

## POULSBO CITY COUNCIL MEETING OF SEPTEMBER 8, 2021

### MINUTES

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

**Staff:** City Clerk Fernandez, Director of Engineering Lenius, Police Chief Harding, Planning & Economic Development Director Boughton, Parks & Recreation Director Schoonmaker, Engineer 1 Roberts, Public Works Superintendent Lund, Phil Struck

### MAJOR BUSINESS ITEMS

- \* \* \* Minutes of August 18, 2021, Council Meeting
- \* \* \* New Public Works Building Fence Contract
- \* \* \* Memorandum of Understanding for RSO Address Verification Program
- \* \* \* West Poulsbo Stormwater Park Consultant Contract
- \* \* \* Planning Commission Appointment
- \* \* \* WASPC Mental Health Field Response Team Grant
- \* \* \* On-Call Contract for Environmental Professional Services
- \* \* \* Mesford/Swanson PRV Consultant Contract
- \* \* \* Satellite Water Reclamation Facility Feasibility Study Consultant Contract
- \* \* \* Executive Session Regarding Real Estate Matters

#### 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the virtual meeting to order 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** Musgrove.

Motion carried unanimously.

#### 3. COMMENTS FROM CITIZENS

City Clerk Fernandez read the following written comments into the record:

- LeAnne Musgrove, Hot Shots Java, asked the Council to discontinue the Summer Fair program and open the parking spaces up for all downtown merchants.

- Marianna Smyth, Western Red Brewing, asked the Council to make the Summer Fair program permanent, and noted COVID-19 still runs rampant throughout the community.
- The HDPA Board shared they took a survey of its membership asking if they wished for the Summer Fair program to continue. 10 responded yes and 13 responded no.
- Dominick Ferrara, Green Light Diner, wrote in favor of extending the Summer Fair program due to the current COVID-19 infection rates and new variants. It will allow seamless transition if future restrictions are imposed on indoor businesses.
- Daniel Sluys, Sluys Bakery, asked for the Summer Fair program to be discontinued, allowing all businesses the access to the parking.

#### **4. MAYOR'S REPORT AND COUNCIL COMMENTS**

Councilmember Livdahl encouraged everyone to attend the Port Madison dialogues being sponsored by the Tribe, Kitsap County Dispute Resolution Center, and Kitsap County (starting September 23, 4-part online panel discussion). Regarding outdoor dining, COVID is nowhere near over and case numbers are worse than they have ever been, and now is not the time to take away this lifeline for the businesses that have been able to make use of it. She doesn't feel the parking problem downtown is an issue of six spaces being used for outdoor dining, the parking problem would still exist, and those impacted business would have fewer options. We have become accustomed to being outdoors to dine. The HDPA is not seeing the volume of emails the Council has been receiving from visitors and residents who support continuing the outdoor dining. They love it, they think it makes the downtown feel vibrant and fun. They need to be open to this, they cannot stay the same forever, it is not realistic or healthy. It is not perfect on Front Street, but it is helping save businesses. Nothing is going to harm the downtown more than businesses not surviving and having vacant storefronts. She is not in favor of taking these options away. Finally, she said Kitsap County Board of Public Health declared racism a public health crisis; she wants the City to start its Race Equity Advisory Committee.

Councilmember Lord said she was impressed with the opportunity with the Port Madison dialogues and looks forward to attending. She also agreed with Councilmember Livdahl regarding downtown parking/outdoor dining. She does not want to be presumptive of making decisions that would impact the viability of businesses. The Summer Fair has helped businesses survive. COVID is not going away, it is surging again. They need to continue the requests not just from the businesses, but also the public. She is open to the Race Equity Advisory Committee.

Councilmember McGinty said the downtown seems to be healthy and everyone is doing all right. We are lucky they are all healthy and vibrant down there.

Councilmember McVey said two new hotels opened in Poulsbo, Fairfield Inn and Hotel Scandi. He congratulated them on their openings and thanked them for investing in Poulsbo. Regarding the Summer Fair, it will be discussed at the October 6 Council meeting. He said many of the same reasons of why they started the policy are still with them. We may need the outdoor spaces more now than ever before. He does not understand the argument that if they cannot open parking spaces to all businesses that they should not open it up to any. He has also signed up for the Port Madison dialogues and looks forward to learning about the history and culture of the Suquamish Tribe.

Councilmember Musgrove said the Fairfield Hotel is nice, and thinks it will do well there. He announced KEDA is going to have a digital hour tomorrow called the Great COVID She-Session (effects that uniquely impact women and women of color). On Saturday there is the Poulsbo Classic Yacht Show, the Car Cruz, and the Art Walk. He strongly recommends everyone look into the Port Madison Dialogues. He said there is a Suquamish Museum online streaming called "Honor Thy Mother" on September 15 at 5pm. He hopes they can get a handle on the parking situation and the Summer Fair expansion that has been happening for a year. Most businesses could not remain open and parking was allocated to help with the mandatory distancing. The Mayor offered the expansion to other retailers, but it didn't work out for everyone. The Mayor also bought tables and chairs to be placed downtown in Waterfront Park to help with the mandatory separation for the restaurants. Most businesses have invested savings, retirement funds, college funding for kids, and vacations funds to stay open. He is happy sales levels are increasing and people are shopping and having fun downtown. He hopes everyone is looking to help all the businesses, and he doesn't want to hurt any businesses given the high value of the parking spaces. He wants to make sure everyone gets a chance to survive. He looks forward to the conversation and reading the letters. He encourages people to talk to the business owners, they are afraid of speaking up and getting smeared on social media. He asked for patience and understanding with them, and wants to do everything they can do to support all of them.

Councilmember Phillips said North Kitsap beat CK last week. They play this Friday against Lakeside at 7:00 p.m. There will likely be a fan limitation again. Regarding the outdoor dining, he traveled to many states over the summer, and every city has had some sort of outdoor dining. This is a necessary step to bring people downtown, and it makes the downtown more vibrant. He likes the outdoor dining and looks forward to the discussion in October.

Councilmember Stern said regarding the outdoor dining/downtown parking issue, the world has good problems or bad problems to fix. Poulsbo has a good problem because many people are trying to get into downtown Poulsbo. They can manage that and work together on it. A bad problem would be if we didn't have a parking problem or outdoor

dining problem because there were few or no people who wanted to come here. He encouraged everyone to keep a positive perspective, as the citizens are doing, and be grateful we have a good problem on our hands. He said the two new hotels will impact the hotel-motel tax fund. He noted Poulsbo is the last jurisdiction in Kitsap County to create a Racial Equity Advisory Committee; this needs to be looked at. There is a notice for quorum for next week's Public Safety/Legal Committee to weigh the opportunities and risks regarding the creation of the committee, and fashion this with Poulsbo's unique profile.

**a. Department Head Reports**

Planning & Economic Development Director Boughton said at KRCC yesterday they received an update on the Countywide Planning Policies. The public hearing with the Board of County Commissioners is September 27, and once adopted, will come to the Cities for ratification (October). The City Clerk forwarded minutes today from the July 6 KRCC Board meeting if you are interested in reviewing them. If you have any questions, please feel free to contact her.

Mayor Erickson said they will discuss the Summer Fair on October 6 (everyone is working with good intent to make the best decision); the Old City Hall property apartment complex project is moving forward (the contractor will need to make sure their employees park away from the downtown); she has been working on an employee parking program, and the draft of a contract is in legal review right now. She noted schools are back in session; kids and parents are happy, and it gives a feeling of normality that is starting to return. Although, it has created traffic issues and the Police Department has been trying to help mitigate the issues. She also noted there is a lot of construction fatigue, but asked for everyone to be patient, the road projects are moving along. She shared the North Kitsap Football games are on Facebook Live and it is great way to watch and support the team.

**5. CONSENT AGENDA**

**Motion:** Move to approve Consent Agenda items a through d.

The items listed are:

- a.** Approval of August 18, 2021, Council Minutes
- b.** New Public Works Building Fence Contract
- c.** Memorandum of Understanding for RSO Address Verification Program
- d.** West Poulsbo Stormwater Park Consultant Contract

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

## 6. BUSINESS AGENDA

### a. Planning Commission Appointment

City Clerk Fernandez presented the agenda summary, noting Planning Commissioner Tim Morgan resigned from the Planning Commission, which leaves a vacant position with a term ending 12/31/2024. The Mayor has appointed the following commission member and seeks Council concurrence:

Planning Commission (term expiring 12/31/2024): Douglas Newell.

**Motion:** Move to confirm the Mayor's recommendation for appointment to the Planning Commission as presented.

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

Motion carried unanimously.

### b. WASPC Mental Health Field Response Team Grant

Police Chief Harding presented the agenda summary, noting the City of Poulsbo has been awarded a Mental Health Field Response Team Grant through the Washington Association of Sheriffs and Police Chiefs (WASPC) for the period of July 1, 2021 - June 30, 2022. With the acceptance of this grant, it will allow the City of Poulsbo to expand the scope of police-led behavioral health response within North Kitsap. This grant award is in the amount of \$82,640 and will be used to partially fund our full-time police navigator along with the addition of a peer support member within the Port Gamble S'Klallam Tribe.

**Motion:** Move to approve the City of Poulsbo accepting the WASPC Grant for MHFRT as awarded and authorize approval for the Mayor to sign.

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

Motion carried unanimously.

### c. On-Call Contract for Environmental Professional Services

Planning & Economic Development Director Boughton presented the agenda summary, noting the PED Department is seeking to renew the City's on-call professional service agreement with Grette Associates to assist City departmental staff with environmental and critical area review. The PED has used Grette Associates for many years, and the current contract will expire October 2021. The scope of work is consistent with the previous contract approved by Council in 2019. Grette provides the required peer-review of developer submitted wetland, fish and wildlife habitat

studies, as well as consultant services to City-initiated environmental, critical area, or shoreline code updates.

Councilmember Lord said this is a great contractor and is happy they are continuing to provide services to the City.

Councilmember Musgrove asked if there are any notable changes besides the payrate. Planning & Economic Development Director Boughton said no, the only change is the pay schedule for a four-year contract.

**Motion:** MOVE to authorize the Mayor to sign an on-call contract with Grette Associates to provide environmental and critical area professional services to the City of Poulsbo.

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

Motion carried unanimously.

**d. Mesford/Swanson PRV Consultant Contract**

Engineer 1 Roberts presented the agenda summary, noting this water project will replace two PRVs at Mesford and Swanson. These existing PRVs were built in 1974 and the 1950s have operational maintenance and safety issues including inadequate confined space in the vault, corroded pipe, and lack of thrust blocking. PRVs are important to be able to transfer water between pressure zones to accommodate fire flow and meet seasonal peak demand. They also serve to provide system redundancy and adequate pressures. Moving the design ahead this fall will allow construction during the summer to avoid impacts to the school on Mesford. This project is currently in the 2022 water CIP and Finance is comfortable moving forward with the design without a budget amendment since funding is available in January 2022. Public Works Committee reviewed this proposal and recommended approval to award this consultant contract on the meeting of August 25, 2021.

Councilmember Musgrove reported Public Works Committee looked at this a couple of times. There are no individually supersubstantial issues with this PRV; however, it has a lot of little shortcomings. Each one does not demand an overhaul of it, but when combined it makes sense to get a good one that works correctly and meets the flow requirements that we need these days.

**Motion:** Move to approve the task authorization with Gray and Osborne in the amount of \$46,785 for design services for the Mesford and Swanson PRV project and authorize the Mayor to sign on behalf of the City.

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

Motion carried unanimously.

**e. Satellite Water Reclamation Facility Feasibility Study Consultant Contract**

Phil Struck presented the agenda summary, noting as part of the Sewer Comprehensive Plan, the City desires to investigate the potential feasibility of siting a satellite water reclamation facility. Engineering proposes Parametrix perform Phase 1 of this feasibility study. The cost for this study is within the approved budget for the Sewer Comprehensive Plan funding.

Councilmember Musgrove reported Public Works Committee reviewed this and appreciated the efforts to approach this in a step fashion. A year ago, the Council looked at MBRs as an alternative to purchasing additional capacity at the County Waste Treatment Plant. It was \$250K to ask the question if this is a good idea, and they have come back with a phased approach to explore this option.

Mayor Erickson said we should study this technology and if we have any capability of moving in this direction we need to understand that now. It is apparent from an environmental standpoint the rigors of what can be extracted or left off our standard sewer treatment process are getting more rigorous. We need to have a Plan B.

Mr. Struck agreed the rigors of treating wastewater are only going to increase and there will be more emphasis of reuse of affluent over time.

Councilmember Musgrove said the scope by the time they come back to us may have some eye-opening points in it. It is a cool idea that we can extract water out of sewage, and what options we could have with the water. We could keep creeks flowing and reduce our contamination numbers. But the options are many and the benefits are more than just saving a few bucks from the County.

**Motion:** Move to approve the task authorization with Parametrix for the Satellite Water Reclamation Facility Feasibility Study - Phase 1 in the amount of \$52,148.92 and authorize the Mayor to sign the contract on behalf of the City.

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

Motion carried unanimously.

**7. COUNCIL COMMITTEE REPORTS**

Public Works Committee: Councilmember Musgrove reported a landscape company is offering to maintain a right-of-way median in exchange of putting up a sign (staff is looking into this); received the Engineering & Building and the Public Works Mid-Biennium Budget presentations; West Poulsbo Stormwater Park Consultant contract will be coming before Council soon. The committee discussed concerns of soil conditions at

Front & Torval; interviews have been done for the NPDES Coordinator; the Finn Hill Project is done and under budget and staff will be requesting project acceptance at a future council meeting; PSE will request night work approval for the Liberty Bay Bank commercial electric work, and a Noll Road closure to replace high voltage transmission line poles; and they received an update on the ADA Transition Plan.

Community Services Committee: Councilmember Lord reported the Downtown Trick or Treat event is up in the air due to COVID concerns (reluctant to promote unsafe conditions – HDPA board will meet next week to consider this – they could do the Drive-By Trick or Treat Event with the Chamber of Commerce); received the mid-biennium budget presentation for the Parks & Recreation Department; the boardwalk needs some critical repairs (structural estimates happening right now); received an update on the Rotary Morrow Community Park and the two bids they received for design work – one was rejected on a technicality and the other was above the engineer’s estimate (the committee discussed the pros and cons of rebidding the projected and ultimately recommended approval of the one responsive bid).

Housing, Health, and Human Services Committee: Councilmember Lord reported they had a comprehensive COVID updated (COVID testing is done at City Hall on Thursdays, North Point Church is doing youth vaccinations); Fire Cares program was recognized at the Mariners Game as Hometown Heroes; Winton Woods Apartments will be increasing rents on October 1 because their federal loan is paid off and the committee discussed using 1406 funds to help subsidize the increases but would need a policy document (30 tenants are affected in the subsidized portion); updated on the Nordic Cottage (Housing Kitsap is working on obtaining an architect to do design work); crisis management for behavioral health professionals training was held last week for navigators.

Lodging Tax Advisory Committee – Councilmember Stern reported they reviewed ten applications. They are reviewing five of the ten applications that may overlap with ARPA funding, so the Finance Director will review the requests. Final review of applications has been delayed to the end of September to allow for the review. \$130K is available for allocation, and \$260K in requests. The two new hotels would produce another \$72K in funding at 60% occupancy. The Mayor’s Office requested a tourism/event coordinator.

Councilmember McVey said he would like the event coordinator position to have someone with communication skills.

Councilmember Stern asked if there was Council consensus if non-profits who are receiving ARPA grants should be allowed to receive LTAC grants. Councilmember Musgrove felt it would need to be reviewed on an individual basis to see what the funding is being used for before a judgment could be made. He also expressed concern with conditionalizing ARPA funding. Councilmember Livdahl added it depends on how big of a hole these organizations are trying to dig themselves out of. ARPA has specific parameters, and the uses of the money may be at odds. Mayor Erickson said that Finance

Director Booher would review this. APRA grant applications went out last week. The money being offered in the ARPA funds is far greater than the LTAC grant requests. Councilmember Stern asked for any other feedback in the next week regarding this.

## **8. BOARD/COMMISSION REPORTS**

Councilmember Stern reported the Kitsap Regional Coordinating Council met and the big takeaway is a summary of the minutes regarding the discussion they had of the discussion regarding the Countywide Planning Policies. He asked that the councilmembers of the four cities be sent the minutes, which were shared today by the City Clerk via email. This allows the Council to be more fully involved.

Mayor Erickson said the most important meeting she had was with the Health District; the news is not good. She implored everyone to mask up when in public places, and to get vaccinated. She is concerned, considering things are worse now than when we had lock downs. Councilmember Stern said he was confused that we didn't have public schools open when things were less virulent. Now we have a Delta variant surge and doesn't understand how the kids are going back to school full time in person. The Health Board will call a special meeting in two weeks to get an update on what is going on with kids in the schools. She said it is very concerning and everyone needs to get vaccinated. She said it was wonderful to see kids going to school, and she doesn't want to see things go backwards.

## **9. CONTINUED COMMENTS FROM CITIZENS**

Rick Eckert, NKSD, said the District is watching COVID just as closely as they are. He said they shut down initially because it was a labor issue, not due to it being a health issue. It wasn't safe to operate and was a staffing concern. But now the teachers are vaccinated.

He also shared traffic has been an issue for three reasons: 1) we haven't done this in while with everyone back to school all at once, 2) there are transportation issues both with being able to provide buses and parents being willing to put their kids on busses, and 3) schools were designed and built for kids to go to school via the bus, not individual cars. New traffic flow plans are being created, and they will have to redesign the parking lots for longer term solutions.

Finally, football games have limited attendance, basically you must have a student there as part of the team, band, or cheer squad to be issued a ticket to the game.

## **10. MAYOR & COUNCILMEMBER COMMENTS**

Councilmember Musgrove said he tries to find the positive things. He noted the trends with infection with the COVID Delta variant. He said the virus will never go away, but it

will hopefully get less and less deadly. We also have a lot of hard decisions with kids in the school and how to best keep everyone safe. He asked everyone to find their patience and do the best they can.

## 11. EXECUTIVE SESSION

**Motion:** Move to go into executive session and the City Council will adjourn at the end of executive session.

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

At 8:57 p.m., Mayor Erickson adjourned the meeting into a 30-minute executive session to discuss real estate matters per RCW 42.30.110(1)(B). No action was taken.

## 12. ADJOURNMENT

At 9:27 p.m., Mayor Erickson adjourned the meeting.

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Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk