

November 24, 2009

CALL TO ORDER:

Mayor Brunz called the meeting to order at 7:01 p.m., with the Pledge of Allegiance. Council members present: Aslett, Bensen, Doyle, Edmundson, Loving, Montgomery and Valentine. Staff present: Acero, Ackerman, Blair, Blanford, A. Bradshaw, J. Bradshaw, Buckholz, Butterfield, Hawes, Jewett, Johnstone, Kallio, Kinney, Martin, O’Hara, Rabenstein, Sheahan, Small, Stafford, Thramer, Tingley, VanSickle, VanWieringen, and Zitkovich.

Attorney Craig Cammock served as Acting City Attorney for this meeting.

APPROVAL OF MINUTES:

A motion was made by **Councilors Valentine/Doyle** to approve the minutes of the November 12, 2009 Council workshop and Council meeting. All agreed. Motion carried.

AUDIT OF BILLS:

Councilor Aslett presented the bills. A motion was made by **Councilors Aslett/Edmundson** to approve vouchers 56837 – 56898 in the amount of \$202,559.58. All were in favor. Motion carried.

Current Expense	\$ 54,020.08
Fire Equipment Cumulative Reserve	116.76
City Street	16,682.97
Hopper Road Construction Fund	1,756.93
Parks & Recreation	4,441.97
Cemetery Fund	93.21
Park & Recreation Reserve	52,175.44
Sewer Fund	13,086.93
Sewer Cumulative Reserve	46,942.09
Storm Drainage Utility	13,243.20
Total	\$ 202,559.58

PUBLIC COMMENTS:

There were no public comments.

OFFICER REPORTS:

Building & Grounds Supervisor Tingley reported on the fire alarm testing that was done today and the resulting problems with City Hall heating system. He also reported on progress of the City hall the floor finish process.

UNFINISHED BUSINESS:

There was no unfinished business.

NEW BUSINESS:

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PUBLIC HEARING TO CONSIDER THE 2010 PRELIMINARY BUDGET.

Mayor Brunz opened the public hearing. **Finance Director Thramer** stated that state law requires two public hearings on the preliminary budget prior to the first Monday in December. Thus, tonight is the first public hearing; the second will be at a special council meeting on December 3rd. Council can adopt the final budget at that time or continue deliberations to the December 10th council meeting. In any case, the budget must be adopted prior to December 31st. He reviewed sales tax revenue to date. He noted that for the first 11 months of 2009 the sales tax revenues are \$800,000 lower than same period in 2008. He expects the 2009 revenues to be very close to \$6 million whereas in 2008 the sales tax revenue was \$6.9 million. He reviewed historical data of the City from 2000 through 2009. This review included numbers of employees, health benefit costs, sales tax revenues, etc. He stated that council considered an early retirement incentive at the past meeting at which time council made no decision. He asked council if they had any interest in approving the incentive package. After some discussion, council members indicated they were not interested in offering the incentive. He asked council's preference regarding a reduced work week schedule. Two options were suggested; the first would be a four-day work week with 9.5 hour days (38 hours per week). The second option would be a five-day work week with offices open to the public 8:30 a.m. – 4:30 p.m. Monday – Friday. Employees would work an additional ½ hour one day per week to equal 38 hours per week. **Councilor Aslett** noted that no other government agency in the county is open less than five days; he would prefer City buildings be open for the public five days per week. Council consensus was for a five-day work week. **Finance Director Thramer** reviewed recent negotiations with the unions. He noted that the Clerical Teamsters voted to accept the City's proposal, the Public Works Teamsters voted to not accept the City's proposal, and the Firefighters have not yet settled their 2010 contract negotiations. He then reviewed the potential savings of personnel costs which add up to a savings of \$326,000. If the firefighters change medical plans and agree to 10% sharing of premiums, the City would save another \$13,000. To reach the goal of saving \$800,000 the City needs a reduction in force to equal \$461,000 in salaries and benefits. He reviewed the 2010 preliminary budget figures. He noted these figures will change following any reduction in force as well as a prepayment of the LTGO loan of \$1.4 million.

Permit Center Coordinator O'Hara asked for clarification regarding the early retirement option incentive. **Mayor Brunz** stated that option has been removed from the 2010 budget. She thanked the council for their work on the budget. A motion was made by **Councilors Valentine/Doyle** to close the public hearing. All agreed. Motion carried.

ORDINANCE TO AMEND THE 2009 BUDGET TO ALLOW PREPAYMENT OF \$1.4 MILLION PRINCIPLE ON BANNER BANK LOAN ON DECEMBER 1, 2009.

Finance Director Thramer stated that this ordinance would authorize the prepayment of \$1.4 million principal balance on the City's loan with Banner Bank (2008 LTGO). The proceeds were initially intended for purchase of right-of-way at George Hopper interchange, a project the City no longer intends to pursue. The \$1.4 million prepayment will occur on 12/1/2009, along with the regular semi-annual principal and interest payment. A motion was made by **Councilors Bensen/Aslett** to approve the ordinance to allow prepayment of \$1.4 million principle on Banner Bank loan on December 1, 2009. All agreed. Motion carried.

(Ordinance # 1690)

ORDINANCE TO AMEND THE 2009 BUDGET TO ALLOW TRANSFER OF ENTIRE \$1 MILLION PUGET SOUND ENERGY SETTLEMENT FROM CAPITAL IMPROVEMENT FUND TO STORM DRAINAGE FUND.

Finance Director Thramer stated that the ordinance under consideration would authorize the transfer of the entire \$1 million Puget Sound Energy settlement funds from the capital improvement fund to the storm drainage fund. The original 2009 budget authorized a transfer of \$537,000 PSE settlement from fund 301, capital improvement to

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fund 425, storm drainage. This budget ordinance would increase said transfer to one million dollars. The funds are to be used for flood control measures. The transfer will occur prior to year end. **Councilor Aslett** asked why the funds were not placed in the correct fund in the beginning. **Finance Director Thrumer** and **Public Works Director Martin** stated they could not recall, but did note that the funds need to be tracked and with all funds in the same fund, it will be easier to do so. A motion was made by **Councilors Valentine/Loving** to approve the ordinance authorizing the transfer of funds. All agreed. Motion carried.
(Ordinance #1691)

FUEL BIDS FOR 2010.

Finance Director Thrumer stated that two bids were received. Only one bidder has fuel available within the Burlington City limits which was a stipulation to be awarded the bid. The low bidder was the vendor from outside the city limits, Associated Petroleum Projects, 953 Old Highway 99 North (near Cook Road). The other bidder was Skagit Farmers Supply. They have two locations in the City limits; 1833 Park Lane and 1276 S. Burlington Boulevard. A motion was made by **Councilors Bensen/Valentine** to award the fuel bid for 2010 to Skagit Farmers Supply. All agreed. Motion carried.

EXECUTIVE SESSION:

The Mayor and Council members adjourned to executive session at 7:32 p.m. for the purpose of discussing personnel and land acquisition. **Mayor Brunz** noted that the executive session should last about 20 minutes. The Mayor and city council members returned from the executive session at 7:57 p.m.

ADJOURNMENT:

The meeting was adjourned at 7:58 p.m. by **Mayor Brunz**.

Greg Thrumer
Finance Director / City Clerk

Edward J. Brunz
Mayor