City of Port Orchard
Council Meeting Minutes
Regular Meeting of January 27, 2015

1. CALL TO ORDER AND ROLL CALL

Mayor Tim Matthes called the meeting to order at 7:00 p.m.

Roll call was taken by the City Clerk as follows:

Councilmember Cartwright Present
Councilmember Chang Present
Councilmember Childs Present
Councilmember Clauson Present
Councilmember Lucarelli Present
Councilmember Putaansuu Present
Mayor Pro-Tem Ashby Present
Mayor Matthes Present

Staff present: City Clerk Rinearson, Public Works Director Dorsey, Deputy City Clerk Fernandez, and Interim City Attorney Morris were also present.

A. Pledge of Allegiance

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

2. CITIZENS COMMENT

Mr. David Baker, Sue’s Lavender Shop, spoke regarding the lack of parking downtown. If a garage cannot be built, he asked that parking lots be created up on the hill and have a shuttle bus. He would like the sign code revised to be more business friendly.

Mr. Aaron Passow said Port Orchard should advertise in Bremerton and on the Washington State Ferry to visit Port Orchard.

Mr. Nick Whittleton spoke against Business Item 7C and asked the Council to reject it.

Mr. Aaron Passow would like to see the work on Business Item 7A start immediately; the uncertainty is taking a toll on him. He wondered if the wellhead could be moved underground so the path could be realigned around the corner.
Mrs. Susan Baker, Sue’s Lavender Shop, spoke regarding the poor condition of the parking lot behind the Public Market and the lack of handicap parking spots.

3. APPROVAL OF AGENDA

MOTION: By Councilmember Childs, seconded by Councilmember Lucarelli, to approve the agenda.

The motion carried.

4. APPROVAL OF CONSENT AGENDA
   A. Approval of Check Nos. 63431 through 63456 totaling $26,800.25
   B. Approval of January 13, 2015, Council Meeting Minutes

MOTION: By Councilmember Putaansuu, seconded by Mayor Pro-Tem Ashby seconded approving the Consent Agenda.

The motion carried.

5. PRESENTATION

No presentations were given.

6. PUBLIC HEARING

No public hearings were held.

7. BUSINESS ITEMS

A. Approval of Change Order No. 2 to Contract No. 088-13, with Universal Field Services, Inc. for the Bay Street Pedestrian Pathway Project Continuation

Staff Report: Public Works Director Dorsey presented the staff report and noted Change Order No. 2 deals with the Contract amount as follows:

- Contract reduction based on WSDOT internal audit of overhead rates: $15,480.86
- Contract Increase based upon revised scope of work: $6,523.59
- Net Contract decrease: -$8,957.27

Staff recommends approval of the change order.
Council Consideration: - MOTION: By Councilmember Lucarelli, seconded by Councilmember Putaansuu, to authorize the Mayor to execute Change Order No. 2 and WSDOT Supplemental Agreement No. 2 with Universal Field Services, Inc. for a net decrease of $8,957.27 to Contract No. 088-13 for the Bay Street Pedestrian Pathway Project Real Estate Acquisition Services.

In response to Mayor Pro-Tem Ashby, Public Works Director Dorsey said $3MM is the general ballpark cost for the remainder of the path. He will not have the true cost until the right-of-way certification is complete. Once the certification is complete, then he can revise the plans, which may change the final estimate. The demolition of the homes was not included in the original estimate.

Mayor Pro-Tem Ashby asked if the Council was comfortable moving forward without a funding plan.

Councilmember Putaansuu said the funding opportunities for pedestrian pathways are greater than Tremont. There is less competition, and the dollar amount needed is smaller. The City will have to come up with some money, but there are sources for that funding (REET and Admission Tax). He thinks the demolition will help increase the chance of grants due to the environmental benefits.

Councilmember Chang announced a potential conflict, as he is a Department of Transportation employee; however, he does not stand to gain financially from this contract. There were no voiced objections to his voting on this matter.

Councilmember Chang said the City does not know if there is going to be demolition at this point.

Councilmember Clauson agrees with Councilmember Putaansuu. He added that the project could be done in phases.

Public Works Director Dorsey said Bay Street could be constructed in phases, which would be determined by DOT or local programs.

The motion passed 6 to 1. Mayor Pro-Tem Ashby voted in opposition.

(CHANGE ORDER NO. 2 to CONTRACT NO. 088-13)

B. Approval of Change Order No. 6 to Contract No. 071-09, with NL Olson & Associates, Inc. for the Bay Street Pedestrian Pathway Right-of-Way Plan Revisions
Councilmember Lucarelli recused herself, because she has a family member that works for the contractor. She left the meeting at 7:23 p.m.

**Staff Report:** Public Works Director Dorsey presented the staff report, noting on October 27, 2010, the City entered into a Contract with N.L. Olson & Associates, Inc. for the Bay Street Pedestrian Pathway Project (aka Mosquito Fleet Trail) for the development of final Plans, Specifications & Estimate (PS&E). Subsequently over the years, several change orders have been issued, with this most recent Change Order No. 6 for $5,000 being associated with Council’s recent decision to pursue the pathway project with property acquisitions and relocations. This activity must be completed prior to obligating additional right-of-way funding.

In response to Councilmember Ashby, Public Works Director Dorsey clarified the work the contractor would be performing. This work must be completed in order to obligate the funds.

Councilmember Chang announced a potential conflict, as he is a Department of Transportation employee; however, he does not stand to gain financially from this contract. There were no voiced objections to his voting on this matter.

**Council Consideration - MOTION:** By Councilmember Putaansuu, seconded by Councilmember Clauson, to authorize the Mayor to execute Change Order No. 6 and WSDOT Supplemental Agreement No. 6 to Contract No. 071-09, with N.L. Olson & Associates, Inc. for the continuation of the Bay Street Pedestrian Pathway Project, thereby extending the contract completion date to December 31, 2015 and adding $5,000.00 for right-of-way plan revisions.

Staff recommends approval of the change order.

The motion carried.

**(CHANGE ORDER NO. 6 to CONTRACT NO. 071-09)**

At 7:28 p.m., Councilmember Lucarelli rejoined the meeting.

**C. Approval of Change Order No. 3 to Contract No. 033-14, with Katy Isaksen & Associates for Continued Water/Sewer Gap Analysis Professional Services**

**Staff Report:** Public Works Director Dorsey presented the staff report, noting at the December 16, 2014, Work Study Session, Katy Isaksen & Associates, Inc. presented the 2014 Water/Sewer Gap Analysis to the City Council. At the conclusion of the presentation, a request was made by Council to continue the discussion into 2015. Change Order No. 2 was a contract extension to May 1, 2015, rather than December 31, 2014. This action will provide the additional $8,700 needed for the continuation of the analysis and will require a budget amendment to the approved 2015 Budget.
Staff recommends approval of the change order.

**Council Consideration: - MOTION:** By Councilmember Putaansuu, seconded by Councilmember Clauson, to authorize the Mayor to execute Change Order No. 3 to Contract No. 033-14 in an amount not to exceed $8,700 for the continuation of the Water/Sewer Gap Analysis.

Councilmember Chang stated he thinks the earlier public comment was directed at the results of the completed analysis. He feels this work needs to be completed in order for the Council to make a decision on the rates.

Councilmember Putaansuu said this work is to look at additional categories and to do analysis on the billing structure.

Public Works Director Dorsey said the previous rate study was an internal review of our operations and our capital on a financially unconstrained plan. This work product will take a fresh look at our entire operations in a more detailed look and look at capital projects. The City is moving towards a constrained 2016 comprehensive plan, and the Council requested some additional work to look deeper so that we truly know what our reality is.

Councilmember Putaansuu said in 2011 the utility had an operating deficiency, which needed to be brought into the black. They also funded the six-year capital plan at that time. The water rate is not moving up a whole lot, because a lot of the capital needs have been addressed in that water rate adjustment. The sewer rate needs to be worked on, because our capital needs to be funded.

Public Works Director Dorsey said the City did the initial study with a six-year plan amortized over a 20-year period that was then reduced and ramped up over a three-year period. That number did not address the need. It was ramping up to deal with operations. It never captured funding to take care of the capital projects.

Mayor Pro-Tem Ashby said she supports the additional work. The City needs to do something about its rate structure. Before the Council makes a decision that will have a financial impact on the citizens, it behooves the City to do its due diligence on the front side.

The motion carried.

*(CHANGE ORDER NO. 3 to CONTRACT NO. 033-14)*

8. COMMITTEE REPORTS

Councilmember Putaansuu announced the next Utilities Committee meeting is February 13 and the Sewer Advisory Committee is February 18.
Councilmember Cartwright announced the next Public Property Committee meeting is February 9 at 8:30 a.m. at City Hall.

Mayor Pro-Tem Ashby announced the next ED/Tourism Committee meeting is February 9 at 10:00 a.m. at City Hall.

9. MAYOR’S REPORT

Mayor Matthes reported on the Martin Luther King celebration he attended on January 19.

10. REPORT OF DEPARTMENT DIRECTORS

Public Works Director Dorsey reported on DOT workshop he attended on accommodation for pedestrians. He learned the City needs to develop a transition plan, which he will include in his 2016 budget for inventorying and assessing all the sidewalks, curbs, ramps, and signals. He will work on an amendment to the Bethel 2015 Pavement Repairs so that the crosswalk improvements extend to the curb ramps.

City Clerk Rinearson reported the LTAC reporting process has been changed, and she is working with the recipients on this new process. She also reported the Mayor has appointed a small committee to work on the City’s 125th Anniversary Celebration. The Chair is Sharron King. September 5 will be the celebration day.

11. CITIZENS COMMENTS

Mr. Aaron Passow spoke regarding a portion of Bay Street near his property that is unsafe for pedestrians. He asked when the City would fix a pothole on the road.

Ms. Gerry Harmon said the pathway is hurtful to a number of people in our community, because a former Council accepted federal money that had consequences attached to it. She spoke regarding water rates, and how the people at the top are paying half of what the people at the bottom pay.

12. EXECUTIVE SESSION

No executive session was held.

Councilmember Chang reported that PSNS will be doing a fire drill tomorrow morning at 4:00 a.m.
13. ADJOURNMENT

The meeting adjourned at 7:55 p.m. No other action was taken.

Brandy Rinearson, CMC, City Clerk

Timothy C. Matthes, Mayor