

Town of La Conner
Town Council Meeting
May 26, 2009 – 6:00 p.m.

Present: Mayor Hayes, Councilmembers Brunisholz, O'Donnell, and Johnson
Also Present: Town Administrator Doyle, Finance Director Taylor, PW Director Lease, Fire Chief Taylor

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

Approval of Agenda:

Councilmember Johnson moved to approve the agenda as presented. Seconded by Councilmember Brunisholz. Carried 3-0.

Approval of Minutes:

Councilmember Johnson moved to approve the minutes of the May 12, 2009 regular town council meeting as amended. Seconded by Councilmember Brunisholz. Carried 3-0.

Councilmember O'Donnell moved to approve the minutes of the April 14, 2009 special meeting with the State Auditor's Office. Seconded by Councilmember Johnson. Carried. 3-0.

Councilmember Johnson moved to approve the minutes of the May 19, 2009 special training meeting with Mike Walter of WCIA as amended. Seconded by Councilmember O'Donnell. Carried 3-0.

Approval of Accounts Payable:

Councilmember Johnson moved to approve vouchers 7442 through 7486 dated May 26, 2009 in the amount of \$200,903.68 as presented. Seconded by Councilmember Brunisholz. Carried 3-0. Checks #7317 & 7374 to Verizon NW were VOID and replaced with check #7483 (checks were lost).

Approval of Payroll:

Councilmember Brunisholz moved to approve payroll warrants 1604 through 1609 and direct deposits for the payroll period May 1 through May 15, 2009 in the amount of \$22,643.47 as presented. Seconded by Councilmember Johnson. Carried 3-0.

Community Comments: Time was given for members of the audience to address the council regarding issues that are not on the agenda. There were no public comments.

Administrator's Report: Administrator Doyle stated that he would like to have a meeting of the Street Committee to review TIP, and have a Public Workshop by mid-June. The TIP plan should be adopted by Council by the end of June.

Skagit Maple Avenue Playfields – Mr. Doyle stated that he has discussed this issue with the Facilities Committee, Little League, and Mr. Hedlin. Mr. Hedlin agreed that the lease agreement needs to be updated and would like to increase the lease to \$7,000 per year. The property taxes for the four lots is \$2,500 per year. Discussion followed on the value to the community and if Little League would be willing to contribute to the cost. It was decided to continue negotiations. (Councilmember Hubbard arrived at 6:10 p.m.)

Maple Avenue Resurfacing – Town staff has completed the bid and project documentation for the project and will go out to bid on June 3rd. The bid opening will be June 18th at 11:00 a.m.

WA Street Loop Project – Mr. Doyle stated the Town would like PSE/Intolight to install a new street light at the La Conner Post Office for the drop off boxes.

Councilmember Hubbard moved to authorize the Mayor to sign the Intolight Agreement. Seconded by Councilmember Johnson. Carried 4-0.

Councilmember O'Donnell inquired about the water/sewer rate study. Mr. Doyle stated we are expecting a final report and the software model later this week.

Mr. Doyle stated that due to the construction, La Conner Country Inn has requested to use Upper Maple Hall for their conference. PW Director Lease stated that the gas has been turned off, and recommended waiving the fees as a mitigation measure for the inconvenience. Council agreed to waive the fees for La Conner Country Inn due to the construction on the WA Loop Project.

Mayor's Report:

Mayor Hayes stated that after the State Auditor's Office issued a finding on the Annual Report for 2007, the Town Attorney wrote a detailed response letter to the Auditor's Office challenging their authority to issue the finding. Mayor Hayes said he received a call from Sadie Armijo stating that they did not feel it was appropriate for La Conner to question their authority and requested to edit our response letter and address the issue separately. Before Mayor Hayes could get back to Ms. Armijo, they had sent the final finding for the 2007 audit report, and she stated they will have a response letter regarding their audit authority to the Town before the release of our audit report.

Mayor Hayes stated that the Town Attorney, Brad Furlong, recommends writing a letter to the Governor, Attorney General, and State Auditor Brian Sonntag. Council agreed.

Council Committee Reports:

Parks Committee: Councilmember Hubbard stated they had a meeting on May 13th and the kids presented a design for the skateboard park. She stated there was not any money for the Kirsch property, and they would be applying for grant money next year for the boardwalk project. The plans for the 4th of July celebration are going forward with a parade and other activities.

Utilities Committee: Councilmember O'Donnell reported that the committee met on May 20th. The committee felt it was time to do something about I&I. At the next meeting Kelly Wynn will present a plan of action and cost estimates for the problem. Engineer Henke will present an I&I study for the July meeting.

PW Director Lease presented a memo to the committee from CHS describing the Caledonia stormwater pump station upgrade. Three pumps will be planned, but only two will be installed, pending full build out.

The estimated cost is \$715,000 and Mr. Lease will apply for a DOE grant under the Centennial Clean Water Act.

Mr. O'Donnell stated that Councilmember Wright will put internal return flow at the sewer plant on the agenda for the next WAB meeting.

Finance & Investment Committee: Councilmember Johnson stated the committee met on May 21 and discussed the Financial Software RFP's received. They supported staff's recommendation for the Vision Software. The finance director will follow up and obtain a quote on the final costs for council approval. Councilmember O'Donnell inquired about the ability to create class and rate code reports.

Ms. Johnson said that the Finance Director was waiting to hear back from Foundation Bank in Bellevue regarding a new CD at the rate of 1.8%. Ms. Taylor stated that the bank did not call back, and the proceeds from the Whidbey Island CD will be deposited in the LGIP.

Flood Control: Mayor Hayes stated he met with Patsy Martin from the Port, and they are serious about a road going to the Port. They will be presenting to their commissioners a request for a match of \$35,000 for land acquisition and engineering. They emphasized they would like any flood control project built to accommodate a road to the Port.

Councilmember O'Donnell referred to a map for the proposed dike for flood control east of La Conner Whitney Road. Mr. O'Donnell & Brunisholz measured the site at a length of 365', with a 55' footprint. He stated the Town would need to buy approximately 27,356 square feet of land from Mr. Lervick.

Councilmember O'Donnell & Brunisholz presented a proposal to buy the land and have it surveyed. If there is any money remaining, they propose hiring a contractor (or the Public Works crew) to clear off and dispose of the blackberry vines on the Town-owned dike in parcel P74516. It was agreed that Councilmember O'Donnell will prepare a resolution for council consideration.

Mayor Hayes stated he will be meeting with the Hedlin family to address their concerns for development if a road is built. Administrator Doyle will research the concept of a Norwegian wall for the gap across the La Conner Whitney Road.

Ordinance Adopting Explorer Scout Program: Administrator Doyle stated that there is not a provision in the LCMC for an Explorer Scout Program. He stated that the young volunteers are an asset and foundation to the Volunteer Firefighter program, but they need to be in compliance with WCIA standards for the Junior Firefighter Explorer Program. The ordinance includes the WCIA standards, parental permission forms, health forms, etc.

Councilmember Hubbard moved to adopt Ordinance No. 1023 establishing an Explorer Program for the La Conner Fire Department as amended. Seconded by Councilmember Brunisholz. Carried 4-0.

Resolution Amending Cash Management & Investment Policies: Finance Director Taylor reviewed the recommendations of the State Auditor's regarding interest earned on restricted funds. The Finance Committee recommended approving the changes to the policy.

Councilmember Johnson moved to approve Resolution No. 438 amending the Cash Management & Investment Policy. Seconded by Councilmember Hubbard. Carried 3-1. Councilmember O'Donnell voted nay.

Mayor Hayes called a five minute break at 7:17 p.m.

Ordinance Establishing Policy Regarding Billing Corrections to Utility Accounts: Administrator Doyle stated that he had contacted MRSC and Attorney Furlong regarding billing error adjustments. Mr. Doyle recommended that the council table the issue until Mr. Furlong has reviewed the draft ordinance.

MRSC indicated that prior to 2007, they advised municipalities that three years was the recovery period for both over and under billing errors. In 2007 the state legislature amended the under billing component, stating that a Town may recover accounts receivable back six years. Over billing remains at three years.

Councilmember O'Donnell moved to table the draft ordinance establishing policy on billing corrections to utility accounts. Seconded by Councilmember Brunisholz. Carried 4-0.

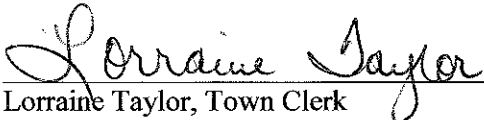
Councilmember Hubbard stated that the Finance Committee recommended three years on the over billing and under billing of utility accounts.

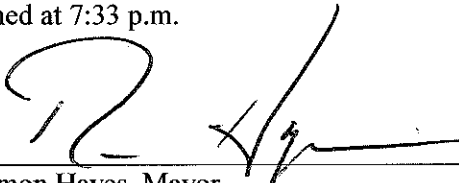
Miscellaneous: Finance Director Taylor stated that due to the limitations of the Springbrook software and the reporting requirements of the State for Schedule 11 & 12, she was requesting establishing Fund 999 for the sale and purchase of investment funds. The Finance Director at the City of Ephrata uses a Fund 999 to record investment activity, and recommended this as a solution for the Springbrook software.

Councilmember Hubbard moved to approve Ordinance No. 1024 establishing Fund 999 for the sale and purchase of investments. Seconded by Councilmember Johnson. Carried 4-0.

Councilmember O'Donnell stated that he felt the Town has overpaid WWTP \$909 this year, per the budget. Finance Director Taylor stated that she met with Administrator Doyle and Mr. Wynn regarding this issue, and the figures in the budget are what Mr. Wynn requested for 2009. However, neither Mr. Wynn nor the Finance Director went back to the amended contract amount and increase the budget by 3%. Mr. Wynn added the 3% to the 2008 budget figures, and the Finance Director increased the individual components of the basic monthly billing by 3% for 2009, and gave those figures to WWTP. The correct amount is approximately \$3,400 more than the budgeted amount, and can be corrected with a budget amendment.

There being no further business the meeting was adjourned at 7:33 p.m.


Lorraine Taylor, Town Clerk


Ramon Hayes, Mayor