

RESOLUTION NO. 2011-29

A RESOLUTION of the City Council of Bainbridge Island, Washington, relating to the settlement funds received from Washington State Ferries.

WHEREAS, in the early 1970s, Jessie Hey and Bob and Rachel Smith, founders of Bainbridge Island Concerned Citizens (“BICC”), challenged the City of Winslow’s decision to approve the construction of residential condominiums at the former Eagle Harbor Boatyard site; and

WHEREAS, in 1974, BICC won their appeal before the Shoreline Hearings Board (“SHB”) against the City of Winslow (now the City of Bainbridge Island) and a covenant was put on approximately 1.5 acres of land and tidelands restricting it to community maritime use; and

WHEREAS, since 1974, BICC and many other community members have committed to maintaining the community’s right to water access, guaranteed by the original covenant, in the forefront of public discussion and negotiations with WSF and the State of Washington; and

WHEREAS, in 1995, Washington State Department of Transportation (“WSDOT”) condemned this parcel of land and tidelands adjacent to its Washington State Ferries (“WSF”) maintenance yard in order to expand its facilities; and

WHEREAS, the Environmental Protection Agency (“EPA”) and the City agreed to allow the capping of the tidelands to create one acre of land so WSF could expand its facilities; and

WHEREAS, in 1995, WSDOT and the City entered into a Memorandum of Agreement (“MOA”) under which WSF would set aside approximately one acre to accommodate a boatyard; and

WHEREAS, in 1996, an EPA Record of Decision was issued that stated that if WSF set aside an acre of land, the EPA could move forward with the clean-up of the Eagle Harbor site; and

WHEREAS, WSF did not set aside the land, and the required permits were not obtained from the City; and

WHEREAS, in 2010, in order to resolve the requirements of the MOA, WSF came forward with two settlement options; and

WHEREAS, on December 15, 2010, City Council accepted WSF’s settlement offer of \$2 million dollars in exchange for relinquishment of the City’s rights and obligations under the SHB decision and the MOA; and

WHEREAS, City Council desires to place restrictions on the use of the WSF settlement funds; now, therefore,

THE CITY COUNCIL OF THE CITY OF BAINBRIDGE ISLAND DOES RESOLVE AS FOLLOWS:

Section 1. A new restricted reserve fund is created that is called the Capital Improvement Opportunity Reserve, and the WSF settlement funds shall be transferred in to this fund.

Section 2. Funds from the Capital Improvement Opportunity Reserve shall only be used to support one-time capital projects with a water nexus. The funds shall not be used to support ongoing staffing, maintenance or program costs.

Section 3. A minimum of five City Council votes are required to use any of the funds from the Capital Improvement Opportunity Reserve.

PASSED by the City Council this 14th day of December, 2011.

APPROVED by the Mayor this 14th day of December, 2011.

By: 
Kirsten Hytopoulos, Mayor

ATTEST/AUTHENTICATE:

By: 
Rosalind D. Lassoff, City Clerk

FILED WITH THE CITY CLERK:	December 9, 2011
PASSED BY THE CITY COUNCIL:	December 14, 2011
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