

GIG HARBOR CITY COUNCIL MEETING OF OCTOBER 27, 2008

PRESENT: Councilmembers Ekberg, Young, Franich, Conan, Malich, Kadzik, Payne 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 Oct. 13, 2008.
2. Receive and File: 3rd Quarter Report.
3. Resolution No. 771 – Emergency Management Mitigation Plan.
4. Liquor License Renewals: Maritime Mart; Marketplace Grille; Harborview Grocery Inc.; and Gig Harbor Shell Food Mart.
5. Approval of Payment of Bills for Oct 27, 2008:
Checks # 59176 through #59317 in the amount of \$851,712.27.

Councilmember Ekberg asked that agenda item number three be moved to New Business.

MOTION: Move to adopt the consent agenda as amended.
Ekberg / Young - unanimously approved.

SWEARING IN CEREMONY:

Chief Davis introduced new Reserve Officer Kris Johnson and gave an overview of her background and decision to join the department as a Reserve Officer. Mayor Hunter performed the ceremony to swear her in.

OLD BUSINESS:

1. Second Reading of Ordinance – LTGO Bond. David Rodenbach, Finance Director, presented the information on this ordinance providing for the issuance and sale of a limited tax general obligation bond, announcing that the interest rate was locked at 3.98%. He introduced Dave Trageser, D.A. Davidson and Cynthia Weed, Bond Counsel.

Mr. Trageser reported on what had occurred in the market during the last two weeks resulting in the lower interest rate of 3.98%. He recommended this offer for a fixed-rate bond issue from the Bank of America.

Cynthia Weed, partner at K&L Preston Gates. Ms. Weed circulated the latest copy of the ordinance adopting the bond and described the terms of the bond.

Councilmembers and staff further discussed the need to enter into additional debt.

MOTION: Move to adopt Ordinance No. 1144.
Payne / Kadzik – six voted in favor. Councilmember Franich voted no.

2. Second Reading of Ordinance – Retroactive Marina Fire Protection Requirements. Dick Bower, Building and Fire Safety Manager, presented the information on this ordinance to retroactive apply code requirements for marina fire protection to address safety issues.

MOTION: Move to adopt Ordinance No. 1145.
Kadzik / Conan - unanimously approved.

3. Second Reading of Ordinance – 2008 Comprehensive Plan Amendments. Tom Dolan, Planning Director, presented a brief overview of the nine Comp Plan Amendments and said proposed a second public hearing and third reading on November 10th. He said that comments from last week and tonight would be used to develop the finding and facts for Council's recommendation.

- **COMP 07-0005:** Gig Harbor Wastewater Comprehensive Plan Amendment to Sewer Basin C14.
- **COMP 08-0001:** 3700 Grandview Street Comprehensive Land Use Map Amendment. Mr. Dolan noted that the proposed Development Agreement submitted by the applicant has not yet been reviewed by the City Attorney. He said the proposed site plan and building elevations were e-mailed to Council last week and copies made for this meeting.
- **COMP 08-0002:** Parks, Recreation and Open Space Element Update.
- **COMP 08-0003:** 3720 Harborview Drive Land Use Map Amendment.
- **COMP 08-0004:** Area-Wide Land Use Map Amendment. The three amendments include:
 1. A land use designation change from Residential Medium (RM) to Residential Low (RL) of approximately 38 acres along the west side of Soundview Drive zoned R-1;
 2. A land use designation change from Residential Low (RL) to Residential Medium (RM) of approximately 16.5 acres between Soundview Drive and Harborview Drive near the old ferry landing zoned R-2;
 3. A land use designation change from Residential Low (RL) to Residential Medium (RM) of approximately 250 acres between Burnham Drive and State Route 16 in the Urban Growth Area with pre-annexation zoning of R-2.
- **COMP 08-0005:** Gig Harbor Wastewater Comprehensive Plan Amendments to Sewer Basins C1, C5 and C8.
- **COMP 08-0006:** Utilities Element Update.
- **COMP 08-0007:** Capital Facilities Plan Update.
- **COMP 08-0008:** Transportation Element Update.

Richard Kemp – 7155 Grandview Place. Mr. Kemp spoke on COMP 08-0004(1). He explained that his property is closest to the bank at the top of the waterfront and one of the six properties singled out for the downzone; he voiced opposition to the downzone. Mr. Kemp described the structures on the surrounding properties and said a downzone wouldn't be consistent with these already developed properties. He also said that there won't be any significant traffic change as a result of leaving the zoning as is.

Kirk St. Johns – 7201 Soundview Drive. Mr. St. Johns, on behalf of his parents, also said that they don't want these properties downzoned. In their case, they would like to spruce up the existing duplex to a two-story duplex some day and asked that the zoning be left as is.

Tom Dolan responded to questions on the roadway ownership. He said that it is a private roadway owned by the adjacent properties. Carol Morris mentioned the city has an existing resolution addressing the requirements that must be met to consider taking over ownership of roads and stormwater facilities.

Carl Halsan – PO Box 1447, Gig Harbor. Mr. Halsan, agent for the applicant for COMP 08-0001. Mr. Halsan offered to answer questions about the proposed conceptual drawings, site plan and development agreement sent out on Friday. He explained that the development defines the project in Section 1 and clarifies that they do not have plans to do anything with the lower property. He said that the agreement defines building square footages, the number of trees that will be preserved on site, the dense vegetative screen and other details discussed two weeks ago. Mr. Halsan said that the Planning Commission made a comment about designing the entire 4.5 acre project together for unity and taking the entire project to the Design Review Board; that language has been included in the agreement. He then addressed questions on buffers, ingress/egress to the project and building height and scale.

Council asked if a simple drawing of what could currently be allowed to do on the site under the current code could be provided. Mr. Halsan agreed to provide this.

The Mayor and Council voiced concern over the scale of this project and how it would change the entrance to the city, traffic congestion, and buffering from neighboring properties.

Marty Paul, applicant and Carl Halsan addressed several questions and concerns. They stressed that the drawing is a preliminary concept; not the final project and this Comp Plan Amendment is just the first step in the process to develop the property. In addition to the outline drawing of what could currently be constructed under city code, they offered to flag the 40% of significant trees in the field that are going to remain.

Bill Fogerty – 3614 Butler Drive. Mr. Fogerty offered these comments:

1. The project needs more accesses onto Grandview and Stinson.
2. Control the height of the building; he doesn't want to see another 50-60' high BDR Building like downtown.
3. He likes the 40' buffer but wants to know how many trees will remain to be the entrance to the city that everyone loves.
4. These big buildings change the residential character of the neighborhood; keep Grandview residential.

4. Canterwood Annexation. Tom Dolan explained that Council asked for additional time to review the report on this annexation presented at the public meeting on October

13th. In addition, new correspondence has been submitted by Canterwood, and attached to the agenda bill.

Councilmembers asked for clarification on need for improvements to things such as the fire flow, hydrant placement and the sewer step-system, and whether these would be or even should be conditions of annexation as cited in the letter from Canterwood.

Tom Dolan explained that these concerns were identified in the consultant's report as something Council could consider in the annexation process. Dick Bower, Building / Fire Safety, discussed fire flow and hydrant placement and the desire to bring them into compliance. He said that improvements have been made but a current fire flow report has not been submitted.

Russell Tanner – President of Canterwood Development Company. Mr. Tanner clarified that their water system is highly regulated and meets all state requirements and if new fire hydrants have to be installed the cost will be incorporated into the water tariff rate. He said that major concerns are that upgrades to the sewer system and addition of fire hydrants would be a expensive hit. He agreed with what Councilmember Young said about several areas in the city that don't meet these fire flow requirements or spacing. He said that they are well aware that if they become part of the city they would need to meet the permitting requirements for fire flow. He said they have no problem in the newer areas, but going back to the older existing areas, they may have a difficult time in upgrading. He offered to answer questions and commented that they would like to move forward to find out what would be required in light of the consultant's report.

Councilmember Young request information on what it would cost to do this annexation using the election method and a realistic projection of staffing required if this area. He said it would be helpful to determine the net revenue gain to the city. He voiced support of moving forward with the process along with a preference to not require that the existing systems to be brought into compliance before annexation.

Councilmember Ekberg agreed to the need for more information, but said he would be inclined to say no as there are already two large annexations being processed at this point. He said it is important to know how much staff time will be required to move forward with the request. He cited the concerns outlined in the consultant's report as well as the irregular boundary that would be created.

Councilmember Franich agreed that this may not be the proper time for this large undertaking that would require a large amount of staff time. He said fire protection is an important issue.

Councilmember Malich agreed with Councilmember Young on finding out what would be involved if this area is to be annexed. He suggested that action be tabled to after the budget is settled to find out if there will be sufficient staff to process the proposed annexation.

Councilmember Kadzik said that the consultant's projections didn't seem to fit reality and so he would like more information.

MOTION: Move to table this proposed annexation until after the first of the year to allow the requested information to be compiled on the cost of the election method; how much staff time it will take to process the annexation; and a realistic projection for additional staffing if the annexation goes through.
Malich / Payne – unanimously approved.

5. Wastewater Facilities Easement and Maintenance Agreements – Kvinsland.
David Stubchaer explained that this was pulled from the last meeting for clarification. He explained that the ERUs were reserved in 2007 when there was available capacity. He then explained that the agreements were signed and recorded by a clerical mistake and requested a motion to ratify the agreements.

MOTION: Move to ratify the execution of two Wastewater Facilities Easement and Maintenance Agreements.
Kadzik / Payne – six voted in favor. Councilmember Ekberg recused himself from the vote.

NEW BUSINESS:

1. Public Hearing and First Reading of Ordinance – RLD Minimum Density Requirement. Peter Katich, Senior Planner presented the background information on this ordinance to amend the allowed density in the Planned Community Development Low Density Residential (RLD) District from a maximum of four dwelling units to the gross acre to a minimum and maximum of four dwelling units to the gross acre.

Mayor Hunter opened the public hearing at 7:45 p.m.

John Chadwell – Olympic Property Group. Mr. Chadwell said that he is incredulous to the big emergency to change the code to a minimum when they own all the PCDRLD land in the city and have no intentions of doing less than the GMA minimum. He said that they are looking at the minimum due to traffic concerns and during pre-application process a concern was voiced with phasing in the project where one phase may not meet the minimum requirement of four per acre. Other than a few unintended consequences of adding the minimum, they have to objection to the ordinance. He cited an example in which this might occur.

Tom Dolan responded that through a development agreement, you could approve a portion of a development at a lower density with the understanding that the entire development meets the requirements. One concern is that you might be binding future property owners that aren't part of the agreement.

Carol Morris discussed preliminary plats and the ability to do projects in phases through a development agreement. She said that each phase should meet all code

requirements in case the developer goes bankrupt before completion and leaves the remainder of the development out of compliance.

Because of concerns that this wasn't the intent of this zoning designation, Tom Dolan suggested that Mr. Chadwell meet with staff to work out a resolution before the next meeting.

Paul Garrison – 1021 Wauna. Mr. Garrison commented that in reference to R-1, the city doesn't have a definition for gross acre. He said that he doesn't think there is a minimum density in R-1; only a maximum.

Tom Dolan responded that in R-1 zoning there is a minimum and maximum of four dwelling units per acre for the net acre. You wouldn't count unbuildable areas such as wetlands and streets in computing the density. Mr. Garrison said people should be aware of that regulation at the time they build a house. Tom clarified that you could build just one house on an acre but you then wouldn't be able to subdivide.

Rob Karlinsey asked to amend the agenda by moving 7 & 8 up to allow staff to report.

7. Resolution - Sole Source Equipment: Courtsmart System. Paul Nelson presented the background information on the installation of a sound / video system in the Council Chambers to interface with Pierce County in an effort to reduce/eliminate the need to transport prisoners from the jail. He explained that this item was approved in the 2008 Budget, but he mistakenly failed to present the sole source resolution to council for approval before installation. Carol Morris submitted comments on the resolution late in the process.

Councilmembers asked that Mr. Nelson prepare a cost savings associated with the reduction in prisoner transport, and then bring the amended resolution back at the next meeting along with the contract.

MOTION: Move to bring the amended resolution back at the next meeting along with the contract.
Ekberg / Young – unanimously approved.

8. Resolution No. 771 – Emergency Management Mitigation Plan. Dick Bower presented background on the development of this plan required by the federal government as a result of numerous natural and manmade disasters to mitigate the impact of future disasters.

MOTION: Move to adopt Resolution No. 771 adopting the All-Hazard Mitigation Plan as a component of the City's emergency management program.
Ekberg / Young – unanimously approved.

Back to the previous agenda.

2. Public Hearing on Revenue Sources. David Rodenbach gave an overview of this annual required public hearing on General Fund revenue sources and answered questions.

Mayor Hunter opened the public hearing at 8:23 p.m. There were no comments and the public hearing closed. No action is necessary.

3. Dept. of Archeology and Preservation Grant Agreement – Haer Netshed Report. Rob Karlinsey presented the background for this agreement to accept a grant from the National Parks Service to conduct an historic netsheds' inventory. Work should be completed by March of 2009 and no matching funds are required.

MOTION: Move to authorize the Mayor to approve the DHAP-CLG Grant Agreement to fund a *Haer Documentation of Historic Netsheds*. Malich / Conan – unanimously approved.

4. Dept. of Natural Resources Grant Agreement – Eddon Boat Remediation. Rob then presented the information on this agreement to accept grant money from DRN to help fund a portion of the placement of habitat gravel mix for the shoreline restoration. This is a 50-50 match grant, which is being met through current project costs and appropriations.

MOTION: Move to authorize the Mayor to approve the Eddon Boatyard Sediment Remediation Agreement No. IAA 09-102. Kadzik/ Payne – unanimously approved.

5. Dept. of Natural Resources Amendment to Grant Agreement – Eddon Boat Remediation. Rob presented this second DRN grant agreement for the removal of creosote-treated wood at the park. This amendment provides additional grant monies in the amount of \$82,000 to the original grant.

MOTION: Move to authorize the Mayor to approve the Eddon Boatyard Sediment Remediation Amendment to the Agreement No. 08-151. Malich / Conan – unanimously approved.

6. Well No. 10 Water Right Application Cost Reimbursement Agreement – Department of Ecology. David Stubchaer presented the background information on this agreement for the processing of water rights for Well No. 10.

Rob Karlinsey clarifies that the Dept. of Ecology no longer processes applications with their own staff. They require you to hire a consulting firm to come in and process the permit.

MOTION: Move to authorize the Mayor to execute the Cost Reimbursement Agreement with the Washington State Department of Ecology. Payne / Kadzik – unanimously approved.

STAFF REPORT: Rob Karlinsey reported that 14 applications had been received for City Attorney services. He asked Council to review the proposals in the Council office and rate them by the end of the week. This will identify the top scoring proposals for an interview list.

PUBLIC COMMENT: None.

MAYOR'S REPORT / COUNCIL COMMENTS:

Mayor presents 2009 Proposed Budget. Copies of the preliminary budget were handed out to the Council in preparation for the upcoming budget worksessions. Rob Karlinsey recognized Finance Staff for their hard work on the document.

ANNOUNCEMENT OF OTHER MEETINGS:

1. GH North Traffic Options Committee – Wed. Nov. 5th at 9:00 a.m. in Community Rooms A/B.
2. BB-16 Citizens Panel – Wed., Nov. 5th at 11:00 a.m. in Community Rooms A/B.
3. Budget Worksession: Court, Admin, Finance, Planning, Building/Fire Safety, Police, Tourism – Monday, November 3rd at 6:00 p.m.
4. Budget Worksession: Public Works – Tuesday, November 4th at 6:00 p.m.
5. Intergovernmental Affairs: Monday Nov. 10th CANCELLED.
6. Reception for Bob Mortimer – Mon. Nov. 10th at 5:00 p.m.
7. BB-16 Open House & Public Input – Mon. Nov. 10th at 5:00 p.m.; Presentation to Council at 6:00 p.m.
8. BB-16 Final Recommendation – City Council Meeting, Mon. Nov. 24th at 6:00 p.m.

Councilmembers agreed to start the Budget Worksession on Tues. November 4th at 5:00 p.m.

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

MOTION: Move to adjourn to Executive Session at 8:45 p.m. for one hour and twenty minutes to discuss potential and pending litigation per RCW 42.30.110(1)(i).
Payne / Malich – unanimously approved.

MOTION: Move to go back into regular session at 10:10 p.m.
Kadzik / Conan – unanimously approved.

MOTION: Move to go back into Executive Session for another five minutes.
Conan / Kadzik – unanimously approved.


MOTION: Move to go back into regular session at 10:25 p.m.

Conan / Payne – unanimously approved.

ADJOURN:

MOTION: Move to adjourn at 10:25 p.m.
Conan / Ekberg – unanimously approved.

CD recorder utilized:
Tracks 1001 – 1042.



Charles Hunter, Mayor



Molly Towslee, City Clerk