

**Town of Coupeville
Regular Council Meeting
Tuesday, November 25, 2008
6:30 p.m.**

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

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

APPROVAL OF MINUTES

The minutes of the Regular Meeting of October 28, 2008 were approved, as submitted. The minutes of the Council Workshop of October 29 (and continued on November 2, 2008) were approved, with the following two clarifications: 1) Page one, last paragraph, last sentence should read, Council discussed ~~and made no further changes to what was proposed and the preliminary budget for 2009, Funds 101 through Fund 631, and added the following items:~~

<u>Fund 105</u>	<u>Municipal Parking Lot Improvements</u>	<u>\$ 20,000</u>
<u>Fund 105</u>	<u>Remodel Existing Restrooms</u>	<u>\$ 60,000</u>

2) Page two, Proposed 2009 Fee Schedule, adding the last paragraph, to read, Schedule C - Page 2 of 3, bottom right cell in table was corrected to read: “\$18,827.00 for the first ~~\$1,000,000.00~~ \$5,000,000.00 plus \$1.00 for each additional \$1,000.00 or fraction thereof. The minutes were approved as amended.

MAYOR’S REPORT

- Town Engineer Ryan Goodman is preparing performance specifications for the demolition of the Johnson Building. The fuel tank is under the building and we will deal with that once the building is gone.
- Val Hillers has received price quotes for the equipment in the Rec Hall kitchen and she will be asking the Lion’s Club for help with that project.
- Regarding improvements to the municipal parking lot, representatives from the Council, Parks and Recreation Commission, Farmer’s Market, Festival Association and the Library will meet to discuss parking lot design to increase parking and incorporate Low Impact Development (LID) techniques.
- She and Larry Kwarsick will meet with Bob Clay and Ann Dannhauer to discuss the tree ordinance and will give an update at the December 9th meeting.
- She attended a LID summit meeting today at the Whidbey Island Conservation District, along with representatives from the county and other interested parties.
- Tomorrow, November 26th, is the Council of Governments meeting. State Senator Mary Margaret Haugen and State Representative Barbara Bailey will be at the meeting to discuss legislative challenges for 2009.
- Cathy d’Almeida will give an update on the Climate Protection and Sustainability Project at the December 9, 2008 Council meeting.
- There was a good turnout for the public meetings with farmers and community regarding the reclaimed water feasibility study at the Rec Hall on Thursday, Nov 11th. This was the first of several public meetings.

- She met with Neighborhood Emergency Team (NET) Chair Eve Parrish and they are working on a mock emergency shelter drill. Several NET members recently attended shelter management training.
- Tomorrow, November 26th, she will attend the RTPO meeting.
- December 1st, the Island County Climate Control Coalition will meet to discuss finalizing a more formal structure for their organization.
- November 13th was the first, of four films, in the Sustainable Living Series by Dr. David Suzuki, presented at the Coupeville Wharf. About 30 people attended and the program was very interesting.
- Councilmember Dannhauer asked about the status on the use of the room on the lower level of Millie Fonda's building on Front Street for residential use. Mayor Conard explained that Larry Kwarsick is working to provide a compelling argument to the Department of Ecology (DOE) regarding mixed use for existing buildings; allowing the mixed uses with street level staying at commercial use. DOE is almost done with their final review, and then it will come back to Council.

AUDIENCE INPUT

Frank Tippets, 206 South Main, Coupeville, paid his respects to the Town Council. It has been five years since he left the Council and was looking forward to attending future meetings.

Jerome Rosen, Coupeville, explained that he is not a regular attendee at council meetings but he's observed a 4-1 split on the council; and he did not feel enough attention was given to Councilmember Dannhauer's comments or suggestions. Councilmember Hughes responded that council needed supporting information prior to taking action on an issue. Mayor Conard added that many of these items are also being discussed at council workshops. Councilmember Binder added that the council has put together some council procedures that will help all council members.

Gary Piazzon, Coupeville, applauded the town for co-sponsoring the David Suzuki film series. The presentation was very engaging with first rate discussions; very productive networking. Interconnectedness is a wider appreciation for LID. He thanked council for getting started on the tree ordinance; and felt that if an ordinance was in place it would include a tree replacement plan, when trees have to be cut down.

PRESENTATIONS

Coupeville Farmers Market Report for 2008

Peg Tennant, Coupeville Farmers Market Manager, thanked the Town of Coupeville for their support and no one has the kind of support that this community gives. She discussed revenues for 2008, which increased 30% from last year. They had seven or eight new vendors and a total of 24 growers and producers; and more school groups. The average vendor count was 32. The growing crops were not optimal because of the late growing season. She added that any market food excess goes to the Coupeville food bank. The last day of the market was the fund raising relay which made \$5,500 for the food bank. The Coupeville Farmers Market received a \$5,900 grant from Washington State Department of Agriculture to be used for market enhancement; and getting the word out about what they have at the market. She has received lots of positive comments, and it is commonly referred to in the community as "Our Market." Mayor Conard was pleased with the increase in available produce and it is a great social venue; and suggested we need to consider the town square feeling, with the development of the municipal parking lot.

PUBLIC HEARING

2009 Revenue Sources – 2009 Property Tax – 2009 Budget – *Staff recommends a motion to adopt Ordinance No. 674 – 2009 User Fees; Ordinance No. 675 – 2009 Property Tax Collection; Ordinance No. 676 – the 2009 Budget & Salary Schedule*

Mayor Conard explained the process for the public hearing which will be for all three ordinances. The budget process began in August with adoption of policies and she read the 2009 Budget message on page 1 of the 2009 Preliminary Budget. She gave the highlights of the 2009 Budget beginning with the General Fund, Street Fund, Capital Improvement Fund, Park Impact Fees Fund, Utility Capital Improvement Funds, and the Utility Fund. She noted that after further review of the fee schedule, Council has decided not to increase the Rec Hall fees. The sales tax revenue has been high in the past but has slowed down considerably. The Town is in the same situation as most other entities, but are weathering the situation for 2009 due to conservative budgeting methods. There are three ordinances being considered and the only one that must be adopted this evening is the tax levy ordinance, which must be submitted to Island County before December 1st.

Mayor Conard declared the public hearing open at 7:38 p.m. She noted that we received one letter from Will Jones expressing his concerns and copies of that have been provided to all members of the Town Council.

Gary Piazzon, Coupeville, asked about the restroom improvements. Mayor Conard explained that the improvements have been discussed by the Town Council and the Parks and Rec Commission is to install more efficient fixtures i.e., toilets, hand dryers and sinks; and lower maintenance interiors, in the restrooms at Captain Coupe Park and the Town Park.

Jerome Rosen, Coupeville, explained that Will Jones had asked him to read his letter at the public hearing on the budget. He asked about the property tax increase and does not know of any community that would increase the property tax by 1%. Mayor Conard and several Councilmembers responded that most municipalities in the state are increasing the property tax by 1%. Mr. Rosen stated that if the budget is managed so well, then it sends the wrong message to the people by increasing taxes. Houses are not selling and as a public relations thing it is a mistake. He read comments from Will Jones letter opposing the property tax increase and administrative transfer for the utility fund. He read comments from Roxallanne Medley discussing the high cost of water and sewer utilities in Coupeville.

There was no more public comment and Mayor Conard declared the public hearing closed at 7:46 p.m.

Mayor Conard called for a short recess at 7:46 p.m. and reconvened the meeting at 7:54 p.m.

Council Action: A motion was made by Councilmember Binder, second by Councilmember Hughes, to approve Ordinance No. 674 setting various user fees and charges for 2009 for permits, services and procedures administered by the Town staff.

Council Discussion: Councilmember Binder commented that the fees are fairly set.

Councilmember Clay agreed and added that we are trying to realistically reflect the amount of time staff spends to process permits and other services. The motion passed 5-0.

ORDINANCE NO. 674

An Ordinance of the Town of Coupeville, Washington, setting various user fees and charges for 2009 for permits, services, and procedures administered by the Town staff.

Council Action: A motion was made by Councilmember Hughes, second by Councilmember Clay, to approve Ordinance No. 675 setting the property tax levy for 2009.

Council Discussion: Councilmember Hughes explained that 1% is the maximum increase that is lawfully allowed; and she is comfortable that the 1% increase as it is not burdensome.

Councilmember Clay agreed with Councilmember Hughes and noted that the increase is barely \$3.00 per household, it is not a significant amount; and it does not even cover the employee medical expense increases for the next year. Councilmember Phay noted the cost to repair the broken sidewalk in front of the Post Office was \$3,700, and the \$3,100 tax increase doesn't go very far. Councilmember Dannhauer added that we may need the revenue as construction revenue decreases; property tax is not a progressive tax but more residency increasing fees, and we don't have an income tax. The motion passed 5-0.

ORDINANCE NO. 675

An Ordinance of the Town of Coupeville, Washington, setting the property tax levy for 2009 at the amount of \$325,307, which is an increase of 1% more than the 2008 levy.

Mayor Conard noted that the best thing you can do to boost the local economy is to shop locally, in Coupeville.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to approve Ordinance No. 676, adopting the Operating Budget and Salary Schedule for the fiscal year ending December 31, 2009, and appropriating the total expenditures for each of the Town's separate funds.

