

GIG HARBOR CITY COUNCIL MEETING OF JULY 9, 2007

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

CALL TO ORDER: 6:00 p.m.

PLEDGE OF ALLEGIANCE:

RECOGNITION OF SERVICE: John Vodopich, Community Development Director.

Mayor Chuck Hunter asked John Vodopich to come forward so that he could present him with a plaque to recognize John for service to the City of Gig Harbor over the past seven years. This is to be John's last City Council meeting. John received a standing ovation from several of the staff members and members of the audience.

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of June 25, 2007.
2. Correspondence / Proclamations: Parks and Recreation Month.
3. Receive and File:
4. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Costco Wholesale.
5. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Mallards Landing Lots 2, 3 and 7.
6. Sanitary Sewer & Stormwater Facilities Easement & Maintenance Agreements – Franciscan Health System.
7. Eddon Boat Sediment Cleanup, Design & Construction Documents – Consultant Services Contract – Anchor Environmental LLC.
8. Approval of Payment of Bills for July 9, 2007:
Checks #54635 through #54750 in the amount of \$498,182.53.
9. Approval of Payment of Payroll for June:
Checks #4711 through #4745 and direct deposits in the amount of \$303,593.79.

MOTION: Move to approve the Consent Agenda as presented.
Franich / Conan - unanimously approved.

OLD BUSINESS:

1. Second Reading of Ordinance – Public Records Rules of Procedure. Carol Morris, City Attorney, presented this ordinance establishing procedures to provide public access to public records.

MOTION: Move to adopt Ordinance No. 1094 as presented.
Young / Conan – unanimously approved.

2. Tides Tavern Tidelands Lease. Carol Morris gave an overview of her changes to the lease agreement, changes suggested by City Council at the last meeting, and other changes suggested by Rob Karlinsey, City Administrator. She added that \$14 is a small amount of consideration for private use of public property. She further explained that this version of the lease has not yet been reviewed by Mr. Stanley's attorney.

Councilmember Dick voiced concern on whether the amount being proposed meets the gift of public funds standard. Council discussed the difference in the class of tidelands being leased by DNR and the city and the merits of requiring Mr. Stanley to obtain an appraisal for a 5' by 8' piece of property verses using the same calculation that the Department of Natural Resources is charging for their portion.

Carol Morris recommended forwarding the latest version of the lease agreement to Mr. Stanley and his attorney for review, and request that they provide a comparable value for this type of tidelands. Council concurred.

MOTION: Move to table this item.
Young / Payne – unanimously approved.

3. Gig Harbor Boatshop Lease Agreement. Rob Karlinsey explained that he continues to work on additional changes suggested by the Gig Harbor Boatshop representatives late last week and this morning. He explained that they wish to memorialize that future non-exclusive use of the railways, dock, and float, was discussed.

Councilmember Young suggested that this should be done by resolution rather than including the language in the agreement. His concern is that this may become a litigation issue at some point in the future. Carol Morris said that she too was concerned that addition of this language implies intent that future Councils may not agree upon, even though the language is non-binding.

Councilmember Franich said that he wanted to make sure that the issue of gift of public funds brought up by Councilmember Dick on an earlier agenda item has been addressed on this lease agreement. Mr. Karlinsey explained that the public benefit of the program fulfills this standard. Mayor Hunter then added that the intent of the bond issue was to save the building to be used for cultural heritage programs. He added that a demonstration boatyard fits the criteria, and so the gift of public funds concern is not an issue.

Carol Morris added that the issue is whether the proposed services are of sufficient benefit to offset the \$1 lease. She also asked Council to consider whether the uses described in the lease are clear enough to be enforceable.

Mr. Karlinsey asked if it would be possible to leave the language regarding future non-exclusive use of the facilities in the agreement, as it is very important to them. He said

that he would approach them to see if they would agree to have this language in resolution form instead, and then bring back a final lease at a future council meeting.

NEW BUSINESS:

1. First Reading of Ordinance – Budget Amendment: Staffing and Legal Services. Rob Karlinsey presented this proposal to increase the budget to allow for the addition of seven positions in 2007 and also to increase the amount budgeted for legal services. Mr. Karlinsey discussed the proposal came about, why it is justified, and the funding sources to add staff to handle the increase in work load. He stressed that though the new positions are an increase in expenditures, there is a corresponding increase in revenues to match, and so there will be no impact on the General Fund.

Mr. Karlinsey referred to his memo dated May 30th which contains a table describing each position, function, duration, annual cost and funding source. He then addressed the projected increase in legal services.

Councilmember Payne pointed out in error I the cover memo, which listed the increase of \$210,000 for legal fees instead of the correct amount of \$110,000.

Councilmember Franich addressed the comment of “no impact to the general fund.” He said that there is impact because the additional revenues would increase the general fund if they were not being used. He said that he sees the need for some of the positions, but hasn’t had the opportunity to further explore the necessity of them all.

Mr. Karlinsey responded to questions brought forward by Councilmember Payne. He said that the city reserves the right, due to funding, to eliminate unnecessary positions without negotiation. He also responded that all start-up costs for the positions have been included in the calculations. The Eddon Boat Cleanup would be completed by 2008 and that is why the Park Engineer position would decrease in hours. He concluded by saying that the full-time Associate Planner is needed not only because of the increase in workload, but the need to review policies and processes. This position would also allow the Planning Department to facilitate the Planning Commission Workplan.

Councilmember Dick asked if the funding source figure includes grants that have not yet been approved. Mr. Karlinsey referred to the Capitol Projects Funding Sources table, which indicates the grant fund components that are approved and those which are pending. He said that the city’s consultant has indicated that approval for the Public Works Trust Fund Loan for the Outfall Extension is extremely high, but if the loan does not come through the improvements must still be made. A low interest revenue bond is an option. The corresponding position would not result in an increase in the project, but would offset money otherwise spent on consultant fees.

Councilmember Dick asked if tax revenues are being taken into consideration. Mr. Karlinsey said that increased tax revenue is not included, only development services fees that have already been adopted and project grant revenues. He reported that

property tax has not increased over the estimated amount, but sales tax is increasing, however, he recommended using that increase to address the existing infrastructure needs.

Councilmember Franich asked for clarification on the need for a Permit Coordinator. Mr. Karlinsey said that the primary need for this is due to workload increases. The addition of the position will be an opportunity to increase customer services and improve the business process. The person in this position would be a contact for the customer and act as an “internal shepherd” to bring the different divisions together and to keep projects on track. This adds a human element to the permit tracking system. He said that the position requires a certain level of expertise and discretion, and the salary range is not much higher than that of a Community Development Assistant.

Mayor Hunter said that the addition of this position would improve the efficiency and increase production of the plan-checkers by minimizing interruptions.

Councilmember Payne asked for clarification on the reference to P.E. verses E.I.T. Mr. Karlinsey explained that he is recommending re-instating the Associate Engineer position that was eliminated last year when the existing Associates were reclassified as Senior Engineers. He further explained that an E.I.T., Engineer in Training, is a lower skilled engineering position that is going to be proposed in 2008. If approved, this position will help to head up the increased stormwater quality requirements and also help with development review activity.

Mayor Hunter listed several upcoming projects, and emphasized that not much has been done with Capital Improvement Projects in the past; now there are several scheduled. He said that the strategy to pay off the Civic Center and not do roadwork projects has failed. The city can't wait until 2011 to begin road repairs. Mayor Hunter also said that the city is going to be on the hook to complete all these projects, and it is time to “pour on the coal.” So far, staff has been doing a good job of keeping up, but if we don't move, we are going to get bound up. He emphasized that we are not here to build the General Fund...we are here to serve our citizens.

Councilmember Young talked about the merits of a Permit Coordinator. He said that the theory behind the Community Development Department was to get the departments to work together, but there is still a need for one person to be in charge of project coordination. He noted that originally he was taken back by the number of proposed positions, but then realized that the Civic Center was built on projected growth. The development activity has increased almost to the point that this projection anticipated. The one department that lags is the Police Department because they respond after the fact to the increased activity rather than adding staff in anticipation of growth. He said that he will be supportive of all the positions.

Councilmember Kadzik also voiced full support of the positions. He said that we are in the business of service and it fits the bottom line.

The proposed ordinance will return at the next meeting for a second reading.

2. Public Hearing and First Reading of Ordinance – Amending School Impact Fees. John Vodopich, Community Development Director, presented this ordinance that would increase the school impact fees to be commensurate with what is being charged by Pierce County in the unincorporated area. It would raise the current single-family dwelling fee from \$2670 to \$2780 and multi-family from \$1410 to \$1465.

Mayor Hunter opened the public hearing at 7:09 p.m. No one came forward to speak and so the public hearing was closed.

Councilmember Franich asked for the school district's calculation for the unfunded need. Mr. Vodopich said that he didn't have that information, but he had requested someone from the school to come to answer questions.

