

**TOWN OF YARROW POINT
COUNCIL MEETING MINUTES
September 8, 2009
7:00 PM**

The following is a summary of the proceedings and is not a verbatim transcript. The meeting is recorded, and the audio files are public record.

CALL TO ORDER:

Mayor David Cooper called the meeting to order at 7:03 p.m.

MEMBERS PRESENT:

Mayor: David Cooper

Mayor Pro-Tem: Lisa Mushel

Council Members: John DesCamp (Excused)
Steve Rutledge
Carl Scandella
Andy Valaas

Staff: Lt. Kyle Kolling – Clyde Hill Police
Sara McMillon – Town Clerk-Treasurer
Mona Green – Town Planner
Stacia Schroeder – Town Engineer
John Joplin – Fiscal Coordinator
Steve Wilcox – Building Official

Guests: None

APPEARANCES:

None.

MINUTES:

Councilmember Scandella asked if the minutes from the July meeting were corrected. Clerk McMillon stated that she has reviewed the tapes and confirmed the correct wording of the motions from the previous meeting.

MOTION: Councilmember Steven Rutledge motioned to approve the minutes of the regular Town Council Meeting August 11, 2009. Councilmember Andy Valaas seconded the motion.

Vote: 3 For, 0 Against, 1 Abstain. Motion carried.

CONSENT CALENDAR:

Councilmember Valaas noted that a contract for work related to the update of the Shoreline Management Master Program is within the consent calendar. Items that are viewed as routine are placed in the consent calendar and voted on as a block to save time, Attorney Wayne Stewart said. The Council can move any item to the regular agenda.

Mr. Valaas also noted that an item concerning the purchase of software is within the consent calendar and may need to be moved to the regular agenda. Mayor Cooper said Town staff was not ready to make a full presentation for this meeting, but he said he is confident the Council will approve the purchase. The Council agreed that the item should be reviewed next month.

MOTION: Councilmember Andy Valaas motioned to approve the consent calendar as presented including the Warrant Register dated September 3, 2009, for Warrant No. 16651 through 16688 and excluding warrant 16656, totaling \$64,463.36.62, and excluding the proposal to purchase accounting software. Councilmember Lisa Mushel seconded the motion.

Vote: 4 For, 0 Against, 0 Abstain. Motion carried.

STAFF REPORTS:

Steve Wilcox, Town Building Official – Mr. Wilcox reported that the Bergevin Homes project on 92nd Avenue has experienced some problems with financing, but the owner is taking steps to improve the appearance and safety of the property. A project on 95th Avenue also is experiencing some financial trouble. Construction waste needs to be cleaned up in this area.

Mr. Wilcox discussed lots created by the Fairweather Plat at the end of 33rd near the Wetherill Nature Preserve. Three homes have been completed and a fourth residence is nearly complete but hasn't received final inspections. These are now bank owned properties. Mayor Cooper stated that if conditions deteriorate on bank owned properties, the Town can bring it to the attention of the bank, and often the banks will take steps to remedy the problem.

A property that is overgrown with a dilapidated vacant residence on 95th Avenue is not likely to be cleaned up without legal action, Mr. Wilcox said. Erin Boguch, who lives next door, would like to sell the property. Mr. Wilcox stated that it likely will not sell any time soon.

Stacia Schroeder, Town Engineer – Mrs. Schroeder reported that Capital Improvement Project No. 3 is ahead of schedule due to favorable weather conditions. This week workers will enter the Road End Beach, and the beach will be closed. Mayor Cooper said that despite heavy rainfall this weekend and the lack of connections, there were few problems experienced.

REGULAR BUSINESS:

AB 09-042 – Discussion of Proposed Site Development Code

Town Engineer Schroeder addressed the Council concerning the proposed code amendment. Some large projects involving the addition or removal of soil or other substantial work that is not structural within the Town do not require the issuance of a building permit, she said. A site development permit would be an important tool for enforcing regulations for these projects. It would also allow the Town to collect fees that would cover the costs of review and inspections for work of this type, even if it is part of another permit.

The Town's comprehensive surface water plan and the surface water guidelines also need to be officially adopted by the Council, Mrs. Schroeder reported. Input from the Council can be incorporated into the final draft of the site development code that will be presented at next month's meeting. She provided some highlights of the proposed code.

One part of the code that has generated some discussion is the site restoration guarantee. Considering challenging economic conditions, it is important that the Town have a financial guarantee in place that will allow for the stabilization of a site if a project is not completed. Ten percent of the guarantee will need to be paid in cash so that funds can be used immediately to control erosion and sediment. As-built drawings would also be required, she said.

Councilmember Rutledge asked if the site development code would have applied for an instance where a house is demolished and the property is kept vacant. The new code could assist in that scenario, Mrs. Schroeder replied.

A section on pollution control and pollutant matter is included because it demonstrates to other agencies that the Town is attempting to make the public more aware of these types of regulations, she continued. It serves as an official statement from the Town on environmental protection. Some members of staff disagreed that this was necessary.

The fee for the permit has already been included in the Town's fee resolution, but can be revised if necessary. Mr. Stewart said it would probably be a good idea to review the fee resolution again. A review of the fee resolution should be a part of the budgeting process. The Council discussed how much the fee should be for violation and decided \$500 for each day would be appropriate.

Councilmember Valaas asked if the site development code would apply in an instance where someone leaves a large pile of cut trees and other debris in the middle of a site. Attorney Stewart said in this instance fire codes would be enforced and the site development code would not apply. Staff discussed how far the town should go with the new code and decided minimal site stabilization would be the focus.

A public hearing is not required for this type of ordinance, Mr. Stewart said. Mrs. Schroeder said a final draft will be ready for the Council to consider at next month's Council meeting.

AB 09-043 – Town Sport Court Project Update

Mayor Cooper said that at the previous Council meeting, the Council stated that it did not appear the sport court project was feasible unless the least expensive ADA access option could be used. The least expensive option is not possible without an easement agreement for the drive behind Town Hall, and staff did not think that the Town had an easement. However, the Town does have a written agreement in place. Staff is looking for direction from the Council on how to proceed, he said.

Town Engineer Schroeder addressed the Council. She said one concern from project bidders was that too much subcontractor diversity was required. With one option to bid, the process should be simplified. She suggested that the sport court site preparation work could be completed with funding remaining in the Town Budget. This would include all clearing, grading and pad preparation. The cost for site preparation will be about \$34,000 and the cost for the sport court \$58,000. Prepping the site commits the Town to the overall project, Mayor Cooper said.

Councilmember Mushel said she is struggling with the decision. Originally the project was estimated at \$50,000, but now is almost twice that amount. On the other hand, a number of residents would like to see Morningside Park developed for use. The sport court was one step in that process. Councilmember Scandella agreed that everyone would like to see the park improved, but said he is uncertain if this is the right step. He said he would have a hard time approving this proposal considering economic conditions.

Fiscal Coordinator Joplin stated that the Town does not have enough money to do the work that is included in the Transportation Improvement Plan. The Town has been dipping into its reserves. Mrs. Schroeder said if the drawings hibernate for two to three years, the Town runs the risk of having to start over with ideas and concepts.

Councilmember Mushel said the Town has spent \$20,000 on design, and it runs the risk of spending \$20,000 more on design if the project hibernates and opinions change. Councilmember Valaas said spending money on a sport court seems like spending money the Town doesn't have, but the project would add value to the town, so he would be in favor of it. Councilmember Rutledge said if the site is prepared, he can better visualize the project, and he would be in favor of completing the first phase. He doesn't want the \$20,000 the Town has already spent to have been wasted.

Mrs. Schroeder asked if the site preparation work could be added to the current contract for CIP#3 work Tiger Excavation is performing, and Mr. Stewart responded that it could not. A new bid package and solicitation likely would be needed. The Council discussed several options for removing trees at the site. Mr. Scandella noted that there is a company that will relocate trees, even if they are large.

Mr. Stewart recommended that the Council's motion would be to move forward with the project as presented up to the \$34,000, and staff will check on the bidding process, if the Council decides to make a motion this evening concerning the site preparation work.

MOTION: Councilmember Andy Valaas motioned to let the staff move forward with negotiating a contract with Tiger Excavation to prepare a pad for the sport court. Councilmember Lisa Mushel seconded the motion.

Vote: 3 For, 1 Against, 0 Abstain. Motion carried. Councilmember Scandella cast the dissenting vote.

AB 09-044 – Presentation of Preliminary Town Budget for 2010

Mayor Cooper stated that staff is looking for suggested revisions to the budget. He said he strongly recommends that the Town continue to fund the pagoda project. In general the budget is conservative due to economic conditions. He brought to the Council's attention three items contained in Fund #311, the Construction Fund. An optional street overlay, a carryover from previous budgets for ADA improvements at Town Hall and another line item for the time it takes to prepare the TIP is included.

Mr. Joplin reported that Initiative #1033 may not affect Yarrow Point as he previously thought. Towns may be excluded from the possible new cap on general revenue. He said the number in the budget for the property tax levy is a place holder because the Town is required to put in a number before receiving the actual number from King County.

Mr. Joplin said in the general fund, expenses are exceeding revenue. Two thirds of the expenses in the general fund are for police and fire. This expense continually increases. For this budget, Mr. Joplin said he decided to take funds from building services to pay for part of the clerk-treasurer and fiscal coordinator salaries. Both of these positions spend a considerable amount of time processing development services applications and payments.

Councilmember Mushel asked if the revenue projection for new construction is too high, and Mr. Joplin said he based this number on permit revenue, but it might be a little optimistic. The Town must take in at least \$7,000 a month to pay off a loan. Development services consultant costs are variable. If there is less activity, the cost for consultants also decreases.

Mr. Joplin said assessed property values will decrease, but the Town will increase the levy rate, so the amount of revenue will remain the same. The Town will receive one percent more than it did the previous year, regardless of what the assessed value is. This concept is difficult for many people to understand.

Councilmember Scandella asked if the cost for CIP#3 has been included in the 2010 Budget. Mr. Joplin responded that it is anticipated that the project will be completed this year. The Council briefly discussed planning for the pathway extension. Mayor Cooper asked about funding to continue the pagoda project. In addition to pagodas replaced, there were a number of pagodas repaired. He was unsure of the exact amount spent on repairs. Councilmember Mushel said it would seem the Town could now maintain what it already has repaired or installed.

Mayor Cooper stated that many pagodas are still undersized for locking mailboxes. These pagodas have mailboxes hanging off the sides. Councilmember Rutledge said the Town should keep some pagodas in reserve in case of an accident. Mrs. Mushel stated that the

cost per unit is \$3,000. Councilmembers agreed to budget \$10,000 for repairs or new pagodas instead of the \$30,000 budgeted for 2009.

Mr. Rutledge asked Mr. Joplin if he expects an upward or downward trend with sales tax revenue. He replied that sales tax revenue has dropped about five percent, but other municipalities in the county have seen a decrease of 30 percent or more. The new point of delivery sales tax system probably offset decreases from economic conditions.

Mayor Cooper noted that the budget does not contain any park improvement funds. This does not mean the Town will spend nothing on park maintenance. Every year the Town carries over funds for playground equipment at Clyde Hill Elementary, Mrs. Mushel said. Mayor Cooper responded that he is unsure of the status of the project. Mr. Valaas stated that sport court construction should be included in next year's budget.

Health benefit expenses will go up by 10 percent due to utilization, Mr. Joplin reported. Retirement costs have decreased slightly. The budget includes a CIP projection. The Town likely will not have sufficient funds for any capital improvements. Funds will also be needed for storm water system improvements that have been identified in a recent study. The Town may want to look at forming a storm water utility or finding some other sources of revenue.

AB 09-045 – Council Prioritization of Town Action Items

Town Clerk McMillon stated that at the Staff-Council retreat May 1, 2009, a large number of ideas were generated. A special committee met to narrow this list of ideas to a more concise action plan. According to materials distributed by Municipal Research, retreats are traditionally viewed as a budgeting tool. Town staff is of the opinion that the action items could be included in the introduction to the Town Budget. The budget already contains a mission statement and other information.

Councilmember Scandella expressed some concern. He said he did not want to mix brainstorming ideas with the budget document. Ms. McMillon said the finalized priorities would simply serve to inform the decisions of future Councils. The budget introduction would state that the Council, staff and advisory boards at the 2009 retreat identified these areas as priorities.

Ms. McMillon stressed the importance of budgeting for what the Town and its representatives view as broader goals instead of on a project by project basis. For example, when thinking of the bigger picture, the sport court might not be considered a priority. Storm water improvements or road improvements might take precedence if identified as a priority over park amenities.

She continued that funds might not be available in the current year's budget for a particular project, but if that project was identified as a long-term goal, staff could work to identify new sources of revenue. It is important that staff and future Councils understand what the Town's long-term goals and priorities are, and if they are included in the budget, it would seem that they could be easily referred to. The goals could be revised each year.

Councilmember Scandella said he would like to see the finalized priority list before any decision is made to put it in the budget introduction. Mayor Cooper said this would be available at the next Council meeting

COUNCIL DISCUSSION:

Councilmember Rutledge said he thinks residents view the pathway extension as a high priority. He thinks residents would probably be willing to approve a property tax levy for the work. This would seem to be the only way that this project will be completed. As an initial step, an advisory vote could be put on the ballot.

Mayor Cooper reported that Amy Stanton-Pellegrini has volunteered to serve on the Town planning commission as a replacement for Roger Myklebust. Mr. Myklebust will be serving on the Town Council next year because the position he is running for is uncontested on the ballot. Mr. Cooper also reported on an upcoming Mayor's Summit organized by the cities of Kirkland and Redmond.

EXECUTIVE SESSION:

Mayor Cooper announced that the Council will go into executive session pursuant to RCW 42.30.110, to discuss salary increases for Town staff. He stated that the executive session would take approximately 15 minutes.

The Council came out of executive session at 9:27 p.m.

ADJOURNMENT:

MOTION: Councilmember Lisa Mushel motioned to adjourn at 9:30 p.m. Councilmember Steve Rutledge seconded the motion.

Vote: 4 For, 0 Against, 0 Abstain. Motion carried.

APPROVED:

David Cooper, Mayor

ATTEST:

Sara McMillon, Clerk-Treasurer