

MINUTES OF SPECIAL CITY COUNCIL MEETING – April 30, 2012

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

CALL TO ORDER: 5:30 p.m.

PLEDGE OF ALLEGIANCE:

NEW BUSINESS:

1. Donkey Creek Estuary Restoration and Road Improvement Project.

City Engineer Stephen Misiurak provided the following project history to Council: At the July 25th City Council Meeting, Parametrix presented multiple roadway options and Wade Perrow presented the North Harborview Drive bridge concept and probable estimate of costs. At this meeting, City Council verbally authorized Parametrix to proceed with the development of a 30% design, construction cost estimate and permitting feasibility of two final construction options, a bridge and a culvert, and pursue initial environmental permitting for these options. At that meeting, Council's key objectives were to improve traffic circulation, restore fish habitat, and enhance the Museum and Park connectivity.

At the September 12, 2011 City Council Meeting, City Council selected the preferred alternative consisting of the Daylighting of Donkey Creek in combination with the one way Austin Street circulating traffic option along with the construction of a reinforced concrete vehicular and shared use bike pedestrian bridge option and Council verbally authorized Parametrix to proceed forward with the final design, permitting, preparation of bid ready project specifications and plans.

At the April 5, 2012 Work Study Session, Parametrix presented a progress status project update that included the 90% design of the Bridge Option which exceeded the project budget by \$1.5M. At the April 5th meeting, Mayor Hunter strongly voiced his concerns and presented a reduced scope option that was a partial estuary restoration that would greatly reduce the budget shortfall. Council directed staff to present a comparative analysis of the two options, whereby Council could decide which option was to be pursued and how it would be funded.

On April 30, 2012, staff presented the comparative analysis of two alternative options that consisted of the following:

- I. Maintain the currently designed scope of work, including a bridge on North Harborview Drive, and quantify the funding required, specifically, the amount spent to date and amount of local and other funds required to complete the project.
- II. Reduce the scope of work to incorporate a partial estuary restoration that does not include a bridge on North Harborview Drive and quantify the funding required as described.

Mayor Hunter explained that the No Bridge Option had the same transportation improvements on Austin Street with the same one-way configuration on North Harborview Drive as the Bridge Option however, the pre-cast girder bridge would be eliminated, leaving the pipe in its current location. A portion of Donkey Creek would be daylighted with a partial connection to Austin Estuary. No grant funds would need to be returned.

Senior Engineer Emily Appleton presented the probable costs for both options. Each phase of both The Bridge and No Bridge options were discussed and compared. The estimated total project cost for the full Bridge option is \$4,920,949, and the No Bridge option is \$3,716,000. Additional funding sources were discussed and Council requested to discuss funding options at the Council Retreat on May 11th.

Mayor Hunter addressed Council with concerns about the Bridge Option being \$1.5M over budget that he stressed could end up being higher due to cost overruns and/or risks associated with the project, which are hard to protect from, especially from a soils/dirt work aspect.

Mayor Hunter stated that we need to ask the following funding questions:

1. How will this project impact the Finholm District with a 12-month construction schedule?
2. Mayor Hunter affirmed that the Museum is good for Gig Harbor and asked how will the project impact the Museum and can the Museum survive the construction for 12 months?
3. Is part of the project to get the native salmon run back? Mayor Hunter said there are no native salmon there and didn't know how many decades it would take for the native run to return, if ever.
4. Will water and sewer rates increase if we use water and sewer funds? Mayor Hunter stated that rates have continually gone up over the past several years and expressed concerned with pulling from the two funds.

Mayor Hunter further stated that the economy still remains flat and there have been no signs of improvement yet. He said that the city did not have the reserves to pull funds out of the General Fund for this project. Mayor Hunter also stated that the city leveraged the Civic Center Debt fund to buy the Maritime Pier property. He questioned if HBZ dollars should be used for the project and said that technically it is allowable but is it the best use of HBZ funds. He explained that the HBZ funds might be best used in Gig Harbor North to take off some added pressure; that Harbor Hill Drive is important and we need to get this road on the books as it may take five years for permitting.

Mayor Hunter asked the Council if a \$5M dollar project was warranted. He said that there are enough funds in the job to take care of the Museum's campus whereby the city has committed to do roughly \$180-190K worth of work there and said the idea is to make the Museum whole.

Mayor Hunter stressed that he likes this project but expressed that it is too expensive to build the full Bridge Option right now and suggested phasing the work, which could allow more time to raise funds. He said that the idea of doing this without financial backing is reckless. He mentioned a few quotes, one from Jim Dugan of Parametrix who said, "This is the most complex project that he has seen in the thirty-five years of his career." He also quoted Shannon Thompson of Parametrix, "This project has many unforeseen obstacles and challenges." Mayor Hunter stated that he wanted to err on the prudent side of this project and asked the City Council to be good stewards of the city's money.

Ms. Appleton said the Harborview Sidewalk Improvements were not included in the Bridge or No Bridge estimates. She showed a slide of the sidewalk at 90% design, which is estimated to cost \$290K. She explained that it could be included as an additive bid alternate. There was discussion about the design and Councilmember Malich stated that the design failed the public, as it did not add any on street parking.

City Administrator Richards voiced his concern that the sales tax revenue coming in to the city is still flat. He explained that spending the reserves could be dangerous and expressed that according to the state economist, we are still in a recession.

A Question and Answer period followed pertaining mainly to funding options, permitting status, and local impacts.

Sue Loiland, Harbor History Museum – 4121 Harborview Drive. Ms. Loiland stated that the Harbor History Museum is interested in the project. She explained that the Museum is most concerned about the timing and methodology of the project, and asked that the landscaping be done in accordance with the plans. Councilmember Payne stated for the record that he is on the Museum's Board of Trustees, however there is no conflict of interest and would be able to vote concerning the preferred option, per City Attorney Angela Belbeck.

MOTION: Move to approve to give direction to staff to move forward with Bridge Option and discuss finance package at upcoming Council Retreat on May 11, 2012.
Payne / Young – unanimously approved.

The Harborview Sidewalk Improvements were discussed to include as a bid alternate. Councilmember Perrow said he would abstain from voting, as he is a property owner that abuts the proposed sidewalk improvements.

MOTION: Move to include the Harborview Sidewalk Improvements as an additive bid alternate.
Ekberg / Kadzik – unanimously approved.
Perrow abstained.

Council asked if there were any other items that needed action taken. City Engineer Stephen Misiurak said that Parametrix has a current contract amendment for out of scope work performed that needed to be ratified for \$212K, as stated at the April 5, 2012 Council Work Study Session. Mr. Misiurak said that there would be another contract amendment with Parametrix to get the plans and specifications from 90% to 100% that includes bidding services


to get us to award. Mr. Misiurak further stated that there will be a separate consultant services contract presented to Council for approval that would assist with construction management.

Ms. Appleton stated that a hearing needed to be rescheduled with the Hearing Examiner to accept the project permits.

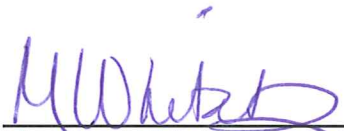
ADJOURN:

MOTION: Move to adjourn at 6:40 p.m.
Perrow / Kadzik – unanimously approved.

CD recorder utilized: Tracks 1002 -1026



Charles L. Hunter, Mayor



Maureen Whitaker, Asst. City Clerk