

**POULSBO CITY COUNCIL MEETING OF JULY 17, 2013**

**MINUTES**

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

Staff: Berezowsky, Boltz, Booher, Kasiniak, Loveless, McCluskey, Stephens, Treacher, Weaver

Also present: Port of Poulsbo Commissioners Tony DeCarlo, Jim Rutledge, Stephen Swann and Port Manager Brad Miller

**MAJOR BUSINESS ITEMS**

- \* \* \* Budget Amendment, BA13-0301, 6<sup>th</sup> Avenue LID/Traffic Calming
- \* \* \* Budget Amendment, BA13-0302, Transportation Plan
- \* \* \* Budget Amendment, BA13-0303, Multimodal Transportation Plan
- \* \* \* Budget Amendment, BA13-0304, Water System Plan
- \* \* \* Budget Amendment, BA13-0305, Hotel/Motel
- \* \* \* Payable Disbursements, June 1- June 30, 2013
- \* \* \* Application for Special Event – Poulsbo Music Festival
- \* \* \* Resolution No. 2013-05, Setting Public Hearing
- \* \* \* Joint Meeting with Port of Poulsbo
- \* \* \* Resolution No. 2013-06, Designation Official City Newspaper
- \* \* \* Contract Approval for North Kitsap Herald – Official Newspaper
- \* \* \* Budget Kick-off

**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. COMMENTS FROM CITIZENS**

- a. Rita Hagwell spoke to her increase in property taxes after her property was annexed in the City 2005; and a proposed trail through her property, as shown in the Urban Paths of Poulsbo.
- b. Herb Kai spoke to RCW regarding funding, the Port’s proposed annexation, and the need for a Port Comprehensive Plan.

**3. MAYOR'S REPORT AND COUNCIL COMMENTS**

- a. Councilmember Stern commented on his attendance at the reception honoring the partnership and creation of the Western Washington University Center at Olympic College Poulsbo.

Stern also stated the Finance/Administration Committee had a lengthy discussion with city staff and the Mayor regarding the proposed increase in Stormwater rate, and making the utility excise tax rate 6% permanently; and then allows an adjustment in the stormwater rate base.

**Motion:** Move to reconsider the Stormwater Rate Increase.

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

Motion passed unanimously.

**Motion:** Move to adopt Ordinance No. 2013-08, and ordinance of the City of Poulsbo, Washington amending Poulsbo Municipal Code Section 3.12 increasing the Stormwater Rate to \$10.57 per Impervious Surface Unit (ISU) beginning August 1, 2013 with the understanding that a workshop will be held during the Fiscal Year 2014 Budget deliberations to consider future program requirements and potential future rate impacts.

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

**Discussion:** Councilmember Nystul questioned if the ordinance will change the utility tax as well, or if that change will come forward separately. Finance Director Booher stated the utility tax rate is set be a separate ordinance, therefore the old ordinance needs to be repealed and then approved with the change. That ordinance will come forward to Council at the August 7<sup>th</sup> meeting.

Nystul stated he would be voting in opposition to changing the utility tax rate mid-year, as this should be done during the budget process.

Councilmember Berry-Maraist questioned what the rate presented to Council at last week's meeting. Public Works Director Loveless stated the original rate was \$10.92, with the reduction in the utility excise tax of 4%, it brought the rate to \$10.57.

Motion passed unanimously.

- b. Councilmember Musgrove expressed is excitement for WWU coming to Poulsbo, welcomed the Port commissioners and congratulated the Tribe on another appointment by President Obama, of Rion Ramirez to the Commission of White House Fellowship.
- c. Councilmember Lord further commented on Western Washington University in Poulsbo.

- d. Councilmember Berry-Maraist commented on her attendance on the Puget Sound Regional Council (PSRC) Growth Management Policy Board, where one of the opening remarks was thanking former Councilmember Rudolph for his many years of service at the PSRC.
- e. Councilmember Nystul noted the Comprehensive Annual Financial Report has been distributed by the Finance Department; and encouraged the Council and public to review it.

#### 4. CONSENT AGENDA

**Motion:** Move to approve Consent Agenda items a through h.

**Action:** Approve, **Moved by** McGinty, **Seconded by** Berry-Maraist.

Motion passed unanimously.

The items listed are:

- a. Budget Amendment, BA13-0301, 6th Avenue LID/Traffic Calming
- b. Budget Amendment, BA13-0302, Transportation Plan
- c. Budget Amendment, BA13-0303, Multimodal Transportation Plan
- d. Budget Amendment, BA13-0304, Water System Plan
- e. Budget Amendment, BA13-0305, Hotel/Motel
- f. Payable Disbursements, June 1 – June 30, 2013, in the amount of \$1,745,264.11, to include Accounts Payable Check Numbers 10022358 through 10022586, Payroll Check Numbers 30020262 through 30020510 and Electronic Disbursement Numbers 23-0041 through 23-0051.
- g. Application for Special Event – Poulsbo Music Festival
- h. Resolution No. 2013-05, Setting Public Hearing for 3rd Avenue Vacation

#### 5. BUSINESS AGENDA

##### a. Joint Meeting with Port of Poulsbo

Mayor Erickson welcomed the Port Commissioners and asked the staff, commissioners and Council for introduction to the public.

The Commissioners provided a brief history and background on Port operations and their purpose; changes in operations; and update in Comprehensive Plan; community outreach; Port annexation and expansion; and observed slope failure and options for fixing that issue.

Commissioner Swann commented on the success of the Cruise Ships visits to Poulsbo, and thanked the City for their help and contributions.

Discussion included:

- Downtown Poulsbo Shoreline – Design and permitting coordination between the City and the Port to solve slope failure issues and port expansion.
- Parking Lot in front of Guest Moorage Facility – possible options for joint ownership and the Port purchasing the property.
- Future Expansion of Port of Poulsbo – additional moorage
- Port District Annexation

The Port Commissioner left the meeting at 8:24 PM.

**b. Resolution No. 2013-06, Designating Official City Newspaper**

**Motion:** Move to adopt Resolution No. 2013-06, a Resolution of the City Council of the City of Poulsbo, Washington, designating the North Kitsap Herald as the City's Official Newspaper for the term of August 1, 2013 through July 31, 2014.

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

Motion passed unanimously.

**c. Contract Approval for North Kitsap Herald – Official Newspaper**

**Motion:** Move to approve the award of Bid #13-01 for the Official newspaper for the City of Poulsbo to the North Kitsap Herald and authorize the Mayor to execute the contract.

**Action:** Approve, **Moved by** McGinty, **Seconded by** Berry-Maraist.

Motion passed unanimously.

**d. Budget Kick-off**

Finance Director Booher provided an overview of the purpose and preparation of the budget, and different fund types and the budget calendar, with the Proposed Preliminary budget being issued September 30, 2013. Booher also outlined the 2014 budget recommended appropriations. Council concurred with recommendations discussed with the Finance/Administration Committee.

**6. COUNCIL COMMITTEE REPORTS**

- Finance Administration Committee: Councilmember Stern reported on an IT request for email retention software, monthly sales tax update, and an upcoming workshop on Council preferences for laptops vs. iPad.
- Public Safety/Legal Committee: Councilmember Henry reported on status on new officer testing and hiring, K9 program, Police motorcycle, Police training on Mental Illness being held at City Hall on Monday, July 22<sup>nd</sup>.

**7. DEPARTMENT HEAD COMMENTS**

None.

**8. CONTINUED COMMENTS FROM CITIZENS**

None.

**9. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS**

- a. Councilmember Berry-Maraist commented on Community Services and Public Works committee discussions on drafting a letter from the city regarding concerns on the Kitsap County proposed non-motorized routes; and her attendance at the Growth Management Policy board and KRCC TransPol meeting.

**10. EXECUTIVE SESSION**

At 9:21 PM Mayor Erickson recessed the meeting into a 20-minute executive session, for the purpose of discussing real estate disposition, pursuant to RCW 42.30.110(c).

Mayor Erickson convened the meeting at 9:41 PM.

**Motion:** Accept the Commercial and Investment Real Estate Purchase and Sale Agreement dated July 10, 2013 with DJM Construction Company Inc. (Museum Property), with the following amendments: request for standard insurance, revise the date of acceptance to July 19, 2013, and insert the amended section #12; in the amount of \$250,000.

**Action:** Approve, **Moved by** Berry-Maraist, **Seconded by** Henry.

Motion passed unanimously.

**11. ADJOURNMENT**

**Motion:** Move to adjourn.

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

Motion passed unanimously.

---

Rebecca Erickson, Mayor

ATTEST:

---

Jill A. Boltz, City Clerk, CMC