

## POULSBO CITY COUNCIL MEETING OF JULY 18, 2018

### MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, Police Chief Schoonmaker, IT Manager Stenstrom

### MAJOR BUSINESS ITEMS

- \* \* \* Approval Letter of Intent for Mental Health Grant
- \* \* \* Employee of the Quarter
- \* \* \* Swearing In of Sergeant Nau
- \* \* \* Introduction of Administrative Services Manager
- \* \* \* Ordinance No. 2018-16, 2<sup>nd</sup> Quarter Budget Amendment
- \* \* \* First Reading of an Ordinance Granting Puget Sound Energy a Short-Term Franchise Agreement
- \* \* \* Village/Liberty Bay Pump Station Change Order and Budget Amendment
- \* \* \* Central Interceptor CIPP Project Change Order and Budget 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 noted that Business Item 6E is pulled from the agenda.

**Motion:** Move to approve the agenda as amended.

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

**Discussion:** Councilmember Thomas will bring forward a motion during council committee reports tonight.

Motion carried.

#### 3. COMMENTS FROM CITIZENS

Rita Hagwell said the proposed trail on her property is being removed, and there is a problem with Marelaine Lane, Viking Way, and Viking Lane. She wants a letter from the City that shows where the real Marelaine Lane is. She wants 911 to be able to find her.

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

Councilmember Lord reminded everyone to take advantage of the free concerts happening at the waterfront park every Tuesday through August. This Saturday is another free concert at the Muriel Iverson Waterfront Park and Petswalk is Saturday morning.

Councilmember Nystul said the Police's annual report is on the website. He compliments the chief and staff for doing an excellent job.

Councilmember Musgrove said the Public Works Committee report will be given during the agenda items tonight in bits and pieces. He spoke regarding the City program that assists police and fire departments with mental health that is funded with the 1/10<sup>th</sup> of 1% of sales tax. Last night there was a first responders' seminar at Olympic College regarding mental health issues and suicide prevention.

Councilmember Stern stated the effort to decriminalize mental health is so worthy. The Council honored the program last week and Kimberly Hendrickson was honored in June at a state-wide assembly.

Councilmember Thomas reported the Finance-Administration Committee received an update about the Behavioral Health Navigator Program. Staff is asking for a proposed motion to have the Mayor write a letter of commitment from the City of Poulsbo to match a grant which is due August 1. The grant is called "1/10<sup>th</sup> of 1% mental health grant for behavioral mental health". The amount of the match would be \$60,000. It is not a hard commitment, but a letter stating the City is prepared to match the funding if the grant is awarded and accepted by the City.

**Motion:** Move to approve and authorize the mayor to write a letter of support for the grant application to Kitsap County seeking grant money from the Mental Health and Chemical Dependency Treatment Tax Fund for the Behavioral Health Navigator program. The letter would state the City of Poulsbo's commitment to match funding up to \$60,000 if the grant is awarded and accepted by the City.

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

Councilmember Stern invited colleagues to attend the KEDA Technology Committee meeting tomorrow at 7:30 am at Poulsbo Olympic College.

Mayor Erickson reminded everyone that PetsWalk, benefitting Kitsap Humane Society, is Saturday morning 9:00am at Lions Park. She stated that the concert Saturday night at 7:00 pm is sponsored by Poulsbo Community Church. Last night she attended the Kitsap

County Coroner candidate's forum hosted by the League of Women Voters. She stated there will be a series of League of Women Voters meetings as the election cycle comes, many of them which will be at City Hall. She said she got a call from Bill Austin about changing the roofline of the pergola.

**a. Employee of the Quarter**

Mayor Erickson recognized Officer Shawn Ziemann as the City of Poulsbo Employee of the Quarter. He has been the School Resource Officer for North Kitsap High School and Kingston High School for the past three years in the winter, and he is the Marine Officer during the summer.

**b. Introduction of Administrative Services Manager**

Police Chief Schoonmaker introduced Kelly Ziemann as the new Administrative Services Manager for the Police Department.

**c. Swearing in of Sergeant Nau**

Police Chief Schoonmaker announced that Valerie Nau will be sworn in as a Poulsbo Police Sergeant. Mayor Erickson did the honor of swearing in Sergeant Nau.

**5. CONSENT AGENDA**

None.

**6. BUSINESS AGENDA**

**a. Ordinance No. 2018-16, 2<sup>nd</sup> Quarter Budget Amendment**

Finance Director Booher presented the agenda summary, noting budget amendments for the 2nd Quarter of 2018 were approved by Council during April, May and June. Exhibit A includes these amendments and summarizes the revised budget by fund.

Mayor Erickson opened the floor for public comments at 7:35 pm on the amendment. No comments were received.

**Motion:** Move to adopt Ordinance No. 2018-16, an ordinance for the City of Poulsbo, Washington, amending the 2017-2018 Mid-Biennium Budget amended and adopted by Ordinance No. 2017-21 to revise the revenues and appropriations from certain funds and approving an ordinance summary for publication.

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

**b. First Reading of an Ordinance Granting Puget Sound Energy Short Term Franchise Agreement**

Finance Director Booher presented the agenda summary, noting this is the introduction to the ordinance for a short-term franchise agreement, which will be on the council agenda on August 1, 2018 for approval. A short-term franchise agreement extending Ordinance No. 90-02, which expired January 27, 2017, to July 31, 2020, allowing time for the City and Puget Sound Energy to negotiate a new franchise agreement. The ordinance grants Puget Sound Energy the privilege to use and occupy the streets, avenues, lanes alleys, highways and other public places of the City for the purpose of supplying, distributing, and selling energy for power to the inhabitants of the City.

**c. Village/Liberty Bay Pump Station Project Acceptance**

Director of Engineering Kasiniak presented the agenda summary, noting the Poulsbo Village/Liberty Bay Pump Station project is successfully completed. The final contract amount was \$1,548,339.46. The final paid contract total was \$1,546,907.95. There were eleven change orders on the project totaling \$75,749.46 (5% of the contract). Final payment was made to the contractor on 4/5/2018. A retainage bond is held on the project and will be released once the project has been accepted and released by all agencies.

Councilmember Musgrove reported this was reviewed by the Public Works Committee and they recommended approval as presented.

Mayor Erickson stated that while the project may not seem exciting, the project is important. She said cities always need to be thinking about infrastructure, and that is what the City of Poulsbo does.

Councilmember Lord stated that the Public Works department and contractor made this a smooth operation. She applauds everyone.

Councilmember McGinty stated that we don't notice when it works well, but we do notice when it doesn't work well.

**Motion:** Move to approve the Poulsbo Village/Liberty Bay Pump Station project as complete.

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

Motion carried.

**d. Central Interceptor CIPP Project Change Order and Budget Amendment**

Director of Engineering Kasiniak provided a summary on the completion of the Central Interceptor CIPP project. A final change order of \$49,050.00 has been negotiated with the contractor creating the need for additional approval for the Mayor to sign the change order, as the contract value will fall outside the already approved (11/8/17) 20% over contract value threshold. A budget amendment of \$20,000 is also required as there is a project budget shortfall.

Councilmember McGinty stated they were looking at detention ponds, but it was noted that they are not needed.

Councilmember Musgrove stated this was reviewed by the Public Works Committee, and they recommended approval. It is great to look for alternative solutions, rather than just doing the same thing they've done in the past.

Councilmember Nystul questioned whether the City still has some I & I issues to help address capacity. Director of Engineering Kasiniak confirmed there are still some issues. They have made huge progress over the past couple of years. They are probably half-way through. They still have more work to do to reduce the infiltration to an acceptable level.

**Motion:** Move to approve the change order in the amount of \$49,050.00, granting the Mayor the authority to sign on behalf of the City in excess of the 20% approved threshold.

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

Motion carried.

**Motion:** Move to approve Budget Amendment # 18-0303 in the amount of \$20,000 to cover the estimated budget shortfall.

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

Motion carried.

~~e. Forest Rock Lane Project Consultant Selection~~ - Pulled by staff.

## 7. COUNCIL COMMITTEE REPORTS

Public Works Committee: Councilmember Lord reported she is working with the Public Works process to assess and score the new on-call list for the next biennium. They have about 12-15 applicants.

Public Safety/Legal Committee: Councilmember Nystul reported that the municipal court video conference is moving along; at the next Council meeting there will be a budget amendment to spend money from Fund 171, which is a drug seizure forfeiture fund, to purchase evidence lockers, create an evidence processing station, and provide drug enforcement training. There will be another proposal to spend money on window security in the office, a display for Viking Fest, the drone program, and a proposal to purchase two e-bikes.

In response to Councilmember Stern, Councilmember Nystul said the Police Department will do more bike patrols with the purchase of the two e-bicycles.

Councilmember Nystul said they received an interesting presentation by Detective Wheeler in the efforts he has engaged in the investigation and apprehension of people dealing drugs in our community.

Finance-Administration Committee: Councilmember Thomas reported the Municipal Court Judge is required to be in the PERS retirement system. This has nothing to do with the Judge's salary, but rather his FTE allocation. He's currently at .39 FTE, but the Committee is proposing to bump him to .52 FTE, which would qualify him for the retirement benefits, as he technically works more than enough hours.

Councilmember McGinty stated the Council should give concurrence that the judge's work level is at .52 FTE, so he can get his retirement benefits.

In response to Councilmember Nystul and if this should be retroactive to January 1, 2018, Mayor Erickson said she would work with Human Resources Manager Kingery to figure out the legal requirements for this change.

The Council concurred with directing Human Resources to prepare an FTE change from 039 to 0.52 for the municipal judge to be presented in August.

Councilmember Thomas stated that there is also a business license ordinance update, which will be coming to the Council September 19, because there is a state deadline. The ordinance will be updated, including specific definitions. The deadline for changing the ordinance is October 17. Councilmember Musgrove pointed out that people are going to question what the definition of "doing business" means. Councilmember Thomas states

that the state has a specific definition for “doing business,” which City Clerk Fernandez has.

Councilmember Thomas noted that he attended a meeting at the AWC conference, and recommends after the Mayor’s term is complete, the City of Poulsbo consider going to a City Manager system or City Administrator for the Executive office.

Councilmember Thomas stated that the City is 12% ahead of their projected sales tax revenue as of April. For real estate excise tax, instead of being at the projected 42%, the City was at 66% of the budgeted income, which are signs of a strong economy.

The Auditor’s Exit Conference was today, and Finance Director Booher explained that there is a new way that they must do accounting/reporting a little different in the future. From now on, there will be a two-month delay in finance reports. Councilmember Musgrove added he attended the conference and he feels once again the City received an awesome report from the Auditor. He looks at the management letter as suggested tips and hints. He is thrilled with the results and applauded the departments that participated in the audit this year.

## **8. DEPARTMENT HEAD COMMENTS**

Director of Engineering Kasiniak reminded the public that there is a new project starting on July 27, where they’ll be working on Hostmark for three days. They’ll be working at night to minimize impacts to businesses. They’ll spend two months on Fjord between Hostmark and Harrison installing the new water main, sewer lines, and storm, then paving and hope to be done by September 21. There will be some disruptions to traffic.

City Clerk Fernandez sent an email from Marlene Harlan of Western Washington University, inviting Council members to a feasibility study and update, which will be in the Council Chambers from 2:00-3:30pm on July 24th. Please email City Clerk Fernandez no later than Monday, July 23 so she can send a quorum notice if needed.

## **9. BOARD/COMMISSION REPORTS**

Councilmember Thomas attended the July 12, 2018 North Kitsap School District board meeting, where they formally adopted next year’s school budget.

Councilmember Stern, who is a member of the PSRC EDD, will be serving on the executive committee to solve some questions on geographic equity. He also noted that Kitsap Transit adopted its comprehensive plan that governs the next five years with proposed bus routes and visions. He would urge those with an interest to take a look at the plans and visions.

## 10. CONTINUED COMMENTS FROM CITIZENS

Rita Hagwell said she cannot get the City to recognize she lives on Marelaine Lane. She spoke regarding developers, her well, and her water rights. She hopes the City makes sure that she does not have to write to the American with Disabilities, Human Rights Division.

## 11. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Lord stated last week's retreat was one of the best conversations they have had.

Councilmember Nystul complimented the Finance Director for her work with the Auditor regarding GASB 33.

Mayor Erickson talked with Kitsap Sun about the SR305 presentation that was given at by Steve Roark from WSDOT about the roundabouts. There has been a lot of positive comments from the City of Bainbridge Island. The concept is moving forward and there seems to be an acceptance of this. We could see material change on 305 in the next 5-10 years.

## 12. ADJOURNMENT

**Motion:** Move to adjourn at 8:38 PM,

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

Motion carried unanimously.

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Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk