



TOWN COUNCIL SPECIAL MEETING

AGENDA

Island County Hearing Room

October 14, 2014

6:30 pm

CALL TO ORDER

PLEDGE OF ALLEGIANCE

CHANGES AND APPROVAL OF AGENDA

APPROVAL OF MINUTES

Special Meeting of September 30, 2014

MAYOR'S REPORT

AUDIENCE INPUT - See NOTE

NEW BUSINESS

- 1. Approval of Special Events Permit Application #14-017, The Historic Coupeville Waterfront Association's Annual Pumpkin Race** – *Staff recommends approval of Special Events Permit Application #14-017, The Historic Coupeville Waterfront Association's Annual Torchlight Parade.*
- 2. Approval of 2015 Budget Policies** - *Staff recommends adopting the 2015 Budget Policies as a guideline to prepare the 2015 Budget.*
- 3. Set date for Public Hearing – 2014 Budget Revision**– *Staff recommends a motion to set Public Hearing on October 28, 2014 for the 2014 Budget Revision.*
- 4. Set date for Public Hearing – 2015 Revenue Sources, 2015 Property Tax, and 2015 Budget** – *Staff recommends a motion to set Public Hearing on November 25, 2014 for the 2015 Revenue Sources, the 2015 Property Tax Levy and the 2015 Budget.*
- 5. Set date for 2015 Budget Workshop** – *Staff recommends a motion to set a Workshop on Tuesday, October 21, at 3:00pm to discuss the 2015 Budget.*

DISCUSSION

- 6. 2014 Budget Revision**

AUDIENCE INPUT - See NOTE

ADJOURN

NOTE: Audience Input - *This is time set aside for members of the public to speak to the Council about subjects of concern or interest, or items not already set aside for a public hearing. Questions presented may not be answered immediately if all information is not available, but will be responded to as soon as possible. To ensure your comments are recorded properly, you need to state your name and address clearly into the microphone. Please limit your comments to 5 minutes. Input requiring more lengthy comment is best submitted in writing.*

NOTE: Persons with disabilities requiring elevator access to the Hearing Room, please call twenty-four (24) hours prior to the scheduled event to Clerk-Treasurer (360) 678-4461, ext 7.

**Town of Coupeville
Special Council Meeting
September 30, 2014
3:30 pm**

Mayor Conard called the Special Meeting of the Coupeville Town Council to order at 3:30 pm.

PRESENT: Mayor Nancy Conard, Councilmembers Bob Clay, Diane Binder, Molly Hughes, and Jackie Henderson.

Council Action: A motion was made by Councilmember Bob Clay, second by Councilmember Jackie Henderson, to excuse Councilmember Pat Powell. The motion passed unanimously.

STAFF PRESENT: Clerk Treasurer Kelly Beech, Town Engineer Greg Cane, Town Planner Bridget Smith.

CHANGES AND APPROVAL OF THE AGENDA

Council Action: A motion was made by Councilmember Molly Hughes, second by Councilmember Jackie Henderson, to approve the Agenda as submitted. The motion passed unanimously.

APPROVAL OF MINUTES

The minutes of the Regular Meeting of September 9, 2014 were approved as corrected. The only correction noted was a misspelling on Joanne Pelant's name.

MAYOR'S REPORT

- Mayor Conard shared copies of the Coupeville Hub for Seniors flyer that would be distributed in the water bill.
- Mayor Conard reminded the Council of the Ebey's Forever Conference scheduled for Saturday.
- Finally, Mayor Conard provided the Council with copies of the financial information she provided at the Annual State of The Town presentation to the Chamber of Commerce.

OLD BUSINESS

- 1. Second Reading and Adoption of Ordinance 714 prohibiting smoking and tobacco use in Town Parks and on Town trails – *Staff recommends Adoption of Ordinance 714 prohibiting smoking and tobacco use in Town Parks and on Town trails.***

Council Action: A motion was made by Councilmember Jackie Henderson, second by Councilmember Bob Clay, to approve the adoption of Ordinance 714 prohibiting smoking and tobacco use in Town Parks and on Town trails. The motion passed unanimously.

