

## **POULSBO CITY COUNCIL MEETING OF AUGUST 20, 2008**

### **M I N U T E S**

**PRESENT:** Mayor Quade; Councilmembers: Berry-Maraist, Crowder, Erickson, Lord, McGinty, Rudolph, Stern.  
Staff: Boltz, Booher, Kasiniak, Loveless, Mueller, Stephens, Swiney.

### **MAJOR BUSINESS ITEMS**

- \* \* \* Claims – July 1 – July 31, 2008
- \* \* \* Minutes of July 2, 2008
- \* \* \* Budget Amendment, BA 28-0303 Beginning Balance and Property Tax and Investment Earnings
- \* \* \* Budget Amendment, BA 28-0304 Fire Chief Leave Cash Out
- \* \* \* Budget Amendment, BA 28-0305 Salaries and Wages
- \* \* \* Budget Amendment, BA 28-0306 Centennial Clock
- \* \* \* Budget Amendment, BA 28-0307 Correction for CENSUS/LUCA Carryover
- \* \* \* Budget Amendment, BA 28-0308 Public Works Property
- \* \* \* Resolution 2008-14, Adopting Annexation Task Force Recommendation and Policies
- \* \* \* Ordinance 2008-17, Adding Sections to PMC Title 9 and Adopting Revised Code of Washington (RCW) Statutes by Reference
- \* \* \* Memorandum of Understanding with Kitsap Public Utility District No. 1 for Potential Water Supply and Service
- \* \* \* Award Poulsbo City Hall Site Preparation Project

### **1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Quade called the meeting to order in the Council Chambers at 7:01 PM and lead the Pledge of Allegiance.

### **2. MAYOR'S REPORT AND CHANGE TO AGENDA**

- a. Mayor Quade moved Consent Agenda Item i, Adopting Annexation Task Force Recommendation and Policies to Other Business Item a.
- b. Tom Hall, Poulsbo Historical Society recognized Sophie Bonomi and Elizabeth Nodolf for their work with the Poulsbo Historical Society and presented them with a Certificate of Appreciation, Poulsbo History book and DVD.
- c. Gary Tusberg, Kitsap County Consolidated Housing Authority, reported that the bids for the new City Hall project site work were opened with a

low bid of \$511,000, 15% below the estimate. Tusberg advised that once the design development is complete, he expects the estimates in approximately 2 weeks; with construction beginning in the December-January timeframe. Mayor Quade announced the groundbreaking ceremony will be on September 9, 2008 at 3:00 PM.

### **3. MAYOR AND COUNCIL DISCUSSION**

- a. Councilmember Stern reported that Mayor Quade, Councilmembers Rudolph, Crowder, Berry-Maraist, and himself attended the Kitsap County Consolidated Housing Authority's Vetter Homestead Open House ceremony and provided a brief overview on the project. Councilmember Crowder commented on her own personal experience with the project.

Councilmember Stern also reported on the Washington State Retail Survey, which listed Poulsbo as No. 6 in the State of Washington for Retail Sales Tax growth over a 5 year period.

- b. Councilmember McGinty addressed a request by the Friends of Library for language to be added to the Kitsap Regional Library Memorandum of Agreement with the City.
- c. Councilmember Lord reported on the great success of the Centennial Street Dance.

### **4. COUNCIL COMMITTEE REPORTS (FOR ITEMS ON CURRENT AGENDA)**

- a. Finance/Administration Committee: Councilmember Erickson reported that the Committee reviewed the Wages and Benefits Budget Amendment and recommends approval.
- b. Public Safety/Legal Committee: Councilmember Crowder reported on the addition of the Revised Code of Washington (RCW) statutes to the Poulsbo Municipal Code and noted the committee recommends approval.

### **5. CITIZEN COMMENTS**

- a. John Eastman expressed his concern regarding the proposed sale of the 10<sup>th</sup> Avenue property to Harrison Hospital, for the purpose of constructing a medical facility.
- b. Molly Lee commented on the City's water system and the future water demands relating to increased population.

- c. Jan Wold commented that the Annexation Task Force did not have adequate time to find points of agreement on a process for neighborhood planning, and stated that the City's annexation rate is above the Urban Growth Act (UGA).
- d. Rita Hagwell stated she is concerned about her property taxes increasing with road improvements and annexations.
- e. James Thayer commented on the proposed resolution for Annexation Task Force and requested revisions be made to resolution.
- f. Curt Nordberg expressed his concern that public comments were not being taken into account and items were discussed during the Task Force meetings are not included in the recommendations, policy and resolution.
- g. John Lee commented on his concern with the Annexation Task Force policy and requested that a moratorium be placed on future annexations until the Comprehensive Plan update has been completed.
- h. Bob Hawkinson commented that the Annexation Task Force document is fair and accurate and recommended minor changes. Hawkinson commended Councilmember Rudolph and Erickson for their work on the Task Force.
- i. Bill Austin commented on the success of the Centennial Street Dance and encouraged more community events. Austin also urged the Council to go through with the proposed sale of the 10<sup>th</sup> Avenue property to Harrison Hospital.

## 6. CONSENT AGENDA

Councilmember Berry-Maraist requested that the July 2, 2008 be pulled from the agenda to allow the Council time to review the full document, due to the omission of several pages.

**MOTION:** Crowder/Lord. Move to approve Consent Agenda items a, c, d, e, f, g and h.

Motion carried unanimously

The items listed are:

- a. Claims – July 1 – July 31, 2008
- ~~b. Minutes of July 2, 2008~~
- c. Budget Amendment, BA 28-0303 Beginning Balance and Property Tax and Investment Earnings
- d. Budget Amendment, BA 28-0304 Fire Chief Leave Cash Out

- e. Budget Amendment, BA 28-0305 Salaries and Wages
- f. Budget Amendment, BA 28-0306 Centennial Clock
- g. Budget Amendment, BA 28-0307 Correction for CENSUS/LUCA Carryover
- h. Budget Amendment, BA 28-0308 Public Works Property
- ~~i. Resolution 2008\_\_, Adopting Annexation Task Force Recommendations and Policies Moved to Other Business~~

## 7. MAJOR BUSINESS ITEMS

### a. Resolution 2008-14, Adopting Annexation Task Force Recommendations and Policies

City Attorney Haney apologized for any errors and/or omissions to the Resolution that he may have made inadvertently.

Councilmember Rudolph advised there were some items not included in the resolution due to the committee wanting to have further discussion. However, they wanted to get the important items, which needed to be dealt with immediately, approved and codified.

Councilmember Erickson provided an overview of the proposed revisions to the resolution, as follows:

**Section 1. Adoption of Policy Guidelines for Annexation to the City of Pousbo.** The following guidelines are adopted for the processing and consideration of annexations by the Pousbo City Council:

#### 1. IMPROVED COMMUNICATION

A. In order to improve communications with those who may be affected by annexation, the Pousbo City Council will insist upon compliance with the following requirements before annexation is considered:

i. The initiators of the annexation will be required to contact all residents and property owners within the area proposed for annexation and all property owners within the contiguous UGA of the proposed annexation within thirty days of the City Council authorizing circulation of the annexation petition in order to inform affected the residents and property owners of the pending annexation.

ii. The residents initiators of the annexation will be required to hold a community meeting in the annexation area City of Pousbo within sixty days of the City Council authorizing circulation of the annexation petition.

iii. During the community meeting, the initiators of the annexation petition shall present their proposal for infrastructure placement and design required to support the area proposed for annexation.

iv. If requested by the initiators of the annexation petition, city staff shall attend the community meeting.

B. The City will prepare an annexation brochure with an extensive question and answer document based on the Annexation Task force roundtable questions. The annexation brochure will be made available to the public.

