

## POULSBO CITY COUNCIL MEETING OF APRIL 6, 2022

### MINUTES

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

**Staff:** City Clerk Fernandez, Police Chief Harding, Director of Engineering Lenius, Civil Engineer Ranes, Engineer I Roberts, Deputy City Clerk Diehl, Phil Struck, Public Works Superintendent Lund

**Consultants:** Chris Kelsey, BHC; Chris Gonzalez and Skye Jiang, FCS; John Hendron, RH2; Stella Vakarc, Kitsap County Public Works; Jim Schlachter and Mark Kipps, Sewer Advisory Committee Members

### MAJOR BUSINESS ITEMS

- \* \* \* Approval of March 9, 2022, Council Meeting Minutes
- \* \* \* Approval of BA#22-0202 for Historic Cemetery Grant
- \* \* \* Acceptance of Parks & Recreation Donations and Approval of BA#22-0204 for Partnership Project with Leadership Kitsap
- \* \* \* Sewer Functional Plan Workshop
- \* \* \* Approval of Entry into ILA with Kitsap County Safety Records Management Software
- \* \* \* Acceptance of WASPC Helmet Distribution Grant and BA#22-0203

#### 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** Phillips.

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 Phillips said warmer weather is coming and warned those who will be on the water to be safe, the water is still cold.

Councilmember Musgrove encouraged everyone to enjoy the weather while it is nice outside.

Councilmember Livdahl noted the unfortunate maiden voyage of Miriam the Tugboat that ended upside down. She commended the Poulsbo Police Department for a quick response time. She is registered for the annual GARE meeting in person April 19-21 in Portland.

Councilmember Stern recognized the farmer's market rededication Saturday morning. It is back and at Gateway Church. He thanked Senator Rolfes for helping get an exemption for the market to be on church property for one more year. He recognized today is the 28<sup>th</sup> anniversary of Municipal Judge Jeff Tolman serving as our city judge. Mayor Erickson added Judge Tolman is a treasure and we are honored to have him working for the City of Poulsbo. He said the City of Bainbridge would like to explore whether it might be worthwhile to have a discussion on areas the two cities might have in common. Three Bainbridge Island councilmembers and the City Manager desire to meet with three Poulsbo councilmembers and the Mayor for a preliminary conversation.

Councilmember McVey said it was great to be back in the chambers, and thanked staff who made it possible with the chamber's A/V upgrade. He said the Council is headed into an important year with the new comprehensive plan work. He asked the senior council to be open to suggestions and comments from the newer members as they work through this process. He said the empty space of the former Albertsons has been empty for seven years. The City has presented creative solutions to the property owners, and he feels it is time to ratchet up the conversation. He reported Poulsbo-NK Rotary and Jewel Box Theater had their annual fundraising events and thanked the community for supporting them. He commended Martha & Mary, who has been helping his dad through difficult times during the past year. He thanked everyone there for their work, Poulsbo is very lucky to have them in its community.

Councilmember Lord agreed Martha & Mary is one of our jewels. Her grandson became a CNA there. She reported Viking Fest is happening this year, and the fish derby will be happening at the end of May up at the high school pond. She said Judge Tolman is a community jewel.

Councilmember McGinty commended Judge Tolman, who has served under four mayors and some tremendous political stress during some of those years.

Mayor Erickson thanked Senator Rolfes who changed state law to allow the farmer's market to occur. Gateway Church was notified by the Department of Revenue that they were going to lose their non-profit status if they continued to host the farmers market in

their parking lot. This wasn't just happening in Poulsbo, but other cities as well. They changed the law to allow them to operate there for free without affecting the non-profit status of the church. The market is getting very big. There were 600-700 people there. We are working towards moving the market to our public works facility in the next 18 months. That will be a decision in the future for the Council to make. It will be similar to the granting of the marine science center to an organization that could use it.

She thanked the art committee for an impromptu meeting for the request of the Slippery Pig to paint a mural on their building. The committee agreed the mural is fine. She agrees with Councilmember McVey about the Albertson's building being vacant for seven years. She has been pushing them to do something with that building. She will not stop until they get some sort of resolution.

**a. Department Head Reports**

Public Works Superintendent Lund said the garbage issues at Olympic View Transfer Center will not affect our garbage service this week.

Director of Engineering Lenius said the Johnson Parkway Project continues this week after limited work during the winter season.

Parks & Recreation Director Schoonmaker said we have all hands on deck with the boardwalk. They have hired a contractor to work on the project.

**5. CONSENT AGENDA**

**Motion:** Move to approve Consent Agenda items a, b, and c.

The items listed are:

- a.** Approval of March 9, 2022, Council Meeting Minutes
- b.** Approval of BA#22-0202 for Historic Cemetery Grant
- c.** Acceptance of Parks & Recreation Donations and Approval of BA#22-0204 for Partnership Project with Leadership Kitsap

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

**6. BUSINESS AGENDA**

**a. Sewer Functional Plan Workshop**

Director of Engineering Lenius, staff, and consultants presented the Sewer Comprehensive Plan. Presentation highlights included:

- Purpose and role of the advisory committee
- Technical sewer advisory committee members
- Sewer comprehensive plan staged delivery schedule
  - Technical advisory committee workshops
- Growth and flow projections
  - Coordinated with Planning Department on population growth rate: 2.36% annually
- Align with the City's Comprehensive Plan growth projections and future population
- Work completed – system calibration
  - Population/employment and flow projections
  - Dry and wet weather model calibration
  - Hydraulic modeling
- Recommended major conveyance projects
  - Major Lemolo conveyance facility upgrades – 3 steps (preferred alternative)
    - SR305 Wet Weather Sewer Storage Tank
    - Lemolo Shoreline Pipe
    - Bond Road Pump Station and SR305 Force Main Improvements
  - Balance conveyance capacity with future growth/flows and project timing
  - CIP Project Development
  - Long Term Conveyance Alternatives
  - Long term considerations
    - Work Completed: Long-Term Conveyance Alternatives
  - MBR Feasibility Study
    - Long-Term Alternative: Satellite Treatment Plant – MBR Feasibility Study
    - Membrane Bioreactor Analysis
    - Membrane Bioreactor Conclusion
  - Capital Improvement Program
    - 6-Year Capital Improvement Program 2022 – 2028 total cost \$27.1MM
    - City CIP Projects
    - City proportionate share of Kitsap County CIP projects
  - Sewer utility staffing analysis

- Financial analysis, key assumptions, capital needs forecast, financial plan (rate forecast), sewer general facilities charges (GFCs)
- Kitsap County updates
- Next steps
  - Complete Draft General Sewer Plan and target submittal to Ecology in April/May
  - Continue coordination with Kitsap County and execute updated service agreement
  - Adopt Sewer Comprehensive Plan 3Q 2022
  - Implement Financial Plan = January 2023
  - Advertise for additional sewer staff member – 2023
  - SR 305 Offline Storage Tank 60% design
  - Design Lemolo Shore Sewer Pipeline – 2022-3

Councilmember Musgrove commented on the MBR, which was discussed in the committee. It is off the table at this point, it is not a viable option today. He appreciates the work that went into researching if an MBR was an option (it could take some of the sewage load and alleviate some of the very costly improvements they are facing in the future). He also said in the future they need to discuss the watershed and water rights.

Councilmember McVey asked which other municipalities partner with the County versus running their own treatment centers. Director of Engineering Lenius said the Cities of Bremerton and Bainbridge Island have their own wastewater treatment plants, the City of Port Orchard partners with West Sound Utility District, and the County operates every other system. Stella Vakarcs said they have a treatment plant in Manchester, Suquamish, Kingston, and the Central Kitsap Plant. Port Gamble has an MBR plant that the Kitsap PUD operates. The Suquamish Tribe has a couple MBRs, and the S'Klallam Tribe has put in a small treatment plant for the Point No Point Casino.

Councilmember Stern said previous to the MBR discussion, when they talked about routes to the Kitsap County facility, there was some thought to looking at the westside route. What concerns him is the next 6-10 years and being effective, efficient and timely. He noted Councilmember Musgrove touched on the topic of watershed and added Poulsbo and its neighbors are defined by Liberty Bay. The quality of our environment and the water and our relationship with it becomes more and more important. The City of Poulsbo will begin to take in those surrounding lands for the purpose of environmental stewardship and watershed management. When we can't find an effective approach to even consider the westside route, we predetermine a course for the future. 100 years from now Poulsbo will

circumnavigate Liberty Bay, and the question of sewer, route, water quality, and watershed management will be of paramount concern.

Councilmember Stern asked what level of population capacity this project be able to handle (upper limit of population served by the third siphon). Director of Engineering Lenius said the model assumed a 2.36% growth rate resulting in a population of 21,000.

Councilmember Livdahl asked if the numbers for improvements on roads like 3<sup>rd</sup> Avenue, if it is inclusive of the domino effect of needing to upgrade streets. Director of Engineering Lenius said the restoration of the full lane is generally included in any sewer project. It would be a partial road restoration but wouldn't include sidewalks.

Councilmember Musgrove said the Council policy has been that growth pays for growth. He doesn't want the current residents to worry that their rates are going to jump up as they are paying to bring other people in. He presumes there are plans for latecomer agreements to place the burden onto the new growth. Director of Engineering Lenius said there are two parts to that answer. The first is great developments on the eastside of town with the extension of sewer main to serve Poulsbo Meadows, Mountain Air and Blue Heron. They had a latecomer agreement, which is an example of growth paying for growth. Another example is where there is a portion of capital improvements that is related to rehabilitation of existing infrastructure and a portion that is related to growth.

Councilmember McVey said at some point we need to get approval from other governmental agencies for the plans they are making. He asked for them describe which entities they have to seek approval from, and what the permitting process looks like. Director of Engineering Lenius said Ecology is the ultimate review authority for our sewer comprehensive plan, and they have continuously coordinated with them on I&I issues. The challenge is the people they have been dealing with have retired or moved on, and they are starting new relationships. They also have regular meetings with the Suquamish Tribe at the staff level to bring them up to speed on the capital program for the City on various environmentally sensitive issues. They plan to meet with them soon. The third partner is Kitsap County, who provides treatment. They meet regularly. And the entire plan goes through the SEPA process, which gives the public the opportunity to be engaged. And then finally it gets adopted by Council.

Councilmember Stern expressed three concerns: 1) the cost of materials built into the assumptions looks low, 2) the CPI inflator of 5% should be interjected into there, and 3) and the interest seems low. He would appreciate seeing an alternative scenario in round numbers. Mayor Erickson said the CPI is low and will be low for a while, but they need to include what-if scenarios.

Councilmember Musgrove said he wanted to be able to tell current residents that they are paying extra in order to maintain the service they currently have (things that break). They are looking at a 1% increase on current residents in order to pay for improvements for incoming residents. He asked if that was true, and if they have tools in their toolboxes to shift that 1% to the growth population. Chris Gonzalez said shifting cost to growth is done through the GFC. They could potentially go up to the maximum of that buy in plus growth method, but for the 50-60 ERUs per year they are talking about in the near term, it may not be enough to make a huge dent in it. The closer you get to the maximum, the greater the chance you will have to decrease the GFC in the future once the projects are done, and they become part of the existing system that gets split to everybody.

Councilmember Lord asked if there are any surprises or impacts vis-à-vis the City of Poulsbo and the unexpected County needed repair to a failed main from Bangor Base along the Keyport highway. Can they get an update on how that has progressed and if the main has been repaired. Stella Vakarcs said they have just advertised the overall replacement of the entire project. They have a pre-bid meeting and quite a few contractors attended that meeting. The costs of the emergency repair have been tabulated, and she needs to get those costs to Diane and Debbie.

Mayor Erickson asked that if the Council has any questions to get with Diane and Mike, as they will be coming back to the Council in the future for approval.

**b. Approval of Entry into ILA with Kitsap County for Public Safety Records Management Software**

Police Chief Harding presented the agenda summary, noting for over 20 years, the Poulsbo Police Department has shared a Public Safety Records Management System with five surrounding agencies to include the lead agency of Kitsap County. The existing system is no longer being improved upon and has come to the end of useful life after two decades. This ILA Agreement presented tonight is with Kitsap County for joint ownership in a New Public Safety Records Management Software. All involved agencies, include ours, have been included and represented in the process from the needs assessment, the RFP, vendor demos and final vendor selection. This new system will greatly increase the functionality of the data, provide for new automated interfaces, enhanced case management and allow for greater collaboration and reporting. This project has been discussed previously at committee level and at council over the last several years.

Councilmember Musgrove asked what would happen if someone dropped out of the ILA, if there is a financial impact for our share of the costs. Chief Harding said the terms of this agreement locks us into the rate that we are assessed for the term of the contract.

**Motion:** Move to approve the ILA between the City of Poulsbo and Kitsap County for Public Safety Records Management Software and authorize the Mayor to sign the agreement.

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

Motion carried unanimously.

**c. Acceptance of WASPC Helmet Distribution Grant and BA#22-0203**

Police Chief Harding presented the agenda summary, noting on March 15, 2022, the City of Poulsbo Police Department was awarded a \$1,000 Helmet Distribution Grant for fiscal year 2022 by WASPC. This funding is intended for local law enforcement agencies to provide helmets to persons contacted by law enforcement agencies for not wearing a helmet while riding a skateboard or bicycle. This program is funded in an effort to reduce traumatic brain injuries throughout the state.

**Motion:** Move to accept the \$1,000 WASPC Helmet Distribution Grant awarded to the Police Department and approve the associated Budget Amendment No. 22-0203.

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

Motion carried unanimously.

**7. COUNCIL COMMITTEE REPORTS**

*Housing, Health, and Human Services Committee:* Councilmember Livdahl reported Fishline would like to see the Cares program in action more frequently; Housing, Health & Human Services Director Hendrickson is looking into a program that Bainbridge Island runs called the Island Volunteer Caregivers (focuses on senior/elderly community); they had the second meeting at Port Gamble S’Kallam Tribe for the co-responders (40 person in-person meeting); the Mayor brought up issues regarding our insurance coverage and it being a road block for many proposed programs; they extended the emergency rental assistance timeframe by two months; on May 18 is the Council workshop for the Nordic Cottage concept.

**8. BOARD/COMMISSION REPORTS**

Councilmember Musgrove said he attended the last Planning Commission meeting that was held in the Council Chambers. He also listened to the report out to the Planning Commission about the PERC status.

Mayor Erickson said due to state legislation, the health district board is reorganizing. Two county commissioners will no longer be on the board, and there will be five citizens, one from each tribe, and three have to be involved in public health. The PSRC Transportation Plan for the region is going forward. It is contentious with equity and



climate change issues. Kitsap Transit is applying for a federal grant for \$32MM for an electric fast ferry and applying for a grant for a new park & ride for the Johnson Roundabout. Housing Kitsap has a draft of their current financial statements, and it is going through without any findings. They are stabilized.

Councilmember Stern reported he and Councilmember Musgrove attended the Kitsap Economic Development Alliance annual business meeting.

## 9. CONTINUED COMMENTS FROM CITIZENS

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

## 10. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Phillips said it was very nice to be in person and see everybody.

Councilmember Musgrove said it is good to be back. He enjoyed the field trip they took to visit Elijah's workshop to see the roundabout artwork. It was amazing to see the shop.

Councilmember Livdahl said visiting the studio is always amazing to watch Elijah's process. It was great to experience the full scale and detail of the work. It is a labor of love.

Mayor Erickson thanked Director of Engineering Lenius for the presentation tonight.

Councilmember McVey thanked and recognized Rick Eckert, Mark Kipp, and his wife Paula for attending the meeting tonight.

Councilmember Lord said it was an entertaining meeting and gave kudos to everyone involved with the presentation of the sewer workshop. She said Elijah's artistry with the Johnson Roundabout sculpture will knock your socks off when it is installed. It brought tears to her eyes.

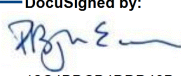
Councilmember McGinty said the hybrid seems to work very well.

## 11. ADJOURNMENT

**Motion:** Move to adjourn at 9:21 p.m.,

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

Motion carried unanimously.

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Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk