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CITY OF SEDRO-WOOLLEY  
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Regular Meeting of the City Council  
December 10, 2008 – 7:00 P.M. – City Hall Council Chambers

The Meeting was called to order at 7:00 P.M.

Pledge of Allegiance

ROLL CALL: Mayor Mike Anderson, Councilmembers: Ted Meamber, Tony Splane, Louis Requa, Pat Colgan, Hugh Galbraith, Rick Lemley and Dennis London. Staff: Recorder Brue, Finance Director Nelson, City Supervisor/Attorney Berg, Engineer Freiberger (Late), Planner Moore, Police Chief Wood and Fire Chief Klinger.

Consent Calendar

- Minutes from Previous Meeting
- Finance
  - Claim Vouchers #65119 to #65233 in the amount of \$233,533.40
  - Payroll Warrants #43955 to #44061 in the amount of \$267,612.83
- Appointment of Jim Johnson to Planning Commission
- Contract – Jennifer Bouwens – Prosecutor Services for 2009
- Resolution 768-08 Preauthorized payments for USDA Bond
- Interlocal Agreement – City of Sedro-Woolley & Sedro-Woolley School District for shared use of facilities
- Interlocal Agreement – Mutual Aid with Skagit County Fire Service Providers
- Interlocal Agreement – 2134 River Road/P76300 with Skagit County
- Misc. Annual Contracts/Agreements
  - Skagit County Senior Services
  - Skagit County Community Action Agency
  - Skagit Domestic Violence & Sexual Assault Services
  - Volunteers of America
  - Loggerodeo
  - Sedro-Woolley Chamber of Commerce
  - Skagit Valley Tulip Festival
  - Skagit Championship Sports
  - Skagit Performing Arts Guild

- Sedro-Woolley Farmers Market
- Sedro-Woolley Museum
- Sedro-Woolley Riding Club
- Lincoln Theatre Center
- Shakespeare Northwest
- Economic Development Association of Skagit County (EDASC)
- Humane Society of Skagit Valley

Councilmember Colgan moved to approve the consent calendar as is. Seconded by Councilmember Meamber. Motion carried (7-0).

Councilmember Meamber questioned the use of the City Hall meeting rooms by the groups listed on the consent calendar.

It was noted that the groups listed are annual agreements but does not constitute use of the meeting rooms.

#### Public Comment

Shelley Burgett – 415 Warner St., questioned the status of the SEPA consultant review board.

Mayor Anderson – noted letters have been sent to Janicki, Deluxe and Skagit County for each of them to appoint citizens to be placed on the committee. Planner Moore indicated that he has fielded some questions on the process and should have the nominations by the end of the week.

Councilmember Requa – announced the grand opening of Morgan Creek Outfitters, a new sporting goods store in Sedro-Woolley on behalf of owners Mark and Taylor Morgan.

### **APPEAL**

#### Design Review Board Decision for SN-6-08

Planner Moore reviewed the request and background information on an appeal of a decision by the Design Review Board on a sign for Diamond Plaza. He noted the applicants had also put in for approval of exterior painting. The Design Review committee approved the paint scheme request but denied their sign design.

Councilmember Colgan questioned permitting costs for the review. Discussion of fees ensued.

Elizabeth Fernando – representing Diamond Plaza Salon, discussed the appeal of the Design Review Board's decision on their proposed sign. She noted her request for the sign was denied based on the lettering and the picture on the sign. She reviewed the design standards and guidelines and stated their intention to follow the design. Fernando noted pictures in a 1929 periodical that are close to the picture on the proposed sign. She

noted the importance that the image must sell the salon to all age groups and image and good business practices will be able to maintain the business in Sedro-Woolley. She stated she believes that the design meets the criteria set forth and requested the Council overturn the Design Review Board's decision.

Engineer Frieberger arrived and joined the staff bench.

Council discussion ensued to include the effect on the business if the sign were to be taken down and the etching and border on the sign.

Moore noted the discussion held by the Design Review Board was that the sign and photographic representation of the woman on the sign seemed too modern.

Discussion continued to address the use of attractive people in marketing for many years, font style, belief by the appellant that all criteria has been met, previous Council discussion on whether to continue with following the 1920's theme and possible modification of CBD perimeters.

Councilmember Requa moved to approve the appeal and to approve the sign and reverse the Design Review Boards decision. Councilmember Galbraith seconded. Motion carried (7-0).

## **UNFINISHED BUSINESS**

### Sewer Rate & Fee Ordinance

City Supervisor/Attorney Berg reviewed background on the tabling of the sewer rate & fee ordinance from the last meeting because of concern on the increase in the rate for flow based customers (Commercial).

Councilmember Meamber, Chairman of the Utility Committee reviewed their meeting and review by consultant Katy Isakson. He noted after their review the Committee recommends approval of the proposed ordinance.

Councilmember Splane questioned the adequacy of the rate increase in order to pay the sewer debt.

Councilmember Meamber moved to approve Ordinance #1626-08 increasing Sewer rates. Seconded by Councilmember Splane.

Discussion ensued regarding the reduction in the flow base rate for commercial customers and the original Staff recommendation which was to close the gap between flow based rate customers and residential customers. It was noted that currently the business owner who pays flow based pays less than the residential customer and Staff recommendation was to close the gap over a period of time (over a 4 year period). The concern of the Utility Committee was this is a bad time to take on any additional fees due

to the economy. Part of the objective was to minimize the 2010 increase that will be needed for the debt payments. The Utilities Committee will be reviewing, beginning in early January, the feasibility of moving city-wide to a flow based rate for both commercial and residential customers. If the process is moved to an all flow base rate structure the issue may resolve itself.

Motion carried (7-0).

#### Planning/Development Code Amendments

Planner Moore reviewed the second read on the updated planning/development amendments. He noted the process is to streamline and make a smoother process for the applicants and does not make any changes within the fee structure. Moore stated the draft revisions were presented to the Council at a previous joint Planning Commission/Council worksession. The recommendation is for approval.

Discussion ensued regarding the effective date of the amendments and recommendation of a later effective date to allow adequate time for those in the process of having plans drawn up.

Councilmember Requa moved to approve Ordinance No. 1627-08 revising SWMC Chapter 2.90 Consolidated Planning Procedures to become effective February 1, 2009. Councilmember Colgan seconded. Motion carried (7-0).

#### **NEW BUSINESS**

##### 2009 Salary Ordinance

Councilmember Galbraith moved to approve Ordinance No. 1628-09 An Ordinance Establishing the Salaries and Wages for Elected Officials, Union (Guild) and Non-Union Employees of the City of Sedro-Woolley, Washington, for the Fiscal Year Beginning January 1, 2009. Seconded by Councilmember Requa. Motion carried. (7-0).

##### Resolution 787-08 – Adopting Personnel Policies Regarding Use of Wireless Devices & Executive Leave

City Supervisor/Attorney Berg reviewed a recommendation from the Personnel Committee regarding use of Wireless Device and Executive Leave. Both policies have been reviewed extensively by the Personnel Committee. The Resolution would define appropriate use of City owned cell phones and establishes a uniform Executive leave policy. Berg noted that in the past there have been a variety of leave policies and the policy would streamline the procedure and make uniform policy for non-represented exempt employees. Berg also spoke of the draft form of the Personnel Policy Handbook.

Councilmember London moved to adopt Resolution #787-08 adopting personnel policies to address the use of Wireless Devices and Executive Leave. Seconded by Councilmember Lemley. Motion carried (7-0).

Ordinance – Amending SWMC 9.20.070 Addressing the Use of Text Messages for Harassment or Intimidation as a Crime

City Supervisor/Attorney Berg reviewed the proposed ordinance which comes to Council at the request of the City Prosecutor. The ordinance would modify the code to include text messaging.

Council discussion took place regarding the wording “all other electronic devices”, inclusion of computers, e-mail, web chat room and Myspace harassment and the full and clear intent of request.

Steve O’Neil – audience member noted the technology of the blackberry or other like types of devices.

Councilmember Galbraith moved to table. Seconded by Councilmember Colgan. Motion carried (7-0).

Comprehensive Plan Amendments – 2008 Docket (Proposed Ordinance 1 of 2) and Municipal Code Modifications (Proposed Ordinance 2 of 2)

City Supervisor/Attorney Berg noted that Item #4 is a rezone of 5 parcels and Council will need to check for conflicts of interest

For the record Councilmember Meamber and Mayor Anderson disclosed that they both live within the district of Item #2. Councilmember Splane requested to be recused from Item #4 due to conflict of interest.

Planner Moore presented an overview of the Comprehensive Plan Amendment. He reviewed supporting documents from the Planning Commission approvals. The items being considered are: Item #1 – Sedro-Woolley School District Capital Facilities Plan – Impact Fee Charge; Item #2 – SW LLC Urban Village Overlay; Item #3 – Sedro-Woolley Park Impact Fees; and Item #4 – Site Specific Rezones.

*Item #1 Sedro-Woolley School District Capital Facilities Plan*

Planner Moore reviewed the request from the Sedro-Woolley School District that the District’s 2007 Capital Facilities Plan be adopted as part of the Sedro-Woolley Comprehensive Plan. He noted the current school impact fee is \$2010 per single family unit and \$1595 per unit for multi-family developments. The newly recommended impact fees are \$5,239 per single family unit and \$5,254 per multi-family unit.

Stewart Mhyre – representing the Sedro-Woolley School District discussed the increase of impact fees and surrounding School District fees. He reviewed calculations on single family and multi-family units and noted the figures are arrived based on the cost of construction and student generation rates. Mhyre noted the last adjustment was done 6 years ago and the District recognizes the need for more frequent updates (every 2 years) in order to avoid such a huge jump in fees in the future.

Discussion ensued to include the intent of impact fees within the growth management act, use of fees for expansion of facilities, impact fees vs. property taxes, problems with addressing the impact of existing home purchases with school age children vs. new home building, payment of fees at time of building permit vs. time of occupancy, effect on capital improvement plans, Senior Housing Complex exemptions and demographics of single family homes vs. multi-family.

Planner Moore reviewed the public process at the Planning Commission level with two community members who spoke in favor of the increase.

Discussion continued regarding the total of current impact fees and the delay in time between the School District and City process due to timing of Comprehensive Plan Amendments.

Councilmember Requa moved to approve recommended School District increase for school impact fees. Seconded by Councilmember Splane. Motion carried (6-1) (Councilmember Meamber opposed).

#### *Item #2 SW LLC Urban Village Overlay*

Planner Moore reviewed the request of Sedro-Woolley LLC to establish a new mixed-use commercial zoning overlay that will better enable the development of an urban village. Moore noted this action is not a zoning map change, only an option that can be used. He also reviewed the public process the request has been through which included an open house, Planning Commission review and approval as well as CTED and SEPA reviews.

Council discussion continued to include property ownership and change in goal of Comprehensive Plan.

Councilmember Requa moved to approve the overlay as presented by Sedro-Woolley LLC to the 2008 Comp Plan Amendment. Seconded by Councilmember Meamber. Motion carried (7-0).

#### *Item #3 Sedro-Woolley Park Impact Fees*

Planner Moore reviewed the Sedro-Woolley Parks Department's request for an increase in the park impact fee from \$1000 to \$1,954. He noted the current fee was a % of the last recommended fee and at the time Council considered a stepped approach for future increases.

City Supervisor/Attorney Berg addressed the Parks Department's concern of the need for parks in the North area of town.

Council discussion took place to include the impact of increasing all the fees at one time, modification of the requested increase to \$1,500 and comparison of Park Impact Fees from Mt. Vernon and Anacortes.

Councilmember Meamber moved to increase Park Impact Fees from \$1,000 to \$1,500 per unit in the Comp Plan and SWMC Chapter 15.60. Seconded by Councilmember Splane. Motion carried (7-0).

*Item #4 Site Specific Rezones*

Councilmember Splane recused himself due to a conflict of interest and left the Council bench.

Planner Moore reviewed site specific rezones which have been requested by the City for City owned properties. He stated it would be a change of both the Comp Plan and Land Use Map. He also noted that 4 of the 5 properties the City has future plans for the properties and 1 parcel has no possibility of immediate use. It was noted there was no public feedback received and Council may wish to hold off on rezoning at this time.

- a). 8-acre "Lemley" property on Alexander Street recently purchased and annexed by the City. The Comprehensive Plan designation of the property is Residential 7 (R-7). The City requests to change the zoning of the property to Public
- b). Rezone of 3 City owned properties (P37637, P37647 & P37618) currently used for the City's Solid Waste Department headquarters, yard waste and recycling yard. The Comprehensive Plan designation of two of the properties is Industrial with the other being Residential 7 (R-7). The City requests to change the zoning of the properties to Public.
- c). Rezone of a parcel that is part of the City's cemetery (P39816) that was recently annexed by the City. The Comprehensive Plan designation of the property is Residential 7 (R-7). The City would like to change the zoning of the property to Public.
- d). Rezone of a 0.39 acres piece of land that was dedicated to the city as part of the Park Cottage Planned Residential Development off North Township Street (Parcel 121537). The property has no access from a public right-of-way and the City has no intention to develop the land for park use any time in the near future. The Comprehensive Plan designation of the property is Residential 5 (R-5). The City would like to change the zoning of the property to Public.

- e). Rezone of 1580 Portobello Avenue, located in the Sauk Mountain View Estates planned residential development (PRD). This parcel was dedicated to the City for use as a regional fire station. The City would like to change the zoning of the property to Public.

Moore stated that no public comments were received on any of the items and the appropriate procedures have been followed. He did note that the Planning Commission had little discussion regarding the rezones and recommended approval.

Discussion followed regarding Item d.

Councilmember Colgan moved to approve all designated land uses to change except for Parcel P121537. Councilmember Lemley seconded.

Discussion ensued to include clarification of access, expectation of public of access and questionable future use.

Motion carried (6-0-1), (Councilmember Splane recused).

Councilmember Splane rejoined the Council bench.

Councilmember London moved to approve Ordinance #1629-08 An Ordinance of the City of Sedro-Woolley Washington, Adopting Amendments to the Comprehensive Plan and Comprehensive Land Use Map for the City of Sedro-Woolley with the changes to Section 3 to \$1,500 for Park Impact Fee and the omission of Item 4-d. Seconded by Councilmember Requa. Motion carried (7-0).

Councilmember London moved to approve #1630-08 Adopting the attached proposed Sedro-Woolley Municipal Code modification to enact 2008 Comprehensive Plan Docket Item 1 and Docket Item 3 and making the Park Impact Fee from \$1000 to \$1,500. Seconded by Councilmember Splane. Motion carried (7-0).

## **COMMITTEE REPORTS AND REPORTS FROM OFFICERS**

Police Chief Wood – noted the gang meeting went well with great attendance.

Engineer Freiburger – reviewed his written report noting that two projects have been completed, the SR20 Sewer project and the McGargile CIPP project. He noted they are continuing to look at deviations on the Metcalf Street project and noted some problems with sections of line on the Township project which have been repaired by the contractor. They are in the process of exploring the causes. Frieberger also reported that authorization has been received for advertising for SR20/Skagit Roundabout project with advertising for bids beginning December 17<sup>th</sup> and bids closing on January 21<sup>st</sup>. The Fruitdale/McGargile project right of way is expected to be completed by January and the project should bid in February. Freiburger noted that within that project they have

incorporated the Fruitdale Sewer project and the Township Sidewalk project. He announced that we were unsuccessful in obtaining TIB funding for the Jameson Street Project but are looking at submitting the project for the proposed stimulus package for infrastructure. He also noted the start of the work on Third Street as part of the 2008 CIPP project.

City Supervisor/Attorney Berg – reported on a late material item which is an amendment to agreement Waste Management. Berg provided background information regarding the bins placed on the City site and the contract amends the current City contract to address the placement of the recycling bins place at the Solid Waste site.

Councilmember Lemley moved to authorize Mayor to sign an amendment to the agreement for Waste Management to pick up residential collection recycling. Councilmember Meamber seconded. Motion carried (7-0).

Engineer Frieberger – reported on a recent PSE lighting analysis on the Fruitdale project. He requested direction from the Council as to whether to proceed.

Discussion took place to include cost, public input and reasonable lighting. Frieberger was directed to proceed. Also discussed was lighting within the F&S /SR20 Roundabout Project and the Downtown lighting.

Finance Director Nelson – reported on the re-rating from Standard & Poors on the General Obligation bonds. She happily noted that we have maintained our A+ rating.

Councilmember Meamber – wished every a Happy Holiday season.

Councilmember Splane – noted he has copies from the meeting on property taxes for justification of an appeal.

City Supervisor/Attorney Berg noted there were appeal forms available at the back of the room and at the front counter at City Hall. He also noted the appeal deadline has been changed to January 8<sup>th</sup>.

Councilmember Colgan – noted Fire Chief Klinger had given him information from last worksession regarding the contract with Northern State and requested Council ratify the contract.

Councilmember Colgan moved to moved to authorize the Mayor to sign contract. Seconded by Councilmember Splane. Motion carried (7-0).

Councilmember Lemley – wished everyone a Merry Christmas.

Councilmember London – also wished everyone a Merry Christmas and Happy Holidays. He reported on a meeting of the Personnel Committee and its recommendation for a

change in the contract for Finance Director Patsy Nelson for the purpose of a sabbatical to be effective February 16 – July 20, 2009.

Councilmember London moved to approve the change in personnel contract for Finance Director Patsy Nelson. Seconded by Councilmember Colgan. Motion carried (7-0).

Councilmember Lemley moved to adjourn. Seconded by All. Motion carried.

The meeting adjourned at 9:28 P.M.

ATTEST:

APPROVED:

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