

POULSBO CITY COUNCIL MEETING OF September 14, 2016

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, City Engineer Lenius, Interim Planning Director Boughton, Prosecuting Attorney/Risk Manager Foster, Senior Engineering Technician Hulst, IT Senior Technician Williamson.

ABSENT: Councilmember Musgrove

MAJOR BUSINESS ITEMS

- * * * AWC Municipal Leadership Ceremony
- * * * Minutes of August 10, 2016, Council Meeting
- * * * Budget Amendment/BA#16-0304, Planning Staff Assistance
- * * * Budget Amendment/BA#16-0305, Code Enforcement/CSO Start Up Costs
- * * * Set Public Hearing for 2017-18 Revenue Sources
- * * * Starbucks/Sherwin Williams Night Work Request
- * * * Building & Development Report

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 the addition of an executive session at the end of the meeting. The meeting will adjourn out of executive session, and no action will be taken.

Motion: Move to approve the agenda as presented.

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

Motion carried.

3. COMMENTS FROM CITIZENS

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

4. MAYOR'S REPORT AND COUNCIL COMMENTS

- a. AWC Municipal Leadership Ceremony

Councilmember Stern said the City Council is honored tonight to be selected by the Association of Washington Cities (AWC) for an award that has been a long time coming to one of our own local representatives, Representative Sherry Appleton, Chair of the House Local Government Committee. The Board of Directors and staff of AWC have selected just a few representatives and senators from the legislature for their work in the past couple of sessions for being what is called "Champions" of the municipal issues affecting all 281 cities.

Mr. Dave Williams, AWC Government Relations Director, said it has been a pleasure to work with AWC for almost 30 years, trying to represent the interest and needs of the cities in Washington, and said it is an honor to be here tonight to share in this award presentation to Representative Appleton. Her involvement in city issues began back when she was a Poulsbo City Councilmember.

Mr. Peter King, AWC CEO, said a couple years ago, AWC launched an effort to identify legislators who are helpful to city interests and recognize them. This year Representative Appleton is involved in a Local Government Caucus in the House. She is the one that can answer questions about city issues during committee meetings. She has done a stellar job on behalf of all 281 cities, she tells others how it really works at the local government level. He presented Representative Appleton with the AWC Champions Award.

Representative Appleton said she wasn't expecting this, and it is very humbling to receive the award. As Chair of Local Government, she makes sure there is no harm to cities. She gave the history on how she first became involved in local government by serving as a Poulsbo Councilmember. She announced their committee is going to be talking about the Growth Management Act for the next three months. The first GMA meeting is September 20. Hopefully we can figure out what is wrong, what is right, and come up with some good solutions. She feels the cities are the backbone of Washington State. They sit on the frontline, and when there is not enough money, the cities have to take it up front. She will work very hard to make sure they do no harm. The cities work so hard, and because she is Chair of Local Government, she is going to make sure there is an open door for cities and counties who have never had access. She meets once a week with AWC to hear what is important to them. She thanked AWC for the award and for giving her the ability to work so well with the cities.

Mr. Peter King said he had another award to hand out called the All-Star Award. This is an award for city officials who they believe not only serve their city, but take an active role on issues of state-wide significance. He presented Mayor Erickson with the award for taking the lead role to make sure some progress was made regarding body camera legislation.

Mayor Erickson said the City of Poulsbo is one of the few jurisdictions that uses body

cameras. It is brand new technology that is very difficult to craft policy for when you are protecting the triangle of public safety, law enforcement accountability, and citizen privacy. She thanked Representative Drew Hansen who took the challenge on when it was presented to him and working for two years to get legislation passed to allow for public awareness and provide some privacy to folks.

Mayor Erickson recognized Representative Appleton for steadfastly supporting the 23rd legislative delegation for years. She has done a tremendous job. When we knock on her door, she listens and she cares. Mayor Erickson also recognized AWC and said without them, our voice would get lost. She is deeply appreciative for Mr. Williams and Mr. King and everything they have done.

Councilmember Stern recognized and thanked Bainbridge Island Councilmember Kol Medina and Port Orchard Councilmember Bek Ashby for attending tonight's awards ceremony.

Councilmember Stern said he was pleased and proud of our community.

Councilmember McGinty congratulated the Mayor for her award.

Mayor Erickson announced Saturday night will be swing dancing with Ardis Morrow starting at 6:30pm at the Sons of Norway.

Councilmember Lord congratulated the Mayor. She announced the memorial service for Denise Bauman on Sunday at 2:30pm at the Sons of Norway.

Councilmember Henry will be attending the POW-MIA Ceremony at Keyport on Friday morning.

5. **CONSENT AGENDA**

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

The items listed are:

- a. August 10, 2016, Council Meeting Minutes (Fernandez)
- b. Budget Amendment/BA#16-0304, Planning Staff Assistance (Booher/Boughton)
- c. Budget Amendment/BA#16-0305, Code Enforcement/Community Services Officer Start Up Costs (Booher/Pate)

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

6. BUSINESS AGENDA

a. Set Public Hearing for 2017-18 Revenue Sources

Finance Director Booher presented the agenda summary, noting according to RCW 84.55.120 the City Council is required to hold a Public Hearing on revenue sources for the upcoming year's General Fund budget. The hearing must include consideration of possible increases in property tax revenues and must be held before the property tax levy request is submitted to the county.

Motion: Move to set Public Hearing for October 19, 2016, at 7:15pm to review revenue sources for 2017-2018.

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

Motion carried.

b. Starbucks/Sherwin Williams Night Work Request

Senior Engineering Technician Hulst presented the agenda summary, noting the contractor for the Sherwin Williams/Starbucks project next to the CVS Pharmacy is requesting to do night work for connection to the City water main. The reason for the request is because the main they are connecting to is the only source of water for the CVS pharmacy and the main will have to be shut off during the connection. They are proposing to start their flushing and purities testing on September 19, and the night work will begin September 27. The proposal was presented to Public Works Committee for a recommendation, and they recommended approval.

In response to Councilmember Thomas, Senior Engineering Technician Hulst said this will not impact the CVS Pharmacy drive-thru, since it closes at 10:00 PM.

Mayor Erickson asked that the neighbors close to the location be notified.

In response to Councilmember Stern, Senior Engineering Technician Hulst said the Brown Bear Car Wash project has no bearing on the night work project; they are going to start construction in the next couple of weeks.

Motion: Recommend approval for Marwood General Construction to conduct night work in accordance with PMC 15.32.

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

Motion carried.

c. Building & Development Report

City Engineer Lenius and Interim Planning Director Boughton gave the 2016 Building & Development in Poulsbo presentation. Presentation highlights included:

- Review of the development process
- Review of current site development applications (residential and commercial projects)
- 55 land use permits issued through August
- 358 building permits issued through August (500 projected for 2016 - highest in City's history)
- 2092 inspections through August
- 61 Certificates of Occupancy through August
- Reviewed projects
 - Kitsap Transit's new park & ride - North Viking and Vetter
 - Mountain Aire – capable of 145 lots; 92 homes yet to be developed
 - Mora Ice Creamery site, North Viking, developer working on third of four buildings.
 - Brix Vatten Building 2nd floor improvements
 - Residential plats in process
 - Halden Glen off of Caldart; 13 sites available
 - Langaunet Plat – Upper Noll Road, 30 lots grading and utility work
 - Multifamily and Mixed Use
 - South Viking – mixed use medical and apartments
 - Townhouses – Viking near 305
 - Breweries & Restaurants
 - Sound Brewery manufacturing site and tasting room (former RV Repair & Old Campana's)
 - Rainy Daze – almost open
 - Portside renovation and reopened as Brass Kraken
 - Summerset Subdivision – Central Highland and Kitsap self help
 - 128 lots, first permit April 2015
 - 27 lots remained undeveloped
 - Viking Coffee, SR 305
 - Viking Landing - 18 condos/townhomes, located on Viking way, currently under construction
 - Morrow Manor ground breaking

In response to Councilmember Stern, Interim Planning Director Boughton said the new code enforcement officer will take workload off of their department in regards to the daily complaints they receive.

Councilmember Stern said the assigned population for Poulsbo is 14,500 by 2036; the City is currently at 10,210. After hearing the presentation, it looks like we could have an additional 2,200 residents in the next couple of years. He would like to understand the implications of that.

Mayor Erickson said Poulsbo is growing much more quickly than projected. She estimates that the City will hit the population assignment of 14,808 by 2025 rather than 2036. She just wrote an email asking if Poulsbo can go through a sub-area planning process with the County to move our Urban Growth Areas around. The City of Poulsbo needs to make a decision on how they want to live in the future. That is a conversation to have in 2017 during the subarea planning process. There are some things that are not working so well with the Growth Management Act (GMA). Affordable housing is one of the concerns. The GMA has limited the supply of land and the construction going on in city environments is using expensive dirt and expensive infrastructure, thus the price of housing continues to climb. That is a big obvious problem with growth management. The other one is the cost of infrastructure. There was always a belief that if you put people in smaller areas that the cost would be smaller, but it costs more because the cost of dirt is so expensive, and the cost of putting in the infrastructure becomes more complex.

In response to Councilmember Nystul, City Engineer Lenius said the new permitting software conversion is going well. Contract Administrator Walser is managing the project. They have migrated the data and started testing people in the building, planning, engineering, and finance departments. This has spurred great conversations on how to improve their processes. The intent is to go live by January 1, and they are on schedule to do that.

Councilmember Thomas said it was a great presentation. He thinks the staff at the City of Poulsbo for doing an awesome job in planning this growth and making sure it is smart growth. He said residents feel growth is out of control, but they don't understand that the City cannot tell private property owners that they cannot develop their land. We have to shepherd it in the smartest way possible and he is convinced we are doing that at a stellar level.

Mayor Erickson said it does feel hard sometimes, because it does feel like we are growing really quickly. There is no way to slow this down. We cannot say no. All we can do is make sure when growth does occur that it is best result that we can get. That we retain trees, have great landscaping, plan for better public open spaces, parks and trails, and demand great architecture. But we cannot say that we are not going to grow.

7. COUNCIL COMMITTEE REPORTS

Lodging Tax Advisory Committee: Councilmember Nystul reported they received four applications, and allocated \$130K for next year. Of the four applicants, one received what they requested, and the other three received less. They had a new member on the committee and new interesting presentations. The recommendation was reviewed by Community Services today and will be incorporated in the budget document.

Finance-Administration Committee: Councilmember Nystul reported the Committee had a special meeting today, where they received the remaining proposed budgets from Finance Director Booher.

Community Services Committee: Councilmember Thomas reported they went over the LTAC recommendations in detail, and they recommend approval; they received an update on the status of various park improvements (trail signage eagle scout project and Nelson Trail drainage solutions).

Public Works Committee: Councilmember Lord reported they had a presentation for the Starbucks/Sherwin Williams night work request, reviewed the preliminary budgets for the Building, Engineering, and Public Works departments; and received a briefing on LID code update. They also discussed the Council Working Goals that relate to these departments.

8. DEPARTMENT HEAD COMMENTS

Director of Engineering Kasiniak said he was amazed how much Poulsbo changed in two weeks while he was away on vacation.

9. CONTINUED COMMENTS FROM CITIZENS

Ms. Alessia Sarale, PLU nursing student, said she had a concern about how we are growing so much, and not having enough affordable housing. She also saw that we are potentially talking about the mental health issue, and wanted to learn more about that.

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Stern asked the Mayor to explain why under citizen comments there is no response. He also congratulated Representative Appleton and Mayor Erickson for their awards from AWC

Mayor Erickson explained the Council and Mayor do not answer questions received during the citizen comment period immediately, in order to not turn the meeting into a debate. The Council and Mayor can choose to address the concerns after the comment period.

Mayor Erickson said affordable housing is a big concern. She is on a task force that just met yesterday. There are two apartment buildings that are coming forward that will provide additional rentals for affordable housing. She also said they discussed "home sharing" where existing homeowners can reach out to an organization (Housing Resource Board) to screen homeowners and tenants. The Housing Resource Board has been invited to give a proposal for North Kitsap area. They are also exploring boarding

houses, as six unrelated people can live together under the existing code. Providing more apartments should bring back the level of affordability.

Mayor Erickson spoke regarding the mental health inquiry, stating the City now has three mental health counselors through a grant. Poulsbo is providing mental health counseling in municipal courts for Poulsbo, Bainbridge Island, and Bremerton.

Mayor Erickson also reported that there has been a lot of reports regarding homelessness and drug activity increases. She believes it directly corresponds when the Clear Creek homeless encampments were removed. The Police Department is actively involved.

Councilmember Stern said he was stopped at the grocery store on his way here, and three people talked to him about the increase in crimes in their neighborhood. He invited them to attend the Public Safety-Legal Committee meeting next week. He also asked the Mayor to provide a report to the Committee next week regarding these concerns.

Councilmember Thomas thanked the citizens who attended the meeting tonight. He also announced the Cemetery Improvement Ad Hoc group meeting is tomorrow at 2:30 PM and anyone is welcome to join.

Councilmember Lord extended her appreciation to all of staff that work so hard. She is honored to work with dedicated staff and colleagues.

11. EXECUTIVE SESSION & ADJOURNMENT

Motion: Move to adjourn into executive session.

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

Motion carried unanimously.

At 8:26 PM, Mayor Erickson recessed the meeting into an Executive Session until 9:00 PM for the purpose of discussing pending litigation pursuant to RCW 42.30.110(1)(i).

At 9:00 PM, the meeting adjourned with no action taken.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk