

MINUTES OF GIG HARBOR CITY COUNCIL MEETING – June 9, 2014

PRESENT: Councilmembers Malich, Arbenz, Ekberg, Perrow, Lovrovich, Payne, Kadzik and Mayor Guernsey.

CALL TO ORDER: 5:30 p.m.

PLEDGE OF ALLEGIANCE:

CONSENT AGENDA:

1. Approval of City Council Minutes May 27, 2014.
2. Receive and File: a) LTAC Minutes Apr. 3, 2014; b) Council Worksession Minutes May, 27, 2014;
3. Second Reading of Ordinance No. 1294 - City Participation in State LOCAL Borrowing Program.
4. Lift Station No. 8 Paving – Small Public Works Contract.
5. Wilkinson Farm Barn Design – Consultant Services Contract.
6. Skansie House Lease Agreement – Harbor Wildwatch.
7. Biosolids Contract.
8. Approval of Payment of Bills Jun 9, 2014: Checks #75581 through #75668 in the amount of \$849,879.76.
9. Approval of Payroll for the month of April: Checks #7269 through #7310 and direct deposits in the amount of \$575,853.16.

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

OLD BUSINESS:

1. Public Hearing on Ordinance No. 1290 - Moratorium on Marijuana Related Uses – GHMC 17.63. Senior Planner Lindsey Sehmel presented the background for this public hearing to address impacts of siting of retail locations near non-traditional school-owned educational sites. She explained that the moratorium also directed staff to redact medical marijuana as an allowed use within city limits. At the close of the public hearing, no action is required unless Council desires to make additional findings or terminate the moratorium, she explained. If maintained, the moratorium will remain in effect until October. Staff would like direction on permanent regulations to come before Council for consideration in July, if possible.

The Mayor opened the public hearing at 5:34 p.m. She said each person would have three minutes to express their opinion, or if representing a group, up to five minutes.

Jerry Gibbs - 4811 100th Ave Ct. NW. Mr. Gibbs shared that he has been directly affected by drug and alcohol abuse. He explained that he supported the school district resolution, but after hearing compelling testimony from the gentleman who wants to open a store he did his own homework and found that revenues from I-502 go to health

care research and the general fund. He said the revenue from marijuana sales revenues will help fund the McCleary Decision. Gig Harbor doesn't have the sales tax revenues to support the future residential growth and demands on city services. He also said we can't forget that 54% of the people who live in this district voted for I-502 and the will of the people should be considered because efforts to thwart the will of the people tend to perpetuate distrust in government. He then said he thinks we can trust those who want to open the stores to do the right thing and protect our children from their product.

Gregg Colbo – 4594 Harper Hill Road, Port Orchard – representing Chapel Hill Presbyterian Church, 7700 Skansie Avenue. Mr. Colbo, Vice-Chair of the Elders at Chapel Hill, explained that this is about the protection of our children. He said that they recently adopted a resolution of concurrence with the Peninsula School District's resolution. The Elders, along with members of Chapel Hill and others in our Faith Community, stand together in support of the request to continue moratorium on marijuana shops in Gig Harbor. He said they are thankful to the Council for their judicious response to this important issue and hope that the scope of the moratorium is expanded and made permanent. He then presented another resolution on behalf of Believers Fellowship, who could not attend tonight.

Jack Banks – 13210 Banner Road SE, Olalla, WA. Mr. Banks commented that at 77 years old, he has never used marijuana and probably never will. Mr. Banks said that the majority voters in the state and Gig Harbor voted to legalize control and tax the sale of marijuana. The State has extensive regulations on who can sell and who you can sell to; presently, anyone can buy marijuana anytime or anywhere. One problem that he can see with this is that some of the funding should come back to the community. The moratorium won't change the facts; this has been studied extensively, he said, and drug dealers want the moratorium because they have a monopoly. He recommended that council permit what the people voted in.

Lance Brown – 802 30th St. NW. Mr. Brown said he is speaking on behalf of Chapel Hill Church and the Harbor Hope Network, a foundation working with the school district to prevent teen suicide. He also represents the Soar Program at Chapel Hill that provides recovery support for teens. He spoke in support of the school resolution. He explained that he has 13 years of overseeing recovery ministry in the harbor for adults and teens, and he has deep concern with the increasing availability of medical marijuana products in the harbor. We already have a higher than normal adolescent use of marijuana and increasing the availability will increase the danger. He said we need to go slowly and consider each of these decisions. He has had many conversations with teens and adults about the collateral use and sharing of medical marijuana, which is another concern that has impact on our youth. He said again that he wholeheartedly supports the school resolution, and Chapel Hill supports it as well.

Susan Hyde – 957 Gway Drive, Fox Island. Ms. Hyde said she has no personal interest in use of marijuana, but thinks the Gig Harbor City Council is thwarting the will of the people and are listening to religious, political, and personal views that may or may not

be based on fact. She said it puzzles her why we are throwing so many roadblocks in the way of legitimate business people who are following the law. People are concerned about children; children have total access now and making it legal for others to purchase is not going to increase that access. We rant and rave about the use of marijuana without taking a look at the fact that alcohol is a much greater risk and yet it's available everywhere.

Larry Reynolds – 9605 Sunrise Beach Dr. NW. Mr. Reynolds said you have already heard several times that this is the will of the people and the vote and he supports that. He said that it would be better to have the sales be controlled and regulated. The process the state is going through helps make it much better than selling it on the street; we might see less marijuana. We ought to get on with removing the moratorium.

Mark Nelson – 1009 Island Boulevard, Fox Island. Mr. Nelson is an attorney representing local marijuana retail applicants. As a Prosecutor for many small communities in King County, he grew frustrated with enforcement of marijuana prohibition and watching various agencies expend their limited resources on laws that weren't working, he said. The moratoriums and bans are more of the same. He said he referenced what US Attorney John McKay had to say about lifting this prohibition that isn't working, and urged the Council to think of I-502 as a way for cities to expand their revenue base rather than to deprive resources. He said they propose amendments to GHMC 17.63 to strike a balance for sensitive uses and the legitimate business interest. He urged Council to make the proposed amendments.

Dave Morris – 2809 Harborview Drive. Mr. Morris said he understands his property along Burnham Drive meets all the criteria, and property owners that meet legal and zoning criteria shouldn't be unreasonably denied the opportunity to enter into business arrangements. He said the moratorium is an inappropriate vehicle to use for properties that qualify.

Mike Henery – 4615 Saddleback. Mr. Henery spoke as a winner of the license lottery, someone hoping to open in Gig Harbor, as a property owner, as a business owner, and as a parent. He responded to the concern that this will increase marijuana in Gig Harbor. He said the state has deemed community gardens and dispensaries illegal and would love to shut down and limit easy access to the "gray market" marijuana that is currently available less than 500 feet away from Peninsula High School. They won't be shut down until the legal 502 establishments that will market to those 21 and over and bringing in tax revenue are allowed. The black market is always going to be there, he said, but growers would most likely sell legally, limiting the inventory on the black market. Mr. Henery further explained that their site is off the roadway so there wouldn't be any view of the signage. There is visibility in the parking lot and video cameras to address the concern of loitering, and they will provide extra training to employees to make sure that no one under the age of 21 will be allowed to purchase.

Tedd Wetherbee – 12517 101st Ave Ct. NW. Mr. Wetherbee thanked Councilmembers for taking the time out to talk which has allowed open dialogue that brought education to

both sides and hopefully alleviated most concerns. He said that their proposed amendments to the ordinance should satisfy a lot of concern and take care of sensitive use sites such as non-traditional schools, but allow the economic development of business to go forward with the will of the people of Gig Harbor.

Kathy Black – 4602 35th Street, Eastbay Drive. Ms. Black said she was speaking about state licenses being allowed to operate, the will of the people, the legal market, doing away with the black market, revenues, job creation, and Council leading investors to believe in something and then moving the goals. She spoke on behalf of her Mother, who had terminal cancer and was starving to death. Her Mother asked her to buy pot to help her to eat, she said, adding that no one would deny a loved one's comfort and ability to live a couple more months. Her mother gained 22 pounds; this was a safe way for her to live a little longer. Ms. Black stressed that she doesn't smoke, but she believes marijuana has stigmas that we can't look past, but it is necessary for people that you love to be comfortable.

Abby Lovell – 3805 Rosedale Street. Ms. Lovell has a business at 7801 Pioneer Way shared her history of extreme pain and use of prescribed narcotics as a result of a fast-growing fibroid and severe osteo-arthritis in her neck. She said she doesn't have a vested interest in a marijuana store in Gig Harbor now, but knows there is an aging population, people living with chronic pain, people unable to take painkillers, and people suffering from cancer that do not have alternatives to traditional medicine. There has been plenty of research on medicinal marijuana to help all types of pain, illness, disease, and stress, she said. Making marijuana a taboo product with stigma is not doing our community justice.

Rand Wilhelmsen – 3225 Grandview St. Mr. Wilhelmsen said he is representing the Peninsula School Board, and read for the record the resolution from the Peninsula School District in support of the enactment of more restrictive regulations on marijuana businesses within the City of Gig Harbor.

Harlan Gallinger – 3118 65th Ave NW. Mr. Gallinger, President of the Peninsula School Board, commented that this isn't just about siting businesses, but the effect on our community. He spoke on behalf the 9,000 students and on behalf of the Lighthouse School Board who submitted a statement in support of the school's resolution. He encouraged the Council to make decisions on the data, as they did. The School Board believes that their job is to remove barriers to student success and an increased opportunity for marijuana use in the community is a barrier. He talked about the margin of error for the target 95% graduation rate at Gig Harbor High School, saying it doesn't take many to not be successful. Others may see alcohol and tobacco as bigger problems, but the State Department of Health youth survey website shows the tobacco and alcohol use trends declining over the past 20 years; but marijuana use has increased. In Gig Harbor, the numbers are higher than state average and local data shows marijuana use is increasing; that is why they are concerned. He shared that the state has identified 14 risk factors for increased use.

John Ortgeisen – 2814 Slippery Hill Drive NW. Mr. Ortgeisen, who has to go to a parks meeting, said he supports the opening of a store. He added that he has a lot to say, but most of it has already been said.

William M. Palmer – 13819 Peacock Hill Ave. NW. Mr. Palmer stressed his prejudice against marijuana because of what it did to his younger brother. However, he knows moratoriums cannot last, and you have to make a decision to lift and replace the moratorium with permanent regulations. He said his admonition for Council is to repeal GHMC 17.63. It is a premature ordinance until there is more research and data collection on whether Gig Harbor should allow recreational marijuana sales. His concern as an urban planner is the number of ordinances adopted without consideration of the impacts and the cost of implementation. Mr. Palmer recommended that council repeal the ordinance when the moratorium expires.

Jan Vance – 3503 Harborview Drive. Ms. Vance said she is pleased with the moratorium to give more time; and spoke in support of the School Board's position. She said has read so much about the medical, scientific, and social implications of marijuana especially on young people, and what it does to the development of their brains. She stressed that we owe it to our children to protect them. We live in a special place and what kind of statement do we want to make; we want to be the best at providing the best environment for our children. She asked for further research, and offered to help.

Elaine Hansch – 8407 104th St. NW. Ms. Hansch voiced support of the School Board Resolution. She explained that she recently retired from the March of Dimes and joins Lance Brown from Chapel Hill on his comments. She worked with pregnant women that are addicted to substances and have babies born addicted. There are significant ramifications with these babies as they grow up and try to become a contributing member of society, she said. She encouraged Council to be courageous and to do the right thing for the community; to look long term at the future of our generations, to make good decisions on what we want the community to be 20-50 years from now. She asked that they take as much time as needed to weigh the decisions. She also volunteered to help.

Brandon Paffile – 1020 Hyde Drive, Fox Island. Mr. Paffile explained that he is a college student trying to get a degree in mechanical engineering with a minor in mathematics. He said that statistics show students at this age pursuing degrees in mathematics is declining, sharing that it is difficult to see his friends and people in college make decisions that ruin their opportunities. He said his is thankful for the adults who have spent their time, work, and energy to make good homes. When friends start to smoke and drink, it takes them down a road they don't want to go. His job at the Rent-A-Boat lends him an opportunity to encourage children to finish strong and to see what it's like to lead the county using the Gig Harbor Canoe and Kayak Racing Team as an example. He thanked God for the opportunity to play in the Boston Symphony with the Tacoma Youth Symphony, and to see the dedication it takes to get to that point in your life. He gave an overview of his history with the Tacoma Youth Symphony. He thanked Council for their time to look at research, asking them to prevent marijuana in

Gig Harbor and encouraging them to keep focusing on what's right. He closed with a story of friends in Oregon graduating and the legacy of having the ability to do what hasn't been done.

Archelle Reynolds – 9605 Sunrise Beach Drive NW. Ms. Reynolds served on the school board for eight years, and said she wishes that just saying no to retail sales in Gig Harbor would help fix the problem. All the bad things we hear happening about drugs are happening without laws. Even what the School Board President said about cigarettes and alcohol use declining; these are legal and use is declining. She said it is her hope that since it is a law, and she thinks she read that when marijuana is regulated and legal that the illegal part of drugs causing all the problems now will be reduced. She asked council to think about the possibility that legalizing and having regulations will help reduce the problem.

Larry Geringer – 10513 63rd Ave. NW. Mr. Geringer spoke in favor of the determination by the School Board and for making this community a special place to live in. He shared his experience with living in Lakewood who decided it was more important to make business decisions than to have a community worth living. When the quality of life deteriorated, they made the choice to move to Gig Harbor. Mr. Geringer described his experience with the Air Force, Boeing, and Tacoma Rescue Mission, and shared that he has seen the results of the use of marijuana. He said you should look at the Federal Statute as the best measure, and that Council was elected to use common sense in the approach to these things. When he deals with the homeless, 9 out of 10 have been on marijuana, he said, and this is not just a business decision or to allow a few more jobs; it's about the quality of life and the cost of law enforcement and how to control the uses. He voiced support of the continued moratorium.

Rick Sorrells – 9316 Glen Cove Road KPN. Mr. Sorrells explained that this decision will affect both peninsulas because Pierce County already has a ban on marijuana production, distribution, or sales facilities. That means the only place someone can purchase marijuana would be in Gig Harbor city limits. Pierce County made the decision for their ban for important reasons; Councilmember Joyce McDonald was quoted as saying "Oath of office." The first thing you swear in an oath of office is to support and defend the constitution and laws of the United States of America. Either you obey your oath of office, or you don't; you don't have a choice.

Sherry Dougherty – 3907 60th St. Ct. NW. Ms. Dougherty spoke from personal experience; sharing that she graduated college in 1969 and she and her close friends smoked as much marijuana as they could, and took psychedelic drugs. None of her friends have had successful marriages or particularly successful careers. Fortunately, she eventually established a successful relationship resulting in three sons and soon, three grandchildren. She voiced support the people who have spoken about being very concerned about the children. Two of her boys smoked marijuana in high school and said that it wasn't something they wanted to continue, for which she is grateful. She hates to see what will happen if it is legalized everywhere in this country; the next generation will just go downhill.

Michelle Henery – 4615 Saddleback. Ms. Henery has kids in the Peninsula School District and used to be a teacher, and is very concerned about kids. Marijuana is here; we have easy access to it everywhere but we don't really know what we are buying, she said. She doesn't want anyone here to tell her whether she can go to a bar and have a drink; she wants to have that choice. Her daughter says marijuana is already out there, and just because it's being legalized, doesn't mean she thinks it's okay. Ms. Henery compared marijuana to the new distillery opening downtown; just because it's there doesn't mean her kids will have more access to whiskey. Her daughter will make wise choices no matter what's in front of her. We need to educate the population about our choices, educate our children. Hopefully as we legalize, control and regulate things we will see that decline.

Jeni Woock – 3412 Lewis Street. Ms. Woock said she likes what was just said about education. Folks from the school board said alcohol and smoking cigarettes are declining and that's because of educating our children. The citizens of Gig Harbor and the State of Washington voted to legalize recreational marijuana for people over 21. She said she is reminded of this weekend downtown when the soldiers came walking by, we all cheered them. Those soldier heroes are putting their lives on the line to protect our American values that support freedom, and keep America strong. The soldier heroes are risking their lives for us, for our way of life which includes the majority vote. Don't you think we need to stand up for those soldiers? She quoted Thomas Jefferson, "No one has the right to say what shall be the law for others. Our way is to put these questions to the vote and to consider that as law for which the majority votes." The majority has voted...there is no room for a moratorium.

Dr. Robert Martin – 5918 78th Avenue NW. Dr. Martin said he is as conflicted as the testimony this evening. He commented that he is a property rights advocate, and understands the frustration of a business person who is following the rules. A lot has been said about the will of the people, and he respects that as well. He said he is glad he lives in America and get to have votes. He did not vote in favor of marijuana and questions whether the will of the people is correct; whether the will of the people is good for society. He spoke in favor of the Peninsula School District resolution because he doesn't think marijuana is going to add to our society. As a physician, cannabis is a drug, and he is appalled at the distribution system being proposed. We have a well-developed system for dealing with controlled substances; they are called pharmacies. If cannabis has a place in medicine it should be distributed through pharmacies. Regarding recreational marijuana, he has no experience or ability to comment, but his concern is that he does not see the addition of marijuana retail to be a benefit to Gig Harbor and is against it.

Carol Focht – 1109 139th St. NW. Ms. Focht said this is a subject she feels very passionate about and gave a brief background. She said she discovered that pot is a gateway drug; every person in her family and persons she has known that used it heavily have gone on to use other drugs. She lost her first brother at 30 and the other at 48 years old. She works at Chapel Hill with Celebrate Recovery children and she sees what has happened to some of them because of drug use. She said she can guarantee

without a doubt that it started with marijuana use and research backs that. She addressed the comments about alcohol and cigarette use going down, saying it's because of parents and media talking about how bad cigarettes and alcohol can be to your body. Marijuana use in Gig Harbor is extremely high among our teenagers; even on the football and baseball teams; even among the church kids and 4.0 students. She addressed the will of the people comments asking if the 54% vote was in city limits.

David Lumber – 3002 79th Ave Ct. NW. Mr. Lumber voiced appreciation that we are having a discussion about marijuana; something that hasn't been heard in this community before. He said he has lived here over 30 years on East Bay Drive, and his son bought his marijuana two doors up. He died three months ago of a drug overdose from heroin and OxyContin. He died because he started with marijuana and alcohol. This moratorium is not going to affect the use of marijuana one iota, but this discussion is giving us an opportunity to think hard about where we, as a community, want to go with our position on marijuana. Once you let the store in you have changed the image of Gig Harbor, he said, and added that he feels the same way about the distilleries, but they are here. He said he thinks the City Council has a fantastic opportunity to make a positive statement about how we feel about marijuana and other drugs going forward. We should not just casually allow this because of the right to do business, or state law was passed, or whatever. It comes down to what we want to be as a city and what image we want to project. He hates marijuana, but the people have the right to have the store; but he thinks there is a larger mission.

Bill Sleeth – 7788 Greyhawk. Mr. Sleeth reminded Council that what they decide will affect who we are as a city. He said he is against marijuana sales within the city limits. He explained that he was raised in a small town by the Canadian Border that took a stand in the 60's against liquor sales. One of the concerns brought up tonight is economics and how this will bring money into the system. Lynden, Washington, where he is from, is thriving. Alcohol is not allowed to be sold in city limits and there are numerous churches and faith-filled families there and when you go their festival it is packed with families. That town is well known for making the right decision, and frankly, when someone wants something, they'll go find it. But he doesn't want them to come to his city. Council has the opportunity to make the right decision and he supports Bill Palmer's suggestion that if you made the wrong decision to allow marijuana, that it be repealed.

Frank Walker – 7513 54th Ave NW. Mr. Walker spoke in support of the moratorium. He encouraged the Council to extend it because statistics are being accumulated throughout the state and as you allow extra time to get all the data from other counties, it will allow you to craft the right decision for Gig Harbor. He again said he is in support of keeping it out of this area for all the reasons that have been shared by those who are against it.

Karen Robbins – 9314 Woodworth Avenue. Ms. Robbins said she moved here two months ago; she grew up in Sumner and raised her four sons in University Place where they used to drive to Gig Harbor to go to the Berry Patch with Marion Ekberg and Hazel

Hopping. She explained that she is an early childhood specialist with a Masters in Early Childhood Education. She returned to Gig Harbor because she wants excellence for her quality of life, for her children, and for her grandchildren. Her son is an E.R. doctor and she knows the damage that marijuana can do to children. She gave an overview of her background in early childhood education and as a children's author. She stressed that she cares for children, and asked Council to please vote wisely. She thanked Council for their time and devotion to our community.

