

GIG HARBOR CITY COUNCIL MEETING OF NOVEMBER 13, 2007

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

CALL TO ORDER: 6:00 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of October 22, 2007 and Special City Council Meeting October 29, 2007;
2. Receive and File: a) Joint City Council / Hearing Examiner Meeting Minutes 10/15/07; b) Council Legislative Dinner Meeting Minutes 10/15/07 c) Building / Fire Safety Dept. Monthly Activity Report.
3. Eddon Boat Brick House Painting Project – Contract Authorization.
4. Assistance with EPA Water System Regulations – Consultant Services Contract
5. Sanitary Sewer & Stormwater Facilities Easement and Maintenance Agreements for Crescent Cove Project.
6. Agreement for Attorney Services – Eddon Boat.
7. Donkey Creek Easement Survey and Property Description – Consultant Services Contract.
8. St. Anthony Medical Office Building Plan Review – Consultant Services Contract.
9. Dept. of Ecology – NPDES Stormwater Plan Grant Agreement.
10. WWTP Improvements/Cultural Resources Assessment – Consultant Services Contract.
11. Liquor License Application: Los Cabos Grill.
12. Approval of Payment of Bills for November 13, 2008:
Checks # 55741 through #55932 in the amount of \$880,904.26.
13. Approval of Payment of Payroll for October:
Checks #4888 through #4920 and direct deposit entries in the total amount of \$312,764.58. *Note: Check #4905 replaced VOID check #4891 dated October 12, 2007*

MOTION: Move to adopt the Consent Agenda as Presented.
Franich / Ekberg – unanimously approved.

OLD BUSINESS:

1. Public Hearing and Second Reading of Ordinance – 2007 Property Tax Levy.
David Rodenbach, Finance Director, presented this ordinance that sets the 2007 property tax levy for collection in 2008.

Councilmember Dick voiced concern with the recommendation to stay with the 1% increase in light of the recent Supreme Court action declaring Initiative 747 unconstitutional. He talked about the lack of funding for upcoming capital projects and the need to tie the cost of capital facilities to the cost of land. He said that the city should levy the 6% allowed by law this year.

Mr. Rodenbach responded that it would be wise to stay with the 1% levy this late in the budget process, and because Governor Gregoire has asked jurisdictions to abide by the 1% cap.

Mayor Hunter opened the public hearing at 6:08 p.m. No one came forward to speak and the hearing closed.

MOTION: Move to adopt Ordinance 1108.
Young / Payne -

Mr. Rodenbach was asked to calculate the increased amount if the levy were to be set at 6%.

AMENDMENT: Move to amend the motion to set the levy at \$1,755,366.00 and direct the Finance Director to insert the appropriate percentage.
Dick /

There was no second to the motion.

Councilmember Young agreed that we need a sensible solution, and that he hopes that the legislators come up one.

Councilmember Payne said that with the upcoming 10% increase in water rates, the 10% increase in sewer rates, and the 25% increase in Stormwater rates, and given the fact this is fairly reactive to a court decision that was just issued, he would be willing to discuss this in next year's budget, but not at this late date. He mentioned that it was the citizens of the State of Washington that voted for the referendum, and we need to wait to let legislature discuss this.

MOTION: Move to adopt Ordinance 1108.
Young / Payne – unanimously approved.

2. Second Reading of Ordinance – Prentice Avenue & Benson Street Vacation Request – Todd Block. Rob Karlinsey presented this first of two ordinances for vacation of Prentice Avenue & Benson Street. He explained that at the last meeting, there was a question on whether the property could be subdivided after the vacation. He said that it is possible for the two property owners to join together and short-plat their properties into three lots.

MOTION: Move to adopt Ordinance 1109.
Young / Ekberg – unanimously approved.

3. Second Reading of Ordinance - Prentice Avenue & Benson Street Vacation Request – Douglas & Annette Smith. This was discussed during the previous agenda item.

MOTION: Move to adopt Ordinance 1110.
Young / Ekberg – unanimously approved.

NEW BUSINESS:

1. Public Hearing and First Reading of Ordinance – 2008 Proposed Budget. David Rodenbach presented background information on the proposed budget. He described the changes made to the budget as a result of the study sessions and offered to answer questions.

Mayor Hunter opened the public hearing at 6:20 p.m. No one came forward and the hearing closed.

Councilmember Young asked how the Ending Fund Balance compares to last year's. Mr. Rodenbach responded that it is right in line.

Councilmember Franich asked about acquiring the easement from the Historical Society and whether \$35,000 of the \$80,000 per five years cost would come from Hotel / Motel Tax dollars.

Councilmember Young explained that this was proposed to the Lodging Tax Committee earlier, and they recommended that the bulk of the cost be shifted to the General Fund. It did not come back in their proposed budget. Laureen Lund, Marketing Director, said that \$25,000 was discussed for 2007, but it didn't come up this year. She said she didn't think that the committee would be against this and offered to talk to them before the second reading of the budget ordinance.

Councilmember Franich then voiced concern with the willingness to bond for minor road and sidewalk improvements and a contribution towards the Cushman Trail. He said that this money should come from the General Fund due to increased revenues over the years. He stressed that General Fund money should be allocated towards the Wastewater Treatment Plant Expansion Project, explaining that the city is working on a sub area plans that would make it easier in the future for those in the UGA to connect. Instead, the city is spending another million dollars on salaries. He commented that when the Civic Center was built there was an expectation in the community that it would soon be filled, and that is becoming a reality. He said that the organizational chart could be streamlined and we are "fat" on middle-management. Over the past ten years, the city has completed both large and small projects with one city administrator, but this budget adds an Assistant City Administrator, an Intern, an Executive Assistant, and a Special Projects Coordinator and we have already added seven additional people this year. All these positions lead to long-term debt. He explained that he doesn't think it is right to burden future citizens and Council with these bonding and salary increases.

Councilmember Young said that in the past, he too was reluctant in regards to bonding, but in the last three years, we have seen 20% yearly growth in construction costs. At some point you have to weigh whether or not a low interest rate is a better allocation of resources than a large jump in cost. In addition, a considerable portion of the debt is for projects that have to be done now.

Councilmember Dick said that in the past his concern has been that enough money be set aside for capital projects. He said that as revenues increase, those additional dollars need to be devoted to capital, adding that he is pleased that this budget does have significant increases in capital expenditures. He agreed that Council must be careful not to squander the increased revenue and to save enough to keep on top of projects. Because there is a huge unfunded capital need for roads, sewer and surface water, more of the budget should be devoted to capital and less to operations. He mentioned the Marketing position, which is mostly funded through the Hotel/Motel Taxes and designed to aid tourism. He said that he admires this effort and doesn't object to it in principal, but the comparables used for salary comparison for this position are from jurisdictions much larger than ours. The employee's salaries should be limited to those of our comparable jurisdictions as best we can. He also said that we should bring more dollars out of the operations side and devote more to setting aside for capital projects.

Councilmember Franich asked if our regular comparables were not used for the Marketing Director's position because they do not have this position. Mr. Karlinsey explained that was correct.

Councilmember Ekberg requested that if there are any proposed budget amendments before the second reading that they be given to Councilmembers ahead of time for review.

Councilmember Payne said that much of this budget is making up for lost time. He said a zero capital fund for stormwater shows little foresight when the previous administration knew of the upcoming NPDES Phase II requirements. He said that for the record, this budget is a quantum leap in looking forward and though the numbers are shocking, he is fairly comfortable that what we are doing is the right thing with this budget.

Councilmember Young commented that there is nothing in the stormwater fund because it is brand new. He said that the problem with funding growth is that you have to wait for the growth to occur. When you plan, you set aside money and pay off debt twice as fast. He said that Gig Harbor has twice the ending fund balance of any other jurisdiction it's size, and we are doing a pretty good job of setting money aside. He then said that now that growth is occurring, we can pay for added positions and new projects.

2. Public Hearing and First Reading of Ordinance – Comprehensive Plan Amendment Application Requirements. Carol Morris explained that one of the elements for a complete application for a Comprehensive Plan Amendment that isn't necessary is

a rezone application. This would be processed after the Comp Plan approval. She recommended that this element be eliminated from the list for a complete application.

Mayor Hunter opened the public hearing at 6:44 p.m. No one came forward to speak and so the hearing closed.

3. Public Hearing and First Reading of Ordinance – Provision of Water & Sewer Outside City Limits. Carol Morris explained that currently, property owners in the UGA can request utilities with the condition that they agree to develop to the city's zoning and comp plan. A recent court decision has invalidated this type of condition and so she was asked to draft this ordinance that would require property owners to annex if they want to connect to city utilities. If the property is located outside the Urban Growth Area, the circumstances in which they could request extension are limited, and could not promote urban development. They would not be required to comply with the city's development standards and comp plan. She said that this ordinance was reviewed by the Operations Committee.

Ms. Morris further explained that Shoreacres Water Company is in the process of negotiating a new agreement to purchase water from the city. They have asked for an amendment to this ordinance to add a section for contracts for purchase and sale of water outside city limits but within the UGA, which is in the last paragraph of her memo.

Ms. Morris clarified that under state law, there is no limitation to only extend sewer service outside the UGA if it is a quasi-judicial municipal corporation. She said that the city would have a hard time defending that regulation if a property owner has a failing septic and meets all the other requirements. She recommended that this language be eliminated from the code.

Councilmember Franich voiced concern that this opens the door to allow sewer to be extended outside the UGA. Ms. Morris stressed that it could only occur in extreme instances.

Councilmember Payne asked Ms. Morris to review the letter from Master Builders Association in regards to this issue.

Mayor Hunter opened the public hearing at 6:54 p.m.

Mark Dorsey – North Pacific Design – 2727 Hollycroft, Gig Harbor. Mr. Dorsey asked if this is an interim ordinance until the Pierce County Interlocal Agreement and the Peninsula Community Plan can be updated and modified. He said that his issue is annexation of non-contiguous property and how this ordinance change may leave these properties out until the County Codes can match the city's.

Mr. Karlinsey explained that this came up in the Operations Committee. The idea is that if the County adopts the same code as the city in the UGA, then this annexation

ordinance becomes a moot point. The city could possibly process the permits through a contract with Pierce County.

Scott Wagner – 3416 57th Street NW. Mr. Wagner spoke in support of the addition of the language recommended by Shoreacres. He said that they are very close in finalizing the revised agreement until this court decision came about.

Mark Overland – 1602 Weatherwood Drive NW. Mr. Overland gave a brief overview of the Doc Weathers and Narrows Park property located near the Narrow Bridge and airport. He said that this is one of the last forested property in the area, and a wildlife sanctuary.

Mayor Hunter asked how this information pertained to the ordinance being discussed. Mr. Overland responded that there are people applying to develop the property, and they are a customer of Point Evans Water System which he believes is owned by the city. Mayor Hunter responded that the city does not own this system and the property is not in the city's Urban Growth Area.

Mayor Hunter closed the public hearing at 7:03.

Councilmembers directed staff to include the recommended language for consideration at the second reading and to double check the state guidelines for water companies.

Ms. Morris responded to Councilmember's request for further clarification on extending utilities outside the UGA. She referred to the limited set of circumstances cited in state law. She stressed that when the city extended sewer to Peninsula High School, it was before the Growth Management Act. She said that you would only extend service if they met all conditions listed on page six of the ordinance, adding that Council also could impose additional conditions. She offered to further explore the language taken from state law regarding "financially supportable" to clarify the intent. She said that she assumes this means that when you extend a sewer line far outside the UGA it is expensive and must be paid through latecomer's agreements or the formation of an LID. She pointed out when the city extended sewer service to Wollochet Bay they paid the entire cost of the system. She further explained that the city can impose any lawful conditions on the extension of utilities; it does not have to be tied to sewer capacity.

Ms. Morris then responded to the letter from Master Builders requesting that the city should instead state that the property owner agree to annex, not be required to annex as a condition. She explained that the current requirement is for the property owner to sign a no protest annexation agreement stating that they will agree to annex their property, which is allowed by the Supreme Court. She said that Tiffany Spears is apparently not aware that Master Builders has sued the City of Arlington because the city council adopted an ordinance to require annexation as a condition of utility extension. In that case, the Growth Board said that it is not inconsistent with GMA to adopt an ordinance that requires annexation as a condition of an extension of water or sewer.

Mark Dorsey – Mr. Dorsey stressed that the significance of this ordinance is about the city not providing services within the UGA without annexation, or for properties that are not contiguous, and you have a “Catch 22.” He said that all the talk is about outside the UGA which is a small portion of the issue.

4. First Reading of Ordinance – Alternative to Sewer Concurrency Processing. Ms. Morris explained that she was asked to draft an ordinance that would allow an alternative procedure to allow application processing even though the permits cannot be approved until the Wastewater Treatment Plant improvements are constructed. She said that when the completion of the improvements gets closer, SEPA can be done, the final staff report completed, the Hearing Examiner’s hearing if necessary, and then issue the permit concurrent with the available capacity at the plant. She further explained that a developer submitting an application subject to the vested rights doctrine would get the benefits of the ordinances in place at the time of submission of a complete application.

Mr. Karlinsey clarified that this ordinance would take effect on January 1, 2008 and end on May 31, 2010. Ms. Morris added that this could be extended if necessary. She also explained that the property owner is the only person who has standing in this type of agreement of this type.

Council praised the City Attorney for “thinking outside the box” for this solutions-oriented type of approach.

Councilmember Franich voiced concern over unintended consequences that might occur by processing developments at this point, using traffic as an example. Ms. Morris pointed out that the second-stage SEPA would address any environmental impact concerns.

5. First Reading of Four Ordinances – Smoking Ban in City Parks. Rob Karlinsey gave an overview of the process leading up to the request to bring forward these four ordinances for review. The first would ban smoking on all city parks. The second bans smoking in all city parks, but exempts asphalt parking lots. The third would ban smoking in city park play areas, and the fourth bans smoking in the Skate Park.

Michael Perrow – PO Box 1266, Gig Harbor. Mr. Perrow, a member of the Parks Commission, spoke in favor of a total ban of smoking in all city parks for the health, safety and enjoyment of the parks for all.

Councilmember Franich stated that this started as an issue in the Skate Park and then turned into this. He said that health issues have not been addressed anywhere in the four ordinances and asked if we are trying to set a good example for the children, then asked if Council would entertain a ban alcohol in the parks. He said that the police doesn’t have a positive position on this and asked if a boat is tied up at the dock if they

would be allowed to smoke. Mr. Karlinsey responded that an outright ban, it would be prohibited, but if one of the other options is chosen, then it wouldn't.

Mr. Franich then said he supports option number four, and asked Council to consider family reunions and other gatherings at the city park, stating that it is ludicrous to ban smoking in the entire park.

Councilmember Ekberg said that he would like to encourage Council to support option number one banning smoking in all parks.

Councilmember Young asked about a ranked ballot to determine a more orderly process to consider the four options. There was continued discussion on the merits of ranked voting.

Councilmember Payne stressed that these properties belong to the citizens and Council has the right to ban smoking in the parks. He said he prefers to ban it in all parks or certain parks rather than just in certain areas. It will be difficult enough to enforce without having to determine where someone is standing. He then said that if option four, banning smoking at the Skate Park is considered, he would like to add Grandview Forest Park because of the significant fire danger. He finalized by saying his family frequents our parks and events, and they have not found smoking to be a major issue.

Councilmember Franich agreed with the fire danger, but said that enacting a law will not stop smoking in the park.

STAFF REPORT:

1. Update on BB16. Steve Misiurak, City Engineer, reported that the city is currently going through an evaluation process to rate the three alternatives for the Burnham / Borgen / Highway 16 Interchange. He said a summary of advantages and disadvantages of each option had been included in the packet for Council to review before the upcoming workstudy sessions on November 19th and December 3rd. He said that a more complete analysis would be presented to Council at the December 10th meeting with a request for direction to perform a supplemental EIS on a preferred alternative.

Rob Karlinsey described the effort to reach out to the public through open houses with the public, the businesses and other stakeholders. He offered to find out how far the mailing went to notify residents of the open house.

2. Presentation of Comprehensive Emergency Management Plan. Dick Bower, Building Official / Fire Marshal, presented the background on this basic element of community emergency planning. He explained that this is the first of several plans that are being developed, and will come back at the next meeting to be adopted by resolution. He offered to answer questions.

3. Street Vacation Checklist. Rob Karlinsey asked Council to look this over and get back with comments at a later date.

Councilmembers requested an inventory of potential streets that could be vacated. Mayor Hunter said that he would direct staff to put one together.

4. 2007 Comprehensive Plan Amendments. Jennifer Kester, Senior Planner presented the information on these recommendations by the Planning Commission for comp plan amendments for 2007. She explained the first reading of ordinances will be at the next meeting.

PUBLIC COMMENT:

Arnie Tucker – 8414 Shawnee Court NW. Mr. Tucker said he wanted to put the off-leash dog park issue into perspective regarding Wilkinson Park. He said a number of people are outraged that dogs could come under a mace attack by a jogger trying to prove a point. He described a recent incident that occurred at Wilkinson Park stressing that a safe environment is necessary for both the dogs and their owners or kids may be next. He said that they recognized that they are there illegally, but the ordinance has not been enforced for years.

Councilmember Young asked for clarification on what is being requested. Mr. Tucker said that they are asking that the “crazies” be brought under control and to make it an off-leash park. He stressed that other than the dog owners, very few people use the park other than teenagers that come after school. He further discussed the need for an off-leash park nearby so that the elderly and female dog-owners can come and feel safe.

Sharon Wegner – 13404 Goodnough Drive NW. Ms. Wagner said that she understands that dogs off leash in Wilkinson Park are illegal. She described how she comes a couple of times a day with her dog and how beneficial it is for people to meet and visit while their dogs play. She asked if there could be a compromise to use a portion of the park, or during certain hours until they could find a spot for a legal off-leash park somewhere else and offered to work towards a resolution.

Elaine Phillips 3916 Rosedale Street. Ms. Phillips explained that she owns and has lived on property adjacent to Wilkinson Park for fifteen years and enjoys it on a daily basis. She said that she is a dog owner and participates with the others that bring their dogs to the park. She says that she observes all types of families come with their dogs, and even high school kids bring their dogs after school. She spoke in support of the Wilkinson Park being an off-leash dog park.

Al Pessaro – 1006 69th Avenue Ct. NW. Mr. Pessaro said that he too is a regular user of the park. He said that one of the other regular users of the park seem to be young adults before and after school. He said that having a regular group of people such as the dog owners in the park tends to discourage loitering.

Lee Desta – 7425 Hill Avenue. Ms. Desta said that she is a member of “CHEW”, and they have been working with Metro Parks and the County Council to find an environment that would be safe, fenced and a permanent off-leash area. She said she is a closer at the park at Bandix four to eight nights a week, which illustrates a commitment of local people willing to volunteer. She said they would like to work out an arrangement for something temporarily and ultimately, permanent.

Mary Johnson – 9420 Goodman Avenue. Ms. Johnson says she uses the park after work, or else her daycare provider takes her dog during the day to run and to socialize, just like any other child, only with four legs.

Betty Clausen – 3805 Vernhardson. Ms. Clausen said “ditto” to the other comments. She says they all know each others that come to the park by their pet’s names. She said that they enjoy the park, and thank you.

Councilmember Young said that he understands that they are all well-intentioned people, but there are reasons that there are both on-leash and off-leash parks. He said he would like to find a compromise, but one thing to keep in mind is these animals are not the only users of the park. One of the primary reasons and biggest attractions of Wilkinson Farm Park is the wetland with the wildlife, and an off-leash park is not necessarily compatible with this. He suggested referring this to the Parks Commission take a look at this issue and to bring back a recommendation for an interim solution.

Councilmembers agreed and staff was directed to take this to the Parks Commission.

MAYOR’S REPORT / COUNCIL COMMENTS:

Councilmember Payne announced that he would not be at the November 26th Council Meeting. He then asked about the status of the parcel of property by Olympic Village. Councilmember Young responded that David Brereton had done a study of potential “pocket park properties” a couple of years ago which could be useful information.

Councilmember Payne then discussed the non-conforming tri-plexes in town and the problems faced by the property owners. He said that staff has been working on this issue and Carol Morris has prepared a draft interim zoning ordinance that would allow non-conforming residences to rebuild from the ground up within one year if they are damaged or destroyed in any way. He asked that this be brought to Council on the next agenda with a sunset clause so that the Planning Commission can review it in more detail.

Tom Dolan, Planning Director, explained that the Planning and Building Committee is meeting on December 3rd to discuss the Planning Commission’s work program. He said that staff understands the concern with this issue and have recommend that this be put on the first tier of the work plan to begin work on it the first of 2008 with the goal of having it back to Council by May of 2008. He explained that the delay on this has been

due to the work on the Comp Plan Amendments and Design Review improvements. He further explained that staff has looked at alternatives for processing text amendments in 2008 and will be presenting a proposal to work on text amendments on a quarterly basis in addition to the other items on the Planning Commission's Work Program. He stressed that the Shoreline Update and Subarea Plan will keep the Planning Commission very busy this next year. Another alternative to deal with this aggressive workload is a blue-ribbon committee working on those with periodic check-ins.

After further discussion on the background and the ramifications of this ordinance, staff was asked to bring the draft ordinance for an interim solution for these non-conforming structures to Council at the next meeting to review and to start the process for SEPA and CTED.

ANNOUNCEMENT OF OTHER MEETINGS:


1. GH North Traffic Options Committee – Wednesday, November 14th, at 9:00 a.m. in Community Rooms A & B.
2. BB16 Workshops: No. 1- Mon. Nov. 19th at 6:00 p.m.; Workshop No. 2 – Mon. Dec. 3rd at 6:00 p.m.
3. Operations & Public Projects – Thurs. Nov. 15th at 3:00 p.m.

Rob Karlinsey announced that a council retreat is being planned for the middle of the week at the end of February.


ADJOURN:

MOTION: Move to adjourn at 8:15 p.m.
Franich / Payne – unanimously approved.

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Charles L. Hunter, Mayor



Molly Towslee, City Clerk