

## GIG HARBOR CITY COUNCIL MEETING OF JULY 14, 2008

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

**CALL TO ORDER:** 6:02 p.m.

**PLEDGE OF ALLEGIANCE:**

### **CONSENT AGENDA:**

1. Approval of the a) Minutes of City Council Meeting of June 23, 2008; b) Special City Council Meeting of June 30, 2008; and c) Joint Meeting City Council / Design Review Board June, 16, 2008.
2. Council Committee Reports: Finance / Safety Committee Minutes June, 16, 2008;
3. Receive and File: a) Historic Preservation Grant Award b) Building and Fire Safety Dept. June Report.
4. Liquor License Applications: a) Maritime Inn; b) Qdoba Mexican Restaurant; c) 7 Seas; d) SIP *withdrawn*.
5. Resolution No.758 – Surplus Equipment.
6. North Well No. 9 and South Well No. 10 Project Contract – Carollo Engineers.
7. Appointment to Design Review Board.
8. Civic Center HVAC Compressor Replacement Contract.
9. Austin Estuary Park Master Plan Amendment to Contract – Grette and Associates.
10. Tides Tavern Lease.
11. Phase II Environmental Assessment – Pinney Parcel B.
12. Approval of Payment of Bills for July 14, 2008:  
Checks #58139 through #58283 in the amount of \$517,526.07.
13. Approval of Payroll for the month of June:  
Checks #5137 through #5165 in the amount of: \$355,154.92.

Councilmember Malich asked that item number six be postponed until the meeting of July 28<sup>th</sup> as he had questions.

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

### **PRESENTATIONS:** Crescent Valley Alliance

John McMillan, representative from Crescent Valley Alliance presented background information on this stewardship project formed in 2006 to protect and preserve Crescent Valley's riparian system by partnering with the National Wildlife Federation, Pierce County, Washington Department of Fish & Wildlife, Washington Bio-diversity Council, PenMet Parks, Friends of Pierce County, Harbor Wild Watch, and the City of Gig Harbor. Mr. McMillan acknowledged individuals that authored the plan and several funding sources. He described a riparian system and the things that threaten its

survival, and explained that Crescent Valley Alliance offers education and conservation resources so others can learn about protecting healthy habitats.

Mayor Hunter announced that the city had received a grant to pay for one-half of the re-roof project for the covered structure at The City Park at Crescent Creek.

Mayor Hunter then introduced David Fisher, newly appointed member of the Design Review Board and welcomed him to the organization.

**OLD BUSINESS:** None scheduled.

**NEW BUSINESS:**

1. First Reading of Ordinance – Water Utility Rate Increase. David Rodenbach, Finance Director, presented the information on a proposed 3% increase in the water rate that is expected to provide approximately \$73,000 in additional operating revenues for the water utility in 2009. He addressed the question of past rate increases by explaining that rates increased 10% in 2003; 5% in 2006 and 5% in 2007. This will return for a second reading at the next meeting.

2. First Reading of Ordinance – Sewer Utility Rate Increase. David Rodenbach presented the information for a 15% sewer rate in 2009. This increase is to address the 23 million in upcoming capital improvement projects.

Councilmember Franich asked for clarification on why the increase percentages remained the same after the number of growth units increased from 140 to 250 shown at the Operations Committee meeting. He asked for a copy of the original spreadsheet with the lower number of units.

The city's consultant, Ashley Emery addressed this question. He described three points that were considered with the change in rate recommendation. First is the capital cost of the outfall project had increased by one and one-half million. Second, the realization that the General Facility Charge will have been in place only been six months prior to the first rate increase. The third point is reconsideration of the debt coverage requirement for revenue bonds which will come into play in 2010. He continued to explain that it takes too long for the estimated growth to build up enough to significantly impact debt coverage. He further explained that the available bond interest rate, the bond pay-back schedule, issuance costs, and reserve requirements are all things that must be taken into consideration. He said that he thinks that this recommended 15% increase is a fair starting point, but it could come in higher the second year.

David Rodenbach stressed that if the city is able to obtain a Public Works Trust Fund Loan or other grants, the increases in subsequent years could be lower than this.

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

3. First Reading of Ordinance – Stormwater Utility Rate Increase. David Rodenbach introduced this ordinance for a 3% increase in stormwater rates effective January 2009 that will raise the rate from \$10.80 per month to \$11.12 per month. This will increase annual revenues by approximately \$53,000 to the storm utility, but isn't expected to do much for the storm capital requirements. This ordinance will return for a second reading at the next meeting.

4. First Reading of Ordinance - Establish a Salary Commission. Rob Karlinsey explained that the elected officials' salaries haven't been adjusted in ten years in spite of the increased workload. He recommended that the Mayor and Council look at compensation in one of two ways: to adopt a salary to be implemented upon re-election, or to establish a Salary Commission to set the compensation level that can be implemented sooner. He gave an overview of the draft ordinance to establish a Salary Commission.

Carol Morris, City Attorney addressed the referendum section of the ordinance. She explained that even though the city hasn't elected to be part of the initiative referendum procedures she recommends leaving in this language because under state law, salaries established by a commission are subject to referendum.

Councilmember Ekberg said that he doesn't favor a dramatic increase at all, and favors a more simplistic method such as an annual increase of 3%.

Councilmember Franich agreed adding that he doesn't want the job of Councilmember to become a source of second income for someone who should serve because they care about the community. He then said that with the added workload, Council is dramatically underpaid at this point. He asked if there is a way to have a larger increase in one year than another. Mr. Karlinsey responded that if a Salary Commission is established it is then up to them.

Councilmember Young said that the issue of automatic increases doesn't reflect the actual workload. He said he likes the Salary Commission because it is fair and we don't have to worry about the perception that Council is raising our own salaries.

Mayor Hunter said that he looks at this job as a volunteer position, and if setting parameters for a salary commission isn't an option then Council should make the decision. Rob Karlinsey stressed that a Salary Commission is independent.

After further discussion, Councilmembers Conan, Kadzik, and Malich voiced support for the appointment of a Salary Commission. This will return for a second reading at the next meeting.

5. First Reading of Ordinance – Temporary Sewage Storage Tanks. Rob Karlinsey presented the background on this ordinance that would allow temporary sewage holding tanks to allow projects that cannot get sewer concurrency to obtain development approval. He highlighted the requirements of this ordinance that would apply to those

denied a sewer concurrency certificate after July 1<sup>st</sup> through May 31<sup>st</sup> and only during the construction of Phase I of the Wastewater Treatment Plant.

Councilmember Ekberg asked if there are any comments from the Engineering Staff and how the city is going to coordinate with the Health Department on permits.

Mr. Karlinsey responded that a staff report was included when this went to the Operations Committee and to full Council on April 28<sup>th</sup>. He then explained that applicants must show proof of a permit from the Pierce County Health Department which is issued under limited circumstances.

Mr. Karlinsey addressed questions regarding payment of the GFCs by explaining that the fees will be paid when the applicant connects to the sewer system. There is a provision to address bonding and recording against the title of the property. Requiring payment at the time of connection addresses a potential increase in the connection fee.

Ms. Morris suggested that if the Council would like the fee paid up front a provision could be added to require payment of any difference at a later date. She then said that according to the Pierce County rules, it is highly unlikely that anyone would get a permit for a temporary sewage holding tank given the conditions for obtaining a holding tank. She then said that if a change is made to allow residential use, she cautioned that the requirement to pay the GFCs at time of hookup places the burden on the homeowner.

Councilmembers discussed amending the language to require payment up front with a clause that the difference would be paid at time of hookup to address this concern.

David Freeman, Architect practicing at 6787 Stinson Avenue. Mr. Freeman thanked everyone for getting this before Council tonight. He commented that paragraph 'A' under 13.28.105 Temporary Sewage Storage Tanks allows only commercial development to apply. He referenced mixed use development in which there are professional offices on the main level and condominiums above with only one sewer connection. He asked Council to consider allowing one title holder of the commercial building to address this. He then referred to paragraph E. (9), requesting that this be changed to the industry standard of using a vacuum truck to empty the tank to eliminate potential pump failure concerns.

Councilmember Young voiced his concern that condominiums involve multiple ownership. Mr. Freeman responded that during this phase, the commercial developer would retain ownership of the building and would be the signatory on the application. He then explained that this ordinance helps to address the SEPA checklist timeline requirement of 20 months and chances are that none of these tanks would ever get built.

Councilmember Franich voiced his concern with the amount of time being spent on this ordinance for just a few specific developers. He said that if the city is going to allow this type of system it should be for everyone with no time limits. Councilmember Young

pointed out you wouldn't want these if sewer is available. He then thanked Mr. Freeman for the clarification.

Jack Bujacich – 3607 Ross Avenue. Mr. Bujacich said he was curious where the sewage goes that is pumped out of the tanks. He said that in Pierce County there is an issue with them dumping it into the manholes.

Mr. Karlinsey responded that the sewage does not go into our system and is probably transported to Tacoma. He offered to check that out.

David Fisher – 2776 Beardsley Avenue. Mr. Fisher spoke in support of the tank idea and said that residential property should be included to allow more options and make the ordinance simpler. He said that septic systems can have a negative effect on placement of a house on a lot. He then explained that vacuuming a holding tank twice a month costs approximately \$300, and so there is incentive for homeowners to hook up to city sewer. Mr. Fisher said that there should be provisions to remove the tank, a requirement for an alarm when the tank is full, and a maintenance agreement with a pumping company as part of the application process. With a pre-paid hook-up, the applicant wouldn't be required to pay a monthly sewer fee until they are actually hooked up to the sewer.

Councilmember Ekberg asked for clarification on the request to add residential and working with Pierce County on permitting.

Jeff Langhelm, Senior Engineer said that he worked with Darrell Winans, Wastewater Treatment Plant Supervisor on the staff memo to the Operations Committee. In their experience, residential property owners do not maintain this type of a system as well as commercial property owners because of the expense and a less-vested interested. They also have a tendency to disable the alarms and attach the outflow to a stormwater system or other illegal discharge. Commercial developers may be less likely to do these things.

Councilmember Malich asked about disposition of the tank after hook-up to city sewer. Mr. Karlinsey responded that the ordinance has a provision to decommission the tank to meet the requirements of the both the city and Pierce County.

Jeff Langhelm then addressed the question about working through permits with Pierce County. He said that PCHD allows these on-site systems when existing septic systems have failed until sewer becomes available. Rob Karlinsey added that he spoke with a Health Department Official who told him that they would approve a tank for new construction in limited circumstances but there are limitations on flow. Mr. Langhelm said that the anticipated flow for a commercial site is outlined in the ordinance and based on square footage. You could serve about 1600 s.f. of commercial area.

Mayor Hunter asked if there isn't another way to allow development if the only reason to adopt this ordinance is to allow someone to get through the permitting process. Carol Morris responded that there is already an alternative concurrency process in place.

At this time Jeff Langhelm recommended that the language prohibiting vacuum type evacuation of the tanks remain because of the strong offensive odors that are produced by the tanks would be released during pumping. The internal self-contained pumps only pump liquid and so there isn't the same level of odor.

Mr. Karlinsey reviewed potential amendments that to the ordinance that were discussed and asked for Council direction. Councilmember Young said he supports the inclusion of multi-family as long as there is commercial ownership but not single-family residential. Mayor Hunter asked that reference to the Health Department C-4 and E-4 match. He also mentioned adding a maintenance agreement in case the city has to do it.

This will return for a second reading with the discussed amendments.

**STAFF REPORT:** None scheduled.

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

Mayor Hunter announced the one-year anniversary for the opening of the Narrows Bridge on July 16<sup>th</sup>.

**PUBLIC COMMENT:**

Kasse Smith – 1819 102<sup>nd</sup> Street Ct NW. Mr. Smith discussed his idea for an eco-friendly car wash in Gig Harbor and the zoning issue because this use is only allowed in the PCDC and/or Commercial zones. The only viable spot is in the Gig Harbor North area. He asked for advice.

Councilmembers suggested either the Gig Harbor North or the Uptown Areas and asked if he had contacted a realtor. Mr. Smith said there is no available property in either zone and asked if a change in zoning is possible.

Councilmembers responded that this requires a comp plan or text amendment and suggested he contact the Planning Department. Mr. Smith said that this process costs approximately \$1300 and asked if Council would consider taking it on. They responded that this wouldn't be allowed and wished him luck in the process.

Gretchen Wilbert – 8825 No. Harborview Drive. Former Mayor Wilbert said she heard a rumor that the city is not going to fund the Senior Center at the \$750,000 level. She spoke in favor of funding for the center and passed out a packet of information that outlines the history and the need for a Senior Center. She stressed that 2200 square feet for a Senior Center isn't big enough and a meal site serving 40-50 seniors a day

would require an approved kitchen. She added that she heard the suggestion of using the Visitor's Center as the Senior Center and said that this building is not big enough and has no kitchen. She thanked Council for their consideration of this important issue.

**ANNOUNCEMENT OF OTHER MEETINGS:**

1. GH North Traffic Options Committee – Wednesday, July 16th, at 9:00 a.m. in Community Rooms A & B.
2. Community Meeting with Norm Dicks – Monday, July 21<sup>st</sup> at 5:00 p.m. Civic Center Green.
3. Downtown Business Plan Advisory Committee – Tues. July 15<sup>th</sup> at 5:30 p.m.
4. Harborview / Judson Stakeholders – Tues. July 15<sup>th</sup> at 7:00 p.m.
5. Parks Commission Open House at Eddon Boatyard Brick House – Thurs., July 31<sup>st</sup> from 1 p.m. – 6 p.m.
6. Joint Workstudy Session with PenMet Parks: Monday, August 4<sup>th</sup> at 6:00 p.m. at PenMet Parks Facility.

**EXECUTIVE SESSION:** For the purpose of discussing property acquisition per RCW 42.30.110(1) (c).


**MOTION:** Move to adjourn to Executive Session at 7:28 p.m. for approximately one hour for the purposes of discussing property acquisition per RCW 42.30.110(1)(c) and a personnel matter per RCW 42.30.140(4)(a).  
**Franich / Ekberg** – unanimously approved.

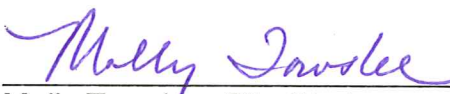
**MOTION:** Move to return to regular session at 8:25 p.m.  
**Kadzik / Malich** – unanimously approved.

**ADJOURN:**

**MOTION:** Move to adjourn at 8:28 p.m.  
**Franich / Conan** – unanimously approved.

CD recorder utilized:  
Disk #1 Tracks 1- 24  
Disk #2 Tracks 1- 4

  
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Charles Hunter, Mayor

  
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Molly Towslee, City Clerk