

POULSBO CITY COUNCIL MEETING OF July 20, 2016

MINUTES

PRESENT: Mayor Erickson; Councilmembers Henry, Lord, McGinty, Musgrove, Nystul, Stern, Thomas.

Staff: City Clerk Fernandez, Director of Engineering Kasiniak, Planning Director Berezowsky, Senior Planner Boughton, Engineering Technician Roberts, Senior Engineering Technician Hulst, IT Manager Stenstrom.

MAJOR BUSINESS ITEMS

- * * * Minutes of January 12, 2016, Council Meeting
- * * * Minutes of June 15, 2016, Council Meeting
- * * * Payable Disbursements for June 2016
- * * * Presentation on Final Report of NK/Poulsbo YMCA Feasibility Study
- * * * Housing Kitsap Presentation on Olhava & Viking
- * * * KRCC Letter of Commitment for 2017
- * * * Cascade Natural Gas Night Work
- * * * Summerset Division III Final Plat
- * * * Set Public Hearing for Stormwater General Facility Charge
- * * * Residential House Demolition Project Update
- * * * ~~Sewer Comprehensive Plan Update~~

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 noted item 6h is pulled from tonight's agenda.

Motion: Move to approve the agenda with the exception of item h.

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

Motion carried.

3. COMMENTS FROM CITIZENS

Ms. Catherine Ahl, Kitsap County League of Women Voters, responded to an email from Mr. Walker about taking pictures during their recent forum. She said private

organizations can set rules for their own events, and the photographer never approached them to state who he was. She noted their rules are in place in order to maintain nonpartisanship and credibility.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Musgrove said that if citizens want to watch videos from past meetings, they can go to the City's website for an archive of previous meetings at http://cityofpoulsbo.com/council/council_meetings_video.htm.

Councilmember Nystul reported he attended the school board meeting last week, and noted they have 220 students enrolled in their five-week summer program.

Councilmember Stern commented on Kitsap Humane Society PetsWALK last weekend that was very successful. He thanked the Mayor for helping round up this event. Previously, it was held at the Kitsap County Fairgrounds. It has a higher profile here in Poulsbo. He also shared a picture of the new "Entering Poulsbo" city limits sign with the new population number of 10,210. He has watched the City go from 4,000 to 10,000 over the years, and Poulsbo is still charming and quaint and a cool place to be. With careful stewardship we can maintain the quality of life that we hold dear.

Councilmember Lord commented on emails and letters received from citizens expressing their opinion on the Master Plan Amendment for Jensen and Sunset. She is concerned when they get letters addressed to them, how can they alert the folks that they are unable to respond because they are in a quasijudicial setting. Planning Director Berezowsky suggested the department could send a response to the people who have sent comments explaining the process.

Mayor Erickson reported on the following items:

- North Kitsap Fishline needs milk and eggs right now.
- The police chief application process closed on Friday and they had 23 applications, both locally and nationally. She will need two Councilmembers to participate in the interview process, which will be all day August 15 (Councilmembers Stern and McGinty will participate). A meet and greet is scheduled for August 14 at 6:30 PM. She thanked Mike Painter from WASPC for his help with this process.
- She shared a draft press release that was created on October 1, 2014 regarding the series of land transactions that her family did in order to create the sewer line going down the east side of Poulsbo.
- She commented on the email received from Mr. Johnny Walker and being unable to take pictures of the League of Women Voters forum. She would like a Council committee to decide what the policies should be for the chamber when we let people use these rooms free of charge about access to

photography and noise. Councilmember McGinty said for policy it should be on the person's group who holds the meeting what their policies or procedures should be. We are just a hosting facility. The Community Services Committee said they would take this up.

- Liberty Bay has a no shellfish harvest warning right now.
- PetsWALK had 400 animals. In three year's time it has grown from 180 to 400. The Kitsap Humane Society raised a ton of money.

5. **CONSENT AGENDA**

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

The items listed are:

- a. January 12, 2016 Council Meeting Minutes (Fernandez)
- b. June 15, 2016, Council Meeting Minutes (Fernandez)
- c. Payable Disbursements for June 2016 (Booher)

Action: Approve, **Moved by** McGinty, **Seconded by** Lord.
Motion carried.

