

POULSBO CITY COUNCIL MEETING OF JUNE 8, 2022

MINUTES

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

Staff: City Clerk Fernandez, Assistant City Administrator Booher, Parks & Recreation Director Schoonmaker, Engineer 1 Roberts, NPDES Coordinator Bowen

MAJOR BUSINESS ITEMS

- * * * BA#22-0216, Stormwater Capacity Grant Budget Amendment
- * * * BA#22-0218, Carpenter NW
- * * * BA#22-0217, Believe in Recovery
- * * * Excuse Absence for Councilmember McGinty
- * * * Kitsap County Department of Emergency Management ILA for Emergency
- * * * Health District Contract Renewal for Water Quality Assessment
- * * * Lodging Tax Advisory Committee Appointment
- * * * Public Art: Pacific Northwest Troll Project
- * * * Executive Session to Discuss Personnel Matters

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

Bill Austin thanked the Council for the donation to Western Washington University for the Marine Science Center. He is repairing the clock downtown and discussed the funding he will need to repair it. He spoke against spending \$90K for a sculpture that will need maintenance and will rot. He said before accepting anything in the future, there should be a clause about maintenance.

Tom Nordly spoke regarding the membership of the Fish Park Steering Committee and their support of the troll sculpture to be installed in Fish Park.

Steve Calhoun, Fish Park Steering Committee member and Chair of Parks & Recreation Commission, said he did a poll of the P&R Commission, and the majority favored the troll being here (2 dissenters). He supports the project, and always wants to get people into Fish Park.

City Clerk Fernandez read the following written comments:

- Rick Kunz wrote that spending \$95K on the troll project should be voted down. It is an exorbitant use of funds that can be much better spent. He also disagreed with disturbing the park's natural habitat.
- Barbara Wilson wrote about the lack of pickleball facilities in Poulsbo and would prefer money be spent on creating more pickleball courts instead of purchasing a troll sculpture.
- Shielda Trotter wrote against funding a troll sculpture and listed other priorities that needed funding: road repairs, sidewalks, and a senior center.

Mayor Erickson said now that we are having the meetings in person, and there is also the option for virtual participation, she asked that future comments from citizens be given verbally, and not read into the record. Written comments may still be submitted, but they will no longer be read.

4. MAYOR'S REPORT AND COUNCIL COMMENTS

Councilmember Musgrove said the Planning and Economic Development Department's newsletter is out and has lots of great information. He reminded everyone that Father's Day is coming. He shared the Washington Department of Commerce has created a grant program to establish small community festivals and events. Lin Wilson is working on our events as our events coordinator. He is looking forward to all that spinning up well and creating a lot of fun.

Councilmember Lord said Public Safety/Legal committee has been cancelled for June due to a lack of agenda items and its next meeting is in July. She shared the SEA Discovery Center's grand re-opening is June 28 from 4-7pm.

Councilmember McVey thanked those who wrote in and those who appeared in person. He was struck with the other needs residents expressed, including sidewalks on 4th Avenue. He is sure they can find a way to restore the clock downtown. He gave a shout out to the Poulsbo Historical Society and Museum who had a pride event last Saturday.

Councilmember Stern said one of our best kept secrets is WWU and OC up on the hill for core AA and BA degree work. WWU put its cyber security program here. Last week they received \$750K in additional funding. He hopes they can get a report/update about potential interface with the City from Nick Williamson at Finance-Admin Committee.

- a. Department Head Reports – None.

5. CONSENT AGENDA

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

The items listed are:

- a. BA#22-0216, Stormwater Capacity Grant Budget Amendment
- b. BA#22-0218, Carpenter NW
- c. BA#22-0217, Believe in Recovery
- d. Excuse Absence for Councilmember McGinty
- e. Kitsap County Department of Emergency Management ILA for Emergency Management Services Amendment #2

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

Motion carried unanimously.

6. BUSINESS AGENDA

a. Health District Contract Renewal for Water Quality Assessment

NPDES Coordinator Bowen presented the agenda summary, noting to support compliance with the City's NPDES permit and TMDL plan, the Kitsap Public Health District provides water quality assessment and related services. This proposal is a renewal of an existing five-year contract for services that expires June 30, 2022.

Councilmember Lord asked which fund this is coming from. NPDES Coordinator Bowen said it is coming out of stormwater.

Motion: Move to approve the contract with the Kitsap Public Health District for water quality assessment and related services in the not-to-exceed amount of \$25,000 per year for the term of the contract and authorize the Mayor to sign the contract on behalf of the City.

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

Discussion: Councilmember Musgrove asked if the primary change is a rate increase to the hourly fee. NPDES Coordinator Bowen said that was correct. Councilmember Musgrove asked if we were only charged for tests that we order. NPDES Coordinator confirmed that was correct. Councilmember asked if the contract was limited to the \$25,000 cap. NPDES Coordinator Bowen confirmed the limit, and if they went above it, they would need to do a budget amendment.
Motion carried unanimously.

b. Lodging Tax Advisory Committee Appointment

Parks & Recreation Director Schoonmaker presented the agenda summary, noting as established by City Resolution 2013-07, the City Council selects the five members of the LTAC committee, which includes at least two representatives from businesses that collect tax, at least two are people involved in activities funded by the tax, and one member from the City who serves as the Committee Chair. Three LTAC Committee members would like to continue on the committee for the upcoming year. They are:

- Councilmember Stern - Member of the City serving as the Chair
- Tracy Wall (Downtown Poulsbo Charming Cottage): business that collects lodging tax
- Greg Enright (Cultural Arts Foundation) an organization involved in activities authorized to be funded by the tax

In addition, the City has receive two additional applications for the committee:

- Ashley Walchok (Fairfield Inn and Suites): a business that collects the tax
- Sherry White (Sons of Norway): an organization involved in activities authorized to be funded by the tax

Councilmember Musgrove said he enjoyed reading the applications and appreciates all the volunteers on that board and Councilmember Stern for chairing it.

Councilmember Stern said it is exciting to have the committee back up to full strength. They will operate with a tighter nexus of "heads in beds." They want to create outside visitation into town for economic development. Spending the night means spending additional money.

Councilmember Livdahl said she got her beginning of public service with the LTAC committee.

Councilmember Lord said it is a worthy committee that works hard. She said it is important to remember we have two new hotels in town, which is a major source of the funding for the awards.

Councilmember McGinty said they will be great additions to the team.

Motion: Move to accept the application for Ashley Walchok and Sherry White and appoint them to the Lodging Tax Advisory Committee

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

Motion carried unanimously.

c. Public Art: Pacific Northwest Troll Project

Parks & Recreation Director Schoonmaker presented the agenda summary, noting this is a continued item from the June 1, 2022, meeting, and is intended to provide information to the Mayor and City Council on the Pacific Northwest Troll Project and determine if the City of Poulsbo would like to participate in the project.

Tonight, he is asking Council to give a verbal okay to move forward to the next steps. The next steps would be negotiating a contract and selecting alternate sites. There is no binding commitment, the City could back out during contract negotiations or any time before that.

The main concerns he heard were: 1) the cost, 2) the location, 3) conflicts with other City priorities or Parks & Recreation priorities, 4) liability concerns of placing a troll in the park, 5) vandalism and how to prevent it.

1) Cost: The estimated cost is \$75K to commission the artist, and additional costs for building expenses, totaling \$90K-\$95K. One question was if community organizations that commonly support City projects have been notified about this. He said they have not been notified, so he does not know if there would be interest from them to support this project. There was discussion about reallocation from park reserve funds, ARPA funding, and carry over from a trail project (totaling \$42K). They are looking into grant opportunities.

2) Location: the location does not need to be Fish Park. Staff has been looking at Centennial Park, Wilderness Park, and Raab Park. That is something they do not need to determine tonight.

3) City Priorities – it would depend on where funding came from and how it would affect other priorities in the city.

4) Liability – he talked with WCIA, and learned there is some protection in the RCW for recreational immunity on park lands. As long as we are maintaining it in a safe manner, we are covered for accidents that occur there, and there are signage options to limit people climbing on it.

5) Vandalism – there is no way to insure it won't happen. He was pleased to learn that of the 80 trolls that have been built, none of them have been vandalized. Not all were on public lands or in this country.

Mayor Erickson asked Bill Austin to share the story of how he built the pavilion and how the Sons of Norway reacted to the idea. Bill Austin shared how he came upon the project idea, how he designed it, raised money, and created something for the future. Mayor Erickson wondered what the City would be like if the pavilion wasn't built. She asked if he had worried about maintenance or vandalism. He said he doesn't believe he worried about it. If you make something well enough, it won't be vandalized.

Councilmember Stern said there was community resistance to building the pavilion.

Councilmember Lord said her concerns were: we need to have coordination with local community and youth groups on the construction. We need to have coordination with the tribe's artist participation, that was talked about, but nothing was specified. The trails will need increased maintenance, the statue will need maintenance, and there needs to be coordination with the Fish Park Steering Committee for maintenance. She asked if the committee is okay with perpetual maintenance of the statue and trails. If we have the tribal artist be part of this, would there be any compensation and who negotiates that? She wondered if all ten of these sites don't participate, is ours would still be a go? How would we come up with around \$100K? There are alternatives and grant funds, including raising some funds. She thinks that is doable. And then maintenance funds for staff time. They need to understand there is quite a bit of staff time in coordinating this project if they move forward.

Councilmember McGinty said the costs are quite expensive, and the maintenance was unclear and what it would take, the trademark was interesting and may need to be reviewed.

Mayor Erickson said the motion is to move forward with the next step. There is no contract yet, that was an example. There are other pieces to put together.

Councilmember Musgrove said this is not a commitment at this point, we are in an investigative stage with intent to proceed. Mayor Erickson said this is a letter of intent, stating we are intending to move forward, but there are a lot of things we have to do.

Parks & Recreation Director Schoonmaker said it doesn't even need to be a letter, it can be a verbal recommendation by Council to move forward. The agreement we sign will be different from the sample. He spoke with Judge Hunt today about the troll. She had similar questions on what the collaboration would look like? Part of the design or story? It has to be meaningful for the people we collaborate with. Preliminarily, they are interested in conversations. They would be compensated for their time. There

needs to be a minimum of five trolls to move forward, and five other cities have already committed with proceeding.

Councilmember Musgrove reviewed that people think it is an awesome project, but they also think it is expensive. He said this is art, but also has an economic development attribute to it. He said they are trying to figure out if they should do it, and they are trying to play catch up. He said it is more than marketing. He is looking forward to adding some funding towards the active economic development of this (business cooperation, programs and packaging, community events around it). Businesses need to play the troll into their plan.

Motion: Move to approve and authorize the Mayor to verbally or written a letter to Mr. Thomas Dambo of the City of Poulsbo's intent to participate in the Pacific Northwest Troll Project.

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

Discussion: Councilmember McVey said he has spent a lot of time discussing this project and he is not there yet to support it. There are so many unfunded needs that we have across the city. He tends to be a needs-and-wants kind of guy, and he feels they should fund needs before funding wants. \$100K is just the beginning, in the draft contract that was included, the artist will need city staff time for site development. And they haven't talked much about location tonight but discussed it at Community Services Committee. He will not be voting in support of this tonight. Councilmember McGinty says he is not ready to vote for it yet, he doesn't have enough information. Councilmember Musgrove said he is not there yet, but he needs a few more pieces of this puzzle, so he is not ready to kill it, but willing to leave the door open to further investigate it. Councilmember Lord said her concerns are the unknown costs. She is not opposed to the idea, but she is concerned about being in an inflationary period. They need to know the ongoing costs. She is not ready to make a firm commitment but is happy to further explore the questions. Councilmember Livdahl called for the question.

Vote: Motion passed (summary: Yes = 6, No = 1, Abstain = 0).

Yes: Livdahl, Lord, McGinty, Musgrove, Phillips, Stern.

No: McVey.

7. COUNCIL COMMITTEE REPORTS

Public Works Committee: Councilmember Lord reported the June 22 meeting is cancelled. There is a new three-way stop at 10th and Forest Rock; speed bumps are going back in on Front Street; Engineering received two large grants for the Noll Road 3B section Langaunet North from Connect WA (1.8M and 2.2M); next week on the consent agenda there will be

an amendment with KPG Design for our systemic safety improvement project; Public Works is in the new facility on Viking Avenue (next week they will relocate the telemetry).

Community Services Committee: Councilmember Phillips reported they talked about the troll, special events (Bash at the Bay and Day of Positivity) and Petswalk. He is looking forward to the cornhole tournament as a skate park fundraiser. The Parks & Rec team is walking the parks and making maintenance lists.

Economic Development/Planning Committee: Councilmember Livdahl reported they receive an update on the comp plan update (meeting with stakeholders); discussed inclusionary zoning as an option to consider for affordable housing; the committee would like to collate the information on affordable housing initiatives and how they are approaching them; and they will talk about reconsideration of the cannabis moratorium in the City at a future meeting.

Housing, Health, and Human Services Committee: Councilmember Livdahl reported they heard from Roy Baling (KC Help) about a hospital equipment lending program (they are in need of storage for their equipment); CHIP grant \$240K award from DOC comes with caveat (waive connection fees); Senior Corp initiative (going to start with a phone buddy program).

8. BOARD/COMMISSION REPORTS

Councilmember Musgrove reported on the Port of Poulsbo: work is going to begin on the breakwater soon. Tom Rose is resigning effective January 1, 2023. Carol Tripp is resigning from port manager and becoming the port accountant effective September 1, 2022. The Port is gaining a new office in the SEA Discovery Center. He also noted he attended AWC's GIS seminar.

Councilmember Phillips said the NKHS Seniors will be graduating Friday at 5:00 p.m.

Mayor Erickson said Kitsap Transit (KT) talked about rider surveys and what they are going to be doing in the future; they want more fast ferries, consistent speeds/busses that run at consistent times. KT has diesel fuel, and in 2014 they established a reserve policy that is coming in handy right now.

Councilmember Stern reported at KRCC the approval of the transportation packages to PSRC which affirmed the 305 project and 3rd Ave are on the contingency list. Also, the numbers associated with population and employment allocation, for Poulsbo the target year is now 2044, it will be between 16,000-18,000.

Mayor Erickson reported the Health District met, and they are reforming the health board. Now it will be one county commissioner, the mayors, and five citizens from different representations. The new board will be in place in three months.

At Kitsap 911, she had to vote against the budget (she was uncomfortable with the numbers that were being put forward).

Housing Kitsap raised the rents on a lot of its properties. They haven't done this in over six years. It was two properties on Bainbridge Island and three in Poulsbo. The rents are raised so they can get greater funding. The citizens' rents won't be raised because their portion is based on their income.

PSRC had its general assembly, where they adopted the regional transportation plan. It had a lot of green energy elements.

Councilmember Stern said KEDA is having their quarterly board meeting tomorrow. He also said the PSRC EDD president is Axel Strakeljahn, and there will be a Kitsap Tour on June 17. He said there is an entity called Greater Seattle Partners, which is the major economic development engine for King, Pierce, and Snohomish County. The new director of Greater Seattle Partners will be part of the Kitsap tour. The only large industrial green field is the Port of Bremerton. It doesn't exist on the other side.

9. CONTINUED COMMENTS FROM CITIZENS

Tom Nordby said Poulsbo's Fish Park was designed to attract people. It is a nature park, but it is designed to attract people. Having people on the trails is good for the trails. He said it has always been a passive park, and they have always had art in the park. This is the only time Fish Park has come to the Council for art funding. Fish Park is about volunteers and that is what makes the park work and function. They haven't been many major expenses for the park, they have mostly been funded by grants and donations. They have always tried to incorporate the Tribe with the park.

Bill Austin said if you want to see a troll, go to the Sons of Norway. The proposed troll is a piece of art and totally different. He is just about ready to build a troll.

Rick Eckert, NKSD Board, said they were honoring their native American students who were graduating. This is graduation week. He shared the dates and times.

10. MAYOR & COUNCILMEMBER COMMENTS

None.

11. EXECUTIVE SESSION

- a.** 45-minute executive session to discuss personnel matters per RCW 42.30.110 (1)(g).

Motion: Move to go into executive session for 45 minutes and adjourn from there

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

At 8:32 p.m., Mayor Erickson adjourned the meeting into a 45-minute executive session to discuss personnel matters per RCW 42.30.110(1)(g).

12. ADJOURNMENT

At 9:17 p.m., Mayor Erickson adjourned the meeting.

Rebecca Erickson, Mayor

ATTEST:

Rhiannon Fernandez, CMC, City Clerk