Council Discussion: Councilmember Clay noted that Council met in workshop and the Mayor went line by line through the entire budget. We are fortunate that we have been prudent in the past and in this budget. The projects that are in the budget, we have planned for and saved for those projects.

Councilmember Dannhauer made a motion to defer the vote on the motion so citizen input could receive due consideration; also to wait for the auditor's opinion on the past budget, and she would like to see the calculations on the time studies for the transfers.

Council Discussion on Councilmember Dannhauer's motion: Councilmember Clay explained that we just had a public hearing and two workshops; all which were advertised and there was only comment given tonight. Councilmember Dannhauer responded that she would like more time to think about the input that was given tonight. Mayor Conard explained that it is unlikely the process for the admin transfer will change or that we will have met with the auditor in the next two weeks. Councilmember Dannhauer explained that she would also like to see a copy of the letter (dated August 4, 2006) that was mentioned in the 2005 audit report. Mayor Conard had not received the email from Councilmember Dannhauer, but said she would get it for her in the morning; and she noted that the town has never received a finding on the administrative transfer. There was no second and the motion failed.

Councilmember Hughes explained that regarding the public input that was received, had been received before tonight; this was not new input that we have not already discussed.

Councilmember Binder added that we have gone through the budget and did not see a reason to

postpone the vote. Councilmember Clay explained that every year that he has been on the council, he has heard these same comments from Will Jones on the admin transfer; and every auditor reviews and approves the process for the admin transfer; he does not see why this continues to be an issue.

The motion passed 4-1 (Dannhauer).

ORDINANCE NO. 676

An Ordinance of the Town of Coupeville, Washington, adopting the operating budget and salary schedule for the fiscal year ending December 31, 2009, and appropriating the total expenditures for each of the Town's separate funds.

NEW BUSINESS

Approval of November Claims and October Payroll Vouchers - *Staff recommends approval of approve November 25, 2008 claims vouchers/warrants #21354 through #21441 for a total of \$136,047.38; and October payroll warrants #12182 through #12222 for a total of \$93,192.17.*

Several questions were asked and answered by Council with no changes to what was submitted.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Binder, to approve the November 25, 2008 claims vouchers/warrants #21354 through #21441 for a total of \$136,047.38; and October payroll warrants #12182 through #12222 for a total of \$93,192.17. The motion passed 5-0.

STAFF REPORTS

Clerk Treasurer Judy Thomas included a written report and offered to answer questions. Ms. Thomas responded to Councilmember Clay's question about the sales tax report, that it is noted on the report for which period the funds were received by the state and we usually receive the full report two to three months after we receive the revenue. *(After this meeting, Ms. Thomas found that the revenue is received and reported approximately two months prior, i.e. Sales & Use tax received on October 29, 2008 is for the reporting month of August 2008.)*

Marshal Penrod provided an updated police report and explained that Deputy Jim Covert was diagnosed with cancer; he is at home recovering from his surgery and it is unknown how long he will be out of work, but his spirits are up. Deputy Kuschnerreit is doing very well at the academy and is at the top of his class; and is eager to get to work. With one officer out, the other two officers have been very cooperative in dealing with the work schedule. Cub Scout Troop 4058 donated teddy bears for the police to give to children who have been traumatized; part of 'kids helping kids.' He has been working with Carol Thrailkill on the Christmas Parade on December 6th. He discussed the complaint summary on his written report and offered to answer any questions. Mayor Conard commended him on improving the report.

Public Works Director Malcolm Bishop noted that construction has slowed down. Every five years we have to renew our National Pollution and Discharge Elimination System (NPDES) permit for our wastewater discharge and he is working to get that in by December 31, 2008. He is working to update the street maps, to include all streets that have been paved in the last couple years; updating the sign inventory; and putting together mapping for water meters and updating standard specifications. He noted that the generator at the Front Street Lift Station will come on automatically, if we have a power outage. At the last meeting he noted that we are getting underway with the telemetry specifications. Ryan Goodman is working on the specs for Well 1-90 Rehab.

Councilmember Clay added that he has heard a lot of really good comments on how good the town looks with landscaping and paving of streets. Mr. Bishop thanked him and responded that we have a really good team.

COUNCIL REPORTS

Councilmember Hughes agreed with Mayor Conard's comments on the Ebey's Forever Conference and that we had a good turnout and attendees were pleased with the quality of the program, the speakers, the workshops and the field trips. The Ebey's Trust Board was very appreciative that the Town was one of their biggest supporters for the event. She thanked Mayor Conard for the good Veteran's Day Memorial ceremony that was held at the Veteran's memorial, which she does every year. She noted that the reclaimed water community meeting was very informative. The food bank is ready to distribute food donations to 122 families; 300 bags of food. Windermere is giving the food bank \$1,000 and 95 donated dinners (\$25 each) have been paid for through Prairie Center. She explained about the Food Bank's Christmas card donation program.

Councilmember Binder enjoyed the Ebey's Forever Conference and felt it was a real shot in the arm for our historic homes in the Reserve. She attended the NLC Conference, which was budgeted in the 2008 Budget (approved in November 2007). She provided a very informative report and commented on the workshops she attended, as follows: 'Home is where the heart is: Housing in Orlando'; 'Green Works Orlando: Revolutionizing the treatment of wastewater'; 'Growing Green Cities – best practices; Growing Green Cities – Star Community Index; Growing Green Cities – the Triple Bottom Line and Green Accounting. The following are the general sessions she attended: 'The Future of our Hometowns and Our Nation'; a presentation by Thomas Friedman, author of "Hot, Flat and Crowded". She attended the Small Cities Council session and joined the membership of the Small Cities Council. The entire conference was green and there were no handouts; all handouts were recorded on memory sticks for attendees who wanted the information. A complete copy of her report is available from the Clerk-Treasurer. She reported that the Tourism Committee has provided a tourism video to be played on some of the Washington State Ferry runs in Seattle, Bremerton and Anacortes; the 12-minute video has two 30-second ads promoting tourism in Island County.

Councilmember Phay commented that while he was on vacation in southern California he met some people from the east coast who had been to Whidbey Island, and loved it. He noted that we are doing something right to hear those kinds of comments.

Councilmember Clay thanked Councilmember Binder for the great report. He also attended the NLC Conference. The purpose of this conference was to provide leadership training to meet the needs of our home towns. There were people from all the big cities and many of the smaller cities; leaders came to share information on effective interaction with other governmental agencies i.e. county, state and federal. He spoke about many of the workshops he attended which included discussions on climate change, emergency preparedness, transportation funding, and many more. He attended five mobile workshops, with Orlando showing off what they have done. Downtown Orlando used to be very small community until Disney came in and began buying and developing it in the 1960's. Coupeville faces some of the same challenges because it draws tourists. Orlando has six protected historic districts. They have one of the largest water reclamation programs that cover thousands of acres; irrigating crops with reclaimed water has been a joint effort with the city of Orlando and Orange County; and he explained how the whole process works. The last session he attended focused on 'why we should be concerned about oil

supplies.’ There will be another opportunity to attend a NLC Conference in Portland, Oregon, in April of 2009; which will focus on ‘Green Cities.’

He attended the Ebey’s Forever Conference and was very impressed with all that was included in the conference; Mark Preiss has set a very high plateau for future conferences. The Island Transit Board met to adopt its budget for 2009, for 26 million and there were no public comments or attendees at the public meetings, except the media. Island Transit is concerned about their budget in the next year, and future years, mostly due to the high cost of the rolling stock and building a facility. They have tried to budget as close to actual as possible and will review it line by line in April to make sure they’re not in trouble. Ridership is up 16% over the past year. He added that it has been a pleasure to serve on this board. He responded to Councilmember Hughes question about charging for service, that the trend has been that when fares are charged ridership drops drastically.

Councilmember Dannhauer attended the state auditor entrance meeting with Mayor Conard and Councilmember Binder. She attended the Ebey’s Forever Conference on November 7th and 8th; and some of the lectures and field trips. There was a program visualizing how new structures would look in town, using current zoning and they showed several examples, i.e. the municipal parking lot, library and the area where the Johnson Building is located. She explained that the Parks and Rec Commission met and has two new members, Lisa Barnhart and Margaret Storer. Some of the issues discussed were the restrooms improvements, the Rec Hall kitchen, and trail mapping is still underway, the municipal parking lot, and the commemorative fund. The Library Board has been working with Lewis Architects and Stig Carlson on different designs for the interior and exterior of the library building; then they will meet with the Design Review Board, then there will be a public meeting on December 18th; then the Library Board may be asking the Town for a boundary line adjustment for more space for the expansion. Mayor Conard added Councilmember Dannhauer and some other members of the Parks and Rec Commission have been working on a map of all the trails and open space areas that will be available to the public. The map will include the mileage of the trails.

Mayor Conard received consensus from Council that they would like the council procedures resolution on the agenda for the next council meeting. Council agreed on a date for a council workshop on January 16, 2009, at 3:00 p.m.; which will be included on the December 9th agenda. Some of the topics will include an update on the design review process; Ebey’s work plan and a more complete report on the Ebey’s Forever Conference.

ADJOURNMENT: 10:07 p.m.

Respectfully Submitted:

MAYOR:

Judy A. Thomas, Clerk Treasurer

Nancy Conard, Mayor