

ITEMS DISCUSSED

1. EXECUTIVE SESSION: REVIEW QUALIFICATIONS OF AN APPLICANT FOR CITY EMPLOYMENT (RCW 42.30.110(1)(g))
2. CALL TO ORDER/ROLL CALL/ PLEDGE OF ALLEGIANCE
3. ACCEPTANCE OR MODIFICATION OF AGENDA/CONFLICT OF INTEREST DISCLOSURE
4. PUBLIC COMMENT
5. CITY MANAGER'S REPORT
6. PUBLIC HEARINGS
 - A. ORDINANCE NO. 2014-39, APPROVING REZONE OF BAINBRIDGE MARINA PARCELS (REZ13220B), AB 14-142 – PLANNING
 - B. ORDINANCE NO. 2014-38, MODIFYING BAINBRIDGE ISLAND MUNICIPAL CODE SECTION 15.18, LAND CLEARING AND CLARIFYING THE AUTHORITY OF THE CODE COMPLIANCE OFFICER, AB 14-143 – PLANNING
7. UNFINISHED BUSINESS
 - A. CONTINUED BUDGET DELIBERATIONS AND REVIEW OF 2015-2020 SIX-YEAR CAPITAL FACILITIES PLAN – FINANCE AND PUBLIC WORKS
8. CONSENT AGENDA
 - A. ACCOUNTS PAYABLE VOUCHERS AND PAYROLL APPROVAL
 - B. REGULAR STUDY SESSION MEETING MINUTES AUGUST 4, 2014
 - C. REGULAR STUDY SESSION MEETING MINUTES, AUGUST 18, 2014
 - D. REGULAR BUSINESS MEETING MINUTES, AUGUST 25, 2014
 - E. REGULAR STUDY SESSION MEETING MINUTES, SEPTEMBER 2, 2014
 - F. RESOLUTION NO. 2014-22, RELATING TO SHORT-TERM BORROWING FROM THE GENERAL FUND TO THE CAPITAL CONSTRUCTION FUND, AB 14-158 – FINANCE
 - G. SOUND TO OLYMPIC TRAIL, PROFESSIONAL SERVICES AGREEMENT AMENDMENT #1, AB 14-096 – PUBLIC WORKS
 - H. APPLICATION TO LIST SUYEMATSU FARM BARN ON THE WASHINGTON STATE HISTORICAL BARNs REGISTRY, AB 14-165 – PLANNING
 - I. AGREEMENT WITH KITSAP COUNTY REGARDING JURY PANELS FOR MUNICIPAL COURT, AB 14-166 – EXECUTIVE
 - J. PUBLIC WORKS TRUST FUND LOAN AMENDMENTS, AB 14-167 – PUBLIC WORKS
9. COMMITTEE REPORTS
10. REVIEW UPCOMING COUNCIL MEETING AGENDAS
11. FOR THE GOOD OF THE ORDER
12. ADJOURNMENT

1. EXECUTIVE SESSION: REVIEW QUALIFICATIONS OF AN APPLICANT FOR CITY EMPLOYMENT (RCW 42.30.110(1)(g)) 6:42 PM

At 6:42 PM, Mayor Blair recessed the meeting to an executive session with legal counsel in the Planning Conference Room to review qualifications of an applicant for City employment pursuant to RCW 42.30.110(1)(g). The recording system was turned off and the door to Council Chambers was posted. The meeting resumed immediately following with no action being taken.

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

Mayor Blair called the October 10, 2014 business meeting to order at 6:59 PM with Councilmembers Bonkowski, Roth, Tollefson, Townsend and Ward present. Councilmember Blossom had an excused absence. City Clerk Lassooff monitored the recording of the meeting and prepared the minutes. Everyone stood for the Pledge of Allegiance.

3. ACCEPTANCE OR MODIFICATION OF AGENDA/CONFLICT OF INTEREST DISCLOSURE

MOTION: *I move to accept the agenda as written.*
BONKOWSKI/WARD – Motion carried 6-0.

There were no conflicts of interest disclosed.

4. PUBLIC COMMENT 7:00 PM

Pamela Williams, Ferncliff Village resident, spoke in favor of putting money into the Housing Trust Fund to help with various moderate income housing projects on the island.

Michael Gorham, Housing Resources Board member and Ferncliff Village resident, spoke to the importance of supporting affordable housing.

Don Heppenstall recalled that the Housing Trust Fund was intended to be our City's method of supporting housing and housing services. He asked that it be funded in the amount of \$100,000 and that it be a priority in future budgets.

Joanie Nichols commented on affordable housing and home ownership.

Mark Blatter, Housing Resources Board Director, commented on affordable housing funding and asked Council to consider recapitalizing the fund so it can serve the purposes for which it was established.

Charlie Wenzlau, Housing Resources Board member, commented on the lack of an affordable housing ordinance and moving forward with possibly providing affordable housing on the Suzuki site.

5. CITY MANAGER'S REPORT 7:13 PM

City Manager Schulze gave a brief weekly update. Councilmember Bonkowski asked whether there was an operational Public Art Committee to evaluate public art proposals to which Deputy City Manager Smith replied that Barbara Sacerdote, Public Art Program Coordinator, would be giving the Council a briefing next week. Planning Director Cook gave a brief update and shared various events related to the Comprehensive Plan Update/Navigate Bainbridge.

6. PUBLIC HEARINGS

**A. ORDINANCE NO. 2014-39, APPROVING REZONE OF BAINBRIDGE MARINA PARCELS
(REZ13220B), AB 14-142 – PLANNING 7:20 PM**

Planning Director Cook introduced Ordinance No. 2014-39 which would approve the rezone of two "Bainbridge Marina" parcels, owned by Darrell and Vannee McNabb, from Residential (R-2) to Water Dependent-Industrial (WD-I) located on the south shore of Eagle Harbor, at 4200 Eagle Harbor Drive.

Mayor Blair opened the public hearing at 7:22 PM.

Charles Schmid read from a prepared statement against the proposed rezone.

Jacqueline Young, 927 Blue Heron Avenue NE, said she heard a rumor that this area would be used for shellfish farming and, if the property was zoned industrial, has there been a full SEPA assessment done. Planning Director Cook replied she has not heard anything about the property being used for any kind of shellfish operations and indicated a SEPA analysis was done as part of the Comprehensive Plan Amendment and Rezone process.

Mayor Blair closed the public hearing at 7:30 PM.

***MOTION:** I move to approve Ordinance No. 2014-39, approving the rezone of the Bainbridge Marina Parcels (REZ 13220B).*

***WARD/BONKOWSKI** – Motion carried 4-2. Deputy Mayor Roth and Councilmember Tollefson voted against the motion.*

B. ORDINANCE NO. 2014-38, MODIFYING BAINBRIDGE ISLAND MUNICIPAL CODE SECTION 15.18, LAND CLEARING AND CLARIFYING THE AUTHORITY OF THE CODE COMPLIANCE OFFICER, AB 14-143 – PLANNING 7:29 PM

Special Project Planner Sutton introduced the ordinance which would modify BIMC Chapter 15.18 (Land Clearing). She noted since the first reading held on September 23, several public comments have been received regarding this ordinance as well as another tree ordinance being reviewed by the Planning Commission which revises Section 18.15.010 (Tree and Landscaping). She explained staff was recommending that the City Council approve the ordinance.

Mayor Blair opened the public hearing at 7:31 PM.

Jacqueline Young, 927 Blue Heron Avenue NE, recommended that the code compliance officer should be administering violations rather than the planning director and that all tree clearing regulations should be in the same section. She believed the ordinance was not ready to be approved yet since the level of restitution has not been figured out.

Robert Dashiell, 6370 NE Tolo Road, shared his concern regarding low impact development and non-vegetation removal requirements in critical areas.

Michael Gorham, 826 Curtis Loop NE, wanted to make sure the broader aspects of sustainability were taken into consideration.

Kathleen Acala suggested additional language be added to Section 18.010 (Purpose) regarding impact on the water table.

Mayor Blair closed the public hearing at 7:39 PM.

Special Project Planner Sutton explained how the ordinance contained relatively small modifications. She addressed comments made regarding protecting trees on adjacent properties that have been preserved through some other land use permit and explained the bulk of that protection language should be added to Chapter 18.15.010. Mayor Blair wondered that given the comments, would it be wise to consider postponing Council's vote tonight until the Tree Ad Hoc Committee provides additional clarity. Special Project Planner Sutton did not believe so and suggested the following language related to Section A towards the end ... or any protected landscape buffer or open space area or adjacent protected landscape buffer or open space areas as defined by Titles 17 and 18. Councilmember Ward recommended sending the ordinance back to the Tree Ad Hoc Committee for comment rather than trying to craft language from the dais. Special Project Planner Sutton followed up on Mr. Dashiell's comments regarding soil disturbance and future infiltration requirements of the NPDES permit. She reminded everyone that any activities undertaken under this chapter must comply with BIMC 15.20 (Storm Water Management). Councilmember Tollefson hoped that staff would also look in detail at Mr. Wenzlau's written comments. There was Council consensus that the ordinance go back to the Tree Ad Hoc Committee for additional work. Special Project Planner Sutton asked whether the public hearing should formally be continued or how best to proceed. City Attorney Marshall indicated the public hearing had already been closed however, an additional public hearing could be noticed if needed.

Mayor Blair begged the privilege of the Chair and invited Mr. Kushner to speak as he was not present during public comment.

Ed Kushner, 8554 NE Gordon Drive, commented on the history behind the Housing Trust Fund. He was hopeful that the City's finances are sufficient to allow the practice of putting money into that fund to begin again.

Margaret _____, 188 Knetchel Way, expressed her gratitude as a recipient of the benefits of the HRB program and encouraged the Council to fund the program.

7. UNFINISHED BUSINESS

A. CONTINUED BUDGET DELIBERATIONS AND REVIEW OF 2015-2020 SIX-YEAR CAPITAL FACILITIES PLAN – FINANCE AND PUBLIC WORKS 7:57 PM

City Manager Schulze suggested if Council had changes they would like to see made, that they be done by motion so they can be tracked. He recommended the motion should direct staff to incorporate the changes in program funding as desired by the Council and to bring back options.

Finance Director Schroer introduced Public Works Director Loveless who shared additional information on the Capital Facilities Plan project sheets: Transportation: Budget \$300,000 of Transportation Benefit District funds in 2015. Request the Non-Motorized Transportation Advisory Committee revisit and provide the priorities in 2016; Non-Motorized: Sound to Olympic Trail Phase 3 pushed out; Facilities: Unlikely the City will receive Waterfront Park grant. Awaiting news on dock grant.

Councilmember Bonkowski commented that staff was forecasting \$2M in 2016 for facilities assuming we receive an \$835,000 grant against a \$2.6M dock. Public Works Director Loveless replied that was correct assuming the Council decided to fully fund the current scope of the project and proceed whether grant funds are received or not. Councilmember Bonkowski commented without the grant the current budget would still show us spending \$1.995M and without the grant we would have roughly a \$1M available for a dock. Councilmember Tollefson recalled the \$1M was the ferry settlement money so it was available for the dock or something else.

Councilmember Bonkowski wondered why the construction of Waterfront Park was being delayed for another year since the money is there and there is a 30% design. Councilmember Tollefson recalled the 30% design did not really reflect what the Council wanted to see but it is what we settled on in order to get the grant application submitted. Public Works Director Loveless replied the timing was based on the grant funding flow. Councilmember Bonkowski asked when the City would know about the grant to which Public Works Director Loveless replied before the end of the year. City Manager Schulze indicated he had seen a lot more applications than in previous grant cycles and, unfortunately, where we ended up in the ranking for the park project it is very unlikely that we will be funded. Councilmember Tollefson was not sure if it made much sense to wait around and have someone tell us that for sure. Councilmember Townsend wondered, from a construction perspective, whether it mattered which project should be done first to which Public Works Director Loveless replied there was no way the dock could be constructed next year due to a long permitting process, etc.

Councilmember Bonkowski asked how staff would like to proceed. City Manager Schulze replied if it was Council's desire to have construction occur in 2015, then a motion to that effect directing staff to modify the CIP and 2015 Budget to reflect that would be appropriate. Mayor Blair asked whether there was something imperative about doing the dock to which Public Works Director Loveless replied no.

8:23 PM **MOTION:** *I move we move the construction of the Waterfront Park into 2015.*
BONKOWSKI/WARD – Motion carried 6-0.

Deputy Mayor Roth said that he did not want it to appear that the dock is diminished or impedes the ability to raise money through a grant. Councilmember Ward would like to see a budget developed for the upland part of the park and stick with that. Councilmember Tollefson said unless he was missing something we are adopting a budget and what we have just asked is to have the budget changed so that money that we were going to spend in 2016 we are willing to spend 2015. He added if Council wanted to dip into money that is in this budget already for the dock, it is going to have to come back to Council for a decision. Deputy Mayor Roth felt the Council ought to say of the ferry settlement monies available "x" amount will be devoted to the park, "y" will be devoted to the dock and if budget adjustments are needed, they would not be at the expense of the other vis-à-vis the ferry settlement. Mayor Blair stated she had a clear sense of the initial conversation where it was basically \$800,000 for the park and \$1.2M for the dock. Councilmember Bonkowski responded there has been a 20% increase in the park and a 40% increase in the dock since then.

Mayor Blair wanted to know why the downtown parking facility was still listed. Councilmember Bonkowski replied in order to apply for a grant it needs to be listed in your capital improvement plan.

Public Works Director Loveless continued his review of the project sheets. Stormwater: Rockaway Beach Outfall was deferred out of the two-year biennial budget. Staff pursuing construction grants for Wardwell Reconstruction (\$335,000) and Yeomalt (\$385,000) with funding flowing into 2016 (defer construction to 2017 if needed). In addition, pending the Utility Advisory Committee's review of the stormwater utility, staff can reevaluate, sometime hopefully this year or early next year, what the going forward capacity is as far as capital and rebalancing the program based on their analysis.

Councilmember Tollefson asked what PEG operations stood for to which Finance Director Schroer indicated public education and government funding received through cable bills which is used for any kind of equipment supporting public access, television and communications. She further explained the public access television line item is what we pay for the broadcasting of Council meetings. Councilmember Tollefson suggested budgeting \$100,000 once allocated to HHHS for administrative costs to encourage availability of affordable housing to all economic segments of the population.

8:39 PM **MOTION:** *I would like to move that we fund the Housing Trust Fund for the years 2015-2016 to the tune of \$100,000 a year understanding that that is not a commitment to any particular project or any particular organization but as a commitment of this Council to fulfill its obligations under the Comprehensive Plan to support affordable housing.*
TOLLEFSON/BONKOWSKI – Motion carried 6-0.

Councilmember Bonkowski indicated he would forward his budget suggestions by the end of the week.

8. CONSENT AGENDA 8:43 PM

A. ACCOUNTS PAYABLE VOUCHERS AND PAYROLL APPROVAL

Bank ACH, ACH Check Number 160, EFT Number 161, Manual Void Check Numbers 336696, 336758 and 336787, Manual Check Numbers 336826 – 336833 and Regular Run Check Numbers 336834 – 336972 for a total of \$1,491,806.69. Travel Advance Check Numbers 62 – 63 for a total of \$400.00. Payroll Direct Deposit Check Numbers 031371 – 031485, Regular Run Check Numbers 106818 – 106821, Vendor Check Numbers 106822 – 106835 and Federal Tax Electronic Transfer for a total of \$589,100.78.

- B. REGULAR STUDY SESSION MEETING MINUTES AUGUST 4, 2014**
- C. REGULAR STUDY SESSION MEETING MINUTES, AUGUST 18, 2014**
- D. REGULAR BUSINESS MEETING MINUTES, AUGUST 25, 2014**
- E. REGULAR STUDY SESSION MEETING MINUTES, SEPTEMBER 2, 2014**
- F. RESOLUTION NO. 2014-22, RELATING TO SHORT-TERM BORROWING FROM THE GENERAL FUND TO THE CAPITAL CONSTRUCTION FUND, AB 14-158 – FINANCE**
- G. SOUND TO OLYMPIC TRAIL, PROFESSIONAL SERVICES AGREEMENT AMENDMENT #1,**

AB 14-096 – PUBLIC WORKS

City Council approved the original design Agreement awarded to MacLeod Reckord in the amount of \$135,948.02, at their August 4, 2014 City Council meeting. Supplemental Agreement Number 1 is for items not included in the original Agreement such as environmental evaluations, permit application support and geotechnical engineering services. Staff is asking for approve of the Supplemental Agreement Number 1 for the Sound to Olympics Trail design project in the amount of \$20,391.38.

- H. APPLICATION TO LIST SUYEMATSU FARM BARN ON THE WASHINGTON STATE HISTORICAL BARNS REGISTRY, AB 14-165 – PLANNING**

- I. AGREEMENT WITH KITSAP COUNTY REGARDING JURY PANELS FOR MUNICIPAL COURT, AB 14-166 – EXECUTIVE**

- J. PUBLIC WORKS TRUST FUND LOAN AMENDMENTS, AB 14-167 – PUBLIC WORKS**

The State of Washington Department of Commerce is revising all PWTF Loan Agreements amending the loan repayment due dates from July 1st to June 1st). The PWTF repayment date amendments include the following PWTF Loans with the City: WWTP Upgrade Design – PW-04-691-PRE-108; Decant Facility Construction – PW-05-691-001; Lower Madison Brien/Bjune project – PW-5-95-791-002; WWTP Upgrade Construction 1 & 2 – PW-06-962-004 and PW-05-691-002; Eagle Harbor Sewer Beach Mains Design – PR08-951-104; South Island Sewer Construction – PW-04-691-002; Decant Facility Design – PW-04-691-PRE-107; and December 2007 Storm Event – PE08-951-075.

***MOTION:** I move that we approved the Consent Agenda items A through J.*

***WARD/BONKOWSKI:** Motion carried 6-0.*

9. COMMITTEE REPORTS 8:45 PM

Councilmember Ward reported that the Utility Advisory Committee would be reminding Council of their previous recommendation related to the Utility Tax as well as making a recommendation based on the process that is required for paying for fire hydrants. He added the Utility Advisory Committee was also beginning to discuss the SSWM Utility.

Councilmember Tollefson reported the Suzuki Ad Hoc Committee has met on a number of occasions with staff. He shared that an upcoming Suzuki public workshop was scheduled for November 3 (5:30 PM Open House and 6-8 PM Workshop).

Councilmember Bonkowski reported he and Councilmember Tollefson attended a West Sound Alliance Stakeholder's meeting, which focused on developing a transportation priority list for the West Sound. He asked that the City contribute \$300.00 as well as send a copy of the AWC video produced last year to Mary McClure. Council asked City Manager Schulze to fund the request.

Council agreed to allow Mayor Blair to write a letter to Representative Derek Kilmer requesting that he apply for federal funds to pay for an economic impact study to ferry communities of the ferries and reliable ferry transportation. She also gave a brief update on the Mayor's Youth Advisory Council. Councilmember Bonkowski suggested the City's HR department assist in the process.

10. REVIEW UPCOMING COUNCIL MEETING AGENDAS 8:55 PM

City Manager Schulze reviewed the October 21 study session agenda. Councilmember Ward requested a discussion of accessory dwelling units be added to the November 18 study session agenda.

11. FOR THE GOOD OF THE ORDER 9:03 PM

Councilmember Bonkowski shared that an upcoming emergency preparedness presentation would be held Thursday at 6:30 PM at the Fire Station No. 23.

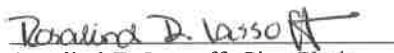
SPECIAL/REGULAR BUSINESS MEETING
OCTOBER 14, 2014

Mayor Blair shared that a Washington State Ferries Long-Range Planning event would be held on October 22 in Council Chambers. She also reported on a meeting she attended with the Bainbridge Review editorial board.

12. ADJOURNMENT

The October 14, 2014 business meeting adjourned at 9:08 PM.


Anne S. Blair, Mayor


Rosalind D. Lasso, City Clerk