POULSBO CITY COUNCIL MEETING OF MAY 10, 2017

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Parks & Recreation Director McCluskey, Assistant Public Works Superintendent Svarthumle, Associate Planner Coleman, IT Manager Stenstrom

MAJOR BUSINESS ITEMS

- * * * Budget Amendment/BA#17-0209 Lindvig Bridge Biennial Inspections
- * * * Budget Amendment/BA#17-0210 PRR/Social Media Archiver
- * * * Special Event: Viking Fest/Viking Tour
- * * * Ordinance No. 2017-06, 2017 Comprehensive Plan Amendment
- * * * Crown Castle Cell Tower Agreement
- * * * Property Proceeds Discussion
- * * * Resolution No. 2017-__, Council Rules of Procedure

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

Motion: Move the approve the agenda as presented. **Action:** Approve, **Moved by** Stern, **Seconded by** McGinty. Motion carried.

3. COMMENTS FROM CITIZENS

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

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Lord said the hanging baskets are up downtown.

Councilmember Stern said the Chamber monthly lunch was about NK Fishline. He shared the plans for the proposed Fishline building on Viking Avenue. He encouraged everyone to contact their legislators to provide funding for the project.

Mayor Erickson said the Fishline building has been in the works for many years. It will be a facility for comprehensive services for vulnerable populations. It should break ground in a couple weeks. She recognized the Fishline Board members, Executive Director, and volunteers who have worked so hard to get this done.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a and b.

The items listed are:

a. Budget Amendment/BA# 17-0209, Lindvig Bridge Biennial Inspections

b. Budget Amendment/BA# 17-0210, PRR/Social Media Archiver

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

6. BUSINESS AGENDA

a. Special Event: Viking Fest/Viking Tour

Parks & Recreation Director McCluskey presented the agenda summary, noting Viking Fest 2017 has a change to the schedule that requires City Council review and approval. The Viking Tour, hosted by the Poulsbo-NK Rotary Club, will fall under the Viking Fest Special Event permit in 2017. The event will move from its past location at the Fishline building on Viking Way to the lower part of Moe Street. The move was required because Fishline thought that their new building would be under construction, and the property would not be available. Moe Street will be blocked off below Bjermeland, and bicyclists will gather on Moe and in the Edward Jones parking lot. The race will go on for 3-4 hours over 16, 30, or 59 miles. When the ride is over, participants (only) will enjoy a beer garden and music on the plaza of City Hall. The beer garden is not open to the public.

Mayor Erikson said alcohol will not be allowed in City Hall. The restrooms will be open.

In response to Councilmember Thomas, Parks & Recreation Director McCluskey said that this application is just for 2017.

In response to Councilmember Lord, Mayor Erickson said the parking garage will be open.

Mr. Nick Johnson, Viking Tour representative, said he was under the impression the lower garage would be closed to the public to avoid mixing vehicles and bicyclers. Mayor Erickson said she was not sure if that was yet determined. The meeting on Monday will look at the remaining issues that need to be addressed. She said the police department will be putting up the barricades and making sure everyone stays safe.

Councilmember Lord said parking is limited; she hopes all possible parking spots can remain open. She said there was a special Community Services meeting last week. They welcome having Viking Tour come, it is a great event. She reiterated the issue was the fact that Viking Fest was presented to be the same as last year, up until the event application was submitted in late April, after the Community Services Committee had already met. When there is a significant change to an event, it must be vetted. Next year, if there are any changes, it should not be a blanket renewal approval, it needs to come to Committee with considerable time to review and process the application. She thanked all participants that came to the meeting last week. She said the Committee recommends approval of the current configuration.

Mr. Johnson apologized for not bringing it forward to HDPA sooner. Next year they will meet early and discuss how best to have the event with the least amount of impact to the merchants downtown.

Councilmember Musgrove said he is hoping this will be a benefit to the merchants. He appreciates the effort by the Committee and Mayor Erickson for finding a solution. This is not a hardcore bikers race. This is more of a tour, which includes family, and there are opportunities for public and merchants alike. He could see where parking could be an issue with ingress and egress. A lot of merchants rely on that area during the event.

Mr. Johnson said he does not believe there should be participant parking downtown, which is why they secured parking at the Doctor's Clinic. The volunteers are parking

at Edward Jones. The only parking they need is for the vendors, caterer, and band. Ten spots should suffice.

Councilmember Stern thanked the Anderson family for stepping up to help the cause.

Motion: Move to approve the 2017 Special Event Application for Viking Fest, including the Viking Tour Bicycle Ride site and plan as presented (or modified).

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

Motion carried.

Mayor Erickson thanked Mr. Johnson for the flexibility of Rotary and all the people who worked so hard to put the Viking Tour on and moving it at the last minute. She is appreciative of all of the things Rotary is doing in the community. This service organization is working diligently in our community.

b. Ordinance No. 2017-06, 2017 Comprehensive Plan Amendment

Associate Planner Coleman said on April 12, 2017, the City Council held a public hearing on the proposed comprehensive plan amendment, and after considering the information received, voted to approved the Planning Commission recommendation and approved the amendment. The Council directed the City Attorney to prepare an adoption ordinance.

Motion: Move to approve an ordinance of the City of Poulsbo, Washington, adopting the 2017 comprehensive plan amendment: re-designating and rezoning certain land located at 20295 Little Valley Road from Residential Low to Commercial/C-3 (CPA 2017-01); providing for severability and establishing an effective date.

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

c. Crown Castle Cell Tower Agreement

Finance Director Booher presented the agenda summary, noting a renewed agreement with Crown Castle GT Company LLC for Facilities Lease for Telecommunications located on 4th Avenue Water Tower site. Lessee will pay a one-time amount of \$3,500 for City's road improvement cost in relation to access easement. The lease will have an initial term of 6 years effective 01/01/2015 and entitled to 6 five-year renewal terms. Annual rent of \$14,500 with annual CPI cost

inflators. City will receive a one-time grant fee of \$10,000 to defray the City's legal and administrative costs. The agreement has been reviewed and negotiated by our City Attorney Zana.

In response to Councilmember Musgrove, Finance Director Booher said the one-time \$10,000 payment for legal fees covers the length of the legal agreement and the cost of staff who administer the contract. If we were to redo the contract, there would be a new fee that would be established.

In response to Councilmember McGinty, Finance Director Booher said the cost structure will include the annual cost of living increases with each renewal. If the City ever wants to change the amount, we can give notice and negotiate an amendment or a new lease at that point.

Mayor Erickson thanked Finance Director Booher, Public Works Superintendent Lund, Assistant Public Works Superintendent Svarthumle, and Transportation Engineer Bateman for all of their hard work on this project.

Motion: Move to approve Facilities Lease for Telecommunications Facilities commencing January 1, 2015, for the period of 6 years through December 31, 2020 with the lessee entitled option of six 5-year renewal terms.

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

d. Property Proceeds Discussion

Finance Director Booher shared a slideshow of the old city hall and the demolition process. Councilmember Lord asked that a copy of the slideshow be sent to the historical society.

Finance Director Booher reviewed the proceeds from the City property sale and reviewed the Mayor's recommendation for allocation. The Finance/Administration Committee reviewed and concurred with the Mayor's recommendation: \$250K waterfront restrooms (along with park mitigation fees), \$70K house demos, and \$100K for the new public works building site paving.

In response to Councilmember Musgrove asking to hear the Finance Committee report, Finance Director Booher said the original intent was to supplement the amount of debt we would need to take for the new City Hall by selling the old property. Property values started dropping and we were unable to sell the properties. The intent was to pay down debt, but since the properties did not sell, we went out for long term debt for 20 years. When they evaluated it, the net proceeds are not a lot. By paying down debt, it doesn't do too much to the City, and knowing we are tending possibly to go to debt for the Public Works Yard or Noll Road, we would spend a lot more in debt service costs going out for new debt than we would to pay the existing debt down. Their recommendation was to not pay down the debt, but to use it for reserves for future projects and save some debt costs when going into the future.

Mayor Erickson said the only property pledged to pay down the building's debt was the old City Hall and the Klingle property. The museum property and police station were not in play. We moved in here, resized spaces, moved the museum in (freeing the museum property), moved the Court around to provide space for the police department (freeing up the police building property).

Councilmember Musgrove would like the money saved in closing fees due to the Mayor selling the property be added to the Mayor's working budget.

Councilmember Musgrove would like to combine Economic Development effort with the bathroom facility instead of a straight replacement. Mayor Erickson asked that the funding be placed towards the bathrooms, and then we can take up how that is carried out in the future.

In response to Councilmember Henry, Mayor Erickson said no demolition charges will be incurred with the Old Police Station property.

Motion: Move to approve net proceeds generated from sale of City properties and direct staff to prepare a budget amendment to adjust budget and reflect Council's intended uses and amount to increase capital reserves.

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

e. Resolution No. 2017-__, Council Rules of Procedure Update

City Clerk Fernandez presented the agenda summary, noting the Finance Administration Committee discussed revisions to section 4.1 Order of Business to

address concerns expressed that the Council Committee Reports needed to be moved up in the Council agenda order.

In response to Councilmember Lord, Mayor Erickson said the intent is to have the full committee reports prior to the consent and business items.

Councilmember Lord does not want the committee reports to be capped at five minutes. She would like a clause of "longer if necessary to adequately inform."

Councilmember McGinty said in the past it was a concern that the committee reports would run too long, and if we had the public attending meetings, we didn't want to make them wait a long time to get to the business agenda. That is the reason we wait till the end. If we make them too long, it puts us back in that position.

Councilmember Stern said perhaps they could have Council Committee Reports for items on the business agenda first, and then follow up afterwards for the remaining report.

Councilmember Thomas said when we are looking at Council committee reports, we can add "items related to business agenda." These items have something to do with what is already on the agenda. And then, put in the remainder of the reports after the business agenda as continued Council committee reports.

Councilmember Stern wants the board/committee reports to before continued comments from Citizens, because there might be something with KRCC or PSRC that would inform and cause the public to respond.

Councilmember Musgrove would like to still have a final round of comments to end the meeting in a positive manner.

Councilmember Lord likes having a last round of statements, if necessary. She recommended that Mayor comments would be up with the board and commission reports, and then councilmember comments would be the next to the last after citizen comments. Divide No. 11 into Mayor/Board/Commission Reports, and then councilmember comments will be right after the continued comments from citizens.

Mayor Erickson asked for this to be recrafted and brought back in June. City Clerk Fernandez will email the Council the current agenda order, and ask for feedback from each councilmember.

7. COUNCIL COMMITTEE REPORTS

<u>Public Works Committee:</u> Councilmember Lord reported the committee received an update on the solid waste business plan RFP; Kitsap County road standards and the need for a complete streets policy; new Kitsap Transit route proposal; Kitsap Transit route analysis and open house on May 31 at 5:30pm at the new Park & Ride building; 10th Avenue test striping discussion; 4th Avenue trail (no grant money for sidewalks, committed to packed gravel this summer); Public Works Facility (build a detention pond and grade and gravel the site for equipment storage); and the fire lane ordinance. She asked if there were any concerns regarding using chip seal for pilot project, and no Councilmembers expressed any concerns.

<u>Community Services Committee:</u> Councilmember Lord reported they went over the park impact ordinance update; received a briefing on the dollar house progress (Rotary will be meeting with the Mayor and Public Works to look at the house and get things clarified that Rotary will be paying for the demolition); two openings on city commissions coming up at the end of May; American Legion Park memorial update; and discussed the waterfront park restrooms plan (new site plan was to relocate them eastward to the edge of the parking lot, reconfigure the entrance, and create a seating wall near circle garbage can; looked at stick construction or prefabricated building).

8. DEPARTMENT HEAD COMMENTS

Assistant Public Works Superintendent Svarthumle said the department is gearing up for Viking Fest, striping when weather cooperates, and cleaning up the town.

Finance Director Booher reminded the Council that two Auditors are in the building and the entrance conference is next week.

Parks & Recreation Director McCluskey said the Rotary Club will start working on the Nelson Park stairs Saturday morning.

IT Manager Stenstrom reported the City's new website was launched on Monday.

9. CONTINUED COMMENTS FROM CITIZENS

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

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Thomas noted there will be a fly in on May 13 at Liberty Bay and the Kitsap Veteran Homelessness Symposium is on May 25 in Bremerton.

Councilmember Musgrove said Poulsbo is the only general public sea plane base in the entire Seattle area. Maple Street is an imaginary street in the middle of Liberty Bay that is the runway.

Councilmember Stern said the financial status report is in the Council in-boxes. He said the Veterans of Past Combat will be adding Poulsbo to their visitation schedule on May 26 at the Brass Kracken at 2:30pm.

Mayor Erickson said she attended the Olympic Community of Health meeting in Port Townsend, and they will be announcing tomorrow the results for requests for proposals for opioid treatment within the three county area; the pump track is moving forward; the Fishline Community meeting is tomorrow night regarding the new building; Brown Bear Car Wash opened on Monday; the ribbon cutting for Sherwin Williams is on May 18; Starbucks ribbon cutting is tentatively scheduled for May 26; and new Tim Ryan building on 8th Avenue broke ground.

Councilmember Nystul said the Summerset Key Ceremony is May 17 at 11:00am.

11. ADJOURNMENT

Motion: Move to adjourn at 8:40PM, Action: Approve, Moved by Henry, Seconded by Stern.	
Motion carried unanimously.	•
	Rebecca Erickson, Mayor
ATTEST:	Rebecca Effeksoff, Mayor
Rhiannon Fernandez CMC City Clerk	