

July 13, 2006

CALL TO ORDER: Mayor Tjeerdsma called the meeting to order at 7:02 p.m., with the Pledge of Allegiance. Council Members present: Bensen, Doyle, Loving, Aslett, Valentine, Straathof and Montgomery. Staff present: Aarstad, Garrett, Sheahan, and Thomas.

APPROVAL OF MINUTES:

A motion was made by **Councilors Bensen/Doyle** to approve the minutes of the June 22, 2006 Council workshop. All were in favor. Motion carried. A motion was made by **Councilors Aslett/Doyle** to approve the minutes of the June 22, 2006 Council meeting. All were in favor. Motion carried.

AUDIT OF BILLS:

Councilor Aslett presented the bills. A motion was made by **Councilors Aslett/Valentine** to approve vouchers 46965 – 47128 in the amount of \$763,530.23. All were in favor. Motion carried.

Current Expense	\$ 68,835.02
Current Expense Cumulative Reserve	9,534.67
City Street	100,676.84
Library	1,031.32
Parks & Recreation	14,721.87
Cemetery Fund	1,842.87
Stadium Fund	5,612.02
Local Capital Improvement Fund	541,091.53
Parks & Recreation Reserve	4,537.57
Sewer Fund	10,415.10
Sewer Cumulative Reserve	3,264.92
Storm Drainage Utility	1,966.50
Total	\$ 763,530.23

PUBLIC COMMENTS:

There were no public comments.

OFFICER REPORTS:

City Administrator Aarstad noted that population in Burlington is now estimated to be 8,120 based on calculations from the Washington State Office of Financial Management.

City Administrator Aarstad stated that the city council needs to hold a hearing to consider funding for City Hall and Library Construction. He reviewed a chart showing funds we have saved over the years as well as the probable amount of funds needed and the range of interest range that we would be charged. The city will need to finance \$6,000,000 to complete construction of the new library and city hall. Interest rates will range from about 4.4% to 4.65% for five to ten year terms. The interest rate cannot be locked in until the day the Ordinance is approved, July 27, 2006. He asked council to determine if they want the ordinance written up as a five year term or ten year term. **Councilor Aslett** suggested the city go with a ten-year term but pay the loan as if it were a five-year term. This would give the city a “safety net” in case of uncertain revenues in the future economy. **Councilor Loving** stated his preference for a five-year loan which would be at a lower interest rate than a ten-year term. **Councilor Montgomery** stated his preference for the ten-year term, for the reasons stated by **Councilor Aslett**. **Councilor Straathof** voiced her preference for the five year term which would be at a lower interest rate. A motion was made by **Councilors Bensen/Loving** to go with a five-year term for the bank loan. Voting in favor: **Councilors**

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Bensen, Loving, Valentine, Doyle and Straathof. Voting against: **Councilors Aslett and Montgomery.** Motion carried.

PROCLAMATIONS:

City Administrator Aarstad read the proclamation proclaiming July as Recreation and Parks Month in the City of Burlington.

SPECIAL PRESENTATION:

City Administrator Aarstad stated that **Public Works Director/City Engineer Rod Garrett** is retiring at the end of this week after more than sixteen years with the City of Burlington. **Mayor Tjeerdsma** presented Mr. Garrett with a clock set in a wood book with a plaque on the front thanking Mr. Garrett for his many years of dedicated service to the city. The Mayor and City Councilmembers wished him well in his retirement and thanked him for all the successful infrastructure improvement projects he has guided to completion. Mr. Garrett stated that he and his wife will move to Idaho next week.

UNFINISHED BUSINESS:

There was no Unfinished Business.

NEW BUSINESS:

RESOLUTION TO ESTABLISH A PRELIMINARY ASSESSMENT REIMBURSEMENT AREA RELATING TO LATECOMER'S AGREEMENT WITH COSTCO WHOLESALE CORPORATION.

City Attorney Thomas explained that the proposed resolution establishes a preliminary assessment reimbursement area for latecomer's fees, to reimburse COSTCO for a proportionate share of the costs of street improvements installed by Costco by the owners of properties within the reimbursement area who later develop their properties. He noted that he has been working with Costco to finalize the latecomer's contract which is near completion. The resolution would authorize the Mayor to enter into the assessment reimbursement contract with Costco. He noted that Burlington will not assume any risk in the agreement. The agreement will last for fifteen years. There could be public hearings in the future if any of the property owners affected object to the fees to be assessed. **Councilor Bensen** asked why there are no costs or figures included in the agreement, although he noted that the funds are passed through the city. **City Attorney Thomas** noted the figures were provided him today to be inserted into the agreement. **Public Works Director/City Engineer Garrett** noted that Costco would like to recover about one million dollars. **Councilor Aslett** questioned the length of the agreement and wondered what if some of the improvements that had been made and paid by Costco were later revised and/or changed, would the new tenants object to paying. **City Attorney Thomas** explained that this might happen, but that the new tenant still would have benefited from the Costco improvements. A motion was made by **Councilors Bensen/Loving** to approve the resolution authorizing the mayor to enter into an assessment reimbursement contract with Costco. All approved. Motion carried.

(Resolution # 13-2006)

INTERLOCAL AGREEMENT WITH SKAGIT COUNTY TO CREATE AND ADMINISTER SURCHARGE FUNDS FOR HOMELESS PREVENTION PROJECTS.

City Administrator Aarstad stated that Skagit County Community Action Agency is requesting consideration from the City of Burlington to authorize the County to adopt a new funding source for homelessness prevention created through Substitute House Bill 2163. This bill would create an account funded through a \$10.00 fee on documents recorded at the Auditor's Office (since August 2005). The County anticipates an annual balance would be approximately \$200,000 and would be distributed to local organizations to promote and

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create projects that would reduce issues related to homelessness. Ms. Karen Parnell, Skagit County Community Action Agency, noted that Community Action Agency is the “facilitator” for this agreement. She distributed a Low-Income Needs Assessment report. She noted that affordable housing is the most often noted as the highest need of low-income persons in our county. These funds will benefit low-income citizens as well as the cities. She noted a companion bill, SHB 5767, required that each county develop a ten-year homeless housing plan with the minimum goal of reducing homelessness by 50% over a 10-year period ending July 2015. To comply with SHB 5767 a task force was formed in 2005 which has developed a homeless housing plan to assist with recommending distribution of these funds. SHB 2163 funds will then be used to fund projects that fit this plan. The funds will be targeted broadly at alleviating and preventing homelessness. Requests for funds would be reviewed by a committee and recommendations for funding would be sent to the Board of County Commissioners for final approval. A motion was made by **Councilors Loving/Valentine** to approve the interlocal agreement and authorize the mayor to sign. All agreed. Motion carried.

EXECUTIVE SESSION:

The Mayor and Councilmembers adjourned to Executive Session at 7:48 p.m. to discuss litigation. The Mayor and Councilmembers returned from Executive Session at 8:25 p.m.

ADJOURNMENT:

A motion was made by **Councilors Doyle/Loving** to adjourn the meeting at 8:26 p.m. All were in favor. Motion carried.

Richard A. Patrick
Finance Director / City Clerk

Roger “Gus” Tjeerdsma
Mayor