



POULSBO CITY COUNCIL MEETING OF NOVEMBER 19, 2014

MINUTES

PRESENT: Mayor Erickson; Councilmembers Berry-Maraist, Henry, Lord, McGinty, Musgrove, Nystul, Stern.

Staff: Finance Director Booher, City Engineer Kasiniak, Assistant Engineer Lenius, Parks & Recreation Director McCluskey, Risk Manager Purves, IT Manager Stenstrom, City Clerk Stephens, Police Chief Townsend

MAJOR BUSINESS ITEMS

- * * * Special Event – Viking Avenue Tree Lighting
- * * * Budget Amendment/BA#14-0403, Sales and Excise Taxes
- * * * Payable Disbursements for October 2014
- * * * Minutes of October 8, 2014 City Council Meeting
- * * * Minutes of October 15, 2014 City Council Meeting
- * * * Public Hearing: Stormwater Rates Increase
- * * * ~~Telecom Master Permit for Astound Broadband, LLC~~
- * * * Project Acceptance/Contract Closure – Bond Road Water Main
- * * * Continued Public Hearing: 2015 Budget
- * * * Public Hearing: Public Surplus of Proprietary Items
- * * * Resolution No. 2014-15, Approval of Surplus Items
- * * * ~~Resolution No. 2014-___, Approval of Purchasing Manual~~
- * * * City Improvement Plan Presentation
- * * * Baseline Adjustment and New Program Requests

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the meeting to order in the Council Chambers at 7:00 PM and led the Pledge of Allegiance.

2. AGENDA APPROVAL

Mayor Erickson announced Business Item 6b, Telecom Master Permit for Astound Broadband, LLC and 6f, Approval of Purchasing Manual, has been removed from the agenda.

Motion: Move to approve the agenda as amended.

Action: Approve, **Moved by** Henry, **Seconded by** Nystul.

Motion passed unanimously.

3. **COMMENTS FROM CITIZENS**

a. Dell Muller, Suquamish resident, spoke to the proposed rate increases and impacts to the budget.

4. **MAYORS REPORT AND COUNCIL COMMENTS**

a. Councilmember Musgrove announced downtown holiday decorations will be going up this weekend and invited the public to come.

b. Councilmember Nystul reported the Public Works Committee will be meeting on Monday, November 24th, due to the Thanksgiving holiday.

c. Councilmember Stern commented on Western Washington University's programs being offered at Olympic College in Poulsbo.

d. Mayors Report:

- Jessie Nino, Chamber of Commerce President, introduced Marc Abshire the new Executive Director of the Greater Poulsbo Chamber of Commerce.
- The Viking Avenue Annual Tree Lighting will be held on Friday, November 28th.
- North Kitsap Fishline is in need of donations during the holidays.
- Input has been received from the public regarding the proposed rate increases and car tab fees in the 2015 budget; and spoke to the staffing decrease and population increased over the last 20 years.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a through e.

Action: Approve, **Moved by** Lord, **Seconded by** Musgrove.

Motion passed unanimously.

The items listed are:

- a. Special Event – Viking Avenue Tree Lighting
- b. Budget Amendment/BA#14-0403, Sales and Excise Taxes
- c. Payable Disbursements for October 1 through October 31, 2014, in the amount of \$1,704,217.33 to include Accounts Payable Check Numbers 10026060 through 10026372, Accounts Payable Voucher Numbers V9000001 through V9000012, and Payroll Check Numbers 30024153 through 30024400 and Electronic Disbursement Numbers 24-0087 through 24-0094.
- d. Minutes of October 8, 2014 City Council Meeting
- e. Minutes of October 15, 2014 City Council Meeting

6. BUSINESS AGENDA

a. Public Hearing: Stormwater Rate Increase

City Engineer Kasiniak presented an overview of the Stormwater program and GAP analysis, the upcoming repair needs/replacement projects, current staffing level and proposed staffing increased.

Mayor Erickson opened the public hearing at 7:34 PM and asked for public testimony.

- i. Bill Broughton spoke to the letter he sent to the Council and Mayor. Broughton thanked the Council for the service they provide and stated he supports an increase to the stormwater fee to the extent of the capital improvements and infrastructure; stating he understands the National Pollutant Discharge Elimination System (NPDES) permit, and the requirements and regulations under the permit. Broughton does not support the increase to hire more staff, and expressed his concern with the continuing cost of local government. Hiring more people is not the best way to solve the increases of salary and benefits, suggesting the Council look at privatization for functions such as maintenance, even though the City would need to pay prevailing wage, tax dollars would be much better spent. Broughton also suggested the Council offer incentives for residents to retrofit their homes to improve their own stormwater onsite.

ii. Donald Booth, Poulsbo resident, stated as a government worker himself he understands when laws change the easiest way is to increase the manpower to address the increased workload. Booth appreciated the presentation however he questioned if the City is spending any time looking at ways to save money, as opposed to collecting more money from the citizens.

iii. Jim Groh, Poulsbo resident, stated as a previous employee in the Engineering department there is a desperate need to get caught up to meet NPDES and other requirements, however as a citizen looking at the increase it equals a 53% increase in his bill. Although the increase amount is nominal, over the next few weeks the Council will be taking about other increases, and incrementally they add up to amounts that may affect citizens. Additionally, the storm water rates were increased summer of 2013; adding the 2013 increase with the current proposed increase, would be a 95% increase. As long as the City shows a dramatic increase in response to the amount of money being collected, then it will be reasonable. Groh stated the City should make sure there are adequate connection fees charged to new development.

Council discussion included:

- Incentives to resident to retrofit their private property
- The National Pollutant Discharge Elimination System (NPDES) and Total Maximum Daily Load (TMDL) requirements unique to Liberty Bay
- The impact to Salmon on the first rain of the season and stormwater run off

Motion: Move to continue the public hearing to Wednesday, December 3, 2014, in the Poulsbo City Hall Council Chambers.

Action: Approve, **Moved by** Nystul, **Seconded by** Lord.

Motion passed unanimously.

b. Telecom Master Permit for Astound Broadband, LLC .

Item removed from the agenda.

c.  Project Acceptance/Contract Closure – Bond Road Water Main

Motion: Move to accept the Bond Road Water Main Project as complete and authorize release of retainage to Lydel Construction in accordance with state law and contract requirements.

Action: Approve, **Moved by** Nystul, **Seconded by** McGinty.

Motion passed unanimously.

d. ► Continued Public Hearing: 2015 Budget

Finance Director Booher stated this is the third and final hearing for the 2015 budget.

At 8:03 PM Mayor Erickson requested public comments.

- i. Jim Groh stated in reviewing several bills there are city taxes being collected on his property taxes, wireless bill, and electric bill; and the revenue streams the City receives from those taxes. The proposed \$20 car tab fee and cable TV tax, and the actual amount of revenue realized from those fees.
- ii. Troy Barber, Poulsbo resident, spoke to the proposed rate increases and the effect on families that live paycheck to paycheck. Barber questioned if the City has considered increasing sales tax, or opening a district court to hear (non-violent) small drug possession cases.

Motion: Move to close the Public Hearing on the City of Poulsbo's Year 2015 Budget.

Action: Approve, **Moved by** Lord, **Seconded by** Nystul.

Motion passed unanimously.

e. ► Public Hearing: Public Surplus of Proprietary Items

Mayor Erickson opened the public hearing at 8:17 PM, and asked for public comments.

No public comments were received. At 8:18 PM Mayor Erickson closed the public hearing.

Motion: Move to adopt Resolution No. 2014-15, a resolution of the City Council of the City of Poulsbo, Washington, declaring certain properties originally acquired for proprietary purposes to be surplus to the needs of the City and authorizing the Finance Director to sell such surplus property.

Action: Approve, **Moved by** McGinty, **Seconded by** Nystul.
Motion passed unanimously.

f. Resolution No. 2014-__, Approval of Purchasing Manual

Item removed from the agenda.

g. City Improvement Plan (CIP) Presentation

Finance Director Booher presented an overview of the 2015 CIP and the type of projects included in the CIP.

City Engineer Kasiniak reported on the Public Works Relocation project, and the project timeline; the 2015 Marine Science Center HVAC System Replacement; and 2017 Library Roof Replacement.

Parks and Recreation Director McCluskey reviewed the progress of 2014 park projects and 2015 Projects:

- Poulsbos Fish Park
- Morrow Manor
- Vista Park & trail
- Recreation Center HVAC System
- Trials Projects: 7th to 4th Avenues and Caldart Avenue to 10th Avenue
- Park Recreation & Open Space Update

City Engineer Kasiniak reviewed the 2014 Transportation Projects accomplishments and the 2015 project goals, including Noll Road Improvements, Finn Hill Reconstruction Design and Local Neighborhood Local Street Maintenance.

City Engineer Kasiniak also presented the 2014 projects in sewer, water, storm drain and future enterprise projects.

Motion: Move to approve the 2015 City Improvement Plan projects as presented and request the Mayor to direct staff to include these capital projects, and the associated operating costs, in their 2015 budget submissions.

Action: Approve, **Moved by** Berry-Maraist, **Seconded by** Lord.
Motion passed unanimously.

h. ► Baseline Adjustment and New Program Requests

Finance Director Booher provided an overview of the proposed budget variance, the Finance/Administration Committee and the Mayors recommendations.

Booher reviewed the 2015 Baseline Adjustment and New Program Requests; and expenditure and revenue adjustments.

Motion: Move to recommend funding of the selected Baseline Adjustment Requests and New Program Requests to be built into the 2015 Budget.

Action: Approve, **Moved by** Berry-Maraist, **Seconded by** Lord.

Discussion: Councilmember McGinty clarified that the motion is the preliminary guidance towards adopting the budget.

Motion passed unanimously.

7. ► COUNCIL COMMITTEE REPORTS

a. Public Safety/Legal Committee: Councilmember McGinty reported on the Municipal Court department update, Indigent Defense update and a public records request received for Police body camera footage.

b. Economic Development Committee: Councilmember Stern reported on discussion with the Port of Poulsbo Commissioners, and will begin work on the Economic Development portion of the Comprehensive Plan in January.

c. Finance/Administration Committee: Councilmember Stern reported on review of the Purchasing Manual; and sales tax, REET and 3rd quarter variance update.

8. ► DEPARTMENT HEAD COMMENTS

Police Chief Townsend announced Mayor Erickson was in the King 5s Top 10 Mayors of Western Washington.

9. ► CONTINUED COMMENTS FROM CITIZENS

Mayor Erickson asked for public comments; no comments were received.

10. ► COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Stern stated the Kitsap Regional Coordinating Council Legislative Breakfast will be held on Tuesday, November 25th; and updated the Council on the agency reorganization of the KRCC and the proposed re-structure.

Councilmember Berry-Maraist announced her resignation from the Council, after the first of the year, and recited a statement on her years on the Council and various committees and boards.

11. ADJOURNMENT

Motion: Move to adjourn at 9:55 PM.

Action: Approve, **Moved by** Mayor Erickson, **None seconded.**

Motion passed unanimously.

Rebecca Erickson, Mayor

ATTEST:

Nicole Stephens, Deputy City Clerk, CMC