

TOWN COUNCIL MINUTES

July 7, 2008

CALL TO ORDER, FLAG SALUTE, ROLL CALL

The first Council meeting for the month of July was called to order by Mayor Carla Nichols at 7:00 p.m. at Woodway Town Hall. Councilmembers present were Robert Schillberg, Kent Saltonstall, Mike Quinn and Bill Anderson (arrived at 7:10 p.m.). Councilmember Kevin Fiske had an excused absence. Ken Nilsen, PACE Engineering, and Clerk-Treasurer Joyce Bielefeld were also present.

APPROVAL OF MINUTES: The following amendments were made to the June 23, 2008 minutes: Page 3, reword the motion, to read, "approve increasing the allocation for the Wachusett ~~overlay~~ stormwater project to \$168,000."

Councilmember Saltonstall moved to approve the minutes of June 23, 2008 as amended. *Councilmember Schillberg* seconded the motion. The motion carried unanimously.

APPROVAL OF VOUCHERS: *Councilmember Schillberg* moved to approve Claims Warrants #6428 through #6451 for the total amount of \$14,424.22. Councilmember Schillberg referred to #6447, a claim for damage when the Town's mower threw a rock that broke a car window and relayed commendations to the Public Works crew who approached the owner and advised them to file a claim for damage. *Councilmember Quinn* seconded the motion. The motion carried unanimously. (Councilmember Anderson was not present for vote.)

Councilmember Saltonstall moved to approve Payroll Warrants #9478 through #9505 for the total amount of \$44,349.64. *Councilmember Quinn* seconded the motion. The motion carried unanimously. (Councilmember Anderson was not present for vote.)

Mayor Nichols requested the addition of two agenda items, 1) Accept Bid for the Stormwater Work on Wachusett as Item 9 and 2) Update on the Woodhaven Conveyance Project as Item 10.

ACTION: *Councilmember Schillberg* moved to amend the agenda to add Accept Bid for the Stormwater Work on Wachusett as Agenda Item 9 and an Update on the Woodhaven Conveyance Project as Item 10. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously. (Councilmember Anderson was not present for vote.)

AUDIENCE COMMENTS: None

COUNCIL REPORTS: **Councilmember Schillberg** reported Allied Waste was being bought out by Republic Waste, a company based in Florida. Next, he reported Washington Cities Insurance Authority (WCIA) planned to conduct an audit of the Town on July 23.

Councilmember Schillberg relayed that a Woodway resident, Harry Schneider, Jr., Perkins Coie, was voluntarily bringing a case regarding inhumane conditions at the Guantanamo Bay prison.

MAYOR REPORT: **Mayor Nichols** reported the next edition of the Woodway Whisper, mailed along with stormwater bills, would include news dating back to March and include photographs of the anniversary celebration, notification regarding Verizon's installation of fiber optics, information regarding police activity, and a summary of the setback discussions. Because the newsletter contained information regarding Verizon's fiber optics, staff negotiated with Verizon to pay for the cost of this edition of the newsletter.

Mayor Nichols reported based on Council direction, the Town Administrator, Planner Bill Trimm and she visited Snohomish County Executive Aaron Reardon and had a very productive discussion regarding the future of Pt. Wells and the Town's position. Mayor Nichols reported Woodway is participating in a free document shredding event on Saturday, August 23 with Edmonds and the Enterprise Newspaper.

Due to Mayor Nichols' and Councilmember Schillberg's conflicts with the July 21 meeting date, it was the consensus of the Council to change the second meeting in July to July 28 and hold the next regular meeting on August 4.

Mayor Nichols reported four mothers of young children contacted her as result of a notice in the *Woodway Whisper* regarding planning for the playground equipment. They, along with the Public Works Director, visited a playground in St. Edwards State Park in Kenmore. A wish list was prepared and costs obtained; the group is meeting again in a few weeks to pare down the wish list. She planned to have information regarding the playground available at the community fair and seek donations. A brief discussion followed regarding concern with the impact of playground maintenance/replacement on the Town's budget, liability associated with a public playground structure, and whether Real Estate Excise Tax (REET) funds could be used for playground maintenance. Mayor Nichols offered to schedule an update to the Council on the next agenda before she met with the playground group. Mayor Nichols advised the Town received a \$30,000 grant from Snohomish County for the playground.

Mayor Nichols referred to Puget Sound Regional Council's *Regional View* newsletter, a regional planning effort that recommitted the region to focusing growth in urban areas.

Mayor Nichols reported an update on the Growth Monitoring Report was provided at the June 25 Snohomish County Tomorrow (SCT) meeting. She explained this report was prepared by Snohomish County based on growth projections from the Washington State Office of Financial Management. She suggested a Snohomish County representative make a brief presentation to the Council in the fall regarding the Growth Monitoring Report. Also at the Snohomish County Tomorrow meeting, Snohomish County Councilmember Brian Sullivan described the Comprehensive Plan docket process, advising 40 requests were scheduled for review by the Council this year and another 40 next year. The County Council plans to change its docketing process so that this process is conducted every 2-3 years rather than annually.

Mayor Nichols reported Snohomish County was considering construction of a new Justice Center. With regard to Sound Transit 2, she relayed it was the sentiment among most Snohomish County cities that they would realize few benefits in this phase.

TOWN ADMINISTRATOR'S REPORT

Mayor Nichols referred to the Town Operations Status Report provided by Mr. Faison. A brief discussion followed regarding Mr. Faison's plans to provide the Council an update to the long range financial forecast and the process used to develop the long range financial forecast. Councilmember Saltonstall suggested Councilmembers read the book, "Local Government Dollars and Sense," by Len Wood.

With regard to bids on the Wachusett stormwater project, Mayor Nichols relayed that Public Works Director Bryant learned from the Town Attorney that if the requirements on the bid were changed, the Town could go back to original three bidders and allow them a week to submit a revised bid. As result, the lowest bid was reduced from \$168,000 to \$116,000.

Discussion followed regarding potential for lower bids in the future as the construction environment tightened, anticipated increases in the estimates in the Stormwater Comprehensive Plan due to escalating commodity prices, and potentially delaying some projects until the situation dissipates.

PORT OF EDMONDS FINANCE REPORT

Mayor Nichols referred to the 2007 report provided by Port; relaying that the lease hold tax the Port collects is in lieu of property tax, a portion goes to state, county and city. With regard to the question of how the Town could get out of the Port tax district, she advised it would require a majority vote of the entire tax district (not just the Town of Woodway). She relayed Port Executive Director Keuss' responses to several questions raised by Councilmember Saltonstall:

- *Is Woodway part of the Port of Edmonds because of a public vote?* The public (the residents of the area that is now Woodway and Edmonds) voted in 1948. Port Executive Director Keuss did not know the wording on the ballot.
- *Why are parts of Edmonds not in the Port district tax base?* The Port district is primarily the waterfront areas.
- *At the time of that vote was Port tenancy for boat moorage available only to residents of the Port?* The Port's practice of giving preference to people in the tax district ended in the 1980s following a lawsuit by a private party regarding that practice because the Port received federal funds to rebuild.
- *If Woodway annexes additional area, will that area automatically become part of the Port of Edmonds tax base?* Pt. Wells was originally part of the tax district therefore they would be included.
- *What benefits do Woodway residents derive from membership in the Port District?* Mr. Keuss will provide a list of benefits.

The Council raised additional questions including how the Port tax district was established, who voted and how the boundary of the district was established, why Woodway did not receive any of funds collected, whether at the time of incorporation the Town accepted the agreements made previously with the Port, whether Woodway could have a seat on the Port Commission, whether the lease hold excise tax was distributed to Edmonds because the Port property was located in Edmonds, and whether the current owner of Pt. Wells paid taxes to the Port.

SECOND QUARTER FINANCIAL REPORT

Mayor Nichols reviewed the Revenue Statement, highlighting Real Estate Excise Tax (REET) which was significantly lower than budgeted. She noted REET funds were used to fund capital expenditures and not operating. Councilmember Anderson requested staff provided the total REET revenue collected last year and real estate sales.

Mayor Nichols reviewed expenses for General Government, Public Safety, Public Works and Lands Summary, Land Use & Planning, Building & Municipal Services, Stormwater, and Miscellaneous. Discussion followed regarding the cost of the audit being less than anticipated, legal services that may have been budgeted higher due to past experience, potential increase in legal service expenditures due to the Verizon franchise, need for a budget amendment due to an error in calculating the budget for benefits, the overlay project that will include work on the bridge expansion joints, reimbursable contract services, and stormwater professional services.

Mayor Nichols advised the Monthly Investment Report was provided for information only; staff was not proposing to purchase any additional CDs due to upcoming expenses.

DISCUSSION ON BUSINESS LICENSES

Mayor Nichols explained the current code requires anyone doing business in Town to obtain a business license. She proposed any activity requiring a permit be required to obtain a business license. Clerk-Treasurer Joyce Bielefeld reported year-to-date 140 business had obtained business licenses at a cost of \$50 each; 41 were associated with a permit, 7 were still pending and would need a business license, leaving 92 that would not require permit if the requirement to obtain a license were tied to a permit. She provided examples of the type of business represented by the 92 licenses including trees service, water heater, landscape/irrigation, insulation/fireplace, interior design, glass installation, and pool maintenance. She explained if a business obtained a license one year, staff sent them an invoice to renew their license the following year.

Discussion followed regarding concern with the cost of a business license to small business, a suggestion to exempt certain activities such as tree services and other small businesses, how other communities handled business licenses, defining "home improvement" in the requirement for obtaining a business license, issuing a one time permit versus an annual permit, requiring a permit based on income generated from business conducted in the Town, and whether the importance of the tree ordinance justified requiring tree services to obtain a license. It was agreed staff would develop options; Council consideration to include the intent of requiring a business license.

ORDINANCE 08-492: ROADSIDE MEMORIALS

Mayor Nichols relayed that Public Works Director Bryant worked with the Town Attorney to establish ground rules regarding roadside memorials. Discussion followed regarding the existing memorial, concern with removing a family's memorial, possibly establishing a living memorial such as a tree, and the personal nature of mourning.

It was the consensus of the Council not to establish a written policy but at the appropriate time, the Mayor would call the family to offer a permanent memorial.

ACCEPT BID FOR THE STORMWATER WORK ON WACHUSETT

Mayor Nichols advised the three bidders were contacted again with the proposed changes; Laser Underground Utilities submitted the lowest bid at \$116,710, the other bids were \$136,890 and \$150,000.

ACTION: *Councilmember Schillberg* moved to authorize the Mayor to sign a contract with Laser Underground Utilities in the amount of \$116,710. *Councilmember Anderson* seconded the motion. The motion carried unanimously.

Ken Nielsen, PACE, advised a number of changes were incorporated to reduce the cost including the road closure; he read language in the bid regarding the road closure and access for local residents during project.

UPDATE ON WOODHAVEN CONVEYANCE PROJECT

Mayor Nichols recalled in April, Mr. Nielson, Councilmember Saltonstall, Public Works Director Bryant and she held community meetings with the Woodhaven neighborhood regarding a stormwater road project. She explained there were two Woodhaven projects, a low impact road project to install rain gardens to collect the water and dissipate it into ground and a second project to obtain an easement and construct a conveyance system to move the existing water to the south. The residents at the community meetings encouraged the Town to solve the problem, not just detour the water. They suggested conveying the water to north via the Zevenbergen property or south via the Barto property.

Mr. Nielsen distributed an aerial map of the area, identifying Woodhaven Place and the existing storm drain system down Woodhaven Place via an existing infiltration trench close to the bluff, which was the reason this project was being considered. He described options that were considered including option 2 that would convey the water to the north across the Zevenbergen property which was determined to be too expensive and that the ravine was not stable and option 3 that would convey the water to the most southern ravine which is flat and stable via the Town constructing a storm line within the existing easement on the Barto property and across Paramount's property. He explained Mr. Barto wants the system to dry up his property and Paramount has concerns with the amount of water in the system due to maintenance of their outfall and potential impacts on future development.

Discussion followed regarding Paramount's concern with additional water due to future requirements to treat stormwater, the extent of Mr. Barto's request, reasons the south ravine was not appropriate, the cost of option 3 versus option 2, and option 2 not tying into Zevenbergen's system but allowing the Town to put a pipe on his property.

Mr. Nielsen advised he was working on another option that would be presented at next Council meeting. Mayor Nichols advised the Woodhaven road project (rain gardens) had been suspended for the time being.

AUDIENCE COMMENTS: None

GENERAL COUNCIL DISCUSSION – CHOICE OF SUBJECTS

ADJOURNMENT OF PUBLIC MEETING: *Councilmember Quinn* moved to adjourn the meeting. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously. The meeting was adjourned at 9:21 p.m.

Respectfully Submitted,

APPROVED BY THE TOWN COUNCIL

Joyce Bielefeld, 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.)