6. **BUSINESS AGENDA**

a. **Presentation on Final Report of NK/Poulsbo YMCA Feasibility Study**

Ms. Lori Swann, Triangle 2 Solutions, introduced the leadership team from the YMCA: Charlie Davis, President and CEO; Darcy Celletti, Senior Executive Director; and Jessie Palmer, Grants and Government Relations Director. She presented the Poulsbo Community Feasibility Report with the following highlights: executive summary, demographics, initial findings, interest in fitness and programs findings, partnership and funding findings, and location and membership projections.

Discussion highlights:

- The survey area was determined by using travel patterns from the Planning Department.
- The next step would be to meet with the YMCA leadership team and start laying out what the next steps should be.
- The College Market Place was the most convenient location.
- Missing comparatives from the report.
- Only noticed one reference to the partnership with higher education (broad and ill-defined), and wondered if the university center YMCA concept was discussed in the survey.
 - There are plans to do a student survey in the fall when they are back in school.

- Aquatics scored high in the survey.
- When do we engage in the conversation as to whether or not we can fund this and what are the options and what kind of impact would there be on the other pool?
- When is the time to explore the partnership? The city is cannot go it alone. Others will have to step up. The two colleges need to weigh in sooner rather than later.
- This is the first step of a very long journey. The most important thing is there is a high level of interest for a facility of this type in our community. The next step is staff and the Mayor will meet with the leadership with the YMCA's leadership, make decisions of what the colleges' roles will be.

Mayor Erickson asked if any more questions come up to email Planning Director Berezowsky and Senior Planner Boughton. She is optimistic about this report and sees real possibilities here.

b. Housing Kitsap Presentation on Olhava & Viking

Stuart Grogan, Housing Kitsap Executive Director, gave an update of Housing Kitsap's and upcoming projects. Presentation highlights included:

- Mission statement & goals
 - Improve operations to increase efficiency, increase revenue and reduce costs to meet all debt and compliance obligations
 - focus on the core mission to insure diverse affordable housing throughout the county
 - Enhance and expand advocacy efforts, community outreach, public relations and partner relationships
 - Invest, expand, and improve organization effectiveness
 - Expand series, partnership and programs for residents
- Project south of Liberty on Viking Avenue.
 - Right next door is a premier service provider
 - Location
 - Design goals for the community/this arterial
 - Potential for permanent supportive housing
 - Mixed use: housing and commercial/retail/office
 - Opportunity to build mix of affordable/unrestricted housing units
- Permanent supportive housing
 - Long term
 - Community based housing
 - Includes supportive services
 - Serves vulnerable or at risk populations
 - Homeless person with disabilities
 - Homeless youth transitioning out of foster care

- Medical respite housing.

Councilmember Lord encouraged Mr. Grogan to talk to both colleges about their expansion plans as they will be looking for student opportunities.

Councilmember Lord discussed a few months ago when some citizens asked the Council to try to do something because their subsidized apartment constraints sunsetted and rents went up. She asked if they monitor when these things are going to sunset. Mr. Grogan said this is a complicated problem due to multiple funding sources and their processes and rules. They try to watch the process for when it comes up for sale, and try to buy it and put it in their inventory and keep it affordable. He mentioned there are resources for people when these things happen, but they have to meet certain deadlines. Sometimes they are not aware of their rights and what they need to do.

Councilmember Thomas said he understands finding affordable housing is a challenge. There is leverage for homeless veterans. Do you have any focus program to look at that issue? Mr. Grogan said they have a veteran's preference and a voucher program to work with the VA. There are other resources as well. The Mayor of Bremerton has a task force and assembled a bunch of people around the region to try to end homelessness for veterans.

Councilmember Stern said it is very fortuitous that Housing Kitsap has the 6-7 acres next to the college campuses. With the growing activity and the Council identifying the concept of a college town as a major element of the comprehensive plan, Mr. Grogan's skills and experiences in Boulder could help play a role in private-public partnership. He asked Mr. Grogan to expand on his experience in Boulder, CO, and what might translate here. Mr. Grogan said the range of things they could do is pretty broad (from being a property manager to developing a property). They have lots of flexibility to work with them.

Mayor Erickson said we need to find funding mechanisms to make this happen. There are things that we can do. The idea that we create affordable housing is imperative. There is no place for people to live, especially our young people and fixed income folks.

c. KRCC Letter of Commitment for 2017

Mayor Erickson presented the agenda summary, noting the Kitsap Regional Coordinating Council (KRCC) is considering a Draft Policy 1: Joining and Leaving Policy and Sample Letter of Commitment. The KRCC Board will officially vote on this draft policy during its September 6, 2016, meeting. They asked each jurisdiction to sign and return a commitment letter by September.

In response to Councilmember Musgrove, Mayor Erickson said what is occurring is they are crafting policies for when jurisdictions join and leave KRCC. If they leave KRCC, there are monies they have to pay. They want a commitment letter that they are committing to the dues structure for the coming year so they can draft their budget.

Motion: Move to authorize the Mayor to sign the Kitsap Regional Coordinating Council letter of commitment for 2017.

Action: Approve, **Moved by** Thomas, **Seconded by** Stern.
Motion carried.

d. Cascade Natural Gas Night Works

Engineering Technician Roberts presented the staff report, noting Cascade Natural Gas is reinforcing and updating their gas network while the City has Hostmark opened up for the utility project. A portion of the work takes place in the SR305/Hostmark intersection. This is WSDOT permit approval authority. WSDOT will be requiring the work to be done during the night to avoid major traffic disruptions on the highway. As it takes place in the City limits, approval for night work from City Council is still required.

Councilmember Lord they are not going to trench across Hostmark, they are going to bore. So it should be a minimal amount of disturbance, and it should be finished quickly.

In response to Councilmember Stern, Engineering Technician Roberts said Cascade Natural Gas wants to reinforce their main and realized by August 31 they will be unable to tear up that street, so they have to get it done now.

In response to Councilmember Stern, Mayor Erickson said Hostmark is going from the intersection of 305 up to Caldart, there is a sewer line being replaced up the center of the road, new water lines with laterals going out, with resurfacing. It is going to be complete by the beginning of the school, and a brand new landscaping box to replace the trees. Director of Engineering Kasiniak said both mains were very old and undersized. There was a lot of inflow and infiltration. They were able to secure the FHWA money to repave it at this time. Councilmember Stern clarified this project has nothing to do with the housing developments.

Motion: Recommend approval for Cascade Natural Gas to conduct night work on SR305 under WSDOT permit Authority in accordance with PMC 15.32 to minimize traffic disturbance on SR305. Check motion!!

Action: Approve, **Moved by** McGinty, **Seconded by** Lord.
Motion carried.

e. Summerset Division III Final Plat

At 8:29 PM, Councilmember Stern recused himself from the meeting due to a previous professional relationship he has with the owners of Central Highland Builders.

Senior Engineering Technician Hulst presented the agenda summary, noting the infrastructure for the plat of Summerset Division III has been completed to the satisfaction of the Engineering, Planning, and Public Works Departments. Summerset PUD Division III proposed for final plat conforms to all the terms of preliminary plat approval. Given that the Summerset PUD Division III satisfies the terms of preliminary approval and conforms to State law and Chapter 17.12 of the Poulsbo Municipal Code, the City Engineer respectfully recommends that City Council approves Summerset PUD Division III final plat.

Motion: Move to approve Summerset PUD Division III Final Plat.

Action: Approve, **Moved by** Henry, **Seconded by** Lord.
Motion carried.

At 8:32 PM, Councilmember Stern rejoined the meeting.

f. Set Public Hearing for Stormwater General Facility Charge

Director of Engineering Kasiniak gave a brief update to the implementation of the Stormwater General Facility Charge (GFC). The Stormwater Functional Plan was reviewed and approved on April 20, 2016, and as part of the financial plan a general facility charge (or connection fee) was proposed for new stormwater connections. The GFC is \$1,183 per impervious surface unit (ISU). One ISU is equivalent to 3,000sf of impervious surface. A public hearing will need to be held to allow comment on the adoption of the general facility charge. Revisions to the GFC code are provided for review. An ordinance is being developed with the help of the City's Attorney and will be presented for adoption after the public hearing is held.

In response to Councilmember Musgrove, Director of Engineering Kasiniak said the terminology "per impervious surface" means that it is per 3,000sf impervious surface.

Councilmember Musgrove asked if stormwater is handled in some other way, are they exempted. Director of Engineering Kasiniak said everyone has to connect into the system; they would have to demonstrate how they don't use it. Direct discharge still uses the City's facility. It creates a new system that usually becomes a part of our facility.

Motion: Move to set a Public Hearing for August 10, 2016 at 7:15 pm to allow the public time to address the Council regarding the establishment of a general facility charge for new stormwater connections of \$1183 per Impervious Surface Unit.

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

Motion carried.

g. Residential House Demolition Project Update

Director of Engineering Kasiniak said they opened the bids a couple of weeks ago, and the houses were included on a separate bid schedule. We do not have enough budget capacity to demolish the houses at this time. They will need about \$35,000 for the two houses. He will come back with a budget amendment for this before they award a contract. Right now there isn't enough cash in the facility fund to pay the budget amendment. The proceeds from the sale of the old City Hall would replace cash in this fund and then they could proceed.

In response to Councilmember McGinty, Director of Engineering Kasiniak said there was enough money for the base bid which would cover City Hall. There isn't enough money to demolish the two additional houses.

Mayor Erickson said as it stands right now, the old City Hall building is in the abatement process. The City has been paid \$100,000 in an escrow, \$25,000 promissory note, and they owe us \$100,000, which will pay for this, and hopefully pay for the additional two houses. No action is needed tonight.

Councilmember Lord said some Coffee Oasis volunteers have offered to spruce up the property once the house is removed.

~~h. Sewer Comprehensive Plan Update~~

7. COUNCIL COMMITTEE REPORTS

Finance-Administration Committee: Councilmember Thomas reported the committee elected a new chair (Nystul), they were briefed on changing the City's purchasing cards, the 2nd quarter investment report, reviewed an ordinance update regarding the removal of the capital improvement planning committee, looked at the process of the exempt salary review, received the April 2016 sales tax recap (up 6.2% over last year), and looked at REET (currently at 80% in the 7th month). Councilmember Thomas will be attending a two day AWC Budget Workshop on July 28/29.

Public Safety/Legal Committee Meeting: Councilmember McGinty reported the committee had discussion regarding potential conflict for the community services officer between providing security to the judge and bringing things forward to the judge; received an update on the police chief process; received an update from the City Prosecutor that she has been working with the violent victim advocates at the YWCA and Suquamish; received a report from the Fire Department that they received a \$240K grant for a new boat (working with the Port of Poulsbo); and discussion was held on the mental health officer. Councilmember Stern elaborated on the community services officer position and all of the duties this position will encompass. Mayor Erickson noted the City will be testing applicants this week. There is a similar position in Gig Harbor, and it is working well. Councilmember Stern also discussed the mental health grants and how it interfaces with the police. Kitsap Mental Health is handling the program, and the City is handling the accounting of the pass through of the grant money, and the disbursement. Last year it was a pilot program, this year it is being expanded.

8. DEPARTMENT HEAD COMMENTS

Director of Engineering Kasiniak talked about the old City Hall demolition timeline. There will be a picture in front of the building Monday morning at 8:00 AM for anyone who would like to be part of the photo. Then demolition will begin. The demo activity will be noisy and can create dust. Business owners around the building have been contacted.

In response to Councilmember Thomas, Director of Engineering Kasiniak said general parking will go away once the property is sold. Mayor Erickson said the Community Services Committee need to start talking about where the carnival will go next year.

Mayor Erickson noted the NK Herald Reporter Terry Asla took some pictures of some plaques that the City needs to remove before the demolition. Mr. Asla said there is one located on the lamppost and one on the bench right in front of the old City Hall.

9. CONTINUED COMMENTS FROM CITIZENS

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

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Mayor Erickson announced LTAC applications are due August 1. There are two breweries almost ready to open: Rainy Daze Brewing and Red Cedar Brewery.

11. ADJOURNMENT 901

Motion: Move to adjourn at 9:01 PM.

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk