



TOWN OF BEAUX ARTS VILLAGE
TOWN COUNCIL MINUTES

October 8, 2013
Stowe

Mayor Leider called the meeting to order at 7:00 pm.

PRESENT: Mayor Richard Leider, Councilmembers John Gillem, Mike Hillberg, Matt Leber, Aaron Sharp, and Tom Stowe.

EXCUSED: None.

STAFF: Clerk-Treasurer Sue Ann Spens.

GUESTS: WABA President Paula Dix, Aaron Howse, Town Marshal Walter Scott, Jim Finnell; Tommi Robinson and Eric Scott, Aronson Security Group; and Kyle Kayler, Arecont Vision

MINUTES: Councilmember Stowe moved to approve the September 10, 2013 minutes, as amended. Councilmember Sharp seconded.

Vote: 5 For, 0 Against, 0 Abstain. Motion carried.

WARRANTS: Councilmember Stowe moved to approve the revised September 10, 2013 warrants, numbers 9396 through 9419, in the amount of \$16,901.93. Councilmember Hillberg seconded.

Vote: 5 For, 0 Against, 0 Abstain. Motion carried.

Councilmember Sharp moved to approve the October 8, 2013 warrants, numbers 9420 through 9446, in the amount of \$42,973.10. Councilmember Gillem seconded.

Vote: 5 For, 0 Against, 0 Abstain. Motion carried.

CLERK'S REPORT:

STATE AUDITOR'S LETTER: Clerk-Treasurer Spens reported that she received a letter from Washington State Auditor Troy Kelley explaining that, due to new Federal audit requirements, all entities that prepare financial statements on a cash basis (rather than an accrual basis) will now see an opinion included in the audit report stating that the statements are not prepared in accordance with Generally Accepted Accounting Principles (GAAP). So even with a clean audit (which we have no reason to doubt we will receive), our audits beginning in 2015 will include the "Adverse Opinion" language outlined in Mr. Kelley's letter. When asked about this development, the auditor in charge of our audit team stated that the "adverse-opinion" language is solely based on our use of cash-basis accounting and that it is not an adverse finding – in fact, it would only make sense to another auditor. When asked if the Town should consider switching to accrual basis accounting, she said absolutely not; the added work would not add to the quality of our financial statements or improve internal controls for the smaller cities. She said the auditors have been discussing the potential negative impact of this language and ways to make sure that it is minimized, if not eliminated.

Mayor Leider commented that he would like to know what it would take for the Town to switch to accrual accounting in order to avoid this altogether. He and Clerk-Treasurer Spens will broach the topic during the upcoming entrance conference for our audit.

2011-2012 AUDIT: Clerk-Treasurer Spens noted that this audit is scheduled to begin in mid-October with an entrance conference. She will poll the mayor and council regarding attendance when the possible dates and times are available. At this time, Mayor Leider and Councilmember Gillem plan to attend. If more than three Councilmembers wish to attend, she will post a notice in accordance with Open Public Meetings statutes.

LOSS PREVENTION GRANT: Clerk-Treasurer Spens reminded the Council that AWC RMSA awarded us a \$350 loss-prevention grant that is payable as a reimbursement for a qualifying project expense. Councilmember Hillberg noted that he has work underway on some potentially hazardous ROW trees. After some discussion, it was the consensus of the Council to submit the charges for this work to AWC for reimbursement up to \$350.

SHORELINE MASTER PROGRAM UPDATE: Clerk-Treasurer Spens reminded the Council that the Department of Ecology (DOE) has completed its preliminary review of the Town's updated Shoreline Master Program (SMP) and has given it Conditional Approval. The conditions were listed in an attachment to their letter dated August 14, 2013. Town Planner Green reviewed the comments and prepared a memo for the Council outlining possible Town responses to DOE's three areas of concern. A summary of those three areas of concern and the Council's responses are as follows:

- Item 1: SMP Table 6.3 Requirements for New Overwater Structures – Location of moorage and in-water structures.
DOE requires that any new piers, floats, and fingers be set back 30 feet from the shoreline and in water depths of at least 10 feet. Temporary, summertime floats are exempt from this requirement.
Planner Green's comment: This may or may not be an issue, depending on the water depth at 30 feet.
Council's comment: The water depth at a distance of 30 feet from the Beaux Arts shoreline is only 3 feet. One must move about 95 feet from the shoreline to find the required water depth of 10 feet. It was the consensus of the Council that this needs further discussion, particularly in the context of whether a replacement of 50% or more of the dock structures would constitute new construction.
- Item 2. Appendix E. Critical Areas 1.A – Reasonable Use.
DOE states that the phrase "allowing for reasonable use of private property" must be stricken from the Critical Areas Report, claiming that neither RCW 90.57 nor WAC 173-27 allow for the concept of "reasonable use".
Planner Green's comment: The cited regulations may not allow for the concept but neither do they prohibit it.
Council comments: Allowing for reasonable use of private property is an important protection for its future use by the Western Academy of Beaux Arts (WABA). It was the consensus of the Council that DOE's objections are problematic, and the issue needs

further discussion.

- Item 3: Appendix E. Critical Areas 4.F.1 – Endangered, threatened and sensitive species. DOE has added language regarding development within a habitat conservation area to clarify that it must be consistent with the SMP.
Planner Green's comment: This does not seem to present a problem for the Town.
- Council's comments: It was the consensus of the Council that this issue needs further review and discussion to assure the Council that the change does not create unintended consequences.

At the conclusion of this discussion, it was the consensus of the Council that Mayor Leider and Councilmembers Sharp and Stowe would work to meet with Ms. Green prior to the November Council meeting to discuss these items further and determine the best course of action going forward. They will report to the Council in November.

MARSHAL'S REPORT: No report.

WATER REPORT: No report.

WABA REPORT: WABA President Paula Dix reported that the second phase of the Shoreline Restoration Project is complete and that fencing is installed to protect plantings. She also reported that the WABA Board plans a meeting in late November to vote on a proposed bylaws change. Details about the proposed changes are on WABA's website.

Ms. Dix remarked that during a recent review of documents relating to the water property, she found a note in minutes dated 1953 that seem to grant Whatmores an easement that was to remain in effect as long as the Whatmore property was under single ownership. She was not able to provide details about the body that produced the minutes. It was pointed out that the Town was not incorporated until 1954, so the minutes could not have been from the Town. She will attempt to relocate this document and make a copy for further review.

She then stated that the WABA Board is considering deeding portions of the beach roads to the Town. A line would be drawn to preserve private use of the beach property. Councilmember Stowe noted that he will provide more details about this during his report later in the meeting.

APPEARANCES: None.

POSSIBLE INSTALLATION OF SECURITY CAMERAS: As a follow up to the June presentation, Town Marshal Walter Scott introduced Tommi Robinson and Eric Scott with Aronson Security Group, and Kyle Kayler with Arecont Vision. He then directed the Council's attention the following information in their meeting packets: A map/list of crimes committed in the Enatai area between May 1 and August 31, 2013, a map of the Village illustrating the proposed locations for four security cameras, and an updated quote listing \$136,600 for the initial purchase and installation of equipment and \$1,650 for monthly operation and maintenance. He added that monthly figure includes the cost of having the King

County Sheriff's Office (KCSO) review security tapes for an estimated two burglaries per year.

Mr. Scott also noted that he spoke with five municipalities about camera use and effectiveness:

- Medina, Washington uses cameras extensively and estimates that 10% of their crimes are solved because of the cameras (2 out of 20).
- Federal Way and Seattle, Washington use cameras but choose not to discuss their use or effectiveness publicly because they want to avoid media attention.
- Bellevue, Washington does not use cameras because they cannot afford to put them in all neighborhoods.
- Memphis, Tennessee uses cameras but has no data on their effectiveness.

Jim Finnell briefly stated that using technology allows cities to combat crime but there are political and functional concerns to be addressed. Representatives from Arecont and Aronson briefly described successful installations in other cities and cited the resulting reductions in crime as a result of the installations.

On discussion, the Council stated the following concerns and questions:

- The cost of the initial installation AND the monthly maintenance is high relative to the Town's resources and our current level of crime.

Mr. Scott responded that he is concerned about minimizing the potential for crimes involving serious harm to residents and suggested that the cost to install and maintain the system could be offset by charging residents \$200 per year per household. This would require Council action.

Mr. Scott also noted that the Town has not experienced any serious crimes this year for the first time in several years, but there is no reason to expect that trend to continue in light of what is happening in the neighborhoods all around Beaux Arts.

- Recent news reports indicate that the ACLU has become involved in this issue. Do we know with whom?

Mr. Finnell responded that he can get that information.

- Is there any way to reduce the monthly cost to the Town?

Mr. Finnell and Mr. Scott answered that the biggest expense is the data service and that expanding the system to provide wifi service throughout Town could help offset that cost.

- What is the incremental cost for additional cameras?

Mr. Finnell answered about \$17,000 for each new pole, including power and data service.

At the conclusion of the presentation, Mayor Leider noted that the Council's options seem to be to suspend further discussion, to conduct additional outreach to Town residents to determine the level of support considering the cost of the project, or to study using some of the Town's bonding capacity to pay for the installation. The Council's discussion centered around concerns about both the initial and monthly costs of this project noting that a more cost-effective solution may be to pay KCSO more for increased patrols and to encourage residents to be more pro-active about protecting their property with home security systems.

It was the consensus of the Council that Mayor Leider take the lead in relating this discussion to Town Marshal Scott and in speaking with KCSO about service alternatives to enhance security in the Town.

PUBLIC HEARING: PRELIMINARY 2014 BUDGET: Clerk-Treasurer Spens noted that the Council received budget worksheets several weeks in advance to aid them in developing input for this discussion. The Council then reviewed the sheets by line and fund suggesting adjustments.

Mayor Leider opened the public hearing at 9:20 pm and asked for public comments. As there were none, he closed the public hearing at 9:21 pm.

Clerk-Treasurer Spens stated that she has captured the suggested revisions and will distribute revised worksheets in the next two weeks. She also commented that the Council will hold its second budget hearing during the November Council meeting and will pass an ordinance setting the property-tax levy for 2014.

PROPOSED RESOLUTION NO. 286 ADOPTING THE ASSOCIATION OF WASHINGTON CITIES EMPLOYEE BENEFIT TRUST INTERLOCAL

AGREEMENT: As a follow-up to last month's brief report, Clerk-Treasurer Spens directed the Council's attention to the following materials provided by AWC to explain the change to self-funding their employee-benefit program, including:

- a cover letter from the Chair of the Board of Trustees and the CEO of the Association,
- a two-page fact sheet explaining the history of the Trust, the self-insured concept, and the anticipated impact on premiums for health-insurance plans offered by the Trust,
- A model resolution, which I used as the basis for our Resolution No. 286, and
- The Interlocal Agreement itself.

She explained that adoption of this interlocal agreement allows the Town to continue to participate in the Trust's group health-insurance plans and that if we choose to discontinue participation in the future, we may do so only at the end of a calendar year with at least 31 days advance notice.

MOTION: Councilmember Stowe moved to adopt Resolution No. 286 adopting the Association of Washington Cities Employee Benefit Trust Interlocal Agreement.

Councilmember Sharp seconded.

Vote: 5 For, 0 Against, 0 Abstain. Motion carried.

STRATEGIC PLANNING: Councilmember Stowe has asked Gray & Osborne for help in finding grant funding for which the Town would qualify. Councilmember Sharp reported that the new speed hump on SE 29th will be installed as part of the SE 29th paving project. Clerk-Treasurer Spens will update the planning sheets to reflect this information.

MAYOR AND COUNCILMEMBER REPORTS:

STREET ENDS TO BEACH PARKING: Councilmember Stowe reported that he spoke with the WABA Board about their interest in deeding the beach roads to the Town. He explained to

WABA that there is no benefit to the Town in assuming ownership of these roads because of the number of encroachments in what would be the ROW and stormwater issues, though the transfer of ownership to the Town could eliminate the need for obtaining utility easements along these roads. He recommended that the Council only consider assuming ownership of the paved roads, i.e. SE 28th and SE 27th, not the unpaved street ends that lead to the beach and that WABA define the end points of the roadways to be acquired. It was the consensus of the Council for WABA to make a presentation to the Council about making this property transfer.

107th PAVING PROJECT: Councilmember Sharp reported that the contract has been let to Lakeridge Paving Company. He asked Clerk-Treasurer Spens to send Thank You's to the other bidders and to ask Deputy Clerk Kulp to send a second notice residents along 107th reminding them of the upcoming project.

PSE POLE REPLACEMENT PROJECT: Councilmember Hillberg reported that PSE plans to replace several poles throughout BAV. The work will require tree trimming and possible tree removals. Deputy Clerk Kulp has already arranged for the Town Arborist to be involved in both the permitting and monitoring of this work. He will be in contact with her for more project information.

TREE INVENTORY AND WATCH LIST: Councilmember Hillberg commented that he recently met with Tree Solutions to begin work updating the watch list for Town trees and that he is impressed with them. He asked Clerk-Treasurer Spens to provide any additional information she may have from former Councilmember Young's work on this project.

ROW PLANTINGS ON PATH ROW NEAR 10604 SE 27TH PL: Mayor Leider asked Clerk-Treasurer Spens to hold the inspection refund warrant written to Mirikeen Homes until the laurel and grass planted on the path ROW next to the house they built at 10604 SE 27th Pl are removed.

WHATMORE ISSUE: Mayor Leider reported that he plans to meet with the Whatmore family and their attorney to finish resolving this item.

NEXT MEETING: Clerk-Treasurer Spens reminded the Council that the next Council meeting will be held at 7:00pm on Tuesday November 12, 2013 at John Gillem's house.

ADJOURN: Councilmember Sharp moved to adjourn the meeting at 9:55 pm.
Councilmember Stowe seconded.
Vote: 5 For, 0 Against, 0 Abstain. Motion carried.

Respectfully submitted,

Sue Ann Spens
Clerk-Treasurer