

POULSBO CITY COUNCIL MEETING OF MAY 17, 2017

MINUTES

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

Staff: City Clerk Fernandez, Director of Engineering Kasiniak, Planning Director Boughton, Parks & Recreation Director McCluskey, Human Resources Manager Kingery, IT Senior Technician Williamson.

MAJOR BUSINESS ITEMS

- * * * Approval of May 3, 2017, Council Meeting Minutes
- * * * Resolution No. 2017-05, Personnel Manual Update
- * * * Solid Waste Utility Business Plan Contract
- * * * Ordinance No. 2017-07, PMC 3.84 Park Impact Fee Update
- * * * Ordinance No. 2017-08, PMC 3.86 Transportation Impact Fee Update

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** Lord, **Seconded by** McGinty.

Motion carried.

3. COMMENTS FROM CITIZENS

Ms. Rita Hagwell spoke regarding concerns she has about Marelaine Lane and her neighbor.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Stern said the Mayor and many Councilmembers attended the dedication ceremony at Summerset. He invited Stuart Grogan, Housing Kitsap Director, to speak on the project. Mr. Grogan shared details of the project/program and pictures of the event. He also noted funding sources that are at risk due to federal funding directives. Councilmember McGinty said it was an outstanding presentation. Mayor Erickson said many of these projects have been done in Poulsbo,

dating back to 1998. It is cool that they really get to know their neighbors and appreciate what they have once the project is complete. Councilmember Musgrove, said these projects involve their entire family. It is more than a house, it extends so far out because of all the family members that come and help build the house. It is a community thing. The effects are far reaching. Councilmember Nystul said it was a great opportunity to learn the fine points of the operation. Councilmember Henry said he was proud of the pride the homeowners were showing about their homes that they built. Councilmember Lord thanked Mr. Stuart for everything his organization does. She noted the comments about the risks the program is facing, and hopes he keeps the Council updated.

Mayor Erickson announced Viking Fest starts on Friday afternoon, and the website has an extensive list of the various events. She also noted that Viking Tour takes place Sunday morning.

Mayor Erickson said a joint meeting with the Port of Poulsbo is scheduled for June 28, 6:00pm, at the Sons of Norway. She asked Councilmembers to email her agenda items for that meeting.

Mayor Erickson said the bathroom remodel at the Waterfront Park will happen this fall and will be under a tight deadline. She said an action item will come before the Council on June 7 to authorize the project. She asked the Council to get any questions answered about the project before June 7.

Councilmember Lord said HDPa questioned the beer garden hours for Viking Tour. Mayor Erickson said it was 1:00-3:30pm. Mayor Erickson also noted there will be public parking available in the parking garage.

5. **CONSENT AGENDA**

Motion: Move to approve the Council minutes of May 3, 2017.

The items listed are:

- a. Approval of May 3, 2017, Council Minutes

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

6. **BUSINESS AGENDA**

- a. **Resolution No. 2017-05, Personnel Manual Update**

Stern reported the FAC recommends approval of the manual update.

Human Resources Manager Kingery presented the agenda summary, noting the Personnel Handbook was last updated in December 2015. This revision includes a housekeeping change for sick leave cash outs (it was deleted in Chapter 8 and included all the cash outs in Chapter 5), rewritten Social Media Policy, and a new "Electronic Media" policy. The Social Media Policy provides guidelines and defines individual and departmental responsibilities for the use of social media such as Facebook and/or Twitter. This section has been changed to include definitions and define responsibilities under the policy. The Electronic Media policy is a new policy that covers any means of typed messages transmitted or received electronically, except e-mail. This includes SMS, text messaging, instant messaging, social networking applications, mobile phone applications, desktop applications, or any other software used for transmitting or receiving electronic communications.

In response to Councilmember Musgrove's question of the definition of transitory, Human Resources Manager Kingery gave some examples of transitory messages, and said a couple examples are in the policy. City Clerk Fernandez added that the Risk Manager gave a mandatory employee training in December 2015, which included an overview of this policy and many examples of transitory messages.

Mayor Erickson said these policies are straight forward. She said the City Clerk now has the ability to archive social media posts, and that her whole account is now archived.

In response to Councilmember Lord, Human Resources Manager Kingery said the Social Media Coordinator is the City Clerk.

Councilmember Thomas said he read the entire handbook, and he said it is a well-written document.

Motion: Move to approve Resolution No. 2017-05, adopting the Revised Personnel Handbook.

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

Motion carried.

b. Solid Waste Utility Business Plan Contract

Councilmember Lord said she reported out on this item last week, and the committee recommends approval of the contract as it stands.

Director of Engineering Kasiniak presented the agenda summary, noting the Solid Waste Utility Business Plan RFP was issued on April 19, 2017 and bids were due on May 8, 2017. Four consulting firms from the MRSC Roster were invited to bid. One bid was received. A presentation was made to the Public Works Committee on May 10, 2017.

Councilmember McGinty said the Committee wants to be involved with any policy changes or level of service changes that goes through the business plan.

Councilmember Lord said they might need more than one public outreach meeting. We want to make sure the public is fully aware of what we are trying to accomplish.

Councilmember Musgrove said the business plan will be more of a traditional business plan. The numbers must add up. It is going to be organized by dollars in/dollars out, projects forward, and profit and loss statements, so we will have real numbers looking forward.

Mayor Erickson would like to consider best practices. For example, the code states that every property owner must have a solid waste account, which prevents us from consolidating services. She said it would make more sense for condos to have a dumpster instead of individual cans for each unit. She would like to know where we are, and what the best practices should be.

Motion: Move to approve the contract with Gardner Bay Consulting Inc. in the amount of \$18,039 and authorize the Mayor to sign the contract on behalf of the City.

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

c. Ordinance No. 2017-07, PMC 3.84 Park Impact Fee Update

Councilmember Lord said she gave a report on this last week, and the Committee recommends approval of both proposed ordinances.

Planning Director Boughton gave a combined presentation on both the Park Impact Fee and Transportation Impact Fee updates. Presentation highlights included:

- Overview
 - Update both Park and Transportation Impact Fee Sections
 - Implementation of the City's Comprehensive Plan
 - Occurs after update to functional plans

- Fee based upon the level of service and/or 20-year list of capital improvements
 - Update to technical documents, methodology for impact fee amount
 - Impact Fees are imposed on new growth
 - PMC Section 3.84 and 3.86
 - Update the fee amount
 - Provide for some amendments to existing code language
- PMC 3.84 Park Impact Fees
 - 2016 Parks, Recreation and Open Space Plan update
 - Park Impact Fee Analysis included as Chapter 7
 - Based upon 2036 Park and Open Space Level of Service
 - Identifies 35.26 acres (adjusted) for 2036 park need
 - Assumes a \$5.2 million park acquisition and development cost during the 2016-2036 planning period.
 - New growth cannot be responsible for full cost
 - The impact fee proportion is assumed at 53% share by the City and 47% by new growth.
 - City's share assumes annual budget allocation, grant awards, and community donations and labor.
 - Updated Park Impact Fee is \$1173.57.
 - Current Park Impact Fee is \$1195.00
 - For new residential units – single family detached and attached (apartments, townhomes, duplexes)
 - Suggested round up the fee for ease of calculation.
 - Recommend approving the ordinance with a fee of \$1174.
 - City Attorney suggests providing a clarifying statement in the technical document that any existing deficiencies are covered by City's proportional share.
- PMC 3.86 Transportation Impact Fees
 - 2016 Transportation Plan Update
 - Transportation Impact Fee Analysis included as Chapter 7
 - Based upon 20-year capital improvement project list
 - Includes street improvements, intersection improvements, and travel demand management strategies (TDM)
 - Identifies a \$54 million transportation facilities cost during the 2016-2036 planning period.
 - New growth cannot be responsible for full cost

- The impact fee proportion is assumed at 63% share by the City and 37% by new growth.
 - City's share assumes Fund 311 and State/Federal grants.
 - Updated Transportation Impact Fee is \$354.42 per average week day trips (awd)
 - Current Transportation Impact Fee is \$283.50 per awd trips
 - Suggested round up the fee for ease of calculation.
 - Recommend approving the ordinance with a fee of \$355 per awd trip.
 - Suggest minor corrections in technical document.
- Summary
 - Update both Park and Transportation Impact Fees
 - PMC 3.84 Park and 3.86 Transportation
 - Impact Fee Amounts
 - Few modifications to ordinance language
 - City share
 - Updates based upon adoption of 2016 Comprehensive Plan
 - Both Park and Transportation functional plans updated
 - Updated 20-year capital improvement list
 - New growth cannot be responsible for fully funding capital projects
 - City's is 53% for parks and 63% for transportation
 - Recommend adopting both ordinances

In response to Councilmember McGinty asking when fees were assessed, Planning Director Boughton said the impact fees are based on the date the permit is pulled.

Councilmember Stern said there was an email sent from KEDA citing the City of Lakewood not having impact fees. He said at first it looks like waiving fees would help attract business developers to the community. But he reminded the Council many years ago they set a soft policy that growth should pay for growth, and we should not burden existing citizens with the impacts that new development and new citizens have when they move into the community.

Councilmember Lord said it looks like there is no annual indexing fee. Planning Director Boughton said there is one, she is only highlighting the sections that are proposed to be amended.

Director of Engineering Kasiniak said no impact fees doesn't mean that developers will not spend money on transportation infrastructure. They will have to pass concurrency requirements, which can identify expensive off-site improvements that the developer will have to self-finance.

Mayor Erickson said they are having this conversation right now at PSRC Finance Committee. At their last meeting, they talked about impact fees. Sammamish charges \$15,000, and they charge for 100% of the future road expectations. Kirkland and Port Orchard charges. Seattle charges zero impact fees. Funding sources throughout Washington are going to Seattle to fix their problems, while we are charging impact fees. She said it doesn't make sense that cities like Seattle and Lakewood do not charge impact fees. PSRC should have a long conversation on this in the next month.

Councilmember Musgrove said in a general sense there has been some allowance for negotiation in order to make things work well for everyone (and the City usually would come out ahead by something that a developer wanted to do). He asked if there are any limitations or expansions of those abilities to be flexible that we have enjoyed in the past. Director of Engineering Kasiniak said we can still give credit for traffic impact fees for projects that are on our 20-year list. Planning Director Boughton said that same kind of credit relationship is also in the parks impact fee.

Motion: MOVE to adopt Ordinance 2017-07, an ordinance of the City of Poulsbo, Washington, amending Chapter 3.84 of the Poulsbo Municipal Code in order to update the park impact fee amount; providing clarification for when the impact fee amount is to be updated; providing for annual cost indexing; and providing for severability and establishing an effective date; AND authorize rounding up the park impact fee to the nearest dollar; and providing clarification in the park impact fee technical document for existing deficiencies.

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

d. Ordinance No. 2017-08, PMC 3.86 Transportation Impact Fee Update

Planning Director Boughton's presentation on Business Item 6d covered this business item.

Motion: MOVE to adopt Ordinance 2017-08, an ordinance of the City of Poulsbo, Washington, amending Chapter 3.86 of the Poulsbo Municipal Code in order to

update the transportation impact fee amount; providing clarification for when the impact fee amount is calculated and due; and providing severability and establishing and effective date; AND authorize rounding up the transportation impact fee to the nearest dollar; and making minor corrections in the transportation impact fee technical document.

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

7. COUNCIL COMMITTEE REPORTS

Public Safety/Legal Committee Meeting: Councilmember McGinty reported they received an update on the Nelson Park caretaker function and are looking at Coffee Oasis contracting out the services and providing a transitional house for homeless women ages 18-24 (intent will come forward first, and then a lease); discussed behavioral health specialist program (313 processed through in the last three months); discussed fire lane ordinance update (Mayor Erickson showed examples of neighborhoods with severe blocking problems; painting red lanes and low fines does not encourage compliance), and recommended to raise the fine to \$250 allowing the judge the ability to reduce or waive a fine based on circumstances; received an update on sound proofing project for conference rooms.

Finance-Administration Committee: Councilmember Stern reported the Councilmember Thomas and Nystul attended the Auditor's Entrance Conference on Monday; discussed air b-n-b regulations and how it might apply to Poulsbo (it is not in the zoning right now); discussed City computer server system and cyber-attacks; reviewed and recommended changes to the council rules and procedures document; discussion held on council retreats; and looked at potential legislative impacts on state shared revenues, such as Public Works Trust Funds, REET, and local government revenues. Councilmember Nystul added that he and Councilmember Thomas attended the Auditor's Entrance Conference and they will be working on the financial report, so we can get that in for GFOA certification.

8. DEPARTMENT HEAD COMMENTS

Planning Director Boughton said the Council received a notebook regarding the Critical Areas Ordinance (CAO) update, and the first workshop is next Wednesday at 7:00pm. The packet has the Planning Commission modified draft CAO and the public comment matrix.

City Clerk Fernandez reported she is attending the Washington Association of Public Record Officers tomorrow, and is looking forward to learning about the newly-passed legislation that will impact the Public Records Act and administration of the Act.

9. CONTINUED COMMENTS FROM CITIZENS

Ms. Rita Hagwell said she wants something that states her land is private property and how the City cannot get involved. She wants to know what the rule is that costs \$1,800 to have the City Council to look at her property.

Mr. Jonathon Saunders said he is excited about the joint meeting with the Port. He asked if the public can attend. Mayor Erickson said the meeting is open to the public.

10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS

Councilmember Thomas said for the last year there has been a special focus on the City cemetery improvements. The committee meets tomorrow at 2:30pm, they will be having one of their final meetings. It is open to the public. They are trying to come up with some recommendations to the Public Works Committee.

Councilmember Musgrove encouraged everyone to enjoy Viking Fest and the great weather we will have this weekend.

Councilmember Stern encouraged the public to participate in Kitsap Transit's open house online or in person to give feedback on their routes/service. They have a meeting scheduled on May 31, 2017, at the NK Bus Transfer Station. He shared the Kitsap Regional Coordinating Council has a retreat scheduled for June 7, 2017. Part of the conversation has to do with future planning and employment/population numbers in the County and City, and how it impacts PSRC with growth centers and regional centers. He asked that if any of the Council had feedback or concerns, to let them know. Mayor Erickson said there is a series of decisions being made at PSRC. The most critical decision is the centers framework discussion, which talks about what areas in the four-county area will be considered a "center." It is contentious, because centers drive federal tax dollars for transportation. If you can build a project that connects two centers, you are more likely to get funded. Kitsap has three regional centers. The density level in the centers is being changed for planning purposes. They are supposed to be denser, and our centers don't make the grade, relative to places like downtown Seattle, Redmond, and Bellevue. This is a big deal. We are trying to come to a compromise to include military bases in this conversation.

Mayor Erickson said the County asked today how much it would cost to get BKAT to broadcast throughout the entire County.

Councilmember Lord said she is looking forward to Viking Fest. She said maybe next year they could have a City of Poulsbo float.

Councilmember Henry announced he is not running again for another term.

11. ADJOURNMENT

Motion: Move to adjourn at 8:41 PM,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk