

# TOWN COUNCIL MINUTES

October 20, 2008

## CALL TO ORDER, FLAG SALUTE, ROLL CALL

The second Council meeting for the month of October was called to order by Mayor Carla Nichols at 7:00 p.m. at Woodway Town Hall. Councilmembers present were Bill Anderson, Kent Saltonstall and Mike Quinn. Councilmembers Robert Schillberg and Elizabeth Mitchell had excused absences. Town Administrator Eric Faison; Ken Nilsen, PACE Engineering; and Clerk-Treasurer Joyce Bielefeld were also present.

Mayor Nichols requested the addition of a five minute agenda item to confirm appointment of a Planning Commissioner.

**ACTION:** *Councilmember Anderson* moved to add a five minute agenda item to confirm appointment of a Planning Commissioner. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously.

**APPROVAL OF MINUTES:** The following amendment was made to the October 6, 2008 minutes:

- Revise third bullet of Town Administrator's Report to read, "Capital Budget: Request for State grant for \$3 million for future Woodway capital projects."

*Councilmember Saltonstall* moved to approve the minutes of October 6, 2008 as amended. *Councilmember Quinn* seconded the motion. The motion carried (2-0-1), Councilmember Anderson abstained.

**APPROVAL OF VOUCHERS:** *Councilmember Anderson* moved to approve Claims Warrants #6592 through #6601 for the total amount of \$3,218.71. *Councilmember Quinn* seconded the motion. The motion carried unanimously.

**AUDIENCE COMMENTS:** None

**COUNCIL REPORTS:** **Councilmember Saltonstall** reported Councilmember Quinn, Charlie Fontaine and he attended the Olympic View Water District (OVWD) Commission meeting on October 20 to discuss a letter they received stating they must install an anti-back flow device on their meter to prevent a cross connection between their wells and the OVWD system. They pointed out to OVWD that their wells were for irrigation and were not connected to OVWD's system. Councilmember Quinn relayed that State records indicate 17 residents in Woodway have wells. The OVWD Commission plans to deliberate on the matter at their next meeting.

Councilmember Saltonstall reported Mr. Faison and he attended the meeting regarding possible consolidation of fire departments in South Snohomish County. A company that has assisted other communities with consolidation of their fire services made a brief presentation at the meeting. City representatives were asked to discuss with their Councils whether they were interested in participating in further study regarding consolidation. If enough cities/agencies are interested in proceeding, a Steering/Planning Committee would be formed with three representatives from each city/agency. The Steering Committee would establish the framework under which the new organization would operate.

Councilmember Saltonstall explained if a Regional Fire Authority (RFA) were approved by the voters by a greater than 50% majority, residents would be assessed directly by the RFA via their property taxes similar to the School District or Hospital District.

It was agreed to schedule discussion regarding formation of a RFA on the November 3 agenda. Councilmembers requested the following: an abbreviated presentation regarding consolidation, Shoreline's fire service tax rate, a list of cities that currently have contracts with Fire District 1, and a list of options. Mr. Faison relayed he inquired about contracting and was told they assumed there would be contracts, but they could not guarantee the rate. Councilmembers briefly discussed the pros and cons of consolidation.

**MAYOR REPORT:** Mayor Nichols referred to an email from Lynnwood Councilmember Jim Smith, the Town's representative on the Health District Board, regarding resolution of the District's financial problems. The District's shortfall has been adjusted to \$1.2 million and a taskforce was formed to identify cuts to allow the District to operate within available funding. Mayor Nichols relayed that she wrote a letter to Health District Chair Koster per the Council's direction at the last meeting requesting that the Health Department operations be budget driven rather than program-based during this budget cycle and requesting that the Health District Board aggressively review expenditures before alternate revenue sources are considered.

Mayor Nichols recalled the Council discussed striping done on SR 104 for ferry traffic at a previous meeting. Based on a conversation with Edmonds Mayor Haakenson, he relayed that Edmonds had been asking Washington State Department of Transportation (WSDOT) to do something about ferry traffic on SR104 and the intersection of SR104 & Pine Street for years. Without any advance notice, WSDOT began making changes to SR104. After receiving numerous complaints, Edmonds and WSDOT staffs met on October 10 and WSDOT will be making changes soon. She read a letter identifying the changes requested by Edmonds: 1) remove striping to reopen the ferry holding lane to general purpose traffic to the split at 5<sup>th</sup> Avenue & SR104, 2) retain the new crosshatch striping in front of driveways to prevent blocking, and 3) add a no left turn sign in the new median at Pine Street and an advance no left turn warning sign for eastbound SR104 traffic.

Mayor Nichols referred to the Krebs short plat application (east side of Woodway Park Road south of the bridge) to divide their 8 acre property into four 2-acre lots. PACE Engineers has been working with the applicant to save several significant trees along Woodway Park Road.

Ken Nielsen, PACE Engineers, explained the project was vested under the 1992 stormwater manual which contains few options for stormwater treatment flow control or detention. They have discussed a number of options including utilizing a variance process to use the drainage manual adopted last year that allows more flexibility.

## **TOWN ADMINISTRATOR'S REPORT**

Mr. Faison recalled resident Ben Ma requested a change to the Town's policy regarding the duration of building permits. He informed Mr. Ma that if construction was delayed due to the Town's action, the permit could be extended. A recent letter from Mr. Ma indicated his initial building permit only allowed him to construct the foundation and four months later he was allowed to begin constructing the building, however, the building permit expired after its first issuance. If he was able to verify this with staff, Mr. Faison advised he would extend the building permit to allow construction of the house.

## **INTERLOCAL AGREEMENT – CONSORTIUM FOR NEGOTIATION OF COMCAST CABLE TELEVISION FRANCHISING**

Mr. Faison referred to a letter from Elana Zana, Ogden Murphy Wallace, describing the Interlocal Agreement, which is similar to the Interlocal Agreement establishing the consortium to negotiate the Verizon franchise. The Town's pro rata share of the cost is estimated at \$541 but it is anticipated the cost for the consortium to negotiate the Comcast franchise may be slightly higher.

Ralph Olsen, Woodway, expressed concern with Comcast's service. Mr. Faison suggested he submit any concerns in writing and they would be passed on to Comcast.

Discussion followed regarding the estimated pro rate share for other cities compared to Woodway's share, franchise fees the Town collects, and additional cost if revisions were necessary to tailor the agreement to Woodway's needs.

**ACTON:** *Councilmember Anderson* moved to approve the Interlocal Agreement Consortium for Negotiation of Cable Television Franchising and authorize Mayor Nichols to sign the Interlocal Agreement. *Councilmember Quinn* seconded the motion. The motion carried unanimously.

## **COMCAST CONSORTIUM CONFLICT OF INTEREST WAIVER**

**ACTON:** *Councilmember Quinn* moved to authorize Mayor Nichols to sign the potential conflict of interest waiver. *Councilmember Anderson* seconded the motion. The motion carried unanimously.

## **DISCUSSION ON INVESTMENT AND POLICY**

Mayor Nichols explained one of the CDs would mature on October 24. Councilmember Anderson recommended splitting the amount for diversification and maturity, purchasing a \$200,000 CD from Prime Pacific for a 12-month term and an 8-month CD from Washington Federal with the remaining balance.

**ACTON:** *Councilmember Anderson* moved that the Town invest \$200,000 with Prime Pacific for one year and the remaining balance with Washington Federal for eight months. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously.

Mayor Nichols recalled the Council expressed interest in amending the Investment Policy so that the guiding principles were to first consider the highest yield, then diversity and then institutions. The Investment Committee agreed to meet prior to the next Council meeting to discuss the policy and provide a recommendation to the Council.

## **PRESENTATION OF DRAFT 2009 BUDGET**

Mayor Nichols reported she planned to meet with Councilmembers Schillberg and Mitchell later this week to review budget. She explained the budget contained conservative revenues projections. Public hearings are scheduled for the November 3 and 17 Council meetings.

Mayor Nichols reviewed revenue projections in the 2009 preliminary budget, previous years actual budget totals and year-to-date for 2008. All revenue sources were reviewed including taxes, fees and permits, intergovernmental revenue, fines, investment interest, miscellaneous, and storm drainage. Total projected revenue: \$1,400,971.

Mayor Nichols reviewed expenditures in the Town's various service programs (General Government, Public Safety, Public Works & Lands, Land Use & Planning, Building & Municipal Services, and Stormwater) comparing previous years actual and 2008 adopted budget. Discussion involved reviewing baseline projections where no new services will be provided, leaving a shortfall of \$22,493. Budget increases for staff benefits and supplies and new equipment represented 2009 decision packages. These increases plus the baseline shortfall represent a \$79,997 shortfall between projected revenues and expenditures.

Discussion followed regarding decision packages in each category, concern with the use of reserve funds to cover the shortfall, the purpose of reserve funds, expenses increasing faster than revenues, whether to illustrate to citizens that the Town is beginning to use reserves versus making cuts or increasing revenue to reach a zero budget, and potential for lower capital construction bids. Council suggestions included the following: include capital projects in budget but bring them back to Council as 2009 progresses, show options for reaching a zero shortfall by being less conservative on revenues and reducing expenditures, and confirm fire costs with Edmonds. The Council agreed to retain the proposed 4% salary increase in the 2009 budget and to continue discussing the budget following the public hearing on November 3.

**CONFIRMATION OF PLANNING COMMISSIONER**

Mayor Nichols requested the Council confirm her appointment of Heather Frank to the Planning Commission.

**ACTION:** *Councilmember Saltonstall* moved to confirm Mayor Nichols's appointment of Heather Frank to the Planning Commission. *Councilmember Quinn* seconded the motion. The motion carried unanimously.

**AUDIENCE COMMENTS: None**

**GENERAL COUNCIL DISCUSSION – CHOICE OF SUBJECTS**

**ADJOURNMENT OF PUBLIC MEETING:** *Councilmember Anderson* moved to adjourn the meeting. *Councilmember Saltonstall* seconded the motion. The motion carried unanimously. The meeting was adjourned at 9:27 p.m.

Respectfully Submitted,

**APPROVED BY THE TOWN COUNCIL**

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Joyce Bielefeld, Clerk-Treasurer

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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.)