

POULSBO CITY COUNCIL MEETING OF NOVEMBER 7, 2018

MINUTES

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

Staff: City Clerk Fernandez, City Engineer Lenius, Planning Director Boughton, IT Manager Stenstrom/IT Senior Technician Williamson, Associate Planner Powers.

ABSENT: Stern

MAJOR BUSINESS ITEMS

- * * * Minutes of October 10, 2018, Council Meeting
- * * * Records Digitization Grant Agreement and Budget Amendment
- * * * KEDA 3rd Quarter Presentation
- * * * MRSC Presentation – Executive Office Reorganization
- * * * Public Hearing for Concomitant Agreement Release for Trident Business Park
- * * * Executive session regarding real estate matters for 10 minutes pursuant to RCW 42.30.110 (1)(b)

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the meeting to order in the Council Chambers at 7:00 p.m. and led the Pledge of Allegiance.

2. AGENDA APPROVAL

Mayor Erickson said she will be recusing herself from the executive session at the end of the meeting, and the agenda is as stands.

Motion: Move to accept the agenda as presented.

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

Motion carried.

3. COMMENTS FROM CITIZENS

None.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Thomas said Veterans Day is coming up next weekend. The VFW and American Legion are placing flags tomorrow at 10:00 a.m. at the Poulsbo Cemetery.

Councilmember McGinty said Daffodil Day was successful last Saturday.

Councilmember Lord said several initiatives were passed during the elections, one which affects our budget regarding the police department regulations. She would like the Finance-Administration Committee to look at what the implications will be for our upcoming biennial budget.

Councilmember Garland attended Salmon Days at Fish Park and thanked everyone who made the great event happen.

Mayor Erickson thanked Councilmember McGinty and everyone for attending Daffodil Day; 3,750 bulbs were planted. Fish Park had 870 visitors at Salmon Days, it was a huge turnout. The NK Fishline building is opening this Saturday. The Cemetery has a cleanup on Saturday morning as well.

Mayor Erickson commented on an incident regarding a service dog and his handler at a local business a couple weeks ago. Since then, she has done some research and talked about Layla's Law RCW 9.91.171, which is adopted by reference in Poulsbo Municipal Code 6.01. She recommends calling 9-1-1 if a violation occurs. She noted a publication titled *"Guide to Service Animals and the Washington State Law Against Discrimination"* published by the WA State Human Rights Commission and will make a copy available to anyone who wants a copy. It tells business owners what they can and cannot do with service animals in their premises. She said unfortunately there are not clear guidelines of what service animals are; they are not licensed. It would be good if the state legislature would create a true definition of service animals to help both the people who need the service of these animals and the local merchants.

5. CONSENT AGENDA

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

The items listed are:

- a.** October 10, 2018, City Council Meeting Minutes Approval
- b.** Records Digitization Grant Agreement and Budget Amendment

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

6. BUSINESS AGENDA

- a. KEDA 3rd Quarter Presentation**

John Powers, KEDA Executive Director, presented the KEDA 3rd Quarter report, which included business retention, expansion and attractions. He introduced Chris Wade, owner of Velosys, who shared his story regarding his business in Poulsbo.

Councilmember Musgrove asked about the link between KEDA's efforts and Mr. Wade's efforts. Mr. Wade said he started when he met Mr. Powers through the Tech Committee, where he started meeting with people in the community with the same interests.

Councilmember McGinty asked when they recruit talent, is the challenge competing salary-wise or environmental-wise. Is there anything the City could do to bring in talent. Mr. Wade said the number of breweries in Poulsbo helps. The broadband capabilities are another benefit.

Councilmember Thomas said he is excited to have this type of business operating in Poulsbo.

Councilmember Lord said every year they support KEDA with funds, and this is a perfect example of why they do this.

b. MRSC Presentation – Executive Office Reorganization

Tracy Burrows, MRSC Executive Director, introduced Ben Yazici, retired City Manager of the City of Sammamish and Rob Karlinsey, Kenmore City Manager. Ms. Burrows gave a presentation titled "Choice of Form of Government". Presentation highlights included: Mayor-Council plan with a city administrator; Council-Manager plan; Council-Manager Plan with elected mayor; number of cities by form of government; comparison of similar size cities; compensation of city administrator; hiring of the city administrator; city administrator options; changing the form of government; timing of transition to new form; transition to council-manager form; hiring of city manager; compensation of city manager.

