

**CITY OF SEQUIM
CITY COUNCIL MINUTES
SEQUIM CIVIC CENTER
152 WEST CEDAR STREET
SEQUIM, WA
January 5, 2016**

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE & ROLL CALL:

Present: Karen Mahalick, Olaf Protze, Bill Sterhan, Sita Thompson, Jon Wendt

Staff present: Chris Hugo, Charisse Deschenes, Bobbie Usselman

2. APPROVAL OF MINUTES: [November 17, 2015](#)

MOTION to approve minutes of November 17, 2015 by Mahalick; second by Protze. Unanimously approved.

3. ITEMS FROM THE PUBLIC NOT ALREADY ON THE AGENDA

4. NEW BUSINESS

a. [FLUPSY, floating shellfish seed culturing device](#)

Hugo gave a brief overview of the process.

Senior Planner Charisse Deschenes described the project stating the applicant, Jamestown S’Klallam Tribe, proposes to locate a FLUPSY (floating shellfish seed culturing device) consisting of seed containers attached to a float-like apparatus attached to a floating dock in Slip 46 at the John Wayne Marina. The City requires the applicant to submit a Shoreline Master Program Substantial Development Permit application accompanied by an Environmental Checklist (SEPA) Mitigated Determination of Nonsignificance. A Section 10 permit is required from the Washington State Department of Ecology and the Army Corps of Engineers. The FLUPSY requires 2-3 workers to man the operation. The business will supply small aquaculture farms in the State of Washington impacting the regional and local shellfish economy.

She provided new documentation to the Commission including the process for a Quasi-Judicial Decision for a Type C-1 Permit and comments received from the US Army.

Wendt announced the rules for the Public Hearing. The public meeting opened at 6:04 pm.

Staff recommends approval of the application with conditions:

- The applicant shall submit for and receive a business license through the City of Sequim prior to the onset of activities at the site.
- The applicant shall receive all approvals, as necessary, from all State and Federal agencies prior to the onset of activities at the site.
- The applicant shall follow the requirements set forth in the SMP, Chapter 6 – Development Standards and Use Regulations, Section 6.3.3 Aquaculture.
- The Substantial Development Permit is granted for five (5) years from the date of approval with the option of receiving a one-year extension.

There was brief discussion about how the FLUPSY works.

Ralph Riccio, 1033 Old Blyn Hwy, works for Tribe. There is very clean water coming into the bay from the Strait. We are testing to see if shellfish will survive in the water. The goal is two FLUPSYs for this permitting period.

Thompson is concerned about the quality of shellfish being produced due to the traffic and toxins in the water. Riccio said the meat inside the oyster re-generates and they are filter-feeders. If they take in a toxin they process it through their bodies, unlike a fish. Some toxins are cemented into the shell. If there was something toxic in the marina it would get placed away in the shell of the organism. The shell is destroyed.

Mahalick asked if they were aware of a fuel leak that occurred in the summer months. Riccio said they did not note any die-off due to a fuel leak.

Kurt Grinnell, councilman for the Tribe, stated in summertime the shellfish stay at the FLUPSY for only a few weeks.

Thompson asked if this project will create jobs for the area. Grinnell stated it will definitely create several jobs. We buy our equipment locally, too.

Public Comment:

Kurt Grinnell appreciates the community's support in all tribal businesses and commented that the Tribe also supports the community. We do have a couple of hatcheries, one in Kona, HI and the Point Whitney hatchery in Brinnon. He described the process of the three locations working together. He feels we can work together with concerns citizens have about the project.

Jack Jannis, 235 Wildwood, Sequim, asked Riccio how much water the paddle puts out. Riccio says it paddles 24 hours a day and moves water; he did not know the amount. We are not taking the water away. Jack is concerned about liability from the turbulence created to boats going past the FLUPSY. He is concerned about the environment for others using the marina. He hopes it will not change the character of the marina. This City and the marina are both jewels. He feels it may be an unforeseen consequence

that may blemish the diamond. He does want this to succeed. He said there are floodlights in the marina due to this and it affects the marine mammals and fish life. Please think beyond the dollar.

Regarding the lighting, Grinnell said there are two different operations in the marina at this time. There is an oyster and geoduck barge next to the FLUPSY. The barge has the lights. With the night tides we work at night. We can certainly shut off the lights on the barge and make due with smaller lights. Concerning the current, we could possibly send the current back toward the boats as opposed to the rocks. He explained the different ways of moving water. The marina felt it was better to use paddlewheels in the FLUPSY.

Mahalick asked why they choose that area of the marina. Grinnell said the marina tries to keep the commercial part of the marina together.

Riccio agrees the marina is definitely a gem. He spends a lot of time there and it is great to see what happens with a clean industry. This is a goal of the state to promote aqua-culture.

Dennis Smith, 1012 Camden Loop, asked about the ultimate objective.

Grinnell stated we are in Hawaii because of water issues, with the shell of the natural sets. The water here eats through it. In Hawaii there are wells that give the perfect water for it. The Tribe is part of the population trying to work through this. He described the process from start to finish. One of the biggest issues is we are not getting natural sets of oysters and geoducks so we have to do it artificially to get a healthy population. Japan needs our oysters due to the nuclear fallout of the tsunami. Weather changes affect this all over the world.

Public meeting closed at 6:45 p.m.

Thompson said the background she learned tonight has educated her about this project.

Sterhan asked why was the marina was chosen and what happens at the end of the 6th year. Deschenes said at the end of 6 years they can re-apply. She spoke with the harbor master about the location. Riccio said the FLUPSY is not made to be a vessel to take on waves or turbulence and the marina is not turbulent.

Protze feels the location is good and fits in that environment.

Mahalick is concerned of the safety factor for paddle boarders and smaller boats. Deschenes showed a video of how the FLUPSY operates.

Grinnell said the unit could be turned around. The current does dissipate quickly. We can talk to the marina about turning it around.

Riccio stated he has kayaked in the marina and was told to go by the pilings as the boats do not go there.

Wendt appreciates the aesthetics of Sequim Bay. He feels this use is unobtrusive. He can support the motion.

MOTION to approve the Shoreline Master Program Substantial Development permit SHR15-001, supported by the Findings of Fact and stipulations of approval in the Staff Report by Thompson; second by Protze.

Mahalick requested an AMENDMENT to the motion to add “that the paddle be signed with caution or the two be back to back to minimize the flow.” Thompson agrees with amendment.

Unanimously approved original motion and amendment.

5. UNFINISHED BUSINESS

6. DIRECTOR'S REPORT

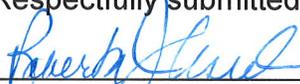
7. GOOD OF THE ORDER

Mahalick asked about the process for election of officers. Hugo stated it will be on the next agenda.

8. ADJOURNMENT

MOTION to adjourn by Thompson; second by Mahalick. Unanimous.

Respectfully submitted,



Roberta J. Usselman, MMC
Deputy City Clerk



Jon Wendt
Chair