1. CALL TO ORDER AND ROLL CALL

Mayor Tim Matthes called the meeting to order at 6:00 p.m. Pro-Tem Cindy Lucarelli and Councilmembers Bek Ashby, Jeff Cartwright, Fred Chang, Jerry Childs, John Clauson, and Rob Putaansuu were present and constituted a quorum. City Clerk Rinearson, Public Works Director Dorsey, City Treasurer Martin, Development Director Bond, Deputy City Clerk Fernandez, and City Attorney Jacoby were also present.

A. Pledge of Allegiance

Mayor Matthes led the audience and Council in the Pledge of Allegiance.

2. APPROVAL OF AGENDA

Councilmember Ashby MOVED and Councilmember Putaansuu seconded the motion approving the Agenda (as amended). Upon vote, the motion passed unanimously.

3. APPROVAL OF CONSENT AGENDA

A. Approval of Check Nos. 62547 through 62632 totaling $347,980.95; August Payroll Warrant Nos. 145958 through 146025 totaling $816,251.11; and Treasurer’s checkbook totaling $2,184,777.59.

Councilmember Putaansuu MOVED and Councilmember Childs seconded the motion approving the Consent Agenda. Upon vote, the motion passed unanimously.

4. Executive Session

At 6:18 p.m., Mayor Matthes recessed the meeting for a 15-minute executive session regarding real estate in accordance with RCW 42.30.110(b). City Attorney Jacoby and Public Works Director Dorsey were invited to attend.

At 6:33 p.m., Mayor Matthes continued the executive session for another 10 minutes.

At 6:43 p.m., Mayor reconvened Council back into regular session. No action was taken.

Mayor Matthes opened the floor for public comment on Business Items 5A and 5B.
Mr. Steven Skibbs, Horstman Heights developer, came to answer any questions regarding Business Item 5A.

5. BUSINESS ITEMS

A. Adoption of a Resolution Approving the Final Plat Phase 1 to Horstman Heights

Development Director Bond presented the staff report, noting Horstman Heights Phase 1 was granted preliminary plat approval by Port Orchard City Council Resolution No. 035-06, passed on September 25, 2006. The new plat owner subsequently requested and was granted a minor amendment to the approved preliminary plat relocating the required park, eliminating a short street segment that would have connected Phase 1 of the plat to a future Phase 2, and to allow the installation of park improvements in lieu of a $200 per lot fee as specified in the initial preliminary plat approval. This minor plat amendment was approved on July 2, 2014. The owner of the preliminary plat has applied for final plat approval on Phase 1 of the project, which would result in the creation of 26 lots. Proposed Phase 2 would remain as a preliminary plat until the improvements required in conjunction with Phase 2 have been completed or bonded and until a final plat approval on Phase 2 has been granted.

Staff has reviewed the Horstman Heights Phase 1 final plat application and has determined that the application complies with Chapter 58.17 RCW and other applicable state laws and local ordinances, meets all of the terms and conditions for granting final plat approval, and that all required street, sewer, water, stormwater, and park improvements have been completed or secured with an assignment of funds. The City Engineer has reviewed the proposed final plat and recommends approval of the same.

In response to Councilmember Chang, Development Director gave details regarding the map and the park.

Councilmember Childs MOVED and Councilmember Putaansuu seconded the motion to approve a Resolution granting final plat approval of Horstman Heights Phase 1 as presented. Upon vote, the motion passed unanimously.

B. Approval of a Contract Authorizing the Mayor to Execute an Agreement with BHC Consultants for the Well No. 10 Final Design and Construction Administration/Management Project

Public Works Director Dorsey presented the staff report, noting On March 27, 2014, the City of Port Orchard’s Public Works Department issued a Request for Qualifications (RFQ) for the Final Design and Construction Administration for the 2014 EPA/DWSRF funded Well No. 10 Project. By the April 11, 2014 submittal deadline, only two RFQs were received.
Since the Project is federally funded, the decision was made to re-advertise and reissue the RFQ on May 20, 2014. Therefore, by the revised May 30, 2014 submittal deadline, four RFQs were received and scored by the Selection Committee prior to the June 20, 2014 deadline and interviews held on June 27, 2014. The Selection Committee unanimously supported BHC Consultants for the Well No. 10 Final Design and Construction Administration services. Subsequent scope and budget development meetings were held and the City of Port Orchard’s Public Works Department and BHC Engineers have agreed to the Project Scope, Budget and Schedule attached herewith, being a total professional services proposal of $1,295,200.00. The Public Works Department has confirmed 1) that the appropriate professional services acquisition process was followed and 2) that the proposal can be funded within the EPA/DWSRF Loan Budget.

In response to Councilmember Clausen, Public Works Director said this contract has a three-year timeline of work for design and construction management, which also includes permitting and public outreach.

In response to Councilmember Ashby, Public Works Dorsey said the dollar amount fits within the estimation of the project.

Councilmember Lucarelli MOVED and Councilmember Putaansuu seconded the motion to authorize the Mayor to execute a Contract with BHC Consultants in an amount not to exceed $1,295,200.00 for the Well No. 10 Final Design and Construction Administration services. Upon vote, the motion passed unanimously.

6. DISCUSSION TOPICS

A. Short-Term & Long-Term Goals
Staff gave brief updates on the 2014 Short Term Goals: Bethel Corridor, Bay Street Pedestrian Pathway, Sidewalks & Streets, Tremont, Sidney/Sedgwick (Well 10), Dekalb Pier Phase 2, parks (McCormick Village Park and Paul Powers Park), and grants.

City Attorney Jacoby led the discussion regarding 2015 Short Term Goals and explained that the budget is supposed to be consistent with the City’s Comprehensive Plan and other current planning documents already adopted by the Council.

Public Works Director Dorsey also added that now that the City has grown, the elements in the 2016 Comprehensive Plan need to be financially constrained.

2015 Short Term Goals

Transportation
  • Bethel Corridor (General Expense)
    o Grind out Phase 1 work in 2015
• Start the redesign public process in 2015
• Discussions needed on traffic impact fees and transportation benefit districts
• Need to use nonfederal funds for the redesign, and design it in segments. Once the design and row acquisitions are complete, then look for federal construction funds

• Street & Sidewalk Improvements (General Expense)
  • Based on planning with Bethel, the Pavement Management System has to take a back seat to the transportation plan update
  • Bigger conversation - do we expand TIP to include specific highway corridors because it will benefit connectivity. It is a long-term goal

• Bay Street Pedestrian Pathway (State and Federal grants/General Expense)
  • ROW Certification
  • Segment 3A
  • Segment 4 Bridge

• Tremont Corridor (Grants/Other)
  • Continue to seek construction money
  • Find a funding plan. It is not realistic to keep asking for $15MM

Parks
• DeKalb Pier Phase 2 (Grants)
• McCormick Village (Impact Fees)
  • There is $175K in the reserve for match, and lots of in-kind qualification for match; design can be used as match
  • Design Phase 1B
  • Continue seeking grant funding

• Paul Powers (General Expense)
  • Fund moderate improvements

Administration
• City Hall Space Analysis (General Expense)
  • Look at alternatives to focusing solely on looking for a new police station

• Evaluate and plan to improve City's use of technology (General Expense/Utility Rates)
  • Identify what we need and develop a plan to get us there
  • How to improve efficiencies
  • Need to be able to access emails from phone/iPad
  • Make a functional portal to access files on server

Economic Development
• Website Update (General Expense)
  • Needs to be looked at during budget process

Other
• Pursue grant opportunities (General Expense)
• Create financially constrained plans (General Expense/Utility Rates)

B. Tremont: Options & Funding Plan

Public Works Director Dorsey gave an overview of the sources of transportation funding. He reviewed local, state budget, and federal budget funding sources and their limitations.

Discussion highlights:
• Need to discuss local funding for transportation projects
  o Transportation impact fees
  o Transportation Benefit Districts (TBDs)
• Legislative action
  o PSRC RPEC did not prioritize ready-to-go construction projects
  o Need political impact to get PSRC to prioritize funding for ready-to-go legacy construction projects
  o FHWA may be the legislative playing field
  o Set up the statute that says if you have a project that has already received federal funding, no new design or right of way projects can be funded
  o Need to figure out who wrote the policy that the funding may need to be paid back, and figure out whose policy it is, and if it is statutory
  o Need to also stop the clock for having to pay back the funds, and remove the penalization of redesigning a project into sections can get more easily funded.
  o Need a take-away for the legislative meeting with the following asks:
    ▪ Turn the clock off – need pressure off of us
    ▪ Allow us to redesign the project into segments, and not be penalized
    ▪ Get FHWA to prioritize ready-to-go construction
  o The City Attorney will review the regulations prior to the meeting
• 2018 is when the federal funding will have to be paid back
• Set a time in the future where federal money is not likely to be an option and have a serious discussion where that money is going to come from.
• Make this number one priority, start discussions in early 2015

C. Budget Process

Councilmember Ashby would like to attend the scheduled Finance Committee budget discussions. She wants to observe, not participate, and requested that proper noticing be given to the public.

The Council agreed to Councilmember Ashby attending the budget meetings as an observer. The Clerk will notice the meetings. When the council committees are discussed after the next election cycle, the Clerk recommended adding this to the resolution.
D. Council Committees: Structure, Communications & Procedures

Councilmember Ashby said some of the council committees needed to be adjusted and this could be discussed in January 2015.

7. ADJOURNMENT

At 9:01 p.m., Mayor Matthes adjourned the meeting.

Brandy Rihearsen, CMC, City Clerk

Timothy C. Matthes, Mayor