

Oak Harbor City Council
Regular Meeting Minutes
November 6, 2013

CALL TO ORDER

Mayor Scott Dudley called the meeting to order at 6:00 p.m.

INVOCATION/PLEDGE OF ALLEGIANCE

Pastor Andy Mahoney from Grace Community Church gave the Invocation and Mayor Dudley led the Pledge of Allegiance.

ROLL CALL

Present:

Mayor Scott Dudley
Mayor Pro Tempore Danny Paggao
Councilmember Rick Almberg
Councilmember Jim Campbell
Councilmember Tara Hizon
Councilmember Beth Munns
Councilmember Joel Servatius
Councilmember Bob Severns

Staff Present:

Finance Director Doug Merriman
Development Service Director Steve Powers
Public Works Director Cathy Rosen
Assistant City Attorney Nikki Esparza
City Engineer Joe Stowell
City Clerk Valerie J. Loffler
Police Chief Ed Green
Fire Chief Ray Merrill

HONORS AND RECOGNITIONS

Proclamation for Veterans Day

Councilmember Jim Campbell was joined at the podium by Terry Lacey and members of the local Veterans of Foreign Wars Post 7392 as he read the Proclamation in recognition of Veterans Day. Mr. Lacey thanked Council on behalf of all veterans and reminded everyone to come out for the Veterans Parade on Saturday.

APPROVAL OF AGENDA

Motion: Councilmember Almberg moved to place Item 8.a., Tourism Services Agreement, following the 3rd Quarter Financial Report. The motion was seconded by Councilmember Munns and carried unanimously.

Councilmember Hizon moved to approve the agenda, as amended. The motion was seconded by Councilmember Severns and carried unanimously.

CITIZEN COMMENT PERIOD

Michelle Martinez and Reba Carter asked for guidance on how to recover Ms. Carter's cell phone that was taken off the counter at the 7-11 Store.

Martha Yount, a long-time Oak Harbor citizen, congratulated the winners of the election and also thanked those citizens who exercised their right to vote and express an opinion. Mrs. Yount

announced the League of Women Voters also deserves a thank you for offering four forums for debate.

Skip Pohtilla reported on activities celebrating Veterans Day including the Parade and the musical tribute at the high school. He also provided information for the North Whidbey Community Harvest stating the entire community is welcome and volunteers are still needed.

Mr. Pohtilla also requested consideration of a crosswalk from the driveway at the Harbor Towers to the strip mall.

Helen Chatfield-Weeks shared history about the Neil Water Tower and the big red barn, which was the largest in the State of Washington at the time it was built.

CONSENT AGENDA

- a. Minutes of the Regular City Council meeting held October 15, 2013
- b. Approval of Accounts Payable Voucher Nos. 155914 through 156082 in the amount of \$1,601,350.78.
- c. Motion to approve Option #1 to pay into a collective fund to implement a Regional Stormwater Monitoring Program; and to authorize the Mayor to sign the Interlocal Agreement when received from the State of Washington Department of Ecology confirming the preferred option.
- d. Motion to confirm Mayor Dudley's reappointment of Anne Murphy to the Youth Commission for a term to expire October 2016
- e. Motion to authorize the purchase of one aluminum sign for the Scenic Heights Trailhead in the amount of \$11,000.00

Motion: Councilmember AlMBERG moved to approve Consent Agenda as presented. The motion was seconded by Councilmember Campbell and carried unanimously.

STAFF AND COUNCIL COMMENTS

Finance Director Doug Merriman presented the 3rd Quarter Financial Report.

Councilmember AlMBERG asked for clarification on rental income and General Fund transfers.

HONORS AND RECOGNITIONS

Police Chief Ed Green recognized Officer Dennis Dickinsen for 15 years of service to the City of Oak Harbor's Police Department.

Mayor Scott Dudley commented he hears great things from the school administration and students about Officer Dickinsen's role as the School Resource Officer.

Chief Green also recognized Officer Mel Lolmaugh for 15 years of service. Officer Lolmaugh couldn't be present because he was scheduled for drill with the Reserves.

Meg Massey was also introduced as the Police Department's new administrative assistant. The Chief complimented Meg on a seamless transition.

STAFF AND COUNCIL COMMENTS, Continued

Mayor Scott Dudley stated a prescription drop-off bin is now located in the night lobby entrance to the police department. It's the only drop-off bin on Whidbey Island and is available 24/7.

Mayor Dudley also reminded Council members about the November 13th Workshop meeting to discuss major project financing and the general contractor/construction manager process.

Councilmember Paggao commended Public Works staff for their response within 24 hours to a citizen's concern about a storm drain retention pond. He also complimented the Police and Fire departments for their excellent service and response at the scene of an accident.

Councilmembers Campbell, Servatius and Severns all expressed appreciation to the citizens for their support in the election.

Councilmember Severns announced the tree lighting ceremony scheduled for November 30th on Pioneer Way at 5:00 p.m. Cookies and cocoa will be provided.

Tourism Services Contract

Finance Director Doug Merriman provided a staff report.

Cathy Reed, Executive Director of the Chamber of Commerce, spoke in support. She stated she would prefer to have a three-year contract that would allow them to plan ahead. She also requested Council to reinstate the \$8,000 that was removed. Operating expenses continue to rise and the contract amount doesn't meet their operating expenses this year or next.

Councilmembers discussed funding sources and whether to authorize a three-year contract versus a one-year contract.

Motion: Councilmember AlMBERG moved to increase the proposed \$72,000 by \$8,000 and authorize the Mayor to sign the contract for a total of \$80,000 for the year 2014. The motion was seconded by Councilmember Campbell and carried unanimously.

ORDINANCES AND RESOLUTIONS

Ordinance 1674: Relating to Electronic Message Centers

Mayor Dudley announced Council received a letter from the International Sign Association requesting the Ordinance be referred back to the Planning Commission for additional review and that staff concurs with the recommendation.

Motion: Councilmember Munns moved, seconded by Councilmember Campbell, to refer the item back to the Planning Commission for additional review. The motion carried unanimously.

Resolution 13-26 and 13-27: Relating to the Opt Out Conversation and Phase-Out

Finance Director Doug Merriman provided the staff report explaining Resolution 13-26 converts the current opt-out to wages, and Resolution 13-27 freezes the salary if the new base salary is above market.

Skip Pohtilla suggested consideration of fairness to all employees citing his concern about freezing salaries for some while others are still receiving medical benefits.

Mr. Merriman clarified the opt-out issue stating the plan is to phase out the extra money provided to those who opted out. He also reminded Council the issue of under-market salaries would be considered at a later time.

Councilmembers Almberg and Paggao thanked staff and the former Human Resources Manager Cheryl Lawler for their efforts.

Councilmember Almberg suggested comparables from the private sector should also be considered.

Resolution 13-26 A Resolution of the City of Oak Harbor Converting the Opt Out Benefit for Eligible Non-Represented Employees to Wages Concurrent with the Change in Health Insurance Plan Options

Motion: Councilmember Hizon moved to adopt Resolution 13-26. The motion was seconded by Councilmember Munns and carried unanimously.

Councilmember Servatius confirmed the number of positions that are above market and would be frozen.

Mayor Dudley stated 14 positions are currently under market and Council will take separate action on whether or not to bring those positions in line with the current market.

Councilmembers Servatius and Hizon for clarification on future wage increases for those with frozen positions. Mr. Merriman responded the majority of those positions with over-market salaries would be frozen for one year.

Resolution 13-27 A Resolution of the City Of Oak Harbor to Establish a Methodology to Phase-Out the Converted Opt-Out Benefit to Wages for Non-Represented Employees

Motion: Councilmember Hizon moved, seconded by Councilmember Almberg, to adopt Resolution 13-27.

Councilmember Severns asked Mr. Merriman if the employees were comfortable with the proposed resolutions. Mr. Merriman explained that while not all agree, most recognize the increase in the growth rate in the opt-out is not sustainable.

The motion carried unanimously.

At 7:32 p.m. Mayor Dudley announced a five-minute recess.

The meeting reconvened at 7:38 p.m.

PUBLIC HEARINGS/PUBLIC MEETINGS

Ordinance 1673: 2014 Property Tax Levy
Finance Director Doug Merriman provided the staff report.

Mayor Dudley opened the public hearing at 7:52 p.m.

Speaking in opposition were Sandy Peterson and Billie Cook.

The hearing closed at 7:55 p.m.

Councilmember Severns expressed concern and thinks it's time to take a step back.

Councilmember Almberg asked what target items could be deleted to mitigate the \$32,000 loss of property taxes in perpetuity. While nobody likes to pay more taxes, we can't keep asking for more without reductions in service.

Mr. Merriman explained that in order to match the recurring revenue you have to eliminate a recurring expenditure. The really only recurring expenditures are staffing costs.

Councilmembers and Mr. Merriman discussed implications of banking the one percent increase.

Councilmember Severns spoke in opposition to the one percent increase.

Councilmember Paggao spoke in support citing the need to maintain current levels of service.

Ordinance 1673 An Ordinance to Increase by \$39,137.53 the Amount to be Raised by Ad Valorem Taxes for the 2014 Property Tax Levy which Represents a 1% Increase over the Actual Levy Assessed in 2013

Motion: Councilmember Paggao moved to adopt Ordinance 1673. The motion was seconded by Councilmember Hizon and carried 6 to 1; Severns opposed.

EXECUTIVE SESSION

At 8:38 p.m. Mayor Dudley announced an Executive Session to discuss pending litigation. The executive session would last approximately 20 minutes and no action would be taken.

The meeting reconvened at 9:01 p.m.

ADJOURNMENT

Motion: Councilmember Campbell moved, seconded by Councilmember Severns, to adjourn the meeting. The motion carried unanimously.

The meeting adjourned at 9:02 p.m.

Valerie J. Loffler, City Clerk