

LYNDEN CITY COUNCIL

MINUTES OF THE REGULAR SESSION

MAY 7, 2007

I CALL TO ORDER

Mayor Jack Louws called to order the May 7, 2007 regular session of the Lynden City Council at 7:00 P.M. at the Lynden City Hall Annex.

ROLL CALL

Members present: Mayor Jack Louws; Councilors Doug Adelstein, Gary Bode, Dave Burns, Ron De Valois, Tobey Gelder, Gerald Kuiken, and Nick Laninga.

Members absent: None.

Staff present: Fire Chief Gary Baar, Administrative Assistant Rachel Byers, Finance Director Teresa Camfield, Public Works Director Duane Huskey, Parks and Recreation Director Vern Meenderinck, and City Administrator Bill Verwolf. Also present was City Attorney Bob Carmichael.

APPROVAL OF MINUTES

Councilor De Valois moved and Councilor Adelstein seconded that the minutes of the April 16, 2007 regular session be approved. The motion carried.

ITEMS FROM THE AUDIENCE

Scheduled - None

Unscheduled

Holland Days Festival

Mr. Gary Vis, Executive Director of the Lynden Chamber of Commerce, presented autographed renderings of the Holland Days Festival 2007 posters to Council, Mayor Louws, and City Administrator Bill Verwolf. He said that the Holland Days Committee and the Lynden Chamber of Commerce thanked Council for their continued support of the event. Mr. Vis acknowledged Ms. Heather Phel, Events Coordinator at the Lynden Chamber of Commerce, stating that she was responsible for the success of the event.

Mayor Louws thanked Mr. Vis and the Lynden Chamber of Commerce for the well run event and he stated that Ms. Phel did an exceptional job.

Million Smile Playground Project

Mayor Louws stated that the new playground at City Park is truly phenomenal. He said that he is so appreciative for the way the community came together on this project, even in the poor weather. Mayor Louws thanked Mr. Gary Vis for his work on this playground project for more than a year.

Mr. Gary Vis informed Council that the Leathers and Associates personnel were surprised that a community of our size was able to accomplish a playground of this magnitude. Mr. Vis stated that everyone in the community who came to participate in the project contributed to it being a top-notch playground.

Council shared their experiences working on the playground. Mayor Louws stated his desire to thank everyone who volunteered in some way. Councilor De Valois stated that the Parks Committee would look into options for recognizing everyone who helped with the project.

II CONSENT AGENDA

Approval of Payroll

Direct Deposits, Draws and Warrants No. 12292 through 12348

\$ 361,578.43

Council Liaison to the YMCA

Airport Advisory Board Appointment – Mr. Roger Humphries

Update to Lynden Municipal Airport Master Plan: Grant Application and Consultant Selection

Councilor De Valois moved and Councilor Bode seconded that the items on the Consent Agenda be approved. The motion carried.

III NEW BUSINESS

Request from Members of the Puget Sound Antique Tractor Club – New Building

Mr. Jim Galen, member of the Puget Sound Tractor Club, requested permission to construct a new display building on the Club show grounds at Berthusen Park. They have applied for the required permits through Whatcom County.

Councilor De Valois moved and Councilor Gelder seconded that the request by members of the Antique Tractor Club to construct a new display building on the show grounds at Berthusen Park be approved. The motion carried.

Ordinance No. 1295 – Renewal of Line of Credit with Skagit State Bank

Ordinance No. 1231 was approved by Council on May 2, 2005. It allowed the City to have a revolving line of credit, set at a \$5,000,000 maximum limit. The notes have in the past provided interim financing for capital projects such as the Water Reservoir project (for Drinking Water State Revolving Fund reimbursement), Arterial Street capital improvements, Police Station Acquisition/Remodel (prior to permanent financing), East Lynden Sewer Sub-Basin improvements (prior to permanent financing) and other capital projects. These projects have been either secured by grant and/or Public Works Trust Loan funding on a reimbursement basis or were funded by the City.

On March 31, 2006, the City received an offer from Skagit State Bank to extend the maturity date of the notes, from May 13, 2006 to May 13, 2007 at a 4.16% rate of interest. Council accepted the proposal and approved Ordinance No. 1261, amending Ordinance No. 1231. On April 2, 2007 Skagit State Bank provided two options for extension of the line of credit. One proposal was for \$5 million (the same as the existing line of credit) and one for \$7 million, allowing for growth when the City's debt capacity increases next January. Both offers proposed a rate decrease from 4.16% to 3.95%. Outstanding balances on the line of credit will be rolled forward as part of this ordinance.

Councilor Adelstein moved and Councilor Burns seconded that Ordinance No. 1295, Amending Ordinance No. 1231 to Increase the Maximum Amount Available for Draws, Extend the Maturity, and Change the Interest Rate of the City's Revenue Bond Anticipate Note, 2005A (Revolving) and its Limited General Obligation Bond and Grant Anticipation Note, Series 2005B (Revolving), be approved and that the Mayor be authorized to sign said Ordinance. The motion carried.

Councilor Adelstein thanked Finance Director Teresa Camfield, who he said is an aggressive negotiator, and Skagit State Bank for their work.

Donation Policy – Parks Department

From time to time, citizens of Lynden wish to make various types of donations to the City. Sometimes they wish to do so for personal reasons, other times it may be an organization that sees a need and wishes to contribute for the betterment of the community.

To date no written procedures or strictures have been available to accommodate the ever increasing requests to make donations. In an effort to develop consistency in the process and meet the aesthetic needs of the City, the attached Donation Policy has been drafted.

Councilor De Valois moved and Councilor Adelstein seconded that Policy AD-30, Commemorative Donation Program, be approved. The motion carried.

Ordinance No. 1296 – Voiding Ordinance No. 1288 and Readopting Ordinance No. 1269 Vacating Alley Right-of Way

On July 3, 2006 Council adopted Ordinance No. 1269 vacating an alley right-of-way. Section 4 of Ordinance No. 1269 stated:

Section 4: That a certified copy of this ordinance be sent to the auditor of Whatcom County, Washington, and recorded by said Whatcom County Auditor only after the City has closed and recorded all deeds set forth in the Purchase and Sale Agreement including the aforementioned “Van Werven conveyance”. If recording of the deeds set forth in the Purchase and Sale Agreement does not occur by October 16, 2006, this ordinance shall be null and void.

Due to a delay in obtaining the required signatures on the Purchase and Sale Agreement, the recording of the deeds did not occur by October 16, 2006 so Ordinance No. 1288 was prepared which readopted Ordinance No. 1269 and changed the date, by which the recording of the deeds was to be accomplished, to April 30, 2007.

As the April 30, 2007 date was unable to be met, staff is now bring before Council Ordinance No. 1296 which voids Ordinance No. 1288, readopts Ordinance No. 1269, and removes the specificity of the recording date stating that such will “timely occur”. Ordinance No. 1296 will be attached to Addendum 3 of the Purchase and Sale Agreement.

Councilor De Valois moved and Councilor Laninga seconded that Ordinance No. 1296 Readopting Ordinance No. 1269, Vacating Alley Right-of-Way in the City of Lynden, Whatcom County Washington, be approved as recommended by the Community Development Committee and that the Mayor be authorized to sign said Ordinance. The motion carried.

Introduction of Resolution No. 766 Regarding Sewer General Facilities Charges, Resolution No. 767 Regarding Sewer Rates, Resolution No. 768 Regarding Water General Facilities Charges, and Resolution No. 769 Regarding Water Rates

The following Resolutions setting water and sewer rates for 2007, with an effective date of June 1, 2007, were presented to Council

- Resolution No. 766 Amending Resolution No. 739 Regarding Sewer General Facilities Charges,
- Resolution No. 767 Amending Resolution No. 736 Regarding Sewer Rates,
- Resolution No. 768 Amending Resolution No. 737 Regarding Water General Facilities Charges, and
- Resolution No. 769 Amending Resolution No. 738 Regarding Water Rates.

The increases in General Facilities Charges for water are proposed at 3% over 2006 rates. The increase in water rates are proposed at 3% over 2006 rates.

The increases in General Facilities Charges for sewer, and applicable to all areas served by the City, are proposed at 4% over 2006 rates. The increases in the General Facilities Charges (“surcharge”) for sewer, and applicable to the East Lynden/Line Road Sub-Basin as described in Ordinance No. 1247, are proposed at 5% over 2006 rates. The increase in sewer rates are proposed at 4% over 2006 rates.

The municipal cost index for the last year is 3.7% and the Consumer Price Index for the last year is at 4.2%.

At this time, these Resolutions are for information only. They will be brought before Council on May 21, 2007 for consideration.

Drayton Street Bids – Project No. 2005-13

Five bids for the Drayton Street Project were received by the Public Works Department on April 26, 2007. Subsequently, Reichhardt & Ebe Engineering prepared the bid tabulation and the results were discussed at a special Public Works Committee meeting held on May 2, 2007.

The Drayton Street Project will re-build 1) Drayton Street, between Bender Road and 1st Street, 2) 1st Street from Pine Street (at railroad tracks) to Drayton Street, and 3) Nooksack Avenue, from Grover Street to Drayton Street – all to City arterial standards. The improvements will include two travel lanes, bike routes, sidewalks, minor utility upgrades, and street lighting.

Although several issues regarding bid responsiveness were being worked out, the main issue involving the bids is that they come in approximately two-hundred thousand dollars higher than the engineer's estimate and approximately \$500,000 over the original budget, and adequate funding for this project is simply not available in the 2007 budget.

Due to this funding situation, the Public Works Committee and staff are recommending to Council that all bids for the Drayton Street Project be rejected. The scope of this project and funding alternatives can then be re-evaluated in the near future so that at some point the project can be re-bid.

Councilor Bode moved and Councilor Gelder seconded that the Lynden City Council officially rejects all bids received on April 26, 2007 for the Drayton Street Project. The motion carried.

Other Business

Council and Mayor Louws discussed their disappointment with the Washington State Liquor Control Board's decision to approve the liquor license for the Nooksack's Northwood Crossing Casino. Mayor Louws informed Council that he will be requesting the release of all documents related to this issue under the Freedom of Information Act and that he will draft a letter, for Council's review at the next meeting, to the Liquor Control Board stating the City's disapproval of their decision.

IV EXECUTIVE SESSION

Council went into Executive Session at 7:33 P.M. to discuss personnel issues. It was anticipated that the Executive Session would last approximately 5 minutes and that action would not be taken following the session. Council came out of Executive Session at 7:38 P.M.

V ADJOURNMENT

Councilor Burns moved and Councilor Gelder seconded that the meeting be adjourned. The motion carried.

The May 7, 2007 regular session of the Lynden City Council adjourned at 7:38 P.M.

Rachel Byers, Administrative Assistant

Jack Louws, Mayor