Councilmember Lord asked for clarification on RCW 35.12.100 regarding confirmation of a City Administrator. Ms. Burrows said for the City Administrator, they can confirm the position if they haven't established the duties and responsibilities in city code. Mayor Erickson said it is not a good idea to codify job descriptions.

Councilmember McGinty asked if the Council can establish a process for hiring the city administrator. Ms. Burrows said there are no restrictions in the RCW. Mr.

Karlinsey added the city administrator will have an employment contract that will require city council approval.

Councilmember McGinty asked how long a normal transition period would be for a change in government. Ms. Burrows said the Mayor would no longer be the Mayor as soon as the election were certified, it is abrupt, and the interim would need to step up. The transition happens the day the election results are certified. Ms. Burrows said cities usually hire an interim manager to help through the transition period while preparing to hire the formal city manager.

Councilmember Lord could see a financial risk, because there is no guarantee what the citizenry would vote. They could hire an interim manager and if the ballot fails, the manager would not transition. Ms. Burrows said she would not hire an interim in advance, because they don't know what the outcome of the election would be. Typically, a department head will serve as the interim manager. Cities moving from a strong mayor to a manager form of government is because the Mayor feels there is a need and supports the transition, or there has been some crisis and the citizens are not happy with the form of government and there is a move for change. Absent a crisis or a strong and united recommendation of the Mayor and Council, it is unlikely the ballot would prevail.

Councilmember Musgrove said he was under the impression there are different names that can be used for a city administrator. However, at the last council meeting he got the impression it is very rigid what a city administrator is. He asked if there is a difference between a professional assistant to the mayor and a city administrator? Ms. Burrows said there are different job titles for city administrators. Some titles are deputy mayor, city supervisor, and city administrator (which is more typical than assistant to the mayor, but that title could have the job duties of a city administrator).

Councilmember Musgrove clarified the difference between an assistant, who would assist the mayor with their workload, as opposed to an administrator, which is a defined position in its own with specific authorities, not just on behalf of the mayor but instilled into that position. Ms. Burrows agreed that is accurate. In the professional field, professionals would distinguish between a city administrator position and assistant to the mayor, it would be a different caliber and level of experience that would apply to a city administrator position.

Councilmember Lord said if the Council chooses to, they can set the qualifications and duties, otherwise it is set up by mutual agreement and codified and confirmation does not happen. The process for a city administrator would be a budgetary process, set up by getting the salary range include in the salary schedule, and creating a position through the budget. It is voted by council and if approved, becomes a

position. It sounds straight forward. Mayor Erickson said it is a super-department head who manages the other department heads.

Mr. Yazici shared his background in municipal government and shared the value of the city administrator/manager.

Mr. Karlinsey shared his background in municipal government having worked both as a city administrator and city manager. He shared his insights and experiences in both positions.

Councilmember Thomas said it becoming clear to him that both city managers and administrators come from the same pool of expertise and professional background. He asked what the ICMA standards are. Mr. Yazici said they have twelve ethical standards they must abide by, and he will forward these standards to the Council. Examples include honoring the values of the elected officials, honoring the policies and directions the council must go; not putting personal interests above what is in the best interest of the community, even if it means they need to be let go. Mr. Karlinsey added they must be apolitical, that is important because they need to be professional and impartial and be everybody's city administrator/manager.

Councilmember McGinty said twelve years ago the City of Poulsbo looked at getting a city manager, and they were not successful. In the Finance-Administration Committee, they have talked about the fact that they have a good, strong mayor who has a business background, and the future risk of not always having that benefit. The committee noted the citizens are going to see dollar signs. They may say everything is working fine, why do we want to support another position with that salary. He asked how the council could encourage the public to support this change and how to bring them along with this transition.

Mr. Yazici said if he had a \$12MM enterprise, he would want somebody professional to run that business. Quite often we state that we are doing excellent, but if you are not making continual improvements you are staying behind. He guarantees that the salary the City would pay for a professional administrator would be paid for in savings found in efficiencies by the administrator. Their skills set will be able to take the city where they want to go in the future.

Mr. Karlinsey said as far as bringing the community along, he suggests they do take their time with the community and host different events. They can have panels come in and talk at town hall style meetings. They can promote the community conversation for a while prior to the decision.

Ms. Burrows said she could get Poulsbo in touch with other city councils who recently went through this change, so they can share their experiences from their processes.

Councilmember Musgrove wanted the public to know that the City is not currently doing anything. They are checking out their options and seeing if there are better choices now that the City has changed from the last time this question was brought before the citizens. He also said the ICMA Code of Ethics is awesome and it is very comforting. He would like the City Council to have the same code. He stated they are doing well with this Council and Mayor. Why would they want to change when things are great? He asked if they have any suggestion on how they should determine if they should change their form of government.

Mr. Yazici said timing is everything. You do not want to have this discussion in the middle of the election of the new mayor. It is timely to have this discussion now. He noted the current Mayor has done a fantastic job, but you cannot guarantee that type of success moving forward. There is no guarantee you will find another mayor in the next election with the same skills set. The city administrator will give you the continuum of a stable organization in the direction the council wants to go. The decision of city manager or city administrator is up to the city and community to make that decision. It is what fits in best for your community. It seems like the mayor form of government has been working, so it makes sense to begin with a city administrator and see how it works. Changing the form of government is a bigger issue. There needs to be unanimous consensus with the mayor and council. If there is a crack, it will fail. When there is stronger political and community support, it has more success. He does not have statistical information that will show one form succeeding better than the other form.

Ms. Burrows said the question of "why should the City do this" needs to be answered by the Council themselves. If the Council is confident through the mayoral transition that they will continue to be successful, because they have other structures in place for professional management, then maybe they have answered the question. But if they are concerned in the next mayoral transition they won't have that same level of professional expertise and management that they do now, then that is what they need to consider.

Councilmember Lord asked if they could forward the "ICMA Newly Elected Leader Booklet" that has a section on hiring professional city managers/administrators. Ms. Burrows said she can send that in electronic format to the Council and Mayor.

Councilmember Nystul asked what the length of time the average tenure of city manager is. He asked if it is normal to have changes in this position often. It is not adverse if they do not stay long. Ms. Burrows said the average tenure is seven years.

Councilmember Nystul asked if there had ever been a situation where the Council funded a city administrator and the Mayor chose not to fill the position. Ms. Burrows

could not recall any situation like that. Most mayors want city administrators to help them.

Councilmember Lord noted she read if they do change their form of government, they are obligated to keep it in effect for six years. After that point, the City could revert back.

Mayor Erickson and the Council thanked the panelists for taking time out of their evening to come and share their insights and knowledge.

c. Public Hearing for Concomitant Agreement Release for Trident Business Park

At 8:51 p.m., Councilmember Musgrove recused himself from the meeting ensure there is no appearance of a conflict of interest, because he has done contract work with Edward Rose on a property adjacent to the one being discussed to.

Associate Planner Powers presented the agenda summary, noting the Poulsbo Planning and Economic Development Department has received an application requesting release of a concomitant agreement attached to the property at 21868 Viking Avenue NW. Parcel numbers: 102601-4-028-2003 and 112601-3-003-2003. The concomitant agreement was for a rezone of the property from R1 (Residential Single-Family) to BLI Business Light Industrial in 1987. Release of the concomitant agreement is a Type V permit and requires a public hearing and decision by City Council. If the release is approved, the City Council will need to adopt an ordinance approving the concomitant agreement release and adopting findings and conclusions.

Councilmember Lord asked if they applied for any further development on the site besides a connecting road. Associate Planner Powers said they have not received any new plans for this site.

At 8:59 p.m., Mayor Erickson opened the public hearing, and receiving no comments, closed the public hearing.

Motion: Move to approve the requested Trident Business Park Concomitant Agreement release, as identified in staff report Exhibit B, and direct the Planning and Economic Development Director to prepare an adopting ordinance in support of this decision.

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

Motion carried.

At 9:01 p.m., Councilmember Musgrove rejoined the meeting.

7. COUNCIL COMMITTEE REPORTS

None.

8. DEPARTMENT HEAD COMMENTS

None.

9. BOARD/COMMISSION REPORTS

Councilmember Thomas attended the NKSD board meeting. They have hired a demographer to review their districting.

Councilmember Lord reported she attended the MOU Committee meeting with Councilmember Stern and McGinty and the Suquamish Tribe on Monday.

Councilmember Nystul reported KRCC met on Tuesday, and the City of Bremerton may rejoin.

Councilmember Musgrove attended the FCC Small Cell seminar. He forwarded the slide presentation to the Economic Development Committee and Planning Director Boughton. There are new federal regulations that they City will have to comply with.

10. CONTINUED COMMENTS FROM CITIZENS

Antonio Fajarda Fett made some points of correction on the service animal incident. He said he had referenced RCW 49.60.218 and ADA, so it wouldn't be correct to call law enforcement. He shared the definition of a service animal. He requested the City pass legislation that makes it a crime called malicious discrimination to discriminate against a protected class after being told it is illegal to do so. He noted on January 1 it will be illegal for an individual to misrepresent their animal as a service animal per RCW 49.60.214.

Tom Evans spoke regarding the restructuring of the executive department. He asked that they take into account the experiences of other municipalities. In Poulsbo, our current Mayor is a competent professional, and when her term expires, he is certain Poulsbo will produce a competent professional to be the next mayor. Accountability of the office is maintained through the electorate, and an engaged city council. Special interest in Poulsbo are neutered by the independent streak and modestly funded campaigns with

our city's elected officials. He appreciates the different options discussed tonight, he does not think uncertainty of the future is a viable problem statement. The problems that have led other cities away from a strong mayor form of government do not exist here in Poulsbo. A final decision should be made by the people, and they should know why.

11. MAYOR & COUNCILMEMBER COMMENTS

Mayor Erickson said Mayor Mitchusson was a Public Works Director before becoming mayor. He was successful, and everything was going along fine. Then Mayor Bruce took over during the Olhava controversy and it started to get bumpy. Then Mayor Quade was the next mayor, and it was bumpy, and the Council voted \$5,000 for additional training budget, because they felt insecure about her abilities.

Councilmember McGinty said he didn't believe the Council felt insecure, they thought it would be advantageous.

Mayor Erickson said one of the reasons she ran to be mayor was because she felt things were going bumpy, this building was being built and the recession was happening. Mayor Erickson said the reason they are having the executive office conversation is she feels very insecure about leaving the office unless she has some feeling there is going to be someone who will step up and run it professionally.

Councilmember Lord appreciates the Mayor's opinion and felt there was a mischaracterization -- she doesn't believe the Council was worried about Mayor Quade's abilities. She is uncomfortable characterizing her leadership in that way. She had her heart in the right place. Councilmember Lord is not fearful of the City's future. This is an extremely well-timed exploration of how they should proceed if they want to change. They need to have a good conversation about it. They have three years; she does not want to rush this process. Having this information tonight was healthy. She said Mayor Mitchusson did a good job. His term was through different economic times with a smaller population. He resigned, and Mayor Bruce took over and did a very good job under the transition. No one was a professional manager of a municipal organization, but they all did a good job. They have had a strong city council to back up the mayors. She feels the City Council was stalwart, solid and united on how they approached governing the City. She thinks all the Mayors have brought a wonderful skillset to different types of degrees. They have all done their very best. The Mayor does not control everything, they must have a strong council as well, and they have had one. They hold all of their past mayors in good repute.

12. EXECUTIVE SESSION

At 9:16 p.m., the Council recessed into a 15-minute executive session regarding lease and purchase of real estate for 15 minutes pursuant to RCW 42.30.110(1)(b). Mayor

Erickson recused herself from the meeting, and Deputy Mayor McGinty chaired the session. No action was taken.

13. ADJOURNMENT

At 9:26 p.m., Deputy Mayor McGinty adjourned the meeting.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk