

***Town of La Conner***  
Town Council Meeting  
February 22, 2011 – 6:00 p.m.

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The meeting of the La Conner Town Council was called to order at 6:00 p.m. by Mayor Hayes.  
Present: Councilmembers Brunisholz, Tracey, and Welch.  
Also present: Administrator Doyle, PW Director Lease, and Finance Director Taylor

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**Councilmember Brunisholz moved to excuse the absence of Councilmembers Hubbard and Wright. Seconded by Councilmember Tracey. Carried 3-0.**

**Approval of Agenda:**

**Councilmember Tracey moved to amend the agenda by switching Unfinished Business with Reports. Seconded by Councilmember Welch. Carried 3-0.**

**Approval of Minutes:**

**Councilmember Welch moved to approve the minutes of the February 8, 2011 regular town council meeting. Seconded by Councilmember Brunisholz. Carried 3-0.**

**Approval of Accounts Payable:**

**Councilmember Tracey moved to approve checks 9973 through 10011 and 201045 dated February 22, 2011 in the amount of \$39,536.99 as presented. Seconded by Councilmember Welch. Carried 3-0.**

**Approval of Payroll:**

**Councilmember Brunisholz moved to approve payroll warrants 2240 through 2245 and 201046 and direct deposits for the payroll period February 1 through February 15, 2011 in the amount of \$22,718.09 as presented. Seconded by Councilmember Welch. Carried 3-0.**

**Interlocal Agreement regarding Flood Mapping:** Mayor Hayes stated that a year ago the “Skagit Partners” went to Washington DC to send a message that we want to take responsibility for the Skagit River.

Chal Martin, City of Burlington Public Works, stated he has been involved with the hydrology of the Skagit River for many years, and the City has done its own independent study of the river. He stated that the hydrological basis for the Skagit River Flood Study is seriously flawed, and has repercussions that exist now and for the future. The goal is to bring in flood projects that will bring down flood insurance rates down. He stated there is a new process that FEMA has backed that is called the Scientific Resolution Panel.

Scott Thomas, City of Burlington Attorney, stated the Corps of Engineers has been studying the Skagit River and have developed hydrologics and hydrology estimating the volume of water in a 100 year flood. The City of Burlington engineers looked at the study and determined the study had significant discrepancies and scientific shortcomings. He stated Pacific International Engineers was hired by Skagit

County to look at this problem and has been retained by the cities jointly. He stated that Skagit County also hired Northwest Hydrology Engineers to review the FEMA Flood Study and agreed it had significant problems. Therefore, the cities of Burlington and Mount Vernon have engaged in a process to present the best available science to eventually produce reduced hydrology in the Skagit River. He stated the original maps presented by FEMA were seriously flawed and withdrawn. The new maps that were published at the end of 2010 still have some underlying flaws and the appeal period is 90 days. The City of Mount Vernon and Burlington have entered into an agreement to share the cost of prosecuting an administrative appeal to the agency. He stated that through the Interlocal Agreement regarding Flood Mapping, they are inviting Sedro Woolley and La Conner to join in a limited financial extent. This would allow information sharing to enable Sedro Woolley and La Conner to form their appeal if desired. He stated that Town Attorney Furlong has reviewed the interlocal and his recommendations are included in the final version. The City of Burlington and Mount Vernon have hired an attorney, Scott Shapiro, from California to prosecute the appeal and it will cost approximately \$150,000. Per the interlocal agreement, La Conner will contribute \$1,000 to the appeal, and Burlington and Mount Vernon will share all remaining expenses equally.

Kevin Rogerson, City of Mount Vernon Attorney, stated that the regulatory impacts of this study are significant and long term and will affect the building of schools, streets, jails and other public infrastructure. He stated that FEMA has not recognized a floodway on the Skagit River. A floodway is an area on the river that is a no build zone to preserve in the event of a 100 year flood. He stated depending on how much water volume is recognized in a 100 year flood determines how big that no build zone will be and where it will be located. This process will happen within the next several years. He stated that several years ago FEMA came out with new maps called Flood Map Modernization and it is a national issue because properties that were previously not considered to be in a flood plain and protected by dike, now are considered to be in a flood plain.

Mr. Rogerson stated that a group of legislators told FEMA they needed to change their review process because they were getting complaints all across the United States. FEMA created a Scientific Resolution Panel which will convene with 3-5 experts to look at the merits of the technical case and compare it the flood study base maps and decide on the merits of the case which has the more solid science. Then the appellant chooses from a list of experts to the related to the field recommended by the National Institute of Building Sciences. The appellant picks the majority and FEMA picks the rest of the experts. At the time the appeal package is submitted to the Scientific Resolution Panel they have 150 days to make a decision on each point in writing. This written decision then becomes the recommendation from FEMA that these are the final maps submitted to the Flood Insurance Administrator. The Flood Insurance Administrator makes the final decision and is not to rely on any other evidence outside the record given. During this period the maps are suspended until a decision is made and then local jurisdictions have six months to adopt the maps or seek a judicial appeal.

Mayor Hayes stated that this process will level the playing field and is an unbiased approach to this issue.

Bud Norris, Mayor of Mount Vernon, stated that he had been involved with this issue for 30 years when all the cities were forced to participate in the National Flood Insurance program in 1985. At that time FEMA was putting forth a map in downtown Mt. Vernon that was 8' higher than the city recognized. The city prevailed at that time in their appeal. The cities of Mount Vernon and Burlington have spent millions on this issue and received additional valuable accurate information from Pacific International Engineering. The law prevents a city from expanding their UGA in the floodplain. Mount Vernon has agreed to take 50% of the growth in Skagit County through 2025 per the Growth Management Act. He stated it would be difficult to expand without displacing a community. He stated the issue is accuracy, not getting an artificially low building standard.

**Councilmember Brunisholz moved to approve and authorize the Mayor to sign the Interlocal Agreement regarding Flood Mapping. Seconded by Councilmember Tracey. Carried 3-0.**

**Community Comments:**

Cindy Verge, Executive Director of the Skagit Valley Tulip Festival, presented the Town with the 2011 Official Tulip Poster by John Ebner.

B.J. Carol, stated the 4<sup>th</sup> of July is on a Monday and the parade will start at 11 a.m. by the Retirement Inn and go down First Street. The festivities will continue at Pioneer Park with food, games and music. A water element may be added this year.

Janna Gage, Volunteer Director of the Senior Center, handed out a calendar of activities for March 2011, that is indicative of the classes offered for the last nine years. She stated they need a large facility such as Maple Hall to hold all the classes.

Dan O'Donnell, stated the council is on the right track for budgeting money for the ring dike. He stated that \$120,000 in capital improvements were overlooked in the Tribe Fair Share Adjustment. He suggested that the Town enter into negotiations with the City of Anacortes regarding capital reserve.

**Administrator's Report:** Administrator Doyle stated that the Town has received a request for the Ragnar Relay that runs through the Town every year during the night. They are requesting the use Pioneer Park as a staging point because it is along their route. Mr. Doyle stated the Town would require flaggers and a light at the intersection for safety purposes.

**Councilmember Brunisholz moved to approve opening Pioneer Park during the night for the Ragnar Relay. Seconded by Councilmember Tracey. Carried 3-0.**

Administrator Doyle stated that he will have a draft of the WSU contract for the council at the next meeting.

Mr. Doyle stated that a final review of the solar project with a bond accountant revealed some significant concerns regarding the incentives and the obligation of the utility (PSE).

**Mayor's Report:** reported that the bid amount for the Public Works mobile office was \$34,177.75, which was below the approved amount, but does not include the tax. He stated that the bid for used units were less, but did not include any refurbishment, upgrades or warranty.

Mayor Hayes stated he met with the Port of Skagit regarding \$10,000 in matching funds for advertising the Town, and the Finance Committee recommended approval at their last meeting. He requested approval for the funds and stated council would have oversight and approval of the project. Councilmember Welch said he would like to know what the project is first. Councilmember Tracey stated she would like more support for the Facility Event Coordinator position, but supports promoting the Town.

**Councilmember Tracey moved to approve an additional \$10,000 in Hotel Motel funds for advertising to be matched by the Port of Skagit. Seconded by Councilmember Brunisholz. Carried 2-1 with Councilmember Welch voting nay.**

Mayor Hayes stated that regarding the Facilities Event Coordinator position, it is the council that sets policy and the duty of the Mayor to administer it and he will do so in a fashion that is responsible.

**Council Committee Reports:**

Councilmember Brunisholz reported that the Flood Committee met with Al Mesman from Dike District 9 and Bob Hart from Drainage District 12.

Councilmember Welch stated that three quarters of the Town is protected by private dikes. To the north is the bypass channel which drains into the Swinomish Channel. It has been referred to as a dike, but actually was ditch sweepings that came out of the channel, and removed when it became overgrown.

The meeting raised several issues such as, what it would take to put a dike in the open area to provide a measure of protection for the Town. He stated that the most logical place for a breach would be at the river bend dike in Mount Vernon. He said the water would flow down to the Rexville Grocery area and around Pleasant Ridge to the Town. The farmers have a system of ring dikes that would push the water to the northern part of the Town to the bypass and then into Town.

Mayor Hayes stated that we can design and engineer a dike, but it would only be as good as the existing portions that are there.

Councilmember Welch stated that the dikes on the southern and eastern side protect the Town from the Skagit River, Sullivan Slough, and high tides. He requested that a cost benefit analysis and a timeline of the project be available at the next committee meeting for a clear cost of this project.

Administrator Doyle stated there would be permits needed from the Army Corps of Engineers, the tribe, and Skagit County. He stated there would be significant environmental issues.

Councilmember Welch suggested polling the town regarding this issue.

Facilities Committee: Councilmember Tracey clarified her decision regarding the Facility Event Coordinator position. The goal was to find someone with expertise to bring more people to Town during the off season and it was never discussed to reduce staff at Town Hall or displace the Seniors.

Councilmember Welch stated that he and Cindy put in a lot of time during the process of hiring a Facility Event Coordinator position. Their concern was the amount of money the facility was losing and figuring out how to work around the problems, such as reducing rates and the use of credit cards. He hopes the position will be filled quickly.

Mayor Hayes stated that the position does exist and it will be administered in a responsible fashion by the administration. He stated he appreciated the committee's hard work.

Street Committee: Councilmember Welch stated the committee met and reviewed the preliminary plans for 2<sup>nd</sup> Street. The committee recommended that the residents be notified, more parking spots, and poetry in the sidewalk.

**Professional Services Contract – Terre-Source LLC:** Administrator Doyle stated this is the third addendum to the Terre-Source contract which was approved in the 2011 budget for \$25,000. He stated Tamara Thomas has been invaluable to marketing and formulation of the compost facility.

Councilmember Welch stated he would like to see a marketing plan for the compost and regular reports. Administrator Doyle stated the reports have been provided every month.

**Councilmember Brunisholz moved to approve the contract with Terre-Source LLC. Motion failed for a lack of a second.**

**2010 Tribe Sewer Rate & Fair Share Adjustment:** Administrator Doyle stated the WAB and Utility Committee met and reviewed the Fair Share Adjustment. He stated this is a reconciliation of the 2010 rate. He stated that the sewer treatment plant did not undertake all of the capital projects that were projected in the 2010 budget, thus creating a refund to the tribe. These projects will be done in 2011.

**Councilmember Welch moved to approve the 2010 Tribe Sewer Rate & Fair Share Adjustment in the amount of \$23,029.22. Seconded by Councilmember Tracey. Carried 3-0.**

**Water Supply Agreement – City of Anacortes:** Administrator Doyle stated that it has been difficult to negotiate with the City of Anacortes and get additional information. The only part of the La Conner rate that has been increased is the capital component because Anacortes is doing a major overhaul and upgrade of the treatment and pumping facility at the river. Early on in the negotiations, Anacortes indicated the capital costs could go as high as \$11,000 per month, but the capital costs in this contract is \$8,110.67 per month. This is a 26% increase in capital costs and the Town will need to renegotiate our contract with Shelter Bay. He stated that because the Public Works Trust Fund is not functional right now and in 2013 our capital costs may increase again.

Mr. Dan O'Donnell suggested it might be more effective to have Doug Merriman (Oak Harbor), Mark Fredlund (PUD), Helen Balagot (Shell), Bruce Gillett (Tesoro) and the Town Administrator meet with the Anacortes Finance Director Hoglund.

**Councilmember Welch moved to table the Water Supply Agreement to the next meeting. Seconded by Councilmember Tracey. Carried 3-0.**

**Miscellaneous - Mayor/Councilmember Roundtable:**

Janna Gage, stated that there are many people in the Town who feel it was not a good time to create the Facility Event Coordination position due to the economic climate. She stated it is the job of Chamber of Commerce not the Town of La Conner to market the Town.

Mayor Hayes stated he will protect the Senior's and wants to move forward on this issue for the benefit of the Town.

There being no further business Mayor Hayes adjourned the regular meeting at 8:00 p.m.

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Lorraine Taylor, Town Clerk

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Ramon Hayes, Mayor