

POULSBO CITY COUNCIL MEETING OF JANUARY 4, 2017

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, Public Works Superintendent Lund, Assistant Public Works Superintendent Svarthumle, IT Manager Stenstrom.

MAJOR BUSINESS ITEMS

- * * * Presentation of the Key to the City to Kaitlyn Morrell
- * * * Approval of December 7, 2016, Council Minutes
- * * * Approval of December 14, 2016, Council Minutes
- * * * Approval of December 21, 2016, Council Minutes
- * * * Amendment to an Agreement with Kitsap County for Incarceration of Prisoners
- * * * Ogden Murphy Wallace, PLLC Rate Proposal Agreement
- * * * Kitsap Economic Development Alliance Update
- * * * Bond Road Pump Station/Programming Update
- * * * Telemetry Upgrade Phase 2
- * * * Resolution No. 2017-01, Modular Wetland Sole Source for Anderson Parkway
- * * * Village Pump Station Amendment
- * * * Liberty Pump Station Amendment

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 said Consent Agenda Item E will be added to the beginning of the Business Items, and that there was a correction to the December 7, 2016, minutes.

Motion: Move to approve the agenda as amended.

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

3. COMMENTS FROM CITIZENS

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

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

a. **Presentation of the Key to the City – Kaitlyn Morrell**

Michelle Wasson spoke regarding Miss Poulsbo program. The program started 63 years ago. Miss Poulsbo Kaitlyn Morrell made 233 appearances. Next year's pageant is January 21.

Mayor Erickson said they are teaching young women to be smart, brave, strong, and articulate, which are long-term life skills. It is not about the crown on their head, it is about the crown in their heart. Mayor Erickson presented Miss Morrell with the Key to the City, and said the City could not thank her enough for her year of service.

Miss Morrell said she enjoyed her last year, and has great memories of working with the girls in the Smart Girls program to inspire them to pursue their goals and dreams.

Councilmember Stern said a previous Mayor was the first or second Miss Poulsbo, Donna Jean Bruce. He said maybe they'll see her on the council dais.

Councilmember Lord recalled her time when she volunteered with the organization. She thanked Ms. Wasson for her work and congratulated Miss Morrell for her accomplishments this year.

Mayor Erickson announced on January 26, 6:30-8:30pm, there is a free community dinner at Pearson Fellowship Hall. The dinner is in conjunction with the Point in Time Count, which is trying to count the number of homeless in the County. They will also be giving away free coats to people without homes. In response to Councilmember McGinty, Mayor Erickson said this helps with federal aid, and it lets us see if our efforts to reduce homelessness are working.

Councilmember Lord said there are several local places that do dinners once a month. These people need our love and help. If anyone can volunteer to help do the counting, it would help the effort. She noted Gateway is the new extreme weather shelter.

Mayor Erickson reported that she will be coming forward with a social services committee initiative, which will be presented in her State of the City address.

5. **CONSENT AGENDA**

Motion: Move to approve Consent Agenda items b-d and item a as amended.

The items listed are:

- a. Approval of December 7, 2016, Council Minutes (Fernandez)
- b. Approval of December 14, 2016, Council Minutes (Fernandez)
- c. Approval of December 21, 2016, Council Minutes (Fernandez)
- d. Amendment to an Agreement with Kitsap County for Incarceration of Prisoners (Booher)
- e. ~~Ogden Murphy Wallace, PLLC Rate Proposal Agreement (Booher)~~

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

6. BUSINESS AGENDA

a. **Ogden Murphy Wallace, PLLC Rate Proposal Agreement**

Finance Director Booher discussed the change in the rate structures. The City Attorney's Office is doing work on behalf of the developers, and negotiations between cell tower leases and franchise agreements. If these outside entities were to go to a private attorney, the rates would be higher. These charges are higher than the City's government rate, but lower than market rate.

Councilmember Stern said this was discussed at the Finance Committee, where they decided to pull this off the consent agenda.

In response to Councilmember Lord, Finance Director Booher said there are no unforeseen consequences for the City, the impact is to the end users who we pass our attorney fees onto, because this rate is closer to market rate.

In response to Councilmember Lord, Finance Director Booher said as far as development review, she believes they also have their outside attorney. What happens is we are assessing them the legal fees we are incurring due to negotiations. For instance, with the telecommunication entities, they have their own internal legal staff, but by renegotiating these agreements, it costs the City more legal expenses and we ask to be reimbursed for that. This allows Ogden Murphy Wallace the ability to charge closer to market rate for doing services to outside government customers.

In response to Councilmember McGinty, Finance Director Booher said she has been working a long time on cell tower contracts. What happens is the agreements are standard. In the past, we never collected any money for legal fees and we absorbed all of those, and the benefactor was the utility company getting the lease. It has become standard in the agreement that they are going to pay a flat rate amount, to reimburse or recoup some of our legal costs. The attorneys are doing a lot of work for these companies' benefit, and the citizens are not receiving the benefit. They

want to receive the market rate from the companies. She also noted that the charges that are reimbursed are the ones that would be charged at the higher rates. If we are not reimbursed, we would be charged our regular rates.

In response to Councilmember Musgrove's question if this would eventually involve any dealings with any private citizens, and if we are charging an increased rate just because it is a private company, would it apply to all private involvements where we might be reimbursed. Finance Director Booher said if we are paying things that we would normally take out of their deposits, we would pass on those higher charges.

Councilmember Musgrove said the line they used that makes him flinch is "bring into line with." Once a precedent is set, it gets used again. He objects based on if we are dealing with a Pousbo citizen or small business, or a national corporation, then automatically the rate increases. He has trouble with saying that is okay.

In response to Councilmember Musgrove, Mayor Erickson said we have not done a recent study on comparative rates. But the bills she sees from legal firms in her regional work start at \$350 and go up. Some are as high as \$600 an hour. These are quite reasonable.

Motion: Move to the Ogden Murphy Wallace PLLC rate proposal agreement and authorize the Mayor to sign the agreement on behalf of the City.

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

The motion passed 6-1. Councilmember Musgrove voted no.

b. Kitsap Economic Development Alliance (KEDA) Update

Kathy Cocus, KEDA, reviewed the business retention, expansion and attraction and the top downloads and pages, with emphasis on Procurement Technical Assistance Center (PTAC) related inquiries. Mr. Jim Hartley, Pousbo business owner and KEDA client, shared his story about KEDA.

Councilmember Stern thanked John and Kathy for the work they are doing at the KEDA. Ms. Cocus said the first Wednesday of every month they have a contracting coffee hour in Silverdale 7:30am-9:30am to answer any questions people have.

Councilmember Musgrove has attended PTAC as a business owner, and said we have such a phenomenal resource in Kitsap County.

c. Bond Road Pump Station/Programming Update

Assistant Public Works Superintendent Svarthumle presented the agenda summary, noting the Bond Road Pump Station was built with the capability to do continuous level control instead of just the on/off for pump control. The station did not have sufficient flows at that time to support continuous operations. By using continuous level control staff will be able to adjust and monitor flows during high rain events. This will help with the I&I Issues with the sanitary sewer system. The budgeted amount is \$5,793.84.

In response to Councilmember McGinty, Assistant Public Works Superintendent Svarthumle said it is Allan Bradley's code, proprietary to that PLLC. Parametrix was the original programmers for this station. Parametrix is an Allan Bradley vendor. With the new programming, we'll can revert to one or the other.

Councilmember Musgrove said this was discussed at Public Works Committee, and this is not the most amenable solution. It sounds like Parametrix owns the license for the IDE for the PLLC, so we are stuck. It is one time deal that we need to get done.

Councilmember Lord said these issues were discussed on how to protect ourselves to not have such a proprietary lock. The committee recommends approval.

Motion: Move to approve Task Order No 1 with Parametrix to install new programming to allow continuous level control at the Bond Road Lift Station.

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

Motion carried.

d. Telemetry Upgrade Phase 2

Public Works Superintendent Lund presented the agenda summary, noting Public Works would like to move ahead with the Telemetry Upgrade Phase 2 project. This project was a two-phase project with Phase 1 the Master Telemetry Unit (MTU) and Sole Source Approval being approved on July 15, 2015 by City Council. Phase 2 the Remote Telemetry Units (RTU) was included in the 2016 CIP and budget. The Proposal from Correct equipment for installing RTU upgrades at the 18 different sites (nine sewer and nine water) is \$358,046.57. The total budget for the telemetry upgrades is \$414,360.57, and \$56,314.00 remains for contingencies.

Councilmember Lord said the Public Works Committee recommends approval.

Councilmember Nystul said the process was approved back in July 2015, and asked for an explanation of the delays. Assistant Public Works Superintendent Svarthumle said the RTU/MTU was approved as a phased project. They carried over money from 2015 to 2016, because they were not done with the development of the MTU. The MTU was installed in mid-year 2016, it takes a while to build one. We have been in a testing phase of the MTU for a few months. They also took time to value engineer the RTUs individually to make sure we didn't have overkill at one site and not enough at another. Delays were due to them picking it apart to make sure we were getting what we needed without going too far with things.

Councilmember Nystul asked for an opinion on the consultant's opinion that replacing the ICS roof controllers would only add 5-10 years of additional life to the system. Assistant Public Works Superintendent Svarthumle said Parametrix was hired to do a telemetry assessment of our RTUs/MTUs. We already had an integrator that we have been working with for years. Parametrix recommended the purchase of a new product versus a product we were already using in some stations and comfortable with. The cost of their recommendation was twice what we are currently doing. It was cost prohibitive at that time, or we would have to wait a longer time to do it. The urgency to get this done was because this was being run on an unsupported XP computer, and the boards out in the field are no longer made and supported. We have been assured that the products that we are choosing are modern and are going to be supported well into the future, and spare parts are readily available if we have any issues.

In response to Councilmember Stern, Assistant Public Works Superintendent said our MTUs and RTUs operate on radio-based communications. We own our own radio frequency, so we are not dependent on any wire based network. It is one of the most reliable methods of communication. We also have generators to supply power to the MTUs, RTUs, and remote stations. Generators come on immediately if they are out at a station. All of the MTUs and RTUs have battery backups.

Motion: Move to approve the Contract with Correct Equipment in the amount of \$358,046.57 for the Telemetry Upgrade Phase 2 Project and allow the Mayor to sign change orders up to 10%.

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

Motion carried.

e. Resolution No. 2017-01, Modular Wetland Sole Source for Anderson Parkway

Director of Engineering Kasiniak presented the agenda summary, noting the stormwater treatment vault system for the Anderson Parkway Improvements Phase II project must meet both Department of Ecology requirements and City Construction Standards. At this point the only system which meets all requirements is the Modular Wetland Vault manufactured by Bio Clean of Oceanside, CA. This vault is being purchased by the City for this project and provided to the contractor to meet project schedule requirements. This will be a sole source purchase, and as such per the City's purchasing manual needs authorization from City Council. Note that this item is time sensitive, and due to the holiday meeting schedules, has not been through Public Works Committee prior to this City Council meeting.

Motion: Move to approve resolution number 2017-01, a resolution of the City of Poulsbo, Washington, approving an exemption to the competitive bidding requirements for the purchase of a modular wetland vault from a sole source.

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

Motion carried.

f. Village Pump Station Amendment

Director of Engineering Kasiniak presented the agenda summary, noting the scope and budget for a contract amendment with CHS for final design revisions for the Village Pump Station Project. The additional design work includes building modifications and an on-site emergency generator. The Public Works Committee reviewed this amendment on December 21, 2016.

In response to Councilmember Thomas, Public Works Superintendent Lund said the emergency generator does function and it will be surplus.

Motion: Move to approve the Village Pump Station Project Contract Amendment with CHS for \$15,400.00 and authorize the Mayor to sign the amendment on behalf of the City.

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

Motion carried.

g. Liberty Pump Station Amendment

Director of Engineering Kasiniak presented the agenda summary, noting the scope and budget for a contract amendment with CHS for final design revisions for the Liberty Bay Pump Station Project. The design modifications include the addition of an on-site emergency generator. The Public Works Committee reviewed this amendment on December 21, 2016.

Councilmember Lord said the Public Works Committee agreed this is like a mini-park, and since we can redesign it, they would like it dressed out a bit.

In response to Councilmember Henry, Public Work Superintendent said in regards to vandalism, once it is upgraded, it will be below ground and the hatch will be locked. This will add to the park-like setting.

Councilmember Nystul asked what the wet well capacity was, and how long it would take to fill it before we must pump down during a power failure. Public Works Superintendent Lund said if we could have an onsite generator here, it allows them to focus on other stations, because this one takes over 30 minutes to get to during a power outage.

In response to Councilmember Musgrove, Public Works Superintendent Lund said the new stormwater park is just across the street from this pump station. Councilmember Musgrove asked if the two projects could be tied together to save money. Director of Engineering Kasiniak said the stormwater park is on the City's CIP, and they have applied for a DOE grant; however, the project is a couple of years out.

Councilmember Lord said when they had the interview process with CHS, they talked about all our issues on the lift stations, and this was one we talked about at length. She asked if natural gas ever becomes an option, could they connect to it? Public Works Superintendent said they would need to get a new generator if that were ever an option, because this is a diesel generator.

Motion: Move to approve the Liberty Bay Pump Station Project Contract Amendment with CHS for \$7,900.00 and authorize the Mayor to sign the amendment on behalf of the City.

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

Motion carried.

7. COUNCIL COMMITTEE REPORTS

Public Safety/Legal Committee: Councilmember Stern reported they met the new court security officer. He will receive a uniform so he can be identified. The Police Chief will be

his supervisor, but he is will also be answering to the Planning Director. The code enforcement procedures manual will be upgraded to support the position. They received a dispatch report from CenCom.

Outside Committees: Councilmember Stern reported KRCC received a presentation from PSRC, and there is much discussion on transportation and land use.

Finance-Administration Committee: Councilmember Stern reported they discussed sales tax is up 6 ³/₄ percent and REET is at 173 percent of the budget. Councilmember Nystul will be working with the Finance Department on the new finance reports to the Council.

8. DEPARTMENT HEAD COMMENTS

Director of Engineering Kasiniak said on January 8, 6:30pm, they have an open house to present the Anderson Parkway project.

Public Works Superintendent Lund said there is another possibility of snow on Saturday.

9. CONTINUED COMMENTS FROM CITIZENS

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

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Stern said we are going to do salary review, and our new comparable cities are now Enumclaw, Gig Harbor, Snohomish, Snoqualmie, Sumner, and Tumwater.

11. ADJOURNMENT

Motion: Move to adjourn at 8:35 PM,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk