

**Town of Coupeville
Regular Council Meeting
Tuesday, February 24, 2009
6:30 p.m.**

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

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to excuse Councilmember Dianne Binder. The motion passed 4-0.

STAFF PRESENT: Town Planner Larry Kwarsick, Public Works Director Malcolm Bishop, Town Marshal Dave Penrod, Clerk Treasurer Judy Thomas

APPROVAL OF AGENDA

Mayor Conard suggested two items be added for Discussion: 1) suggested dates for a council workshop in March; 2) proposal for a hobie cat event in July.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to approve the agenda as revised. Motion passed 4-0.

APPROVAL OF MINUTES

Regular Meeting of February 10, 2009

The minutes of the Regular Meeting and Workshop of February 10, 2009 were approved with one addition as follows: Page 1, first paragraph, end of the sentence, to read, "... area for the Reclaimed Water Project and Stormwater Management."

MAYOR'S REPORT

- Mayor Conard reported that she and Councilmember Clay and Oak Harbor Mayor Jim Slowik attended a meeting in Olympia on February 13th, with Secretary of Transportation Paula Hammond, Asst. Secretary David Moseley, Senator Haugen, Rep. Clibburn and mayors of cities served by ferries. It was encouraging to hear that the Senate and House Transportation committees are getting the picture and recognizing the value of ferries. Senator Haugen clearly understands the need for two ferries on Keystone/Port Townsend run. David Moseley reported on a letter he received from NAS Whidbey expressing the importance of this run for military readiness. As a result, he is pursuing federal funding through the military budget.
- She attended the Ebey's Trust Board meeting earlier this afternoon, to discuss the new interpretive plan. She will attend the Ebey's meeting on Friday at which an interpretive plan will be developed, and this workshop is a major step.
- Tomorrow is the Council of Governments (COG) meeting and they will discuss Sustainable Whidbey Coalition.
- Central Whidbey Chamber of Commerce officers' installation dinner is scheduled for Thursday, February 26th at Christopher's Restaurant.
- Councilmembers Binder and Dannhauer attended the State Auditor's Office (SAO) exit conference on February 11th, with no findings and a management letter with some suggestions to improve internal controls; which are being implemented. The Auditor Hot Line received several comments from a citizen regarding the administrative transfer; and the SAO has confirmed that our process is legal and it is similar to what other cities do.

They had no suggestions improvements to the administrative transfer process and assured us that despite the citizen comments, they could not suggest anything different from what we are doing.

- Mayor Conard added that she has copies (on DVDs) of the sustainability film series. Cathy d'Almeida will give an update on sustainability at the next Council meeting.

NEW BUSINESS

Resolution No. 09-01 Surplus property - *Staff recommends adoption of Resolution No. 09-01 declaring the 1964 Cat Road Grader as surplus and authorizing its sale.*

Mayor Conard explained that the road grader is no longer being used and after Council action is taken declaring it surplus, an advertisement will be published in the newspaper, and the grader will be sold to the highest bidder.

Council Action: A motion was made by Councilmember Hughes, second by Councilmember Phay, to approve Resolution 09-01 declaring the 1964 Cat Road Grader as surplus and authorizing its sale. The motion passed 4-0.

RESOLUTION NO. 09-01

A RESOLUTION of the Town Council of the Town of Coupeville, Island County, Washington, declaring certain property surplus, relating to a 1964 Cat Road Grader.

Final approval of Shoreline Master Plan - Department of Ecology has reviewed and recommended changes to the final version of the Shoreline Master Plan of Ordinance No.671 - *Staff recommends accepting the recommended and required changes to the Shoreline Master Program per Attachments C and D.*

Larry Kwarsick explained that the Town received a letter from the Department of Ecology (DOE), approving the Shoreline Master Program (SMP), with recommended and required changes, which are included in attachments C and D of the staff report. There are 266 jurisdictions in Washington State that are required to adopt a shoreline master program and with approval tonight we will be the 8th in the state to have adopted a SMP. Also included in the staff report is the letter, attachment A the finding of facts and conclusions of law; attachment B is a copy of the SMP that was adopted in Ordinance 671, pending final approval from DOE. He explained some of the DOE recommended and required changes to the SMP and agreed with their assessment and suggested Council approve the SMP per attachments C and D.

Councilmember Clay asked about the portion restricting sea planes. Mr. Kwarsick explained that the sea plane restrictions are regarding an established service; and that a sea plane could pick up or drop-off a passenger. Councilmember Clay commended Mr. Kwarsick on the SMP and noted that he's proud we did this.

Councilmember Hughes commented that it is an amazing document and was pleased that he prevailed in providing a compelling argument to help the building owners continue to use their historic buildings.

Councilmember Phay thanked Mr. Kwarsick for his work on this great document.

Councilmember Dannhauer asked how often the SMP has to be updated, was it five or seven years and Mr. Kwarsick responded that all plans have to be reviewed and updated periodically but was not sure if it was five or seven, and he would have to get back to her. Councilmember

Dannhauer asked for clarification on the note from DOE on Attachment A, they mentioned that you chose not to increase the shoreline jurisdiction to include the buffer areas on all critical areas and that was because of our separate critical areas ordinance? Mr. Kwarsick explained that the Town is one of the few jurisdictions with a Critical Areas Ordinance that is consistent with the Shoreline Management Act and the Growth Management Act. Buffers were considered but we chose to not have buffers along the historic waterfront because of the consequences and the buffers extending into the historical structures which could have the potential for non-conforming uses, but no, we did not establish buffers.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Hughes, to accept the Department of Ecology recommended and required changes to the Shoreline Master Program per attachments C and D. The motion passed 4-0.

Mayor Conard complimented Mr. Kwarsick on the completion of the SMP; six years is a long and arduous process, and his tenacity brought about a plan that was sought since the beginning. She spoke about her conversation with Betty Renkor and asked her how the Town can reconcile with the public about residential use in overwater historic structures. She read from Attachment A, page 4, last paragraph, which reads, *The SMP as submitted restricts the residential use in the overwater historic structures to those residences that currently exist. This is consistent with Ecology direction to the Town. The Guidelines state that "new over-water residences, including floating homes, are not a preferred use and should be prohibited."* The word, "Should" is defined as *"the particular action is required unless there is a demonstrated, compelling reason, based on policy of the Shoreline Management Act and this chapter, against taking the action."* Ms. Renkor explained that DOE used this definition and the word 'should' does not mean it is illegal; and you need to provide a compelling argument; Larry Kwarsick provided a compelling argument that tracked the historic uses of the historic structures on Front Street; plus the fact that we are located within the Ebey's Landing National Historic Reserve, which was the basis that DOE used to consider our request to be compelling and an appropriate use. Mayor Conard added that it was a difficult task but in the end we have something that really protects our historic properties; and she thanked Mr. Kwarsick.

Councilmember Dannhauer noted two separate guidelines or laws, of the SMA, one is WAC 173-26-241 D (2) and the other is WAC 173-26-241 J, we have a compelling argument for one but not the other.

Approval of the Special Event Permit Application for the Penn Cove Mussel Festival on March 6-8, 2009 - *Staff recommends approval of the special event permit.*

Mayor Conard explained that Marshal Penrod is working with the applicant. Councilmember Clay added that this is an event that showplaces the Town, he noted that it is included in the AAA road map for Coupeville. Councilmember Hughes asked if the floating police officer would be a reserve officer and Marshal Penrod responded that it would.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to approve the special event permit application for the Penn Cove Mussel Festival on March 6-8, 2009. The motion passed 4-0.

Approval of February Claims and January Payroll Vouchers - *Staff recommends approval of the January 25 through February 24, 2009 claims vouchers/warrants #21635 through 21719, #10809, and #12909 for a total of \$163,560.01; and January payroll warrants #12302 through #12339 for a total of \$96,290.99.*

Several questions were asked and answered, and no changes were suggested.

Council Action: A motion was made by Councilmember Hughes, second by Councilmember Phay, to approve the January 28 through February 24, 2009 claims vouchers/warrants #21635 through #21719, #10809 and #12909, for a total of \$163,560.01; and January payroll warrants #12302 through #12339 for a total of \$96,290.99. The motion passed 4-0.

Resolution No. 90-02 adopting an Employee Shared Leave Policy - Mayor recommends adoption of Resolution No. 09-02 amending the Personnel Policies to establish an Employee Shared Leave Policy.

Mayor Conard explained that this is not currently in place and would allow employees to share their vacation and sick leave in extraordinary situations; and protects the employee so they can't donate all their leave in case something happens to them. The employee must keep a balance of at least 5 days vacation and 90 days of sick leave on the books.

Council Action: A motion was made by Councilmember Hughes, second by Councilmember Clay, to approve Resolution No. 09-02 amending the Personnel Policies to add an Employee Shared Leave Program. The motion passed 4-0.

RESOLUTION NO. 09-02

A RESOLUTION of the Town Council of Coupeville, Washington, amending the Personnel Policies to add an Employee Shared Leave Program.

Acceptance of donation from the Coupeville Lions Club for Rec Hall Kitchen Remodel - Mayor recommends acceptance of donation of up to \$20,000 in equipment for Rec Hall Kitchen Remodel as prepayment of future rental fees and to provide priority scheduling for the Coupeville Lions Club.

Mayor Conard has discussed this with the Parks & Recreation Commission and explained that the Coupeville Lions is considering giving a donation of up to \$20,000 towards the remodel of the Rec Hall Kitchen. Councilmember Hughes commented that this is a very generous donation the Lion's Club is considering, and waiving of the rental fee was not a condition suggested by the Lion's Club.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Phay, to accept a future donation of up to \$20,000 in equipment for the Rec Hall Kitchen remodel as prepayment of future rental fees and to provide priority scheduling for the Coupeville Lions Club. The motion passed 4-0.

Mayor Conard called for a short recess at 7:50 p.m. and reconvened at 7:56

STAFF REPORTS

Ms. Thomas provided a written report and answered Councilmember Hughes question about the USDA report that it is an annual requirement of the USDA loan for the Library property.

Marshal Penrod provided a written report for January 2009 and a corrected report for December 2008. He had a staff meeting at I-Com with Tom Stoddard providing training on Spillman mobile, which is the software used in all the police vehicles. Deputy Kuschnerleit is doing fine and has about six more weeks of FTO training. Marshal Penrod responded to Councilmember Clay's question about the ten warrant arrests on the report, these are juvenile arrests that can only

be made by a commissioned officer and the jailers are not commissioned, so the Marshal's office assists when needed.

Mr. Bishop explained that the maintenance crew have repaired and painted the old meter reader jeep, and it is running a lot better and looks much better. Well Drillers have pulled the pump out of Well 2-87, at Fort Casey and have a new one ready to be installed; and that well will be back on line soon. He is applying for some stimulus funding (Federal grant) for the Keystone water line. Earlier this month he gave a tour of the Water and Wasterwater facilities to Councilmember Ann Dannhauer and Clerk Treasurer Judy Thomas.

Mr. Kwarsick explained that he has integrated the recommended and required changes into the SMP and it is ready to be mailed to Dept of Ecology. Last week the Design Review Board approved the Library expansion proposal; and he will work with the architect on the boundary line adjustment on the west-side boundary line. Coupeville Planning Commission Chair David Day, Island County Planning Commission Chair, members of the DRB and HRC (Island County Historic Reserve Commission), Jeff Tate, Mark Preiss, and he met last week to discuss the Ebey's Reserve design review process and guidelines. Ebey's Reserve received funding from the National Park Service, for development of the design guidelines; and they will meet on Thursday, February 26th with all members of the DRB and HRC to talk about the process, the timeline and the various goals and objectives.

COUNCIL REPORTS

Councilmember Hughes spoke about the Ebey's Interpretive Plan which was discussed at the Ebey's Trust Board meeting early today; and what needs to be included in the interpretive plan. There will be a more involved workshop scheduled on Friday, February 27th, with 20 partners of the Reserve who will participate. Once the plan is in place, they will be eligible for funding. She attended the Sound Waters Conference on February 7th; and the class with Mayor Conard and the Mayors from Oak Harbor and Langley in which they discussed sustainability and what they are doing in their cities. The Neighborhood Emergency Team (NET) emergency drill is scheduled for March 10th, from noon to about 6:00 pm, at the Rec Hall. This drill will help with phase planning, a good chance for the NET to practice the training they've received. She will be attending the annual Central Whidbey Chamber of Commerce installment meeting this Thursday. She is excited about the Mussel Festival and the addition of the Friday night Mussel Mingle, making it a whole weekend event. The Lion's High School Scholarship Auction is scheduled for Saturday, February 28th.

Councilmember Phay was unable to attend the tour with Mr. Bishop on February 2nd, but he did have the Wastewater Treatment Plant tour from Paul Vinsant, which was very informative. He was proud to announce that he and his wife Marsha are the proud grandparents of their first grandchild, Sofia Phay.

Councilmember Clay reported that Island Transit Board met last month and they surplused some equipment which will be sold through Oak Harbor's surplus auction. Island Transit got a list of available federal stimulus funds and it doesn't appear that they will be eligible for any funding this year, but maybe next year. Island Transit ridership through December 2008 was up 13% from 2007, with miles traveled up about 5.5% and cost per passenger was slightly down. By legislative law we have to have a citizen advisory committee but the Governor is trying to reduce costs, so Island Transit is revising how their committee operates. He attended the city of Langley council meeting on February 2nd, primarily to hear their tree committee's progress report. The Coupeville Tree committee held two tree meetings in February and plans to meet every other

week. Once they have made significant progress they will give a progress report to the Planning Commission or Town Council. He attended a meeting on February 13th with Mayor Conard and Mayor Slowik (Oak Harbor) in Olympia about the ferries; it was a good meeting and people are listening. The Law and Justice meeting is tomorrow, February 25th and at the last meeting they talked about what is happening with funding, with the Island County funds decreasing, and he recalled last year's tax increase of 1/10th of 1% which was estimated at about \$900,000 for mental health, which is now estimated at about \$600,000. There is an RTPO tomorrow and at the last meeting they had a WSDOT update on projects and concurrency issues, i.e. whether the level of services meets the population of the area. The ferry system is recalculating how they determine concurrency and that will be discussed at tomorrow's RTPO meeting. He attended Sound Waters and was impressed with the classes. Councilmember Hughes added that members for Puget Sound Partnership were amazed at the turnout and the program.

Councilmember Dannhauer attended Sound Waters; the Parks and Rec Commission meeting and they discussed bids for the Rec Hall kitchen, trails, the municipal parking lot and meeting the needs of all the people, trimming hedgerows, and the Front Street Deck. The Library Building committee selected an exterior color of solid green and they are working on the interior design. The Tree Committee met and they are working on purpose and goal statements, retention of native vegetation and the heritage tree concept. She attended the Audit exit conference which had no findings but some items were mentioned on internal controls, needing more explanation for executive session content, and bid law compliance.

Councilmember Hughes commended Ms. Thomas on all she had to do with the audit and for the good audit report. She thanked Councilmembers Binder and Dannhauer for attending the entrance and exit conferences.

DISCUSSION

Council Workshop Dates

Mayor Conard explained that the previously scheduled Council workshop for March 16th has been changed to a CTED training workshop that will begin at 5:30 pm. We will be joined by others from the cities of Langleys and Oak Harbor, and Island County. Council agreed that the dates of March 23rd and April 3rd would work for council workshops.

Council Action: A motion was made by Councilmember Clay, second by Councilmember Hughes, to set a council workshop for Monday, March 16, 2009 at 5:30 pm for the CTED training. The motion passed 4-0.

Hobie Cat Competition

Mayor Conard was contacted by the coordinator for a hobie cat championship that plans to hold a hobie cat competition in Penn Cove, on the two days before Race Week. They held this competition last year in Penn Cove but launched out of the Oak Harbor Marina. They expect about 40 to 45 hobie cats, and about 100 to 120 people to be involved in the event. They would like to put their boats in at the boat launch in Coupeville and would like a space where they could park about 10 self-contained RV's and trailers somewhere in the vicinity of the boat launch. The rest of the participants would stay at B & B's in the area. She suggested the field above the farmers market for the RV's and trailers. If Council is interested, she will have them submit a special event permit application. She discussed this with some members of the Coupeville Historic Waterfront Association (CHWA) and they talked about a small welcoming reception/event on Friday night. She wanted to see how the Council felt about it and if CHWA

wants to hold a reception, then possibly the Town could provide a donation of about \$750 as a way to promote Coupeville and bring people to town; and that could be paid from the hotel/motel tourism fund. We need to do what we can during these tough economic times. Councilmembers Clay, Phay and Hughes agreed that it sounded like a good idea and they would like to try it and see how it goes. Mayor Conard will have them complete a special event permit application and see if CWAH wants to put something together.

ADJOURNMENT: 8:51 p.m.

Respectfully Submitted:

MAYOR:

Judy A. Thomas, Clerk Treasurer

Nancy Conard, Mayor