councilmember Binder, to approve the agreement with Ebey's Landing National Historical Reserve Trust Board for Cultural, Recreational, and Educational Services. The motion passed 4-0.

**Approve the contract with Hokkaido Drilling, Inc. for Well 1-07 as complete and authorize release of retainage**

**Mayor Conard explained that this project is complete and needs Council approval to authorize it as such; then Ms. Thomas can submit the necessary paperwork to the State to ensure all taxes have been paid so the Town can release the retainage.**

**Mr. Bishop noted that Well 1-07 tested at 310 gallons per minute; our highest producing well to date.**

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to approve the contract with Hokkaido Drilling, Inc. for Well 1-07, as complete and authorize the release of retainage. The motion passed 4-0.

Mayor Conard called for a short recess at 7:10 p.m. and reconvened at 7:21 p.m.

## **DISCUSSION**

### **2007 Annual Operations Report / State of the Town**

Mayor Conard explained that the annual report includes a cover letter that highlights the year. She discussed the property tax history from 1999 to 2007 and noted the 38% increase in assessed value (A.V.) from 2006 to 2007; and as the A.V. increases, the mil rate goes down. She discussed the sales & use tax showing a steady increase but the primary reason is the construction that has occurred in Coupeville. That will not continue as development slows down. We received a 28% increase in hotel motel tax from 2006 to 2007, indicating the trend is up. She discussed page 19, and the building permit activity from 2002 through 2007. Page 23 shows the inventory of parks, which increase by 2 acres in open space, for a total of almost 30 acres of parks in Town. Next year we will begin adding capital projects to the report.

She provided a handout that showed the major sources of revenue which are sales tax, property tax and utility tax. From 2000 to 2003 the sales tax numbers were significantly lower. She explained that the nominal increase in property tax does not cover CPI (consumer price index) increases in employee salaries and benefits.

She discussed sales tax revenue based on industry type and in relation to other cities on Whidbey Island and found that Coupeville and Langley were comparable. She reviewed the sales tax revenue for business that had been open continuously over the past four years, up to December 31, 2007; and observed the trend is that more than half of the businesses are up. She tried to find out what the impact was on the businesses due to the lack of car ferry service, so she did a four-month comparison on several businesses, which showed a 4.87% increase in 2008. This is only a

trend but this would not indicate that we are in a slide, just a beginning trend but need more information.

Councilmember Hughes found the information very interesting and suggested that the state of the town be an annual meeting topic.

### **Topics for Town Meeting - June 10, 2008**

**Mayor Conard discussed a workshop format that was done by the school district with several tables set up around the room; and each table would have a different topic to be discussed with a council member; and in some cases a staff person. She asked for suggestions from Council on topics to be discussed and the following topics were decided upon:**

- **Mayor Conard will have an open table for citizens to discuss issues they are interested in.**
- **Parks, Open Space and Trails**
- **Town Website and Channel 10**
- **The two waterfront lots and the Johnson Building**

Other suggestions for consideration were:

- Restrooms in downtown
- Ideas for future town meetings – educational and informational meetings
- The NET (Neighborhood Emergency Team) would like a table with displays for collecting information.
- Affordable housing was a suggestion and it was suggested that Donna Keeler (representative for the affordable housing in Island County) could do a presentation at a Council meeting.
- Low impact development – now with WSU contract, we could have some educational workshops.
- Design Review Board guidelines for the committee
- Street Lights and where they should be located.

Mayor Conard explained that the Town meeting would probably last about two hours, starting at 6:30 p.m.

Mayor Conard discussed having a similar meeting of the downtown businesses with a similar format; with Councilmembers at each table.

**EXECUTIVE SESSION**

Mayor Conard called for executive session to discuss potential property acquisition for about 15 minutes. Mayor Conard, Councilmembers Binder, Clay, Hughes and Phay recessed to executive session at 8:40 p.m. and reconvened to regular session at 9:10 p.m. No action was taken.

**ADJOURNMENT – 9:10 p.m.**

Respectfully Submitted:

MAYOR:

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Judy A. Thomas, Clerk Treasurer

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Nancy Conard, Mayor