Mayor Kwarsick called the meeting to order at 5:30 PM. Present were City Council Members Hal Seligson, Doug Allderdice, Jim Sundberg. Rene Neff and Bruce Allen were out of town. Also present were Director of Finance/City Clerk, Debbie Mahler; Director of Public Works, Challis Stringer; and Planner Jeff Arango. The flag salute was led by Mayor Kwarsick. The absence of Members Neff and Allen was excused.

CONSENT AGENDA

b. Claims Warrants Nos., & e-file in the amount of $204,350.08
c. Contract award – electric installation of screening @ treatment plant

CITIZEN COMMENTS

Mary Jo McArdle asked that screening on the Methodist Church Parking lot will be planned as a future discussion item shortly.

UNFINISHED BUSINESS

Sherry Jennings presented the “Langley Loop Video.” This video has been produced by Sherry Jennings of the Chamber of Commerce and worked on, starring in and songs written by Randy Hudson, Robby Cribbs, Steve Trembly, Caven Keith, Russell Sparkman, George and Tonya Henny.

2nd Street Presentation. Three alternatives were presented at the last Council meeting. The alternatives have been narrowed down to two. Jeff has been meeting with merchants and property owners individually and shared some of the feedback. Jeff showed the alternatives. Janet Ploof commented that this has been a great public process, and that the alternatives reflection of the public process and comments received. Council consensus was to support Alternative C with parallel parking on the north side of the street and angle parking on the south side.

MOTION: To adopt Ordinance No. 977 Amending Ordinance Nos. 745, 938 and LMC 5.04 adding additional regulations for business licenses. Motion - Sundberg, 2nd - Seligson. Motion carried with all in favor.

Budget policies and calendar for 2013. Mayor Kwarsick presented a draft of budget policies for 2013 and the proposed budget calendar.

Cost allocation plan. Mayor Kwarsick explained that we are looking at adopting a new, more accurate cost allocation plan for our funds in the 2013 budget. Debbie has contacted
several financial consultants to help with this process and will hopefully have a proposed contract to present to council in the near future.

*Debt capacity and current use.* Debbie Mahler presented a report on the City’s debt capacity and what the city’s current debts, balances and pay-off dates are. The one remaining GO bond debt is to pay off in 2014 and is at 6.65%. Mayor Kwarsick has suggested calling the bonds soon and paying them off with interfund loans to lower the interest rate and save money.

Sewer Fund 2013 preliminary budget. Challis Stringer gave a power-point presentation on the preliminary budget for the sewer funds.

**NEW BUSINESS**

**MOTION:** To bring to a first reading, a Resolution adopting a Capital Asset Policy & Procedure. Motion - Allderdice, 2nd - Sundberg. Motion was unanimously approved.

**MOTION:** To bring to a first reading, a Resolution amending the Small & Attractive Asset Policy. Motion - Sundberg, 2nd - Allderdice. Motion was approved with all in favor.

**MOTION:** To confirm the Mayor’s re-appointment of Janet Ploof to the Design Review Board. Motion - Sundberg, 2nd - Seligson. Motion carried.

**MOTION:** To confirm the Mayor’s appointment of Marc Esterly to the County-wide Tourism Board. Motion - Sundberg, 2nd - Allderdice. The motion passed with all in agreement.

**MOTION:** To waive the two reading requirement and adopt Ordinance No. 978 allowing the use of gas-powered golf carts in connection with special event permits. Motion - Sundberg, 2nd - Seligson. Motion carried with all in accord.

**MAYOR’S REPORT**

Wednesday evening, Mayor Kwarsick will be attending a School Board meeting to help facilitate the use of school grounds for the Shakespeare festival. The School District is vacating some property and looking for tenants. Island Dance is working with the school district for a lease. Skagit Valley College is also interested in a possible lease. Friday, Mayor Kwarsick is going to Rochester, WA with the Economic Development Council.
Director and Port District Board member to Sweet Spring Salmon Farm. A principal of that entity is interested in citing a facility in Langley. At the first Council meeting in September, the new doctor who plans to set up office in Langley Village is going to come and speak to the Council. The community walkway through the Glenhaven property and Housing Authority property to 4th Street easement is being worked out. Mayor Kwarsick is trying to solicit additional redirected utility tax for the Mainstreet Program. He has talked to Whidbey Telecom, PSE, and others. Jeff Arango and Bob Snyder gave a technical presentation to the RCO committee last week regarding grant funding for the funicular. The building permit for the first phase of the Port’s boat ramp improvements has been issued.

COUNCIL REPORTS

Sundberg attending county-wide tourism meetings. Impressed with outreach the committee does to promote tourism. Sustainable Whidbey is adding members to the Green Seal program. The list of businesses is ever expanding.

Hal Seligson complimented the progress on the parking project at the CMA Church. He enquired about the signage directing people to beach areas. Challis was able to tell him that the signs arrived today and will be up soon!

Mayor Kwarsick reported that Bob Waterman as chair of Historical Preservation Commission is working with the owners of the Doghouse to take advantage of tax credit programs for historic sites.

The meeting was adjourned at 8:05 PM.

Respectfully submitted,

Debbie L. Mahler, Director of Finance/City Clerk