

GIG HARBOR CITY COUNCIL MEETING OF MARCH 24, 2008

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

CALL TO ORDER: 6:03 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of the Minutes of City Council Meeting of March 10, 2008.
2. Correspondence / Proclamations: a) Recognition of State Representative Pat Lantz.
3. Receive and File: a) Westside Community Meeting Overview.
4. Appointments to Parks Commission.
5. Summer Concert Contracts.
6. First Amendment to Land Use Hearing Examiner Employment Agreement – Klockars.
7. Wastewater Comprehensive Plan Update Consultant Services Contract Amendment-HDR.
8. Eddon Boat Sediment Cleanup Project Temporary Construction Easement – Nicholich.
9. Street Naming at The Ridge at Gig Harbor.
10. Street Naming - Ancich Court.
11. Water Rights Legal Services Agreement – Tom Mortimer.
12. Purchase Authorization for Street Lights.
13. East Storage Tank Repainting Project – Testing Services – Krazan & Associates.
14. WWTP Expansion Consultant Services Contract – Parametrix, Inc.
15. Housing Needs Assessment – Consultant Services Contract – PMC.
16. Liquor License Renewals: Gig Harbor Farmers Market - Hunt; The Green Turtle; and Gig Harbor Farmers Market – Harborview Dr.
17. Liquor License Application – Fondi.
18. Approval of Payment of Bills for March 24, 2008:
Checks #57103 through #57250 in the amount of \$539,496.77.
19. Approval of Payroll for month of February, 2008:
Checks #5017 through #5059 in the amount of \$529,846.78.

Councilmember Payne asked that agenda item number nine be moved to new business for discussion.

MOTION: Move to adopt the Consent Agenda with number nine moved to new business.
Young / Payne – unanimously approved.

SPECIAL PRESENTATION:

1. Recognition of Representative Pat Lantz. Mayor Hunter praised Representative Lantz for the support given to Gig Harbor during her term in office. He presented her with a proclamation and an engraved plaque.

Representative Larry Seaquist said that it was a special honor to serve with Representative Lantz. He gave a brief summary of some of her successes including improvements to the judicial system, acquisition of parks and preservation of the heritage of Gig Harbor.

Councilmember Young also voiced his pleasure in serving with Representative Lantz. He mentioned many of the tremendous accomplishments that were realized for the community during her term. He stressed that you wouldn't have trees along Highway 16 if not for Representative Lantz.

Senator Derek Kilmer talked about how the Gig Harbor Community is a better place because of Representative Lantz. She has protected the state's heritage, encouraged the arts, worked to protect the environment, worked to keep the tolls low, and through her work in criminal justice, made this a safer community for all. He said that most important is her appreciation for the phrase "liberty and justice for all." Senator Kilmer voiced his appreciation for her twelve years of service.

Representative Lantz thanked everyone and said that she is eager to take on new challenges, mentioning a performing arts center as one possibility.

2. Congratulations Letter from State Auditor Sonntag. Mayor Hunter presented this letter congratulating the city for 15 consecutive audits with no findings to David Rodenbach, Finance Director. Mr. Rodenbach thanked him and stressed that it was a team effort by everyone at the city.

OLD BUSINESS:

1. Second Reading of Ordinance – Junk Vehicles. Rob Karlinsey, City Administrator, described the changes to the ordinance since the first reading. He said that the Mayor is recommending a limit of two covered vehicles regardless of lot size, and the inclusion of the word "private" to subsection 'A' of the exemptions section. Another addition to subsection 'A' addresses temporary tarp garages, carports and storage sheds. In Subsection 'C' an addition was made to address vehicles stored on vacant or undeveloped land at the recommendation of the city attorney.

Councilmember Franich voiced concern that changes were made to the ordinance without Council direction. Mr. Karlinsey explained that legal adjustments or clarification would be made without direction, but policy concerns would be at the direction of the Mayor or Council.

Carol Morris addressed the change regarding undeveloped or vacant land is to address the possibility of storing vehicles on vacant property leading to a junkyard. She then

addressed changes to an ordinance at a second reading. She said that Council has the option to strike the language and pass the ordinance without the suggested changes unless it is a land use ordinance, which would require another public hearing.

Councilmembers further discussed whether changes should come back as a staff recommendation without actually changing the ordinance or at least, changes should be done by redline/strikeout so that they are readily apparent.

Councilmember Kadzik suggested that because there is no urgency in passing this ordinance staff could add redlines / strikeouts before the next meeting.

MOTION: Move to table this to the next meeting so staff can add redlined / strikeouts for clarification.
Kadzik / Malich – unanimously approved.

Rob Karlinsey asked if Council had any direction on the proposed changes. Councilmember Young said he had questions on the addition of the word “private.” Councilmember Conan said that the limit of two vehicles is okay, but the changes to subsection ‘A’ are questionable. He said he liked the previous language and doesn’t have a problem with the addition of the last sentence regarding temporary tarp covers, but he doesn’t like the addition of the word “private” because this was discussed at the workstudy session.

Councilmember Malich agreed that the committee rejected the idea of including “private.” Councilmember Franich concurred, adding that he personally would like more flexibility for owners of larger lots. He then asked if Council would consider allowing the enforcement officer to grant exemptions for a good reason.

Carol Morris explained that an enforcement officer would talk to the citizen and try and get compliance before a Notice of Violation is issued. She strongly recommended that Council not consider “on the spot” exemptions because there are standards to guide use of discretion. If there are no standards, then the enforcement becomes arbitrary and capricious and could possibly lead to a lawsuit.

Councilmember Ekberg said that paragraph ‘C’ as written is fine with him but not the addition of the word “private” in paragraph ‘A’.

Councilmember Payne asked for clarification for the intent of including storage sheds in paragraph ‘A’. Mr. Karlinsey said it may be because storage sheds are smaller and inexpensive. After further discussion, staff was directed to strike through the words “storage shed” and “private” in the next version of the ordinance that comes back for consideration.

NEW BUSINESS:

1. Ratification of Vote on Ordinance 1123 – Water GFC’s. Carol Morris explained that at the last meeting, a vote was taken on the Water General Facilities Charge, but it

was brought to her attention that it was unclear whether the vote was for the main motion or the motion to bring the question before the council. She said that to avoid confusion in the future, the Mayor has agreed to restate the motion before each vote.

Ms. Morris asked for Council to vote to ratify the previous action at the last meeting.

MOTION: Move to ratify the adoption of Ordinance 1123.
Malich / Ekberg – unanimously approved.

2. Public Meeting – Proposed Scandia Heights Annexation. Matthew Keough, Associate Planner, explained that the city received a Notice to Commence Annexation Proceedings from eight property owners in a subdivision of 9.93 acres east of Peacock Hill Avenue at 101st Street Court NW. He presented the background information and offered to answer questions.

After discussion regarding fire flow and enlarging the borders, the following motion was made.

MOTION: Move to accept the Notice of Intent to Commence Annexation and to authorize the circulation of the Annexation Petition among the property owners within the modified area with conditions 1-4.
Payne / Conan – unanimously approved.

3. Resolution Approving Reimbursement for the Purchase of Four Police Vehicles. David Rodenbach explained that this resolution authorizes purchase of police vehicles utilizing the State Treasurer's LOCAL lease option program for equipment. He described the process and answered questions.

MOTION: Move to adopt Resolution No. 745 approving reimbursement for the purchase of four police vehicles.
Malich / Ekberg – unanimously approved.

4. City Retirement Plans Consulting Contract. David Rodenbach presented this contract with Aon Investment Consulting, Inc. to manage the city's retirement plans. He presented the history of the plan which has managed itself up to this point. The balance has grown so large that it is time to renegotiate the fees charged by ICMA, to develop an oversight committee, and to manage the funds. The proposal by Aon is to perform these duties for \$24,000 which will be paid from the savings negotiated with ICMA. The balance of savings will be distributed to employee accounts on a pro rata basis.

Councilmembers asked if staff could perform this function and if this had been put out to bid. Dave asked Mr. Settle to come forward and respond to this.

Greg Settle, Vice President with Aon's Seattle office, presented his background working with ICMA. He described that the service his firm is offering has been undertaken by over two dozen other local governments over similar concerns to reduce fees, display

adequate fiduciary supervision of the retirement assets to reduce employers' potential liability, as well as optimizing plans to make sure the investment options are the best available. He said that the firms are not willing to address these issues voluntarily and the city has to let ICMA know that they are serious about these issues and prepared to hire someone to do this work if they won't deliver the features as well as reduce the fees to market competitive levels. He said he couldn't overstate the importance of addressing the matter of fiduciary responsibility and potential liability to the city, adding that there are several lawsuits going on right now.

Mr. Settle further explained that he would provide the city with a study of other public employers with similar asset levels that have recently gone through a market RFP process, on which we will "piggy-back." A full-blown RFP is more expensive than anyone wants to entertain, but we can use other jurisdiction's data to renegotiate.

Councilmember Young asked about legal review of the contract as he didn't understand how we could reduce liability. Ms. Morris said that Scott Snyder, the city's personnel attorney, had reviewed the contract then offered to review it as well.

Rob Karlinsey said that forming an oversight committee will show due diligence and that is how to reduce liability. He added that the city needs assistance in setting up this committee. Mr. Karlinsey mentioned that another benefit offered by Aon is to assist in developing better investment fund options to present to ICMA. He explained that he has known Greg for several years, and was approached by him to help the city lower their fees.

Councilmember Ekberg asked again if there was flexibility in going out to bid for this service. Mr. Rodenbach responded that he isn't aware of how many organizations perform this service. After further discussion a motion was made.

MOTION: Move to table this to the next meeting.
Young / Ekberg – unanimously approved.

5. Street Naming at The Ridge at Gig Harbor. Councilmember Payne said that he had been contacted by someone who wanted to comment on this.

John Chadwell – Olympic Property Group, 4423 Pt. Fosdick Drive Suite 302. Mr. Chadwell explained that his company owns the trademark rights for the name Harbor Hill, and so they would prefer that The Ridge at Gig Harbor choose another name for the cul de sac in their neighborhood. He said it would create confusion for future homeowners.

Councilmember Young commented on the benefits of having a regional name.

MOTION: Move to table the street naming at The Ridge at Gig Harbor until the next meeting.
Ekberg / Conan – unanimously approved.

STAFF REPORT:

1. Gig Harbor Police Department – Monthly Update. No verbal report given.
2. Pt. Fosdick Sidewalk Petition – Rob Karlinsey. Rob Karlinsey talked about the success of the Westside Neighborhood Meeting last week. One thing that came from it was a petition to add sidewalks along the west side of Point Fosdick from the library to Briarwood.

Councilmember Young added that a pedestrian walkway will provide some level of safer passage for pedestrians. The new Uptown Shopping Center has encouraged much more foot traffic along this section.

Councilmember Payne pointed out that the petition was submitted by the neighborhood on the east side of the roadway, not the west. After further discussion, staff was asked to look at options.

Councilmembers praised the effort that resulted in such a good turnout at the neighborhood meeting. Rob commented that the Marketing Director had done a great job of advertising.

Rob Karlinsey then announced that he received invitations for Council to attend an open house from Bennett Homes on April 24th from 5:30 – 7:30 p.m. at the Chelsea Park Development on Hunt Street.

Carol Morris, City Attorney, asked Council if they would review her memo on standard contract language and get back to her with comments.

PUBLIC COMMENT:

Ian Ward – 7887 Beardsley Ave. Mr. Ward, City Intern, clarified that the addition of the work “private” to subsection ‘A’ of the exemptions section of the Junk Vehicle Ordinance was to address the scenario of someone putting several cars on their back property as long as they couldn’t be seen from the public view corridor.

MAYOR’S REPORT / COUNCIL COMMENTS:

Councilmember Franich asked if the contract on number fifteen on the Consent Agenda, Housing Needs Assessment, had gone out to bid. He said that the company isn’t located in the state and he wonders if there are others who could perform the service that would have a better “pulse” on the Puget Sound area.

Tom Dolan, Planning Director, explained this did not go out for bid. The reason this firm was chosen is because they are the consultants that Pierce County utilizes for their affordable housing project. Although they aren’t based in Washington, they are very familiar with Pierce County and are also doing work for University Place.

Councilmember Young said that he had seen their study and suggested this firm. Councilmember Kadzik added that he attended a Puget Sound Regional Council meeting on affordable housing and was quite impressed with their work.

Councilmember Franich then asked if other Councilmembers had an opportunity to review the Hearing Examiner's Decision on the Historical Society's five-acre property above Donkey Creek and whether there were concerns with removing this from the height restriction area.

It was suggested that this could be discussed further in Executive Session.

ANNOUNCEMENT OF OTHER MEETINGS:

1. GH North Traffic Options Committee – Wednesday, March 26, at 10:00 a.m. in Community Rooms A & B.
2. Skansie Ad Hoc Committee – Tuesday, April 8, at 6:00 p.m. in Community Room B.
3. Parks Appreciation Day Leadership Training – Tuesday, April 8, at 7:00 p.m. in Community Room A.
4. Joint Meeting with Gig Harbor Arts Commission – Monday, April 14, at 6:00 p.m. in Community Rooms A & B.
5. Council Retreat – July 11th 8:00 a.m. at the Civic Center.
6. Parks Appreciation Day – April 19th.

EXECUTIVE SESSION: For the purpose of discuss pending litigation per RCW 42.30.110(i)

MOTION: Move to adjourn to Executive Session at 7:33 p.m. for the purpose of discussing pending litigation per RCW 42.30.100(i) for approximately 30 minutes.
Franich / Payne – unanimously approved.

MOTION: Move to return to regular session at 8:08 p.m.
Kadzik / Conan – unanimously approved.

ADJOURN:

MOTION: Move to adjourn at 8:98 p.m.
Conan / Ekberg – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1-4 (disk corrupted)
Disk #2 Tracks 1-25
Disk #3 Tracks 1-1



Charles L. Hunter, Mayor



Molly Towslee, City Clerk