Scott Davis – 8524 Goodman Drive. Mr. Davis commented on the economics, saying the black market will always be cheaper and they aren't going to pay tax. The state would like to shut down the illegal markets once the legal market is open. There was another study from Columbia University that says the fatality rate for driving accidents under the influence of marijuana has tripled in the last decade. That is going to be a huge cost that won't be offset by any tax increase. He said he supports Chapel Hill and Peninsula School District.

John Vance – 3503 Harborview Drive. Mr. Vance said he grew up in the segregated South, and went to school in segregated schools because it was the will of the people. Fortunately, we had elected officials, brave men and women, to stop that tyranny of the majority. The majority is not always right, and it's up to people like you to step back, take a deep breath and say no, we don't have to blindly follow the majority.

Tim Geringer – 410 48th St. Ct. NW. Mr. Geringer, said he is a 20 year resident of Gig Harbor, President of their Homeowners Association, Volunteer Golf Coach at Gig Harbor High School, and a member of Chapel Hill Church. He echoed and support Chapel Hill's comments as well as the school district, and anyone else who commented in favor of the moratorium. He recommended a permanent resolution to ban the sale of marijuana in Gig Harbor.

Suzanne Monell – 65 Island Boulevard, Fox Island. Ms. Monell said she would like to support the school district and Chapel Hill. For years, she coordinated the homeless shelter here in Gig Harbor, she explained, and during that time every one of the children that were homeless had a problem stemming from drugs, stemming from marijuana use. It is a gateway drug, and shared her own painful story of how it ruined a relationship between mother and son, between a sister and two brothers, and lead to prison and loss of a wonderful career in the FBI. She asked Council to consider keeping this a nice community, explaining that she moved here 30 years ago because it was a quaint, nice, small area to raise children. She also said that she can guarantee that from the work she has done with Harbor House that you will have more homeless people in Gig Harbor. There isn't any amount of tax revenue coming back to be able to restore the broken families and the lives that will be ruined.

Graham Marshal – Elder at Discovery Baptist Church. Mr. Marshall said they submitted a resolution submitted by the entire Elder and Deacon Board, and with the consent of their members, he is speaking in support of the school district and Chapel Hill resolutions. He said that just because something is legal, doesn't make it desirable.

We heard a number of people speak this evening about the negative impacts that accompany the increased marijuana availability in our community. As a church, we don't relish the thought of having to deal with families and children that are adversely affected, he shared. The points have been made that it is a gateway drug and something that needs to be looked into more as we consider the impact it is going to have on our community. The increase in income from this will most certainly be far outweighed by the added costs both in law enforcement, additional threats to public safety, and high-risk behavior that often goes along with marijuana use. He urged Council to consider the health, safety, and welfare of our children as they make their decision.

Charlotte Gerlof – 7712 73rd St. Ct. NW. Ms. Gerlof said we have the law which we need to uphold; Councilmembers that are attorneys are well aware of that. We are faced with a marijuana business in Gig Harbor; six have won the lottery to do that here. It was encouraged at one time and the businesses that applied for these licenses were encouraged to go ahead and pursue them. She takes exception that we have a vodka/whiskey arrangement where we used to have a candy store downtown. If you have regulation you have some ability to control it. No one here can be so naïve to think that Gig Harbor lives in a bubble; in Hood Canal she saw a number of legal dispensaries right on the highway. People are going to bring it back. We are going to have marijuana whether we like it or not. She is concerned that you are going to lose an opportunity here to control what you are afraid of. If we have the laws in place there will be an opportunity to have some control. If you just say no marijuana here, it's not going to solve the problem at all. She urged Council not to consider Chapel Hill's idea, and not the school board's idea, but to look at the law, protect the law, and to do your duty.

No one else came forward to speak, and the Mayor closed the public hearing at 6:53 p.m.

Councilmember Malich asked why six months was chosen for the moratorium and if we need the whole six months. Ms. Sehmel responded that the six months was chosen to give staff an opportunity to address the definition of traditional schools and to do the redaction of medical marijuana from the ordinance. Because no definition has come from the state, the moratorium directs staff to create a definition for non-traditional school sites. She added that staff would like to bring the code amendments back prior to the break in August.

Councilmember Ekberg asked if a part of the moratorium could be lifted prior to the six months period. Ms. Sehmel explained that when Council acts upon final code language, the moratorium will be lifted. Legal Counsel Angela Summerfield responded that Council could lift a portion of the moratorium prior to the six-month expiration.

Councilmember Perrow asked if we can define schools. Ms. Summerfield explained that the law doesn't specifically state yes you can create a definition, but there is a State Attorney General's opinion that supports the ability to change the definitions to suit your jurisdiction as long as you don't make it less restrictive than the state's definition. She

clarified further that this includes other sensitive uses such as parks and recreational uses outlined in I-502.

Councilmember Payne asked the Chief of Police his opinion on the comments that legalizing marijuana will reduce the black market sales. Chief Mike Davis responded that at this time nobody understands how the black market will be affected; it's all about supply and demand, and it will take a while for this to play out.

Councilmember Payne then asked Legal Counsel what the potential action Council could take if they continue the moratorium until October. Ms. Summerfield explained that the goal is to have a draft ordinance before October, but there are a number of ways to approach this: a) address the collective gardens issue; b) change the definition for schools; c) incorporate other definitions; or d) take an entirely different approach. It is the will of the Council that we are looking to implement in an ordinance.

Councilmember Payne asked Ms. Sehmel what the potential number of retail stores that would be allowed under the ordinance adopted in September. Ms. Sehmel explained that if the 2,500 foot separation between retail uses is kept in place, there could be two.

Councilmember Malich commented on the conflict between state and federal law, and asked if the city could outright ban the sale of marijuana. Ms. Summerfield explained that state law does allow for local regulation and a number of jurisdictions have banned the sale of marijuana; Pierce County has done that as well.

Councilmember Payne shared that he is to blame for the moratorium because it was brought to his attention that one of the lottery winners' location was within 1000 feet of our community transition program. He takes the will of the people seriously, he said, but there are a lot of parts to this. He added that he isn't out to outright ban marijuana retail sales in the community, but he won't do it haphazardly. Back in September, he blindly followed what he thought was required by the state. When the proximity of the school came up, he began to dig, and at that time the Kent decision came about that had a potential impact on the ability to say no not only to collective gardens, but to retail outlets as well. There have been other court decisions come down and the state legislature that has decided not to share the revenue other than sales tax. He has to decide what's best for this community and the appropriate action is to take this slowly. He thanked the public for the educated, calm discussion, as it should be in a democracy which is what our soldiers fight for. They also fight for the elected officials to make the right decisions. He addressed medical marijuana by agreeing that it's best served via the pharmacy system. He continued to say the state is in a mess in regards to marijuana, and our State Legislators need to figure this out. He finalized that he sees no reason to act, but wants to share his opinion and thoughts.

Councilmember Perrow started by saying the majority vote has come up a lot; he calculated the precincts and said the downtown, by eight votes, said no. The rest of the city said yes to it and so that weighed heavily on his position. But as he re-reads the initiative, schools were to be protected with a 1000 foot buffer. The state tells you what

district you are in; the district tells you what school you will attend and the programs you will take. All the basic education dollars are protected in the state constitution. Unfortunately, the liquor control board decided that some of those students' basic education doesn't count as a school and so that was a red flag for him. Private schools are also not included in the definition and they have a strange definition of parks because trails are not included. The protection for youth oriented facilities are protected as long as they aren't privately owned unless there is a video game arcade inside. The will of the voters was to allow people to purchase and consume marijuana, but it was also to make sure these protections were in place; so he will support the moratorium until better definitions are in place. He also thanked everyone for coming and for the comments on both sides of the issue.

Mayor Guernsey thanked everyone who testified and the audience in general. She said that in all the public hearings that she has been involved, she has never seen such a passionate and yet respectful crowd.

Councilmember Kadzik agreed that hearing the comments on the varied issues is a tremendous help to decide what is going to happen with the moratorium and the whole issue of marijuana retail sales in Gig Harbor.

Mayor Guernsey reiterated that the moratorium is in existence until mid-October. Action could be taken earlier if they receive direction from Council. Ms. Sehmel pointed out that there is only one meeting in August and so staff would prefer to take action before this break. If not possible, it will come back in September.

At this time, most of the audience left the chambers.

NEW BUSINESS:

1. Public Hearing and Resolution No. 965 - Support of Peninsula School District Special Election Proposition No. 1 – General Obligation Bond. Mayor Guernsey introduced this resolution and opened the public hearing at 7:16 p.m.

Leslie Harbaugh – 2813 68th Ave Ct. NW. Ms. Harbaugh co-chairs the Stand Up For Schools Campaign and said the members support both Proposition 1 and Proposition 2. She said that the bond covers the schools needs for the first half of the school district 30 year plan. The School Board spent the time and effort to meet with the community to obtain feedback and address the opposition for something that everyone could get on board with. It fits the criteria for long-term building covered by long-term debt; under \$1. She said they hope the city will support this as well.

There was no further testimony and the Mayor closed the public hearing at 7:20 p.m.

MOTION: Move to adopt Resolution No. 965 expressing support for Peninsula School District General Obligation Bond on the August 5, 2014 Special Election Ballot.
Malich / Arbenz – unanimously approved.

Councilmember Arbenz, Payne, and Perrow all added their comments of support of the efforts of the school board and school administration.

2. Public Hearing and Resolution No. 966 – Support of Peninsula School District Special Election Proposition No. 2 – Capital Projects & Technology Levy. Mayor Guernsey then introduced this resolution and opened the public hearing at 7:21 p.m.

Leslie Harbaugh – 2813 68th Ave Ct. NW. Ms. Harbaugh said that Stand Up for Schools also loves this levy which addresses most of the needs of the school district's capital needs at \$1.19. She explained that if both propositions pass, then the bond will address the technology needs which are critical right now.

Harlan Gallinger – 3118 65th Ave NW. Mr. Gallinger, President of the Peninsula School Board, presented a brief background for the two measures. After the bond failure in November they held thirteen public meetings and found that it was almost nearly evenly split between wanting a bond and a levy. The companion measures will allow the community to make the decision on how to pay for the needs. He also encouraged Council to support both the Propositions.

There was no further testimony and the Mayor closed the public hearing at 7:23 p.m.

MOTION: Move to adopt Resolution No. 966 expressing support for Peninsula School District Capital Projects and Technology Levy on the August 5, 2014 Special Election Ballot.
Malich / Arbenz – unanimously approved.

3. Public Hearing and First Reading of Ordinance – Interim Food Trucks. Planning Director Jennifer Kester presented the background for this interim ordinance to allow for food trucks on private property. In March, 2013, Council passed a similar interim ordinance; no one submitted an application and so the Planning / Building Committee is recommending another 12 month interim ordinance to determine the interest before implementing permanent regulations. She addressed Councilmember Malich's question regarding food trucks on public property.

Mayor Guernsey opened the public hearing at 7:26 p.m. No one came forward to speak and the hearing closed. This will return on Consent Agenda at the next meeting.

4. First Reading of Ordinance – Repealing Chapter 9.38 Drug Paraphernalia. Lieutenant Busey explained that Councilmember Perrow has concerns that need to be addressed.

Councilmember Perrow explained that by repealing the drug paraphernalia ordinance, it would all paraphernalia to be sold in smoke shops, gas stations, and elsewhere that would not have the protection to not be sold to those under 21 years of age and so he is asking this be moved to the next Finance / Safety Committee for further review.

5. First Reading of Ordinance – Increasing Parks Commission Membership. Public Works Director Jeff Langhelm introduced this ordinance to increase the membership on the Parks Commission from five to seven. This came about at the 2014 Retreat and was discussed by the Parks Commission and in the joint Council / Parks Commission Workstudy Session.

Councilmember Ekberg said there was discussion to open up the membership to citizens living in the UGA, but he would like to limit the number to two. Mr. Langhelm was directed to make that change and to bring it back under old business.

6. Public Hearing and First Reading of Ordinance – Adoption of Harbor Element. Senior Planner Lindsey Sehmel presented the background for proposed amendments that reflects the work done in regards to adoption of the Harbor Vision Statement. The final step in the process, she explained, is the adopting of municipal code amendments beginning after the Gig Harbor 2030 Update in 2015. After a PowerPoint Presentation on the process, Ms. Sehmel introduced the Chair of the Planning Commission.

Harris Atkins, Chair of the Gig Harbor Planning Commission, thanked the Council for allowing them to participate in the process that started back in 2012. They gathered input from the community, developed a vision statement, and now will develop the goals and policies to implement make the vision come true. He said this has been one of the more rewarding activities during his time on the Planning Commission; there have been many discussions on the true vision of the downtown and community, and this activity has brought that together. Mr. Atkins said the process has generated a lot of enthusiasm, and it is his hope that we don't allow the momentum to dwindle. There are things in the statement policy to help give direction in specific areas, and recognizing that the city can't do it all by itself, but the city can be a catalyst by partnering with the community. He encouraged Council to move forward and make it happen.

Mayor Guernsey opened the public hearing at 7:40 p.m.

Gary Glein – 3519 Harborview Drive; President of the Downtown Waterfront Alliance. Mr. Glein said he sent Council a summary of things that they think could have an added emphasis, but mainly, he wanted to compliment the Planning Commission for the wonderful job done in reflecting the vision statements adopted in December, 2012. It provides a wonderful framework for the downtown and talks a lot about the human scale of downtown, and the needed balance. He said the Alliance stands ready to help.

No one else came forward and the public hearing closed at 7:41 p.m.

Councilmember Kadzik thanked the Planning Commission for how hard they work on the projects Council puts before them. He said this is another example of the quality of people appointed and how much we rely upon their expertise and fact-finding.

Councilmember Payne echoed those comments and mentioned that Chairman Atkins is ending his term on the commission after serving diligently for many years. He thanked Mr. Atkins for his direction, demeanor, and professional engagement.

Councilmember Perrow voiced appreciation for the Planning Commission for the “heavy lifting.”

Mayor Guernsey said she echoes these comments, especially in regards to Harris Atkins with whom she served with on the Planning Commission. He brought the leadership, the focus, and the passion; and it was a wonderful experience largely because of his leadership.

STAFF REPORT:

Public Works Director Jeff Langhelm reported that the city was selected to receive a grant in the amount of \$331,000 from the Pierce County Regional Council’s Transportation Coordinating Committee. He said this will be used for the resurfacing of Kimball Drive and Hunt Street between the Park and Ride and Soundview Drive. The overall project estimate is about \$380,000 and so the city will need to budget another \$49,000 in the next year to complete the project. He recognized the hard work of many, calling out Engineer Emily Appleton.

Mayor Guernsey complimented the Public Works and other Staff for their hard work on the Maritime Gig this past weekend. She said it was a wonderful event.

City Administrator Ron Williams offered kudos to Marco Malich and his crew for the set-up / clean-up for the Maritime Gig; adding that their quick thinking helped with the power outage. He continued to say that Chief Davis and his officers did a great job with traffic and security during the event.

He then reported that Karen Scott and her Tourism and Communications Team, were on top of things, and Saturday, posted 30 photos of the Maritime Gig. As of this afternoon, 4,616 had seen them on the Gig Harbor Guide Facebook page. Mr. Williams then announced that Kay Johnson, I.T. Manger, has been researching options for off-site cloud data storage and has found an option that can save us half of the other quotes for data storage.

PUBLIC COMMENT: Mayor Guernsey explained that after public comment, council would adjourn to Executive Session and then return for a Worksession regarding the location of Lift Station 4B. She announced that there would be no public testimony during the Worksession and so any comments should be made now.

Jeni Woock – 3421 Lewis Street, Citizens for the Preservation of the Harbor. Ms. Woock asked questions in regards to the pump station in the harbor. She asked since the park was done under a recreational grant, if there is anything on the park that is not recreational, whether the city would have to pay a penalty. Mayor Guernsey responded

that Mr. Langhelm has been in touch with the State RCO Office to make sure whatever is done is consistent with the grant. Ms. Woock asked when we would know that information. Mayor Guernsey said that the council hasn't even decided on what we are going to do, so if it is decided to construct there, Mr. Langhelm will be in contact again.

Ms. Woock then asked about the parking lot next to the bathrooms, which unfortunately is slated to be built on. So it would be a sad thing for a building to go there and have the pump station at the Skansie House, which is our heritage and an insult to the citizens.

Charlotte Gerloff – 7712 73rd St. Ct. NW. Ms. Gerloff asked about putting the pump station in the basement of the house because the park has flooded at times. She also voiced concern with tidal raising, saying if water goes into the basement it could cause problems with effluent coming out into the park or water. She asked if anybody had looked at that at all. Councilmember Kadzik responded by encouraging her to stay for the workstudy session, where those questions would be addressed. Ms. Gerloff then asked why the building is empty; it seems that it could be used for something else and there are other localities where the pump station could be put like the adjacent parking lot.

Councilmember Ekberg also encouraged everyone to attend the worksession. He explained that this didn't come out of the blue; it has been studied at length and many answers will come up in the worksession.

Jack Bujacich – 3607 Ross Avenue. Mr. Bujacich asked if public testimony would be allowed in the Worksession. Mayor Guernsey responded no; it's just going to be studied, but its open to the public to attend and listen. Mr. Bujacich said he hopes the city would not consider putting the pump station in the house. The money the taxpayers spent for public use and a park; it would destroy the history of that house and the Skansies, and that would be a shame. He said he doesn't know who came up with the idea to use the house for a pump station, but they are not from Gig Harbor. Retain the history, he said.

Nancy Davis Altman – Quilt Shop business located 7716 Pioneer Way. Ms. Altman said her quilt shop bring tourism into Gig Harbor as well as promotes the economy. She said it would be a travesty of justice for Gig Harbor to turn that old Skansie House into a pump station. It's a part of the harbor's heritage. She owns the brick house across the street, and every day she hears what a beautiful place this is. She knows the smell at the other side of the harbor and would hate to see that come down to our cultural center, the heart of our harbor. She said you need to consider not doing anything with that house except preserving the history of our city.

Gary Glein – 3519 Harborview Drive. Mr. Glein said this is a difficult decision and knows Council has looked at a lot of options. He said they have received comments regarding the sensitive nature of property and if Council decides to look at other properties, they urged consideration of multiple uses to meet downtown needs for parking, place for

transit to stop, or potential permanent infrastructure for a farmer's market. He said that the Alliance would support any decision that is made by the city on this.

John Skansie – 8415 Bayridge. Mr. Skansie read the history of the Skansie Brothers. When he finished, he said that as what former Mayor Bujacich said, it is important to keep the house historic. Economic development and preservation are not mutually exclusive, and he thinks we can have the best of both as we move forward as a community. He said it is very important to keep that house; there are other alternatives and he encouraged Council to revisit those and take the house off the table.

MAYOR'S REPORT / COUNCIL COMMENTS:

ANNOUNCEMENT OF OTHER MEETINGS:

1. Boards and Candidate Review: Mon. Jun 16th at 4:30 p.m.
2. Finance / Safety Committee: Wed. Jun 18th at 4:00 p.m.
3. Public Works Committee: Thu. Jun 19th at 3:00 p.m.
4. Chief Mike Davis Retirement Reception: Mon. Jun 23rd at 4:00 p.m.

EXECUTIVE SESSION:

Mayor Guernsey announced that after a short five minute break, Council would adjourn to Executive Session at 7:55 p.m. to discuss potential litigation per RCW 42.10.110(1)(i) for approximately 20 minutes.

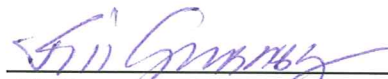
City Administrator Ron Williams returned to the Council Chambers at 8:22 p.m. to extend the Executive Session for an additional five minutes.

Council returned to the Chambers at 8:29 p.m.

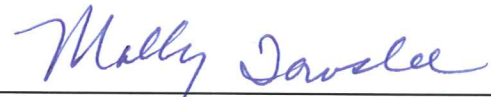
ADJOURN TO WORKSESSION: Location of Lift Station No. 4B.

MOTION: Move to adjourn the meeting at 8:29 p.m.
Ekberg / Malich – unanimously approved.

CD recorder utilized: Tracks 1002 – 1073



Jill Guernsey, Mayor



Molly Towslee, City Clerk