

GIG HARBOR CITY COUNCIL MEETING OF MAY 8, 2006

PRESENT: Councilmembers Young, Franich, Conan, Dick, Payne, Kadzik.
Councilmember Ekberg acted as Mayor Pro Tem in Mayor Hunter's absence.

CALL TO ORDER: 7:01 p.m.

PLEDGE OF ALLEGIANCE:

SPECIAL PRESENTATION: Mayor Pro Tem Ekberg said that the city would like to recognize Senator Bob Oke, Representative Patricia Lantz, and Representative Derek Kilmer for the outstanding job done this year in the legislative session relative to transportation funding assistance. As Senator Oke could not be present, Mayor Pro Tem Ekberg asked Representative Lantz and Kilmer to come forward so that he could present them with a recognition plaque.

Representative Lantz thanked the city for the recognition and explained that this was a case of a community that came together with a united front in order to attain a common goal. She added that this is the way that everything should be handled.

Representative Kilmer also thanked the city for the recognition. He thanked Council specifically for the great job of communicating issues that are important to the city. He identified Councilmember Young as the legislative lead that does a terrific job of keeping them in the loop. Representative Kilmer explained that this was a very good legislative session for Gig Harbor not only in terms of the hospital, but for small business issues.

CONSENT AGENDA:

These consent agenda items are considered routine and may be adopted with one motion as per Gig Harbor Ordinance No. 799.

1. Approval of the Minutes of City Council Meeting of April 24, 2006.
2. Correspondence / Proclamations: Building Safety Week.
3. Rosedale Street Pedestrian Improvement Project – Bid Award.
4. Stinson Avenue Curb, Gutter & Sidewalk Project – Phase 3 – Contract Authorization.
5. Renewal of Contract for Testing Services – Gig Harbor Police Department.
6. Renewal of Prosecuting Attorney Agreement.
7. Payment of Bills for May 8, 2006.
Checks # 50227 through #50352 in the amount of \$ 276,843.47.
8. Payment of payroll for the month of April:
Checks #4222 through #4253 and direct deposit entries in the amount of \$266,657.88.

MOTION: Move to approve the Consent Agenda as presented.
Franich / Young – unanimously approved.

OLD BUSINESS:

1. Second Reading of an Ordinance – Amendment to the GHMC Title 15 Adopting a New Section 15.07 Establishing a Base Plan Program. Dick Bower presented this ordinance that establishes a reduced plan review fee for a contractor that uses one plan set for multiple projects for residential one or two-family structures.

Councilmember Payne asked if the \$1200 reduction per permit is a reduction per base permit or per each permit related to the base permit. Mr. Bower responded that this is per each permit related to a base plan. He described how he reached the \$1200 average.

Councilmember Franich asked about the statement that plan review fees would have to be doubled in order to recover staff time. Mr. Bower explained that when the fees were raised last, they explored cost-recovery by determining how much time was spent to process and inspect a project. What they found is that it would roughly double the fees in order to reach cost-recovery. At that point it was not felt to be an appropriate increase.

MOTION: Move to adopt Ordinance No. 1041 as presented.
Young / Kadzik –

Councilmember Franich said that many government services aren't performed on an equitable basis. This mechanism to try and make it fair for a developer may come at a great cost to the general fund. He said that he will not support this ordinance.

RESTATED MOTION: Move to adopt Ordinance No. 1041 as presented.
Young / Kadzik – five voted in favor. Councilmember Franich voted against the motion.

2. Second Reading of Ordinance – Clarifying SEPA Appeal Procedures. John Vodopich presented this ordinance that diverts SEPA appeals on legislative matters to Council rather than the Hearing Examiner. He said Council should have received a letter from Dale Pinney, Gig Harbor North Associates, LLC, in which he suggests that Council remain the final decision-maker, but appoint the Hearing Examiner to hold the hearing and to recommend the findings of fact on technical issues.

MOTION: Move to adopt Ordinance No. 1042 as presented.
Young / Franich – unanimously approved.

3. Second Reading of Ordinance – Clarifying the Procedure for Permit Processing. John Vodopich explained that this ordinance would clarify the permit processing procedures so that concurrency issues are addressed in the beginning phases of the land use development review process and addresses the issue of holding applications.

MOTION: Move to adopt Ordinance No. 1043 as presented.
Payne / Franich – unanimously approved.

4. Second Reading of Ordinance – Relating to Various Amendments to the City's Concurrency Management System. John Vodopich presented this companion to the previous ordinance. He explained that this ordinance would identify the process to review and evaluate a request for transportation and water concurrency and add a requirement for monitoring and issuing concurrency reservation certificates for sewer capacity.

MOTION: Move to adopt Ordinance No. 1044 as presented.
Payne / Kadzik – unanimously approved.

NEW BUSINESS:

1. Public Hearing and Resolution Executing a Utility Extension Capacity Agreement. Mayor Pro Tem Ekberg opened the public hearing and asked John Vodopich to present the background information. Mr. Vodopich explained that this resolution is for a development agreement related to an outside utility extension agreement submitted by Lorraine Natucci Green for five ERU's of sewer service for a five-lot subdivision located at 2812 64th Street.

Councilmember Conan asked when the discrepancy in acreage would be addressed. Mr. Vodopich responded that this would be addressed at the time of subdivision.

Paul Cyr – 4102 55th St. Ct. NW. Mr. Cyr represents Ms. Natucci Green. He asked Council's support of the petition for extension of sewer to this property. He added that they have submitted for a pre-application conference and it is the owner's intention to proceed with formal annexation into the city.

The public hearing closed.

MOTION: Move to adopt Resolution No. 670.
Young / Payne – unanimously approved.

2. Directional Signage Consultant Services Contract. Laureen Lund, Marketing Director, presented this contract to purchase sixteen directional signs as part of the way finding plan. She said that currently, the inventory of signs that the city has installed is 45, which includes signs placed on buildings. Of the sixteen proposed new signs, seven are replacements.

Councilmember Franich commented that Laureen did a nice job of locating the signs. He voiced concerns for the possibility of future sign pollution.

MOTION: Move to authorize the award and execution of the vendor contract for the purchase of new directional signage from Odyssey Sign & Design for the amount not to exceed sixteen thousand, seven hundred and sixty-seven dollars (\$16,767.00) for the year 2006.
Payne / Young – unanimously approved.

3. Resolution Amending the Building Permit Fee Schedule to Provide for Fees for Base Plans Submitted under GHMC Title 15.07. Dick Bower, Building Official / Fire Marshal, presented this resolution that implements the base plan fee program passed by ordinance earlier this evening.

Rick Gagliano – 8607 58th Avenue NW. Mr. Gagliano apologized for not commenting on the ordinance passed earlier and said he would speak specifically to the fees. He voiced his concern that productions builders will use the options clause in the base plan program. He said that said that these builders are not concerned with fees, but with time. He recommended a line in the fee schedule that if multiple options are included in the plans, that there will be multiple fees for plan review and inspection. He then addressed the “cookie-cutter” concern and cautioned Council for the public reaction for these types of construction.

Mayor Pro Tem Ekberg asked if Mr. Gagliano had a specific fee recommendation. Mr. Gagliano suggested adding language that if the options exceed a certain level, there will be an additional fee.

Councilmember Dick asked Mr. Bower about the concern regarding options. Mr. Bower responded that additional fees could be charged for options and a practical solution to cover any additional staff time. The program is crafted to allow the builder to apply for the base plan with a certain number of options, but there are criteria for these options. Once the options are approved with the base plan, they become part of the plan. Additional options coming in later would then move the project back into the normal permitting process. He added that the proposed fees should adequately compensate if the options are presented at with the building plan to establish the base plan. He said that building permit fees are calculated on the determined valuation of the project. 65% of that permit fee is added on as the plan review fee. This covers the cost of plan review, inspections and administration of the permit.

Councilmember Franich asked for clarification for subsequent review of approved base plans. Mr. Bower responded that if it is one of the approved options or the base plan itself, they pay the 40%. Minor changes to the base plan do not trigger additional reviews or fees. If they add square footage or make any other major structural change to the plan, they pay additional fees or it reverts back to the regular plan review process. He added that the fee resolution comes before Council periodically, and if it appears there are abuses, or if staff cannot cover the cost of the services, the fee schedule can be amended. He said that if Council would like to raise the fees in this draft resolution, it could be done before adoption.

Mark Hoppen, City Administrator, recommended that Council take a conservative approach until a history can be established.

Rick Gagliano added that a base plan is a great idea for smaller builders who will not abuse the system and will not have several options. He then said that fees will not be a disincentive to production builders and they will pay to begin construction earlier.

Dick Bower said that in order to raise the per permit base plan fees you would amend the resolution to read: "Subsequent plan review fee for use of established base plan. 70% of the plan review fee calculated under T 1-1 for new construction." This would give a builder a 30% break on the cost of additional plan reviews.

MOTION: Move to adopt Resolution No. 671, amending the base plan fees under the subsequent plan review fee from 40% to 70% of the plan review fee calculated.
Franich / Payne –

Councilmember Young voiced concern with raising the fees. He said that although it is based on an educated guess, it is an arbitrary number. He said that 40% to review a subsequent plan seems high and he is unsure why it should be changed without any basis.

Councilmember Franich responded that without the established history, it is prudent to start with a conservative figure. Councilmember Young responded that if the permit review fees are inadequate they need to be reviewed; but to try and make up the shortfall using those permits that require less work doesn't make sense.

RESTATED MOTION: Move to adopt Resolution No. 671, amending the base plan fees under the subsequent plan review fee from 40% to 70% of the plan review fee calculated.
Franich / Payne – five voted in favor. Councilmember Young voted against the motion.

4. Eddon Boat Conceptual and Final Park Design – Consultant Contract Authorization. John Vodopich presented this contract with Anchor Environmental to assist the city in developing a conceptual and final park design. He added that the project was not anticipated in the 2006 Budget, but there are adequate funds in the Park Development Fund.

Councilmember Franich asked about the proposals submitted for the project. Mayor Pro Tem Ekberg responded that there were three different concepts presented at the last Eddon Boatyard Park meeting. He said that the meeting was well-attended by the public and several good ideas came forward. Anchor Environmental facilitated the meeting and will now bring back a design that incorporates the ideas. He added that most of the discussion focused on the development of the bulkhead area of the park.

Councilmember Franich said that he would like to have seen some sort of a plan before voting on the contract.

MOTION: Move to authorize the consultant services contract with Anchor Environmental, LLC in an amount not to exceed twenty-three thousand seven hundred twelve dollars and zero cents (\$23,712.00).
Young / Dick – unanimously approved.

5. Letter of Intent for Use of Eddon Boatyard – Gig Harbor Boatworks. Mayor Pro Tem Ekberg presented the letter crafted by Mayor Hunter to show the city’s intent to enter into a long-term lease with a non-profit organization for the Eddon Boat Building. He said that the City Attorney proposed amendments to the letter. The first is to strike the first sentence of the second paragraph and insert “not less than 20 years” at the end of “formal lease agreement” in the next sentence of this paragraph. The last recommendation is to insert “which will not be effective except upon approval and execution of both parties” at the end of item three.

MOTION: Move to authorize the Mayor to sign the letter of intent to the Gig Harbor Boatshop as amended.
Young / Conan – unanimously approved.

6. Legal Services Agreement – City Attorney. Mark Hoppen explained that this is the first time since 1999 for a proposed increase in the rate of compensation for the City Attorney.

MOTION: Move to authorize the Mayor to sign the attached legal services agreement.
Young / Kadzik –

Councilmember Franich said that he has been pleased with his interaction with the City Attorney over the past few months. He continued to say that the salary data shows other cities our size pay less, but the \$170 seems to be a fair amount due to the land use advise we receive. He then said that the proposed fees for a Law Clerk / Para-legal has been increased to \$100 per hour and suggested that some of the lesser duties could be done by someone other than Carol. He asked if any discussion to hire a second attorney had taken place. Mark Hoppen clarified that clerks and Para-legals perform clerical, not legal work and that the more appropriate term is Associate. At this time Ms. Morris doesn’t have an Associate, but this could change in the future. Councilmember Franich said that Ms. Morris has been doing a good job for the city, but the new rate is high for some of these issues.

Councilmember Payne asked for clarification on Section 2, Paragraph 7 regarding the attorney being available on an as-needed basis to discuss legal matters with the citizens. Ms. Morris responded that she gets calls from citizens trying to find out where an agreement is with regarding to staff review. It isn’t to provide legal advice to the citizen, but to let them know the process and give guidance on how to follow the code.

Councilmember Dick discussed a Request for Proposals for professional services. He said that cities and counties are not required to go through a RFP for professional services, but some do in order to find out what is available. He asked if this is something that should be considered at this point, or if the agreement should be tabled until it could be decided whether to move in this direction.

Councilmember Payne explained that his intent in mentioning an RFP was to increase the rate for the city attorney, as he felt the salary was off-pace with the marketplace. He said that he has no problem with an RFP process, but he is not inclined at this point to go through this process. The city is at a point that it requires steady legal advice. He said that he agrees with a periodic review process, but reiterated that his intent was to bring the rate up to an appropriate level. He added that he was please to hear Councilmember Franich say that his relationship with the attorney has improved, as she is doing a good job for the city.

Councilmember Franich said he agreed that Carol is doing a good job, but that \$170 an hour is too much. He said that his not voting for the contract in no way reflects on the job she is doing. He said he would like to have gone forward to find someone else who could handle the more mundane tasks as a lesser rate.

Councilmember Young responded that earlier this year, Ms. Morris mentioned the possibility of someone else taking over personnel work, which would be nice. This was out of the question at the old rates. He then pointed out that the salary data being compared is for cities of the same size as Gig Harbor, but without the same requirement for expertise, especially in the area of land use policy. He said that he didn't think much would come from an RFP process and suggested a review process to facilitate communication and address issues of concern.

Councilmember Dick said that there may be a technical concern in the agreement. The provision that continues the agreement until either party gives notice of termination would constitute a gift of public funds if the rate is changed without first terminating the existing agreement. He said that there are constitutional problems limiting the discretion for changes as you can't just increase the amount of an enforceable contract.

Councilmember Young referenced the original agreement Section 4 - Compensation which states: "These rates are effective until December, 2000 and are subject to renegotiation yearly for cost of living increases." He asked Councilmember Dick if this addresses his concerns. Councilmember Dick agreed that it does.

RESTATED MOTION: Move to authorize the Mayor to sign the attached legal services agreement.

Young / Kadzik – Councilmembers Young, Conan, Payne and Kadzik voted in favor. Councilmember Franich and Dick voted no. The motion carried four to two.

STAFF REPORT:

1. Laureen Lund, Marketing Director – Narrows Bridge Update. Ms. Lund asked for input on how Council would like to her proceed with a community effort to celebrate the opening of the new Narrows Bridge. She said that Council did not have to respond tonight, but to submit any ideas to her within the next few weeks.
2. Dave Brereton, Director of Operations – Annual Water Capacity Report. John Vodopich said that the concurrency ordinance calls for an annual update on water consumption. The report indicates that a total of just over 289,500,000 gallons were pumped in 2005. That is less than the total permitted capacity of 738,000,000 gallons per year.
3. Mike Davis, Chief of Police – GHPD April Report. No verbal report given.

PUBLIC COMMENT:

COUNCIL COMMENTS / MAYOR’S REPORT: None.

ANNOUNCEMENT OF OTHER MEETINGS:

Council Community Coffee Meetings: a) May 16th, 6:30 p.m. at Chapel Hill Presbyterian Church; b) June 21st, 6:30 p.m. at Peninsula Library.

Carol Morris, City Attorney, announced the need for an Executive Session for the purpose of discussing pending litigation per RCW 42.30.110(1)(i).

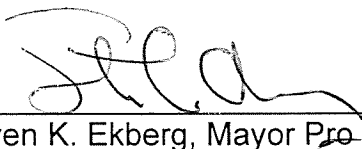
MOTION: Move to adjourn to executive session at 8:25 p.m. for approximately ten minutes to discuss pending litigation per RCW 42.30.110(1)(i).
Franich / Conan – unanimously approved.

MOTION: Move to return to regular session at 8:32 p.m.
Franich / Conan – unanimously approved.


ADJOURN:

MOTION: Move to adjourn at 8:33 p.m.
Franich / Conan – unanimously approved.

CD recorder utilized:
Disk #1 Tracks 1 - 30
Disk #2 Tracks 1 – 6



Steven K. Ekberg, Mayor Pro Tem



Molly M. Towslee, City Clerk