

MINUTES OF GIG HARBOR CITY COUNCIL MEETING – November 12, 2013

PRESENT: Councilmembers Ekberg, Young, Guernsey, Perrow, Malich, Payne, and Mayor Hunter. Councilmember Kadzik was absent.

CALL TO ORDER: 5:30 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes Oct 28, 2013.
2. Correspondence / Proclamations: a) Pancreatic Cancer Awareness Month; b) Chapel Hill Presbyterian Church Day.
3. Resolution No. 943 – Declaring City-owned Property to be Converted to Street Right-of-Way.
4. Dedication of Right-of-Way Agreement of a portion of Tract B of the Business Park at Harbor Hill.
5. 2013 Pavement Maintenance & Repair Project – Deductive Change Order.
6. Approval of Payment of Bills Nov. 12, 2013: Checks #73880 through #73990 in the amount of \$1,481,121.24.

MOTION: Move to adopt the Consent Agenda as presented.
Ekberg / Malich – unanimously approved.

PRESENTATIONS:

1. Outstanding Wastewater Treatment Plant Award. Mayor Hunter shared that there hasn't been a spill in the eight years he has been Mayor, and the crew has worked through several disadvantages. He invited Wastewater Treatment Plant Supervisor, Darrell Winans, and his crew to come forward and accept the award for superior performance in 2012.

Mr. Winans recognized Nancy Nayer and Matt Quinlisk for being present to accept the award on behalf of the other crewmembers that couldn't be present. He praised his entire team for their hard work, and then thanked the Mayor and Council, Public Works Director Jeff Langhelm, Engineering Staff, and other departments for all their support in the team effort.

2. Pancreatic Cancer Awareness Month Proclamation – Todd Obermire. Mayor Hunter presented Mr. Obermire with the proclamation. Mr. Obermire explained that he is a Representative for Pancreatic Cancer Awareness in Puget Sound and Project Manager for Rush Construction. He shared the statistics for pancreatic cancer, and invited everyone to wear purple ribbons during November to raise awareness.

3. Chapel Hill Presbyterian Church Day Proclamation – Pastor Mark Toone. Mayor Hunter presented Pastor Toone with this proclamation recognizing the 50 year

celebration of founding of Chapel Hill Church in the harbor. Pastor Toone said that they are grateful for the leadership in this community that they are privileged to be a part of and they hope to continue to work together in the service to Gig Harbor.

OLD BUSINESS:

1. Third Reading of Ordinance 1273 – Updates to Public Works Standards. Public Works Director Jeff Langhelm gave an overview of the amended language for decision making authority on utility locations as a result of direction at the last meeting. He then addressed Councilmember Payne’s concerns on who would determine the threshold for a “substantial operational impact.” Mr. Langhelm explained that the determination is with the Engineering Department, and Peninsula Light would have the opportunity to appeal the decision.

MOTION: Move to adopt Ordinance No. 1273 – Updates to Public Works Standards.
Malich / Guernsey – unanimously approved.

NEW BUSINESS:

1. First Public Hearing / First Reading of Ordinance – 2014 Proposed Budget. Finance Director David Rodenbach gave an overview of the changes that had been made since the draft budget was presented to Council.

Councilmember Malich asked about adjusting the Hospital Benefit Zone budget, and said he wanted it on the record that he disapproves of the inclusion of the design and property acquisition for the Bujacich Drive Lift Station.

Councilmember Payne asked for clarification on the breakdown for the Harbor Hill Park Development, saying he would like to revisit this after the public hearing.

Mayor Hunter opened the public hearing at 5:53 p.m.

Charlotte Gerlof – 7712 73rd St. Ct. NW. Ms. Gerlof asked that Council add an allotment for more public notification of meetings so that the public can attend and participate. She said the city should send out a newsletter that lists meeting times and agendas. She also recommended adding money in the budget for more microphones in the council chambers.

No one else came forward to speak and the public hearing closed at 5:56 p.m.

Councilmember Young voiced appreciation for finding money for the sidewalks along Point Fosdick. He then asked for a line item to fund the trolley in 2014. After discussion, councilmembers agreed to add \$25,000 as a placeholder, with the understanding that the city would collect from other entities as they did this year.

Councilmember Payne asked if OPG funds are available, he would support Harbor Hill Park design in 2014. Councilmember Young recommended engaging the Gig Harbor Soccer Club in the field design. Councilmember Ekberg agreed to ask staff to research if there are funds left from OPG and add the design work back in 2014.

Councilmember Perrow asked if there was a mechanism to recoup design costs for Lift Station No. 17 on Bujacich, saying he thinks a latecomers agreement would be more appropriate than an LID, and recommended postponing it a year or making it contingent upon having a mechanism in place.

Jeff Langhelm clarified that this budget is only for the design phase and property acquisition for the lift station. He deferred to legal counsel to address the timing of a latecomers agreement.

City Attorney Angela Summerfield said that the city could enter into a latecomers agreement before construction of the lift station is completed, but it would be premature to do so for design cost alone. She talked about the advantage to postponing the latecomers to allow the term to last as long as possible.

Councilmember Payne acknowledged the request for more effective noticing to the public and that the website may not be the entire answer. He asked staff the frequency and cost for the city newsletter. It was determined that the city-wide newsletter was distributed quarterly and was eventually taken over by the newspaper due to staff time and printing/ mailing costs. The cost to send out the yearly utility notification is approximately \$3,000 but that covers only a portion of all citizens.

Councilmember Young suggested looking into an area on the city website organized by subject that people could add their name to a database for notification, either by e-mail or mail.

Councilmember Perrow asked how long the city has used the Gateway to place public notifications. City Clerk Towslee responded that the Gateway has always been the official city newspaper for hearings, classifieds, and special announcements. In more recent history the Gateway has also posted meeting dates and times to go along with the postings at the city library and the city website. Gig Harbor Life and Patch no longer post these meetings, she said.

This will return for a second public hearing and reading of the ordinance at the November 25th meeting.

2. Public Hearing and First Reading of Ordinance – 2013 Comprehensive Plan Amendment - Capital Facilities Element. Senior Planner Lindsay Sehmel introduced this ordinance to update the Six-Year Transportation Improvement Program project list in concurrency with the annual budget. Planning Director Jennifer Kester responded to council questions regarding outdated information in the tables by explaining that this

ordinance only looks at the expenditures side of the Comprehensive Plan and that the other corrections will occur with the comp plan updates planned for 2015.

Mayor Hunter opened the public hearing at 6:18 p.m. No one came forward to speak and the public hearing closed. This will return at the next meeting for a second reading.

3. Public Hearing and First Reading of Ordinance - Shoreline Master Program Update, Comprehensive Plan & Gig Harbor Municipal Code Titles 17 & 19. Senior Planning Peter Katich described the 5-1/2 year process to develop these updates and presented an overview of the proposed changes:

- New Shoreline Environmental Designations-(see Chapter 5, Section 5.2)
- New marine setbacks from the OHWM for commercial and residential structures and off-street parking areas (see Chapter 6, Subsection 6.2.3.2, Table 6-1)
- New required vegetation conservation areas adjacent to marine shorelines (see Chapter 6, Section 6.2.4)
- New restrictions on the use of “hard” armoring for shoreline stabilization proposals (see Chapter 7, Section 7.9)
- New regulations that allow the adaptive re-use of over water commercial fishing net sheds (see Chapter 7, Section 7.16)
- “Stand Alone” Shoreline Critical Area Regulations (see Chapter 6, Section 6.2.5)
- New nonconforming use and structure regulations (see Chapter 8, Section 8.11)

Mr. Katich noted that none of these requirements will occur retroactively, but are triggered by new or re-development of shoreline property. He explained that a comment was submitted by Guy Hoppen who took issue with the description of the local fishing fleet as “small.” He said it would be easy to strike this language to make the reference neutral if Council wants to consider the change.

Mr. Katich then explained the eight minor revisions required by the Department of Ecology; the additional revisions recommended by Ecology; the ten staff recommended revisions in response to public comments submitted to Ecology during its public comment period; and other staff proposed revisions and amendments to address aquaculture activities and to ensure consistency between the city’s comprehensive plan, development regulations, and the Shoreline Master Program. Amendments are also proposed to the Gig Harbor Municipal Code Titles 17 and 19 to ensure consistency between the master program and the Municipal Code with the most notable of the amendments proposed to address off-street parking for marinas in the WM District and gross floor area calculations for structures in the WR, WM and WC Districts.

