

Town of La Conner
Town Council Meeting
November 22, 2011 – 7:00 p.m.

The meeting of the La Conner Town Council was called to order at 7:02 p.m. by Mayor Pro Tem Brunisholz

Present: Councilmembers Hubbard, Tracey, Welch, and Wright.

Also present: Administrator Doyle, Finance Director Taylor, PW Director Lease, Operator Kevin Wynn, and Fire Chief Taylor.

Councilmember Wright moved to excuse the absence of Mayor Hayes. Seconded by Councilmember Hubbard. Carried 5-0.

Approval of Agenda:

Councilmember Welch moved to approve the agenda as presented. Seconded by Councilmember Hubbard. Carried 5-0.

Approval of Minutes:

Councilmember Hubbard moved to approve the minutes of the November 8th, 2011 special meeting and regular town council minutes as amended. Seconded by Councilmember Tracey. Carried 5-0.

Approval of Accounts Payable:

Councilmember Tracey moved to approve checks 11056 through 11119, and 201077, dated November 22, 2011 in the amount of \$170,217.18 as presented. Seconded by Councilmember Wright. Carried 5-0.

Approval of Payroll:

Councilmember Welch moved to approve payroll warrants 2402 through 2407, 201078 and direct deposits for the payroll period November 1 through November 15, 2011 in the amount of \$23,154.53 as presented. Seconded by Councilmember Tracey. Carried 5-0.

Community Comments:

Dan O'Donnell, 328 N Third Street, stated he attended a flood meeting on November 11th and they are taking a three year hiatus. Mr. O'Donnell requested being appointed to the Flood Committee.

Administrator's Report: Administrator Doyle stated that he has been working on the Capital Facilities Plan and work products for the Shoreline Management Program update for the Department of Ecology Grant. He said that the Town did not get the HUD Grant for the artspace project.

Councilmember Wright inquired about EDASC helping with funding of dredging the channel. Mr. Doyle stated that the Finance Committee has discussed the issue and has some recommendations that will be discussed later in the meeting.

Council Committee Reports:

Councilmember Hubbard stated the Finance/Labor Committee had a meeting on November 15th. They reviewed the following items:

- 2012 Property Tax Levy – **The Finance Committee recommends that the council approve using the banked capacity of property taxes from 2011 and levy a 1% increase for 2012.**
- Dredging the Channel – The committee discussed a variety of options for budgeting \$50,000 for dredging in the 2012 budget. The Port of Skagit is allocating \$400,000 in their 2012 budget.

Councilmember Hubbard moved to roll the \$50,000 budgeted in 2011 for flood control into 2012 and do the site prep for flood control. The committee recommends partnering with the Port of Skagit and allocate \$50,000 in the general fund for dredging the channel in the 2012 budget. Seconded by Councilmember Tracey. Carried 4-1 with Councilmember Brunisholz voting nay.

Councilmember Brunisholz requested that it be in the record that the dredging of the channel was not on the agenda for public input.

- Teamster's Labor Contract & Employee Personnel Policy for non-union employees – The committee briefly reviewed the recommended changes in the 2012-2015 labor contract and suggested changes to the personnel policy. They will have a recommendation for the council at the December 13th meeting.
- Government Bonds & amending the Financial Policy - Finance Director Taylor reviewed information and rates on callable government bonds and reducing the amount of funds retained in the LGIP.

The committee recommends not pursuing government bonds because of the long maturity dates. It was recommended to look for other banks that may offer public Certificates of Deposits at this time.

The committee does recommend amending the Investment Policy Section 11.0, to reduce the funds in the LGIP from \$200,000 to \$25,000. This will be brought to the council for consideration at the December 13th meeting.

The committee reviewed Section 4.0 of the Budget and Financial Policy regarding Fund Balances. This section refers to maintaining a minimum General Fund Balance equal to 10% of operating revenues unless there is a declaration of an emergency by the Town Council. The current preliminary budget does not meet the 10% requirement.

The committee recommends addressing this issue in the adoption of the 2012 Budget Ordinance.

- Copier Lease: Finance Director Taylor reported that the lease has expired on the current copier in the office and staff has been using a new Sharp copier on a trial basis. The Sharp copier can produce color copies and will three hole punch paper, which the old copier cannot do. These features will be a time saver for staff. The monthly lease for 5 years on the new copier is less than the current copier – approximately \$320 per month.

The committee recommends the council approve a contract for leasing the Sharp copier for five years.

PUBLIC HEARING – Capital Facilities Plan: Mayor Pro Tem Brunisholz opened the public hearing at 7:30 p.m.

Dan O'Donnell, 328 N Third Street, stated that on page 11 the date for the 8" line should be 1951; on page 15 he suggested updating the meter equivalents; and on page 20 he felt the Town was not recognizing the importance of inflow and infiltration in the sewer system.

The public hearing on the Capital Facilities Plan was closed at 7:33 p.m.

Administrator Doyle stated that the CFP is a rolling 6-year plan that is required by GMA. He stated the plan identifies all possible capital projects in order to qualify for grants, and is a compilation of several different plans for the Town. He stated he will make the corrections that are necessary.

Councilmember Hubbard moved to approve Resolution No. 471 adopting the 2012-2015 Capital Facilities Plan with minor corrections. Seconded by Councilmember Welch. Carried 5-0.

PUBLIC HEARING – 2012 Property Tax Levy & Revenue Sources: Mayor Pro Tem Brunisholz opened the public hearing at 7:37 p.m.

Dan O'Donnell, 328 N Third Street, stated the resolution did not include the 1% increase and he recommended that the council levy the maximum amount of property tax.

The public hearing on 2012 property taxes and revenue sources was closed at 7:39 p.m.

Councilmember Hubbard moved to approve Resolution No. 469 using the banked capacity of property taxes from 2011 and levy a 1% increase for 2012, plus new construction. Seconded by Councilmember Tracey. Carried 4-1 with Councilmember Welch voting nay.

Contract – Sharp Copier Lease:

Councilmember Wright moved to approve and authorize the Mayor to sign a five year lease for the new Sharp copier. Seconded by Councilmember Tracey. Carried 5-0.

Resolution – Hartford Deferred Compensation Plan: Finance Director Taylor explained that this is a housekeeping item and is required because of a change in the IRS code.

Councilmember Wright moved to approve and authorize the Mayor to sign Resolution No. 470 adopting the changes in the Hartford Deferred Compensation Plan. Seconded by Councilmember Hubbard. Carried 5-0.

Proclamation – November as United Way of Skagit County Month:

Councilmember Hubbard moved to approve the Proclamation for United Way. Seconded by Councilmember Tracey. Carried 5-0.

There being no further business the meeting was adjourned at 7:49 p.m.

Lorraine Taylor, Town Clerk

Jacques Brunisholz, Mayor Pro Tem