

TOWN COUNCIL MINUTES

March 3, 2008

CALL TO ORDER, FLAG SALUTE, ROLL CALL

The first Council meeting for the month of March was called to order by Mayor Carla Nichols at 7:00 p.m. at Woodway Town Hall. Councilmembers present were Robert Schillberg, Bill Anderson, Kent Saltonstall, Kevin Fiske and Mike Quinn. Town Administrator Eric Faison, Building Official Tom Phillips; Public Works Director Terry Bryant and Clerk-Treasurer Joyce Bielefeld were also present.

APPROVAL OF MINUTES: The following amendment was made to the February 19, 2008 minutes: Page 1, under Councilmember Schillberg's report, change "several years" to "16 years."

Councilmember Quinn moved to approve the minutes of February 19, 2008 as amended. *Councilmember Schillberg* seconded the motion. The motion carried (3-0-2), Councilmembers Saltonstall and Anderson abstained.

APPROVAL OF VOUCHERS: *Councilmember Anderson* moved to approve Claims Warrants #6248 through #6271 for the total amount of \$5,386.73. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously.

Councilmember Quinn moved to approve Payroll Warrants #9343 through #9368 for the total amount of \$43,568.70. *Councilmember Anderson* seconded the motion. The motion carried unanimously.

AUDIENCE COMMENTS: None

COUNCIL REPORTS: **Councilmember Saltonstall** referred to a comment in the February 19 minutes regarding the Town's follow-up with Department of Ecology (DOE) regarding oil spills from Allied Waste trucks. He reported seeing a significant amount of oil spilled on Dogwood Lane from Allied Waste's yardwaste truck this morning and recommended DOE be notified.

ACTION: *Councilmember Saltonstall* moved to instruct town staff to notify the Department of Ecology again regarding oil spills from Allied Waste trucks on the Town's rights-of-way today as described. *Councilmember Fiske* seconded the motion. The motion carried unanimously.

Councilmember Fiske reported he attended the SnoCom meeting in Councilmember Saltonstall's absence, noting there appeared to be some staffing problems at SnoCom as they were at 66% staffing level and Director Steve Perry planned to retire in January. Councilmember Saltonstall assured the Personnel Committee was working on selecting a new Director.

Councilmember Anderson complimented Public Works Director Terry Bryant for placing garbage cans in the north end of Town.

MAYOR REPORT: Mayor Nichols reported the 2005/2006 accountability audit conducted by the State Auditor's Office did not result in any findings. She reviewed follow-up on previous audit issues, and minor items identified in a management letter. A Councilmember pointed out the description of the Town identified the Mayor as an appointed official which should be changed to elected official.

Mayor Nichols reported the City of Edmonds had notified the Town of the 2008 fire costs, an increase of 6%. She advised the budget included a 5% increase. Mayor Nichols referred to information in the Council packet regarding Brightwater construction on the beach at Pt. Wells.

Mayor Nichols inquired about the Council's availability for an Executive Session on Friday, March 28 from 4:00 – 6:00 p.m. She invited Councilmembers Fiske and Quinn to attend the Wednesday, March 5 Planning Commission meeting where the first hour would be training provided by Town Attorney Wayne Tanaka.

Mayor Nichols referred to a resolution from the City of Edmonds regarding potential commercial air traffic at Paine Field. Recalling the Woodway Town Council passed a similar resolution a year ago, she offered to follow up with Edmonds regarding the need for another resolution and possibly scheduling the resolution for a future Council meeting.

Mayor Nichols referred to Senate Bill 6727 that would require counties with populations of 175,000 or more to adopt consistent development regulations with cities for unincorporated islands inside Urban Growth Areas. Mr. Faison advised Shoreline proposed additional language regarding the amount of density that would be allowed at Pt. Wells. The net effect was Shoreline would have ultimate authority to determine the density allowed at Pt. Wells, Snohomish County would adopt Shoreline's development regulations and Shoreline would collect any impact fees. He contacted Senator Fairley and requested a change in the bill's language; however, she chose not to propose a revision. Mr. Faison advised the bill would apply to Pt. Wells and an unincorporated area in King County near Covington. Discussion followed regarding the impact of the revised language. Councilmember Saltonstall recognized Mr. Faison for his efforts to keep the Council informed regarding legislation.

Mayor Nichols distributed and reviewed the proposed agenda for the Town's 50th anniversary reception on Sunday, March 16, beginning at 4:00 p.m. with a program at 5:00 p.m. She invited Councilmembers to arrive early to greet guests. A brief discussion followed regarding plans to have Police Officers direct guests to parking.

PRESENTATION – PORT OF EDMONDS EXECUTIVE DIRECTOR CHRIS KEUSS

Mr. Keuss provided background and history of the Port, including formation of the Port District and district limits in 1948 via a vote of the people, boundaries of the Port district, original formation of the Port to purchase waterfront property to provide a safe harbor for fishing vessels during winter storms, and the 68 acres currently owned by the Port including the waterfront and Harbor Square.

He distributed and reviewed the 2008 Port budget, highlighting operations revenues and expenses, and projected net income. He distributed and reviewed the Port Master Plan, describing plans for a new yacht club constructed/funded/maintained by Edmonds Yacht Club, north boardwalk improvements, plans for Jacobson Marine to relocate at the Port, dry storage area, and a future restroom complex. Mr. Keuss advised the Port continues to be interested in working with the Town or a developer on a marina at Pt. Wells.

Mr. Keuss distributed and reviewed the existing code compliant design and a conceptual refined plan for Harbor Square/Antique Mall/Skippers redevelopment area. He described the public involvement process, development of the refined plan, and heights allowed under the code compliant design. He explained because the hotel and athletic club at Harbor Square have 20 years remaining on their leases, the Port has no plans to redevelop in the near term; however, the private property owners of the Antique Mall and Skippers properties have informed the City of Edmonds they are ready to proceed with development.

He advised the Edmonds Council has scheduled a staff presentation on March 25 regarding the current Comprehensive Plan and Zoning Code as well as a presentation by the private property owners. The public is invited to provide input to the Edmonds Council on April 1 regarding what they would like to have developed on the property.

Mr. Keuss suggested scheduling a joint meeting between the Port and the Town Council and Washington State Department of Transportation (WSDOT) to discuss noise and bicycle access associated with the proposed Edmonds Crossing Project. Mayor Nichols suggested a two-part process, first a work session with WSDOT, followed by a joint meeting with the Port and Town Council.

During and following his presentation, Mr. Keuss responded to questions regarding the location of the proposed Edmonds Crossing; number of in-water and dry storage slips; how the boundaries of the Port were originally established; amount of the Port levy; Port reserves; residents' representation via Port Commissioners; meeting room planned in new yacht club; concern Woodway taxpayers were subsidizing business interests outside the Town via the use of property taxes to pay Harbor Square debt; efforts to increase rentals at Harbor Square to decrease subsidy from property taxes; hopes for a Master Plan for the Port, Antique Mall and Harbor Square properties; and whether an economic analysis had been conducted of the benefits of the Port's sales tax/property tax/leasehold excise tax to the City of Edmonds and Town of Woodway. Mr. Keuss agreed to forward financial analyses data to Woodway's Town Administrator.

PUBLIC HEARING - STRUCTURES IN SETBACK AREA

Mayor Nichols described procedures for the public hearing and opened public hearing at 8:20 p.m.

Building Official Tom Phillips explained this topic began with a discussion of whether tree houses/play structures should be allowed in setbacks. He referred to his memo that described setbacks, the reason setbacks were required, and what constituted a structure. He noted Woodway's code described a structure as anything manmade which provided little flexibility for allowing structures in the setback.

Mr. Phillips described the following options and pros and cons of each:

1. Allow play structures to have the same setbacks as game courts
2. Revise the definition of the word structure
3. Revise Section 14.08.300 to allow some structures in the setback
4. Put setback exceptions within the specific zoning requirements chapter
5. Revise the Town's setback regulations
6. Make no changes

Mr. Phillips concluded Option 4 provided the most flexibility and would allow certain structures in the setback by zone. He distributed a proposed matrix with structures allowed by zone.

Mr. Phillips responded to Council questions regarding complaints in the UR zone that would not be addressed by Option 4, the possibility of adding RVs/boats to the matrix, potential to combine options, limited flexibility to site a play structure on a smaller lot, whether to make exceptions for smaller lots, and what uses were already allowed in the setback.

Dr. Ron Cantu, 2312 Wachusett, asked whether existing non-conforming structures that did not comply with the setback requirements would be grandfathered. Mr. Phillips answered it was common to grandfather existing structures. Dr. Cantu asked whether a condition of redevelopment of a property would be to remove any non-conforming structures. Mr. Faison advised a property owner would not be allowed to expand a non-conforming use. Dr. Cantu inquired about structures in the setback that were not maintained.

Elizabeth Mitchell, 23611 Woodway Park Road, asked for a definition of game court. Mr. Phillips acknowledged the code did not include a definition of game court or play structure. Ms. Mitchell explained her family's proposal to cover an existing arena located in the setback in the R87 zone did not fit into any of these categories and none of the reasons listed for setbacks were applicable to their situation. She commented there should be a way to allow projects that neighbors did not object to. The Council invited Ms. Mitchell to provide a solution that would address her situation.

Dr. Cantu asked whether sport courts were allowed to be illuminated and if so, suggested establishing time limits.

Steve Sutton, 23825 110th Place W, inquired whether there were specifications regarding yard lights. Mayor Nichols answered the code contained provisions regarding outdoor lighting.

Mayor Nichols continued the public hearing to the Monday, March 17 Council meeting, advising the Council welcomed suggestions to address unique situations. She suggested the Council review the matrix presented by Mr. Phillips.

DISCUSSION ON RENAMING RICHMOND BEACH ROAD IN WOODWAY

Mayor Nichols advised there were six homes on Richmond Beach Drive that were within the Woodway City limits that have a Shoreline mailing address and zip code. She advised the Town was negotiating a change with the Post Office but wanted residents' input. Public Works Director Terry Bryant identified the location of the six homes in Woodway on Richmond Beach Road.

Doug Spee, 20454 Richmond Beach Drive NW, described where Richmond Beach Road became Richmond Beach Drive and advised there were five homes and six lots on Richmond Beach Drive that were within the Town limits. He was opposed to the change for the following reasons, 1) the situation was not broken and therefore did not need to be fixed; they have had good emergency response from Edmonds, good service from the post office and delivery companies, and the Shoreline School District bus serves their neighborhood, 2) the properties are isolated from Woodway and can only be reached via Shoreline, and 3) the residents have had enough disruption in the past six months from Brightwater construction and potential development of Pt. Wells. He urged the Council to delay this matter until Brightwater and development of Pt. Wells were concluded.

Mr. Faison advised in response to a letter from the Town seeking residents' input regarding changing the street name, three residents were opposed to the change and one was in favor. He advised staff was researching options with the Post Office. Mayor Nichols commented on

the importance of formally clarifying the location of these residences as being in Woodway. The access to Pt. Wells via Richmond Beach Drive needs to be clearly identified as within the boundaries of the Town.

Discussion followed regarding whether the city in the residents' address could be changed and the zip code remain 98177, whether changing the city and/or zip would impact school district assignments, the boundary between the Town's and unincorporated Snohomish County, and Shoreline's interest in developing Pt. Wells.

Mayor Nichols suggested staff investigate the impact that changing the city and/or zip may have with regard to the school district and report that information to the Council and residents along with the response from the Post Office. Mayor Nichols apologized to residents for the disruption caused by Brightwater construction.

TOWN ADMINISTRATOR'S REPORT

Ms. Bielefeld referred to the Quarterly Investment Report, advising a Certificate of Deposit (CD) valued at approximately \$170,000 will mature on March 4th. She advised Prime Pacific has the highest interest rates, 3.93% for a 13 month CD. Mr. Faison explained the Town Council typically establishes the investment policy and the Clerk-Treasurer invests the funds; the matter has been returned to the Council because the two new Councilmembers may not be familiar with the investment policy as well as the Council's previously expressed concern with the amount invested with Prime Pacific.

Discussion followed regarding the term of the CD, the next scheduled CD maturing in June, diversification, preservation of capital, risks, concern with the concept of a bank being "too big to fail," unlikelihood that all the banks in the group would fail, why Prime Pacific was able to offer a higher rate, declining Local Government Investment Pool (LGIP) rates, and concern with the concentration of dollars invested with one institution.

It was the consensus of the Council to place the funds from the maturing CD in the Local Government Investment Pool (LGIP).

Public Works Director Terry Bryant advised the Washington State Department of Transportation (WSDOT) planned to conduct additional noise monitoring associated with Edmonds Crossing and would contact him regarding monitoring sites.

In response to a previous question raised by the Council regarding installation of additional fire hydrants, Mr. Faison reported the cost was approximately \$7,000 each. He relayed there were no fire hydrants on Woodway Park Road north of the Makah/Kulshan intersection because there was no water main. He explained Olympic View Water District reviewed fire flow via their Comprehensive Plan update every two years and have not identified a need for additional hydrants. He relayed Olympic View Water District's invitation for individual residents to contact them with any concerns and for the Town to contact the Fire Marshal with any concerns regarding hydrant placement.

EMPLOYEE'S DEFERRED COMPENSATION FROM ING TO INTERNATIONAL CITY MANAGERS/MAYORS ASSOCIATION (ICMA)

Mayor Nichols recalled during discussion at the last meeting the Council requested additional information. Mr. Faison relayed information provided during his meeting with an ICMA representative regarding the establishment of ICMA in 1972, their management of retirement and deferred comp plans, plan assets, and the number of employer and employee accounts.

He explained ICMA managed retirement accounts for several local cities including Edmonds, Lynnwood, Mountlake Terrace, and Shoreline.

A survey of Woodway staff revealed all the full-time and part-time employees were supportive of the change; the police officers who were contacted were supportive of the change and Police Chief Hansen anticipated all officers would be supportive as they currently participate in ICMA with their primary employer. He summarized the fees ICMA charged were substantially less than ING, ICMA was approximately half the size of ING, there was no expense to the Town as the employee paid any fees and ICMA offered the ability for employees to self-manage their portfolio.

Additional questions were raised regarding the cancel/surrender fee for ICMA and avoiding transfer fees. It was agreed staff would return with further information at the next Council meeting.

AUDIENCE COMMENTS: None

GENERAL COUNCIL DISCUSSION – CHOICE OF SUBJECTS

Councilmember Saltonstall asked Mr. Keuss to determine whether Woodway received a share of the sales tax revenue from Port.

Councilmember Quinn asked what proportion of the total \$400,000 in Port taxes was collected from Woodway residents. He suggested the Port provide the Council an annual presentation.

ADJOURNMENT OF PUBLIC MEETING: *Councilmember Quinn* moved to adjourn the meeting. *Councilmember Schillberg* seconded the motion. The motion carried unanimously. The meeting was adjourned at 9:45 p.m.

Respectfully Submitted,

APPROVED BY THE TOWN COUNCIL

Joyce Bielefeld, Town Clerk-Treasurer

Carla A. Nichols, Mayor

(These minutes accurately reflect what was said at the Council Meeting. Publication does not vouch for the veracity of these statements.)