

POULSBO CITY COUNCIL MEETING OF FEBRUARY 17, 2016

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, City Engineer Kasiniak, Public Works Superintendant Lund, Parks & Recreation Director McCluskey, Police Chief Townsend, IT Senior Technician Williamson.

MAJOR BUSINESS ITEMS

- * * * Swearing In of Deputy Chief Andy Pate
- * * * Proclamation: Poulsbo Sons of Norway Lodge No. 2-044 Day
- * * * Budget Amendment, BA16-0101, Increased Permit Revenues
- * * * Poulsbo Twilight Criterium Special Event
- * * * Poulsbo Cystic Fibrosis Walk Special Event
- * * * Kitsap County Public Works 2016-21 Sewer Plan Overview

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the meeting to order in the Council Chambers at 7:00 p.m. and led the Pledge of Allegiance.

2. AGENDA APPROVAL

Motion: Move to approve agenda as presented,

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

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 reported on the Winter Rendezvous being a successful event over the weekend.

Councilmember Thomas has been receiving more citizen contacts lately, and encourages others to become involved.

Councilmember Nystul reported KRCC Transpol met last week and they are progressing with allocation of federal dollars from PSRC. He noted Poulsbo only has two local centers, which puts the City at a disadvantage when competing with Bremerton and Port Orchard.

Councilmember Lord congratulated the Historic Downtown Poulsbo Association on another great event.

Councilmember Henry had a great time at the Winter Rendezvous.

a. ► Swearing In of Deputy Chief Andy Pate

Mayor Erickson performed the swearing in ceremony for Andreas Pate as Deputy Chief of Police for the City of Poulsbo.

b. ► Proclamation: Poulsbo sons of Norway Lodge No. 2-044 Day

Mayor Erickson proclaimed June 4 as Poulsbo Sons of Norway Lodge No. 2-044 Day.

► Mayor Erickson reported that Bill Austin gave the City a bill for \$3,800 for repairing the cement wall in front of the Viking statue, and a budget amendment will be coming forward. He also volunteered to come forward with a design to spruce up the front of the cemetery.

► Mayor Erickson reported on a new proposed site for the Poulsbo Farmers Market. The market is considering using the parking lot of the Parks & Rec building. Parking lot improvements would be needed. The tenants are supportive of the market, but requested a couple of parking stalls. Discussion highlights included:

- The market being responsible to provide a drop, or bring a generator. And if a drop needs to be installed, that it be done before the pavement gets put down.
- Public Works staff will look at the proposal either this week or early next week.
- Parking will be available in the upper lot, as well as on Front Street. Parking stalls will be counted.
- The market is still looking for a permanent home, and they would apply for a temporary use permit for one year.
- Temporary repairs could be made if the whole parking lot project couldnt be done by April 2.
- Mayor Erickson asked the Market to make a decision by the end of February if they want to move forward with using the location for the 2016 Farmers Market.

5. **CONSENT AGENDA**

a. Payable Disbursements for December 2015

b. Budget Amendment No. 16-0101, Increased Permit Revenues

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

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

Motion passed unanimously.

6. **BUSINESS AGENDA**

a. Poulsbo Twilight Criterium Special Event

Parks & Recreation Director McCluskey said this event is a series of bike races with multiple street closures that form a track throughout downtown. The event organizer worked with Deputy Chief Pate and will also hire some police officers for the event. The HDPAC and Community Services Committee support this event. This event will draw 600 people to Poulsbo.

Councilmember Lord said this event will have people staying overnight. She is concerned about the unfinished part on 3rd Avenue that is part of the race path.

Motion: Move to approve the special event application for the Poulsbo Twilight Criterium on June 11 as presented,

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

Motion passed unanimously.

b. ► Poulsbo Cystic Fibrosis Walk Special Event

Parks & Recreation Director McCluskey stated this is a 24-year-old event moving into the City this year. The event organizers worked with Deputy Chief Pate. The event will stage at Home Depot. The fog line on Finn Hill will be coned. The event will be Saturday, June 4, 9:00 a.m. to 1:00 p.m. They expect 300 participants.

Motion: Move to approve the special event application for the Poulsbo Cystic Fibrosis Walk on June 4 as presented.

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

c. ► Kitsap County Public Works (KCPW) 2016-2021 Sewer Plan Overview

Ms. Stella Vakarcs, KCPW, gave the 2016-2021 Capital Facilities Plan update for City of Poulsbo. Presentation highlights: Capital projects affecting City of Poulsbo, Pump Station 67 upgrade, Lemolo Peninsula Pipeline upgrade, Central Kitsap Treatment Plant (CKTP) process improvements, CKTP Screw Press Project, CKTP Campus Buildings Project, Lemolo Siphons, sewer connection fee (newcomer fee, and other O & M issues.

Discussion highlights included:

- March 9 Pump Station tour with Commissioner Gelder at 3pm.
- CKTP improvements: Flows are around four million gallons on average per day.
Improvements are triggered at 85% of the capacity, which is six million.
- Lemolo Siphons
 - Need discussion of feasibility study
 - Permitting for the additional siphon will be time consuming and costly.
 - Using both sides of the siphons during high rain events.
- Connection Fees
 - Connections fees are based on the usage, and it is an impact fee.
 - Newcomer fees go to pay enlarging a systems capacity.
- O&M Issues – Flow meter
 - Not recording accurately during large storm events. May need to replace the meter.

- Miscellaneous

- The co-generation plant was activated in the last two weeks and running it through its paces to see how it is working.
- The consultant has laid things out to make sure there is space for expansions. They want to make sure they are using the space as well as possible.
- Mr. Tucker received the list of questions from the Public Works Committee, and will be sending the answers to them soon.
- Recycled water – a survey was done a few years ago to the water purveyors, and Silverdale was the only one who said they wanted to use the water. In 2020, Silverdale will be able to use it, and will figure out what to charge the customers.
- The City expressed concern regarding:
 - The equity of Poulsbo and our rate payers participating in this facility when the City does not have a direct say in the design.
 - The conveyance system and the reach across to Keyport. As the City grows, the amount of volume and pressure through there and the sensitive nature of the environment, and the ability to service that, what is the best thinking in terms of that conveyance.
 - It was going to cost \$100,000 to use technology to get the data of the pipes. Need to learn the condition to find out how much life is left.
 - The 100 year rain events cause capacity issues.
 - The weakest point of our system as far as capacity is our interceptor. The next weakest point is the siphon.
 - Being captive to the design for the purple pipe system, by virtue of being tied to this plant.
 - The costs the City is facing while trying to promote affordable housing. Looking for ways to pick and choose expenses. Is the timeline flexible in any degree so changes can be absorbed over a period of time when trying to recover from the recession?
 - A lot of the pieces are pushed out if it determined that the need isn't here yet.
 - They look at environmental impacts, maintenance issues, and risk is taken into consideration when designing solutions. Every year projects are reevaluated to determine what is needed next based on flows.

- Funding the CIP and ongoing operations.
 - The projected wastewater system revenues would need to be increased over the current rates by 224 percent or approximately 6 percent per year by the year 2030. 224 percent rate increases means the rate goes from \$55 per month in 2011 to \$160 by 2029.
 - Ecology says you cannot raise your rates to a Single Family Residence over a certain amount depending on the level of income of a certain area. Effectively, when looking at the rate structures in the report, they kept the rate structures to meet the affordability criteria and dramatically increased the commercial rates.
 - Water reclamation is built into there. It is time to have a serious conversation about what the CIP is, what is driving these numbers, and what the rate structures are. Do the Commissioners understand what the water reclamation policy is going to cost the citizens that use this plant?

Mr. Tucker responded to many concerns, stating:

- Commercial changed dramatically because the commercial rate is based upon how much commercial rate payers used, and the home rate was the averaged fixed amount. Single family use of water dropped 30 percent, so the ratio was skewed. Commercial people were not really paying the same amount per gallon that the homeowners were. That is why they had to raise commercial rates dramatically.
- Right now they are tracking with the same three percent rate increases, not the six percent.
 - They started with six percent for the first five years. The flows have been static, and the biosolids have increased by one percent, so it has been decreased to three percent.
 - This is recalculated every five years based upon the current situation.
- In unincorporated Kitsap under GMA, they had to predict that all the septic systems would be replaced with sewer all through that area, which isn't realistic. But they had to plan for that, because they lost the law suit and lost in the Court of Appeals. It doesn't mean it has to be implemented in that way, that is why they are not seeing the six percent.
- The County Commissioners were concerned with the reclaim costs too at the time, but when they did the math, that is not the driver. It is a very small piece

of that. The big cost is making the plant big enough for all of these people that they are predicting to come in and converting all of the septic homes into sewer homes.

- Need to lobby at the state level to get more sensibilities in these rules.

The City would like further conversations with the County to discuss the above concerns

7. COUNCIL COMMITTEE REPORTS

Finance/ Administration Committee: Councilmember Thomas reported the committee discussed a request for LTAC funds to do a TV pilot, reviewed the claims audit, learned about new hires in Finance department, discussed a penalty waiver request, and received a public records request update. They also discussed the Marine Science Center/WWU negotiations, TBDs as related to the Neighborhood Streets Improvement project and the need to have a full Council discussion on this topic, discussed council approving consulting contracts to alleviate some burden to staff, and working on creating a Public Records Request policy.

The penalty waiver request came from the transfer of ownership of the Woodcreek Apartments. Fees that were owed to the City were not covered in the escrow process. They have requested the City drop the penalties. Finance staff recommended waiving half of the fees, because they were not notified for the first two months due to being short staffed, but they were notified the last two months. The committee recommends accepting staffs recommendation to waive \$1,590.54 in penalties.

Motion: Move to approve the penalty waiver request with the Woodcreek Apartments in the amount of \$1,590.54.

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

Motion passed unanimously.

Councilmember Lord noted the Public Works Committee has spent many meetings having in depth discussions of the sewer comprehensive plan, in particular, the Kitsap County costs, which are such a moving target. It seemed like they were fixed, but it was heard tonight that it can change. It leads us to understand there are some variables that we need to get a handle on, and we have to plan. We are not able to weigh in on the decision making of their policies. We need to influence them.

Public Safety/Legal Committee Meeting: Councilmember McGinty reported they met with Matt Duthie, Behavior Health Specialist, reporting there have been a lot of positive things accomplished. The Mayor is going to pursue a second grant for additional court services. They received an update on passports; they are booked up through March 17. New Prosecuting Attorney, Alexis Foster, starts March 1. They reviewed some of the body camera policies for the Police Department based on recent issues. The Police Chief proposed three changes and they are being reviewed. The committee approved the police department to use \$3000 from their budgeted new car cost to fund a motorcycle purchase.

8. DEPARTMENT HEAD COMMENTS

Public Works Superintendent Lund discussed the new camera truck that the City needs to purchase. There is \$147,000 in the budget, which would buy the base truck. After further review with recent overflows and all the I&I problems, it has been determined that they need a side shooter system. He presented a draft maintenance program for sewer pipe/MH maintenance. He received two bids. He is seeking approval for purchasing the camera truck with the side shooter. He is looking for approval to shift budget lines, but not increase totals.

Motion: Move that with the existing budget, the City purchase the truck and start the I&I inspection program outlined in the presentation.

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

Motion passed unanimously.

9. CONTINUED COMMENTS FROM CITIZENS

Mayor Erickson asked for citizen comments. No comments were received.

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Musgrove invited the public to help take down the lights over the streets this Sunday morning. Breakfast at Tizleys starts at 7:00 a.m. and the work starts at 8:00 a.m. He thanked the Centurylink, Code Electric, and Bert Electric, as well as Public Works for helping with bucket trucks.

Councilmember Stern announced tomorrow evening starts the fourth season of the Vikings on the History Channel.

Councilmember Lord announced the Norwegian Swords in the Stone will be unveiled on Saturday at 1:00 p.m.

Mayor Erickson noted there will be a couple more proclamations coming forward this year.

Councilmember Henry reported he and Councilmember Nystul attended a pipeline security training this afternoon.

11. ADJOURNMENT

Motion: Move to adjourn.

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

Motion passed unanimously.

The meeting adjourned at 9:18 p.m.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk

