

POULSBO CITY COUNCIL MEETING OF NOVEMBER 19, 2008

MINUTES

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

MAJOR BUSINESS ITEMS

- * * * Claims – October 1 – 31, 2008
- * * * Budget Amendment BA 28-0404; Unanticipated Revenues
- * * * Budget Amendment BA 28-0405; Patrol Boat/Outboard Motor
- * * * Budget Amendment BA 28-0406; In Car Video
- * * * 7:15 Public Hearing: 2009 Budget – Continued
- * * * 2009 Budget Workshop No. 3 – Engineering/Public Works
- * * * Baseline Adjustments and New Program Requests
- * * * Authorize Disposal of Surplus Goods
- * * * Final Acceptance of the Monitoring Well for Lincoln Well No. 2
- * * * Traffic Demand Management Study Phase I - Implementation Plan and Budget
- * * * Ordinance 2008-___; Amending Water, Wastewater, Stormwater, and Garbage Collection Fees

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 announced the City is in receipt of a signed purchase and sale agreement for the 10th Avenue property, from Harrison Hospital; and welcomed Harrison Hospital to Poulsbo.

Councilmember Stern commented construction on the Harrison building will begin spring 2009, phase one of the project will open in 2009 with project completion in 2010.

MOTION: Stern/Lord. Move to authorize the Mayor to sign the real property purchase and sale agreement, by Harrison Medical Center and the City of Poulsbo.

Motion carried unanimously.

- b. Mayor Quade presented the proposed resolution closing City Hall offices at noon on December 24, 2008; and closing for the day on January 2, 2009.

MOTION: Lord/Erickson. Move to adopt Resolution 2008-18, a resolution of the City Council of the City of Poulsbo, Washington, declaring Wednesday, December 24, 3008 beginning at 12:00 PM and Friday, January 2, 2009 as a city office closures.
Motion carried unanimously.

- c. Mayor Quade advised the Council of two letters from residents regarding the City Hall project, which they were provided and asked the Council to review them.
- d. City Hall Update: Gary Tusberg, Kitsap County Consolidated Housing Authority reported the site construction has resumed from the break due to weather. The Project Team has been focused on cost reduction and budget revenue analysis; and is assessing three options for space reduction. Tusberg also reported the space reduction assessment and updated budget analysis will be present to Council on December 3rd, 2008.
- e. Mayor Quade advised of the Fishline Auction and fundraiser on November 22, 2008, at 6:00 to 9:00 PM at the Sons of Norway.

3. MAYOR AND COUNCIL DISCUSSION

- a. Councilmember Lord encouraged everyone to attend the Poulsbo Centennial Closing Gala on December 6, 2008 at 6:30 PM at the Sons of Norway.
- b. Councilmember Rudolph reported on St. Episcopal Church providing clothing to those in need.

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

- a. Finance/Administration Committee: Councilmember Erickson reported on the recommendations for the 2009 budget, noting the committee concurred with the Mayor's recommendation on all but one baseline adjustments and new program requests.
- b. Traffic Demand Management (TDM) Stakeholders Group: Councilmember Berry-Maraist reported on the stakeholders meeting, where the group reviewed citizen comments from the October 29, 2008 TDM open house

and will be recommending one change to the proposed plan, which will be presented by Assistant Public Works Director Kasiniak.

5. CITIZEN COMMENTS

- a. June Cotner-Graves recited an email she sent Mayor Quade regarding the poor condition of Noll Road, and asked for the City to make the necessary improvements to the road. Cotner-Graves also commented on the Traffic Demand Management Study.
- b. Richard Mitchusson expressed his disappointment in being refused entry into City Hall and no longer being allowed to order Poulsbo Centennial pins.

6. CONSENT AGENDA

MOTION: McGinty/Stern. Move to approve Consent Agenda items a through d.

Motion carried unanimously

The items listed are:

- a. Claims – October 1 – 31, 2008
- b. Budget Amendment BA 28-0404; Unanticipated Revenues
- c. Budget Amendment BA 28-0405; Patrol Boat/Outboard Motor
- d. Budget Amendment BA 28-0406; In Car Video

7. MAJOR BUSINESS ITEMS

a. 7:15 Public Hearing: 2009 Budget – Continued

Finance Director Booher reported on the 2009 Preliminary Budget, with total funds of \$36 million, a 5% increase from 2008 and a General Fund of \$9.7 million. Booher outlined the following changes from the proposed to preliminary budget, which have been recommended by the Finance/Administration Committee:

- Increased Beginning Balance- \$150,000
- Reduced Sales Tax and related transfers- \$88,601
- Increased various Revenue Lines- \$56,038
- Increased Medical and Dental Benefits and Labor & Industries rates to actual- \$68,665

Expenditure Increases for Final - \$56,603

- Increased insurance cap for exempt group due to new insurance rates
- Approved expenditures for annual maintenance of the Council recorder

- Directly charging the Marine Safety expenditures to the Police Reserves (Fund 191)

Revenue Increases-

- Increase beginning balance- \$100,000
- Various utility - \$23,025

Eliminate/Reduce Transfers-

- Eliminate Transfer for Conduit reserve- \$20,000
- Eliminate transfer for revenue stabilization (3% sales tax) - \$90,047
- Eliminate transfer of remaining admission tax- \$17,730
- Reduce debt transfer by new projected issued- \$28,000
- Eliminate transfer 5% of property tax for street revenues (\$84,754)
- Reduced transfer for Capital replacement (5% sales tax) -\$120,078
 - Workstations
 - Police Department digital color copier
 - Police vehicles reduced by one; change police car replacement schedule.
- Reduced transfer for new capital (2% sales tax) -\$28,031

Councilmember Rudolph clarified the funds banked for street revenues are to be used for street and sidewalk repair. Councilmember Stern noted impact fees and revenue from Harrison Hospital have not been figured into the 2009 budget.

Councilmember Crowder and McGinty expressed concern regarding the reduction of the police car replacement; Councilmember Crowder stated her disagreement with the recommendation.

Reduction in Services:

- Reduce Sound Works contract- \$3,915
- Reduce Viking Fest Overtime by 50%- \$5,333
- Reduce Flower Basket watering by 50%- \$5,750
- Eliminate Historic Collection for the library- \$3,000

In response to Councilmember Crowder concerns, Councilmember Stern stated the intent of reducing Police overtime for Viking Fest, is for the Viking Fest committee to share in the cost of security for the event.

Councilmember Stern explained the Historic Collection for the library, was funding the library board requested many years ago to purchase a fire proof file for historic records. The line item has been carried forward each year, by an oversight. Councilmember Lord suggested an explanation be added, clarifying what the Historic Collection for the library is.

Staffing:

- Not filling current vacant funded positions- \$278,078
 - Building Inspector
 - Patrol Officer
 - Community Services Officer
 - Parks Ground Maintenance person
- Reallocation of current positions- \$44,126
 - ½ FTE to City Hall project
 - ½ Field inspector to Proprietary Functions

Councilmembers Rudolph and Crowder disagreed with the reduction of the Patrol Officer, due to the fact that the Police Department is already short staffed and the current officers are bearing the burden.

Booher provided an overview on the transfers from Revenue Stabilization from 2002 through 2008, and the projected beginning balance for 2009. The following proposed scenarios were presented to the Finance/Administration committee, with scenario B being recommended by the committee:

Scenario A:

- Balance General Fund with transfer from Revenue Stabilization- \$283,554

Scenario B:

- Reduce debt payment for City hall by selling the Police Station, using proceeds to purchase Parks & Recreation building, making improvements and remainder as funding for City Hall debt- \$30,000
 - Balance General Fund with transfer from Revenue Stabilization- \$253,554

Scenario C:

- Reduce services by closing City Hall one day a week, with staff members voluntarily working 32 hours per week, but still receiving benefits, and reducing operating expenses 2.5%. (Estimated with 10 participants) -\$118,344
 - Balance General Fund with transfer from Revenue Stabilization- \$165,210

In response to Councilmember Lord's question, Chief Swiney stated if the additional patrol vehicle is approved, it would need to be ordered through the State by the end of November. Mayor Quade asked staff to confirm whether the police vehicle needs to be order by November, to include the purchase in the 2009 budget.

MOTION: Rudolph/McGinty. Move to restore the police patrol position to the 2009 budget.

Motion passed. Yes: Crowder, Lord, McGinty, Rudolph. No: Stern, Erickson, Berry-Maraist.

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Mayor Quade called a recess at 9:11 PM. The meeting was reconvened at 9:17 PM.

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MOTION: Crowder/Berry-Maraist. Move to close the Public Hearing on the City of Poulsbo Year 2009 Budget.

Motion carried unanimously.

b. 2009 Budget Workshop No. 3 – Engineering/Public Works

Public Works 2008 Budget:

Public Works Director Loveless presented the Public Works budget covering 13 different program areas. 2008 accomplishments included updates to Water/Sewer/Storm Drain/Transportation Functional Plans; support to the State Route 305 Project; completion of Bond Road sewer forcemain; site acquisition for Public Works relocation; Sewer Infiltration/Inflow control project; updated Public Works standards; Traffic Demand Management (TDM) study; Noll Road corridor study; and support for design and construction of the new City Hall.

2009 Goals:

- Concurrency and Traffic Impact Fee ordinance
- Long-term water supply
 - Negotiations with Kitsap Public Utility District
 - Apply for additional water rights
- Storm Drain NPDES Phase II permit
- Traffic Calming program
- ~~County Solid Waste Plan update~~
- County Wastewater contract renewal
- Support construction of new City Hall

Baseline Adjustments include:

- Central Services- \$800 for fuel
- Parks- \$2,500 increase of service contract costs; \$1,500 utilities
- Street Fund- \$11,700 for contracted services with Bremerton (street lights) and Kitsap County (striping); \$3,200 increased fuel costs

- Water- \$5,000 operating supplies to maintain current levels of service; \$4,000 electrical increase; \$800 upgrade modeling software
- Sanitary Sewer- \$3,550 operating supplies; \$16,800 in utilities increases for the new Bond Road pump station
- Solid Waste- \$15,000 Increased recycling costs from Bainbridge Disposal; \$18,000 fuel
- Storm Drain- \$2,000 fuel
- General Facilities- \$14,000 operating supplies expenditure adjustment to reflect actual billings to departments

New program requests:

- Street Fund- \$69,000 replace backhoe with Bobcat/Skid-loader; and \$25,500 purchase tilt trailer

Capital Replacement request:

- \$25,000 Curotto-Can attachment

MOTION: Erickson/Rudolph. Move to extend the Council meeting to complete business agenda as follows:

7-d. Authorize Disposal of Surplus Goods,

7-e. Final Acceptance of the Monitoring Well for Lincoln Well No. 2,

7-f. Traffic Demand Management Study Phase I - Implementation Plan and Budget (public comments); and

10. Councilmember comments.

Motion carried. Yes: Crowder, Erickson, Lord, Berry-Maraist, Rudolph. No: Stern, McGinty.

c. Authorize Disposal of Surplus Goods

MOTION: Erickson/Lord. Move to approve the disposal of the attached surplus listing in accordance with the City of Poulsbo Ordinance No. 94-08, with the caveat that one of the computers will be directed towards to Fishline.

Motion carried unanimously.

d. Final Acceptance of the Monitoring Well for Lincoln Well No. 2

MOTION: Crowder/Erickson. Move to accept the Monitoring Well Drilling Contract with Gresham Well Drilling, Inc. as completed and move to authorize the release of retainage in accordance with the contract requirements.

Motion carried unanimously.

e. Traffic Demand Management Study Phase I - Implementation Plan and Budget

Tammy Matson commented on the Traffic Demand Management (TDM) Study, noting she had surveyed several downtown merchants and received 75% positive feedback and the overall consensus being pedestrian safety.

The Council concurred to continue the TDM study presentation to the December 3, 2008 agenda.

8. COUNCILMEMBER COMMENTS

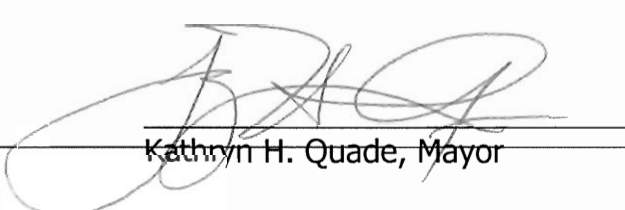
- a.** Councilmember Berry-Maraist reported on the meeting with Washington State Department of Transportation (WSDOT), regarding to the Highway 305 closure for culvert replacement, where the proposed detour route was discussed. Assistant Public Works Director Kasiniak received Council concurrence to invite WSDOT to give a presentation to the City Council.

Councilmember Berry-Maraist also advised of the November 20, 2008 deadline for comments to the Puget Sound Partnership.

- b.** Mayor Quade responded to the comments from Richard Mitchusson, stating all citizens are welcome to come to City Hall, however no one is permitted to roam freely through the building.


9. ADJOURNMENT

MOTION: Rudolph/Crowder. Move to adjourn at 10:22 PM.
Motion carried unanimously.



Kathryn H. Quade, Mayor

ATTEST:



Jill A. Boltz, City Clerk