

POULSBO CITY COUNCIL MEETING OF JANUARY 16, 2019

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Public Works Superintendent Lund, Police Chief Schoonmaker, City Engineer Lenius, Associate Planner Coleman, Senior Engineering Technician Hart, Engineer I Roberts, IT Senior Technician Williamson.

ABSENT: Councilmember Thomas

MAJOR BUSINESS ITEMS

- * * * Contract No. KC-256-17-A, Res. 2019 Amendment to Agreement with Kitsap County for Incarceration of City Prisoners
- * * * Resolution No. 2019-01, Fee Schedule Resolution Update
- * * * Minutes of November 21, 2018, Council Meeting
- * * * Minutes of December 5, 2018, Council Meeting
- * * * Minutes of December 12, 2018, Council Meeting
- * * * Minutes of January 9, 2018, Council Meeting
- * * * Set the Docket for the 2019 Comprehensive Plan Amendments
- * * * Asset Management Software and Services Purchase Agreement
- * * * City Lobbyist Contract and Budget Amendment
- * * * Executive Session for Real Estate Matters per 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 noted that there was an amendment to Business Item 6a.

Motion: Move to approve the agenda with noted amendment.

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

Motion carried.

3. COMMENTS FROM CITIZENS

Steve Smaaladen asked for clarification if Business Agenda Item 6a was pulled from the meeting. Mayor Erickson said a piece has been pulled, but not the whole agenda item.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Stern shared the banners that the City is producing to put up on the light poles of SR-305 to promote both of the colleges in Poulsbo. Mayor Erickson said this is a way to demonstrate the City's support of WWU and OC and a way to attract enrollment.

Councilmember Lord noted the City's comprehensive plans calls the City out as a college town. This is something the City has been working on for 10 years. Both colleges are invested in the community. She applauded the Mayor for working with WSDOT to get their permission to install the banners on the highway light poles.

Councilmember Musgrove said we have an upcoming holiday weekend and to be careful when out on the roads and walking.

Councilmember Garland shared that her and her husband are involved with Poulsbo Elementary PTSA and recently her husband applied for and was awarded a grant for hosting an internet safety program in Poulsbo. They will host a digital safety event on February 8, 2019, in celebration of safer internet day.

a. State of the City January 2019

Mayor Erickson presented the State of City address. Presentation highlights included:

- Olhava-College Market Place-Upper Finn Hill
 - Business revenue stable
 - A new hotel! Spring of 2019?
 - Housing Kitsap apartment building
 - Vista Park, Central Park
 - PFD grant submitted- Poulsbo Event and Recreation Center (PERC)
 - New subdivision- Westwood, Spencer
 - Road improvements: Finn Hill- Spring 2019
- West Poulsbo-Viking Avenue
 - Fishline and Olmsted complete
 - 91-unit apartment building- Arendahl- complete and almost full
 - Retails sales are up: The RV's have come home
 - Stormwater park-waterfront park

- James Lumber soon to be Advanced Rental
 - Integrity Roofing
- North Viking Avenue
 - Edward Rose moving forward, but slowly
 - Arco AM/PM mini mart now complete and now open
 - Future impact- Kingston Fast Ferry, 40,000 cars a day at Bond and 305!
- Highway 305 Corridor
 - Dog Fish Creek- Centennial Park is beautiful
 - Welcome the Centennial Building: Vibe CoWorks, ChocMo, High Spirits, and Crabtree Kitchen and Bar
 - Forest Rock Lane: repaved this spring
 - Library transfer complete
 - The 305 Building?
 - Striping 10th Avenue
- Historic Downtown
 - Stable and new tenants: increased sales
 - Poulsbo Historical Society: enlarging the Maritime Museum, the Hyak
 - City Hall property 75-unit apartment
 - Police Station as 25 apartments
 - New development in Poulsbo Place? Torval Canyon? Hart Court?
 - Cruise ships twice a week
 - Zoning code changes have an effect
- Old Town – Quiet
 - Antonson Place- 1 left
 - Whitford Cottages- 1 left
 - Shellfish harvesting Liberty Bay
 - Sewer infrastructure complete
- Noll Road, Lincoln, Caldart- East Poulsbo
 - Mountain Aire- 148 houses- complete and sold
 - Peninsula Glen, Woodcreek 64 new apartments
 - Crystal View, Languanet, Blue Heron, Poulsbo Meadows, Mesford, Caldart
 - Morrow Manor- construction this spring
 - Our cemetery is enhanced: the Pergola
 - Johnson Parkway: a roundabout with art
 - The Johnson Parkway Roundabout: a replacement for Noll Road
- Big Questions:
 - Affordable Housing: how do we create more?

- Pedestrian Safety: what is the plan?
- Metropolitan Park District: paying for parks and PERC
- Public safety and social support: where is the balance?
- The need to deal with infrastructure, 50 year questions
- How do we deal with increasing traffic?
- Zoning: do we have enough land for economic growth?
- Zoning: do we have enough land for public spaces?
- Zoning: is there a proper balance?
- How do we keep Poulsbo the town we love and let it grow?

Councilmember Stern shared the largest concern is growth in the town and that citizens feel “we are going to ruin Poulsbo.” He has been hearing that through six election cycles. He appreciates the concern, but what is cool is over the six cycles the town has grown from 4,000 to 11,000, and he keeps hearing the verb “ruin” in the future tense. The charm, sense of community, and the beautiful natural environment is still here. That is not to underscore the concern that it could be ruined in the future if we are not careful and sensitive. The Council, Mayor, and staff work hard to keep Poulsbo Poulsbo.

Councilmember Stern commented on the downtown map. The City is looking at some work early in the next decade (2021-2022) on Front Street. He would like the City to try to budget for tabletop crosswalks with LED lights, and a fence preventing jay walking in some of the problematic areas.

Councilmember Stern wants to revisit the 3rd Avenue street level restriction in 2019. He feels it is the most blighted piece of real estate in the downtown corridor.

Councilmember McGinty said the City has been proactive with pedestrian safety, having received a grant for projects. They are looking at different options with the pros and cons. Mayor Erickson said it is a conundrum. There are many people out walking. This needs to be a combination of both good traffic design and people being alert and responsible.

Councilmember Nystul said regarding 3rd Avenue, that staff said it takes about a year to revisit things if there is a problem. He said there is a mechanism to address this. He shares the concerns of the community about growth. He asked the Mayor how the City is doing financially.

Mayor Erickson said financially they are doing well. They were reviewing retail sales tonight in the Finance Committee, and revenues are up 14% over last year. They just achieved the double A bond rating, which is unusual for cities the size of Poulsbo. They are fiscal conservatives at the City of Poulsbo. They don’t spend money they

don't have, and are careful when spending the money they do have. There is a huge expenditure facing them for the Johnson Parkway project and the Public Works Facility project. They should be able to do both projects if the cash flow stays the same. Mayor Erickson said growth scares her, but what scares her worse are cities that don't grow, like Hoquiam. Poulsbo is fortunate that it is growing, but Poulsbo must make sure it grows in the right way. They want people to work and live here.

Councilmember Musgrove said regarding 3rd Avenue, he thinks everyone would welcome hearing any ideas coming forward. The concern is they have 20 years and 50 years to look out beyond. For downtown, there is a unique set of circumstances, one of which is it is trapped. It has no where to go or grow. It cannot get any larger; however, it can shrink. If there were some planning done on how to energize the dead space along 3rd Avenue, rather than just fill in holes, then there might be something to get behind, so they don't have to worry about it turning into mostly apartments and a few shops in 20-50 years.

5. CONSENT AGENDA

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

The items listed are:

- a. Contract No. KC-256-17-A, 2019 Amendment to Agreement with Kitsap County for Incarceration of City Prisoners
- b. Resolution No. 2019-01, Fee Schedule Resolution Update
- c. November 21, 2018, Council Minutes Approval
- d. December 5, 2018, Council Minutes Approval
- e. December 12, 2018, Council Minutes Approval
- f. January 9, 2019, Council Minutes Approval

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

6. BUSINESS AGENDA

a. Set the Docket for the 2019 Comprehensive Plan Amendments

Associate Planner Coleman presented the agenda summary, noting Poulsbo Municipal Code 19.40.050 sets forth the procedure for docketing and reviewing proposed comprehensive plan amendments. Presentation highlights included:

- Setting the docket & review process
- Seven applications submitted:

- Two requests to redesignate and rezone.
 - P-11-13-18-03
 - A request to re-designate and rezone a 2.56-acres located on 5th Ave from Residential Low to Park. If the site-specific amendment is approved, map amendments to Figure LU-1 will be required (along with an update to the City's Zoning Map).
 - P-11-15-18-05
 - A request to re-designate and rezone eight properties located north of McDonalds on Viking Ave NW from Residential Medium to Residential High. If the site-specific amendment is approved, map amendments to Figure LU-1 will be required (along with an update to the City's Zoning Map).
- Four requests for text amendments.
 - P-11-13-18-01
 - This application includes a text amendment to Chapter 12, the Capital Facilities Plan, to incorporate Appendix B-6 to reflect the updated 2018 Urban Paths of Poulsbo.
 - P-11-13-18-02
 - Text amendment to Chapter 12, the Capital Facilities Plan, to incorporate changes recommended by the Parks staff, Parks and Recreation Commission, and citizens.
 - P-11-13-18-04
 - Text amendment to Chapter 12, the Capital Facilities Plan, to update Table CFP-4 (the City of Poulsbo 6-Year Capital Improvement Projects) to reflect the proposed projects listed in the 2019-2024 Capital Improvement Plan.
 - P-11-26-18-01
 - Text amendment to Appendix B-4; Chapter 7; Chapter 12, Capital Facilities Plan for adjustments to funding sources estimated in the Comprehensive Plan, which will result in an increase to Traffic Impact Fees.
- One has been removed from the docket as they were unable to secure a property owner signature.

- P-11-15-18-02 – Site-Specific Request – Columbia Properties

Motion: Move to approve with modification of the additional memo the 2019 Comprehensive Plan Docket as set forth in the 2019 Comprehensive Plan Amendment Docket staff memo.

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

Motion carried.

b. Asset Management Software and Services Purchase Agreement

Public Works Superintendent Lund presented the agenda summary, noting the purchase of Cartegraph Enterprise Asset Management Software (EAMS) and Services was recommended for approval by the Public Works Committee on November 14, 2018. A New Program Request for EAMS was approved for the 2019-2020 budget. The Purchase Agreement and a demonstration of the software was presented by staff to the Public Works Committee on January 9, 2019. The Committee recommended Council approval of the Purchase Agreement subject to City Attorney approval. The Purchase Agreement is currently under review by the City Attorney. A software demonstration was given by Engineer I Roberts.

Councilmember McGinty asked how many other cities are using the software. Senior Engineering Technician Hart said Cartegraph has been in business for over 20 years, and there are numerous local cities that use their software. In a national survey, they were ranked in the top three for functionality and cost.

Councilmember Musgrove reported the Public Works Committee reviewed this project and recommended approval. This is an investment, and staff was awarded a time-limited grant to take care of a majority of the expenses. The committee is looking for savings from this investment. Staff will have better planning based on better data.

Councilmember Lord thanked Senior Engineering Technician Hart for getting the grant, which made this project possible and reasonable. This is a money saving thing in the long run if we can stay on top of what we have, instead of responding to emergencies. One selling point was there is an opportunity to customize reports.

Councilmember Nystul said one of the uses of this software is in the storm-sewer system. There will be regulatory savings down the road, because they can document when catch basins and bioswales are being serviced, which will provide data for the Department of Ecology.

Motion: Move to approve the Purchase Agreement for Cartegraph Asset Management Software and Services and authorize the Mayor to sign the Purchase Agreement upon final approval of the agreement by the City Attorney.

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

Motion carried.

c. City Lobbyist Contract and Budget Amendment

Mayor Erickson said this is an amendment to increase the contract with the city lobbyist. She was trying to negotiate the contract price at a lower rate but was unsuccessful. The City needs his services, he is lobbying on the City's behalf for \$2.5MM worth of grant requests for transportation and keeping us informed on other legislative issues. She requests the Council fund the full price of the contract.

Councilmember McGinty said this was discussed at the Finance Committee that things that are happening in the legislature have a significant impact on Poulso's future as far as land use and densities. It is important to have someone down there to lobby and watch out for our interests.

Councilmember Lord said there is also an advantage to having historical knowledge. The lobbyist understands Poulso and its needs. There would be a learning curve if they didn't want to honor the amount he is requesting in his contract. There isn't time to mess around with that, and he has done superb work for the City.

Councilmember Nystul asked if the City has a legislative agenda. Mayor Erickson said the City's priorities are 1) transportation dollars for Johnson Parkway/Noll Road, 2) transportation funding for the Dogfish Creek Culvert and Bjorgen Creek Culvert replacements, and 3) mental health funding and facilities. She said she needs to write these priorities down. Also, we are having to play defense to make sure local control is not taken away.

Councilmember Stern supports the budget increase and contract. The city lobbyist is effective at what he does, and he has the relationships and understanding of the environment. Poulso has a robust agenda, and they need to be proactive and bold, instead of reactive and defensive. He spoke regarding the upcoming AWC City Action Days February 12-14 and the scheduled events during the conference.

Mayor Erickson added there are regional projects for Kitsap transportations/ infrastructure issues that need collaborative work (ex. Gorst, SR-305 Bridge).

Councilmember Musgrove said he is looking forward to creating policies to support the lobbyist to go on the proactive offensive on our behalf. He confirmed the increase will bring the total to \$51,000. He asked if there are any things they can put into the list to show wins that are attributable to this investment. Mayor Erickson said last year the lobbyist got the City \$800,000.

Councilmember Musgrove asked if the Council could get copies of the legislative plans (both general and 2019) and get more updates from Bryan. Councilmember Stern asked that language be added to the contract that the council receive a bi-weekly summation during the sessions. Mayor Erickson agreed to add that change to the contract.

Motion: Move to approve Budget Amendment No. 19-0102 in the amount of \$15,000 for lobbying services and move to approve the agreement with BMCConsulting for 2019 Lobbying Services and authorize the Mayor to sign the agreement on behalf of the City as modified.

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

Motion carried.

7. COUNCIL COMMITTEE REPORTS

Public Safety/Legal Committee: Councilmember Nystul reported they received an update on the Public Defender RFP; update on the Port Orchard tornado from Police and Fire; municipal court has expanded to two calendars to relieve capacity concerns; overview of police department (drone program, property/evidence room improvements, community advisory committee formation, accreditation process, future staff retirements); update from Detective Wheeler on drug activities in the community (the committee recommended that the police department give the presentation to the full Council).

Finance-Administration Committee: Councilmember Stern reported they looked at the method of reimbursements on the LTAC grants; discussed the executive office reorganization (looking at a full council agenda item in May/June) and reviewed the minutes from November 2018 FAC; the committee is looking at whether they need to develop a policy statement for elected reimbursables; received an update on the public defender contract; reviewed sales tax and REET updates.

8. DEPARTMENT HEAD COMMENTS

Public Works Superintendent Lund thanked the Council for approving the Asset Management Contract and asked everyone to be safe on icy roads.

9. BOARD/COMMISSION REPORTS

Mayor Erickson reported on the WRIA (Water Resource Inventory Area) meetings she has been attending. It is a two-year process for jurisdictions to come to consensus about their decisions. The Hirst decision has moved the bar – there must be a net benefit, but there is no definition of net benefit. The last ten years have been spent building storm ponds and infiltration for stormwater, and now biologists are saying they don't have enough stream flow.

Councilmember Garland shared the Tree Board's 2018 Annual Report. Councilmember Lord said the Tree Board is one of the City's premier volunteer groups. She is excited about Poulsbo having its own arboretum.

10. CONTINUED COMMENTS FROM CITIZENS

Rick Eckert, North Kitsap School District Board Member, complimented the State of the City report. He commented on the intersection by Coffee Oasis, PERC, and city growth. The NKSD Board is looking at enrollment; they are going to be conservative this time. The high school is shifting to a new schedule next year (kids will be able to attend classes between NKHS and Kingston HS).

11. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Stern noted that WWU's logo is missing the word "Peninsulas" for the banner design.

Councilmember Lord said a non-profit group has formed to keep tabs on the Viking Avenue Level 3 Sex Offenders group home, and their next meeting is February 9 at the Fire Hall.

Mayor Erickson announced pet adoptions at City Hall on February 14.

Councilmember Garland said her thoughts continue to be with the coast guard families who are affected by the shutdown and all the other federal workers. She encouraged those who need help to not be afraid or ashamed to ask.

Motion: Move to adjourn following the executive session,
Action: Approve, **Moved by** McGinty, **Seconded by** Stern.
Motion carried unanimously.

Mayor Erickson recused herself at 9:05 p.m. Deputy Mayor McGinty continued chairing the meeting.

12. EXECUTIVE SESSION

At 9:05 p.m., the Council recessed into a 10-minute executive session regarding real estate matters pursuant to RCW 42.30.110(1)(b). No action was taken.

13. ADJOURNMENT

Deputy Mayor McGinty adjourned the meeting at 9:15 p.m.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk