

POULSBO CITY COUNCIL MEETING OF DECEMBER 9, 2015

MINUTES

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

Staff: Finance Director Booher, Office Clerk II Diehl, City Engineer Kasiniak, Assistant City Engineer Lenius, IT Senior Technician Williamson.

ABSENT: McGinty, Stern.

MAJOR BUSINESS ITEMS

- * * * Budget Amendment, BA15-0410 – Confiscated Property & Drug Enforcement Revenue
- * * * Budget Amendment, BA15-0411 – Community Development Software Project
- * * * Pugh/Lincoln Well #2 – Contract Amendment #3
- * * * Ordinance No. 2015-___, Concurrency
- * * * Bad Debt Write Off
- * * * Final Review and Approval of the 2016 Budget

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

Mayor Erickson called the meeting to order in the Council Chambers at 7:02 PM and led the Pledge of Allegiance.

2. **AGENDA APPROVAL**

Mayor Erickson announced agenda item 6b will be removed from the agenda.

Motion: Move to approve the agenda as amended.

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

Motion passed unanimously.

3. **COMMENTS FROM CITIZENS**

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

4. ► **MAYORS REPORT AND COUNCIL COMMENTS**

Councilmember Musgrove stated he attended the Leadership Kitsap Meeting at Watson Furniture and really enjoyed it.

Mayor Erickson noted last weekend was very busy with Julefest, the Sons of Norway Holiday Bazaar, Shop with a Cop, the Poulsbo Community Symphony, and Santas Breakfast all taking place. Erickson stated Julefest was beautiful and the Shop with the Cop events was very fun.

Councilmember Lord reminded the council that the Bremerton Youth Symphony will be at the next council meeting and the meeting will be starting at 6pm. Lord encouraged the council to support the Giving Tree Program that give gifts to the less fortunate kids.

Henry reported he represented the council at the 12/7 Naval Ceremony at Keyport.

5. ► **CONSENT AGENDA**

Motion: Move to approve consent agenda items a and b.

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

Motion passed unanimously.

6. **BUSINESS AGENDA**

a. ► **Pugh/Lincoln Well #2 – Contract Amendment #3**

Kasiniak gave presentation which included; project is for a water treatment plant for the city's two biggest wells, Lincoln Well 1 & 2; will be installing green sand filters; bid opening was on 9/8/15; lowest bid 1.26 million which exceeded engineering cost estimate, so the bid was rejected; the whole project was repackaged and re-advertized to be sent out for bid; a \$25,000 grant was received from the Department of Health for design work; a low interest loan was received from the Department of Health Drinking Water State Revolving Fund for \$1 million; limitations on loan made the bidding very restrictive; a request of \$18,413 to

repackaging the whole project and re-advertizing it to be sent out for bid; requesting authorization to walk away from the loan to make the project less restrictive which will cost approximately \$10,000; Public Works Committee concurs with the recommendation.

Motion: Move to approve Amendment No. 3 with Water Engineering Solutions, LLC for additional services on the Lincoln Well #2 – Manganese Treatment project, in the amount of \$18,413, and authorize the Mayor to sign on behalf of the city.

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

Motion passed unanimously.

Motion: Move to authorize that the Drinking Water State Revolving Fund Loan be paid off in full and closed.

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

Motion passed unanimously.

b. Ordinance No. 2015-__, Concurrency

Removed from Agenda.

c. Bad Debt Write Off

Booher reported: there is a debt of almost \$2,000 which needs council approval to be written off; the account has been past due for two years; the debt will be expensed into the city's financial statements, but will remain with the collection agency to be pursued for payment.

Motion: Move to approve writing off account which has exceeded two years past due and with excess of \$1,000 to Bad Debt expense per PMC 3.72.040.

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

Motion passed unanimously.

d. Final Review and Approval of the 2016 Budget

Booher presented the changes in the 2016 budget:

- Reduction in utility taxes for water and sewer from 12% to 9%
- Reserving \$25,000 for future facilities repairs and maintenance
- Implemented changes to Baseline Adjustments Requests and New Program Request after last council discussion and additional Mayor review.

- Item included in Memo after council discussion at last meeting:

Baseline Adjustment Requests

Engineering Communications Cell Phone Increase – remain on wait list; Building Overtime – not funded; Building Supplies/Code Books – not funded; Building Communications – Cell phones – remain on wait lists.

New Program Request

Engineering ADA transition Plan – not funded delayed to 2017; Radar Speed Sign - \$20,000 has been added to Capital Budget; Thermo Plastic – \$10,000 has been added to the Capital Budget; Storm Drain – LID program has been increased to \$25,000.

- General Fund – Approved Baseline Adjustments

Executive Travel \$800; Executive Miscellaneous \$500; Engineering Uniforms \$450; Building Professional Services \$5,000; Planning additional clerk \$0; Planning Training \$1,500; Planning Printing \$750; Police Software Subscription \$1,500; Police Overtime for Special Events \$12,688; Totaling \$23,688.

- Approved New Program Requests for General Fund – Total \$350,578

Executive: YMCA Feasibility Study \$30,000, Executive Aide \$22,000, SR305 Study-KRCC \$20,000; Finance: Budget Analyst/Senior Accountant \$116,578; Information Services: Microsoft Office 365 \$25,000; Planning: Wayfinding Signage Initiative \$7,000; Police: Mobile Computer Terminals & Mounts \$50,000; Streets: Citywide Traffic Signal Repair \$80,000.

- Approved New Program Requests for Other Funds

Street Fund – Total \$20,000

Thermo Plastic \$20,000.

Equipment Acquisition Fund – Total \$130,500

Engineering Radar Speed Signs \$20,000; Engineering Community Development Software \$100,000; Small Asphalt Roller \$3,500; Sidewalk Grinder \$7,000.

Capital Facilities Fund – Total \$90,000

Facilities Property Demolitions \$90,000.

Water Fund – Total \$34,000

Full Size Pick-up \$34,000.

Sewer Fund – Total \$34,000

Full Size Pick-up \$34,000.

Storm Water Fund – Total \$15,000

Storm Drain Kitsap Conservation District LID Program \$15,000.

· 2016 Budget Changes for General Fund

Proposed Preliminary Budget Variance \$251,599; Expenditure Adjustments: Museum Carryover \$-16,546, KRCC Adjustment \$2,340, PW Admin Small Tools \$-15,000, PW Admin Postage \$-4,100, Various Wages and Benefit Changes \$10,048; BARS \$23,688; NPRS \$350,578; Less Amount Funded once Property Sales occur \$-37,000; Less amount already accounted for in Preliminary Budget \$-50,000; Citywide Traffic Signal using Peterson Rockwall Funded in 2015 pushed out until 2017 \$-80,000; Subtotal Additional Adjustments \$184,008; Projected Amount from Revenue Stabilization \$435,607.

· 2016 Budget Changes Other Funds

Lodging Tax expenditures to match LTAC and Councils directions; New Program Requests; Water Fund additional project for Fjord Drive Main \$50,000; Various Wages and Benefit Changes.

· 2016 Final Budget

Total Funds \$35,057,708; General Fund \$11,322,133; Special Revenue Funds \$2,182,102; Debt Service Funds \$1,081,484; Capital Funds \$3,187,500; Proprietary Funds \$17,284,489; decrease of \$486,000 (-1.34%) over 2015 budget; decrease primarily due to Capital Expenditures & Capital Projects.

Motion: Move to approve the City of Poulsbos 2016 Budget.

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

Motion passed unanimously.

7. COUNCIL COMMITTEE REPORTS

Public Safety/Legal Committee Meeting: Councilmember Thomas reported the next Public Safety/Legal Committee meeting will be on December 16th and then January 20th.

Finance/Administration Committee Meeting: Councilmember Thomas reported the next Finance /Administration Committee will be on December 16th and then January 8th. Councilmember Musgrove noted the December 16th meeting will end early at 6pm to accommodate for the Special City Council Meeting.

Mayor Erickson urged council to start thinking about council committee selection as it will take place on the first City Council Meeting in January. Erickson reminded the newly elected councilmembers that they will be sworn in at the next council meeting.

Public Works Committee: Councilmember Lord reported: the committee is cancelling the December 23rd meeting and will not meet again until January; Retention pond in Forest Rock was never transferred to the city and the homeowner adjacent to it is wanting to get it transferred; Concurrency Ordinance being delayed until January; Boundary line adjustments need to be made to the current public works property on Iverson; Library to take over ownership of library; Status reports: new decant containers presentation, traffic signal at Bond/Front/Lindvig, lift stations, leasing a garbage truck, pavement study for street rehab, Torval Canyon paving ½ to be paid by Wave Cable, City of Bremerton Street Maintenance System Evaluation. Lord questioned what the situation on Viking Avenue with the tree removal in planter strip, the city will be proceeding with enforcing the tree replacement. Mayor Erickson update the council on the damage from slide in Poulsbo Place II on Scoter Court, it was about 2 to 3 feet deep, letters were sent out to property owners to take care of this and coming up with a long term solution.

Community Services Committee Meeting: Henry report about a special event in June, need a new parks commissioner, new parks brochure, joint meeting with farmers market regarding the PW property.

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

None.

11. ADJOURNMENT

Move to adjourn at 8.11 PM.

Motion: Move to adjourn.

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

Motion passed unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, City Clerk, CMC

Respectfully prepared and submitted by Kati Diehl

