

POULSBO CITY COUNCIL MEETING OF APRIL 15, 2020 (via remote attendance)

MINUTES

PRESENT: Mayor Erickson; Councilmembers Livdahl, Lord, McGinty, McVey, Musgrove, Phillips, Stern.

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Kasiniak, City Engineer Lenius, Civil Engineer Ranes, Engineer I Roberts.

MAJOR BUSINESS ITEMS

- * * * Noll Road Stormwater Retrofit Consultant Agreement
- * * * Johnson Parkway/SR305 Roundabout Consultant Supplement with Parametrix
- * * * Budget Amendment/BA #20-0202, Carryover

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** Stern, **Seconded by** Lord.
Motion carried.

3. COMMENTS FROM CITIZENS

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

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Lord hopes everyone is doing well.

Councilmember Musgrove hopes everyone had a good, remote Easter.

Councilmember Phillips attended the Empact Northwest volunteer training last Saturday.

Councilmember Stern commented that Bremerton is doing a program called "Bremer Bonds," where you can buy \$100 worth of bonds. The bonds can be spent in Bremerton local places once the "Stay Home, Stay Healthy" order is listed.

a. Department Head Comments

Finance Director Booher stated that they added something on the website, reminding everyone that they have not started winter averaging yet. The water used through now and the end of May will be built into each water averaging. She urged water conservation.

Finance Director Booher said the City was served a lawsuit. The City had a lien on a property, and the County claimed the property after foreclosure. Due to intergovernmental rules, the City is required to remove the lien. The County's attorney recommended sending the prior owners to collections, but due to the nature of the lawsuit, she needs, and was granted, Council concurrence for the lawsuit that was less than \$1,000.

Mayor Erickson said she attended a meeting with other elected officials on Monday morning. The COVID-19 testing site was set up with federal money but was transferred to the County. The testing site is in Bremerton, and you must sign up online to get an appointment, but to do so you must be symptomatic, an essential worker, or fall into an at-risk group.

She has drafted a COVID-19 recovery plan, which she will present to the HDP and Poulsbo Chamber of Commerce tomorrow at 4:30 p.m. Her draft is a summary of things they will do, under the guidance of the Governor, on how to "turn the town back on".

Mayor Erickson had a meeting with the Kitsap Building Association with other mayors and staff members of local jurisdictions. They, along with construction groups in Seattle, sent a petition to the governor to resume construction activity. The petition outlines protocol they would follow if construction workers can resume work. They sent the petition last Friday, and they are still waiting for a response.

She is going to be meeting with leaders of all the local foodbanks. The foodbanks have concerns about having enough volunteers and supplies. She also shared the Poulsbo Cares press release went out, which is a joint effort between Gravitec, Gateway, Fishline, the City, and 70 volunteers. Gateway has served over 500 meals in their day shelter.

There are new changes every day, and she is hopeful about the declining number of new cases, but she reminds everyone to stay the course.

5. CONSENT AGENDA

None.

6. BUSINESS AGENDA

a. Noll Road Stormwater Retrofit Project Consultant Agreement

Engineer I Roberts presented the agenda summary, presenting a scope of work and budget from Struck Environmental to assist the City in preparing a stormwater retrofit design report and prepare 90% complete retrofit plans. This stormwater retrofit project is a Department of Ecology grant funded project. The City was awarded \$250,000 to complete design for this project.

Councilmember McGinty asked if Public Works has calculated the long-term maintenance costs. Engineer I Roberts answered that they chose slow growing plants that are low maintenance.

Councilmember McVey asked if the grant they received is for the design, where does the money come from to dig the ditches. Engineer I Roberts stated that the money is from a grant, but they can apply for more grants. He noted that ecology grants run every two years.

Motion: Move to approve Struck Environmental Task Authorization No. 7 for the design phase of the Noll Road Stormwater Retrofit project in the amount of \$159,295.00 and authorize Mayor Erickson to sign the supplement on behalf of the City.

Action: Approve, **Moved by** Livdahl, **Seconded by** McVey.

Discussion: Musgrove asked about the O&M standards, if it is standard, or could be made standard, to do review of O&M affected by a design. It would be great to hear what amount the maintenance would increase. Director of Engineering Kasiniak answered that the O&M process is in the CIP, and the maintenance costs are calculated.

Motion carried.

b. Johnson Parkway/SR305 Roundabout Consultant Supplement with Parametrix

City Engineer Lenius and Civil Engineer Ranes presented the agenda summary, presenting a contract supplement with Parametrix, Inc. for consultant services during construction of the Johnson Parkway/SR305 roundabout phase. Presentation highlights included:

- WSDOT Released the Connect WA and FHWA Funds on Friday – April 10 and they are ready to advertise this week.
- Funding summary exhibit – total construction cost is \$18M-\$21.5M (they believe bids will come in between \$16M-\$19M)
- Special measures taken to help the contractor bid with assurance:

- 5- week bidding period – rather than the usual 3 weeks.
 - Bid opening will be May 22nd.
- The contractor will be allowed to delay the construction start to the Spring of 2021.
 - This provides flexibility given the current COVID environment and the late spring advertisement.
 - The contractor(s) can bid and secure a large project for next year.
- WSDOT specifications for implementing COVID practices in our bid package.
- Prepared to host a virtual bid opening if needed.
- Construction administration team:
 - City of Poulsbo – City Management, Project Engineer, Field Inspector, Contract Administration
 - WSDOT – Field Engineer, Inspection, Materials Certification, and Document Control
 - Parametrix, Inc – Engineer of Record & Submittal Reviews, Bid Support, Change Order Engagement, communication plan support.
- Schedule:
 - Bid opening May 22
 - Award mid-June
 - Construction late start – March 2021 through Fall 2022

Councilmember Stern complimented the staff about the project, but he has concerns about the money being awarded and then possibly being taken away.

City Engineer Lenius stated when they award a contract, it locks up the State funding. That is why they are moving ahead with the contract bid now, instead of the fall.

Councilmember McVey asked about partnering more actively with WSDOT, particularly on the roundabout portion, and if we had done this before, and do they anticipate any problems. City Engineer Lenius stated Kitsap Transit successfully hired WSDOT to do the work in front of the casino. Kitsap Transit recommended hiring WSDOT. They also want to do this because WSDOT gets paid out of the "Connecting Washington" fund. They also have a high level of highway experience. From a risk management perspective, it is a good move for the City. City engineers tend to be more generalists than specialists. This strengthens our team. She has worked on three or four projects much bigger than this in the past with blended teams. The most important thing is to have a construction management plan to clarify roles and decision-making processes. The City of Poulsbo will be the final authority in decision making.

At 7:56 p.m., Mayor Erickson handed off chairing the meeting to Mayor Pro Tem McGinty to call for the motion.

Motion: Move to approve the Parametrix Contract Supplement No. 11 for the construction phase of the Johnson Parkway/SR305 roundabout in the amount of \$157,811.00 and authorize Mayor Pro Tem, Jeff McGinty, to sign the contract supplement on behalf of the City.

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

Motion carried.

In response to Councilmember Musgrove, City Engineer Lenius confirmed that the actions taken tonight are reasonable measures for this project, and this project was affected by I-976 (even though it was not suppose to be), and we lost a year on our project as a result of the delay. We should have been under construction this spring.

Councilmember Musgrove asked if there any significant monetary impacts due to this delay. City Engineer Lenius said that is a good question but does not know the answer. Contractors may be hungry and grateful to put a project in the books next year. But they have the challenges of people not being at work, not knowing how long COVID-19 will last and how shipping of materials will be affected. She won't know the answer until they see the bids, and she is interested to see what happens.

c. Budget Amendment/BA #20-0202, Carryover

Finance Director Booher presented the agenda summary, noting a 2020 budget discussion regarding carryover dollars (2020 beginning budget) with recommended budget items to be carried over or allocated for the 2020 budget. Presentation highlights included:

- General Fund
 - Projected Beginning Balance, \$257,218
 - Does not include Revenue Stabilization and Legal Reserves.
 - Actual Beginning Balance, \$999,167
 - Difference, \$741,949
- General Fund – Actual 2019 Figures
 - Revenues, \$12,173,589
 - Does not include Beginning Balance
 - Expenditures, \$12,271,457
 - Includes Transfer to reserves (Future PW funding)
 - Net Increase (Decrease) (\$97,869)
 - Decrease Restricted Revenues

- Substance Abuse
 - 2% Liquor Profits/Taxes, \$2,984
 - PEG Fees - \$17,486
 - Net Operating Income/(Loss) (-\$118,338)
- Variable Budget vs Actual – highlights
 - Revenue (many various amounts – highlights)
 - Taxes (property, sales, and utility taxes), \$430,000
 - (Sales Tax \$380K over budget)
 - Investment/Misc Earnings, \$224,000
 - Expenditures (many various amounts – negative numbers reflect amount over budget)
 - Engineering, \$150,000
 - Less Amount Wages charged to projects (\$50,000)
 - Legal Expenditures, \$51,000
 - Risk Mgmt/Prosecutor Prof Svcs, \$14,000
 - Jail Costs, (-\$84,000)
 - Communication (Phone Chgs), \$11,000
 - Indirect Allocation, (-\$283,000)
 - Items not expended requesting carryover
 - Overall departmental conservative spending
- General Fund – funds to be carried over
 - Engineering
 - Construction Standards, \$1,582
 - Rural Town Center (Grant Dependent), \$10,000
 - Police- Casual Labor Evidence Room, \$12,753
 - Poulsbo Planning
 - Prof Svcs Commercial Land Mkt Study (\$20,000 on-hold)
 - Dept of Ecology Grant/Exp, \$15,350
 - Dept of Commerce Grant/Exp, \$40,000
 - PFD Grant/Exp, \$243,900
 - Behavioral Health Grant, \$37,736
 - Parks & Recreation
 - DNR Grant/Exp, \$1,915
 - P-Patch Casual Labor, \$3,300
 - Net Adjustment General Fund, \$65,371
- Mayor's recommendation: retain balance in General fund (reduces amount of reserves intended to be used in 2020)

- Other Funds (special revenue funds, debt service funds, capital project funds and proprietary funds)
 - Carryover Special Revenue Funds
 - Street Operations
 - Hillside Benches, \$3,300
 - Noll Road Roundabout/Tunnel, \$16,711
 - Multi Modal Plan, \$2,920
 - Traffic Impact Transfers
 - Finn Hill, \$795,000
 - Noll Road, \$681,000
 - Lodging Tax
 - City Overtime and Benefits, \$5,000
 - Carryover Capital Equipment Fund 301
 - Mobile Radios – PW- Gov Portion, \$1,430
 - Street Sweeper Rebuild, \$3,776
 - Carryover Park Projects Park Reserves Fund 302
 - Morrow Manor, \$930
 - Lion's Park, \$320
 - Fish Park – Grant Funded, \$31,746
 - Adjusted for more funds expended in 2019
 - Skate Park - On Hold
 - Carryover Street Projects Fund 311 – Street Reserves
 - Waterfront Liberty Trail, \$188,389
 - Noll Road Phase III, \$661,040
 - Noll Road Right of Way, \$605,791
 - Finn Hill, \$2,076,969
 - Neighborhood Streets (-\$115,000) - On Hold
 - Citywide Safety Program, \$33,000
 - Carryover Facility Fund 331
 - Property Proceeds – Police Station, \$825,000
 - Closing Costs, \$77,500
 - Public Works Property – On-Hold
 - Ventilation for Property Room, \$17,000
 - Utility Funds
 - Balances are being calculated to reflect
 - Operations within the Financial Management Policy
 - Debt Reserves Restricted per Bond requirements
 - Remainder in Capital Reserves

- Carryover Utility Water Fund 401 – Capital
 - Westside Well Treatment, \$130,827
 - Noll Road Water Improvements, \$155,547
 - Raab Park Water Tank, \$135,595
 - Public Works Property, On-Hold
 - Vehicle Mobile Radios, \$1,430
- Carryover Sewer Fund 403 – Capital
 - Kitsap County
 - Johnson Road Metering, \$270,000
 - Solids Dewatering, \$273,450
 - UV Upgrades, \$79,150
 - Lemolo House Purchase, On-Hold
 - Noll Road, \$49,900
 - Pump Station Safety Improvements, \$131,245
 - Applewood Pump Station, \$20,741
 - Public Works Property, On-Hold
 - Sewer Hot Box, \$20,000
 - Mobile Radios, \$1,430
- Carryover Utility Solid Waste Fund 404 – Capital
 - Mobile Radios, \$1,430
 - Public Works Property, On-Hold
- Carryover Utility Storm Drain Fund 410 – Capital
 - Liberty Bay BioRetention, \$251,101
 - Grant Funded
 - Dogfish Creek Restoration, \$445,804
 - Primarily Grant Funded
 - Noll Road Storm Retrofit, \$246,703
 - West Poulsbo Waterfront Park, \$25,827
 - Public Works Property, On-Hold
 - Vehicle Radios, \$1,430
 - Street Sweeper Rebuild, \$4,274

Councilmember Stern said the Finance Committee met and reviewed the carryover amendment. The Committee agrees with this proposal, except for putting Neighborhood Streets on hold. They see it as waiting for final figures in May to decide whether to move forward. This report is optimistic and reflects what happened in the past. Looking forward, we are anticipating some \$500K-\$1MM hit on estimated revenues. Hopefully, it will fall in the lower range estimation.

Motion: Move to approve the Carryover Budget Amendment request #20-0202.

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

Motion carried.

7. COUNCIL COMMITTEE REPORTS

Housing, Health, and Human Services (HHH) Committee: Councilmember Lord reported they briefly touched base. Poulsbo Cares has over 70 volunteers, and about ten of them have been able to help at Fishline. The farmers from the Poulsbo Farmer's Market may be able to sell some of their produce to Gateway. The next HHH meeting is May 6.

Finance-Administration Committee: Councilmember Stern reported that they reviewed 2019 taxes. They discussed the idea of legal representation at city council meetings, and it was reviewed at the committee that each Councilmember has direct access with the City Attorney. They also recommenced the City Administrator discussion. They are on a timeline if they want the position built into the next budget cycle.

8. BOARD/COMMISSION REPORTS

Councilmember Phillips noted that online high school started today, while the elementary schools started on Monday.

Councilmember Stern stated that AWC canceled their annual City Summit, which is normally in June. There will be a virtual business meeting on the last Thursday of June to vote for new AWC officers.

Mayor Erickson will attend her first virtual PSRC meeting soon. It is a mandate to split up Federal Transit Authority (FTA) dollars, which about \$500 million. Kitsap Transit will get about \$13 million, which is part of the federal CARES package.

9. CONTINUED COMMENTS FROM CITIZENS

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

10. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Lord reminded everyone to stay safe.

Councilmember Musgrove shared that Coffee Oasis is having a virtual tour tomorrow.

Councilmember Stern heard from the Jefferson County Commission, and they complimented the Poulsbo Cares social media posts.

11. ADJOURNMENT

Motion: Move to adjourn at 8:41 p.m.,

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk