

POULSBO CITY COUNCIL MEETING OF FEBRUARY 6, 2019

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, Associate Planner Coleman, Engineer I Roberts, Contract Administrator Zieman, IT Manager Stenstrom.

ABSENT: Stern

MAJOR BUSINESS ITEMS

- * * * Minutes of December 19, 2018, Council Meeting
- * * * Minutes of January 16, 2019, Council Meeting
- * * * Budget Amendment/BA# 19-0103 Hillside Benches
- * * * Budget Amendment/BA# 19-0104 Raab Park Sewer Rehab
- * * * Payable Disbursements for December 2018
- * * * Noll Road Improvement Project Ecology Grant Acceptance
- * * * South Fork Dogfish Creek Retrofit Project Ecology Grant Acceptance
- * * * Harrison Force Main Project Acceptance
- * * * Public Hearing for Release of Canyon Crest Rezone Concomitant Agreement
- * * * Ordinance No. 2019-01, Amending PMC 16.08 Shoreline Master Program
- * * * Ordinance No. 2019-02, Title 13.06 and 13.70 Water Connection Revisions
- * * * Resolution No. 2019-02, Engineering Application Fee Adjustment
- * * * Executive Session for Real Estate Matters
- * * * Executive Session for Potential and Existing Litigation

1. CLOSED SESSION

A closed session regarding union negotiations was held at 6:30 p.m.

2. 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.

3. AGENDA APPROVAL

Mayor Erickson noted there was a change to Consent Agenda Item 6g changing the dollar amount.

Motion: Move to approve the agenda as presented.

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

Motion carried.

4. COMMENTS FROM CITIZENS

Bill Anspach spoke regarding item 7b and thanked the planning staff for all of their hard work in correcting inconsistencies in the Shoreline Master Plan.

Rick Eckert, NKSD Board Member, announced they have two school resource officers in the District now. He thanked the City for allowing the City-funded SRO to serve both schools while they waited for the County to provide an officer for Kingston High School.

5. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Nystul reported he attended the Kitsap Economic Development Alliance (KEDA) Forecast breakfast where an economist from WWU, Congressman Kilmer and Captain Schrader from Naval Base Kitsap (NBK) spoke. He attended Kitsap Regional Coordinating Council on Tuesday and noted the group welcomed Bremerton back to the organization.

Councilmember Thomas said there is a youth advisory assembly planned for Saturday March 23. They are looking for high-school-student-age residents of the City of Poulsbo to participate. They are looking for teenagers' concerns and interests regarding the City of Poulsbo. It would also give the students a chance to learn about local government. Interested youth should contact him or Councilmember Garland via email (kthomas@cityofpoulsbo.com or agarland@cityofpoulsbo.com).

Councilmember Lord reported the presenters at the KEDA breakfast did a good job. Hart Hodges, Director for Western's Center for Economic and Business Research, simplified everything on the statistics for our county and the driving forces that are providing growth in the county. She noted the thrust has been to encourage telecommuting, but large corporations want key people to be networking with each other and are discouraging telecommuting. She noted the technology sector in Kitsap County has gained national recognition with Wall Street ranking as the #2 innovative market right behind San Jose. Captain Schrader gave a rundown of what the military is doing. They are reinforcing and expanding NBK. The shipyard is going to get a huge upgrade. Councilmember Lord also reported there will be a meeting at the Poulsbo Fire Station this Saturday hosted by the Washington State Public Safety non-profit organization regarding the placement of level 3 sex offenders in the community. The meeting may be postponed to next week due to the predicated snow storm on Saturday.

Councilmember Musgrove expressed his appreciation for NKSD Board Member Eckert attending the Council meetings and sharing updates at the School District. He clarified that an SRO is a school resource officer, which are police officers that work in the school. The City of Poulsbo provided the SRO to NKHS and to Kingston HS, while the district worked out the same deal at the County for Kingston HS. He also reported that Winterfest is this weekend.

Councilmember Garland announced the Smart Talk Digital Safety seminar is rescheduled for March 8 at the NK Auditorium and the Child Care and Preschool Fair has been rescheduled for March 9.

Mayor Erickson thanked Public Works and the Police Department for their responses to the snow storm. She referred to a map on the home page of the city website that shows which roads will be plowed and which roads will be closed.

Mayor Erickson said last Saturday was the Fishline Auction. It was a successful event.

Mayor Erickson said there are over 2,000 bills in the state legislature. There is a bill coming forward that is another large transportation infrastructure plan sponsored by Senator Hobbs. They are preparing an ask for North Kitsap County that will be published on Friday to go to Olympia.

a. 2018 Donation Summary

b. Day of the Sámi People Proclamation

Mayor Erickson proclaimed February 6, 2019, as the Day of the Sámi People.

6. CONSENT AGENDA

Councilmember Lord asked to revise one sentence in agenda item 6a, to provide clarity on a statement she made. Under Mayors Report and Council Comments, the minutes read that "she was shocked with the miscommunication and was very concerned." She requested to add after miscommunication "and lack of communication to the neighbors and county commissioner" to explain what miscommunication meant.

Motion: Move to approve Consent Agenda as modified.

The items listed are:

- a.** December 19, 2018 Council Meeting Minutes (Fernandez)
- b.** January 16, 2019 Council Meeting Minutes (Fernandez)
- c.** Budget Amendment/BA# 19-0103 Hillside Benches (Booher/Lund)
- d.** Budget Amendment/BA# 19-0104 Raab Park Sewer Rehab (Booher/Kasiniak)

- e. Payable Disbursements for December 2018 (Booher)
- f. Noll Road Improvement Project Ecology Grant Acceptance (Lenius)
- g. South Fork Dogfish Creek Retrofit Project Ecology Grant Acceptance (Kasiniak)
- h. Harrison Force Main Project Acceptance (Kasiniak)

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

7. BUSINESS AGENDA

a. **Public Hearing for Release of Canyon Crest Rezone Concomitant Agreement**

Association Planner Coleman presented the agenda summary, noting the Poulsbo Planning and Economic Development Department received an application requesting release of a concomitant agreement attached to the property at the NW corner of 1st Avenue and Torval Canyon Road, tax parcel number 142601-2-030-2009. The concomitant agreement was for a rezone of the property from R1 (Residential Single-Family) to R4 (Residential Four-Plex) in 1983. 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 Thomas clarified in 1982, the City Council used the concomitant agreements as a common way to regulate future development for a parcel. If this passes, it will release the agreement from the property, it will no longer be associated with the title, and then the regulation of development will fall back onto our current regulations.

At 7:37 p.m., Mayor Erickson opened the public hearing.

David Lee said he came to learn what is happening on the property. He wants to see how much traffic is going to be affected.

Mayor Erickson said he will be a party of record, so that as pieces go through the process, he will be notified. He is welcome to come and speak with the planning staff as this comes forward.

Councilmember McGinty confirmed tonight is not about a project, it is about getting the zoning with the latest growth management plan. Mayor Erickson agreed. She

said it is effectively zoned residential high right now, and it has an underlay from the history. They are taking the underlay away, and it will be zoned Residential High, and there are no current development plans for the property.

Associate Planner Coleman said they have had a few pre-applications meetings in the past, but there are no current development applications received by the City,

Linda Hyland said she understands the zoning is being changed and there is no plan for what is going on for that parcel yet.

Mayor Erickson said the zoning isn't changing. It has always been Residential High, what they are doing tonight is discussing removing certain levels of constraint per the 1982 agreement. They are replacing one regulation for another. They will now have to conform to today's standards, which are more restrictive than it was in 1982.

Laura Capalero came to see what is going on and if any development permits have been submitted. Traffic is a concern for her with any new development. She would like to be added to the list of interested parties for this property for future developments.

Stan Jorgenson said there is a spring that runs eight months out of the year that runs through the property. If it doesn't go crazy with development, he is okay with what happens.

At 7:45 p.m., Mayor Erickson closed the public hearing.

Councilmember Musgrove clarified they are only taking one action tonight, and that is making one change by eliminating an old contract on that property.

Councilmember Lord added right now if this is approved, there will be far more constraints on the property than there are at this point. There is a ravine on the property, and possibly a stream, and they will be addressed by the zoning and critical areas ordinances. It will be to the benefit of the whole city to have the agreement removed, so that it is governed by current regulations.

Motion: Move to approve the requested Canyon Crest Rezone Concomitant Agreement release, as identified in staff report Exhibit B, and direct the Planning and

Economic Development Director to prepare and adopting ordinance in support of this decision.

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

Motion carried.

b. Ordinance No. 2019-01, Amending PMC 16.08 Shoreline Master Program

Associate Planner Coleman presented the agenda summary, noting on April 11, 2018, the City Council held a public hearing on the proposed 2018 comprehensive plan amendments. Application P-10-31-17-02 involved the changing a shoreline designation for property located at 9589 Front St NE from Shoreline Residential to High Intensity and a text amendment to PMC 16.08.240 C.2 and, therefore, must be approved by the Department of Ecology prior to final adoption by the City Council. The City Council adopted Resolution 2018-07 on May 2, 2018, providing for initial approval of the change of shoreline designation, and setting forth that upon Ecology approval, an adopting ordinance will be brought back before the City Council for final action and adoption. The City transmitted Resolution 2018-07 and the limited amendment to the Department of Ecology on May 4, 2018. On August 22, 2018 the City received an informal list of issues as identified by the Department of Ecology. City and Department of Ecology staff met on September 10, 2018 and November 9, 2018 to discuss several changes to the original amendment. City received conditional approval by Ecology of the limited amendment to the SMP on January 4, 2019. The amendment package now limits the amendments to PMC Chapter 16.08 and no longer requires a comprehensive plan amendment.

Councilmember Lord asked for a summary what the Department of Ecology's (DOE) changes were. Associate Planner Coleman said the Department of Ecology did not want them to change the environmental designation, which was the original application. They felt it would have repercussions that could not be mitigated on site. What staff came up with was additional language to add to the regulations versus a map amendment.

Councilmember Musgrove recalled a comment on the DOE response that this permits greater residential in the shoreline area, including the C-1. Associate Planner Coleman said that was the primary concern of the applicant, mentioned in his public comment that it is zoned RH, which is 11-14 DU/acre but the shoreline overlay limited it to 4-5 DU/acre. It was down-zoned for density through the Shoreline Master Program. DOE agreed that was not the intent. The buffer doesn't change either way. They have been restored.

Councilmember Lord said other things would govern that, height restrictions and lot coverage. Associate Planner agreed. They worked with DOE to include that language. Their concern was creating this sense that property owners are allowed the

maximum. There is language in the code that says you are limited by setbacks, lot coverage, height and parking. You can get to 14 if you can make it pencil.

Councilmember McGinty stated this is to rectify a mistake that was made in our map. Staff agreed with this.

Motion: Move to approve Ordinance No. 2019-01, an ordinance of the City of Poulso, Washington; adopting comprehensive plan amendment P-10-31-17-02 amending Poulso Municipal Code Sections 16.08.040, 16.08.180, 16.08.240, 16.08.250, and 16.08.260 to make changes to the Shoreline Master Program in order to accommodate existing and future low intensity commercial uses on parcels in the SR-2 shoreline environment designation with an underlying C-1 (commercial) zoning designation and to accommodate higher density residential development, where it can be sited outside the shoreline buffer; delete Appendix B from the Shoreline Master Program to provide for internal consistency; providing for severability and establishing an effective date.

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

c. Ordinance No. 2019-02, Title 13.06 and 13.70 Water Connection Revisions

Engineer I Roberts presented the agenda summary, noting PMC 13.06 and 13.70 have been revised to clarify water connection requirements. The code was previously revised about eight months ago to bring water connection code into compliance with the assumptions made in the Water Comprehensive plan, specifically connection charges are calculated using Equivalent Residential Units (ERU's). The revisions to 13.06 bring the code into compliance with how Public Works and staff implement new construction and include: minimum pressure rated pipe, meter installation requirements for mixed use buildings, and apartment complexes. PMC 13.70 has been revised to clarify that commercial buildings with transitory living units are charged the residential connection fee at a reduced rate. After analysis, the adjustment factor for transitory living units is reduced from 0.70 ERU's/unit to 0.40 ERU's/unit. Public Works Committee reviewed the revisions and recommended approval on January 9, 2019.

Motion: Move to approve Ordinance No. 2019-02, an ordinance of the City of Poulso, Washington, amending Chapters 13.06 and 13.70 of the Poulso Municipal Code in order to clarify water meter installation and connection requirements and clarify utility connection fee calculation methodology for transitory uses to comply

with city comprehensive plans; providing for severability; and establishing an immediate effective date.

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

Motion carried.

d. Resolution No. 2019-02, Engineering Application Fee Adjustment

Director of Engineering Kasiniak presented the agenda summary, noting adjustments for Engineering Application Fees, Engineering Plan Review fees and Grading Permit fees to reflect the past three-year period of salary increases. Engineering Application fees were last adjusted in 2016. This Resolution will update the 2016 fee schedule by adjusting per the three-year negotiated salary increase. This adjustment will increase all application fees and staff hourly charge by 8%.

Motion: Move to adopt Resolution No. 2019-02, a resolution of the City Council of the City of Poulsbo, Washington, adopting the amended Engineering schedule as set forth in Attachment A and B.

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

Motion carried.

8. COUNCIL COMMITTEE REPORTS

Finance-Administration Committee: Councilmember McGinty reported the committee will put together a checklist of things they want to get in March for the Executive Office discussion; monthly sales tax is up 14% YTD; they received an update on cybersecurity from IT; and received a demonstration on Laserfiche from the City Clerk.

9. DEPARTMENT HEAD COMMENTS

None.

10. BOARD/COMMISSION REPORTS

None.

11. CONTINUED COMMENTS FROM CITIZENS

Mayor Erickson asked for citizen comments; no comments were received.

12. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Thomas said it was gratifying to see a fair number in the audience at tonight's meeting, and encouraged the community to continue coming to meetings and participating in their local government.

Councilmember Lord said there is a new guide for curbside recycling available from Bainbridge Disposal and there is also a new collection pick up schedules for 2019-2020.

13. EXECUTIVE SESSION

At 8:20 p.m., the Council recessed into a 10-minute executive session regarding existing litigation and potential litigation pursuant to RCW 42.30.110(1)(i).

At 8:30 p.m., Mayor Erickson extended the executive session for an additional three minutes. No action was taken.

14. EXECUTIVE SESSION

At 8:33 p.m., the Council recessed into a 10-minute executive session regarding real estate matters pursuant to RCW 42.30.110(1)(b).

At 8:43 p.m., the Council returned to open session.

Motion: Move to approve Kitsap County – working under the executed ILA – to close on and disburse funds for ROW purchases under \$25,000 after the City Engineer has reviewed and approved these offers.

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

Motion carried.

15. ADJOURNMENT

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

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk