

POULSBO CITY COUNCIL MEETING OF JUNE 1, 2022

MINUTES

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

Staff: Finance Director Booher, Deputy City Clerk Diehl, Police Chief Harding, Public Works Director Lenius, Civil Engineer Raney, Parks & Recreation Director Schoonmaker, Contract Administrator Ziemann.

ABSENT: Councilmember McGinty

MAJOR BUSINESS ITEMS

- * * * Police Department Oaths of Office
- * * * BA #22-0213, WASPC Traffic Safety Grant
- * * * Public Hearing and Adoption of Resolution No. 2022-12, Six-Year TIP
- * * * Systemic Safety Project Contract Award and Budget Amendment
- * * * Johnson Parkway Project Update
- * * * 2022 Carry Over Budget Amendment and Discussion
- * * * 1st Quarter 2022 Financial Status Report
- * * * Presentation: Troll Artwork Project Discussion
- * * * Public Works Property Appraisal Budget Request

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

Tom Nordlie stated Poulsbo needs a troll, with Poulsbo already having three Viking statues, he feels a troll is needed to complete the tradition. He noted he was a member of the Fish Park Committee and they had discussed the Dambo trolls three years ago. He recognized the concerns of the council but feels that public art and parks make up a

community. Fish Park Committee is looking into fund raising possibilities to fund the troll and believes Poulsbo and Fish Park need a troll.

Becky Lorber commented on the article in the newspaper that mentioned giving the old public works site to Coffee Oasis or the Poulsbo Farmer's Market. She encouraged the council to convey the land to the parks and recreation department to facilitate leases between not only these groups but other organizations. Lorber noted the city CIP plan stated the need to acquire park land around Centennial Park. She noted in the parks PRO plan, it stated in 2036 there would be a deficit in park land of 63 acres.

Jerry Reitan stated his concern for the safety of pedestrians on Fjord Drive with the increased speeding and traffic. Reitan noted a fatality accident he witnessed due to speeding on Fjord Drive, he suggested installing speed tables and noted the need for the overgrown blackberry bushes to be trimmed.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

- a.** Police Department Oaths of Office were given to new police officers Justin Black and Erik Pepper, Sergeant Luke Bogues, and Lieutenant Howard Leeming.
- b.** Council comments included: the appreciation of all citizen comments given; encouraging people to visit the Poulsbo Library; the availability of this month's city and parks and recreation newsletters; thanked the Viking Fest Corporation for a great event; wished the LGBTQ community a happy pride month; congratulations to all the new police personnel; Memorial Day celebrations which took place over the weekend; upcoming Bremerton West Sound Symphony concert on June 5th; thanks to Poulsbo Public Works and Police Departments for their efforts during Viking Fest; and all the good events available on the city's community calendar.
- c.** Parks and Recreation Director Schoonmaker introduced the North Kitsap High School's Civic Action group who were tasked with a creating a concept for the West Poulsbo Park. The team included: Payton, Ava, Issac, Jake, Carl, Manny, Ben, and Zack. The team members noted: the project gave them the opportunity to have the voices of high school students heard; they were able to meet with and learn how the city's Planning and Engineering Departments work; the creation of a list of amenities for the park and the costs of creating those amenities; working with the Engineering Department they learned the regulations of items like drainage, wetlands, impacts of the amenities, and safety; holding a community meeting with nearby neighbors who expressed their desire for a passive park with safety in mind; creating a video on their journey of this process; suggesting a few names from Nordic history for the park and noted they have created QR code for the ability to vote on a name. The students thanked Parks & Recreation Director Schoonmaker and the City of Poulsbo for giving them this opportunity.

- d. Mayor Erickson sought council concurrence in allowing her to represent the city on the Kitsap Transit Route Criteria Selection Board. Council concurred with her request.
- e. Public Works Director Lenius noted they competed in the county wide competition for federal funds for transportation projects. There were seventeen projects competing and 30 million dollars on the table with only 11 million dollars available. They came in number three and the prognosis for their project to be selected looks good.

5. **CONSENT AGENDA**

Motion: Move to approve Consent Agenda item a.

The items listed are:

- a. BA#22-0213, WASPC Traffic Safety Grant

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

6. **BUSINESS AGENDA**

a. **Public Hearing and Adoption of Ordinance No. 2022-12, Six-Year TIP**

Civil Engineer Raney presented the 2023-28 Traffic Improvement Program (TIP), noting they have added three new projects which include: Hostmark Overlay; 10th Avenue Overlay; Bond Road Sidewalk Gap Closing. Raney displayed the complete project list and noted it had a total cost of 50.5 million dollars.

Mayor Erickson opened the Public Hearing at 7:50pm.

Rick Eckert noted he would like to see the safety improvements on 8th Avenue to go through the Iverson intersection, as it was not mapped out on the map. Eckert feels that intersection is very dangerous and it needs to be addressed.

Councilmembers Lord and Livdahl both agreed that was a dangerous intersection and hoped to see improvements to it. Councilmember Musgrove questioned if council has the ability to make changes to the list within the six-year period. Raney noted changes can be done yearly by resolution. Councilmember Phillips noted the intersection at Little Valley Road and Forest Rock Lane was also dangerous and needed to be looked

at as well. Councilmember Stern asked if there was a plan to widen the lower part of Hostmark Street below 6th Avenue.

Mayor Erickson closed the Public Hearing at 7:53pm.

Motion: Move to adopt Resolution 2022-12, a resolution of the City Council of the City of Poulsbo, Washington, adopting a six-year transportation improvement program for the years 2023-2028 and directing the same to be filed with the State Secretary of Transportation and the Transportation Improvement Board.

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

Motion carried unanimously.

b. Systemic Safety Project Contract Award and Budget Amendment

Civil Engineer Raney presented the agenda summary, noting there were six locations in the city described in the project in accordance with the City's 2018 Safety Plan. The six locations included: Viking & Edvard Intersection; Lindvig & Fish Park Entrance; Caldart & Hostmark; Caldart & Mesford; Front Street at the King Olaf Parking Lot; Noll & Sunnymeade. Project is to start at the beginning of July and be finished in 50 working days. The engineer's estimate was \$200,000 and only one bid was received by Sound Pacific Construction for \$481,245. Reasons for the increased bid was: the limited availability of contractors; material and gas price increases; traffic restrictions on Front Street, having multiple sites.

Total project budget is \$662,000 with the city contributing \$20,000 and \$311,000 + \$331,500 from the WSDOT HSPI Grant. PW committee was disappointed the bid was so high but recommended the project.

Motion: Move to approve awarding the construction contract to Sound Pacific Construction for the Systemic Safety project in the amount of \$481,245.00 and authorize the Mayor to sign the contract on behalf of the City and to authorize the Mayor to sign change orders up to 10% of the contract value.

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

Motion carried unanimously.

Motion: Move to accept an additional \$331,500 in Federal HSIP grant funds and move to approve the Budget Amendment #22-0215 for \$331,500 to increase the project budget capacity.

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

Motion carried unanimously.

c. Johnson Parkway Project Update

Public Works Director Lenius introduced the Johnson Parkway team including Josh Raney & April Ziemann.

Civil Engineer Raney gave an overview of where the project is at: the tunnel has an anti-graffiti coating; all utilities were placed together in a joint utility trench; the massive detention vault is 170ft long and has been buried; Johnson Road contains two lanes of travel with shared use paths; light poles are being installed; the Noll Road intersection has been paved and curb ramps installed; the artwork is taking shape.

Work remaining includes: a traffic shift to roundabout configurations; constructing center islands and splitter islands; finishing large wall; installing luminaries and final paving; tunnel lighting and security cameras; Stream 1 scour repair; landscaping; signage and striping.

Current budget status: project total of \$18,530,125; amount spent to date of \$14,694,615; with a remaining budget of \$3,835,510. Raney noted the artwork has a budget of \$150,000 in addition to the project budget.

Project challenges included: Covid; material increase cost and delays; very wet conditions; and the scour at Bjorgen and Stream 1.

Significant change orders and increases are at \$1.3 million and include: Wall 3B; Bjorgen Scour Reconstruction; Stream 1 scour Reconstruction; Pressure Reducing Valve Relocation; Colored Concrete; Security Cameras; Roundabout Welcome Sign; Crushed Surfacing Base Course; Asphalt and Walls. Raney noted they will be negotiating these changes orders. This puts the project within the \$1.4 million contingency and puts the project right at the 10% threshold. The Construction Administration has come in higher than expected with an approximate \$1 million overrun, so they are seeking grants and additional funding sources to make up the overrun. Expected completion date around mid-September.

Mayor Erickson noted there was a presenter for item 6.f. waiting on the phone and requested to move item 6.f. - Presentation: Troll Artwork Project Discussion be moved up in front of item 6.d. due to the late hour.

Motion: Move to item 6.f. up to the current place in the agenda.

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

Motion carried unanimously.

f. Presentation: Troll Artwork Project Discussion

Parks & Recreation Director Schoonmaker presented the agenda summary, noting the Pacific Northwest Troll Hunt is a public art project which features ten trolls in the Puget Sound area and Poulsbo being selected as a site with Fish Park being the recommendation. These trolls are created to tell a tale of protecting nature and honoring our land by focusing on the human impact of life in the water, salmon, orca protection, and environmental protection of the watershed.

Thomas Dambo is the artist, he uses recycled wood to create his trolls that have been placed in several countries. He would like to create a troll that would be laying on its back in the middle of a blackberry bramble and would have a secret entrance through an arbor. The troll would measure 24' long by 16' wide by 12' high.

The cost of the project would be: \$75,000 paid to the artist; \$10,000 - \$20,000 for building expenses.

There are a few options on funding which include:

1. Funding the project from the General Fund
2. Funding the project through Park Reserves. This option would require a reprioritization of future park projects listed on the CIP.

Note: During the 2020-21 budget, due to Covid the city council chose not to fund the \$50,000 Park Reserve Fund. If this amount was replenished through the carryover of ARPA funding, it would cover the costs of the project.

3. Solicit donations/fundraising within the community with the understanding the city would match and fund the remaining amount.

Pros and Cons of the project included:

Pros: the desire of public art in the community; providing the message of our commitment to water conservation and protection of natural resources; opportunity to collaborate with the Suquamish and Port Gamble S'Klallam tribes; creates a huge tourist attraction and provides economic impact to small businesses; speaks to our community character as "Little Norway".

Cons: the significant cost which would reprioritize other projects; a parking impact to the area around Fish Park; trails would require additional care and maintenance; maintenance of the troll itself.

Director Schoonmaker introduced Fidelma McGinn of Scan Design, she gave perspective on the unique project. McGinn noted the trolls would be placed throughout Western Washington giving the public a free opportunity to view the art as part of a scavenger hunt. It allows folks to connect with nature and explore areas they would not have thought of going. She noted the Scan Design foundation was established by two Danish immigrants who created the Scan Design furniture company and they are donating \$500,000 towards this troll project.

Councilmembers Phillips noted the Community Services Committee had reviewed this project and recommends it. Phillips also noted the contract has not been reviewed by the city's legal team and is a sample contract, so changes can and will be made.

Councilmember Lord questioned how this project would tie into salmon protection and restoration of habitat. Lord stated she would like to see the new West Poulsbo Park as an alternative location.

Councilmember McVey had a few concerns which prohibited him from supporting this project that included: Fish Park being the site selected for the project and turning the park into a tourist attraction deferring from protecting the natural state of the park; not only the \$90,000 price tag for this project but all additional cost in the contract after installation; this being proposed as an environmentally friendly project yet visitors would be coming by cars to view it; the contract allocating \$75,000 dollars to the artist but nothing to tribal artist that are supposed to be included in the project.

Councilmember Livdahl noted the timeline of this project being consider rushed was due to not knowing if Poulsbo would even be selected for the project. Livdahl stated other parks could be considered.

Councilmember Stern noted: the long history of trolls in Poulsbo and the mayors want for a concrete troll under the highway 305 bridge; Fish Park being an environmentally friendly park and might not be the right place for a project like this; he suggested Raab Park as an alternative; Fish Park having limited parking and the egress/ingress is not ideal for this type of project.

Councilmember Musgrove mentioned the importance of public art but expressed the following concerns: the fact the council in whole has not discussed this prior to this meeting; the expected life span of the troll; annual operation and maintenance costs; insurance and liability of the project.

Mayor Erickson noted the elegance of Scan Design furniture and this group being the in charge of this project should speak to the thoughtfulness being put into this project. Erickson stated the council will have a week to decide and suggested they speak with Director Schoonmaker to get all their questions answered.

Parks & Recreation Director Schoonmaker noted additional signage could be added and volunteers used to mitigate parking concerns; tribal collaboration has been discussed in several conversations and they have met with Mr. Dambo to provide suggestions for this project; Fish Park being the right place for this project is decided by council; the Fish Park steering committee recommends this project; Poulsbo is the only site selected in Kitsap County and the Olympic Peninsula.

d. 2022 Carry Over Budget Amendment and Discussion

Finance Director Booher presented the agenda summary, noting the General Fund projected beginning balance was \$3,254,629 with an actual of \$4,590,208 creating a difference of \$1,335,579. General Fund figures include: Revenues of \$19,348,424; Expenditures of \$17,701,690 less the restricted funds of \$683,656; and a net increase of \$963,078.

Variable budget vs actual highlights include: Revenues: Taxes of \$1,092,000; Development Fees of \$492,000; Parks and Recreation Fees of \$58,000; Fines & Forfeitures/Detention of \$44,500; Investment/Misc. Revenue/Unrealized of \$168,000. Expenditures: Legal Cost of \$74,000; Wages & Benefits of \$234,000.

General fund carryovers include: New RMS System of \$155,000; Criminal Justice Fund Implementation Fund of \$46,050; Rotary donation of DV Task Force of \$1,298; Wellness Program of \$3,500; Planning PERC Grant Revenue offset of \$79,359; Engineering: Parametric Olso Bay \$665, Professional Service ADA Plan \$17,098, Complete Streets \$246,764; Noll Road Project: Noll Road Tunnel \$457,850, Noll Road Roundabout \$1,102,792. Some of these carry overs are grant funded.

Booher is projecting to have a fund balance for 2022 of \$4,727,227 which is approximately one million less than 2021. Booher noted the Mayor's Recommendation is to keep the funds in fund balance and work on personnel needs and developing funding priority. Special Revenue Carryover Funds include: Street Operations, Capital Improvements; Traffic Impact Transfers; Park Impact Fees. Capital Project Funds discussed included: Special Revenue Funds; Capital Equipment; Park Reserves; Street Reserves; Facilities Fund; Utility Fund; Utility Water Fund; Sewer Fund; Solid Waste Fund; Storm Drain Fund.

Motion: Move to approve Budget Amendment Number 22-0214 for 2022 carryover/beginning balance adjustment and related approved expenditure and revenue adjustments.

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

Motion carried unanimously.

e. 1st Quarter 2022 Financial Status Report

Finance Director Booher presented the agenda summary, noting these are items which fall out of the 15% variance. Booher noted: nothing was surprising regarding the tax funds collected; the Investment portfolio is at \$35 million; current and pending projects on the Capital Project Status Report.

g. Public Works Property Appraisal Budget Request

Mayor Erickson asked for \$15,000 for an appraisal for the Public Works Yard in regard to the disposal of the property. Erickson noted an environmental assessment might be needed on the property also.

Councilmember Musgrove stated this appraisal needs to be done but questioned why the previous estimate of \$10,000 was increased by the Finance Committee. Councilmember McVey noted the mayor's original estimate they felt was low based on previous appraisals the city had recently done on smaller properties.

Motion: Move to approve allocating \$15,000 to pay for an appraisal of the Public Works property located at Iverson.

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

Motion carried unanimously.

Mayor Erickson noted it was now 10PM and a motion was needed to extend the meeting.

Motion: Move to extend the meeting in order to complete the agenda.

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

Motion carried unanimously.

7. COUNCIL COMMITTEE REPORTS

Finance-Administration Committee: Councilmember Stern reported: they looked at the flexibility to move items on the agenda around to keep the meeting flowing; the process on creating a City Administrator position; the deficit in the Viking Fest budget; Seasonal averaging for utility billing and keeping the same process; being above the curve on monthly sales; downtown clock repair costs.

8. BOARD/COMMISSION REPORTS

None.

9. CONTINUED COMMENTS FROM CITIZENS

Rick Eckert thanked the mayor for attending and speaking at the VFW Post 2463 Memorial Day Ceremony.

10. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Musgrove enjoyed the Memorial Day Ceremony.

11. ADJOURNMENT

Motion: Move to adjourn at 10:05 p.m.

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

Motion carried unanimously.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk

Respectfully prepared and submitted by Kati Diehl