

## **GIG HARBOR CITY COUNCIL MEETING OF SEPTEMBER 25, 2006**

**PRESENT:** Councilmembers Ekberg, Young, Franich, Conan, Payne, Kadzik and Mayor Hunter. Councilmember Dick was absent.

**CALL TO ORDER:** 7:00 p.m.

**PLEDGE OF ALLEGIANCE:**

### **CONSENT AGENDA:**

These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.

1. Approval of the Minutes of the City Council Meeting of September 11, 2006.
2. Correspondence / Proclamations: Constitution Week
3. Olympic Drive / 56<sup>th</sup> Street Roadway Improvement Project – Right-of-Way and Easement Agreements.
4. Stormwater Facilities Maintenance Agreement and Restrictive Covenant – Little Boat North Inc.
5. Resolution 687 – Surplus Property.
6. Agreement between the City and Washington State Surplus Program.
7. Eddon Boat U.S. EPA Brownfields Grant Administration – Consultant Services Contract.
8. Liquor License Change of LLC Member: Half Time Sports.
9. Liquor License Assumption: Olympic Drive Mart.
10. Liquor License Renewals: Fred Meyer; Gig Harbor 76; Harvester Restaurant; QFC – Pt. Fosdick; and QFC – Judson Street.
11. Special Occasion Liquor License: Knights of Columbus.
12. Payment of Bills for September 25, 2006.  
Checks #51483 through #51606 in the amount of \$428,316.08.

**MOTION:** Move to approve the Consent Agenda as presented.  
Franich / Young – unanimously approved.

### **OLD BUSINESS:**

Notice of Intention – Hansen Annexation (ANX 06-1313). Mayor Hunter asked John Vodopich, Community Development Director, to present the background information and to include the information on city-initiated annexation methods.

Mr. Vodopich explained that this item came before Council at the last meeting, and at that time Council asked about annexing the rest of the area around the proposed parcel. He briefly touched on the steps to proceed with the election method, adding that staff was unable to obtain an estimate for election costs because the Auditor's office is busy with the primary election. Mr. Vodopich then talked about the relatively new procedure that would allow the city to enter into an interlocal agreement with Pierce County. After hearings by each entity, the city could move forward with the annexation effort.

Mr. Vodopich presented an overview of the tax rate breakdown for both the city and Unincorporated Pierce County. He pointed out that by annexing to the city, taxes do go down slightly.

He said that Council is tasked this evening to determine whether they accept, reject or modify the boundary of the proposed annexation. He and Carol Morris, City Attorney, addressed questions regarding timing of utilizing the interlocal method. John explained that two public hearings are required and Carol explaining that because it has yet to be used in Pierce County, it would take a couple of months to draft the agreement.

Eva Jacobsen – 5808 Reid Drive. Ms. Jacobsen, planning consultant for the applicant Don Hansen, offered their services to work with adjoining property owners in the effort to expand the annexation area. She said that her client is concerned with timing, and thinks that an interlocal would be great if it done in a timely manner. One of the reasons that they want to annex this property is to speed up the planning process with dependability and predictability. She asked Council to consider moving forward with the annexation of this parcel and bring in the others after this is in process.

- MOTION:** Move to accept the Notice of Intent to Commence Annexation and further authorize the circulation of a petition to annex the subject property with the following conditions:
1. The City shall require that the property owner(s) assume all of the existing Indebtedness of the area being annexed; and
  2. The City will require the simultaneous adoption of a Single-Family Residential (R-1) zoning for the proposed annexation area in substantial compliance with the Comprehensive Plan as adopted by City of Gig Harbor Ordinance No. 981.
- Young / Kadzik – unanimously approved.

**NEW BUSINESS:**

1. First Reading of Ordinance - Drug Paraphernalia. Chief Mike Davis presented this ordinance that would control the delivery, sale or manufacture of drug paraphernalia. He explained that parents have complained that local stores are selling the paraphernalia. He said that County Councilmember Terry Lee, and members from Safe Street joined with him to meet with the owners of local tobacco shops to advise them of the situation and that local legislation would be crafted to deal with the issue. This same ordinance has been considered at the County level. Chief Davis addressed questions on enforcement. He said that Pierce County has been very successful with enforcement since implementation of their ordinance.

Councilmember Payne recommended raising the class of penalty to a higher level. Chief Davis said that this would be adjusted before the second reading at the next meeting.

Kae Paterson – 7311 Stinson Avenue. Ms. Paterson asked how this ordinance would affect the needle exchange program. Chief Davis responded that Section ‘A’ states

“...nothing in the ordinance prohibits legal distribution of injection syringe equipment through public health and community-based HIV prevention programs.”

2. First Reading of Ordinance – Harbor Hill Rezone (REZ 04-35). John Vodopich presented the background on this ordinance that would amend the city’s zoning map to adopt zoning changes for a 23.44 acre parcel. This will return for a second reading at the next meeting.

3. Proposed Annexation - Burnham/Sehmel Annexation (ANX 05-1151). John Vodopich presented this proposed annexation of over 90 acres with a number of pre-annexation zoning categories. Mr. Vodopich recommended that Council deny these requested boundaries and request the applicant to bring back a revised map and legal description that would expand the proposed annexation out to the Urban Growth Boundary. He said that in addition, there are residents present to speak who wish to be included in the annexation effort, as well as a letter from Carl Halsan, representing property owners located to the north, also requesting to be included. He addressed Council questions regarding the proposal.

John Sharp – 11412 66<sup>th</sup> Ave NW. Mr. Sharp said that the residents of Horizon West had put together an informal petition with 25 of the 49 homeowners’ signatures requesting to be included in an annexation effort.

Walt Smith – 19216 99<sup>th</sup> St. KPN. Mr. Smith presented a brief background of the Horizon West development in which the city sewer was extended. He said that the sewer extension had a provision that you cannot protest annexation, adding that it is natural that they be included. He said that he is highly in favor of this; it makes sense that the city should get the taxes.

Betty Garrison – PO Box 1021, Wauna, WA 98395. Ms. Garrison said that she owns property in the planned annexation area which is zoned light industrial. She said that she is interested in what uses would be permitted or allowed as conditional uses after annexation. She also asked if they would be included in the 50 million dollar road improvements planned.

Councilmember Young recommended that she get in touch with the new Planning Director, Tom Dolan, who could address her questions.

William M. Palmer – 2112 Point Fosdick Drive. Mr. Palmer asked how long it would be if a revised annexation has to come back to Council.

John Vodopich explained that there have been numerous attempts and “back-and-forth” with Pierce County to approve the legal description and map. To expand the boundaries, the applicant would have to provide a revised legal and map that would have to go back to Pierce County for approval before coming before Council. He said that he couldn’t predict how long this might take.

Mr. Palmer asked if there would be any way to proceed with this proposal and bring in the additional area on a separate track so that it doesn't encounter further delays, which would be his preference.

Mr. Vodopich responded that someone would have to take the lead and be the project proponent for the second annexation, and hire a licensed surveyor to develop a legal description and map.

Todd Nichols – 11202 66<sup>th</sup> Ave NW. Mr. Nichols spoke in support of what was stated earlier by John Sharp and Walt Smith. He said that there are several active members from the Horizon West area present in support of extending the boundary.

Councilmember Franich asked for clarification on how the Urban Growth Boundary was drawn. Mr. Vodopich said that he was unsure as it was in existence when he came to work for the city. He added that it is established by action of the County.

Councilmember Young added that some portions were removed due to wetland issues. He then said that although he is sympathetic to the delays, he believes that most of the contention with Pierce County was due to the property adjacent to Highway 16. Because this has been resolved, adding additional property may move forward quicker. He suggested that the boundaries be expanded.

**MOTION:** Move to deny the Notice of Intention to Commence Annexation Proceedings and suggest to the proponent that the annexation be resubmitted with a proposed annexation area extending out to the Urban Growth Boundary to the west and to include the Halsan represented properties to the northern property line to the west to Henderson Bay.  
Payne / Conan – five voted in favor. Councilmember Franich voted no.

4. Skansie Bros. Park Net Shed Piling and Support Analysis – Consultant Services Contract. John Vodopich presented this proposal to have an engineering firm prepare plans and specifications for needed repairs. Inspection has revealed a number of pilings and supports under the netshed that are failing.

Councilmember Franich asked if a contractor hired to do the repair work would have the knowledge to prepare the plans in order to avoid this \$15,000 contract.

Mayor Hunter explained that it is difficult to get comparative pricing on design/build contracts. It is neither practical nor advisable. He added due to the historic and public nature of the netshed, it is important to make sure that it is done correctly.

Councilmember Payne said that with a project as sensitive as this, the engineering effort is like an insurance policy protecting the city. Without the detailed report, there could be many cost overruns.

**MOTION:** Move to authorize the execution of the Consultant Services Contract with kpf Consulting Engineers for the piling and support analysis work in the amount not to exceed Fifteen Thousand Dollars and no cents (\$15,000.00).  
Young / Payne – unanimously approved.

5. Administrative and Special Projects – Consultant Services Contract. Mayor Hunter gave an overview of the projects that Lita Dawn Stanton has been working on and explained the importance of continuing support for implementation of the Interlocking Permit Tracking Software to include the development of a user manual specific to Gig Harbor. He then said that there is also a need to oversee the input of historical permit data. Mayor Hunter added that the Certified Local Government portion of the contract is a 2006 budget objective. He then gave an overview of Ms. Stanton's background and qualifications, stressing that she has a stake in this community. He asked Council to approve the contract.

Councilmember Young asked for clarification on what is left to be completed on the CLG project. John Vodopich mentioned a few items: nomination forms need to be developed, historical training for the DRB Members, and compilation of a list of city-owned historic properties. He said that Ms. Stanton has been attending the DRB meetings regarding historic preservation. He said that city will need a staff person who is versed in historic preservation to assist the DRB and the CLG board when new applications come. Only one has come to the city so far, for the Eddon Boatyard.

Mayor Hunter read a list of other projects that need to be accomplished for the CLG program.

Councilmember Young said that he understood that Ms. Stanton was hired to accomplish these CLG tasks. He asked why she worked on other things if these tasks have not been completed. He said that Council is now being requested to pass a contract to complete the CLG tasks.

Mayor Hunter responded that he directed her to work on the software package for electronic permitting because he felt that it was a very important piece. This was an objective in 2005 that was never completed. The Latimore Report for Community Development was a helpful tool used to get the Interlocking Program up and running.

Councilmember Young said that he understands Ms. Stanton's qualifications, but doesn't understand why it is necessary for her to implement the software if Latimore's contract has been extended to do so. Mayor Hunter responded that no further extensions to Latimore's contract are being recommended, but further work on implementation is needed.

John Vodopich explained that it isn't that staff doesn't have the expertise or capability to do the coordination of the Interlocking Software or to write the manual; it is that Ms.

Stanton adds additional resources that free up staff time. This contract would allow the continuity of Ms. Stanton's involvement with the program.

Councilmember Young thanked John for the clarification. He voiced concern with language in the contract that says that there may be addenda added to the contract until the effective date of the agreement. He asked why the other projects that were mentioned by the Mayor were not included in the scope of work.

Mayor Hunter responded that the scope of work is for only two things: CLG and the Interlocking coordination. He said that it isn't his intent to expand the work under this contract. He stressed that he wants to make sure that we implement the Interlocking Program due to the tremendous amount of money that has been invested and also to work on the CLG.

**MOTION:** Move to authorize the Mayor to sign this Consultant Services Contract with Lita Dawn Stanton at the rate of \$24 per hour in an amount not to exceed Fifteen Thousand Dollars and no cents (\$15,000.00).  
Conan / Kadzik –

**AMENDMENT TO MOTION:** Move to amend the motion from \$15,000 to \$5,000.  
Ekberg / Young –

Councilmember Ekberg explained that he and the Mayor have discussed this at length and this is an issue handled under the budgetary process. A temporary full-time Administrative person was added soon after the Mayor came on board for 1000 hours of work which took about six months. Now we are being asked to put another \$15,000 into 625 hours of work in the remaining quarter of the year. He said that he recognizes the importance of continuing the coordination of the Interlocking software, but 625 hours is excessive. That is the reason for the proposed amendment.

**RESTATED AMENDMENT:** Move to amend the motion from \$15,000 to \$5,000.  
Ekberg / Young – motion failed four to two with the following roll call vote.

Ekberg – yes; Young – yes; Franich – no; Conan – no; Payne – no; Kadzik – no.

Councilmember Young asked Legal Counsel if the language in paragraph three allows addition of other duties outside the scope of work listed.

Ms. Morris said you could remove the sentence "including any addenda thereto as of the effective date of this agreement" because everything that is part of the agreement is attached. She said that she is unaware of any other documents that modify this agreement so the sentence could be left in.

Councilmember Young said that he wanted to be sure that the contract is limited to these two items.

**AMENDMENT TO MOTION:** Move to amend the contract to strike the line “including any addenda thereto as of the effective date of this agreement.”  
Young / Ekberg -

Councilmember Kadzik asked if this would limit the Mayor or anyone else from using Ms. Stanton’s services for any other items at city hall. Councilmember Young said that it would have to come back to Council again. He added that this is quite unusual, as he has never heard of a Consultant Services Contract that pays money to just “go do something.” He added that he doesn’t believe that this is the Mayor’s intent, and that the Mayor wants to limit it to the two items. He added that this is what he thought was the intent in the beginning of the year when Council agreed to add money for CLG duties. An employee was hired, but then the money was used for the employee to work on other things. He said that he wants to make sure of what we are approving without it having to come back to Council.

**RESTATED AMENDMENT:** Move to amend the contract to strike the line “including any addenda thereto as of the effective date of this agreement.”  
Young / Ekberg - motion failed four to two with the following roll call vote.

Ekberg – yes; Young – yes; Franich – no; Conan – no; Payne – no; Kadzik – no.

Councilmember Young said that he cannot understand, other than the CLG items, why Ms. Stanton is being hired to do these other projects. He said that this hasn’t been put out to any Consultant Services bid, and she has no special expertise or training in most of these fields. He explained that when she was hired to work on the DRB Manual, she had extensive experience and is great with design. The CLG duties make sense as because she has experience on the Historic Landmark Commission. He said that without distinctly limiting this contract to these two tasks, we are opening a door that makes him uncomfortable. Based on what we saw in the last contract, there were a lot of duties that she should not be performing.

Councilmember Franich said that Dawn, in the time she has been here working on those projects, has done a very good job. As John Vodopich pointed out, consistency is important with the Interlocking system. If this was an item not budgeted, he may have a problem, but the money does exist.

Councilmember Young interjected that this contract is not a budgeted item.

Councilmember Franich continued to explain that Council determined that \$25,000 was an appropriate amount to get the CLG work done. Only \$7400 has been spent, and there is money left for that use. There also is money left to facilitate the permit tracking system, and based on this, he supports this contract. He then pointed out that Dawn is

his cousin and asked if anyone wanted him to recuse himself. No one asked him to do so.

Councilmember Conan said that he understands Councilmember Young's concerns. He said that the jobs that Ms. Stanton is performing aren't necessarily "expertise-type" jobs. If the city needs an expert, we can get one, but not for \$24 an hour. He said that he thinks she is qualified for the jobs she is doing.

Councilmember Young then said that we have staff to do these functions and we don't need to hire out for them. Granted, she has taken the workload from staff, but it is unusual to contract out to take workload from staff.

Councilmember Conan then pointed out that we have been in a difficult situation due to staffing shortages. Staff doesn't have the time to work on these projects.

Councilmember Kadzik addressed the issue of experience. He said that Ms. Stanton has as much expertise as anyone in this building when it comes to the Latimore and Interlocking Software. In addition she has the continuity from the beginning, RFQ phase of the program. He agreed with Councilmember Conan that this isn't the type of position that needs in-depth expertise, and it could be handled in-house. But for something as important as this, which is out of the mainstream of the typical administration of the functions of city hall, it seems that there should be someone in charge that doesn't have other duties to perform. He said that he will vote in favor of the contract.

Councilmember Ekberg said that he will be voting against the contract because it is a budgeting issue. He said that he hopes that Council realizes that in the last three quarters of the year, another position has been added at a rate of around \$60,000 a year. There are 89 employees in the city, and he relies heavily on the budget process at the beginning of the year and to do this only in emergencies. This isn't an emergency and can be handled with fewer hours.

**MAIN MOTION:** Move to authorize the Mayor to sign this Consultant Services Contract with Lita Dawn Stanton at the rate of \$24 per hour in an amount not to exceed Fifteen Thousand Dollars and no cents (\$15,000.00).  
Conan / Kadzik – four voted in favor. Councilmembers Ekberg and Young voted no. The motion passed 4-2.

**STAFF REPORT:**

1. Laureen Lund, Market Director – New Tourism / Visitor Information Website. Ms. Lund reported on the new website portal that links Visitor Information, Business Information, and Municipal Information. She pulled up the website and pointed out several features. She asked that Council view the site from home and forward any comments to her.



Councilmember Ekberg said that he has accessed the site and found it very informative, not only for visitors, but residents alike. He added that he likes the idea that updates can be done in-house to keep the site current.

Mayor Hunter complimented Laureen for all her hard work, not only on this website but all the other functions she performs for the city.

2. John Vodopich, Community Development Director – City Initiated Annexation Methods. This information was addressed under Old Business.

3. John Vodopich, Community Development Director – Gig Harbor Peninsula Historical Society. Mr. Vodopich reported that at Council's direction, the Operations and Public Projects Committee met with the City Attorney and Finance Director to craft a draft agreement to present to the Historic Society. Jennifer Kilmer, Executive Director of the Historical Society, responded with a two-page letter with comments from the Board. Mr. Vodopich said that he had notated a copy of the letter to reflect the sections in the agreement that were amended or not amended in response to their comments. He said that he is presenting this to Council for informational purposes. He added that it is likely that the committee will meet with the Historical Society by the end of the week.

Ms. Morris discussed items number seven and eight of the letter. She said that Council should not agree to go after grant funding, give them the money from the grants and then put in the agreement that if the museum abandons use of the property, the city would remove the easements before the property goes on the market.

Councilmember Ekberg asked for any comments back before the next meeting this Friday. Councilmember Payne reminded everyone that this is time sensitive for the Historical Society due to the grant application.

### **PUBLIC COMMENT:**

Kae Paterson – 7311 Stinson Avenue. Ms. Paterson described her involvement with the Working Waterfront Maritime Museum in Tacoma. She said that they have been holding Tuesday Light Luncheons in order to get the word out. She extended a luncheon invitation for Tuesday, October 10<sup>th</sup> at 11:30, which has been dubbed "Gig Harbor Day." If you cannot make it the 10<sup>th</sup>, then try for the 24<sup>th</sup> with Laureen Lund.

### **COUNCIL COMMENTS / MAYOR'S REPORT:**

Mayor Hunter reported that he went to the YMCA presentation and it was very nice.

### **ANNOUNCEMENT OF OTHER MEETINGS:**

1. Gig Harbor North Traffic Options Committee Meeting – September 27<sup>th</sup>, 9:00 a.m. – Community Rooms A&B.
2. Operations and Public Projects Committee Meeting – September 28<sup>th</sup>, 4:00 p.m. – Engineering & Operations Conference Room.

**EXECUTIVE SESSION:** For the purpose of discussing potential litigation per RCW 42.30.110(1)(i).

**MOTION:** Move to adjourn to Executive Session for approximately 15 minutes at 8:32 p.m. in order to discuss pending litigation per RCW 42.30.110(1)(i).  
Franich / Payne – unanimously approved.

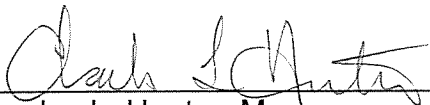
**MOTION:** Move to return to regular session at 8:49 p.m.  
Franich / Conan – unanimously approved.

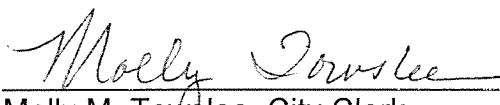
**MOTION:** Move to authorize the City Attorney to draft an ordinance that exempts existing netsheds from the Gross Square Footage Calculation on all waterfront zones.  
Franich / Payne – unanimously approved.

**ADJOURN:**

**MOTION:** Move to adjourn at 8:50 p.m.  
Young / Conan – unanimously approved.

CD recorder utilized:  
Disk #1 Tracks 1 – 33  
Disk #2 Tracks 1 - 5

  
\_\_\_\_\_  
Charles L. Hunter, Mayor

  
\_\_\_\_\_  
Molly M. Towslee, City Clerk