

Oak Harbor City Council
Regular Meeting Minutes
April 4, 2023

This was both a physical meeting location and a virtual meeting. Meeting was viewable live via YouTube at www.youtube.com/cityofoakharbor, on Facebook, and on Cable Channel 10/HD 1090 following the meeting

CALL TO ORDER

Mayor Severns called the meeting to order at 6:00 p.m.

Invocation – Pastor Ron Lawler, Family Bible Church

Pledge of Allegiance – Led by Mayor Severns

ROLL CALL

City Council Present:

Mayor Robert Severns
Mayor Pro Tem Tara Hizon
Councilmember Beth Munns
Councilmember Jim Woessner
Councilmember Bryan Stucky
Councilmember Dan Evans - absent
Councilmember Shane Hoffmire
Councilmember Eric Marshall

Staff Present/Videoconference

City Administrator Blaine Oborn
Finance Director David Goldman
Public Works Director Steve Schuller
Development Services Director David Kuhl
Fire Chief Ray Merrill
Police Captain Mike Bailey
City Engineer Alex Warner
Principal Planner Cac Kamak
Water Supervisor Chris Price
Economic Development Coordinator Steve McCaslin
Grants Administrator Wendy Horn
Communications & IT Manager Sabrina Combs
City Clerk Julie Nester

Also in attendance: City Attorney
Hillary J. Evans of Kenyon Disend, PLLC

EXCUSE ABSENT COUNCILMEMBERS

Mayor Severns noted Mayor Pro Tem Hizon and Councilmember Woessner were attending remotely. He noted Councilmember Evans had asked to be excused and called for a motion. Councilmember Munns moved to excuse Councilmember Evans, seconded by Hoffmire, the vote on the motion carried unanimously.

1. APPROVAL OF AGENDA

Mayor Severns called for any changes to the agenda. Hearing none, the agenda was approved as presented.

2. PRESENTATIONS

- a. Proclamations – None
- b. Honors & Recognitions - None
- c. Community Presentations –

- i. Whidbey and Camano Islands Tourism Presentation –

Sherrye Wyatt, PR & Marketing Manager for Whidbey and Camano Islands Tourism presented what she categorized as “10 Minutes of Tourism”, including local and regional travel statistics and destination marketing. Planned is a roll-out of a program to re-imagine tourism, the four pillars of which will be: 1. Healthy Nature, 2. Access, 3. Bridge Building, and 4. Transformational Mindset.

Councilmembers Munns, Woessner and Hoffmire provided their respective comments, all thanking Sherrye for the promotion of tourism.

- ii. Port of Coupeville Presentation

Port Commissioner John Mishasek and Port Executive Director Chris Michalopoulos reviewed Port operations, planning, and economic development as well as the Port's potential acquisition of Eisenberg Airport. They were joined by Geri Morgan, current owner of the adjacent property with right of first refusal.

Councilmembers Hoffmire, Stucky, Marshall and Munns provided their respective questions and comments.

3. CITIZEN COMMENT PERIOD

Mayor Severns noted citizens may comment on Consent Agenda items or subjects of interest not listed on the agenda at this time and that citizens would have the opportunity to comment on the remaining Agenda items during the meeting as appropriate.

Citizens can also visit the City's website prior to meetings for methods to submit public comment, or contact the City Clerk, Julie Nester by phone or email as noted on screen. When submitting comments, please include your name and address. Public comments sent anonymously will be shared with the Mayor and Council but will not be displayed.

The City received one on-line public comment from Kenneth Davies of Oak Harbor, in support of making the AJ Eisenberg Airport public.

Mayor Severns opened the floor for public comment from any other audience member present.

1. James Wood, a pilot and flight instructor, spoke in support of the Interlocal Agreement with the Port of Coupeville and airport improvements and increased services to benefit tourism, Medi-vac needs, and charter services.
2. Sean Magorrian, a pilot, spoke in support of the Interlocal Agreement with the Port of Coupeville and airport improvements for the benefit of businesses and safety.
3. Robert DeLaurentis, a pilot, spoke against the Interlocal Agreement noting he was attempting to purchase the airport using his own funds and citing the right of first refusal as void.
4. Marc Hebert of Oak Harbor spoke in opposition to House Bill 1240, which would prohibit the manufacture, importation, distribution, sale or offer for sale of any assault weapon in the state.

5. Joe Andrade, a pilot involved in tourism with Central Whidbey Island, spoke in support of the Interlocal Agreement, general aviation growth and economic development.
6. Geri Morgan, as identified earlier, spoke in support of the Interlocal Agreements and to refute the statement by Mr. DeLaurentis,. She noted the right of first refusal was indeed valid and that the Port of Coupeville had a valid offer on the table. She also provided a history of the offer from Mr. DeLaurentis.
7. Michael Watkins, a certified commercial flight instructor, owner of Wings Over Whidbey, spoke in support of the Interlocal Agreement and expanded airport operations.
8. Mark Varljen spoke in support of the Interlocal Agreement and provided statistics on the impact of aviation on Washington's economy. He stated he had participated as a volunteer to assist the Port in putting together an economic development plan for the airport, and noted the Port had a plan for maintenance and improvements.
9. Don Meehan of Coupeville, spoke in support of the Interlocal Agreement, noting the funds would assist in creating quality plans to present to the Washington State Department of Transportation and the Federal Aviation Association for grant funding.

Hearing no others with a desire to address the Council, the public comment period was closed.

4. CONSENT AGENDA

Consent Items

- a. Approval of Minutes of the March 21, 2023 Council Meeting and March 22, 2023 Council Workshop
- b. Approval of Payroll and Accounts Payable Vouchers
- c. Department of Ecology – Municipal Stormwater Capacity Grant Amendment
- d. Final Contract Voucher Certificate – 2022 Hot Mix Asphalt (HMA) Overlay Project
- e. Inter-Agency Agreement: Island County to Fog-Seal and Chip-Seal Streets
- f. Island County Interlocal Agreement: Hoffman Trail Project
- g. Reconsideration of Interlocal Agreement with the Port of Coupeville for Airport Purchase and Support

Mayor Severns called for any changes to the consent agenda. Councilmember Marshall requested that item g. Reconsideration of Interlocal Agreement with the Port of Coupeville for Airport Purchase and Support be pulled for discussion.

Hearing no other requests, Mayor Severns noted items a through f were approved as presented. He called for discussion of item g.

Motion: Councilmember Marshall moved to change the language in the Interlocal Agreement to state the City would provide \$200,000 after the closing on the purchase of the Airport by the Port of Coupeville. Councilmember Munns seconded the motion. Councilmembers Stucky and Hoffmire provided their respective comments. The vote on the motion carried unanimously.

5. MAYOR, COUNCIL & STAFF COMMENTS

- a. Mayor - Mayor Severns provided the following comments and updates:

- Washington D.C. Trip: Councilmembers Hoffmire, Stucky and Woessner joined City Administrator Oborn and myself on a trip to Washington, D.C. and the Pentagon last week. While there, we met with representatives of the Navy, the Army Corps of Engineers, and Representative Rick Larsen to discuss

our legislative priorities and the need for dredging to maintain the economic viability of the Oak Harbor Marina.

- National League of Cities: While in Washington we attended the National League of Cities annual conference. Also attending was City Finance Director David Goldman.
- Fire Department House Burn Exercise: Our Fire Department was provided an opportunity to hone their skills in the preparation and removal of a surplus house from a property owned by the City. Clean up of the property is continuing this month.
- Active Transportation Plan: The City of Oak Harbor is currently developing an Active Transportation Plan to identify projects and strategies to improve conditions for walking, biking, and rolling throughout the City with our contracted consultant Toole Design. Citizens can get involved by:
 1. Complete the online survey and map between April 3 and June 3.
 2. Speak with the project team at community events (Holland Happening).
 3. Submit a question via our online comment form.
- Chamber of Commerce: We felt the newest tourism promotion from the Greater Oak Harbor Chamber deserved some recognition. You'll find it as a full page advertisement in the 2023 Seattle Mariners Year-book. Tourism is an important industry for Oak Harbor and for Whidbey Island as a whole.
- Boards & Committees: The City has openings on our Historic Preservation Board, Investment Committee, Planning Commission and Salary Commission. Please see our website for more details.
- Upcoming Community Events: Events were displayed on screen.

b. Councilmembers

- i. Mayor Severns called upon the Council for any additional comments.

Councilmembers Hoffmire, Marshall, Woessner and Mayor Pro Tem Hizon provided updates and comments.

6. PUBLIC HEARINGS & MEETINGS

a. Resolution 23-05: Water System Plan Extension

Consultant Russ Porter of Gray & Osborne reviewed the item and explained the goal of water system planning is to identify current demands, future need, and available resources to provide high quality of service at the lowest cost while protecting the community's health. The City's current water system plan was adopted by Council in 2014. The plan has a 6- year approval period, expiring in 2020. This water system plan extension extends the approval period of the current plan to 10 years. The 10-year approval period aligns with changes to Washington Administrative Code (WAC) 246-290-100 and requires a public hearing.

Mayor Severns opened the public hearing. He confirmed no public comment had been received. Mayor Severns requested any comments from those present and hearing none, the public hearing was closed.

Mayor Severns called upon the Council for their comments and hearing none, requested a motion.

Councilmember Munns provided her respective questions and comments.

Motion: Councilmember Munns moved to approve Resolution 23-05, authorizing the City of Oak Harbor Water System Plan Extension. Councilmember Hoffmire seconded the motion, which carried unanimously.

b. Resolution: 23-06: Updating Water Efficiency Goals

City Water Supervisor Price reviewed and provided background information on the water efficiency goals. He explained that on January 22, 2007, the Water Use Efficiency rule became effective to help conserve water for both the environment and future generations by requiring municipal water suppliers to use water more efficiently. One requirement of the Water Use Efficiency rule is to set water use efficiency goals in a public forum that provides opportunity for consumers and the public to participate and comment on the water use efficiency goals and for the elected governing body to establish or re-establish goals as part of a water system update. On September 16, 2014, the City approved Resolution 14-25 approving the submittal of the water system plan to the Department of Health for review and final approval. Within the approved water system plan update the following water use efficiency goals were established:

- Continue to maintain water distribution system leakage at or below 10%
- Maintain family household water use at 64 gallons per person per day on a three-year average; and reduce irrigation usage.

The water system plan extension requires the City to hold a public forum and re-establish its water use efficiency goals, in accordance with Washington Administrative Code 246-290-100.

Mayor Severns opened the public hearing. He confirmed no public comment had been received in advance of the meeting. Mayor Severns requested comments from those present. Hearing none, the public hearing was closed. Mayor Severns called upon the Council for their comments.

Councilmembers Stucky, Hoffmire, Munns and Mayor Pro Tem Hizon provided their respective questions and comments.

Motion: Councilmember Stucky moved to approve Resolution 23-06: Updating Water Efficiency Goals. Councilmember Munns seconded the motion which carried unanimously.

c. Ordinance No. 1975: Amending Oak Harbor Municipal Code Section 3.64.501 (5), Annual Permit Fee Review

Development Services Director Kuhl explained the Oak Harbor Municipal Code Chapter 3.64.501 regulates Land Use Fees – General Rules of Application. Subchapter 3.64.501(5) requires a fee adjustment every year based on the cost-of-living change (cpi) for the Seattle area. The current cpi for the Seattle area is 8.4% as determined by the December report (released January 12, 2023). Previous discussions have indicated that a different method of annual fee review is preferred by Council.

Director Kuhl reviewed proposed code language as follows:

(5) Annual Permit Fee Review. (a) Annually, the City Council may review and adjust the fee schedule as needed. On the first of January, the director of development services shall adjust the fees in this subchapter by the cost-of-living change (CPI) for the Seattle area. The new fee schedule shall be filed with the clerk's office.

Mayor Severns opened the public hearing. He confirmed no public comment had been received in advance of the meeting. Mayor Severns requested any comments from those present and hearing none, the public hearing was closed.

Mayor Severns called upon the Council for their comments. There were no comments from the Council.

Motion: Councilmember Hoffmire move to approve the amendment to Oak Harbor Municipal Code Chapter 3.64.501 (5) relating to annual permit fee review (Ordinance No. 1975). Councilmember Stucky seconded the motion, which carried unanimously.

7. ORDINANCES & RESOLUTIONS

None.

8. CONTRACTS & AGREEMENTS

a. Professional Services Agreement with Carletti Architects for Fire Station Architectural Design

Fire Chief Merrill reviewed the item for the Council. He explained that as outlined at the Council's March 22, 2023 workshop, Carletti Architects were selected in 2015 to conduct a feasibility study and a conceptual design of a fire station in the southwest quadrant of the city. In November 2022, the citizens of Oak Harbor approved a general obligation bond for the construction of the new fire station. Carletti Architects is the preferred choice to complete the design and architectural services for this project. The projected cost of services is \$402,365.00 plus a 10% contingency reserve.

Mayor Severns confirmed no comments had been received from the public on this item and called for any comments from those present. Hearing none, he called on the Council for their comments.

Councilmember Hoffmire voiced his appreciation of the very detailed scope of work provided.

Motion: Councilmember Marshall moved to authorize the Mayor to enter into a Professional Service Agreement with Carletti Architects in the amount of \$402,365, to include a 10% contingency fund authorizing the Fire Chief to approve additional work as required. Councilmember Munns seconded the motion, which carried unanimously.

9. OTHER ITEMS FOR CONSIDERATION'

a. Mangat Annexation – 19.1 Acres, located at 2890 N. Oak Harbor Road

Development Services Director Kuhl provided background information and reviewed the annexation request. An Intent to Commence Annexation Proceedings was received by the City for three parcels totaling 19.1 acres. The three parcels are under common ownership, Mangat Properties, LLC. These properties are located southeast of the intersection of Oak Harbor Road and Gun Club Road.

RCW 35A.14.120 requires the City Council to convene a meeting with the initiating party within 60 days after the filing of the notice of intent. The notice of intent was received February 14, 2023. This is the third annexation attempt by the property owners. Director Kuhl reviewed the two prior annexation attempts:

June 2014 - The City received this request for the identical three parcels also under the Mangat ownership. The property consisted of a 47-unit mobile home park known as the Valley High Mobile Home Park. The property addressed at 2752 Oak Harbor Road consisted of an apartment building with 4 dwelling units and 2 single wide mobile homes. At the August 6, 2014 Council meeting, direction was provided to move forward with the annexation with an increased geographic scope to include two additional properties located on Oak Harbor Road (R13326-086-0670 & R13326-079-0890).

Several issues were identified in the staff report presented at the August 6 meeting. The proposed annexation was found to be in conflict with several Comprehensive Plan policies in the Urban Growth Area Element. It is important to note that these policies are still in place as guidance for growth and

development within the urban growth area. In 2014, the subject properties had a comprehensive plan designation of PRE (Planned Residential Estate). Density in the PRE is up to three dwelling units per acre. The existing mobile home park exceeds that density and would not be allowed to increase density under equivalent zoning. There existed significant problems with the existing on-site septic. The property was considered by Island County Public Health at high risk for failure and County staff encouraged the owners to explore the possibility of connecting to City sewer. The mobile home structures did not meet Oak Harbor Municipal Code (OHMC) requirements including surfacing of pads, skirting, storage area for residents, landscaping and connection to the public sewer and water systems within three years of annexation. OHMC 16.32.050 requires all mobile homes, recreational vehicles, and mobile home parks be connected to the municipal water system. Water exists in Goldie and N. Oak Harbor Roads. Fire expressed concerns for inadequate fire flow for fire suppression which did not meet minimum Fire Code requirements. In addition, the existing street system did not provide an adequate fire access turnaround and a connection between two parcels. The sub-standard interior street system also presents difficulties to garbage truck operation. Fire also indicated a need for additional fire hydrants and the potential long-term maintenance impact. As a result of the aforementioned concerns, staff continued internal discussions with affected city departments and concluded that the proposed annexation was not in the best interest of the City.

June 2017 - The City received a second request for annexation on June 12, 2017. The Council provided direction to move forward with the annexation at their August 2, 2017 meeting. With most of the issues present in 2014 still in existence in 2017, staff met with the Mangat family to attempt to develop a strategy to resolve the outstanding issues. Several issues were discussed including life safety and level of service concerns, with a particular focus on the provision of sewer service. In an attempt to find a solution, the City held a meeting in April 2018 comprised of property owners in the general vicinity of the subject properties. The purpose was to determine if there was any anticipated development foreseen by a property owner(s) which may provide the opportunity for a local improvement district (LID) and possible cost-sharing. There was none. Staff sent a letter to the applicant indicating the lack of staff support for further action on the annexation request. The applicant did not pay the required annexation application fee and the request was closed.

February 2023 - This third annexation request does not find any substantive changes to the issues identified in the two previous attempts. However, while the mobile home park and residential units are still existing non-conforming uses, the Comprehensive Plan designation has been changed from low-density residential to industrial. This amendment provides the Mangat's with some potential uses for their property as they convert from the non-conforming residential.

Director Kuhl explained that in conformance with RCW 35A.14.120 a meeting with the legislative body must be convened within 60 days of receipt of the intent to commence annexation proceedings. The Council must come to a decision on three specific items:

1. Accept, reject, or geographically modify the proposed annexation.
2. Accept proposed zoning. The 2022 Comprehensive Plan amendments included re-designating the Mangat properties from Planned Residential Estate to Industrial. The industrial designation and potential industrial zoning will provide the property owner future development options. The industrial zoning district is also consistent with the property located directly to the east (also owned by the Mangat family).
3. Require share of City indebtedness. It is reasonable to require this property to share its portion of city indebtedness upon annexation.

The Mangat family was not in attendance and Mayor Severns confirmed no public comments were received and called for any comments from those citizens present. Hearing none, he called for any comments from the Council.

Councilmembers Munns, Hoffmire, Stucky, Marshall and Woessner provided their respective questions and comments. City Engineer Alex Warner also responded to questions.

Motion: Councilmember Munns moved to deny the application for annexation at this time. Councilmember Hoffmire seconded the motion to deny, which carried unanimously.

10. REPORTS & DISCUSSION ITEMS

- a. Professional Services Agreement with Economic Development Council for Island County – County Economic Development Strategy (CEDS)

City Administrator Oborn explained the purpose of this Professional Services Agreement with the Economic Development Council for Island County (EDC) is to provide the City and Island County with a Community Economic Development Strategy (CEDS). He reviewed the background and scope of work. The EDC is hiring a consultant to perform the services related to the creation of the CEDS.

In consultation with the Economic Development Council for Island County (EDC) and Island County, the consultant will manage the scheduling, planning, and stakeholder engagement process required by the Economic Development Administration (EDA) to develop a CEDS document. The CEDS deliverable is tentatively scheduled to be completed and delivered in July 2024. The total cost is \$85,000, with the City's share, based on population, being \$24,000 or 28.24% of the contracted cost. Coupeville, Langley and Island County are the other participants. This item will be brought to the Council at a future meeting.

Councilmember Munns provided her respective questions and comments.

MEETING EXTENSION

Noting the time, Mayor Severns called for a motion to suspend Council rules and extend the meeting.

Motion: Councilmember Marshall moved to suspend Council rules and extend the meeting to 10:00 p.m., seconded by Councilmember Hoffmire. The vote on the motion carried unanimously.

11. EXECUTIVE SESSION

Mayor Severns announced the Council would move into executive session to consider the selection of a site or acquisition of real estate by lease or purchase as pertains to price per RCW 42.30.110 (1) (b). The anticipated duration was twenty minutes. He noted action might or might not be taken upon return to the open session and that Executive Sessions are not open to the public.

The Council entered into executive session at 9:00 p.m.

At 9:20 p.m. the Council announced they would continue the Executive Session for approximately five more minutes to 9:25 p.m.

At 9:26 p.m. the Council came out of executive session and resumed the open session. Mayor Severns noted no action would be taken at this time regarding the real estate matter discussed.

Adjourn

Motion: There being no further business, Councilmember Stucky moved to adjourn, seconded by Councilmember Marshall. The motion was approved by a unanimous vote, therefore the meeting adjourned at 9:27 p.m.

Certified by Julie Nester, City Clerk