

POULSBO CITY COUNCIL MEETING OF OCTOBER 7, 2015

MINUTES

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

Staff: Finance Director Booher, Senior Associate Planner Boughton, City Engineer Kasiniak, Assistant City Engineer Lenius, Senior IT Technician Williamson, City Clerk Stephens, Police Chief Townsend.

ABSENT: Councilmember Henry.

MAJOR BUSINESS ITEMS

- * * * Budget Amendment/BA#15-0401, New Police Vehicle
- * * * Budget Amendment/BA#15-0402, Beautification of Lindvig Bridge
- * * * Budget Amendment/BA#15-0403, Furniture for IT and Prosecutor
- * * * Budget Amendment/BA#15-0404, Noll Road Improvements
- * * * Interlocal Agreement with North Kitsap School District for Law Enforcement Security
- * * * City Council Minutes of September 2, 2015
- * * * Liberty Bay Waterfront Trail Project Update
- * * * Resolution No. 2015-13, Rejection of Bids for Lincoln Well #2 Greens and Filter Project
- * * * 3rd Avenue/Central Business District Stormwater Retrofit Project Acceptance
- * * * Resolution No. 2015-14, Appeal by Central Highlands, Inc.
- * * * Budget Process 2015 Revenue and Expenditure Review
- * * * Mayor's 2016 Proposed Preliminary Budget
- * * * Set Public Hearing for 2016 Final Budget

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 directed Councils attention to the teal folder that was distributed and explained the slight language change to the Interlocal Agreement with the North Kitsap School District for Law Enforcement Security, Item 5e.

Motion: Move to approve the agenda.

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

Motion passed unanimously.

3. **COMMENTS FROM CITIZENS**

Dr. Nella Lee, of 4th Avenue NE, explained the residents on 4th Avenue are upset regarding the speeding and running the stop sign in the neighborhood. Lee described measures outlined in the Traffic Demand Management Study and submitted a neighborhood petition regarding the traffic problems to the City Clerk.

Sunny Hunter, resident of Woodcreek Apartments, stated there are forty families being chased out of their apartment building and there is a lack of available affordable housing in Poulsbo and the surrounding area.

Unnamed Person, resident of Woodcreek Apartments, spoke to the lack of affordable housing in Poulsbo and on Bainbridge Island and that the new owners, Pacific Living Properties, are putting current residents out on the street with no place to go.

Allison Shaw, resident of Woodcreek Apartments, expressed her concern with the lack of affordable housing in Poulsbo. Shaw urged Council to do what they can to alleviate the situation.

Unnamed Person, resident of Woodcreek Apartments noted that her family was chased off Bainbridge Island five years ago because of higher rents and added that her family will not be able to afford the new rent and they will have no place to live when they are evicted.

Leslie Johnston, city resident, expressed her concern with the increased lack of affordable housing and increasing rent at the Woodcreek Apartments. Johnston referenced the citys Comprehensive Plan regarding affordable housing and asked the city to address the problem.

Missy Sewell, 4th Ave resident, expressed her frustration with the increased traffic on 4th Avenue and the people who speed and drive through the stop signs. Sewell stated that police come to check when called about the traffic problems but there is very little follow through by the city.

Jenine Gramon, city resident, stated she was nearly hit by a car while in the crosswalk on 4th Avenue and Iversen and expressed concern for pedestrians in the area. Gramon offered to be on a committee to address the traffic issues.

Ruth Reinert, 4th Avenue resident, reiterated the concerns regarding speeding and addressed the noise level on 4th Avenue caused by large trucks, loud car radios and the increased traffic.

4. ► MAYORS REPORT AND COUNCIL COMMENTS

Councilmember Lord thanked the citizens for speaking and notifying the Council of the issues and concerns regarding affordable housing and the 4th Avenue traffic problems.

Councilmember Thomas thanked the citizens for coming to Council with their concerns.

Councilmember Stern expressed his appreciation for the new overhead speakers. Stern spoke to the availability of increased livable wage jobs in Poulsbo and the training opportunities available.

Councilmember Musgrove expressed concern regarding the lack of affordable housing and thanked everyone who spoke to the issue.

Mayor Erickson stated she has been very concerned for several years at the lack of affordable housing in the area and described three scheduled apartment complexes to be built in the community as well as the 520-unit apartment planned at SR305 and Bond Road. Erickson noted there has been a very severe housing recession for over four years. Erickson addressed the Woodcreek Apartment issue and noted, unfortunately the federal lending note was about 20 years long and has reached its end. Erickson encouraged the residents to reach out to Housing Kitsap, Bremerton Housing Authority and the Housing Solution Center for assistance with their housing concerns.

Mayor Erickson spoke to the 4th Avenue concerns; noting there will not be any speed humps on 4th Avenue, however, the City will place traffic counters in the area and will get traffic study. Erickson asked City Engineer Kasiniak to explain how the traffic counter/traffic study will work. Police Chief Townsend also addressed the traffic issues.

5. **CONSENT AGENDA**

Motion: Move to approve Consent Agenda items a through f noting the change of language in 5e.

The items listed are:

- a. Budget Amendment/BA#15-0401, New Police Vehicle
- b. Budget Amendment/BA#15-0402, Beautification of Lindvig Bridge
- c. Budget Amendment/BA#15-0403, Furniture for It and Prosecutor
- d. Budget Amendment/BA#15-0404, Noll Road Improvements
- e. Interlocal Agreement with North Kitsap School District for Law Enforcement Security
- f. City Council Minutes of September 2, 2015

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

6. **BUSINESS AGENDA**

a. **Liberty Bay Waterfront Trail Project Update**

City Engineer Kasiniak provided an update on the progress of the Liberty Bay Waterfront Trail project, including the scope, Tribal concerns, estimated costs, high cost of extending the boardwalk, an alternative conceptual design and potential timeline. Kasiniak stated: the Tribe and Washington Department of Fish and Wildlife are supportive of the alternate proposal; with council concurrence the next step will be to work with the property owners; and the timeline includes a shovel-ready project ready to look for funding in 2017.

Following a question-answer period, Council concurred to move forward with the project.

b. ► Resolution No. 2015-13, Rejection of Bids for Lincoln Well #2 Greens and Filter Project

City Engineer Kasiniak reported bids were opened for the Lincoln Well #2 project on September 8, 2015. There were six bids; three were nonresponsive due to errors in the documents submitted. The lowest responsive bid was \$1,260,000.00, which exceeds the engineers estimate of \$950,000. Per RCW 32.23.352, the City has the authority to reject any and all bids. Kasiniak recommended rejecting all bids and to reduce the cost before rebidding the project; loosening the specifications, and pre-purchasing the system to have the contractor do the installation only. Kasiniak stated staff will ask Council to terminate the loan from the Department of Health. Change specifications, pre purchase the system and have contractor only do the install.

Motion: Move to approve Resolution 2015-13, a resolution of the City Council of the City of Poulsbo, Washington, rejecting any and all bids received on the Lincoln Road Well #2 Greens and Filter Project.

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

c. ► 3rd Avenue/Central Business District Stormwater Retrofit Project Acceptance

City Engineer Kasiniak presented an overview of the 3rd Avenue/Central Business District Stormwater Retrofit project for Council acceptance and contract closure. Kasiniak stated the original contract price was \$672,215.87, with a final pay amount of \$678,586.12 (excluding retainage). Five change orders were processed during the project to include some work on Hostmark Street. Final payment was made on 07/15/2015. Kasiniak noted there is a twelve-month maintenance and performance bond on the project. Kasiniak requested Council acceptance of the project as complete with release of the retainage of \$34,099.49.

Motion: Move to accept the Central Business District Stormwater Retrofit project as complete and authorize release of retainage to Pape & Sons Construction in accordance with state law and contract requirements.

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

Motion passed unanimously.

d. ► Resolution No. 2015-14, Appeal by Central Highlands, Inc.

Councilmember Stern stated he would be recusing himself from the vote on this item, as he recused himself previously due to a professional relationship with David Smith. Senior Associate Planner Boughton provided a brief overview of the resolution required following the appeal.

Motion: Move to approve Resolution No. 2015-14, a resolution of the City Council of the City of Poulsbo, Washington, regarding the appeal by Central Highlands, Inc., of the Hearing Examiner decision regarding Whitford/Strand Preliminary Plat and Shoreline Substantial Development Permit approval. ,

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

e. ► Budget Process 2015 Revenue and Expenditure Review

Finance Director Booher provided an overview of the City's budgeted funds and reviewed the 2015 expenditures and revenue sources. Booher stated the revenues are currently exceeding the expenditures. Mayor Erickson interjected that the majority of the sales tax collected in Poulsbo goes directly to the state and noted that Kitsap Transit receives as much of the .087 sales tax collected inside the city limits as Poulsbo receives. Booher noted the draft budget has been distributed to Council. Booher provided the timeline for approval of the 2016 budget.

f. ► Mayors 2016 Proposed Preliminary Budget

Finance Director Booher presented the 2016 Mayors Proposed Preliminary Budget including the projected 2016 expenditures and stated the Mayors proposed preliminary budget is quite conservative. Mayor, Council, and staff briefly discussed budgeted amounts, the debt service and other budget items. Booher noted the baseline adjustments and new program requests are not included in the proposed preliminary budget.

g. ► Set Public Hearing for 2016 Final Budget

Motion: Move to set a public hearing for November 4, 2015 at 7:15 p.m. to allow the public time to address the Council regarding the 2016 Budget.

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

Motion passed unanimously.

7. ► **COUNCIL COMMITTEE REPORTS**

Public Works Committee: Councilmember Lord reported on the work plan status, update on the utility review for solid waste, and a citizen had come to share concerns with parking problems on private roads at Caldart Heights.

Finance/Administration Committee (FAC): Councilmember Thomas reported on a small change to the City Council Agenda, moving the Council Committee reports before the business agenda which will require a Council resolution. Thomas stated the resolution will be coming forward to Council. McGinty suggested only those items on the Business Agenda be discussed at that Committee Report section. Thomas reported an additional FAC meeting has been scheduled for October 28th.

Councilmember Nystul complimented the Finance staff and Mayor on the preliminary budget presentation. Nystul stated the LTAC figures published in the Herald were inaccurate and will be corrected. Nystul noted the challenges of having a small community where members may wear several hats.

Kitsap Regional Coordinating Council (KRCC): Councilmember Stern reported on the reallocation of dues because of Bremerton dropping out of the KRCC. Stern stated the city's share will increase from \$6,000 to \$9,000. Stern reported the legislative dinner will be at the Clearwater Resort Conference Hall on November 12, 2015.

8. ► **DEPARTMENT HEAD COMMENTS**

None.

9. ► **CONTINUED COMMENTS FROM CITIZENS**

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

10. ► **COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS**

Councilmember Lord expressed her appreciation that the city hall facility is available to groups like the League of Women Voters.

Mayor Erickson reported:

- The apartment building being built on the old City Hall site will begin accepting names for a waiting list.
- Daffodil Days is scheduled for November 7th.
- Historic Downtown Poulsbo Association Trick or Treat and Haunted House plans
- The Troll is under the Lindvig Bridge
- Ongoing 4th Avenue concerns
- Bill Austin volunteered to repair the wall in front of the Viking at the Junction damaged by a vehicle after the city provides additional power.

Councilmember Stern thanked Mayor Erickson for the way she handled the delicate issue of affordable housing.

11. ADJOURNMENT

Motion: Move to adjourn at 9:10 pm.

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

Motion passed unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, City Clerk, CMC

Respectfully prepared and submitted by Sherry White