

## POULSBO CITY COUNCIL MEETING OF DECEMBER 7, 2011

### MINUTES

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

Staff: Boltz, Booher, Kasiniak, Kingery, McCluskey, Stephens, Swiney

### MAJOR BUSINESS ITEMS

- \* \* \* Budget Amendment, BA#11-0406 Consultant Deposits
- \* \* \* 2011 Exempt Position Salary Survey
- \* \* \* Hotel/Motel Fund Goals

#### 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.

Mayor Erickson administered the Oath of Office to Councilmember Gary Nystul. Councilmember Nystul expressed his gratitude and appreciation to the citizens and staff.

#### 2. **COMMENTS FROM CITIZENS**

- a. Sandi Hunter, Greater Poulsbo Chamber of Commerce (GPCC), Tammy Matson, Historic Downtown Poulsbo Association (HDPa) commented on their collaboration and goal of promoting tourism and marketing in the North Kitsap area.
- b. John Powers, Executive Director Kitsap Economic Development Alliance (KEDA), introduced himself to the Council and public; commenting on the ongoing efforts and goals of KEDA.
- c. Dan Baskins commented on the proposed Shoreline Master Plan and his concerns regarding the nonconforming uses in the plan.
- d. Sandi Colbanks, President of the HDPa, commented on the collaboration of the marketing collation and asked for the Councils endorsement.

#### 3. **MAYORS REPORT AND COUNCIL COMMENTS**

a. Councilmember Berry-Maraist expressed her appreciation to the marketing coalition for coming tonight and working together.

b. Councilmember Musgrove commented on the review of the Shoreline Master Plan (SMP) and urged anyone who received postcards from the city to get involved. Musgrove also thanked Bill Austin for beautiful Christmas lights downtown.

c. Councilmember Henry commented on the upcoming discussion on the SMP and urged citizens to bring forward any questions and/or concerns.

d. Councilmember Lord welcomed Councilmember Nystul to the Council, and expressed her appreciation to the business owners showing a united front and working together.

e. Mayor Erickson reported on:

- An Executive Session will be held at the end of the meeting.
- The Viking Avenue Tree Lighting and Yule Fest.
- Attendance at the 70th Anniversary of Pearl Harbor event.
- The Ribbon Cutting for the reopening of Fjord Drive will take place the week of the 19th; a project update was provided by Assistant Public Works Director Kasiniak.
- The completion of the Police Dept move to City Hall.
- The City Hall closure from 11:30AM to 12:30PM for the annual Employee Appreciation Luncheon.

f. Councilmember Stern commented on CenturyLink internet service disruption recently.

g. Mayor Erickson announced Ardis Marrow was presented with the Besteforeldre Award at the Rotary Meeting and commented on all the work she has done in the community.

#### 4. **CONSENT AGENDA**

**Motion:** Move to approve Consent Agenda item a. **Action:** Approve, **Moved by** McGinty, **Seconded by** Henry.

Motion passed unanimously.

The item listed is:

a. Budget Amendment, BA#11-0406 Consultant Deposits

#### 5. **BUSINESS AGENDA**

**a. ► 2011 Exempt Position Salary Survey**

Human Resources Manager Kingery reported on the salary review process and history. The Finance/Administration Committee reviewed the salary survey and recommends implementing half increases in 2012 and the remainder in 2013.

Council discussion included:

- Future increases would be evaluation/merit based
- Discrepancy in long time employee salary vs. newer employees
- Past history of salary reviews of exempt positions
- The method of how the new proposed salary
- Review current salary review policy

**Motion:** Move to concur with exempt positions salary review as presented. The result of this discussion will be incorporated into the 2012 Salaries and Wages Resolution scheduled for the December 14, 2011 Council Meeting (consent agenda). **Action:** Approve, **Moved by** Lord, **Seconded by** McGinty.  
Motion passed unanimously.

**b. ► Hotel/Motel Fund Goals**

Finance Director Booher presented the current policy of Hotel/Motel Fund reserves and the history of the reserves and expenses.

Council discussion included:

- Building up reserves, 3 months, 6 months or a year of operating cash
- Expend only actual revenues realized
- Concern with harming businesses by limiting their distributions
- How to funding unexpected events or request

Council concurred to build up reserves slowly, over 3 years, at approximately 3-5% per year.

**6. ► COUNCIL COMMITTEE REPORTS**

**a.** Councilmember Berry-Maraist spoke to the USGS study on Liberty Bay that was recently released, her attendance at a Puget Sound Salmon Recovery meeting and North Kitsap Trails Association Plan was approved by the Kitsap County Commissioners.

**b.** Councilmember Musgrove reported Port Commissioner Gilbert has resigned from the Port of Poulsbo Commission; Arne Bockus was appointed to serve the remainder of the term.

c. Finance/Administration Committee: Councilmember Lord reported on Real Estate Excise Tax and sales tax update and the proposed broadband utility project.

d. Public Works Committee: Councilmember McGinty reported on street maintenance review.

## 7. DEPARTMENT HEAD COMMENTS

None.

## 8. ► CONTINUED COMMENTS FROM CITIZENS

a. Sandi Colbanks, President of Historic Downtown Poulsbo Association (HDP), commented on the Council discussion regarding Hotel/Motel Funds and budget; and the lack of discussion on the “miscellaneous” line item and the reserves that could not be touched.

b. Tammy Mattson, HDP, commented on the reserve policy for Hotel/Motel funds, the unclear direction and use of the reserves.

c. Dan Baskins commented on the positive audit reports of Poulsbo compared to other jurisdictions and recommended the Council thoroughly look at Shoreline Management Plan and the length of time to issue a permit.

## 9. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

None.

## 10. ► EXECUTIVE SESSION

At 9:44 PM Mayor Erickson adjourned the meeting into a 15-minute Executive Session pursuant to RCW 42.30.110(i) for the purpose of discussing pending litigation.

**Motion:** Move to extend the meeting until 10:10 PM. **Action:** Approve, **Moved by** McGinty, **Seconded by** Berry-Maraist.

Motion passed unanimously.

Mayor Erickson reconvened the meeting at 10:02 PM.

► **Motion:** I move that we authorize the Mayor and City Attorney to file the lawsuit that was discussed in executive session. **Action:** Approve, **Moved by** Musgrove, **Seconded by** Henry.

Motion passed unanimously.

**11. ► ADJOURNMENT**

**Motion:** Move to adjourn, **Action:** Approve, **Moved by** Stern, **Seconded by** Nystul.  
Motion passed unanimously.

Rebecca Erickson, Mayor  
ATTEST:

Jill A. Boltz, City Clerk, CMC