## 2. ZONING DECISIONS

A. The City will treat zoning decisions within the City limits and the City's Urban Growth Area (UGA) with equal care and concern. If changes in zoning are necessary to achieve growth targets, those changes will be considered on a City limits/UGA-wide basis and not just concentrated in the UGA.

## 3. PRE-APPLICATION CONFERENCES

A. The City will post and maintain a current list of all pre-application conferences on the City's website.

B. The City will place and maintain a map on the City's website showing all properties currently proceeding towards development and that have a pre-application conference scheduled.

C. After completion of a pre-application conference, the City will make a summary of the conference available for public review.

D. If the initiators of the annexation petition have proceeded towards property development in the area to be annexed and have engaged in a pre-application conference, a summary of the pre-application conference including designs and planning directives shall be made available for review during the community meeting as described in Paragraph 1 (A) ii of this resolution.

Councilmember Rudolph recommended the following corrections:

- Paragraph 1A, item iv, of the resolution, regarding City staff attending meetings, recommended that "if requested" be removed and should read "initiators of the annexation petition shall invite city staff to attend the community meeting".
- Paragraph 3C, clarification that after the completion of the pre-application conference, that the City sends a pre-application letter summarizing the conference.

Linda Mueller, Senior Planner commented that the Planning Department appreciates and supports the proposed process. Mueller recommended the following changes:

- Paragraph 2A, from "achieved growth targets" to "accommodate projected growth," and;
- Paragraph 2C, separate the annexation process from development review process, as related to the pre-application. Councilmember Erickson and Rudolph advised against that change.

Councilmember Berry-Maraist advised that the document did not address items the Council had agreed to at the July 9<sup>th</sup> meeting, which included encouraging the issue of leveraging petitions for larger annexations.

After discussion regarding the language in paragraph 1Aiii, the Council concurred to revise the item to "shall present their concept for infrastructure."

Councilmember Crowder noted the resolution does not pertain to the two annexations that have been on hold and commented the Comprehensive Plan is still in the process of being updated, which should include the annexation policy.

Councilmember Erickson commented that the policies are being developed to help applicants with the annexation process, and require the petitioners to inform residents affected by the annexation. Erickson also noted that the task force did not come to a consensus on taxation policies, but agreed it needed to be addressed.

**MOTION:** Erickson/Rudolph. Move to adopt 2008-14 as presented with the following changes, paragraph Ai- delete the word "residents and", and add "and all property owners within the contiguous UGA of the proposed annexation or an area approved by the City Council of Poulsbo within thirty days of the City Council authorizing circulation of the annexation petition." Paragraph ii, "The ~~residents~~ initiators of the annexation will be required to hold a community meeting in the ~~annexation area~~ City of Poulsbo within sixty days of the City Council authorizing circulation of the annexation petition", paragraph iii, to read, "During the community meeting, the initiators of the annexation petition shall present their concept for infrastructure placement and design required to support the area proposed for annexation", paragraph iv, "The initiators of the annexation petition shall invite city staff to attend the community meeting", paragraph 2A, it will read, "The City will treat zoning decisions within the City limits and the City's Urban Growth Area (UGA) with equal care and concern, to accommodate projected growth, those changes will be considered on a City limits/UGA-wide basis and not just concentrated in the UGA", and adding paragraph 3D, "If the initiators of the annexation petition have proceeded towards property development in the area to be annexed and have engaged in a pre-application conference, a summary of the pre-application conference including designs and planning directives

shall be made available for review during the community meeting as described in Paragraph 1 (A) ii of this resolution. "

Councilmember Rudolph commented that he urged staff to deliver the message to staff to leverage annexations, and advised that the Task Force hadn't reached a resolution on the issue.

Motion carried unanimously.

Mayor Quade asked City Attorney Haney to address the alleged conflict of interest of Councilmember Berry-Maraist, Haney advised that he has looked at both issues regarding to the Transportation Improvement Program and the Annexation Policies and in his opinion Councilmember Berry-Maraist does not have any conflict of interest relating to these issues.

**b. Ordinance 2008-17, Adding Sections to PMC Title 9 and Adopting Revised Code of Washington (RCW) Statutes by Reference**

**MOTION:** Crowder/McGinty. Move to adopt Ordinance 2008-17: An Ordinance of the City of Poulsbo, Washington adding a new Section 9.60.015 Malicious Mischief to PMC Chapter 9.60 and adopting RCW 9A.48.105 Criminal Street Gang Tagging and Graffiti; Adding a new Section 9.80.025 Vehicle and Vessel Titles- Statutes adopted by reference and adopting RCW 64.44.045 Vehicle and Vessel Titles to PMC Chapter 9.80; Adopting RCW 18.280.140 Home Inspection Violation in PMC Chapter 9.02, Section 9.02.520; Adopting RCW 77.15.740 Protection of Southern Resident ORCA Whales in PMC Chapter 6.01, Section 6.01.210; and providing for severability and stabling an effective date.

Motion passed unanimously.

**c. Memorandum of Understanding with Kitsap Public Utility District No. 1 for Potential Water Supply and Service**

Public Works Director Loveless provided an overview of the Memorandum of Understanding and the services that Kitsap Public Utility District would provide.

Councilmember Stern advised that the Finance/Administrative Committee recommends approval.

**MOTION:** McGinty/Stern. Move that the Council authorize the Mayor to sign the Memorandum of Understanding with the Kitsap Public Utilities District for potential future water supply and service to areas of the city.

Motion passed unanimously.

**d. Award Poulsbo City Hall Site Preparation Project**

Assistant Public Works Director Kasiniak reported that the bids for the site preparation project for the new City Hall were opened on August 19, 2008; six bids were received and Tri-State Construction Inc. was the low bidder in the amount of \$464,514.00.

**MOTION:** Rudolph/Lord. Move to award the bid for Poulsbo City Hall Site Preparation Project to Tri-State Construction, Inc. of Bellevue, Washington, in the amount of \$464,514.00 not including Washington State Sales Tax, subject to the completion of review of the bid documents and the City Attorney's approval of the contract documents and give the Mayor authority to authorize change orders up to 10% of the Contract Price and payment of Washington State Sales Tax for the work under the contract.

Motion passed unanimously.

**8. CONTINUED COMMENTS FROM CITIZENS**

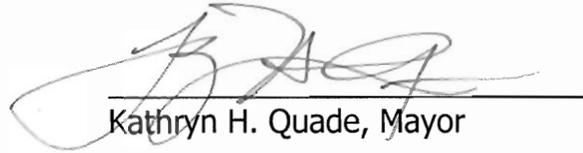
- a. John Eastman commented on Mr. Austin's remarks regarding the sale on the 10<sup>th</sup> Avenue property and urged the Council to sell the property for the maximum dollar amount to benefit the common good of Poulsbo citizens.
- b. Rita Hagwell commented that she wants her heirs to be able to do what they want with her property, and cited the Bill of Rights, Due Process and Right to Just Compensation.

**9. COUNCILMEMBER COMMENTS**

- a. Councilmember Berry-Maraist addressed City Attorney Haney's opinion regarding her alleged conflict of interest on upcoming projects, and does not believe she has a conflict of interest on the Transportation Improvement Plan or Annexation Policies. Berry-Maraist advised that if there are questionable issues that arise in future she will request feedback from the attorney and take any necessary actions.
- b. Councilmember Crowder announced that the Police Department will be holding an Open House on August 26, 2008 from 4:00-6:00 PM.

**10. ADJOURNMENT**

**MOTION:** Lord/Crowder. Move to adjourn at 9:38 PM.  
Motion carried unanimously.



Kathryn H. Quade, Mayor

ATTEST:



Jill A. Boltz, City Clerk

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