POULSBO CITY COUNCIL MEETING OF MARCH 1, 2023

MINUTES

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

Phillips, Stern

Staff: City Clerk Fernandez, Assistant City Administrator Booher, Housing, Health &

Human Services Director Hendrickson, Police Chief Harding, Special Event

Coordinator Wilson

MAJOR BUSINESS ITEMS

* * * Police Officer Swearing In

- * * * 2022 Donation Acceptance
- * * * November 9, 2022, Council Minutes
- * * * November 16, 2022, Council Minutes
- * * * BA#23-0105 Police Vehicle Repairs
- * * * * BA#23-0106 RMS Replacement Project Citizens Portal
- * * * ILA with Kitsap County for RMS Replacement Project Citizens Portal
- * * * ILA with Central Kitsap Fire & Rescue Fire CARES
- * * * ILA with Poulsbo Fire for 2023 Poulsbo Fire CARES
- * * * Approve Council Absence
- * * * American Tower Verizon Cell Tower Lease Amendment

WORKSHOP ITEMS

- * * * Municipal Court Update
- * * * 2023 Housekeeping Code Amendments
- * * * Westside Well Project Update and Change Order
- * * * Donation: Building Materials for Fish Park Improvements
- * * * BA#23-0107 Use of Force Legislative Funding for Training
- * * * Extension of Kitsap Homes of Compassion Agreement for Deeply Affordable Rentals
- * * * Extension of Believe in Recover Agreement for Substance Use Disorder Services

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Erickson called the virtual meeting to order at 5:00 p.m. and led the Pledge of Allegiance.

2. AGENDA APPROVAL

Mayor Erickson said they will have an additional presentation from Planning & Economic Development Director Wright and another presentation given by Housing, Health, and Human Services Director Hendrickson.

Motion: Move to approve the agenda as amended.

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

Motion carried unanimously.

3. COMMENTS FROM CITIZENS

Pastor Rob Wilson, North Point Church, invited the community to attend a symposium they are having and how to become more comfortable with connecting with today's youth.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Phillips said he is looking forward to the event hosted by the church.

Councilmember Lord echoed Pastor Rob's comments and she and her husband are signed up for the symposium to help relate to youth and the issues they are going through today.

Councilmember McVey said Fishline announced they have hired Charlie Thompson as their executive director, he welcomed him aboard and thanked Lori Maxim for all her work. Poulsbo Film Festival announced the dates for their next film festival to be October 13-15.

Councilmember Musgrove said Kitsap County is doing a Styrofoam and mattress recycle in six weeks on April 15.

Mayor Erickson reported the Parking Committee is moving forward, and four committee members will help review the responses from the RFP later this month; interviews with the Health District for respondents to the RFP for a comprehensive study of health care services in Kitsap County; PSRC earned share allocation of funding for transit; she received a full set of secondary forms for another opioid settlement going against retailers who sold opioids; the Prosecutor Gretta Coleman is being promoted to Superior Court, so she is being replaced by Prosecutor Bobby Appleyard; Housing Kitsap has completed its 2022 audit with no findings; the Nordic Cottage application has been submitted to the City for review; the Sophie Apartments should be open in about six weeks and Johnson Parkway will be open in about six weeks.

a. Police Officer Swearing In

Mayor Erickson said Daniel Luna is our newest hire and she welcomed him aboard and April Allen has been promoted to detective.

Mayor Erickson gave the oath of office to Officer Crippen.

Mayor Erickson gave the oath of office to Casey Wunsch as sergeant.

Mayor Erickson gave the oath of office to Erik Peffer as sergeant.

b. 2022 Donation Acceptance

Mayor Erickson noted the 2022 donations that have been accepted by the City.

c. Department Head Reports

Parks & Recreation Director Ozimek reported the girls gymnastic team finished 7th in State; Fairytale Family Formal is March 18; and the Lucky Leprechaun Hunt will be in Raab Park this month.

Planning & Economic Development Director Wright said they closed their survey for the Comprehensive Plan, and they received 400 results. They are going to release their findings this Friday.

Judge Tolman gave his update of three jury trials that they have had since COVID.

5. CONSENT AGENDA

Motion: Move to approve Consent Agenda items a through h.

The items listed are:

- a. November 9, 2022, City Council Special Meeting Minutes
- **b.** November 16, 2022, City Council Special Meeting Minutes
- **c.** BA#23-0105 Police Vehicle Repairs
- **d.** BA#23-0106 RMS Replacement Project Citizens Portal
- e. ILA with Kitsap County for RMS Replacement Project Citizens Portal
- **f.** ILA with Central Kitsap Fire & Rescue Fire CARES
- **q.** ILA with Poulsbo Fire for 2023 Poulsbo Fire CARES
- h. Approve Council Absence

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

Motion carried unanimously.

6. BUSINESS AGENDA

a. American Tower/Verizon Cell Tower Lease Amendment

Public Works Superintendent Lund and City Attorney Romanenko presented the agenda summary, noting the adjusted term should have commenced March 7, 2019, and expiring March 6, 2024. The agreement will have an initial 10-year term with additional automatic subsequent eight five-year terms. The rent amount was amended to reflect the calculated current amount but remains consistent with the original agreement. The City will be compensated an additional \$12,500 one-time payment to the City. \$10,000 for the lease amendment and \$2,500 for the legal costs associated with the lease amendment.

Councilmember McVey asked if this was just one cell tower. City Attorney Romanenko said it is one cell tower.

Councilmember Lord said on the summary statement that the term should have commenced on March 7, 2019, and expires March 6, 2024, was that the last five years of a ten-year lease. City Attorney Romanenko said it may have been a typo, and that it was a five-year term ending in 2024 with two five-year renewal terms back-to-back. This amendment is sticking with the five-year leases, but there will be eight renewals instead of two.

Councilmember Musgrove asked if we have any opportunity to revise the contract over the eight five-year period, if needed. City Attorney Romanenko, we could ask, but because it is a contract, both parties would have to agree. She has negotiated these lease agreements for many jurisdictions, and a 4 percent increase is the standard amount. She has seen some jurisdictions negotiate the CPI increase, but it ends up creating more work administratively for city staff. Negotiating a rate increase might be something worth looking at if inflation remains at the rate it is at.

Councilmember McVey asked if Public Works Superintendent Lund foresees any issues with looking ahead of what else is going on at the location, and if there would be any complications. Public Works Superintendent Lund showed the site map and said unfortunately, once a cell tower is installed, they are there for a very long time. Unless the towers go away, we might as well lease the land. We can still access the tank.

Motion: Approve Cell Tower Lease First Amendment to December 18, 2019, with Seattle SMSA Limited Partnership dba Verizon Wireless for Telecommunications Facilities located on City site.

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

Motion carried unanimously.

At 5:47 p.m., Mayor Erickson recessed the meeting for a break. At 6:00 p.m., Mayor Erickson reconvened the meeting.

7. WORKSHOP AGENDA

a. Questions and Concerns of the Council

Councilmember Stern expressed concern regarding the intersection at Jensen by the post office. Mayor Erickson said the Engineering Department has been trying to figure out how to address the situation. She added the Post Office needs to be moved.

Councilmember Phillips asked about the status of Granicus. City Clerk Fernandez said they are parallel testing the software during this Council meeting. Mayor Erickson also noted dual factor authentication is being rolled out by department.

Councilmember Livdahl asked when they will be discussing the cannabis moratorium. Mayor Erickson said it will be discussed tonight.

Councilmember McVey requested the City Lobbyist McConaughy provide a legislative briefing soon. Mayor Erickson said she is trying to have him attend next week's meeting, but we are waiting for a response from him on his availability.

Councilmember Stern said at PSRC there was a lengthy report on the housing study, but it seemed outdated, as it doesn't account for the legislative bills coming forward.

b. Board, Commission & Outside Agency Reports

Councilmember Stern said he will be meeting with KEDA Friday morning. He is pushing for refinement of their goals.

Councilmember McVey reported the ad-hoc committee that is organizing a community book reading event met yesterday.

Mayor Erickson reported Kitsap Transit had a workshop and they are going to build a hydrogen fuel station in Bremerton by the old bowling alley. They are exploring all renewable energy sources.

c. Municipal Court Update

Judge Tolman gave his update during department head comments.

d. Marijuana Moratorium HB1650

Planning & Economic Development Director Wright gave an update on HB1650 regarding the prohibition of siting a cannabis retailer (it would require a majority vote of the people, instead of councilmatic action). The timing (effective date) outlined in the bill is unclear, and she is working with the City Attorney on this issue. The other concern is if the City has ban or moratorium and does not have a retailer operating by the effective date, then the way we can disperse the money typically received is now limited. The funds would go to substance abuse and research, but it would not come to the City. Mayor Erickson feels this bill is punitive for banning marijuana sales.

Councilmember Livdahl asked if the licensing would open up, as it has been restrictive in the past. Mayor Erickson said it is opening up.

Councilmember Livdahl asked if we would be unable to decide where it would be allowed in the City. Wright said they are not changing our ability to change the buffer zones.

Planning & Economic Development Director Wright said we could let our house members know that we have concerns regarding the confusion of the language in the bill. We could move quick to adopt an ordinance, but it would be challenging on staff time to get the ordinance adopted and have a retailer sited by the possible deadline of July 2023. The City Council could also choose to an emergency ordinance.

Councilmember Lord said this proposed bill is a huge problem, and we are talking about having an emergency ordinance just in case they pass the bill. She would like to hear from the City Lobbyist, so we have a feel for how imminent this really is. She wants the ability to let citizens weigh in on this topic.

Councilmember Musgrove said hopefully the law fails. He asked how much revenue is being discussed. Planning & Economic Development Director Wright said it would be approximately \$17,000 in 2020 review. Councilmember McVey said Assistant City Administrator Booher estimated \$80-90K, this amount needs to be confirmed. Mayor

Erickson said there is the danger we will lose this revenue stream, and we will still end up having the marijuana retailer in City limits.

Councilmember Livdahl said this is something they need to consider, and she wants to see some movement on discussing this issue.

Mayor Erickson said if they are going to be having marijuana sold in the City, we need to get the revenue from it. And if we don't do our timing right, we might be in that position.

Councilmember McVey said we need to consider this if we want to get ahead of the curve and do what is right for our citizens. They need to get the cannabis issue on the agenda. He would prefer to collect new revenue than increase existing taxes. It is time to take a hard look at this, and seriously consider where to locate one or more shops in city limits. The revenue is needed to invest in police officers and engineering staff. He also heard from Chief Harding that with proper education and working with the owners, and if it is in the right place, it wouldn't be a huge burden on the police department. He wants to get moving on this, while continuing to track legislation.

Councilmember Lord said the shops are targeted, as they are cash-based operations. She thinks citizens deserve a chance to weigh in on it, and doesn't want to jump the gun and would like to get sense from the City Lobbyist on the proposed legislation.

Councilmember Livdahl said they have examples of shops locally, and as they move forward, they will want to hear about those shops.

Mayor Erickson said next steps is to contact the City Lobbyist and find out what the bill means and if our timelines are as tight as possibly suspected. They might be on a very short timeline. The worst scenario is having to allow pot shops and not receiving the revenues.

e. 2023 Housekeeping Code Amendments

Senior Planner Coleman presented the agenda summary, noting the proposed amendments to the Poulsbo Municipal Code (PMC) are part of the Planning and Economic Development Departments on-going effort to make land use regulations more usable for residents, developers, and City staff by correcting errors, eliminating text ambiguities, codifying internal policies, and reflecting changes in state law. The proposed amendments do not involve significant changes to the code.

Amendments are included for the following PMC Chapters: 18.40, Zoning Definitions; 18.70, Residential Districts; 18.80, Commercial Districts; 18.130; Landscaping; 18.140,

Off-Street Parking; 18.180, Tree Retention; 18.260, Planned Residential Developments; 18.270, Site Plan Review; 19.40, Application Review Procedures; 19.60, Neighborhood Meetings.

The Planning Commission held a workshop on January 10, 2023. The Planning Commission held a public hearing on February 7, 2023 and the PC recommended amendments are attached.

Councilmember McGinty asked what Section 6 meant by the use peak hours of operation do not overlap. Senior Planner Coleman said that element was noting it is a mixed use building so if the uses on the first floor (commercial) has hours that do not overlap with guest parking needs, then those parking spaces could be considered guest parking in the evening.

Councilmember Lord asked if 18.80.110 (Section 6) was reviewed by the Planning Commission, because it wasn't part of the workshop. Senior Planner Coleman noted it was not part of the workshop, but it was added prior to the public hearing, and they discussed it. Councilmember Lord asked it can be noted when changes are added at later times (after the workshop) and discussed with the Planning Commission, that it noted for the Council.

Councilmember Musgrove said he had the same concern on this section and trying to understand what it meant. He usually considers residential as 24/7. The ratios didn't seem like it was enough guest spaces. He feels the number is too light.

Councilmember Stern said the state is moving in the direction of waiving parking to increase density and access to housing. He feels this discussion is counterintuitive.

Senior Planner Coleman said they currently don't require guest parking in this zone. They have added it in, and feel it is a fair ratio based on what is common in other jurisdictions and what they have seen in Poulsbo on other projects.

Councilmember McVey said it seems like a lot of time was spent trying to define "household." He asked about the changes to household, and how it affects other portions of the document, and if there is a standardization across cities on how they define households. Senior Coleman said at the federal level they are no longer allowed to define a family or household. Ultimately, for housekeeping changes, if

they removed household, they would be many more changes that need to be made, and it has been added to a future docket.

Councilmember McGinty asked if there is any concern on how many people can live in a single-family residence. Senior Coleman said there is not.

Councilmember Lord noted on the off-street parking and electric vehicle charging spots, in "e," was confusing and asked if they could look at that. And in project permit procedures and neighborhood meeting, number 6's exception for housing authority, it doesn't define what the exception refers to. It needs more qualification. She also noted the whole section ends in semicolons, and it should be periods.

Councilmember Musgrove said charging times of EVs are rapidly changing, and they aren't being used that much (public type charging). We need to be careful about imposing charging stations. Senior Planner Coleman said they looked at EV charging stations, and some are aesthetically displeasing, they wanted to get ahead of the design part. They want to wait to see how things play out regarding charging times. The requirement for EV is from the International Building Code.

Councilmember Musgrove asked about Title 19, Section 5 Neighborhood Meetings, and the exception for housing authority. Planning & Economic Development Director Wright said there may be some confusion on this section, as the Council has never seen an exception for housing authorities. It is a land use permit type. They will see one for the Nordic Cottages. It is adopted into the code, and in order to get a deviation from any of our zoning development standards, you can apply as a housing authority for the exceptions. It is a stand alone permit that will be coupled with the site plan review. These projects are not bound by zoning, they can get the exceptions, that is why they have the requirement for neighborhood meeting. They reason they added it to this list is the code section states there needs to be a neighborhood meeting, but this section of the code did not include it. They added it in there to be consistent.

Councilmember Lord asked that they define the exception for housing authority, to add the word permit. Senior Planner Coleman said they could cross reference back to the code section.

Mayor Erickson asked the Council to contact Senior Planner Coleman if they have any questions prior to the scheduled Public Hearing.

f. Westside Well Project Update and Change Order

Utilities Engineer Roberts presented the agenda summary, noting staff will give an update on the Westside Well project. The iron and manganese treatment facility has been constructed and is operating successfully. The project was granted substantial completion in February 2022, with all components complete except for the generator which was delayed to shipping and material shortages. When the generator was shipped and installed it was discovered to be undersized for the well pump and motor. Staff will describe the primary causes and the alternatives investigated. The recommendation is to re-use the 128 kW generator at PW Admin building and issue a change order to the contractor to procure and install an appropriately sized 200kW generator at the Westside Well. The change order proposal from the contractor is \$158,482.10 plus tax and is within the overall project budget, but outside the Mayor's authority to sign change orders up to 10% of the contract price.

Councilmember Stern asked how we are doing with remote telemetry. Roberts said the well hasn't had a generator since it was installed, and it would be great to have. But as far as the telemetry with the new equipment it is all working fine.

Councilmember Musgrove asked why we replaced the motor with one that needs twice as many amps. Roberts said it was an oversight. Councilmember Musgrove asked why we are buying 200kW when we used 128 kW in the past. Roberts said that is what the new pump needs.

Councilmember Lord asked if this was coming out of water reserves. Roberts said it is coming out of the Westside Well Project budget (out of water).

Mayor Erickson said this will be added to the March 8 consent agenda.

g. Donation: Building Materials for Fish Park Improvements

Parks & Recreation Director Ozimek presented the agenda summary, noting the Poulsbo Lions Raab Foundation would like to donate \$6,800 of fair market value building materials to the City of Poulsbo. The building materials are flagged for future improvements - such as a section of boardwalk and crossover - at Fish Park.

The Council agreed to moving this to the consent agenda at the March 8 meeting.

h. BA#23-0107 Use of Force Legislative Funding for Training

Police Chief Harding presenting the agenda summary, noting for 2023, the WA State Legislature provided funds for local law enforcement agencies to assist with costs of training required by certain legislation enacted in 2021 and 2022: Use of Force HB1310; Duty to Intervene SB5066; Use of Force HB1735; and Use of Force HB2037. This funding, in the amount of \$15,785, was distributed to our agency through WASPC based on the number of commissioned officers reported in 2021. These funds were received in January 2023 and must be expensed by our agency no later than June 30, 2023. This budget amendment is to recognize the revenue and the associated expense.

The Council agreed to moving this to the March 8 consent agenda.

i. 🔑 Cold Weather Shelter

Housing, Health, and Human Services Director Hendrickson gave an update on the cold weather shelter operation and the need to shut down operations at Gateway in order to keep shelter volunteers safe after some incidents that recently occurred. She wants to see a shelter in Poulsbo but wants to operate it in the best possible way.

Councilmember McGinty asked who was staffing the shelter. Hendrickson said senior volunteers who are not trained in de-escalation and security. They are not the right people to deal with young men who are high and wanting to fight.

Councilmember Stern said we would need training and ancillary support on sight, and we can't provide that.

Councilmember McVey asked how many people who were served by the shelter. Hendrickson said it ranged between 2-3 a night. It has been educational for her to staff the shelter this season, and she has more thoughts she will share with the Council at next week's meeting. She doesn't want to be involved with the way it is being operated right now, and she has ideas on how to operate it better.

Councilmember McVey feels it would be difficult for the City to take this on by ourselves. Mayor Erickson said we need to partner with professionals.

j. Extension of Kitsap Homes of Compassion Agreement for Deeply Affordable Rentals

Housing, Health & Human Services Director Hendrickson presented the agenda summary, noting in 2021, the City entered into an agreement with Kitsap Homes of

Compassion (KHOC). Under the agreement, the City provided KHOC with \$3,000 for operational expenses and \$3,000 for program participants' rental assistance (total funding: \$6,000). Funds came from the Mayor's discretionary budget and benefited low income residents of Poulsbo struggling with housing stability. This agreement was renewed by Council in 2022 with revenue derived from the City's affordable housing tax account. Council is being asked, tonight, to approve an extension of the KHOC agreement in 2023. KHOC provides homes for 10-12 adults, each year, who are at risk of homelessness including mothers who are housed, with their children, in a mothers and children's home. It is the opinion of the Housing, Health and Human Services Director and the Executive Director of KHOC that this small City investment has a significant impact in keeping vulnerable individuals housed in our community.

Mayor Erickson said this would be on the consent agenda at next week's meeting.

k. Extension of Believe in Recovery Agreement for Substance Use Disorder Services

Housing, Health & Human Services Director Hendrickson presented the agenda summary, noting the City of Poulsbo receives yearly revenue from the State's liquor tax fund. According to RCW 71.24.555, jurisdictions that receive revenue from this fund must spend "no less than" two percent of revenue received on a substance use disorder program licensed or certified by the Department of Health. The City currently has approximately \$15,000 in liquor tax funds that must be used for a substance use disorder program. Approximately \$12,000 in opioid settlement funds are also available, to the City, to support SUD services. The City of Poulsbo was awarded a grant, from the Association of Washington Cities to support the 2023 Central Kitsap Fire CARES Program. \$10,000 is included in this grant for substance use disorder services. On April 20, 2022, City Council approved an agreement with Believe in Recovery, LLC, to incorporate substance use disorder services into the Poulsbo Fire CARES Program. Council is being asked, this evening, to expand this agreement to include SUD services to the CK CARES Program and increase the total hours SUD services are available. The total amount payable under the contract by the City to the Believe in Recovery in 2023 will not exceed \$30,000.

Councilmember Musgrove thinks this is a good example of smart places to spend money. While we are a small city, we can try to get ahead of it without spending huge amounts of money. Councilmember Stern said he worries if we don't have adequate liability coverage for these activities. Mayor Erickson said they have had a conversation about levels of immunity for governments that try to provide these services. WCIA has moved in that direction to a certain degree, but it is a huge issue. Hendrickson said City Attorney Romanenko has been an asset in structuring agreements to protect the City's interests.

Councilmember Lord noted the contract is only for eight months, hopefully we can find a way to keep it going after the contract ends.

Mayor Erickson said this added to the March 8 consent agenda for Council approval.

I. Future Agenda Items Discussion

Councilmember McVey noted the City Administrator discussion was scheduled for February/March, and it needs to get scheduled, and move up the marijuana moratorium lifting this month. Those two items need to be a priority.

Councilmember Musgrove said it would be good to have a quick update of scheduling/timeframe for city administrator. Having quick updates would be helpful for many of these items.

Councilmember Stern said March 15 is looking full too, and it would be okay to put the City Administrator discussion in April.

Councilmember Lord wants to speak to the City Lobbyist before considering an emergency ordinance for the marijuana discussion.

8. CONTINUED COMMENTS FROM CITIZENS

Rick Eckert said Vinland Elementary and the new school could be close to Olhava, but he said Planning & Economic Development Director Wright had already factored those schools into their research.

9. MAYOR & COUNCILMEMBER COMMENTS

Councilmember Stern said he likes the new formatting of the Council meetings/workshops. He supports adopting the format into the PMC.

Councilmember Phillips said NKHS boys basketball play Linden tomorrow. Spring sports started on Monday.

10. 🚨 ADJOURNMENT

Motion: Move to adjourn at 7:49 p.m.,

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

Motion carried unanimously.

DocuSigned by:

Rebecca Erickson, Mayor

ATTEST:

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Rhiannon Fernandez, CMC, City Clerk