NEW BUSINESS

- 2. Approval of Contract Revision - Equinox Research And Consulting International, Inc. - to provide services related to archaeological permit acquisition for the Madrona West water main replacement - *Staff recommends approval of revised***

contract for Equinox Research And Consulting International, Inc. to provide services related to archaeological permit acquisition for the Madrona West water main replacement.

Questions were asked and answered and no changes were suggested.

Council Action: A motion was made by Councilmember Jackie Henderson, second by Councilmember Bob Clay, to approve the revised contract for Equinox Research And Consulting International, Inc. to provide services related to archaeological permit acquisition for the Madrona West water main replacement. The motion passed unanimously.

- 3. Approval of SSDP-005-14, A Shoreline Substantial Development Permit for the Rehabilitation and reuse of the structure at 10 NW Front Street – Coupeville**
Planning Commission recommends approval of SSDP-005-14, A Shoreline Substantial Development Permit for the Rehabilitation and reuse of the structure at 10 NW Front Street.

Questions were asked and answered and no changes were suggested.

Council Action: A motion was made by Councilmember Jackie Henderson, second by Councilmember Bob Clay, to approve SSDP-005-14, A Shoreline Substantial Development Permit for the Rehabilitation and reuse of the structure at 10 NW Front Street, with the recommended conditions. The motion passed unanimously.

- 4. Approval of Special Events Permit Application #14-016, The Historic Coupeville Waterfront Association's Annual Torchlight Parade – Staff recommends approval of Special Events Permit Application #14-016, The Historic Coupeville Waterfront Association's Annual Torchlight Parade.**

Questions were asked and answered and no changes were suggested.

Council Action: A motion was made by Councilmember Molly Hughes, second by Councilmember Jackie Henderson, to approve the Special Events Permit Application #14-016, The Historic Coupeville Waterfront Association's Annual Torchlight Parade. The motion passed unanimously.

- 5. Approval of September 30, 2014 Claims Vouchers/Warrants and August Payroll – Staff recommends approval of the September 30, 2014 claims vouchers/warrants/EFT Payments #30066 to #30126 for a total of \$201,474.90; and August 2014 payroll warrants #14900 to #14904 and #30042 to #30065 for a total of \$71,895.87.**

Questions were asked and answered and no changes were suggested.

Council Action: A motion was made by Councilmember Molly Hughes, second by Councilmember Dianne Binder, to approve the September 30, 2014 claims vouchers/warrants/EFT Payments #30066 to #30126 for a total of \$201,474.90; and August 2014 payroll warrants #14900 to #14904 and #30042 to #30065 for a total of \$71,895.87. The motion passed unanimously.

DISCUSSION

Mayor Conard discussed progress on the 2015 Budget process and the proposed timeline. Dates for the Public Hearings for the 2014 Budget Revision, the 2015 Revenue Sources, 2015 Property Tax, and 2015 Budget will be formally scheduled during the next Regular Council Meeting. Mayor Conard shared revenue information from previous years and discussed with the Council that revenues would most likely remain similar for 2015. Questions were asked and answered.

STAFF REPORTS

Clerk Treasurer Kelly Beech presented the Council with her monthly report and briefly discussed the Washington Finance Officers Association annual conference. Questions were asked and answered.

Mayor Conard presented Marshal Rick Norrie's monthly report to the Council. Questions were asked and answered.

Town Planner Bridget Smith presented the council with statistics related to the permits she has processed since January. Bridget also informed the Council that she has been in communication with representatives handling the Hospital's construction project, about various Town Codes that will need to be considered during the application process. Questions were asked and answered.

COUNCIL REPORTS

Councilmember Molly Hughes briefly discussed turnover in the Ebey's Landing National Historical Reserve Trust Board and Friends of Ebey's Landing National Historical Reserve. Questions were asked and answered.

Councilmember Bob Clay informed the Council on the current status of Island Transit. Councilmember Clay also informed the Council that he attended the RTPO, Regional Transportation Planning Organization, meeting in September. The RTPO has a little over one million dollars to award in the grant cycle. Questions were asked and answered.

ADJOURNMENT: 5:42pm

Respectfully Submitted:

MAYOR:

Kelly Beech, Clerk Treasurer

Nancy Conard

A complete audio recording of this meeting is available upon request from the Clerk-Treasurer.



STAFF REPORT

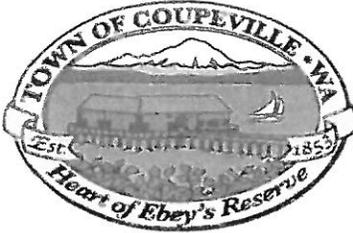
DATE: October 12, 2014
TO: Mayor Nancy Conard and Members of the Town Council
FROM: Kelly Beech, Clerk Treasurer
RE: Special Events Permit Application #14-017

The Historic Coupeville Waterfront Association is in the process of amending their initial application. Details of the event, the Staff Report and supporting documents will be presented at the October 14th meeting.

RECEIVED

JUL 29 2014

Town of Coupeville



TOWN OF COUPEVILLE

4 NE Seventh ▪ PO Box 725 ▪ Coupeville WA 98239
360.678.4461 ▪ 360.678.3299 Fax ▪ www.townofcoupeville.org

SPECIAL EVENTS PERMIT APPLICATION

Name of Applicant/Organization Coupeville Historic Waterfront Association
Contact Person Vickie Chambers Email Address: vchambers@aol.com
Business Phone 360-222-3696 Home Phone _____ Cell Phone 360-320-1143
Mailing Address: PO Box 121
City Coupeville State WA Zip 98239
Other Authorized Individuals Steve Crocker, Randle Chambers
Business Phone _____ Home Phone _____ Cell Phone 360-320-1979

Summary of proposed event:

Steve 360-632-5991

- a) Type of Activity Planned: (describe event): Pumpkin Race: pumpkins on wheels rolled down Grace Street. Single elimination. Race ends at Grace and Front Street. See attached for description of event.
- b) Date of proposed event: Sunday, October 19, 2014
- c) Hours of operation: 11:00 to 5:00 19 pm v. Chambers started
- d) Set-Up date/time: 10:00 to 11:00, October 18th 19
- e) Dismantling date/time: 5:00 to 6:00 October 18th 19
- f) Number of staff/volunteers involved in event on behalf of applicant: 8-10
- g) Estimated number of participants: 100
- h) Will participants pay a fee or make a donation? YES NO (please circle)
- i) Number of vehicles, boats or other special equipment: none
- j) Number of persons expected to attend the event: 100
- k) Traffic or crowd control requirements: We will put hay bales along the route for control. Volunteers will be positioned along the route.
- l) Street closures required: Yes: Grace from Cleveland to Front Street from 10 am to 6 pm, October 18th 19th
- m) Safety and security measures required: _____
- n) Special effects (e.g. explosives, pyrotechnics, aircraft, etc.): None





STAFF REPORT

DATE: October 14, 2014
TO: Mayor Nancy Conard and Members of the Town Council
FROM: Kelly Beech, Clerk-Treasurer
RE: Budget Policies and Budget Calendar
ATTACHMENTS: 2015 Budget Policies

The Proposed 2015 Budget Policies are submitted for your review and approval. These policies will be guidelines for preparing the 2015 budget.

This is how the 2015 Budget Calendar looks at this time:

September 8	Request to department heads for revenue and expenditure estimates
September 22	Department estimates to be filed with the Clerk-Treasurer
October 1	Proposed budget prepared by Clerk-Treasurer is to be filed with Mayor
October 14	Council discussion and adoption of budget policies and priorities
October 14	Mayor provides Council with current information on 2014 budget
October 14	Schedule Public Hearing on proposed budget, revenue & tax sources (11/25/13)
October 21	Council Workshop on Budget and 2015 Fee Schedule
November 7 & 14	Clerk-Treasurer publishes notice of preliminary budget & notice of PH
November 4	Copies of proposed budget made available to the public
November 25	Public Hearing on revenue sources for budget & to set property tax levy
November 25	Public Hearing on proposed budget
November 25	Adoption of budget for 2013 (or December 11)
November 26 or December 10	Copies of final budget to be transmitted to State Auditor's Office & MRSC

RECOMMENDATION:

Motion to adopt the 2015 Budget Policies as a guideline to prepare the 2015 Budget.

2015 Budget Policies

Fiscal Policies

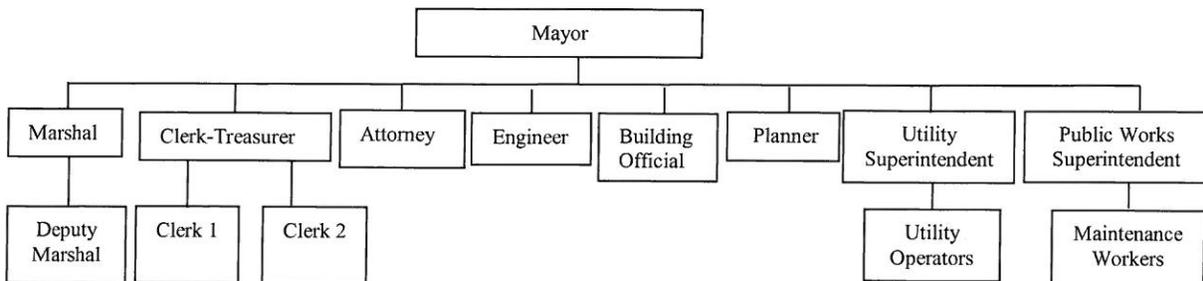
- 1) General Fund Ending Balance should be maintained at a minimum of \$200,000.
- 2) Utility Fund Ending Balance should be maintained at a minimum of \$100,000.
- 3) Annual revenues should cover annual operating expenditures in the General, Street, and Utility Funds.
- 4) Transfers between funds may be authorized by the adopted budget, or by specific Council action.
- 5) User fees are adopted annually at the Council level, and are designed to cover the costs of the service unless the Council decides to subsidize the cost.
- 6) Utility rates and connection fees will be set to cover operating expenditures and capital project needs. Utility rates and connection fees should be reviewed by the Utility Advisory Committee every two years for adequacy, and a report of their findings provided to the Town Council. Connection fees are to be used for capital projects only.
- 7) The Debt Service Ratio in the Utility Fund (net revenues divided by debt service) should not fall below 1.50.
- 8) Interfund lending is permissible with Council approval, providing a planned schedule of repayment of loan principal as well as setting a reasonable rate of interest to be paid to the lending fund. The loan may continue over a period of more than one year but must be "temporary" in the sense that no permanent diversion of the lending fund result from failure to repay by the borrowing fund (Resolution 86-10).
- 9) All possible funding sources, governmental or private, will be explored before committing Town funds (Resolution 94-14).
- 10) Long-range budgets will be developed based on projected growth according to the current Comprehensive Plan; public demand; and location, use, and condition of present facilities (Resolution 94-14).
- 11) Capital projects and purchases that are listed in the current budget are presumed approved and can be carried over and expended in the new year as long as there are sufficient funds. The Clerk-Treasurer will advise the Council of projects that will be carried over by memo at a Council session. In no case, can the total project amount be increased without Council approval. If the bottom line fund balance needs to be increased as a result, an amendment will be made as soon as it's practical.
- (12) Equipment purchases of items under \$500 shall be considered small tools and minor equipment; purchases greater than \$500 shall be considered capital equipment.

Allocation Policies

- 1) Fuel Tax revenues will be accumulated in the Street Fund until there is enough for a major project, or to be used as match for a grant or loan that will accomplish a major project. Revenues in the Street Fund may also be used as funding for an approved Pavement Management System for all Town streets.
- 2) The revenue for the 2% Hotel/Motel Tax may be allotted in the year after it was received (Resolution 96-20).
- 3) ~~As a result of the voter approved property tax levy for law enforcement purposes, the police department budget will attempt to provide a level of staffing that allows for 24 hours/day coverage.~~
- 4) Water and sewer connection fees will be put in reserves to fund water and sewer capital projects (Ordinance 526). Revenues will be accumulated until there is enough for an approved project, or to be used in conjunction with a grant or loan to accomplish an approved project.
- 5) Administrative fees will be transferred from the Utility Fund to the General Fund to cover the expenses of general administrative services (Council, Administration, Central Services, Public Works, and Planning) to support the utility operation. No wages will be charged directly to the Utility Fund for administrative services. Time studies will be done on an annual basis and an average of the last 5 studies will be used to calculate a rate at which the administrative fee will be transferred for each department. An allocation for Council expense will be made based on agenda items and ordinances related to utilities. Legal fees will be charged directly to the Utility Fund. For the 2015 budget the following table will be used (Due to staff changes, no Time Study will be done in 2014):
 - 5%- Council - calculated on agenda items and ordinances related to utilities
 - 38%- Administration - average percentage of Admin working on utility issues
 - 36% - Central Services - average percentage of all Admin. Services working on utility
 - 47% - Public Works - calculated on hours the PW Director works on utility issues
 - 18% - Planning - calculated on hours the Planner works on utility issues

Employee - Personnel Policies

- 1) The Salary and Wage Schedule will be approved annually by the Town Council (Resolution 94-6).
- 2) Reserves will be set aside to cover Accrued Compensation Balances.
- 3) The Town Council will adopt budgets and set salaries in order to achieve the organization and level of staffing outlined below.



Investment Policies

- 1) It is the policy of the Town to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of the Town, and conforming to all state and local statutes governing the investment of public funds (Resolution 96-03).
- 2) Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable income to be derived (Res. 96-03).
- 3) The primary objectives, in priority order, of the Town's investment activities shall be: Safety, Liquidity, and Yield (Resolution 96-03).
- 4) The Town will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the entity's total investment portfolio will be invested in a single security type or with a single financial institution (Res. 96-03).
- 5) To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Town will not directly invest in securities maturing more than five years from the date of purchase (Resolution 96-03).

Capital Policies

- 1) The responsibility for financing capital improvements should be assumed by the primary beneficiaries of the facility (Resolution 94-14).
- 2) General Revenues should be used to fund projects only if the project provides a general benefit to the Town (Res. 94-14).
- 3) The Town should use long-term borrowing to fund projects when the proposed facility will provide benefits for 20 years or longer.
- 4) The Town should seek grants or private funds whenever available to finance capital improvements (Resolution 94-14).
- 5) All major transactions, such as the purchase or sale of public land, will be studied for the effects they will have on needed utilities and services (Resolution 94-14).
- 6) Capital costs for public facility projects, including an estimate of subsequent operating costs, will be identified in a Capital Facilities Plan (CFP).
- 7) The 6-year Capital Improvement Plan (CIP) will be reviewed annually, prior to the Budget Process. Annual capital needs identified in the revised CIP will be used in the compilation of the annual budget.
- 8) Capital needs will not be considered during the Budget Process unless they have already been identified in the Capital Facility Plan. (2014 review will occur in 2015. Any new proposed capital projects will be included in a 2015 Budget Revision following CIP update.)
- 9) Capital improvement projects or purchases related to the General Fund and/or Street Fund will be accounted for directly out of Fund 105, the Capital Improvement Fund.

- 10) Capital improvements projects or purchases related to water system will be accounted for directly out of Fund 303, the Capital Improvement Fund for Water.
- 11) Capital improvement projects or purchases related to sewer system will be accounted for directly out of Fund 304, the Capital Improvement Fund for Sewer.

Budgetary Accounting

- 1) The Clerk-Treasurer, with written approval or direction from the Mayor, is authorized to move funds from one line item to another in a fund's budget, provided that the total approved expenditure for the fund is not exceeded. The council shall be informed of such actions.