

POULSBO CITY COUNCIL MEETING OF DECEMBER 1, 2021

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Director of Engineering Lenius, Police Chief Harding, Judge Tolman, Public Works Superintendent Lund, Water Quality Field Technician Schager, Senior Planner Coleman

MAJOR BUSINESS ITEMS

- * * * Re-Appointment of Municipal Court Judge Jeff Tolman
- * * * PERC Feasibility Study Project Management Contract Amendment #2
- * * * Public Hearing in Order to Form a Transportation Benefit District
- * * * 2021-2022 Mid-Biennial Budget Amendment Department Modification Requests and Recommendations
- * * * Ordinance No. 2021-12, Repealing Alarm Registration Requirement
- * * * Housing Action Plan Workshop
- * * * Ordinance No. 2021-13, Adopting Shoreline Master Program Update

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** Lord, **Seconded by** McGinty.

Motion carried unanimously.

3. COMMENTS FROM CITIZENS

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

- Pam Keeley wrote against funding a study to convert the green roofs at City Hall into patios, especially when the City is asking for additional revenues to fund street repairs. She would like to receive updates on what the City is doing with their new GARE membership.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Lord announced Yulefest is this Saturday downtown. The downtown lighting and decorations look spectacular, please come and visit.

Councilmember McGinty said downtown looks great and he toured the new Public Work facility yesterday.

Councilmember McVey wished Happy Hanukah to those who celebrate the holiday. He thanked the HDPa and Carol Ingles for all of the hard work in decorating our community for the holidays. He thanked Bill Austin for setting up Santa's house. It was a great all-hands-on-deck effort. It is that time of year that we will focus on which committees we want to serve on. He thinks it would be beneficial and helpful if we shook things up a little bit and encourage service on different committees when the Council considers committee selections next month.

Councilmember Musgrove extended gratitude for those who helped decorate downtown. They were not all business owners, but residents as well.

Councilmember Phillips said NK football took a loss over the weekend. They are gearing up for next year.

Councilmember Stern said tomorrow KRCC is hosting a legislative reception.

a. Reappointment of Municipal Court Judge Tolman

Mayor Erickson spoke regarding reappointing Municipal Court Judge Jeff Tolman and sought council confirmation. She said Judge Tolman runs his court with dignity and compassion and has done so the last three decades.

Motion: Move to concur with the Mayor's reappointment with a term expiring December 31, 2025

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

Motion carried unanimously.

Mayor Erickson asked for the Council to send their feedback on how to approach council meetings in January. She said she is very proud of the NK Vikings. She attended the game and they played with their entire heart. She thanked the Crossroads Rotary and Kitsap Children's Musical Theater that did the tree lighting on Viking Avenue. She announced Shop with a Cop and Yulefest are on Saturday. She shared that Olmsted Nursery is donating 750 trees to be planted by the citizens of Poulsbo. He has the trees, and it looks like tree planting will start a week from this Saturday.

b. Department Head Reports

None.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda item a.

The item listed is:

a. PERC Feasibility Study Project Management Contract Amendment #2

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

6. BUSINESS AGENDA

a. Public Hearing in Order to Form a Transportation Benefit District (TBD)

Finance Director Booher presented the agenda summary, noting under RCW 36.73.050 a public hearing is being held in order for citizens to comment on the City Councils intent to form a Transportation Benefit District within the City of Poulsbo boundaries and implement a \$20 car tab fee funding specified capital transportation improvements. Presentation highlights included review of the timeline of the process and collection of funds.

Public Works Superintendent Lund presented road maintenance need which would be covered by the proposed transportation benefit district. Presentation highlights included result from the 2016 pavement condition survey; average costs per mile for maintenance with varying methods; review of the road conditions; current funding for neighborhood streets with \$90,000 being generated from the TBD if approved; review of past neighborhood street projects and proposed future projects.

Councilmember Stern asked to compare and contract seal coats versus chip seals. Public Works Superintendent Lund said if you have a fair conditioned road, they are perfect candidates for seal coating if they don't have structural flaws. Chip seal is for roads with more alligating. It gives it more strength and could have a seal coat applied to it in the future.

Councilmember McGinty asked why Ridgewood got pushed out so far. Public Works Superintendent Lund said they are pushing it out due to utilities that need to be worked on in the next couple of years which are on their CIP.

Councilmember Lord asked what the category of road is for 4th Avenue between Hostmark and Iverson. Public Works Superintendent Lund said that is a neighborhood collector and will need extensive work and is a bigger project.

Councilmember McVey said maintaining our neighborhood streets must be paid for by the City. He likes the plan and likes the approach of trying to preserve the roads that are in fair condition. He is happy to see some old town roads on the list. He knows the cost of redoing utilities on those old town roads is expensive. He asked Mayor Erickson to address what impacts there are on the City when we apply for transportation grants when we are not utilizing a TBD.

Mayor Erickson said regional funders such as Puget Sound Regional Council and the Transportation Improvement Board question whether or not we use "local tools" when we ask for transportation grants. "Local tools" are mechanisms the state legislature has given us to increase revenues for transportation. When you don't use the tools and ask for funding, they question that decision. There is an inference that we need to use the local tools given to us, and when we do this, they are more amenable to award us state and federal dollars. We are the only city in Kitsap County who is not using this tool.

Councilmember Stern said the money made available for special programs is for the high collector roads, and typically need grant match to receive an award. The money we have saved in the past for neighborhood streets is used for match and the neighborhood streets weren't maintained. He said having an allocation strictly earmarked for this purpose is necessary.

Councilmember Stern asked for the powerpoint and the spreadsheet to be made available to the public on the website.

Councilmember Phillips asked if there is a way to create a PDF infographic that will show the projected projects and costs. The TBD is getting blown up on social media, and it would be helpful to share this information. He also noted a lot of people are calling it a tax, and it is actually a fee for people who use their vehicles on the road.

Councilmember Musgrove thanked Mike Lund and his crew for working on this, and he thanked the past Councils and the current Council for continuing to work to create

funding for neighborhood streets. Streets are a core service, yet for many years they did not receive priority as a core service. He said we are all seeing and agree that we need to work on our residential streets. The question tonight is the TBD and whether or not we should invoke a TBD (what are ethical questions and political issues). He would like to stay focused on whether or not they should do one and why.

Councilmember Lord asked what the structure is for the fee, and how the fee could be raised in the future. Finance Director Booher said all increases are councilmatic. After you have had a TBD in effect for at least 24 months, you can councilmatically increase it to \$40 and after another 24 months they could increase it to \$50. It is not automatic.

At 7:59 p.m., Mayor Erickson opened the public hearing.

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

- Dave Applegate wrote against creating a car tab fee of \$20. It is challenging for citizens who are on a fixed income to cover a fee.
- Rita Hagwell wrote regarding not wanting a car tab fee for roads unless Marelaine Lane was going to be repaired with those funds.

At 8:00 p.m., Mayor Erickson closed public hearing.

Councilmember Musgrove questioned who would be included to pay these fees. There are people outside of the City who use the streets, but it sounds like it will be just the Poulsbo residents who have vehicles will pay the fee. He said every resident gains benefit from local streets, not just the drivers. He said this is similar to stormwater where everyone has to pay it, even if you are not hooked up to it. These are the thoughts they need to consider and balance what they can do in order to leverage grants and the ethical questions of who should be paying. Is the TBD the way they should be doing it, and if so, why.

Mayor Erickson said there will be vote on the ordinance next week, and if they have any questions to contact Finance Director Booher or Public Works Superintendent Lund.

b. 2021-2022 Mid-Biennial Budget Amendment Department Modification Requests and Recommendations

Finance Director Booher presented the 2021 Mid-Biennial Budget Amendment Requests. Presentation highlights included: baseline adjustment requests as recommended by the Mayor and Finance/Admin Committee; General Fund budget impacts (draft dependent on wages/benefits and contracts); ARPA review summary; and next steps.

Councilmember Stern noted the Council has a policy to not take on on-going costs with one time revenues. Using ARPA funds for employees is a one-time exception and they should acknowledge they are doing this. Finance Director Booher said the financial management policies state they should not be funding on-going requests with one-time dollars. The difference is we are funding positions with ARPA dollars, and the intent of ARPA is to reestablish your revenues and get them up to the levels prior to COVID. Getting these positions reinstated will help build the revenues back up to cover the on-going expense. The intent is we will grow into those revenues. If the revenues don't support it, we will have to make adjustments in the future.

Councilmember McVey said they need to decide if they want to continue funding the WWU SBDC for \$10,000. If they approved it, it would be great for them to come and report back on their efforts. Mayor Erickson said we could have Jaime come and give a presentation in January. The Council concurred with funding it for another year and reviewing it again next year to see if still fits their priorities and if they wish to continue funding it each year. Councilmember Musgrove said the intent was to give them a kick to get going and be productive in Poulsbo. He would like it to be looked at more often and assessed as an economic development tool. And if we no longer need to fund them, he would like to use those funds for other economic development tools.

Councilmember Lord asked why the assistant city prosecutor was not recommended for funding. Mayor Erickson says she needs to get a handle on the whole picture of legal services provided to the City, and in consultation with the Judge they have put a hold on this funding request.

Councilmember McVey asked about the second lieutenant position and if we feel confident we have the upper level police administration where we need it to be. If we need to allocate more funding to police staffing levels, would we focus on more patrol officers. Mayor Erickson said the second lieutenant piece is what she considers to be the final piece of the restructuring effort as recommended by the board of review to always have adequate management staff on every shift every day.

Councilmember Musgrove confirmed what is in the budget for Police and Public Works vehicles are hybrid vehicles.

Finance Director Booher reviewed the Lodging Tax Committee composition, grant process, and recommendations.

The Council concurred with the LTAC recommendations.

The Council concurred with the Mayor and Finance-Admin Committee's modification request recommendations with the addition of the WWU SBDC for \$10,000 for one year.

c. Ordinance No. 2021-12, Repealing Alarm Registration Requirement

Finance Director Booher presented the agenda summary, noting the Poulsbo Municipal Code (PMC) currently requires owners of all properties in the city on which a burglary or robbery alarm is installed to register that alarm and pay the associated fee on an annual basis. The Police and Finance Department have discussed the program and processes involved and upon further analysis conclude that the staff time and cost involved has become unduly burdensome for both departments with no identified benefit. With the evolution in alarm monitoring, the subscribers are much more readily available and accessible making this registration requirement obsolete. This was discussed and recommended by Public Safety Legal Committee at the October 20th, 2021 meeting.

Motion: Move to approve Ordinance No. 2021-12 eliminating the requirement to file an emergency response card with the Police Department for burglary and robbery alarms.

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

Motion carried unanimously.

d. Housing Action Plan Workshop

Senior Planner Coleman presented the agenda summary, noting Poulsbo was awarded a \$40,000 grant from the Dept of Commerce to complete a Housing Action Plan (HAP). The funds were authorized as part of HB1923 to increase residential building capacity in WA communities. The HAP identifies strategies Poulsbo may implement to support housing opportunities for residents at all income levels. Providing a sufficient supply of both market-rate and income-qualified affordable housing also supports stability, vibrant neighborhoods, and economic vitality. A City Council workshop was held on November 10 and several amendments were identified. Those amendments are identified in the "Summary of City Council Housing Action Plan Proposed Amendments" attached to this agenda.

Discussion was held by the Council on the proposed changes. Adoption by resolution is scheduled for the Dec 8 City Council meeting.

e. Ordinance No. 2021-13, Adopting Shoreline Master Program Update (Coleman)

Senior Planner Coleman presented the agenda summary, noting the WA State Shoreline Management Act requires the Shoreline Master Program (SMP) to be reviewed and revised every eight years to ensure consistency with changes to state laws and rules, other city plans and regulations, and responsiveness to changed circumstances, new information, and improved data. On April 27, 2021, the Planning Commission provided a motion to recommend approval to the City Council and on July 21, 2021, the City Council voted to approve the SMP amendments. The amendments are not effective until approved by Ecology. On August 5, 2021, the City transmitted the adopted ordinance and the administrative record to Ecology. On August 9, 2021, Ecology determined that the City's submission was complete. During review, the Ecology Shoreline Planner identified several areas of concern and coordinated with Poulsbo PED staff to draft revised text that each entity could support. On November 15, 2021, Ecology issued a letter of conditional approval outlining required changes. Those amendments have been incorporated into the draft document in Exhibit A. The required changes are related to definitions - adding "average grade level" and amending "height" and "normal residential appurtenance."

Councilmember Stern asked about conflicting language. He said view and access are amenities and the State says we are not to interfere with the natural growth. If we cannot manage growth, shrub type trees could consume our shoreline for access and view. Senior Planner Coleman said there are standards and requirements for tree removal in the shoreline; it cannot be for view purposes but to remove hazardous trees and then replacing them. There are also options for doing a full shoreline management restoration plan to do soft shoreline stabilization. There are programs for that. We are required to be strict about removal of vegetation in the shoreline buffer. Councilmember Stern said he was concerned about Nelson Park and other public properties. Planning & Economic Development Director Boughton said access is allowed in Nelson Park, it is maintaining the health of the vegetation that is there. Public access is a top priority, so it will always be maintained.

Councilmember Lord said we have a new, undeveloped waterfront park in Poulsbo and need to figure out how it is configured and not constrained by our plans by taking a look at what is there and adjust with the flora. Planning & Economic Development Director Boughton said there are ways to manage this if there are reasons that make sense.

Mayor Erickson said she is concerned with the definition of height. It will give us flat roofs/boxes along the shoreline. She asked what happens when someone wants to build a box. Planning & Economic Development Director Boughton said they have their design standards and there is lot coverage requirements (won't maximize the lot with a box).

Motion: Move to approve Ordinance No. 2021-13 move to approve an Ordinance of the City of Poulsbo, Washington, adopting the 2021 Shoreline Master Program Update; amending Chapters 16.08 and 16.09 of the Poulsbo Municipal Code; amending the Natural Environment Chapter of the Poulsbo Comprehensive Plan; providing for severability and establishing an effective date.

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

7. COUNCIL COMMITTEE REPORTS

Housing, Health, and Human Services Committee: Councilmember Livdahl reported they received an update on COVID numbers; booster clinic held at the Hostmark Apartments; 50 people were served at the City Hall flu clinic; received an update on 1406 rental assistance; mental health care funded with ARPA funding; nationwide 9-8-8 system planning and implementation (for people experiencing mental health crisis); and discussed the need to bring more funding for local jurisdictions (grant funding is difficult).

8. BOARD/COMMISSION REPORTS

None.

9. CONTINUED COMMENTS FROM CITIZENS

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

10. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Lord said to take care of each other; recalling the power outage last week. It is not good weather. Yulefest is Saturday.

Councilmember Musgrove said the KRCC legislative session is tomorrow.

Councilmember Phillips said the fire department is taking Santa around town, and they have a tracker.

11. ADJOURNMENT


Motion: Move to adjourn at 9:36 p.m.,

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

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Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk