

POULSBO CITY COUNCIL MEETING OF DECEMBER 15, 2021

MINUTES

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

Staff: Finance Director Booher, City Clerk Fernandez, Parks & Recreation Director Schoonmaker, Police Chief Harding, Civil Engineer Raney, Engineer I Roberts

ABSENT: Councilmembers McGinty, Stern

MAJOR BUSINESS ITEMS

- * * * Longevity Awards
- * * * Payable Disbursements for November 2021
- * * * 2022 Amendment to Agreement with Kitsap County for Incarceration of Prisoners
- * * * Boards & Commissions
- * * * Ordinance No. 2021-16, Ekermann-Divoky Annexation
- * * * Ordinance No. 2021-17, Adopting RCW Relating to Possession of Controlled
- * * * Resolution No. 2021-14, PROS Plan Adoption
- * * * Agreement for Donation of Real Property – O’Neill Family
- * * * Agreement for Donation of Real Property – Edwards Group LLC
- * * * Letter of Intent for Parkland Acquisition Extension
- * * * System Safety Project Consultant Contract Amendment and Budget Amendment
- * * * Westside Well Consultant Contract Amendment

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

Mayor Erickson noted the Business Item 6d has been pulled from the agenda and Business Item 6j is being moved to Consent Agenda item 5c.

Motion: Move to approve the agenda as amended.

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

3. COMMENTS FROM CITIZENS

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

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Livdahl wished everyone a merry Christmas and to be safe during all the holidays they celebrate in between.

Councilmember Lord attended the NKHS Band's winter concert, which was awesome. She wished everybody a merry Christmas and a happy New Year.

Councilmember McVey thanked the Poulsbo Yacht Club for organizing the lighted ships parade last Saturday. He thanked the Jewel Box theater for its production last Saturday, it was nearly full, everyone was masked up, and vaccine checks were done upon entry. He thanked the Kitsap Council on Human Rights for their conference last Saturday, the theme was restorative justice and our Police Chief was a participant.

Councilmember Musgrove said the Poulsbo lighted boat parade was great. A bonfire was provided by Crossroads Rotary. He thanked the Poulsbo Fire Department for hauling Santa all over town. The Poulsbo Parks & Recreation new winter activity guide is now available on the City's website to view. Snow and ice are in the forecast, so he asked everyone to be careful out there.

Councilmember Phillips wished everyone happy holidays and asked them to watch out for black ice.

Mayor Erickson wished everyone happy holidays. She said Tuba Christmas was Saturday and very cool. The lighted ships and bonfire were really fun as well.

Mayor Erickson shared longevity awards for the following employees and thanked them for their service to the citizens of Poulsbo:

35 years: Joe Walker

30 years: Howard Leeming, Rich Sardarov, Rick Hoskins

25 years: Edie Berghoff, Rita Myrick

15 years: Mathew Duerr

5 years: Jason Bell, Lukas Bagues, Victor Cienega, Rhiannon Fernandez, Alexis Foster, Jon Jennings, Marla Powers, Jeremy Robinson, Jordan Schager, Dan Schoonmaker, Chloe Wardle

a. Department Head Reports

Chief Schoonmaker said the Nordic Santa Clause was played by Officer Jason Kennedy this year with the Sons of Norway event.

Dan Schoonmaker said the winter brochure is out. They have great classes and

programs.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda as amended.

The items listed are:

- a. Payable Disbursements for November 2021
- b. 2022 Amendment to Agreement with Kitsap County for Incarceration of City Prisoners
- c. Westside Well Consultant Contract Amendment

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

6. BUSINESS AGENDA

a. Boards & Commissions

City Clerk Fernandez presented the agenda summary, noting the Mayor has reappointed the following board and commission members and seeks Council concurrence: Parks and Recreation Commission (term expiring 12/31/2024) - Kelly Michaels, and Mari Gregg; Tree Board (term expiring 12/31/2024) - Janet Brown, Bess Bronstein, Jenise Bauman; Planning Commission (term expiring 12/31/27) - Kate Nunes.

Councilmember Musgrove gave his sincere appreciation to anyone who volunteers any amount of their time. Poulsbo wouldn't be what it is without them.

Councilmember McVey gave a shout out to Kate Nunes on the Planning Commission. She was instrumental in getting him involved in the Planning Commission and the Council.

Motion: Move to confirm the Mayor's recommendations for reappointments to the City boards and commissions as presented.

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

b. Ordinance No. 2021-16, Ekermann-Divoky Annexation

Association Planner Berghoff presented the agenda summary, noting this proposal is submitted under the 60% Petition Annexation Method under RCW 35A.14. Council Legislative Action of June 9, 2021 was a motion to authorize the circulation of an annexation petition for the Ekelmann-Divoky Annexation, requiring the annexation assume its proportionate share of the City's bonded indebtedness, and requiring zoning per the Urban Growth Area Subarea Plan. Notification of a community meeting was circulated by the proponent and the meeting held virtually July 20, 2021. The signed 60% petition was received, forwarded to the County and Certificate of Sufficiency issued by the Kitsap County Assessor in August 2021. Following a public hearing on the Ekelmann-Divoky Annexation October 6, 2021, Council affirmed intent to pursue the annexation with submittal of the Notice of Intent to Annex to the BRB. The Notice of Intent to Annex was submitted to the BRB October 7, 2021. On November 29, 2021 a letter advising the BRB 45-day period expired with no request to invoke jurisdiction of the Board received. The remaining step in the annexation process is Ordinance adoption. Filing annexation documents with the State will occur within 30 days of the Ordinance becoming effective.

Councilmember Musgrove asked if there are projected costs to annex the properties to city services and what will be used to pay for that. Associate Planner Berghoff said the standard is development pays for development. Any connection to utilities would be paid by whoever does the development. The police and fire services are covered based on taxes received by each jurisdiction.

Councilmember McVey asked if anyone spoke against the annexation. Associate Berghoff said the only comments that were received were when they were drawing the annexation line. They requested to be left out, which is what was done. No other comments were received

Motion: Move to approve Ordinance 2021-16, an ordinance of the City of Poulsbo, Washington, annexing approximately 20.00 acres of land located immediately south of the current city limits in the vicinity of Johnson Road NE and State Highway 305 and commonly known as the Ekelmann-Divoky annexation; zoning the annexed land Low Density Residential (RL) in accord with the Poulsbo Urban Growth Sub-Area Plan; requiring the land to be assessed and taxed at the same rate and on the same basis as other property within the city and to assume its proportionate share of the City's existing indebtedness; providing for severability and establishing an effective date.

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

Motion carried unanimously.

c. Ordinance No. 2021-17, Adopting RCW Relating to Possession of Controlled Substance

Chief of Police Harding presented the agenda summary, noting this ordinance is to amend PMC 9.20.100 to Adopt RCW 69.50.4011 and RCW 69.50.4013 relating to Possession of Controlled Substances by reference. This amendment is based upon the Washington State Supreme Court decision in State v. Blake, 197 Wn.2d 170, 481 P.3d 521 (2021). This decision designates the knowing possession of controlled substances and the unlawful possession of a legend drug as criminal misdemeanors.

Councilmember Musgrove said he will support it to move forward, but this is another Catch 22 and he thinks it is going in the wrong direction in general. Mayor Erickson agreed it is what it is, and they have to adopt it because it is state law. She hope it gets fixed pretty soon.

Motion: Move to approve Ordinance No. 2021-17 amending the PMC to adopt RCW 69.50.4011 and RCW 69.50.4013 relating to Possession of Controlled Substances by reference.

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

Motion carried unanimously.

~~d. Resolution No 2021-___, Salary & Wages Resolution~~

Pulled from the agenda.

e. Resolution No. 2021-14, PROS Plan Adoption

Parks & Recreation Director Schoonmaker presented the agenda summary, noting Poulsbo updates its PROS Plan every six years, as required by the Washington State Recreation and Conservation Office (RCO), to maintain eligibility for federal and state grant programs. The PROS Plan is also meeting the Growth Management (GMA) requirements, by identifying parks and open space goals and policies, including a demand and needs analysis based upon the city's assigned population allocation, and identifying future parkland acquisition and park development improvements which will be included in the City's Capital Facilities Plan. The City Council held a workshop on Dec 8 and identified one amendment regarding Liberty Bay as shown in

blue underline on page 6. Upon approval by resolution, this functional plan will be included in the 2022 Comprehensive Plan Amendment process.

Councilmember Lord said it is a comprehensive, well-put-together plan.

Councilmember Musgrove noticed they had the addendum underlined in blue on page 6, which was excellent. He hopes we can collect more little pieces and put them into the big plan as we move forward.

Motion: Move to approve Resolution 2021-14, a resolution of the City of Poulsbo, Washington, approving the City's Park, Recreation, and Open Space Plan Update.

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

Motion carried unanimously.

f. Agreement for Donation for Real Property – O'Neill Family

Parks & Recreation Director Schoonmaker presented the agenda summary, noting the City was contacted by Mrs. Julie O'Neill who was interested in donating a 1.32-acre lot to the City to be incorporated as part of Poulsbo's Fish Park. The lot (parcel #112061-3-005-2001) to be donated borders the north end of Fish Park along SR-305 and has never been developed. Mrs. O'Neill has placed the following conditions on the donation:

1. The property shall be operated as a park in perpetuity.
2. A bench be installed and maintained on the property memorializing her husband, Dr. Robert O'Neill.

This item is an agreement for donation of real property which will begin the process of transferring the property to the City of Poulsbo. This donation has been discussed at committee numerous times, with no concerns noted.

Councilmember Musgrove asked what the on-going operations/maintenance/taxes for an annual cost to hold this piece of property. Finance Director Booher said there are no taxes, and operation costs would be park maintenance. Right now, it is raw land and no associated cost until we decide to develop it or maintain it. Parks & Recreation Director Schoonmaker said most of Fish Park is being kept in its natural state, which will most likely be what happens with this parcel.

Councilmember Lord said looking at it from the back end of it, when we take properties off of the tax rolls, it reduces our revenue from the property taxes. She

wondered if anyone knows what that amounts to. Mayor Erickson said she does not know how much the property taxes are.

Councilmember McVey thanked Mrs. O'Neil and the O'Neil family for the donation.

Councilmember Livdahl responded to Councilmember Lords question that the taxes are maybe at the most looking at a couple of thousand a year, not very substantial. She thinks it is wonderful they are adding to a park. And she also noted we are lucky to have so many volunteers who maintain Fish Park.

Motion: Move to enter into an Agreement for Donation of Real Property with Mrs. O'Neill and authorize the Mayor to sign the agreement on behalf of the City.

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

Motion carried unanimously.

Mayor Erickson thanked the O'Neill family for their generous donation.

g. Agreement for Donation of Real Property – Edwards Group LLC

Parks & Recreation Director Schoonmaker presented the agenda summary, noting the City was contacted by the Edwards Group LLC who was interested in donating a 9.21-acre lot to the city. The lot (parcel #1026011-3-054-2002) to be donated is near the intersection of Finn Hill and Olhava Way and has never been developed. The Edwards Group LLC has placed the following condition on the donation: The property shall be named Catherine Edwards Park. This item is an agreement for donation of real property which will begin the process of transferring the property from the Edwards Group LLC to the City of Poulsbo. This donation has been discussed at committee numerous times, with no concerns noted.

Mayor Erickson said Ms. Molly Lee has been advocating for this property to come into the City for many years to enhance the well-being of Johnson Creek to be an environmental reserve. It is where Johnson Creek starts. The property is a canyon like structure with a river running through it. It will make a beautiful passive park.

Councilmember Lord is thrilled this property is coming into the City. It is headwaters for a major stream in our City. She thinks this is incredible. It was discussed years ago and it warms her heart to see it come to fruition.

Motion: Move to enter into an Agreement for Donation of Real Property with the Edwards Group LLC and authorize the Mayor to sign the agreement on behalf of the City.

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

h. Letter of Intent for Parkland Acquisition Extension

Parks & Recreation Director Schoonmaker and Planning & Economic Development Director Boughton presented the agenda summary, noting on October 20, 2021, the City Council authorized the Mayor to sign a Letter of Intent with a property owner for potential parkland acquisition. The LOI anticipated the City would conduct a feasibility study, and at conclusion, the parties would move forward with a purchase and sale agreement, extend the LOI, or terminate the agreement. The termination date identified in the LOI is January 4, 2022. Staff is coordinating the Phase I Environmental Assessment, property appraisal and financing strategy. However, this work will not be completed prior to January 4, 2022. It is recommended the City request an extension to the LOI from the property owner for an additional 45 days, to February 18, 2022. See attached proposed Strickland LOI Amendment #1.

Councilmember Musgrove said it is reasonable to ask for the extension, it is something that is taking just a little bit more time. He supports the request.

Motion: Move to authorize the Mayor to sign Amendment #1 and request from property owner, an extension of the Letter of Intent between the City of Poulsbo and Ellen Strickland for property located at 22108 Urdahl Road NW Poulsbo, in order to complete the feasibility analysis for potential parkland acquisition.

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

i. Systemic Safety Project Consultant Amendment and Budget Amendment

Civil Engineer 1 Raney presented the contract amendment with KPG to complete the design of the Systemic Safety project. An amendment of \$12,743 is requested related to unanticipated scope change for: raised crosswalk on Front Street (additional survey, right of way and design effort), PIF for RFBs was denied so RFBs now must be in bid docs (City forces originally to be used). Additional PM due to 3-month project extension. To accommodate these additional costs, Engineering is requesting a budget amendment in the amount of \$15,000 to be funded from Street Reserves.

Councilmember Musgrove said this Public Works Committee recommended approval.

Councilmember McVey said we have been holding off on raised crosswalks downtown because infrastructure repairs were needed. He asked why they are doing one here and not other locations in downtown. Civil Engineer Raney said in the safety plan they identified four crosswalks as needing further evaluation. This was the furthest one from downtown, and the next three are moving north along downtown. The other elevated crosswalks downtown are beyond this safety plan, and the infrastructure updates are beyond these limits.

Motion: Move to approve KPG contract supplement in the amount of \$12,743.00 for additional services for the Systemic Safety project. Move to approve a budget amendment in the amount of \$15,000.00 to increase the budget capacity of the project to be funded from Street Reserves.

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

~~j. Westside Well Consultant Contract Amendment~~

Moved to consent agenda item c.

7. COUNCIL COMMITTEE REPORTS

Economic Development/Planning Committee: Councilmember Livdahl reported today was Karla's last day as Planning Director and they welcome Heather as the new Planning Director. There are also a few other personnel changes, Jess is going to the Clerks Office, and Tiffany will be the new Planning Admin Assistant. Planner Marla Powers also took a position with the Port Gamble S'Klallam Tribe and that position needs to be filled. They discussed their COVID response and how they transitioned seamlessly with online appointments. They experienced historic permitting in 2020-2021. They received a recap of the Comp Plan foundational work. Karla will be working on the technical memorandum early next year for population growth trends. What is coming up are multiple joint workshops between the City Council and Planning Commission, KRCC will have the population and employment targets, the initiation of public participation, land use scenarios, and beginning the center designation and sub-area plan and updating various chapters in the Comp Plan. We also have to coordinate with the school district and Poulsbo Fire. The Housing Action Plan will begin implementation with the \$75K grant. The Mayor reported a conversation with Commissioner Gelder and his understanding of our challenging situation and helping us out with the UGA. The Chamber of Commerce is getting settled in their new space on Jensen Way and will open

Monday (office hours are Mon-Thurs 10am-4pm). The next luncheon is January 12 and will be the first luncheon in person. Mayor Erickson will be speaking. February 5 is the next chamber gala and will also be in person. Carol Tripp (Port of Poulsbo) gave an update on the breakwater project.

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 Livdahl encouraged everyone to shop local and eat local and wished them happy holidays.

Councilmember Lord said they will be glad to get 2021 in the rearview mirror, but there have been wonderful things this year due to our wonderful community who volunteers their time and services. She said the Fire Departments (10 stations) received decorated sugar cookies from the North Point Church kids. She wished everyone well this time of year and to enjoy each other while staying safe.

Councilmember McVey added his thanks to Karla Boughton as our outgoing Planning Director. It was his privilege to work with her while he was on the Planning Commission. He welcomed Heather Wright. He wished everyone merry Christmas.

Councilmember Musgrove thanked everyone coming and going for city staff. Happy holidays to everyone, please be kind, caring, considerate, and safe.

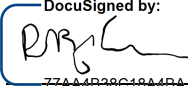
Councilmember Phillips thanked Karla for everything. He thanked everyone for what they do. He asked for toy donations for kids in need.

11. ADJOURNMENT

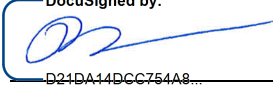
Motion: Move to adjourn at 8:14 p.m.,

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

Motion carried unanimously.

DocuSigned by:

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Rebecca Erickson, Mayor

ATTEST:

DocuSigned by:

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Rhiannon Fernandez, CMC, City Clerk