

***Town of La Conner***  
Town Council Meeting  
June 14, 2011 – 6:00 p.m.

---

---

The meeting of the La Conner Town Council was called to order at 6:00 p.m.

Present: Mayor Hayes, Councilmembers Brunisholz, Hubbard, Tracey, Welch, and Wright.

Also present: PW Director Lease, Fire Chief Taylor, Sergeant Wise, Sewer Operator Kelly Wynn, and Attorney Brad Furlong

---

---

**Approval of Agenda:**

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

**Approval of Minutes:**

Councilmember Wright moved to approve the minutes of the May 24, 2011 regular town council meeting. Seconded by Councilmember Welch. Carried 5-0.

**Approval of Accounts Payable:**

Councilmember Hubbard moved to approve checks 10361 through 10443 in the amount of \$199,489.80 as presented. Seconded by Councilmember Tracey. Carried 5-0.

**Approval of Payroll:**

Councilmember Wright moved to approve payroll checks 2298 through 2309, 201060 and direct deposits in the amount of \$39,531.44 as presented. Seconded by Councilmember Tracey. Carried 5-0.

**Community Comments:**

Pat Doran, Director of the Historical Museum, requested \$1,286 in additional Hotel Motel money for the Native Journey Exhibit. The funds would be for a banner at the entrance of Town and for radio advertising.

Dan O'Donnell, 328 N Third, requested that the Town look into additional mitigation on the Boardwalk EIS for an exemption for the Chip Hall and \_\_\_\_\_property.

**Chamber Report:** Director Marci Plank requested permission to close off the north end of First Street between S Basin and State Street for the Classic Car & Boat Show on August 13, 2011.

Councilmember Tracey moved to close off the north end of First Street for the Classic Car & Boat Show. Seconded by Councilmember Hubbard. Carried 5-0.

**Revenue/Expenditure Report:** Mayor Hayes reviewed the Finance Director's report on Hotel Motel, sales tax receipts, and property taxes.

**Department Head Reports:**

- Administrator: Mr. Doyle stated that the Parks Commission is working with the Boys and Girls Club for afterschool programs and will bring forward a proposal to the Council.

Administrator Doyle reported on the meeting in Washington DC that the Army Corps of Engineers called in regards to the General Investigation Study. Because of budget cut pressures, the Corps wanted to severely limit or table the GI Study, but the Skagit County communities held their position of wanting to follow through with the study and prioritize future tasks. He felt it was a very productive meeting.

While in WA DC, Mayor Hayes and he discussed funding for the dredging of the Swinomish Channel and the critical nature to the local economy. Unfortunately, in the last two funding cycles navigational channels are a low priority and currently there is no funding. They were able to give the Town some suggestions for potential funding and the Town will follow up with the Port of Skagit on this issue.

**Mayor's Report**: Mayor Hayes stated that Councilmember Brunisholz suggested that 8' by 8' chess boards be placed in the cement at the Skateboard Park. PW Director Lease stated he would talk with the contractor about the idea.

- Finance: There were no questions on the report included in the council packet.
- Public Works: There were no questions on the report included in the council packet.
- Water & Wastewater: Operator Wynn stated that Bob Uhrich from the NW Clean air Agency did a site visit and felt the operation was acceptable and had no recommendations. It was discussed that the recent odors were more from the fields than from the sewer plant.
- Fire Department: There were no questions on the report included in the council packet.
- Sheriff's Department: There were no questions on the report included in the council packet.

#### **Council Committee Reports:**

Councilmember Brunisholz inquired about the possibility of recycling in the Town. Administrator Doyle stated that we contract with Skagit County and it would be a year long process to request our own contract with Waste Management. It was the consensus of the council to pursue a service package including recycling.

Councilmember Hubbard stated that the Arts Commission supported the print making project and plan to do it again next year. She reported that Jana Gage proposed redesigning the patio area in front of Maple Center since the tree is dying and make it more handicap accessible. The Arts Commission will be working with her and have discussed the possibility of a mural on the wall honoring the Conner family.

Councilmember Tracey reported that the Finance Committee met and discussed purchasing the Cash Management module in order to process credit cards and ACH payments more efficiently. The Town had budgeted \$14,000 for a generator for Town Hall in 2011 and were able to obtain one from the Skagit County Sheriff's Office and install it for approximately \$2,000. The cost for the module is \$6,800 plus tax and the annual maintenance fee. The committee recommends the council approve the purchase of the Vision Cash Management module and include it in the budget amendment scheduled for June 28<sup>th</sup>.

**Councilmember Tracey moved to purchase the Vision Cash Management module in the amount of \$6,800 plus tax and annual maintenance fee. Seconded by Councilmember Hubbard. Carried 4-1. Councilmember Wright voted nay.**

The committee also discussed helping the Chamber of Commerce with the annual cost of the flower baskets. It was decided to discuss this further at another meeting.

**Update on Canoe Journey Coordination**: Administrator Doyle stated a table top run through on the actual event was delayed until next week. He stated that during the event coordination meetings the need

for flaggers to direct traffic to parking areas around the Town. The State of Washington and L&I requires that flaggers be certified if directing traffic.

Mayor Hayes stated that the Canoe Journey is important to the Town and encouraged people to volunteer at the event.

**PUBLIC HEARING – Comprehensive Plan Rezone & Map Amendment:** Mayor Hayes stated he had received two letters opposed to the rezone and several letters regarding mitigation of lighting and noise issues.

Mr. Jerry Hahn stated that Upper Skagit Tribe has submitted a Comprehensive Plan Amendment and Rezone application to change approximately 5.5 acres of commercial zoning to industrial zoning. He stated that zoning must be consistent with the Comprehensive Plan per GMA. He stated that the letters outlined in the staff report and from the Planning Commission deal with regulatory issues. The issue is whether the town wants the property to remain commercial and eventually become retail and residential or change it to industrial. If there is a change in the zoning code, regulatory issues would address public access, lighting and noise issues.

Mr. Roland Harper, 1323 Lincoln Street, Bellingham, WA, stated he has worked with the Upper Skagit Tribe for over a decade. He requested the council's support of the application and the merits therein. He stated it is consistent with the vision and goals within the Town of La Conner's comprehensive plan, and it has only been zoned commercial for five years and has a long history of industrial zoning and uses.

Harry Cheshin, Attorney for the Upper Skagit Tribe, stated the tribe has been a good neighbor, and has made three trips to Washington DC to advocate for dredging of the channel. He stated they have treaty rights and are trying to get funds reallocated within the current budget. The change of zoning would create jobs of an industrial nature and if the zoning change is not approved, those jobs will be lost. It would also change how the Tribe views the property in regards to difficulty with expenses and the inability to engage the engine of diversification for the Tribe and the Town.

PUBLIC HEARING: At 7:05 p.m. Mayor Hayes opened the public hearing.

Amy McFeely, 818 S Fourth Street, stated her neighborhood is multi-cultural and she had many fears about the quality of life but the Upper Skagit Tribe has been a considerate neighbor. She stated that she supports the change to industrial and expects the Town and the Tribe to be vigilant in maintaining the safety of their neighborhood.

Joy Gardner, 504 S Third Street, stated that when the Town changed the zoning five years ago to commercial they had a vision for the future and a good tax base for the Town. She stated the Upper Skagit Tribe knew it was zoned commercial when they bought the property and would like them to abide by it.

Jeff Winder, 944 S Third Street, stated the Planning Commission did a good job and had the best interests of the Town and agrees with their decision to deny the request for rezoning. He feels the industrial zoning is not compatible with the neighborhood.

Bill Cook, 922 S Third Street, feels the zoning should stay commercial.

Dan O'Donnell, stated he was representing Margie Madson, 911 S Third Street, and if the noise and odor can be mitigated she favors the rezoning.

Dan O'Donnell, 328 N Third Street, stated he voted against changing the zoning to commercial in favor of more diversity in La Conner. Since 2008 the economy has had a melt down and feels we need living wage jobs in Town. He referred to the vision and goals in the Comprehensive Plan as it relates to the economic element of the plan.

Breta Malcolm, 415 Caledonia, stated she is a realtor and feels the Tribe knew what the zoning was when they bought it. She feels the property values will suffer if the property reverts to industrial.

Terry Cook, 922 S Third Street, feels it should stay commercial zoning and does not support industrial use.

Tracy Winder, 944 S Third Street, feels they knew what the zoning was when they bought the property.

Mary Evitt, 416 Caledonia, favors keeping the commercial zoning.

Bill Stokes, 410 Caledonia, feels the south end of Town has become more residential, and the trend is toward commercial/residential. He felt traffic is a big problem.

Don Olson, feels the jobs created will be filled with tribal employees and is against changing the zoning.

Mayor Hayes closed the public hearing at 7:30 p.m.

Harry Cheshin, stated the Upper Skagit pays all taxes because the land is not in a trust. He stated the tribe has the highest regard for the environment in regards to fishing and clean air and water. The tribe does not have any plans for developing the property for commercial or residential use. He stated the council's choice is if the property is used for industrial use through a commercial non-conforming use to expand employment to non-tribal members. He stated fish processing is across the channel and the Upper Skagit Tribe would provide fish processing in a better and cleaner manner and be a good neighbor.

Roland Harper, stated that he can vouch for the Upper Skagit that on other projects regarding environmental impacts that needed to be mitigated, they hired top notch consultants. He stated he felt the industrial use zoning was reasonable with the neighborhood and they will work with suppliers to minimize impacts. He stated future commercial use at this location would draw away business from downtown La Conner and have a zero sum effect.

Councilmember Hubbard read from the council minutes of 9/26/06 that Councilmember O'Donnell did vote to approve changing the zoning from industrial to commercial. She stated the Upper Skagit Tribe knew the property was zoned commercial when they purchased the property.

Councilmember Brunisholz inquired about what regulations the Town can impose if the zoning were to change to industrial. Mr. Jerry Hahn stated that the Shoreline Master Plan and the Town zoning codes would regulate citizens concerns in industrial property. He supports rezoning the property but wants to mitigate residents concerns.

Attorney Furlong stated when the Town changed the zoning in 2006 it set forth specific regulatory scheme that would be fitting for a transition from the downtown area. He stated that the State of Washington requires that you first adopt a Comprehensive Plan that has broad visions and uses, but then it requires adoption of development regulations. He stated that the council could take more time and determine what kind of development regulations it might want to adopt if it desired to change the zoning.

The Upper Skagit Tribe stated it will be renting out space to other types of investors at the site, in addition to their fish processing plant.

Administrator Doyle stated that once you answer the fundamental issue of land use, you can address concurrently development standards.

Stuart Welch stated that the property next to Maple Center was a long and onerous process to rezone it to transitional commercial/residential. He feels it would detrimental to that property to rezone the Upper Skagit property back to industrial. He feels the Comprehensive Plan is to benefit the whole Town, and does not favor changing the zoning.

Councilmember Wright stated the truck traffic that is currently being generated is by Alpac at Vaughn Jolley's property, and there is very little traffic going into the Upper Skagit property. He feels there would be very little impact to the Town.

Councilmember Hubbard called residents within the 300' radius and some did not know about the proposed rezoning. She inquired if the letter was sent in the utility bills. Administrator Doyle stated that everyone within the 300' radius was sent an official letter from the Town Hall. She stated she is to represent the residents of La Conner, and the majority do not want the zoning changed.

Administrator Doyle stated that the property is posted, there were two notices in the newspaper prior to the Planning Commission, one for the Council meeting, in addition to individual mailings.

Councilmember Tracey stated that only five years ago the Town had rezoned the property unanimously and for fifteen years Mr. Jolley had tried to do something with the property. She feels it is ridiculous to change the zoning within five years with the economic downturn. She stated La Conner is the jewel of Skagit County and does not think we want a fish processing plant at the end of a commercial/residential area.

Mayor Hayes stated that fish processing exists at the site now, but it is not a cannery.

Councilmember Brunisholz stated that it has been five years and nothing has happened at the property, and the vision has to change. It has historically been industrial.

Councilmember Welch stated the Planning Commission put in a lot of hard work on this issue and the vote was 4-1 against the property and we need to respect the planning process.

**Councilmember Hubbard moved to reject the rezone request by the Upper Skagit Tribe to amend the Zoning Map of the Comprehensive Plan and put forth the Planning Commission's recommendation of retaining the commercial zoning and draft findings of fact. Seconded by Councilmember Welch. Carried 3-2. Councilmembers Brunisholz and Wright voted nay.**

Mayor Hayes called a five minute break at 8:15 p.m.

**Contract – Tony Hawk Skateboard Park Grant:**

**Councilmember Wright moved to approve the Tony Hawk Skateboard Grant in the amount of \$5,000. Seconded by Councilmember Welch. Carried 5-0.**

**Bid Acceptance – Skateboard Park:** Councilmember Tracey stated that since the Town did not receive the grant for \$40,000 for the skateboard park, therefore the Town is short approximately \$26,000 plus \$8,000 for sales tax. Discussion followed on pursuing other grants and volunteer help.

Councilmember Tracey stated the Finance Committee recommends the council approve the additional funds for the skateboard park.

**Councilmember Tracey moved to approve transferring \$20,000 from REET 2 Fund and \$14,000 from the General Fund to fund the skateboard park. Seconded by Councilmember Hubbard. Carried 5-0.**

**Resolution – Final Action on Boardwalk EIS:** Planner Jerry Hahn stated that the State Environmental Policy Act authorizes Town's planning under the GMA to designate planned actions that have had their significant impacts adequately addressed in an Environmental Impact Statement prepared in conjunction with a phased project like the boardwalk. He stated that the EIS is complete, the Notice of Action has been sent, and concerns have been responded to.

Councilmember Hubbard inquired why the boardwalk doesn't go to Pioneer Park. Mr. Hahn stated that the environmental analysis has already been done in front of the Vaughn Jolley property and around the tribal property goes to Third Street to Pioneer Park. Administrator Doyle stated that the boardwalk does not go on the Channel Lodge property either. It was agreed to change Section 3 A. so that it reflects the boardwalk to Pioneer Park.

**Councilmember Hubbard moved to approve Resolution No. 464 establishing a waterfront boardwalk planned action pursuant to RCW 43 21C.031. Seconded by Councilmember Tracey. Carried 5-0.**

**Professional Services Contract – Laurie Lyon:**

**Councilmember Hubbard moved to authorize the Professional Service Agreement between the Town of La Conner and Laurie Lyon. Seconded by Councilmember Brunisholz. Carried 5-0.**

**Bid Acceptance – Skateboard Park:**

**Councilmember Hubbard moved to award the Skateboard Park bid in the amount of \$96,000 plus tax to Woods Custom Concrete LLC. Seconded by Councilmember Wright. Carried 5-0.**

**Mayor/Council Roundtable:**

**Councilmember Wright moved to approve an additional \$1,286 out of Hotel Motel for the Skagit County Historical Museum for the Canoe Journey display. Seconded by Councilmember Brunisholz. Carried 5-0.**

Councilmember Tracey requested that the funding of the flower baskets be on the next agenda.

There being no further business the meeting was adjourned at 8:45 p.m.

---

Lorraine Taylor, Town Clerk

---

Ramon Hayes, Mayor