

TOWN COUNCIL MINUTES

Monday, October 17, 2011

CALL TO ORDER, FLAG SALUTE, ROLL CALL

The second regular Council meeting for the month of October was called to order by Mayor Nichols at 7:00 p.m. at Woodway Town Hall. Councilmembers present were Elizabeth Mitchell, Mike Quinn, and Kent Saltonstall. Councilmembers Anderson and Whitson had excused absences. Town Administrator Eric Faison, Clerk Treasurer Joyce Bielefeld, and Public Works Director Terry Bryant were also present.

APPROVAL OF MINUTES: *Councilmember Saltonstall* moved to approve the minutes of October 3, 2011 as amended. *Councilmember Mitchell* seconded the motion. The motion to approve the minutes as amended carried unanimously.

APPROVAL OF VOUCHERS: *Councilmember Saltonstall* moved to approve Claims Checks #7926 through #7942 for the total amount of \$11,671.74. *Councilmember Quinn* seconded the motion. The motion carried unanimously.

AUDIENCE COMMENTS: Marianne Zagorski, Port of Edmonds Commissioner, stated the Port had the first public hearing on the Port of Edmonds 2012 budget and the final hearing will be held on October 31. The Port of Edmonds meetings are held the second and last Monday of each month.

Kathleen Vaughn, Snohomish County PUD Commissioner, stated she is present to listen to the presentation on environmental issues at Point Wells.

COUNCIL REPORTS:

Councilmember Mitchell stated she attended the Regional Fire Authority (RFA) meeting and the City of Bothell is now interested in joining the RFA, which brings in another level of complexity because of differences in counties between Snohomish and King Counties. She stated Bothell plans to present a formal request to join, along with financial information, at the next meeting.

Councilmember Saltonstall reported that the RFA level of service subcommittee met after the RFA meeting and they heard from fire administration staff about medical services and how individual stations are staffed to fight fires.

MAYOR'S REPORT: Mayor Nichols announced that a letter had been mailed to all residents inviting them to one of three different neighborhood meetings regarding the construction of the proposed town hall. The letter also showed some basic funding strategies.

Mayor Nichols reported she had contacted some of the Snohomish County commissioners in case they were interested in listening to the Point Wells environmental issues which will be presented by Hank Landau.

TOWN ADMINISTRATOR'S REPORT: None

ENVIRONMENTAL ISSUES – HANK LANDAU

Dr. Landau, retired geotechnical engineer and resident of Woodway, explained the nature and extent of the cleanup of the Point Wells site. He noted that the data he was able to obtain from the Department of Ecology is somewhat limited, focusing primarily on water quality.

First, he explained the different types of regulations for environmental cleanup of contaminations. He noted that the clean-up required for Pt. Wells is officially deemed “voluntary” on the part of the property owner and as such; the level of scrutiny is different than a regulatory oversight situation. The stormwater requirements of the “NPDES” program are the primary criteria for compliance for the Pt. Wells site.

Dr. Landau stated that his analysis suggests that the nature and extent of the contamination is not as great as the developer might lead us to believe. The contamination is mostly petroleum, petroleum byproducts, and some chips of paint with small amounts of lead. There are three areas within the entire 61 acre site that require cleanup. Dr. Landau stated the scope of clean up of the Point Wells site is equivalent to that of cleaning up three large gas station sites.

Dr. Landau explained the different types of cleanup. So far, the floating product (up to three inches thick) has been removed and the owners have tried bioremediation (injecting bacteria to eat oil). Contamination in the soil can be addressed with a vapor extraction procedure which is similar to “vacuuming” soil. This procedure would be done under structures to prevent the contamination from entering the buildings.

Councilmember Saltonstall asked why the Point Wells cleanup is different than Point Edwards in Edmonds. Dr. Landau stated there is a more sensitive environment at Point Edwards given the wetlands and marsh. Councilmember Quinn asked when the 177 monitoring wells were drilled, and Dr. Landau said some were drilled in 2007 and others in 2008. He stated a well tends to average 10 to 15 ft deep with a piece of plastic covering the sides and bottom with a cover so no substances can fall in. The samples for tests are taken from the bottom of the wells and tested. Councilmember Mitchell asked if the wells are located all over the site. Dr. Landau responded that the wells are located in all areas of the property.

Port of Edmonds Commissioner, Marianne Zagorski, asked who had installed the wells. Dr. Landau replied the wells were installed by consultants hired by the owners of Point Wells. Kathleen Vaughn asked about the smaller footprint of the cleanup and wondered if there was a dollar amount. Dr. Landau stated there could be several scenarios and he was unable to give a cost estimate.

ORDINANCE NO. 11-530, ILLICIT DISCHARGE:

This ordinance is one of two Department of Ecology recommendations made to the Town to strengthen the Town's stormwater program. The other recommendation was public education of the stormwater program. This ordinance would protect the Town from pollutants being dumped into the stormwater system.

After discussion, no action was taken on this agenda item and it will be brought back for further discussion at a later date.

AUTHORIZE MAYOR TO SIGN ARCHITECTURAL CONTRACT WITH GGLO TO DESIGN NEW TOWN HALL:

At a previous council meeting, the council reviewed the contract to authorize GGLO to proceed with the design of a new Town Hall and Town Administrator Faison was going to bring back the contract with a couple of changes.

Town Administrator Faison stated that the substantive changes in the contract include 7b (payment of invoices) and a mediation provision in section 15.

ACTION: *Councilmember Mitchell* moved to authorize the Mayor to sign the Architectural Contract, substantially in the form attached, with GGLO to design a new Town Hall. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously.

TOWN HALL FUNDING STRATEGIES:

At the last Council meeting, Town Council members had requested that staff prepare financial comparisons of different scenarios such as: impact of using a portion of the General Fund reserve to apply as a down payment for the Town Hall project; impacts of a 25 vs. 30 year bond; and finally, if a sinking fund be applied to the Town's bond.

Town Administrator Eric Faison discussed Council Member Anderson's idea of creating a special reserve or sinking fund. Eric stated that he discussed these options with the Town's financial advisor at Piper Jaffray. The financial advisor stated that this option was essentially equivalent to establishing a provision allowing for an anytime call of the bonds. A ten year call is standard and that would not cost extra. It is possible to sell a bond that could be called anytime, but such a provision would increase the interest rate on the bond by an extra 0.25-0.50%.

Town Administrator Faison also noted that interest rates have dropped since we received the first bond quote. Our financial advisors are currently projecting an interest rate of approximately 4.5%.

Councilmember Saltonstall asked where the funds will come from to pay off the bonds early. Eric stated if we had excess REET revenue, those funds could be applied to the bonds.

Councilmember Mitchell asked if the call provision needs to be set up at the beginning. Town Administrator Faison stated yes, it must be set up when the bonds are sold to the public.

Town Administrator Faison said the Town can pay an additional \$300,000 down from the general fund to decrease the annual bond debt service by approximately \$20,000 a year.

Councilmember Saltonstall commented that the town should keep at least a million in general fund reserve and also wants to protect the general fund. He would like to use the REET monies for the project.

ACTION: *Councilmember Saltonstall moved to authorize the use of an additional \$300,000 from the general fund reserves to reduce the amount of the bond. Councilmember Mitchell seconded the motion. The motion carried unanimously.*

ACTION: *Councilmember Saltonstall moved to authorize the use of Real Estate Excise Tax (REET) funds to the maximum extent legally allowable for the payment of the annual bond debt service. Councilmember Mitchell seconded the motion. The motion carried unanimously.*

AUDIENCE COMMENTS: None

GENERAL COUNCIL DISCUSSION – CHOICE OF SUBJECTS:

Saltonstall announced that he had attended the SERS meeting and gave an update on SERS communication technology.

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 9:10 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.)