Vicki Smith – Peninsula School District. Ms. Smith answered that the district is showing a slight decline in enrollment, but they expect that to change in the near future. She introduced Jeff Green to answer the financial questions.

Jeff Green - 6219 Reid Drive. Mr. Green explained that page 15 of the Peninsula School District 2007 Capital Facilities Plan outlines the anticipated expense and income. The unfunded balance is just less than 23 million. He said that the impact fee is a portion of the obligation, adding that the school district is looking for consistency between the county and city charges. He added that they have not based the calculation on a per-student figure.

Councilmember Franich said that this would be important to know.

This will return at the next meeting for a second reading.

3. Installation & Maintenance of Traffic Management System (TMS) Closed Circuit Television (CCTV) Camera Systems - WSDOT Master Agreement. Steve Misiurak, City Engineer, presented this agreement providing for closed circuit television within city limits. The first one being requested will be installed at the intersection of 36th and Point Fosdick and there may be a future request for placement of a camera on Olympic at the QFC area. As each camera location is requested, a new task order will be brought to Council for approval.

Councilmember Franich said that he understands the idea is to monitor traffic flow and allow the public to view the video online, but he isn't a fan of cameras in public. It may seem benign, but each time municipalities allow this type of thing, it becomes more accepted. He said that the long-term ramification is a "bad thing."

Mayor Hunter said that in London, where there are cameras everywhere, it helps to be a deterrent for negative activity.

MOTION: Move to authorize the Mayor on behalf of Council to execute this Interlocal Agreement between WSDOT and the City of Gig Harbor.
Payne / Young – four voted in favor. Councilmember Franich voted no.

SWEARING IN CEREMONY: Chief of Police, Mike Davis, introduced the newest Police Officer Sharon Cox. Sharon served 8-1/2 years at the Port of Seattle and worked on the Missing and Exploited Children's' Task Force in Olympia this past year. Sharon and her family live in Gig Harbor.

Mayor Hunter performed the ceremony to swear in Officer Cox.

STAFF REPORT:

1. Affordable Housing – Tom Dolan, Planning Director. Mr. Dolan presented information that Pierce County is in the process of developing countywide policies to address affordable housing. Mr. Dolan explained that at the February Council Retreat, several Councilmembers expressed interest in exploring affordable housing, and asked if they want the Planning Commission to review this in greater detail. He said that some of the city's Comprehensive Plan goals and policies would need to be amended to comply with those adopted by the County. Then, we would also need to make changes to the zoning ordinance so that it is consistent with the Comprehensive Plan.

Councilmember Franich ask what changes will be considered for the zoning code. Mr. Dolan explained that there are several mechanisms to promote affordable housing such as breaks on additional density and / or a decrease in design requirements. The intent is to take the Comprehensive Plan intent and translate that into zoning regulations that would help. Mr. Dolan stressed that affordable housing is a challenge here due to the cost of land.

Councilmember Franich addressed the concern of maintaining the character of Gig Harbor. He said that he realizes housing prices are an issue, but he doesn't want to see mechanisms such as density used in older areas of town where the people have certain expectations.

Councilmember Payne said that those types of concerns will be taken into consideration by the Planning Commission. He said that besides the discussion during the Council Retreat, Council has heard compelling testimony regarding low-income housing. He said that both affordable and low-income housing are issues worthy of Council's discussion regardless of the price of property.

MOTION: Move to direct staff to place the issue of affordable housing and discussion of policies and potential amendments to the Comprehensive Plan and zoning code on the Planning Commission's Work Program.
Payne / Young –

Councilmember Young stressed that this is a giant issue, and the current staff doesn't have the ability to take this on. He suggested budgeting money to hire the consultant that developed the report for Pierce County to assist the city.

Councilmember Conan asked which tier on the Planning Commission Work Program that this should be placed. Councilmember Kadzik recommended that this be considered by the Planning / Building Committee at their August meeting.

RESTATED MOTION: Move to direct staff to place the issue of affordable housing and discussion of policies and potential amendments to the Comprehensive Plan and zoning code on the Planning Commission's Work Program.
Payne / Young – unanimously approved.

2. Update on Wollochet Drive Road Rehabilitation. Steve Misiurak reported that the sub-grade of the roadway along Wollochet Drive north of Hunt Street is failing. He said that the estimated cost of reconstruction of this section is \$120,000 - \$130,000 and emphasized the importance of the repairs because of the heavy traffic at this major arterial. This was not a budgeted item, and so Mr. Misiurak asked the Council to consider authorizing the project. He said that the repair will add an addition 12-15 years to the life of the road.

Council asked questions regarding the scope of the repair to the roadway. Rob Karlinsey said that there are sufficient funds in the budget through savings in other areas and that he would like to put this out for bid and come back to Council for approval. He voiced concern that if the repairs are not done now, the roadway may not make it through another winter. He added that they were hoping to do this project in conjunction with the Mallard's Landing repairs to save on costs, but they don't think it should wait.

After further discussion, staff was directed to obtain bids for the project to be brought back for Council review.

3. PenMet Grant. Rob Karlinsey said that the Metropolitan Parks District for the Peninsula is soliciting grant applications for park enhancements and encouraged the city to apply. He recommended applying for a grant for irrigation improvements at City Park because it is so heavily used by unincorporated residents as well as city residents. He said that the PenMet portion that we are applying for is \$41,000, and he would also apply for a State IAC Grant to further offset the city's share. If the city receives the IAC Grant, the remaining amount for the city's share would be around \$7000. He said that Council would have the option to accept or reject the grant if awarded.

Mr. Karlinsey then reported that on July 16th the new bridge opens to traffic. He said that Chief Davis is concerned with possible gridlock for the first couple of days and asked him to share more information.

Chief Davis said that lukewarm sales of the transponders is causing concern, and for the first week he is going to schedule extra staff to address backups on city streets and any resulting problems. He then gave a brief report on the bridge opening events on the 15th and increased staffing in anticipation of the 10,000 - 40,000 people attending the event to assist at the bridge and to address any problems in the city.

MAYOR'S REPORT / COUNCIL COMMENTS / COUNCIL COMMITTEE REPORTS:

Councilmember Kadzik elaborated on John Vodopich's service to the city. He said that he worked with John on the Planning Commission, the Design Review Board, and now on the Council. When John came, the Planning Department was in complete disarray. John increased services to both the public and staff, and increased staff morale. As a Community Development Director, John has helped keep the "wheels on the wagon." John is professional, knowledgeable, and accessible. Councilmember Kadzik thanked him and said that everyone is going to miss him; he has done a good job.

Councilmember Kadzik then shared an article regarding the new mobile signs. He encouraged Councilmembers to read the article, paying special attention to the part that describes them as "backlit" and having sound systems. He said that the sound systems can be obnoxious. He said that some cities have regulated them and asked Council to consider putting this on the next Planning / Building Committee agenda for discussion.

Councilmember Kadzik then encouraged the others to take a look at the Hearing Examiner's decision on the Costco signage. The Sign Code allows a maximum of 100 square feet on any one building plane or 10% of the building plane, whichever is less. A variance was given both on the 10% and the 100 square feet on weak reasoning. He said that he is not suggesting that this decision be appealed, but he just wanted to bring attention to the on-going ease of obtaining variances.

Councilmember Payne announced that he would not be at the next meeting. He then said that John Moist was in the audience earlier, adding that Mr. Moist wrote a letter to the editor which speaks to the roaming billboard issue. He recommended that Council take a look at the letter. Councilmember Payne also commended John Vodopich, explaining that although he didn't have the pleasure of a lengthy relationship, but he certainly appreciates his service. He added that John will do nothing but good in Bonney Lake.

Mayor Hunter said that there are going to be five paddlers from the local kayak and canoe club competing in the world championships in Europe. He praised their effort and said that we should do what we can for them.

PUBLIC COMMENT: No one signed up to speak.

ANNOUNCEMENT OF OTHER MEETINGS:

1. GH North Traffic Options Committee – Wednesday, (not yet determined), at 9:00 a.m. in Community Rooms A & B.
2. Bridge Opening Celebration – Skansie Brothers Park, July 10th, 5:00 – 8:00 p.m.
3. Finance & Safety Committee – July 12th at 4:00 p.m.
4. Museum Groundbreaking Ceremonies – Friday, July 13th and Saturday, July 14th – 10:00 – noon and 11:00 - 3:00 p.m.
5. WSDOT Bridge Ceremony – Sunday, July 15th – all day events.
6. Special City Council Meeting – Monday, July 16th at 6:00 p.m.
7. Operations and Public Projects Committee – Thursday, July 19th, at 3:00 p.m. in the Engineering/Operations Conference Room.
8. Council Budget Retreat – Monday, July 30th at 6:00 p.m.


ADJOURN:

MOTION: Move to adjourn at 8:01 p.m.
Franich / Payne – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1- 33
Disk #2 Tracks 1- 15



Charles L. Hunter, Mayor



Molly Towslee, City Clerk

Recess to Worksession: Mainstreet Program.