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:

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<tr>
<th>Councilmember</th>
<th>Status</th>
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<tr>
<td>Cartwright</td>
<td>Excused</td>
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<tr>
<td>Chang</td>
<td>Present</td>
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<tr>
<td>Childs</td>
<td>Present</td>
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<tr>
<td>Clauson</td>
<td>Present</td>
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<tr>
<td>Lucarelli</td>
<td>Present</td>
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<tr>
<td>Putaansuu</td>
<td>Present</td>
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<tr>
<td>Pro-Tem Ashby</td>
<td>Present</td>
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<td>Matthes</td>
<td>Present</td>
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Staff present: City Clerk Rinearson, Public Works Director Dorsey, City Treasurer Martin, Development Director Bond, 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

Mrs. Elissa Whittleton spoke regarding not removing all restrictions on the Downtown Overlay District (DOD).

Mr. Jim McCary spoke regarding the approval of the Andasio Village and that Bethel is the gateway to the City, not Tremont.

3. APPROVAL OF AGENDA

MOTION: By Councilmember Clauson, seconded by Mayor Pro-Tem Ashby, that Item 4B be taken off Consent and put onto the Business Items.

The motion carried.
MOTION: By Mayor Pro-Tem Ashby, seconded by Councilmember Putaansuu, for the approval of the KRCC ILA.

The motion carried.

MOTION: By Councilmember Lucarelli, seconded by Councilmember Clauson, to move Consent Agenda 4D to 7H.

The motion carried.

MOTION: By Councilmember Childs to postpone Business Item 7C until a permanent City Attorney is hired.

The motion was withdrawn.

MOTION: By Mayor Pro-Tem Ashby, seconded by Councilmember Lucarelli, to approve the agenda as amended.

The motion carried.

MOTION: By Councilmember Clauson, seconded by Councilmember Cartwright, to add excusing Mr. Cartwright from tonight’s meeting to the Consent Agenda.

The motion carried.

4. APPROVAL OF CONSENT AGENDA
   A. Approval of Checks Nos. 63611 through 63686 totaling $57,690.21
   B. Approval of February 10, 2015, Council Meeting Minutes Moved to Business Item 7F
   C. Approval of a Contract with Kitsap Economic Development Alliance for Economic Development Services
   D. Authorizing the Purchase of a 2015 Dodge Ram 1/2 Ton Pickup Truck (4WD) with Extended Cab for the Public Works Department—Storm Drainage Utility Moved to Business Item 7H
   E. Excuse Councilmember Cartwright from Tonight’s Meeting

MOTION: By Councilmember Putaansuu, seconded by Councilmember Childs seconded approving the Consent Agenda as amended.

The motion carried.

5. PRESENTATION
A. Kitsap Regional Coordinating Council (KRCC) Interlocal Agreement (ILA) – Mary McClure, KRCC Executive Director, presented the transition agreements: KRCC ILA and Transfer of Grant programs (Document Surcharge Low Income Housing Grants and CDBG).

Councilmember Putaansuu noted that the ILAs that the City is being asked to approve have not been seen by the Council, and the earliest it can be approved is March 10, 2015.

Council directed staff to place this item on the next Council meeting for consideration.

B. West Sound Alliance Video – Mayor Matthes showed the West Sound Alliance video and presented the partnership’s effort to secure funding for transportation improvements.

6. PUBLIC HEARING

A. Public Hearing and Adoption of a Resolution Updated Fees and Fee Policies for the Departments of Community Development and Public Works

Staff Report: Public Works Director Bond presented the staff report, noting the recommended specific fee adjustments to the DCD and Public Works permit, application, and review fees.

Mayor Matthes opened the Public Hearing, and there being no testimony, closed the Public Hearing at 8:00 p.m.

Council Consideration: - MOTION: By Councilmember Putaansuu, seconded by Councilmember Clason, to approve the resolution amending the City’s Department of Community Development and Public Works Fees and Fee Policies.

Discussion highlights included:
- Window and door permitting fees
- View Protection Overlay District Regulations – exemption and variance fees
- Hearing examiner involvement and costs
- $70 for 100 sq ft of siding versus using a bid price for the calculation of fees

Amended Motion: By Councilmember Putaansuu, seconded by Mayor Pro-Tem Ashby, to change Item No. 3, dealing with Siding Permits, to be based on bid price.

The motion carried.

The amended motion passed 5 to 1. Councilmember Childs voted no.
(RESOLUTION NO. 002-15)
B. Public Hearing and Adoption of a Resolution Adopting a Development Agreement for the Andasio Village Development

Staff Report: Public Works Director Bond presented the staff report, noting the primary intent of this development agreement is to reduce the number and the scope of the conditions of approval as required in the County Hearing Examiner’s decision and to ensure that the requirements are proportionate to the impacts created by the Andasio Village project.

Mayor Matthes opened the Public Hearing at 8:15 p.m.

Mrs. Elissa Whittleton spoke regarding the existing substandard streets, difficult access, and the need for a traffic light in the development’s neighborhood.

Mr. Walker spoke regarding the existing congestion and narrow roads near the development and the need to have the developer upgrade the roads to improve access.

Mr. Jim McCary spoke regarding the need to improve other roads besides the two roads that have been suggested to get to the development. He questioned what a “half-road” means.

Mr. Nick Whittleton spoke regarding the need to improve roads in the area of the development to decrease traffic backups.

Mr. James Yurina, Andasio Village Developer, thanked the staff for their work on the development agreement. He is willing to answer any questions from the public or Council.

There being no further testimony, Mayor Matthes closed the Public Hearing at 8:28 p.m.

Public Works Director Dorsey said West Coast is under contract with DOT to build a left turn lane to go from eastbound Sedgwick to northbound Ramsey. They are also building the full intersection along their improvements to their north line. Andasio will be required to finish the Ramsay improvements (half-road) all the way to Blueberry and upgrade Blueberry from their westerly property line across their frontage all the way to Bethel. They are also required to do the turn lane. When the Blueberry Ridge Development comes in, SEPA will require them to add lights, if the traffic generated triggers that. It is still a condition of the Blueberry Ridge plat.

Development Director Bond noted the agreement was not included in the packet and recommended the Council continue the public hearing to a future council meeting.

Council Consideration: - MOTION: By Councilmember Clauson, seconded by Councilmember Childs, to continue the hearing to the 24th of March.
The motion carried.

7. BUSINESS ITEMS

A. Second Reading and Final Adoption of an Ordinance Amending the 2015 Budget

Staff Report: Treasurer Martin presented the staff report, noting the Budget Amendment Ordinance reflects $380,000 from the Cumulative Reserve for Water Sewer Fund No. 403 for the general facility fee component of the Sewer Capital Facility Charge for Developer reimbursement.

Council Consideration: - MOTION: By Mayor Pro-Tem Ashby, seconded by Councilmember Putaansuu, to adopt an Ordinance amending the 2015 Budget for the City of Port Orchard.

The motion carried.
(ORDINANCE NO. 005-15)

B. Adoption of an Ordinance Amending the Residential Reroof Permit Exemptions

Staff Report: Development Director Bond presented the staff report, noting the staff recommended changes to the building code concerning residential reroofing projects.

Council Consideration: - MOTION: By Councilmember Lucarelli, seconded by Councilmember Childs, to approve an Ordinance amending the building code concerning residential reroof permit exemptions.

The motion carried.
(ORDINANCE NO. 006-15)

C. Adoption of an Ordinance Creating Interim Regulations for the Tremont Overlay District

Staff Report: Development Director Bond presented the staff report and recommended approval of the interim regulations in order to limit the City’s potential liability while allowing for development of the Tremont district to continue.

Council Consideration: - MOTION: By Councilmember Chang seconded by Councilmember Putaansuu, to approve the provided ordinance creating interim Tremont Overlay District regulations.

At 9:09 p.m., Mayor Matthes recessed the meeting for a 10-minute executive session regarding potential litigation in accordance with RCW 42.30.110(1)(i). Interim City Attorney Morris and Development Director Bond were invited to attend the executive session.
At 9:19 p.m., Mayor Matthes reconvened Council back into regular session.

The motion carried.
(ORDINANCE NO. 007-15)

MOTION: By Councilmember Putaansuu, seconded by Councilmember Clauson, to set a public hearing to maintain the interim ordinance and hold that meeting on March 10.

The motion carried.

D. Approval of Change Order No. 7 to Contract No. 071-09 with N.L. Olson & Associates, Inc. for the Continuation of the Bay Street Pedestrian Pathway Project

Staff Report: Public Works Director Dorsey presented the staff report and recommended approval of Change Order No. 7 to Contract No. 071-09 with N.L. Olson & Associates, Inc. in an amount not to exceed $34,150 for the continuation of the Bay Street Pedestrian Pathway Project; thereby adding $3,500 of additional grant funded right-of-way related activities and $30,650 of locally funded NEPA/ECS and Design Documentation activities needed to continue with the project’s right-of-way phase.

Councilmember Lucarelli recused herself declaring a conflict and left the meeting at 9:16 p.m.

Council Consideration: - MOTION: By Councilmember Putaansuu, seconded by Councilmember Clauson, to authorize the Mayor to execute Change Order No. 7 and WSDOT Supplemental Agreement No. 7 to Contract No. 071-09 with N.L. Olson & Associates, Inc. in an amount not to exceed $34,150.

In response to Mayor Pro-Tem Ashby, Public Works Director Dorsey said the $30,650 is not part of the City’s match. A budget amendment will be needed. He also said there is a list of things that need to be accomplished before obligation.

In response to Mayor Pro-Tem Ashby, Treasurer Martin said he has not done an analysis to identify funding for the additional expenditure. It would come out of fund balance.

The motion passed 4 to 1. Councilmember Ashby voted no.
(CHANGE ORDER NO. 7 to CONTRACT NO. 071-09)

At 9:23 p.m., Councilmember Lucarelli returned to the meeting.
E. Meeting with Initiating Parties Regarding Notice of Intent to Petition for Harris-Salmonberry Annexation

Staff Report: Development Director Bond presented the staff report, noting on February 19, 2015, the lead petitioners informed the Development Director that they would be willing to meet with residents in the area and work to create a boundary, which would have sufficient support, while ensuring that Council concerns are addressed and resubmit a petition at a later date. The lead petitioners have been in contact with City staff, but there has been no communication with the other petitioners to know whether they would still like to proceed with the petition “as is”.

Council Consideration: - MOTION: By Councilmember Putaansuu, seconded by Councilmember Chang, to reject the proposed annexation.

The motion carried.

F. Approval of February 10, 2015, Council Meeting Minutes

Council Consideration: - MOTION: By Councilmember Putaansuu, seconded by Mayor Pro-Tem Ashby, to approve the February 10, 2015, Council Meeting minutes.

Councilmember Clauson stated he would abstain from the vote because he did not attend the meeting.

The motion passed 5 to 0. Councilmember Clauson abstained.

G. Approval of the Kitsap Regional Coordinating Council Interlocal Agreement

Council Consideration: - MOTION: By Mayor Pro-Tem Ashby, seconded by Councilmember Childs, to withdraw this agenda item.

The motion carried.

H. Authorizing the Purchase of a 2015 Dodge Ram ½ Ton Pickup Truck (4WD) with Extended Cab for the Public Works Department – Storm Drainage Utility

Staff Report: Public Works Director Dorsey presented the staff report and recommended Council approve the purchase of the vehicle.

Council Consideration: - MOTION: By Councilmember Childs, seconded by Councilmember Lucarelli, to authorize the purchase of a 2015 Dodge Ram ½ Ton Pickup Truck (4WD) with
Extended Cab from Clary Chrysler Dodge (State Bid List) in an amount not to exceed $25,649.89 (plus any applicable licensing and recording fees).

Councilmember Clauson said he preferred a Chevy or a Ford instead of a Dodge, even though it cost more, due to staff time of taking a vehicle to Bremerton instead of downtown Port Orchard for warranty work.

The motion passed 5 to 1. Councilmember Clauson voted no.

8. COMMITTEE REPORTS

Councilmember Putaansuu reported Utilities Committee discussed grant application for decant facility scoring results; a credit for $17,673.51 for SKWRF Liability Insurance; storm drainage issues; and marina restroom modifications. He reported the Sewer Advisory Committee discussed their capital projects update and debt liability.

Mayor Pro-Tem Ashby announced the next Economic Development/Tourism Committee meeting is March 9 at 10:00 a.m. and the Public Properties Committee meeting will be the same day at 8:30 a.m. She also gave a report of the PSRC Transpol meeting.

Councilmember Childs announced KEDA’s Annual meeting is March 19 at the Kitsap Conference Center.

9. MAYOR’S REPORT

Mayors announced his upcoming board meetings for this week and next.

10. REPORT OF DEPARTMENT DIRECTORS

Public Works Director Dorsey announced the next Utility Committee meeting is March 13.

City Treasurer Martin reported he provided the memo Councilmember Childs had asked for regarding the cost over time for updating the comprehensive plan. He gave an update on the City Attorney recruitment process.

11. CITIZENS COMMENTS

Mrs. Elissa Whittleton asked that the Utility Committee be held at City Hall, not the Pancake House.
Mr. Jim McCary spoke regarding encouraging Home Depot to build a store; making the Bethel Road redesign narrower in width; the need to have impact fees on building permits; the Dodge was a bargain for $10,000 less; and sewer/water hook ups at residential rates.

12. EXECUTIVE SESSION

An executive session was held during Business Item 7C.

13. ADJOURNMENT

The meeting adjourned at 10:02 p.m. No other action was taken.

Brandy Rinearson, CMC, City Clerk

Timothy C. Matthes, Mayor