

## POULSBO CITY COUNCIL MEETING OF MARCH 15, 2017

### MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Planning Director Boughton, Director of Engineering Kasiniak, Parks & Recreation Director McCluskey, Associate Planner Coleman, IT Senior Technician Williamson.

### MAJOR BUSINESS ITEMS

- \* \* \* Approval of March 1, 2017, Council Meeting Minutes
- \* \* \* Payable Disbursements for February 2017
- \* \* \* WWU Expansion in Poulsbo
- \* \* \* Ordinance No. 2017-02, 4<sup>th</sup> Quarter Budget Amendment
- \* \* \* Special Event: The Art of Music
- \* \* \* Metropolitan Parks District
- \* \* \* Liberty Bay and Village Pump Stations Update
- \* \* \* Liberty Bay Waterfront Contract
- \* \* \* Anderson Parkway Phase II 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** 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 Stern thanked the members of North Kitsap School Board, Suquamish Tribe, and Kitsap County who attended tonight to hear the Western Washington University presentation.

Councilmember Musgrove reminded the public to be safe Friday night during their Saint Patrick's Day celebrations.

Mayor Erickson announced the Council meetings are now streaming live on the internet.

Councilmember Lord complimented the North Kitsap School Board on doing the difficult job of finding a new school district superintendent.

## **5. CONSENT AGENDA**

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

The items listed are:

- a.** Approval of March 1, 2017, Council Minutes
- b.** Payable Disbursements for February 2017

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

## **6. BUSINESS AGENDA**

### **a. Western Washington University Expansion in Poulsbo**

Councilmember Stern presented the current cover of the Kitsap Peninsula Business Journal, and highlighted the cover story of an economy around higher education. He referred to the City's newly adopted Comprehensive Plan and read Goals #1 and #2 of the plan that referenced education.

Ms. Marlene Harlan, Puget Sound West Senior Director, introduced the WWU staff, gave an update on the new degree programs offered in Poulsbo (B.S., Cybersecurity and B.A. Multidisciplinary Studies), and talked about the new Cyber Range that will be located in Poulsbo and it will also serve as a statewide resource for other institutions.

Ms. Candice Merrill, Western on the Peninsulas Director, discussed the new community program called The Academy for Lifelong Learning that targets community members who are 50+ years old. She also announced the new staff and faculty members.

Ms. Effie Eisses, Director of Community Outreach and Engagement, discussed their recruitment initiatives, internships, student projects, and a new summer class that is

called Career Preparation Practicum. She noted Western on the Peninsulas will be hosting a Welcome to Western event on May 2 at 6pm. It is open to all prospective students and recently admitted students.

Dr. Sylvia Yang, SEA Discovery Center Director announced expanded hours (volunteer needed), resource for teachers and learners, new youth programs, and community science projects.

In response to Councilmember Stern, Ms. Harlan said the Cyber Security program is a 4-year Bachelors in Science program. They will be training for positions that help with cyber threats. The Cyber Range supports those programs, and any other institution that has a cyber security program. It is a virtual laboratory that gives a safe environment to get hands on experience.

Councilmember Lord thanked WWU for their patience as we finish the construction project in front of the SEA Discovery Center.

Councilmember Thomas said he is excited about the cyber security program.

Councilmember Musgrove said it is awesome the directions the University is headed. It is compatible with the community.

Councilmember McGinty said cyber security is a very competitive market and a great field to get into. Graduates will be able to work anywhere they want to once they get their degree.

**b. Ordinance No. 2017-02, 4<sup>th</sup> Quarter Budget Amendment**

Finance Director Booher presented the agenda summary, noting Budget amendments for the 4th Quarter of 2016 were approved by Council during October, November and December. Exhibit A includes these amendments and summarizes the revised budget by fund.

Mayor Erickson opened the floor for comments from the public at 7:30 PM; no comments received.

**Motion:** Move to adopt Ordinance 2017-02, an ordinance for the City of Poulsbo, Washington, amending the 2016 budget adopted by Ordinance No. 2015-21 to revise the revenues and appropriations from certain funds and approving an ordinance summary for publication.

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

Motion carried.

**c. Special Event Application: The Art of Music**

Parks & Recreation Director McCluskey presented the special event application for the Art of Music. The event is sponsored by Peninsula Music & Arts Society. It will be held at Muriel Iverson Williams Waterfront Park on May 12, 2017, with 30-40 artist vendors and 50-150 visitors. Artists will set up easels for a day of painting, and their work will be entered in a judged contest the following day. The public will be encouraged to watch and wander among the artists in the park. An information table for the society will be set up in the pavilion.

Councilmember Lord said this was covered in Community Services Community and they recommended approval.

**Motion:** Move to approve the special event application for The Art of Music on May 12, 2017 as presented.

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

**d. Metropolitan Parks District (MPD)**

Planning Director Boughton introduced Planning Associate Coleman who presented the Metropolitan Park District program. Presentation highlights included: Why we should consider a MPD now, options for additional funds for park acquisition and development, what a MPD is and can do, formation of a MPD, MPD taxing authority, MPD board requirements, MPD logistics, and the Poulsbo MPD draft proposal.

In response to Councilmember Thomas, Planning Associate Coleman said there have been multi-jurisdictional MPDs in Washington State.

Parks & Recreation Director McCluskey said the old North Kitsap Parks & Recreation District was formed in 1985. They had a two-year levy and added a second two-year levy. In 1990 they had to failed levies. The Parks District went out of business in 1991. The district boundary was the entire North Kitsap School District.

Mayor Erickson said the new types of parks districts' levies are set, they don't have to keep going out to get their funding approved every couple of years. She noted the proposal is for a MPD where the board is the City Council and inside the city limits. This will give it more stability. It is like a Transportation Benefit District.

Planning Director Boughton said the next step that the City would like to do is establish an exploratory committee. The committee would have members of the City

Council, Planning Commission, Parks & Recreation Commission, Parks Director, Finance Director, and the Planning Department would staff the committee. They would have citizens at large, and parks users/advocates, and anyone else that has interest in supporting city parks and recreation programs. The committee would meet twice a month for three months. The purpose would be to gather the pros and cons of forming a MPD; offer a recommendation to the Council on whether they should pass a resolution placing this on the ballot; if the Committee recommends a resolution, they would recommend to the City Council on which year and which election the ballot measure should be placed; and they would brainstorm public outreach strategies.

In response to Councilmember McGinty, Mayor Erickson said the new driver for this MPD is the amount of growth the City has been experiencing. We have a plan that says our population will be 14,808 by 2036; we are going to be there by 2025. The idea is to preserve open space and park land as the City continues to grow. We have a lot of parcels come our way for parks, but they are wetlands. We need land for many things (ballfields, swing sets, a skate park, a splash park); however, we don't have land for that. Revenue sources are drying up. As we grow and craft the city that people want to live in, it requires the infrastructure of parks. Unfortunately, parks are funded out of same pool of money as law enforcement and streets. This is simply a dedicated revenue stream to support it. We are not asking for any decisions right now. She is asking to form a committee to explore it and make a recommendation back to the Council.

Councilmember Musgrove said this sounds like a junior taxing district, and asked if we would effectively cut parks out of the City budget and create a new budget under the district. Mayor Erickson said that portion has not been defined. The committee would need to make a recommendation on the budget. Finance Director Booher said the intent of the MPD is to establish a funding source. It will be separate from the City. It would allow you purchase and develop new parks and provide park maintenance. What we have been able to do with the parks so far has been funded by grants and volunteerism. Also, as we grow our parks, we are unable to maintain them. The exploratory committee may see something different.

In response to Councilmember Nystul, Finance Director Booher said the MPD would run in perpetuity, and in regards to the property tax, there is a \$5.90 aggregate limit. You have hierarchy orders in the limit. The 50 cents is the maximum levy you can do. You also have limiting factors of 1 percent. It falls higher in the hierarchy, so you have a better guarantee on that stream. The second 25 cents has a hierarchy falling much lower. If there are taxing districts before the second 25 cents, they could eat into that and make the 25 cents not available.

Councilmember McGinty noted the current junior taxing districts are the Library, Fire District, and the Port of Poulsbo and their boundaries are different. He asked if this

proposal was unique. Finance Director Booher said this proposal makes is much simpler if it is kept within the City limits. The committee could have a different recommendation.

Councilmember Lord asked if the Council proceeds with an exploratory committee, that they take a serious look at the negatives as well as the positives. She said it looks like a fabulous idea, but there always unintended consequences to everything.

Councilmember Stern said they need to prioritize this amongst all the other ideas. The Council has heard the need to look at social services. The tax payer has limited stamina. They have talked about affordable housing, mental health, and school resource officers. If we have a tax increase for this, would we push the other items off the table?

Mayor Erickson said the MPD is voted in by the people. We are giving them an opportunity to make that choice. For the social services component, it is grant funded, and requires no additional funding from the City of Poulsbo. The mental health was 100% grant funded, and doesn't cost tax payers in the City of Poulsbo.

Councilmember Thomas has repeatedly heard in past few years, as more natural wooded land is used by the owners of the property and developed, people are saying too much of the natural space is being taken up. We cannot stop that from happening. Most of what we see in the city limits is private property. As those lands are developed, it must be offset somewhere by preserving spaces and that costs money. This is an option to look at a source of funds for acquisitions and maintenance. He is open to the idea of having a committee consider this and come back with a recommendation.

In response to Councilmember McGinty, Planning Director Boughton said impact fees cannot pay for the full capital improvement program of the City. Our impact fee for parks is based on 50%, the remaining 50% must be paid by the City, and 80% of our 50% has been paid by grants and donated lands. The development of parks is the piece that we are missing. It is much more competitive to get grant funding to develop a park like Morrow Manor. It costs half a million dollars to develop that one-acre park.

Councilmember Musgrove said we are constantly dealing with the fact that Poulsbo is the zip code. He questioned if we are going to limit the funding sources to the residents of Poulsbo, when in fact it is serving everyone in the greater area. That question needs some examination.

Mayor Erickson said that is something the committee can provide a recommendation on. If the district extends into the County, we will need a memorandum of understanding with the County, and the scope and structure of the board changes, it

would no longer be the City Council. It is not as clean. On the other hand, we talked about starting small, see if it works, and then annex the greater area later.

Councilmember Lord asked if the petition was citizen generated, would the board still be the City Council. Planning Associate Coleman needs to research that question.

Next steps: The committee members will be identified and assembled with a first meeting to be held in April. Councilmembers Musgrove, Thomas, and McGinty volunteered to be on the committee. The committee will be staffed by the Planning and Economic Development Department. The committee will report back to the Council in three months.

**e. Liberty Bay and Village Pump Stations Update**

Director of Engineering Kasiniak presented an update on the Liberty Bay and Village Pump Stations projects. Presentation highlights included:

**Village Pump Station**

- Project elements: demolition building, new emergency generator, and rehabilitate the station (new submersible pumps, increased reliability and capacity, electrical updates)
- Project challenges: tight site, utility conflicts, deep excavation
- Budget status estimated gap: \$239,632.11

**Liberty Pump Station**

- Project elements: remove existing above grade pumps, install submersible pumps in wet well, and seal and repair I&I at station
- Project challenges: maintain system operations, work in the vicinity of Liberty Bay Shore Line
- Budget status estimated gap: \$86,466.11

**Next Steps:**

- City Council recommendation
- A Budget Amendment is not requested at this time. It will be finalized after bids are open and costs finalized – we anticipate approximately \$325,000
- The contract will be bid with two schedules in order to provide options for award
- Bids to be advertised by 3/24/17
- Bids opened mid-April
- Bid awarded 4/19/17
- Building the Village PS will be the priority project

Councilmember Lord said they discussed this at the Public Works Committee and noted the generators will be included for both.

**f. Liberty Bay Waterfront Contract**

Director of Engineering Kasiniak presented the agenda summary, noting the proposal is to hire Parametrix for the Liberty Bay Waterfront Trail project. The contractor will assist the City with pursuing and obtaining grant funds for right-of-way acquisition, and update right-of-way and construction cost estimates. This work will be funded by a FHWA grant for \$250,000 with the City match of \$50,000 – Total \$300,000 for visibility study, preliminary design, permitting (JARPA and NEPA), and design.

The federal grant has restrictions for each phase to be completed within 10 years. They defined three phases: design phase (currently in this phase), right-of-way phase, and construction phase. They will be applying this year for additional federal funds to purchase right-of-ways to have a shovel ready project.

In response from Councilmember Henry, Director of Engineering Kasiniak said they have a meeting with the Suquamish Tribe on Friday to discuss the project. The project comes with a lot of mitigation.

Councilmember Musgrove noted that former Councilmember Linda Berry-Maraist was a huge proponent of this project. It will be a unique feature for Poulsbo.

**Motion:** Move to approve the contract with Parametrix for the Liberty Bay Waterfront Trail project in the amount of \$50,363.52 and authorize the Mayor to sign the contract on behalf of the City.

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

Motion carried.

#### **g. Anderson Parkway Phase II Update**

Director of Engineering Kasiniak gave an update on the Anderson Parkway Phase II project, noting the project needs an additional budget of \$30,000 to cover extra excavation, contract time extension, and Modular Wetland delays. The additional budget will come from Stormwater reserves.

In response to Councilmember Musgrove, Director of Engineering Kasiniak said everything is being accounted for in the contingency, it is a different philosophy of how his team is running it. They keep line-by-line, they don't move construction contingency to support construction management.

**Motion:** Move to approve the additional budget of \$30,000.00 for the Anderson Parkway Phase II project and to authorize a Budget Amendment for the transfer from Stormwater reserves to be drafted and presented for approval at a future City Council meeting.

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

## **7. COUNCIL COMMITTEE REPORTS**

Finance-Administration Committee: Councilmember Stern reported they received a report on the carry-over (projected beginning balance was \$800K, and we are coming in at \$1.1MM), monthly sales tax report (ahead of projected budget by 4%), and real estate excise tax update.

Public Safety/Legal Committee Meeting: Councilmember McGinty reported the Court noted the new metal detector is working well, and they are looking at the restitution mitigation policy. The Police Chief and committee discussed a letter from Ray Garrido, and the Chief said he is reaching out to members of the community, we have not been contacted by ICE, and we are a strong diverse community and want to remain that way. They discussed the loaned executive management assistance program (LEMAP) and the assessment they did on the police department. The Chief will give an overview in May on what was recommended and what improvements were made. They also had a discussion on leasing the police vehicle fleet. The City Prosecutor introduced her new paralegal, Tracey Hamilton.

## **8. DEPARTMENT HEAD COMMENTS**

Finance Director Booher said the budget is on the website. She also noted some repairs need to be made to the library roof to repair the leaking roof, which will cost approximately \$8,000. The intent is for them to replace the roof once they take ownership of the building.

Planning Director Boughton said the printed comprehensive plan binders are in the Councilmember boxes.

## **9. CONTINUED COMMENTS FROM CITIZENS**

Mr. Gary Lindsay supported the Council's decision to see what an MPD might look like. He said back in the 80s, we had a county commissioner who was on a buying spree to buy land for park properties in Silverdale. He didn't understand why she was doing it and didn't agree with it, but today he cannot imagine Silverdale without the Waterfront Park, Community Campus, and Clear Creek Trail, which she was responsible for buying. She had the vision, boldness, and tenacity to buck the crowd and get it done. This park district is something similar to that. It is not going to be easy. There is a lot of reason to be skeptical about this. It is the parks and open spaces that we remember about the town. It is a wonderful to see if you can make it work. It is worth taking a look at.

Mr. Jonathon Saunders said he is running for Seat No. 3 for the Port of Poulsbo. He looks forward to getting to know the Council. He agrees with the MPD idea. He would like to volunteer to be on the advisory committee.

## **10. COUNCILMEMBER COMMENTS/BOARD/COMMISSION REPORTS**

Councilmember Stern recalled his favorite quote from Mr. Lindsey when they planned on relocating to Poulsbo. He said the reason they were moving up here: "Poulsbo is the cool place to live."

Mayor Erickson said there was a great meeting for our police chiefs from the entire county to talk about modern day policing hosted by the League of Women Voters. They are putting on another meeting April 22, 12pm-2pm, about homelessness. Saturday night is a big fundraiser for NK Choir boosters club starting at 6:30 PM. There was a great beer run this weekend with 600 people attending. She has been working on acquiring another house for \$1.00. Freddie Mac has a flood house sitting on 3.5 acres of wetlands, but it will be a great edition for Fish Park, and we have a group that says they will demo the house. The old police station funds have been deposited into escrow and there is a preapplication for 25 apartments for the property. The closing date for the old city hall pad is April 17, 2017.

Councilmember Henry announced the Poulsbo Historical Society is having their dinner on March 25.

## **11. ADJOURNMENT**

**Motion:** Move to adjourn at 9:12 PM,

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

Motion carried unanimously.

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Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk