

ITEMS DISCUSSED

1. WORKSHOP: SHORELINE MASTER PROGRAM UPDATE – ADDITIONAL DOE REQUIRED CHANGES
2. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE
3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE
4. PRESENTATIONS
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  - B. PUBLIC SAFETY FACILITY ASSESSMENT UPDATE, MACKENZIE, INC. – EXECUTIVE
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  - C. UPDATE ON CITY ATTORNEY RECRUITMENT, AB 14-037 – EXECUTIVE
8. NEW BUSINESS
  - A. PROCLAMATION DECLARING FRIDAY, APRIL 25, 2014 AS ARBOR DAY, AB 14-076 – PLANNING
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9. CONSENT AGENDA
  - A. ACCOUNTS PAYABLE VOUCHER AND PAYROLL APPROVAL
  - B. REGULAR BUSINESS MEETING MINUTES, MARCH 10, 2014
  - C. REGULAR STUDY SESSION MEETING MINUTES, MARCH 17, 2014
  - D. HVAC UPGRADES CONTRACT AWARD, AB 14-074 – PUBLIC WORKS
  - E. RESOLUTION NO. 2014-06, RELATING TO SURPLUS CITY EQUIPMENT AND VEHICLES, AB 14-052 – PUBLIC WORKS
  - F. INTERLOCAL AGREEMENT WITH KITSAP CONSERVATION DISTRICT FOR THE PURCHASE OF CITY SURPLUS EQUIPMENT, AB 14-070 – PUBLIC WORKS
  - G. RESOLUTION NO. 2014-09, NAMING THE BAINBRIDGE ISLAND JAPANESE AMERICAN EXCLUSION MEMORIAL AB 14-068 – DEPUTY MAYOR TOLLEFSON
  - H. COMCAST FRANCHISE NEGOTIATION PROFESSIONAL SERVICES AGREEMENT, AB 14-071 – EXECUTIVE
  - I. KITSAP COUNTY SHERIFF'S OFFICE JAIL SERVICES CONTRACT AMENDMENT, AB 14-055 – POLICE
10. COMMITTEE REPORTS
11. REVIEW UPCOMING COUNCIL MEETING AGENDAS
12. FOR THE GOOD OF THE ORDER
13. ADJOURNMENT

**1. WORKSHOP: SHORELINE MASTER PROGRAM UPDATE – ADDITIONAL DOE REQUIRED CHANGES 5:58 PM**  
Mayor Blair called the workshop to order at 5:58 PM. Councilmembers Blossom, Bonkowski, Roth, Tollefson, Townsend, Ward and Mayor Blair were present.

Planning Director Cook explained tonight's workshop was a follow-up to the March 24 workshop which focused on the most recent required changes from the Department of Ecology primarily related to the aquaculture section. She noted at that workshop council asked for additional information and clarification, which is before everyone tonight. She shared the remaining process to complete the SMP update. She recalled when staff initially discussed tonight's workshop with Ecology after the March 24 workshop, Ecology felt sure that the public hearing could occur on June 2 however, they are not so confident now. She clarified where we are in the process, what remains to be done and what a feasible timeline is. She then explained changes to the definition of aquaculture. She noted one of the questions council posed at the March 24 workshop was when we are talking about what cultivation methods include, why is the reference to geoducks stricken. She explained if you look at the sentence in its full context, it refers to the planting and harvesting of clams and oysters of which geoducks are a type of clam so there was no reason to specify one type of clam and not the others. Ms. Bouta, DOE representative, explained the following changes to the aquaculture definition: remove "tidelands and subtidal" language from the aquaculture definition; remove "individual" language from shellfish garden; substitute the word "tidelands" with "properties"; add language to the definition of "upland finfish rearing facilities". She illustrated examples of allowed uses in priority aquatic with regard to aquaculture and shellfish gardens. There was a brief conversation regarding native and exotic oysters, proposed housekeeping and typographical changes, net pin monitoring responsibilities and language regarding genetically modified organisms and feed known to be potential harmful to the surrounding waters.

6:28:17 PM Planning Director Cook explained since the March 24 workshop, she has learned that Ecology no longer feels the June 2 date is feasible. Ms. Nightingale, DOE representative, explained why.

At 6:45 PM, there was a brief recess before the start of the regular meeting.

**2. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE 6:59 PM**

At 6:59 PM, Mayor Blair reconvened the meeting with aforementioned Councilmembers present. Everyone stood for the Pledge of Allegiance.

**3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE 7:00 PM**

***MOTION:** I move we approve the agenda as published.*

***WARD/ROTH** – Motion carried unanimously, 7-0.*

There were no conflicts of interest disclosed.

**4. PRESENTATIONS**

**A. NATIONAL POETRY MONTH READING, STEPHEN EDWIN LUNDGREN 7:01 PM**

Barbara Sacerdote introduced Stephen Lundgren who then read his poem "Jump" in honor of Frank Kitamoto.

**B. PUBLIC SAFETY FACILITY ASSESSMENT UPDATE, MACKENZIE, INC. – EXECUTIVE 7:05 PM**

Deputy City Manager Smith introduced Rich Mitchell, Mackenzie, Inc. principal consultant. Mr. Mitchell gave a PowerPoint presentation showing other facilities, results of the second community meeting and next steps. He responded to questions from council regarding future technology changes and advantages and disadvantages of co-locating police and fire. City Manager Schulze indicated there has been discussion regarding the court facility so he asked Mackenzie, Inc. to some quick programming for determining what a court option would look like and whether that would be at the same location as police and fire or, as the Pendleton report recommended, something that was attached to or very close to City Hall.

**6. CITY MANAGER'S REPORT [MOVED UP] 7:34 PM**

City Manager Schulze reported on the April 22 Earth Day celebration, Weed Warrior's event, 2013 Groundwater Management Program annual summary, annual water main flushing and open positions for citizen advisory groups.

**5. PUBLIC COMMENT [MOVED DOWN] 7:39 PM**

Maurie Louis, 5373 Cala Woods Lane, League of Women Voters, noted Jon Quitslund would be attending their meeting on Saturday, May 10 as a guest speaker.

Dave Ullin commented topics brought up during the SMP workshop.

Donald King commented on a variety of issues.

Mimi Stewart shared her concern regarding Ordinance No. 2014-06.

Nancy Sutter stated she and a number of her neighbors are seriously opposed to the growing of marijuana in residential areas.

Theresa Muzzi, Old Mill Road, opposed putting growing operations in residential zones.

Dorian Reines wondered whether there should be shelters for families of first responders to make their choice a little easier if a disaster gets bad enough.

Susan Wilmot believed marijuana production businesses should be located in business industrial zones.

Arthur Mortell, Coldwell Banker real estate broker, encouraged council to keep marijuana operations in commercial zones.

**7. UNFINISHED BUSINESS**

**A. ORDINANCE NO. 2014-04 (FORMERLY ORDINANCE NO. 2013-34), SHORELINE MASTER PROGRAM UPDATE, AB 13-143 – PLANNING 7:59 PM**

Planning Director Cook indicated when the agenda packet was prepared, it was anticipated that there would be a public hearing on June 2 however since hearing back from Ecology that that date is not feasible, she asked council whether they concur with Ecology's recommendation that we not try to set a date until we receive official notification from Ecology that their approval is on its way. There was a consensus not to schedule the public hearing until the city hears from Ecology.

**B. ORDINANCE NO. 2014-06, REGULATIONS FOR MEDICAL AND RECREATIONAL MARIJUANA, AB 13-136  
– PLANNING 8:02 PM**

Planning Director Cook indicated staff has prepared a memorandum with additional information which responds to questions and issues raised at the last meeting. Special Project Planner Sutton explained staff's memorandum includes additional information on Colorado's recreational marijuana system, lighting, odor, water and energy use and a discussion on the collective garden's medical marijuana issue. She reviewed the three maps included in the agenda packet.

Mayor Blair understood that the applications are made prior to even any consideration about the different areas to which Special Project Planner Sutton replied that was correct. Deputy Mayor Tollefson understood that the applications are site-specific and if somebody applies from a particular address, they cannot then just pull up and go somewhere else. Special Project Planner Sutton replied that was correct and that the applicant would have to change their application with the State and the new address would have to be re-reviewed. Councilmember Townsend understood there was a cap on the number of retail operations and asked if there was a cap on production. Special Project Planner Sutton replied there was no total cap on the number of production or processing business licenses – just the one allocated retail spot. She added a lottery was held last week and that the State is going to release the winner names on May 2. Councilmember Townsend asked if there was communication between the Liquor Control Board and the planning department if the winner's location is somehow inconsistent with the island's zoning. Special Project Planner Sutton replied the applicant would then need to secure a different address in an acceptable area under our zoning regulations.

Councilmember Bonkowski indicated he fundamentally disagrees with the Planning Commission's definition of marijuana as an agricultural crop and noted that the security requirements for marijuana are dramatically different from any other crop. He was not in favor of any growing on the island. He gave an overview presentation on the impact to the farming community related to leasing property.

Councilmember Ward agreed that marijuana should not be defined as an agricultural crop. He said he would be either in favor of not having the growing occur or placing it in the industrial areas where it is out of residential neighborhoods and essentially out of sight inside a building.

Councilmember Townsend thought many of the issues being raised are noncontroversial and perhaps we can reach consensus and make progress on those things that we can.

Mayor Blair recalled the last conversation and there was consensus about not having the collectives, that retail would be located in retail zones and in accordance with state law and licensing, that processing was to be limited to business and industrial zones and that the one remaining piece is the growing issue. She wondered whether the four items could be separated. Planning Director Cook replied growing could be prohibited for now, treat the other uses as described and then council could always go back and modify the ordinance later. Interim City Attorney Haney noted the interim regulations are due to expire on May 25 so council needs to make some form of decision by then. He noted the issues could be separated.

Councilmember Blossom did not believe growing should be allowed in residential areas.

Mayor Blair thought marijuana production should be limited to indoor facilities in the business industrial zone subject to the following three conditions: 1) site plan and design review permit being required and approved prior to any city approval of business licenses or other required permits; 2) that the electricity usage must be off-set by 50% renewable energy generated on-site and the off-set requirements are then progressive – 25% consumption off-set by January 2015 or within nine months of the initial crop plantings and 50% consumption for electricity off-set by January 2016 or within two years of the initial crop plantings and 3) that the water usage must include a 25% site generated recycling of water by January 2016 or within two years of the initial crop plantings.

Deputy Mayor Tollefson was in favor of allowing the growing as proposed by the Planning Commission with some modifications. He was inclined to give some weight to their decision because of the process and time that they put into it but he was also sensitive that although they try to do things by consensus they were not able to this time. He pointed out a decent portion of farmland is owned by the City and it is our intention not to allow the growing of marijuana on that land. He also expected the vast majority of residents living on R2.5+ acres would have absolutely no interest in selling their land to someone to grow marijuana on it. He thought the security requirements that the State requires are not prison-like as was suggested and believes it adequately addresses neighborhood concerns. He felt current regulations with respect to odor, air pollution and light provide as much protection as we have decided we are entitled to and proposed that we recite those regulations in the ordinance so that it is clear that they apply and we expect them to be enforced. He asked Mayor Blair how she would envision moving forward with her proposed conditions. Mayor Blair felt they were not an outrageous burden but in fact something that can be accommodated.

Councilmember Roth said he was much more comfortable not being a trailblazer but also did not want to be an obstructionist. He did not like putting on additional requirements that we may not be asking other new businesses to do. He did like the notion of not prohibiting growing all together but the suggestion that we start in the business industrial zone.

Councilmember Bonkowski commented on Mayor Blair's proposed conditions.

Councilmember Townsend thought from a market standpoint, he was not terribly concerned about marijuana taking over the island. He thought the environmental conditions should be fleshed out.

Councilmember Roth felt uncomfortable about an aspect of the conditions that is not directly related to the growing of marijuana.

Councilmember Ward preferred limiting growing to the business industrial areas, having a reasonable number of energy requirements as long as they are self-reporting and the idea of revisiting this in 18 months as the market forces will have provided more clarity.

Councilmember Blossom thought if the security concerns are real, she did not know if putting grow operations in more rural areas was such a good thing. She supported Mayor Blair's suggested power and water conditions.

Mayor Blair appreciated what sounds like growing support for the idea of placing marijuana growing in business industrial zones and the fundamental values that we hold in terms of energy consumption.

Deputy Mayor Tollefson said if council were to pass an ordinance adopting things they agree on and just outright banning production on the island at this point, we would have fulfilled our requirements under the deadline we are facing. He noted that would also give us the time to look further into the energy-offset approach.

Interim City Attorney Haney noted other jurisdictions have banned it when they have not had appropriate zoning for what they consider a marijuana-related use. He explained the purpose of tonight's discussion is to try to figure out which alternatives to take forward for the public hearing.

Deputy Mayor Tollefson thought it made no sense to take alternatives forward when it's clear that the sense of the council is that we are going to go in one direction sooner or later in some fashion so we are really talking about whether or not to ban it temporarily with findings or to develop some conditions for business industrial zones.

Councilmember Bonkowski was supportive of banning the growing of marijuana. Councilmember Blossom concurred.

Councilmember Ward supported growing only in business industrial zones with some thoughtful energy requirements that are self-reporting.

Councilmember Townsend thought it was worth exploring whether it makes sense to permit a grower to offset those requirements at a more efficient location.

Mayor Blair asked whether there was council consensus to develop an ordinance that places growing in the business industrial zone and includes some environmental or energy use constraints on that growing.

Deputy Mayor Tollefson noted given timing, is there time to make that a meaningful study or determination or do we need to just ban it and resolve to study it.

Councilmember Blossom thought if this was important, than it should be banned until we come up with the percentages.

Mayor Blair said she did not support banning it.

Councilmember Ward thought it would be easier to fine-tune the energy requirements down the road than it would be to completely change our direction.

Councilmember Bonkowski suggested that the planning director have flexibility regarding the level of energy offset.

Planning Director Cook shared her concern regarding preparing an amended ordinance in a timely manner given noticing requirements. Special Project Planner Sutton noted another alternative could be LEED certification.

Deputy Mayor Tollefson asked whether the city could legally require a processor to purchase 100% green energy from PSE. Interim City Attorney Haney replied he did not believe the city could dictate they purchase their energy from a particular place however, the suggestions that somehow they purchase some form of renewable energy or provide some onsite is possible. Councilmember Bonkowski noted that does not solve the energy problem with respect to usage on the island.

Mayor Blair thought the language should read something like electricity usage offset by 50% renewable energy generated on Bainbridge Island as opposed to onsite. Deputy Mayor Tollefson thought the language would allow someone to pay somebody for solar that they had already installed.

Mayor Blair suggested going with the original numbers and adding that an administrative variance could be granted. Deputy Mayor Tollefson thought that would defeat the purpose of having the requirement to begin with.

Councilmember Townsend said council was having an environmental discussion around marijuana regulations, which has him readjusting his thinking.

Mayor Blair stated she did not like the idea of banning marijuana at all.

Councilmember Roth reminded everyone that the island potentially could have several grow operations in the business industrial and hoped that we not attach any specific environmental requirements. He was worried about setting a precedent.

Councilmember Blossom suggested passing the ordinance with the proposed numbers and council can work on fine-tuning them.

Deputy Mayor Tollefson suggested instead of 50% renewable energy generated on site that the language read 50% new renewable energy generated on island and then left the rest of the energy conditions in with the idea that we can come back and make it easier if we have decided it's justified. He felt council owed it to the business community to have a bigger discussion about surcharging energy consumption in general as there's no good reason to single out the marijuana industry.

9:09:05 PM      **MOTION:** *I move that the proposal of Mayor Blair with a modification that the 50% renewable energy be 50% new renewable energy on island be the baseline for the ordinance.*  
**BONKOWSKI/WARD** – Motion carried unanimously, 7-0.

Planning Director Cook said in the Planning Commission recommendation regarding growing in the R 0.4 zones, they were limiting that to Tier 1, which is a canopy of 2,000 square feet. She asked if the council wanted to retain that in the business industrial zone to which Mayor Blair indicated that was not part of her proposal, nor did she hear it stated during the conversation. Ms. Cook understood that the motion did not include the water usage language to which council replied it did.

**C. UPDATE ON CITY ATTORNEY RECRUITMENT, AB 14-037 – EXECUTIVE 9:11:07 PM**

City Manager Schulze gave a brief update on the City Attorney recruitment process. Deputy Mayor Tollefson along with Councilmember Bonkowski and either Councilmembers Roth or Tollefson will be on the council interview panel.

**8. NEW BUSINESS**

**A. PROCLAMATION DECLARING FRIDAY, APRIL 25, 2014 AS ARBOR DAY, AB 14-076 – PLANNING 9:16:25 PM**

Mayor Blair read the proclamation.

**MOTION:** *I move that the City Council approve the proclamation declaring Friday, April 25, 2014 as Arbor Day and authorize the Mayor to sign it.*  
**BONKOWSKI/BLOSSOM** – Motion carried unanimously, 7-0.

**B. PROCLAMATION DECLARING MAY, 2014 AS PUGET SOUND STARTS HERE MONTH, AB 14-031 – PUBLIC WORKS 9:19:39 PM**

Councilmember Blossom read the proclamation.

9:21:41 PM      **MOTION:** *I move we authorize the Mayor to the proclamation.*  
**TOLLEFSON/ROTH** – Motion carried unanimously, 7-0.

**9. CONSENT AGENDA 9:22:14 PM**

**A. ACCOUNTS PAYABLE VOUCHER AND PAYROLL APPROVAL**

Accounts Payable Void Manual Check Numbers 335309 through 335540, Manual Check Numbers 335552 through 335558, Regular Check Run Numbers 335559 through 335677 for a total of \$370,856.39, Retainage Release Check Number 122 for a total of \$6,212.49. Payroll Direct Deposit Check Numbers 030141 through 030247, Payroll Regular Run Check Numbers 106611 through 106615, Vendor Check Numbers 106616 through 106625 and Federal Tax Electronic Transfer for a total of \$422,758.38.

**B. REGULAR BUSINESS MEETING MINUTES, MARCH 10, 2014**

**C. REGULAR STUDY SESSION MEETING MINUTES, MARCH 17, 2014**

- D. HVAC UPGRADES CONTRACT AWARD, AB 14-074 – PUBLIC WORKS
- E. RESOLUTION NO. 2014-06, RELATING TO SURPLUS CITY EQUIPMENT AND VEHICLES, AB 14-052 – PUBLIC WORKS
- F. INTERLOCAL AGREEMENT WITH KITSAP CONSERVATION DISTRICT FOR THE PURCHASE OF CITY SURPLUS EQUIPMENT, AB 14-070 – PUBLIC WORKS
- G. RESOLUTION NO. 2014-09, NAMING THE BAINBRIDGE ISLAND JAPANESE AMERICAN EXCLUSION MEMORIAL AB 14-068 – DEPUTY MAYOR TOLLEFSON
- H. COMCAST FRANCHISE NEGOTIATION PROFESSIONAL SERVICES AGREEMENT, AB 14-071 – EXECUTIVE
- I. KITSAP COUNTY SHERIFF'S OFFICE JAIL SERVICES CONTRACT AMENDMENT, AB 4-055 – POLICE

Deputy Mayor Tollefson indicated a question was raised by a citizen regarding a Cardio Tech invoice will be answered in writing.

9:23:11 PM **MOTION:** *I move the adoption of the consent agenda as presented in the agenda packet.*  
**TOLLEFSON/BONKOWSKI** – Motion carried unanimously, 7-0.

**10. COMMITTEE REPORTS 9:23:43 PM**

Mayor Blair reported that the Kitsap Regional Coordinating Council agency review team meeting previously scheduled for tomorrow has been cancelled and will be rescheduled.

**11. REVIEW UPCOMING COUNCIL MEETING AGENDAS 9:24:17 PM**

Mayor Blair indicated a special meeting has been scheduled for Wednesday from 6-8 PM to discuss priority based budgeting. City Manager Schulze reviewed the May 5 study session agenda. Mayor Blair asked that the timeline for the City Manager evaluation process be added to the May 12 agenda for 15 minutes. City Manager Schulze reviewed the look-ahead calendar. Councilmember Townsend asked about the Baker Hill/Lynwood Center item. City Manager Schulze explained council will be receiving options and being asked whether they want staff to continue looking at one or more of them in more detail. Councilmember Bonkowski commented on the water extension item and asked that staff explain how that is paid for as part of the discussion. City Manager Schulze indicated the developer would pay for it. Mayor Blair requested time be scheduled on the June 2 study session agenda to discuss the Comprehensive Plan update process. Deputy Mayor Tollefson thought it should be scheduled sooner given Planning Commissioner Quitslund's meeting with the League of Women Voters on the topic. Councilmember Bonkowski thought that council was going to receive the Waterfront Park 30% design at the end of May to which City Manager Schulze replied council already received it, took action and approved the submittal of the grant applications. Mayor Blair added council also approved the additional work that would be the dock and up to 30% design which still needs to come back sometime in June.

**12. FOR THE GOOD OF THE ORDER 9:36 PM**

Mayor Blair asked council if she could send a letter in support for Kitsap County grant applications regarding the Sound to Olympics Trail and Port Gamble Ride Park as part of the Kitsap Forest and Bay project. There was consensus that she do so. She reported on upcoming ward meetings (north and central ward scheduled for May 6 and south ward on May 13). Councilmember Bonkowski indicated he would attend both the north and south ward events.

**13. ADJOURNMENT 9:39:03 PM**

The meeting adjourned at 9:39 PM.

  
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Anne S. Blair, Mayor

  
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Rosalind D. Lassoff, City Clerk