
CITY OF SEDRO-WOOLLEY

Regular Meeting of the City Council
December 12, 2012 – 7:00 P.M. –City Hall Council Chambers

ROLL CALL: Present: Mayor Mike Anderson; Councilmembers: Kevin Loy, Tony Splane, Tom Storrs, Keith Wagoner, Hugh Galbraith, Rick Lemley and Brett Sandström. Staff: Recorder Brue, Finance Director Nelson, City Supervisor/Attorney Berg, Public Works Director Freiberger, Planning Director Coleman, Fire Chief Klinger and Police Chief Wood.

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

Pledge of Allegiance

Consent Calendar

- Approval of Agenda
- Minutes from Previous Meeting (Including December 5, 2012 Worksession)
- Finance
 - Claim Checks #75692 to #75788 in the amount of \$179,365.06
 - Payroll Checks #54479 to #54584 in the amount of \$280,387.65
- 2013 City Calendar
- Professional Services Agreement No. 2012-PS-01 through 10 and 2012-PS-12 through 14 for Miscellaneous On-Call Professional Services
- TIB Fuel Tax Grant Distribution Agreement No. 3-W-126(002)-1 Third Street, Sterling to State Overlay Project
- TIB Fuel Tax Grant Distribution Agreement No. P-W-126(P02)-1 Third Street, State Street to Alley s/o Talcott Street Sidewalk Project
- TIB Fuel Tax Grant Distribution Agreement No. 8-2-126(009)-1 SR20; Cook Rd; Edward R. Murrow Street MP64.81 to MP 65.16; Murrow Street to SR20 to Cook Road
- National Hose Testing Specialties, Inc. Agreement for 2013
- Possible Contract Award – Mechanical Street Sweeper – Ben-Ko-Matic, dba Owen Equipment

Mayor Anderson noted the trade in under Item J is to be removed. The street sweeper will be kept for up to one year. It is believed we could get a better price if surplused and sold outright.

Councilmember Storrs moved to approve the consent calendar Items A through J. Seconded by Councilmember Lemley. Motion carried (6-1, Councilmember Splane opposed due to Item H concerning roundabouts).

Public Comment

No comment received.

UNFINISHED BUSINESS

Tourism Promotion Area Presentation by EDASC

Don Wick, EDASC, addressed the Council to request the Mayor be allowed to sign an interlocal agreement regarding the formation of a Tourism Promotion Area (TPA). Wick introduced Leonard Benson, Corporate Director of Hotel Services Group.

Leonard Benson – Corporate Director of Hotel Services Group, addressed the Council stating the hotels owned by the group represent 80% of the rooms in Burlington or about 22% in the county. He stated there is no intention of supporting a stand alone TPA effort in Burlington but they are interested in participation in a county wide program. He addressed necessary resources in order to promote the area and noted that travelers do not see the lines within the different cities, just the beauty of the Valley. He requested Sedro Woolley join forces to grow the pie of demand.

Tom Keough – Regional Services Manager for Best Western International addressed the Council regarding the revenue counties and cities will have as a result of tourism. He noted currently Washington is number 50 within the promotion of states as a destination. He spoke of the need to promote the state as a destination and a public/private entity for promotion of the state. Keough provided examples with Montana and the Gulf states. A county visitors bureau would act as a liaison to a state board and the need for additional funding to get more businesses.

Don Wick again to the podium introduced Pola Kelley, Sedro Woolley Chamber of Commerce Director who addressed the Council. She stated it is time for our city to be leaders and move the tourism board forward. She also emphasized that tourism is not just about what is today but about the future. She noted TPA's are standard operating practice in most areas. Kelley also addressed the concerns of Mr. Montgomery at the Skagit Motel, noting that his long term use units could be exempted and assistance could be provided with the necessary paperwork in order for him to apply for an exemption. She encouraged the Council to look beyond the City limits and stated that those that stand in the way are slowing the economic growth of the city. Kelley encouraged Council to authorize the Mayor to enter into the proposed Interlocal agreement.

Mary McGoffin – addressed the Council and provided statistics on the transfers of ownership of both the Skagit Motel and the Three Rivers Inn. She noted that if the Council does not opt in, it would deprive any future owners from participation in the TPA.

Terica Taylor – addressed the Interlocal agreement which lays out a non elected board with the county acting as a pass through agent. She also addressed the decisions on how

the money is focused. Taylor noted that cities can withdraw from the interlocal agreement however it would be difficult to get back in and that if 40% of hotels are dissatisfied the TPA can be disestablished.

Nav Narwall – owner of the Three Rivers Inn spoke against the additional tax and addressed the imparity of funding. He stated that Sedro-Woolley is more of a destination with very little overflow and most of his customers are just driving through for one night or visiting friends or family. He answered Council questions regarding future value of a TPA, room costs, promotion and effect of the bottom line. He also discussed work crews coming and staying at the inn, the need to be competitive and the impact it would have on the work crews and his business.

James Montgomery – Skagit Motel owner, spoke and concurred with the comments from the owners of Three Rivers Inn. He stated the type of renters in his motel are there due to adverse conditions and on a monthly rental. Montgomery believes he would loose customers and the seasonal work crews who stay there. He noted the only advantage of the TPA to him would be if he had a higher end facility.

Discussion of the possible exemption with the offer of help in filling out the paperwork from Terica Taylor.

Montgomery also addressed the accountability of the reporting.

Council discussion ensued regarding limitation to hotels, voting process, ideas to bring people into town, sales component to the tourism board and marketing emphasis.

Lisa Janicki – local business owner discussed the number of room nights that are booked for their company for prospective employees and customers. Janicki stated it was exciting to build a platform to collect an additional tax to develop for activities to fill up the hotels on the weekends. She noted that this was something that should have been done two years ago.

Some discussion took place to include process, opinion of the local hotel owners, engaging in drafting language of the interlocal agreement and that the time is now to be proactive.

Councilmember Galbraith moved to authorize the concept of a tourist promotion area. Seconded by Councilmember Lemley. Motion carried (7-0).

Zoning Rules for Medical Cannabis Collective Gardens Ordinance

Planning Director Coleman pointed out additional items to the packet which were a map showing what a 500 foot radius around the schools would look like and where a collective garden could be located. He reviewed information within the proposed ordinance noting the ordinance is the same with the exception of Pg. 4, Item 9 which indicates no signage, with the exception of an address sign.

Discussion ensued including distance, ability to grow with a medical card and visibility requirements.

Councilmember Storrs moved to adopt Ordinance No. 1760-12 An Ordinance Amending Title 17 of the Sedro-Woolley Municipal Code to Define Medical Cannabis Collective Gardens and Specify Zoning Districts in Which They are Prohibited. Seconded by Councilmember Galbraith. Motion carried (6-1, Councilmember Splane opposed).

Alternate Payment Schedule for Impact Fees and General Facility Charges for Single Family Houses Constructed for Resale (Spec Homes)

City Supervisor/Attorney Berg noted there was no additional information and unless Council has questions the topic is ready for action.

Planning Director Coleman confirmed that there have been no changes since the proposal was discussed at the worksession.

Councilmember Wagoner moved to adopt Ordinance No. 1761-12 to allow an alternate payment schedule for impact fees and general facility charges for single-family houses constructed for resale. Seconded by Councilmember Storrs. Motion carried (7-0).

2013 Budget

Finance Director Nelson introduced the 2013 budget and reviewed the revisions Council received at the worksession. She noted the significant changes are a result of the passage of Proposition 1, with the Police and Fire being added to the ERR equipment acquisition fund. Nelson also reported that as a result of Proposition 1 it will allow for an early payoff of the USDA loan for the ladder truck, resulting in a substantial savings to the citizens. It will also allow for a reduction in the USDA reserve fund.

Councilmember Lemley moved to approve Ordinance No. 1762-12 An Ordinance Adopting the Annual Budget for the City of Sedro-Woolley, Washington, for the Fiscal Year Ending December 31, 2013. Seconded by Councilmember Wagoner.

Councilmember Loy addressed the reserve fund reduction noting the City has to get something figured out for the future.

Discussion ensued regarding funding for economic development, impact fees scaring businesses away, implementation of ideas from the Council retreat, formation of a special committee and levels of government.

Motion carried (7-0).

Discussion was held on having a special committee to gain direction from the Council. A “Business Development Committee” will be added to the 2013 committee list with Councilmembers Loy, Galbraith and Sandström volunteering to be on the committee.

NEW BUSINESS

2012 Budget Amendment #4

Finance Director Nelson reviewed the final budget amendment for 2012.

Councilmember Storrs moved to approve Ordinance No. 1763-12 An Ordinance Amending Ordinance 1723-11 Adopting the Annual Budget for the City of Sedro-Woolley, Washington, for the Fiscal Year Ending December 31, 2012. Seconded by Councilmember Splane. Motion carried (7-0).

2013 Salary Ordinance

Finance Director Nelson presented the 2013 Salary Ordinance. She noted all employees are scheduled to receive a 2.7% increase with the exception of the Facility Monitor, Riverfront Park Caretaker and Part-time Firefighters.

Councilmember Sandström moved to adopt Ordinance No. 1764-12 An Ordinance Establishing the Salaries and Wages for Elected Officials, Union/Guild and Non-Represented Employees of the City of Sedro-Woolley, Washington, for the Fiscal Year Beginning January 1, 2013. Seconded by Councilmember Lemley. Motion carried (7-0).

Revisions to Arts Commission Ordinance

City Supervisor/Attorney Berg reviewed modifications to the Arts Commission ordinance. The commission has requested a change in the name to “Arts Council of Sedro-Woolley”, to expand the boundaries for membership to the Sedro Woolley School District boundaries and to stagger terms of the membership.

Mayor Anderson requested consideration be given to deleting listing specific types of diversity in section 2.44.020.

Councilmember Sandström moved to adopt Ordinance No. 1765-12 An Ordinance Amending SWMC 2.44 Regarding the Sedro Woolley’s Arts Commission with the deletion of the second sentence in 2.44.020. Seconded by Councilmember Wagoner. Motion carried (7-0).

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

Police Chief Wood – reported that perpetrators have been caught in connection with the Cascade Middle School vandalism. He noted they have been connected to 64 cases

within the Mount Vernon, Burlington and Sedro Woolley area and gave credit to an alert citizen.

Engineer Freiburger – noted they have finished the close up of the Metcalf Street project which has been open since 2005. He also reported on the Cook Road realignment project noting the project is close to being funded, with 1.1 to 1.6 million still needed. He reported on the stormwater detention facility with a design for a covered system bringing in a cost fluctuation and a capital budget request will be submitted through Senator Pearson office within the next couple of week as well as continuing to look for other sources of funding. Freiburger also reported on the McGargile to Summer Meadows Sidewalk project which made the list on the safe routes program but is subject to legislation funding and updated the status of impact fees.

City Supervisor/Attorney Berg – reminded Council the next meeting will be held December 26th at 4:00 P.M. in the Lobby for a single item agenda to pay bills.

Finance Director Nelson – reported the 2011 Audit reports were issued Monday and questioned if the Council had received it via e-mail. She noted she would forward to Councilmembers. Nelson also noted upcoming changes in the accounting system with new BARS numbers and reporting system for 2013, as well as the November 30th Financial report at Council seats. She noted that AWC has come up with a new insurance program for LEOFF I retirees which is a Medicare Advantage plan with a savings of approximately \$40,000 per year in premiums.

Councilmember Sandström – reported on the Holiday Home Tour which benefitted the Sedro Woolley Museum with approximately 320 tickets sold.

Councilmember Lemley – Wished everyone a Merry Christmas and a safe and Happy New Year.

Councilmember Storrs – also commented on the Holiday Home Tour.

Councilmember Loy – reported that he had taken the Skagit County Parks Director on a tour of the Skate Park and he was very impressed. He also commented on the upcoming public hearing regarding the Northern State facility.

Councilmember Galbraith moved to adjourn. Seconded by Councilmember Sandström. Motion carried (7-0).

The meeting adjourned at 8:40 P.M.