Planning Director Jennifer Kester addressed Councilmember Young’s question regarding the inclusion of basements in the gross floor area calculation by saying it relates to underground floor area and wouldn’t affect building height; it would only allow someone to use that space.

Councilmember Malich asked who would interpret pedestrian access to beaches. Mr. Katich responded that there is a formal interpretation process that would include review by the Planning Director as the designated Shoreline Administrator, the Planning Staff, and the Department of Ecology. In some areas beach access is encouraged, he continued to explain, and in others it is not. He then said that a recessed stairway to the beach would be required as opposed to one that projects beyond the bulkhead.

Councilmember Malich then asked about provisions for transient moorage. Mr. Katich said that all types of moorage is permitted as a water dependent activity, and strongly promoted in both the Master Program and the Shoreline Management Act. In addition, mooring buoys and fuel docks have also been provided for in this plan; the biggest issue is being able to mitigate the impacts. He continued to explain that the jurisdiction for this plan extends 200 feet landward of the ordinary high water mark and there are tiers of activity: water dependent, over-water, or water enjoyment. The next tier are non-water oriented types of uses. He said that one of the strongest achievements of this plan, thanks to the Planning Commission, is the retention of the existing use theme for downtown. That was no small feat, he stressed.

Councilmember Malich asked for clarification on the water quality assessment, particularly lead levels in Donkey Creek. Mr. Katich explained that these facts were used to determine the appropriateness of aquaculture in the bay.

Councilmember Payne referenced the action taken by Council at the last meeting related to remove residential setbacks from the ordinance, and asked if there is anything in place to provide relief to waterfront residents that will have a larger setback from the ordinary high water mark. Mr. Katich responded that the property owner would either need to apply for a shoreline variance with the final decision residing with the Department of Ecology, or they could apply for a variance from the front yard setbacks. He added that it's well known that Gig Harbor has a very strict view on granting variances, but with the new conditions, perhaps the city will look at these variances in a different light.

Mayor Hunter opened the public hearing at 6:51 p.m.

Carl Halsan – (no address given). Mr. Halsan said that throughout this lengthy process, both he and Dennis Reynolds provided numerous comments on behalf of Stan and Judy Stearns, and Gig Harbor Marina, Incorporated. He said that based on what they have seen in the current version they are very encouraged, and he thanked Council and staff for all their hard work. He said that they would like to offer their support.

Charlotte Gerlof. Ms. Gerlof asked who is responsible for monitoring docking areas for transient and local boats that are refueling. She voiced her concern for spills.

Councilmember Guernsey said that there are no fuel facilities in the harbor, and this plan only allows for one in the future. Councilmembers Perrow and Payne stressed that the Department of Ecology has very strict regulations for fuel facilities and the insurance requirements are significant.

No one else came forward to speak and the public hearing closed at 6:54 p.m.

Councilmember Payne explained his concern that council didn't adopt a provision regarding setbacks for residential homes on the waterfront at the last meeting. He said he recognizes the issues voiced by Councilmember Kadzik with regard to the Finholm District and Harborview near the ferry landing, but he would have trouble moving forward with the updated Shoreline Master Program if there isn't some relief for Millville. He asked Councilmembers if they would agree to bring back Amendment D from the last meeting for the Millville zone only. He also encouraged the Planning Department and Planning Commission to move forward as quickly as possible on any relief that might be available for residential property owners outside the Millville area.

Councilmember Guernsey echoed these comments and stressed that it should be "Waterfront Millville," not just "Millville." She said that the variance process is not going to get any easier and if there is any relief that the city can grant, we should look at it. She agreed with the direction to staff to bring something back.

Councilmember Perrow also agreed. Councilmember Ekberg explained that he suggested this resolution at the last meeting for the same reason, and said he would also like to follow through on it.

Councilmember Malich objected to the amendment, adding that there are ways to solve the problem without changing the entire waterfront, adding that if an individual has a problem it can be addressed through the variance process. Why should we change the rules for the entire waterfront to accommodate one person who wants to build a house and can't do exactly what he wants, he asked. We should try to address this one case through the variance process.

Councilmember Payne clarified that he isn't suggesting the entire waterfront, and that there was a compelling presentation offered by Councilmember Kadzik for excluding those areas outside Millville. The issue is that some of the newer homes do not model what is already in the historic district, and for that reason this amendment should come back. However, he said he agrees that there needs to be deeper consideration for the other areas by the Planning Commission.

Planning Director Jennifer Kester asked if there was any direction on the comment received on the size of the commercial fishing fleet. She then said that she needs to address the process for a new ordinance and how it relates to the Shoreline Master Program update.

Councilmember Payne asked for clarification on the impact of a new ordinance on the SMP update. Ms. Kester explained that the Shoreline Master Program update ordinance could go to three readings, and if it isn't adopted by the third reading on December 9th, it has to come back for another public hearing and first reading. If an ordinance for Waterfront Millville residences is presented for first reading on November 25th, the noticing time frame is reduced to only five days. It can be done, she said, but it isn't the typical amount of time for noticing. The other option, she explained, is to go ahead and adopt the Shoreline Master Program knowing that we are moving forward with the new ordinance.

Councilmember Ekberg said he would prefer to have the Shoreline Master Program move forward as scheduled and run the other process separately. Councilmember Payne agreed, and told Ms. Kester that there is no need to rush into it, adding that he just wanted to ensure that there is something moving forward for Waterfront Millville. Ms. Kester said that the Planning Commission Work Program could be scheduled for Council review on December 9th along with a first reading of the proposed ordinance.

Councilmember Malich asked if this is part of the shoreline comment period. Councilmember Payne responded that it ties in directly.

Councilmember Perrow commented that you get "pinched" on both sides by Government, who just keeps taking and doesn't leave you the space to do what you bought the property for. Councilmember Malich responded that Waterfront Millville has extremely long lots, 300 feet long he said, and he doesn't know what the worry is about; you could build two houses on these lots. Councilmember Perrow responded that it wouldn't be historic.

Councilmember Payne continued to address the comment by Guy Hoppen. He said he is convinced that the commercial fishing industry is growing and so removing any language that indicates the fleet is small would be appropriate. Other Councilmembers agreed.

Councilmember Malich asked to clarify the sale of processed or semi-processed commercial fish products and whether you could sell fish off your boat, have a fish market, or a cannery. Mr. Katich explained that these uses are regulated by the city's zoning code and any health code issues would be regulated by the county. He further explained that raising herring would be considered aquaculture; but herring pens are

different. Councilmember Young clarified that the SMP doesn't restrict the use; it only says that the zoning code controls.

Planning Director Kester clarified the process: the Shoreline Master Program will return for a second reading on the 25th with the change in response to the comments by Guy Hoppen; and the Planning Staff will move on a new ordinance for Waterfront Millville only for changes to front yard setback and point of measurement for height consistent with Amendment 'D' from the last ordinance.

Councilmember Young asked if it would make sense to remove the reference to height because the issue is the setback "squeeze." Ms. Kester responded that her estimate that the height change in that area would be 0 – 2 feet.

Councilmember Ekberg said there has been a recommendation from the Planning Commission and that is what should come back. If council wishes to narrow the ordinance further, it should be done after public hearing rather than trying to recraft the ordinance here. Councilmember Payne agreed. Councilmember Young added that he is interested in the impacts of addressing the "house in a hole."

Councilmember Payne reiterated that this doesn't need to come back immediately; the first meeting in January is fine if there are timing concerns, and this doesn't need to be rushed. Ms. Kester said that December 9th would meet the noticing requirements, but she would work with the City Administrator if the first meeting in January is more appropriate.

STAFF REPORT: None

PUBLIC COMMENT:

Charlotte Gerlof (no address given). Ms. Gerlof reiterated her comments about the meeting notification, saying she is pleased that the City Council is taking the issue seriously. She suggested that we don't just look at the internet, because everyone isn't on the internet. She recommended a mailing that contains the agendas and is sent to all Gig Harbor zip codes if possible.

Councilmember Young responded that it would be extremely cost prohibitive; the Peninsula is 50,000 people compared to the city's 7,000 residents. In addition the city is prohibited from spending taxpayer dollars outside our area.

Councilmember Perrow asked for her suggestions on how to be creative, because with the decline of newspapers, people who don't subscribe won't get the information. State law prescribes that we have to have an official newspaper, he said, and so that will continue, but said that people have to reach out themselves. He explained that during

the past six years he has served either on the Parks Commission or Council, staff has discussed how to reach the most people. He asked if Ms. Gerlof receives a city water or city utility bill. She responded that she does. He continued to say there is a memo box where the city posts messages. She then said that she doesn't look at it because she is looking at her city water bill, or looking her electric bill; she isn't interested in the little inserts. Councilmember Perrow then said he doesn't know how else to help her.

Ms. Gerlof asked for additional time to speak. She told Councilmember Perrow that there is nothing to get all upset about, adding that she respects his opinion, but doesn't think it's encompassing or everyone's opinion on the council. She said she is looking for a solution to reach as many citizens as possible and wants the city to facilitate that in the best manner. She stressed that it will take money, and then addressed Councilmember Young by saying that the trolley car is a total loss in revenue every time it runs, but it serves a purpose. This serves a purpose too, she concluded.

MAYOR'S REPORT / COUNCIL COMMENTS:

Mayor Hunter congratulated Peter Katich on getting the Shoreline Management Plan completed.

Councilmember Young reported that the Puget Sound Regional Council had a big win when the county restored the old rules for establishing the UGA boundaries and several cities realize their UGAs are too big. His second report was on a transportation package with a focus here on Harbor Hill Drive Extension and possible toll relief. He said that because of the HBZ funding the legislators will be less likely to concede to our request for Harbor Hill, but there may be a chance for the toll relief, but only if we advocate for that. He said that there are two ways to approach the issue: One, to redirect sales tax from public works construction projects back to the transportation fund; to get the sales tax from the Narrows Bridge project redirected back to pay down our tolls rather than paying off other projects. The second is to direct appropriation from the transportation account. Every other big project is receiving a direct subsidy from this account; no one else is paying 100% of their project with tolls. He said that the current bill directs even more money to King County projects so that they don't have to increase tolls, and the recommendation on the tunnel is \$1 toll because of the diversion issues. They predict 50-60,000 more cars will divert to I-5 to avoid the toll creating another transportation nightmare. He said that PCRC has been asked for a regional toll analysis to determine equity and different ways to toll. Tolling isn't the best way to do it, but rather to form some sort of LID, he said. The legislature is poised to send that money to King County unless someone else is going to ask; so he thinks we need to ask for Narrows Bridge toll relief or tell them we don't support the bill. Senator Schlicher will be in office until November 26th, he stressed, so we still have three votes but only have a narrow window

in which to do anything. He said he would like the city to give the State Lobbyist direction on our strategy.

Councilmember Payne responded that the Intergovernmental Affairs Committee will consider this, adding that there is merit to this recommendation. Councilmember Perrow said that circumstances have changed since we moved away from the Harbor Hill and frontage road choices. Councilmember Young said we need to make it clear that the Frontage Road isn't a priority.

Councilmember Perrow reported on his ride-along with Officer Chet Dennis, saying he learned a lot about the department and the city in general. He voiced appreciation for their efforts to educate the public. He then shared his concern with the vaping shops in town, which he described as selling unregulated, fruit-flavored liquid nicotine that is vaporized and inhaled as an alternative to cigarettes. He said that he looked into it a and thinks we need to keep our eyes and ears open with the loosening of the marijuana laws, because the devices could also be used to deliver other drugs.

ANNOUNCEMENT OF OTHER MEETINGS:

1. Operations Committee: Thus. Nov 21st at 3:00 p.m.

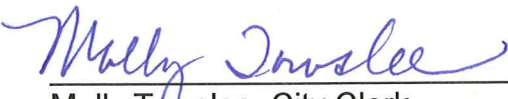
ADJOURN:

MOTION: Move to adjourn at 7:30 p.m.
Guernsey / Ekberg – unanimously approved.

CD recorder utilized: Tracks 1002 – 1024



Charles L. Hunter, Mayor



Molly Towslee, City Clerk