City of Port Orchard
Council Meeting Minutes
Regular Meeting of November 25, 2014

1. CALL TO ORDER AND ROLL CALL

Mayor Pro-Tem Cindy Lucarelli called the meeting to order at 7:00 p.m. and Councilmembers Bek Ashby, Jeff Cartwright, Fred Chang, Jerry Childs, John Clauson, and Rob Putaansuu were present and constituted a quorum. Deputy City Clerk Fernandez, Public Works Director Dorsey, City Treasurer Martin, Development Director Bond, and Interim City Attorney Morris were also present.

Absent: Mayor Tim Matthes

A. Pledge of Allegiance

Mayor Pro-Tem Lucarelli led the audience and Council in the Pledge of Allegiance.

2. CITIZENS COMMENT

Ms. Gerry Harmon said she was upset to see now that Carolyn Powers is no longer on the Council, that admission tax has been pulled away from parks.

3. APPROVAL OF AGENDA

The following item was added:
• Business Item - 7F Discussion: Transit Board Composition Review Committee

Councilmember Clauson MOVED and Councilmember Putaansuu seconded the motion approving the Agenda, as modified. Upon vote, the motion passed unanimously.

4. APPROVAL OF CONSENT AGENDA

A. Approval of Checks Nos. 63005 through 63070 totaling $68,457.23
B. Approval of November 12, 2014, Regular Council Meeting Minutes
C. Approval of a Contract Authorizing the Mayor to Execute an Agreement with Kitsap County for Reimbursable Work
D. Approval of Change Order No. 1 to Contract No. 088-13, Authorizing the Mayor to Execute an Agreement with Universal Field Services for a Time-Only Extension on the Bay Street Pedestrian Pathway Project
E. Approval of Amendment No. 1 to Contract No. 034-14, Authorizing the Mayor to Execute a Time-Only Extension with Ambrosini Design for Wayfinding Sign and Logo Development
Councilmember Putaansuu MOVED and Councilmember Cartwright seconded the motion approving the Consent Agenda. Upon vote, the motion passed unanimously.

5. PRESENTATION

A. South Kitsap Water Reclamation Facility (SKWRF) 2015-2016 Biennial Budget

Mr. Michael Wilson, WSUD General Manager, gave a presentation on the 2015-16 SKWRF Biennial Budget. Presentation highlights included 2015-16 budget format; goals and priorities; budget overview; objectives; personnel/staffing; Operating Fund; Capital Improvement Fund; and ER&R Fund.

6. PUBLIC HEARING

A. First Reading of the 2015 Budget Ordinance

Treasurer Martin presented the staff report, noting a public hearing on the proposed 2015 Budget is required on or before the first Monday of December. The hearing allows Council to take public input, consider public comments, and make any changes as indicated by the majority of the Council.

Citizens and community organizations are encouraged to participate by providing the Council with their priorities for future infrastructure, public safety enhancements, cultural and recreational opportunities, and other public services.

Following citizen comments, the public hearing will be closed and the Council may continue with its deliberations concerning the 2015 Budget. If the Council has any additional changes, these should be conveyed to staff, so that a final 2015 Budget can be presented for adoption on December 9, 2014.

Mayor Pro-Tem Lucarelli opened the public hearing at 7:33 p.m.

Ms. Gerry Harmon would like to know how much has been brought in under the admissions tax since it was put into place and been used for parks, and how much is being pulled out of that fund that is going to the Bay Street Pedestrian Pathway. It bothers her that she watched the Council at that time debate whether they would even put it in place. If you are going to add a tax, you want it to go to a certain place. That tax was supposed to go to parks.

Councilmember Childs responded that the majority of the Council felt the money would go to the Bay Street Pedestrian Pathway, which has many opportunities for recreation and pocket parks. They felt it was a wise use of that money.
There being no further testimony, Mayor Pro-Tem Lucarelli closed the public hearing at 7:35 p.m.

7. BUSINESS ITEMS

A. First Reading of an Ordinance Amending the 2014 Budget

Treasurer Martin presented the staff report, noting the City Budget is written to capture revenue and expenses over the fiscal year. During the year, changes to the Budget, in both revenue and expenditures, need to be recognized by Budget Amendment. This Budget Amendment Ordinance recognizes amendments approved by Council action during the second half of the year.

The Budget Amendment Ordinance reflects the following:

1. $2,000 from Current Expense Fund No. 001 for fertilizing hanging flower baskets attached to the downtown marquee funded from Current Expense Fund No. 001.
2. $98,000 for prisoner boarding and medical expenses from Current Expense Fund No. 001.
3. $6,800 additional expense from Cumulative Reserve for Municipal Equipment Fund No. 303, for equipment outfitting of new police vehicles.
4. $19,800 for sales tax paid to the Washington State Department of Revenue for City parking fees from Current Expense Fund No. 001.
5. $5,600 additional costs for new telephone system from Current Expense Fund No. 001. Funds transferred from Cumulative Reserve for Municipal Equipment Fund No. 302.
6. $36,000 for SMARTGov cloud computing from Current Expense Fund No. 001. Funded from Sales tax and Building Permit Technology fees.
7. $148,000 from Cumulative Reserve for Municipal Facilities Fund No. 302 to purchase 640 Bay Street.
8. $73,500 transfer from Water Sewer Utility Fund No. 401 to Water Sewer Cumulative Reserve Fund No. 403 recognizing Capital Facilities Fees collected as a portion of the Water Sewer rate.
9. $58,900 for McCormick Village Park from Impact Fee Fund No. 111 to Cumulative Reserve for Municipal Facilities Fund No. 302
10. $255,100 wages and benefits from Current Expense Fund No. 001.
11. $35,900 wages and benefits from Street Fund No. 002.
12. $5,800 wages and benefits from Criminal Justice Fund No. 103.
13. $53,700 wages and benefits from Water Sewer Fund No. 401.
14. $19,600 wages and benefits from Storm Drainage Fund No. 421.
15. $106,000 Additional Revenue Sales and Use Tax
In response to Councilmember Putaansuu, Treasurer Martin said the City should close on the 640 Bay Street property by the end of December. If not, a budget amendment would be made in 2015.

In response to Councilmember Putaansuu, Treasurer Martin said a document will have to be brought forward for Council approval for the additional revenue budgeted to raise fees to cover the taxes on parking.

Mayor Pro-Tem Lucarelli opened the floor for public comment, and there being no comment, closed public comment at 7:40 p.m.

Councilmember Clauson MOVED and Councilmember Childs seconded the motion to accept the first reading of Ordinance No. 017-14, amending the 2014 Budget for the City of Port Orchard and to direct staff to place Ordinance No. 017-14 on the December 9, 2014 agenda for second reading and final adoption. Upon vote, the motion passed unanimously.

B. Adoption of an Ordinance Approving Proposed Amendments to the City’s Comprehensive Plan

Development Director Bond presented the staff report, noting the 2014 Comprehensive Plan amendment process is nearing completion. The City Council conducted a Public Hearing on the proposed 2014 amendments and deliberated on the amendments at its November 4th meeting. SEPA has been completed and the appeal period will end on November 24, 2014. The Department of Commerce has been notified of the proposed amendments and the 60-day notice period will close on November 24, 2014. The ordinance provided will have the effect of approving the following amendments:

1. The South Kitsap School District Amendment: A request for Comprehensive Plan Map Amendments and Rezones for two sites, including the 57.29-acre future high school site on Feigley Road and a 2.58-acre portion of the Hoover Ave Campus Area, from R4.5 and R8 zoning and Residential low and medium comprehensive plan designations to Community Facilities zoning and Public and Community Spaces comprehensive plan designation.

   Planning Commission Recommendation: Approve
   Staff Recommendation: Approve

2. The Living Hope Community Baptist Church Amendment: A request for a Comprehensive Plan map amendment and rezone of a site with an existing church facility from Residential Medium Density to Commercial/Business Professional I.

   Planning Commission Recommendation: Deny
   Staff Recommendation: Approve
3. **Local Centers Amendment:** A request for a text amendment to the Land Use Element of the Comprehensive Plan to identify Centers of Local Importance consistent with the Countywide Planning Policies Element C and Appendix F.

   **Planning Commission Recommendation:** Approve  
   **Staff Recommendation:** Approve

4. **The Transportation Plan Amendments:** A request to adopt the 2011 Transportation Plan Update and the 6-Year TIP by reference adding the plans to Appendix G of the Comprehensive Plan.

   **Planning Commission Recommendation:** Approve  
   **Staff Recommendation:** Approve

5. **The Parks Plan Amendments:** A request to amend the Parks Plan, as submitted by the Mayor, concerning designating Lundberg Park for development as a barrier free ADA accessible park and to correct a naming discrepancy concerning Clayton Park (Central Park).

   **Planning Commission Recommendation:** Approve the Clayton Park and deny the Lundberg Park Amendment.  
   **Staff Recommendation:** Approve both.

Councillmember Cartwright MOVED and Councillmember Ashby seconded the motion to approve the Ordinance amending the City's Comprehensive Plan as submitted.

Councillmember Childs felt there was consensus at Work Study for leaving the name of Central Park alone, and that doing anything with Lundberg Park prior to the Parks Plan is the cart before the horse. He suggested Item No. 5 be denied.

Councillmember Childs MOVED and Councillmember Putaansuuu seconded the motion to amend the comp plan updates to remove Section 1 Item E from the ordinance and Item No. 5 from the staff report.

Councillmember Ashby said she supports retaining the name of Clayton Park, because it was done in 1972 in honor of a service member.

Councillmember Clauson agreed with Councillmember Ashby. He supports maintaining what it was dedicated as by a previous Council.

Councillmember Cartwright supports the name of Clayton, but does not support designating Lundberg for development. He is in support of separating the two issues.
Councilmember Childs said people refer to Clayton Park as Central Park.

_Upon vote, the motion to amend the main motion passed with four affirmative votes and three dissenting votes. Councilmembers Ashby, Cartwright, and Clauson cast the dissenting votes._

In response to Councilmember Putaansuu, Development Director Bond said the map that was provided for the Klinsman Amendment was not drawn for any particular reason than that is where they wanted the line. It is within a geologically hazardous area as identified on DNR geohazard maps. They were trying to zone commercial below the top of the ravine. That also creates an inconsistency with the Black Jack Creek management plan, which said that the area from the top of the ravine down to the creek is suppose to be protected open space. The applicant did not even show up to testify in favor of their amendment. They submitted something without a lot of documentation, nobody testified for it – the Tribe testified against it.

Councilmember Cartwright had a point of order that the denials are to be discussed during Business Item 7C.

_Upon vote, the main motion passed, as amended with six affirmative votes and one dissenting vote. Councilmember Ashby cast the dissenting vote._

C. Adoption of a Resolution Denying a Proposed Amendment to the City’s Comprehensive Plan

Development Director Bond presented the staff report, noting the 2014 Comprehensive Plan amendment process is nearing completion. The City Council conducted a public hearing on the proposed 2014 amendments and deliberated on the amendments at its November 4th meeting. SEPA has been completed and the appeal period will end on November 24, 2014. The Department of Commerce has been notified of the proposed amendments and the 60-day notice period will close on November 24, 2014. The resolution provided will have the effect of denying the following amendments:

1. **The Vogel Amendment**: A request for a Comprehensive Plan map amendment and rezone to change the designation on a portion of property from Greenbelt to Commercial.

**Planning Commission Recommendation**: Modified Approval  
**Staff Recommendation**: Denial, Per the Interim City Attorney, the Council is encouraged to either approve or deny the amendment as submitted. It is recommended that the Council does not alter the proposal as submitted (per the Planning Commission’s recommendation) for numerous reasons not the least of which is the fact that the SEPA Threshold Determination was issued on the applicants proposal as submitted and not based on the scenario recommended by the Planning Commission.
2. **The Bethel Road LLC/Kvinsland Amendment:** A request for a Comprehensive Plan map amendment and rezone to adjust the split zoning delineation on a property, which is partially zoned greenbelt and partially zoned commercial to more accurately follow the top of slope line.

   **Planning Commission Recommendation:** Deny  
   **Staff Recommendation:** Deny

3. **The Parks Plan Amendments:** A request to amend the Parks Plan, as submitted by the Mayor, concerning designating the Bethel South Property as an Off-Leash dog park.

   **Planning Commission Recommendation:** Approve.  
   **Staff Recommendation:** Approve.

Councilmember Chang MOVED and Councilmember Childs seconded the motion to approve the Resolution denying amendments to the City’s Comprehensive Plan as submitted with the addition of Item No. E from previous agenda item.

*Upon vote, the motion passed with six affirmative votes and one dissenting vote. Councilmember Ashby cast the dissenting vote.*


Public Works Director Dorsey presented the staff report, noting as a continuation of the July 22 and September 23, 2014, discussion regarding the 2014 Paul Powers Park - Interim Improvement Plan design. Please find the N.L. Olson & Associates, Inc. proposal not to exceed $9,500, for the drafting and design support needed for the City ‘sealed’ Ad Ready documents to be completed in early 2015. As discussed, the 2014-2015 interim improvement design will include but not be limited to 1) grading and limited filling of the existing westerly field to support a regulation sized sports field, 2) limited drainage modifications, 3) fencing along the south property line, 4) irrigation improvements and 5) limited erosion control facilities.

This activity will provide for Park Plan compliance within 2014-2015. The City’s Public Works Department has confirmed 1) that the professional services acquisition process was followed pursuant to RCW 39.08 and 2) that the project proposal is funded within the City Cumulative Reserve for Municipal Facilities Fund of the approved 2014 Budget and budget authority established within 2015. Due to the timing of this task, the funding that is within the 2014 approved budget is being used to commence this project, but if this project is unable to be completed in 2014, there will need to be a budget amendment in 2015 to complete this design.
Councilmember Cartwright added this would do a bare minimum improvement. It makes the upper portion of the park more usable, and there would be no lights.

Councilmember Childs feels like with the parks plan coming, this is another example of how the Council is unclear how the City will proceed with developing this park. It is possible that there will not be a future for Paul Powers Park. If they spend the money, it could potentially be a waste of money.

Mayor Pro-Tem Lucarelli said she is recusing herself from voting on this item, because of a family employment situation with the contractor. However, she remained in the room during the discussion.

Councilmember Putaansuu said this has been discussed for at least a year. He was not in support of the grandiose plan. The interim improvements are basic. It will make the park functional and usable.

**Councilmember Cartwright MOVED and Councilmember Ashby seconded the motion to authorize the Mayor to execute a Contract with N.L. Olson & Associates, Inc. in an amount not to exceed $9,500.00 for the 2014-2015 Paul Powers Park Interim Improvement Plan and Ad Ready PS&E. Upon vote, the motion passed with five affirmative votes and one dissenting vote. Councilmember Childs cast the dissenting vote. Mayor Pro-Tem Lucarelli recused herself from voting.**

E. Approval of November 4, 2014, Special Council Meeting Minutes

Councilmember Childs MOVED and Councilmember Ashby seconded the motion to approve the minutes as presented. **Upon vote, the motion passed with six affirmative votes and one abstention. Councilmember Putaansuu abstained from voting.**

F. Discussion: Transit Board Composition Review Committee

Councilmember Putaansuu said State law requires the Transit Board Composition Review Committee meeting be held. Councilmember Putaansuu thought he would be able to attend the committee, but is unable to, and recommended the Council appoint Councilmember Ashby to attend the meeting on December 4, 2014, at 5:00 p.m.

Councilmember Clauson said the committee comes forward and reviews the composition of the board and would recommend any changes. Four years ago prior to this process happening, the Board make up was the three county commissioners, all four mayors of the four cities, and two additional councilmembers from the City of Bremerton. At that time, the committee came back and said the smaller cities should have better representation. So they reduced one of Bremerton’s seats and made an at large position that the Board chair
fills for a two-year term, which Councilmember Putaansuu currently sits in that seat. The committee may say they like what they see and make no changes.

In response to Councilmember Putaansuu, Councilmember Clauson said the changes are ratified by the County Commissioners.

Councilmember Putaansuu said the County and each City would have a representative on the review committee.

Councilmember Clauson will recuse himself from voting on this issue. However, he remained in the room during the discussion.

In response to Councilmember Chang, Councilmember Clauson said it is possible that one of the cities could come to that meeting saying they no longer want to participate in the transit district. That can only apply to Port Orchard and Bainbridge Island, since islands cannot be created. The group could decide that they want to change the boundaries.

Councilmember Cartwright said that Councilmember Clauson works directly for the Kitsap Transit Board, he works for Councilmember Clauson. He does not believe he has a conflict, but if anyone has concerns, he would like to hear them. No concerns were raised.

In response to Councilmember Childs, Councilmember Clauson said the structure is Bremerton automatically has their mayor and one councilmember, there is an at large position that needs to be filled from one of the three small cities – and that is the choice of the chair to make that appointment for two years. The chair for the last two appointments has appointed Mr. Putaansuu. Kitsap Transit reached out to the other cities to see if there are any other councilmembers from the small cities that are interested in the at-large position, and Bainbridge Island Councilmember Steve Bonkowski has said that he is interested. Councilmember Putaansuu has expressed interest in continuing.

Councilmember Childs was wondering why not all the cities have a mayor and a councilmember. Councilmember Clauson said the board would be too big and is based on each jurisdictions size.

Councilmember Putaansuu clarified the Board consists of the three County Commissioners, two seats for Bremerton, a seat for each of the other three cities, and the at-large position. The other seats filled by the cities are typically the Mayor, but it does not have to be the Mayor.

Councilmember Clauson said it is up to each jurisdiction to make the determination of who will represent each city. The legislation body of each jurisdiction would select who they want to represent their jurisdiction. Historically it has been the Mayor, but it would be up to the Council to decide who will represent Port Orchard on the Board in a regular seat.
In response to Councilmember Childs, Councilmember Clauson said all four mayors are currently on the board, in addition to Councilmember Putaansuu in the at-large position.

Councilmember Putaansuu MOVED and Councilmember Chang seconded the motion to have Councilmember Ashby be our representative at the December 4 Kitsap Transit Board Composition Review Committee. Upon vote, the motion passed with six affirmative votes. Councilmember Clauson recused himself from the vote.

8. COMMITTEE REPORTS

Councilmember Clauson said the work of the Finance Committee has been presented tonight in the first reading of the budget.

Councilmember Ashby clarified that the Economic Development/Tourism meeting is December 15th, when the meetings are usually on the second Monday of each month. Development Director Bond said the meetings usually happen the Monday before the first Council Work Study Session meeting, but it could be moved to December 8th if needed.

Councilmember Cartwright said he has a conflict on December 15th. It was decided to move the Economic Development/Tourism Committee and Public Properties Committee to December 8th.

Councilmember Putaansuu reported the Sewer Advisory Committee was presented the proposed biennial budget. The Utility Committee was discussing the gap analysis for the sewer and water rates. There is one component that was sent back to the consultant to work on – the consumption. Last time they raised water rates there was concern about the smaller user paying a disproportionate share. They have asked the consultant to analyze that and bring that back with our work product. Sewer/water rates will be discussed at the December Work Study. The Maple Street home by wellhead is close to coming to an agreement.

Councilmember Chang commented on some of the sewer advisory committee meetings he has attended, and he noted consumption of water has gone down, and with that, the revenue associated with it. The sewer people were suggesting the rates might have to be raised even if we are using less. They were also talking about draughts in other parts of the country, but we are not affected by that in Washington.

Councilmember Lucarelli announced the Festival of Chimes & Lights is December 6th. The big change is the tree lighting will be at 5:30 p.m. There will be many free family fun events.

Councilmember Childs announced the KEDA 4th Quarter Board meeting is December 11th at 3:00 p.m., and the KEDA Christmas party at Kitsap Bank is at 5:00 p.m.
Councilmember Ashby invited the Council to help at Saturday’s Shop Small event. Port Orchard is kicking the day off with a pancake breakfast and they are looking for volunteers to help.

Councilmember Ashby reported on the KRCC meeting. There was a legislative breakfast, where there was a presentation on our West Sound Alliance for transportation and a presentation on police body cameras and the public records request difficulties Poulsbo is having with that. At the KRCC meeting, they voted on the reorganization of KRCC. They are moving from consultant-based to actually having paid staff. That was approved. The primary functions are land use and transportation. They briefly discussed funding; the dues for 2015 will remain the same as 2014. However, as we move the transition from a consultant basis to a staff basis, during that process they will be more definitive on the dues structure. They extended the contract with the current consultant for nine months to allow for a smooth transition. They approved KRCC budget for the year and the scope of work. They are changing the KRCC meetings from the fourth Tuesday to the first Tuesday of the month from 10:15 a.m. to 12:15 p.m.

Councilmember Putaansuu added that there would be transition charges for office space and computers that are going to happen halfway through the year. The City will receive an assessment based on our proportional share. The recommendation to the board is the 1.5 percent surcharge. They felt adding the surcharges to the next funding cycle would push it out too far. The surcharge recommendation is for it to occur at obligation and to start in 2016.

Councilmember Childs said he appreciated Jan Angel’s comments about the City’s projects and how important they are.

9. MAYOR’S REPORT

No report was given.

10. REPORT OF DEPARTMENT DIRECTORS

Treasurer Martin reported that he attended the entrance conference for the state audit of the treatment plant, and everything is going well. The State Auditor’s office completed the 2013 City Financial Audit, and they are hoping to schedule an exit conference.

Development Director Bond reported SmartGov is up and running. He is happy with what he is learning about the system and it will make the department more productive.

11. CITIZENS COMMENTS

Mr. Charles Cregier said he is a developer outside of the City limits. He said the City’s main corridors are being overlooked and underdeveloped. He realizes they are newly
annexed into the City. He suggested making the infrastructure more user-friendly and have a liaison to work with developers. The main corridors do not look welcoming. This needs to change; it is a moneymaking corridor for the City. He would hate to see it overlooked for too long.

12. EXECUTIVE SESSION

No executive session was held.

13. ADJOURNMENT

At 8:30 p.m., Mayor Pro-Tem Lucarelli adjourned the meeting.

Brandy Rinearson, CMC, City Clerk

Cindy Lucarelli, Mayor Pro-Tem