

POULSBO CITY COUNCIL MEETING OF NOVEMBER 14, 2018

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, Public Works Superintendent Lund, Parks & Recreation Director McCluskey, Police Chief Schoonmaker, IT Senior Technician Williamson, Public Works Office Manager Wood, Parks & Recreation Administrative Assistant Hightower, Associate Planner Powers, Planning Technician Wytko, Police Administrative Services Manager Ziemann

MAJOR BUSINESS ITEMS

- * * * Behavioral Health Navigator Interlocal Agreement
- * * * Ogden Murphy Wallace Rate Proposal Agreement
- * * * Minutes of October 17, 2018, Council Meeting
- * * * Ordinance No. 2018-25, Setting the 2019 Property Tax Levy
- * * * Public Hearing for 2019-2020 Biennial Budget
- * * * Special Budget Work Session – Department Presentations

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

Motion: Move to approve the agenda as presented.

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

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 said last week's workshop seemed to have gone well. He noted the current Kitsap Peninsula Building Journal featured many Poulsbo projects, and he said Monday is the Kington fast ferry dedication ceremony.

Mayor Erickson said the capacity of MV's Finest is 350. It will begin with 250 passengers, but they can crew up if necessary.

Councilmember Musgrove announced an upcoming volunteer opportunity Sunday at 8:00 a.m. to put up the holiday decorations and lights downtown.

Councilmember Thomas noted many upcoming events: December 1 is the Sons of Norway bazaar, Shop with a Cop event at Walmart, and Julefest at the waterfront; November 23 is the Christmas tree lighting at 6pm on Viking; December 2 the Poulsbo Youth Sympathy performs; and December 15 is the Tuba Christmas at the Waterfront Park.

Councilmember McGinty enjoyed helping the VFW on Thursday put up flags for veterans at the City Cemetery.

Mayor Erickson attended the Veteran's Day ceremony on Monday at the President's Hall.

Councilmember Lord said on Sunday there is also a Christmas tree lighting at the waterfront park and they are putting a star on top of the pavilion. She noted the HDPA answers all the letters left at Santa's hut and thanked them for all their hard work. She said the City will be working on a plan to explore taking over the function of putting up lights downtown, there will be a new program request put forward in the budget.

Councilmember Garland thanked Councilmember Stern for putting together the workshop last week. She reminded the public to be careful and watch out for pedestrians during these darker days.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a through c.

The items listed are:

- a.** Behavioral Health Navigator ILA
- b.** Ogden Murphy Wallace, PLLC Rate Proposal Agreement
- c.** October 17, 2018 City Council Minutes Approval

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

6. BUSINESS AGENDA

a. Ordinance No. 2018-25, Set the 2019 Property Tax Levy

Finance Director Booher said the City will be levying \$2,574,538. This includes 1% above our highest allowable levy and additional amounts for new construction. This increase over the 2017 levy is a 0.42 percent, which is a \$10,343 increase over last year's levy. The assessed value was updated to \$1,877,000,000 and the new construction is \$51,000,000, consistent to what was approved last year. This creates a rate at almost \$1.37 (maximum allowable value is \$1.60).

Motion: Move to approve Ordinance No. 2018-25, an ordinance of the City of Poulsbo, Washington levying the general taxes for the City of Poulsbo for the fiscal year commencing on January 1, 2019, on all property, both real and personal, in said city which is subject to taxation for the purpose of providing sufficient revenue to carry on the several departments of said city of the ensuing year as required by law, and approving an ordinance summary for publication.

Councilmember Nystul pointed out that the City is getting \$10,000 additional.

Councilmember Musgrove clarified that .42% is not an increase in the rate. Finance Director Booher said that is correct, the rate is not higher than last year.

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

b. Public Hearing for 2019-2020 Biennial Budget

Finance Director Booher presented the agenda summary, noting the Public Hearing regarding the 2019-2020 Biennial Budget will be opened tonight and continued to November 21, 2018. This gives the public an opportunity to address the Council regarding the 2019-2020 Biennial Budget.

At 7:18 p.m., Mayor Erickson opened the public hearing. No comments were received.

Councilmember Lord asked Mayor Erickson to give an overview of how the biennium budget has been successful. Mayor Erickson said the success goes to the excellence of our Finance staff. The biennial piece allows us to look out into the future and plan in a better way. In a management standpoint, it is much more helpful. She would love to do a five-year budget.

Motion: Move to continue the public hearing to Wednesday, November 21 in the Poulsbo City Council Chambers.

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

Motion carried.

c. Special Budget Work Session – Department Presentations

Legislative

Finance Director Booher presented the legislative budget highlights, which included a baseline adjustment request for the lobbyist in the amount of \$10,000, and a new program request for the National League of Cities annual membership dues.

Police

Police Chief Schoonmaker presented four baseline adjustment requests: 1) overtime wages (\$65,000); 2) training (\$5,000); 3) casual labor, specifically for court security (\$7,000); 4) care and custody of prisoners; and one new program request: 1 FTE Police Clerk, which will get them to their 2006 staffing levels.

Councilmember Stern asked Judge Tolman his thought about the need for additional police attendance in the courtroom. Judge Tolman said he absolutely agrees with the Chief for additional court security. They are looking at physical changes in the court room in addition to more security.

Mayor Erickson noted the court room hours are increasing in order to keep the congestion down.

Engineering

Director of Engineering Kasiniak presented six baseline adjustment requests: 1) new car for department; 2) increased funding for AutoCAD; 3) ADA transition plan; 4) reclassifying position; 5) two new positions; and 6) update the PMC as it relates to the building code with professional services.

Councilmember Nystul stated that the Noll Road construction manager and construction administration are not discretionary positions. Director of Engineering Kasiniak said these can be funded by the grant and by impact fees. Once the project is completed, these positions will likely go away.

Executive

Mayor Erickson presented two new program requests: 1) \$60,000 for the mental health program, and 2) \$45,000 per year for health insurance for part-time employees.

Municipal Court

Judge Tolman said Municipal Court is asking for one part-time court clerk. In 2019, they will be working full time in the court on Wednesday, they've processed about 550 passports this year, had approximately 870 people on probation that they follow up with, and 4,500 court hearings this year so far.

Parks & Recreation

Parks & Recreation Director McCluskey presented three new program requests: 1) half-time programming person moved to full-time; 2) day-to-day operations casual labor for the P-Patch; and 3) preschool teacher bumped .85 to .90 FTE. She presented two new program requests: 1) two Flying Junior two-man Dinghies, and 2) big room carpet replacement.

Parks & Recreation Director McCluskey presented the Lodging Tax Advisory Committee's recommendation on funding seven proposals totaling \$150,000 for 2019.

Planning & Economic Development

Planning Technician Wykto presented one baseline adjustment request totaling \$20,000 for professional services, and one new program request in the amount of \$40,000 to hire a professional consultant to conduct a Downtown Poulsbo Parking Study. Additional options for new program requests included: \$20,000 to establish an on-going budget for public art, \$15,000 to establish on-going budget for economic development initiatives, and \$20,000 for a referendum for GO Bonds for a parking garage. She reviewed the department's 2017-18 accomplishments and the 2019-20 goals and work plan.

Councilmember Thomas asked if the \$20,000 for the parking garage ballot issue was for the election, or planning leading up to the election. Finance Director Booher said it would be the cost for the ballot measure. If it were approved, then the City would go out for voted debt. Mayor Erickson said they have heard a lot of people asking for parking in the downtown core. This is the way to provide a parking garage, it would

be voted debt to build the parking garage. The City cannot afford \$12MM to build a parking garage. Grants are not available for this type of project.

Prosecuting Attorney/Risk Manager

Prosecuting Attorney Foster said public safety has increased dramatically, making it impossible to focus on Risk Management. She provided workload metrics. Her budget requests an assistant city prosecutor. This will allow her to focus on proactive needs of the risk management department. This will also provide back up for the prosecution functions.

Public Works

Public Works Superintendent Lund presented the following requests: 1) HDP Christmas lights installation; 2) 1.0 FTE mechanic; 3) asset management/work order software; 4) money for cemetery electricity; 5) 1.0 Parks FTE; 6) 1.0 Streets FTE; 7) Civil Engineering reclassification; 8) \$20,000 for annual hydrant maintenance; 9) hot box for sewer; 10) financial review for sewer rates (\$15-20,000 for consultant). Baseline adjustment requests included: Repairs and maintenance – city hall monitoring; parks casual labor; streets ERU fees King Olav parking lot and casual labor; water credit card fees, supplies and repairs, casual labor, and PSE; sewer credit card fees and casual labor; solid waste credit card fees; and storm drain credit card fees, dues and subscriptions, repairs and maintenance, and casual labor.

7. COUNCIL COMMITTEE REPORTS

Economic Development/Tourism Committee: Councilmember Stern reported they discussed the vision proposed of the greater Poulsbo recreation center and concept planning; PSRC Vision 2050 update and population allocation.

Public Works Committee: Councilmember Musgrove reported they discussed getting a placeholder in the budget for potentially taking on the related duties for decorating downtown for the holidays; staff is looking to do a review of the traffic impact fees; the committee will cancel the last meeting of month and have meetings on the December 12 and 19; received an update on Forest Rock Lane; asset management software, and ILA with Kitsap County for traffic signal maintenance.

Councilmember Nystul added that the asset management software is partially grant funded and will enable Public Works employees to take a picture of all storm drains and document maintenance.

Community Services Committee: Councilmember Thomas reported they discussed ADA playground concept; WSU Extension ended their P-Patch contract (they are education oriented and they noted the gardeners were not interested in learning); PFD proposal for

a recreation center will be presented on Monday, December 3 to the District Board. They also received an update on park improvement projects.

Finance-Administration Committee: Councilmember Thomas reported they discussed the budget, sales tax (likely to exceed budget), and real estate excise tax (REET) is over budget (surplus is being saved for the Noll Road project).

Councilmember Thomas asked for feedback from the Council on the executive office workshop.

Councilmember Lord said the workshop was useful, and she received clarity on the two options. She is informed and can work through her assessment of this easily.

Councilmember McGinty asked if the Council desires any more information before coming to a consensus on which option to continue to explore. Councilmember Lord said she is leaning more toward a city administrator option, instead of overhauling the structure of our government.

Councilmember Musgrove would like to hear what the committee comes up with. He said the largest city in Washington has a Mayor and Council with no city administrator and asked how they can pull it off. He asked the committee to do more digging and make a recommendation based on what they find.

Councilmember Nystul said based on his first-hand experience, absent a significant event happening in the city, the city administrator is the appropriate way to go.

Councilmember Stern said the Finance-Administration Committee is leaning toward recommending the city administrator option. The committee wanted to get Council's feedback. He reviewed the timeline working back from December 2021. They need clear signals in 2020 so the subject will not be confused with the people and personalities running for mayor in 2021.

Councilmember Thomas said the committee would prefer to set aside looking at the city manager option and concentrate looking at a city administrator versus having no change at all. It is not an imminent decision that has to be made. They need public input. They want a sense of consensus from the council before doing more digging. Going the route of a city manager is an intense project, and if they don't have to do that work, they would rather not.

Councilmember Musgrove asked if he could get a synopsis of why the city chose the city manager option the last time this discussion was brought up. Councilmember Lord said they did not research it thoroughly. They heard that people were interested in the option, so they put it on the ballot, and it was rejected. But she does not recall why they chose that option.

Councilmember Thomas said based on what they heard tonight, the committee is going to discontinue looking at the city manager option and begin to focus on the other options.

8. DEPARTMENT HEAD COMMENTS

None.

9. BOARD/COMMISSION REPORTS

Mayor Erickson said she is on the Finance Committee for Housing Kitsap and has been meeting every week for the last three months. They are trying to work it out the best way they know how. She has volunteered to chair Housing Kitsap next year, she has had a lot of experience of working with companies in trouble. She will also be chair of Kitsap Regional Coordinating Council, and they're creating an affordable housing task force for the entire county to explore the ILA between the cities and county on how document recording fees are used and funded. New legislation was passed last year which forbids landlords to discriminate against Section 8 vouchers, but there's hidden language for \$8 recording fee that requires an ILA, which doesn't exist right now.

At Puget Sound Regional Council, she is vice chair of the Transportation Policy Board and the chair has announced that he is not running. She does not know what that means for her.

Councilmember Garland reported the Tree Board met on Monday. They discussed the budget and the board committed funds for pruning tools for Public Works. They discussed Public Works staff taking pruning classes. They are ready to make a recommendation to the cemetery committee regarding trees at the cemetery. A job description was created for an intern position that they would like to have to help with programming. A list of ornamental trees was created for Centennial Park.

10. CONTINUED COMMENTS FROM CITIZENS

John Nantz said he went to the Forest Rock meeting and he doesn't know how to provide input. Traffic has been increasing everywhere. Their street was residential, turned collector, and now it will be repaved. Every house built up the hill will be going down Forest Rock Lane. The County is also developing up there. He said there are unhappy people who do not feel they are represented by their elected officials.

11. MAYOR & COUNCILMEMBER COMMENTS

Mayor Erickson attended the Forest Rock Lane meeting and 28 people attended, most of the people were happy with the plans put forward. It was a cordial meeting. They told them exactly what was going to be done with the road. She did not get the sentiment that people were unhappy about the road being built. Public Works Superintendent Lund said there were concerns about increased traffic, but that is all around town.

Councilmember Lord appreciated Mr. Nantz's comments. She was at Public Works Committee today and they got a briefing on the reconstruction project of Forest Rock. They want to put speed control for the downward portion. They are contemplating narrowing the lane slightly to discourage speeding. There is heavy traffic all over town, and those types of measures can help. But this is a fact of life in Poulsbo, and everyone has to deal with more traffic.

Councilmember Nystul said he had asked the mayor for some commuting data since the City is in labor negotiations. He said it is something to think about as they move down the road.

12. ADJOURNMENT

Motion: Move to adjourn at 8:46 p.m.,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk