

ITEMS DISCUSSED

1. CALL TO ORDER / ROLL CALL
2. EXECUTIVE SESSION: PROPERTY DISPOSITION (RCW 42.30.110(1)(c)), REVIEW THE PERFORMANCE OF AN EMPLOYEE (RCW 42.30.110(1)(g))
3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE
4. STAFF INTENSIVE
  - A. ORDINANCE NO. 2013-04, 2012 BUDGET CARRY-OVERS INTO 2013, AB 13-023
  - B. REVISIONS TO DESIGN GUIDELINES FOR THE ERICKSEN AVENUE OVERLAY DISTRICT, AB 13-031
  - C. 2013 ROADS PRESERVATION PROGRAM OVERVIEW, AB 13-032
  - D. BRIEFING ON WATER UTILITY
  - E. WATER FLOW MONITORING
5. REGIONAL COMMITTEE REPORTS
6. REVIEW OF UPCOMING COUNCIL MEETING AGENDAS
7. FOR THE GOOD OF THE ORDER
8. ADJOURNMENT

**1. CALL TO ORDER / ROLL CALL.** Mayor Pro Tem Ward called the meeting to order at 6:30 pm. A quorum was present consisting of Councilmembers Blair, Blossom, Lester, and Ward. Councilmember Scales was absent and excused. Mayor Bonkowski arrived at 6:34 PM, and Councilmember Hytopoulos arrived at 7:00 pm. Deputy City Clerk/Paralegal Brown monitored the recording of the meeting and prepared the minutes.

**2. EXECUTIVE SESSION: PROPERTY DISPOSITION (RCW 42.30.110(1)(c)), REVIEW THE PERFORMANCE OF AN EMPLOYEE (RCW 42.30.110(1)(g)).** Mayor Pro Tem Ward adjourned the meeting to executive session at 6:30 PM with legal counsel to discuss property disposition and to review the performance of an employee. The recording system was turned off and the door to Council Chambers was posted. Mayor Pro Tem Ward re-convened the meeting at 7:05:25 PM and reported no action was taken.

**3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE.** 7:06 PM Councilmember Lester noted that Item 4(E) should be "Water Flow Monitoring" rather than "Water Quality Flow Monitoring." Mayor Bonkowski requested the addition of a five-minute discussion of his participation in a transportation committee, and Mayor Pro Tem Ward suggested addressing the topic during For Good of the Order.

**MOTION:** *I move that we approve the agenda as amended.*

**BLAIR/LESTER** – *The motion carried unanimously, 6 -0.*

Councilmember Lester disclosed that her rental home and business is on Ericksen Avenue, but she will participate in the discussion of Item 4(B), Ericksen Avenue Overlay District Design Guidelines, because she does not own it.

**4. STAFF INTENSIVE.**

**A. ORDINANCE NO. 2013-04, 2012 BUDGET CARRY-OVERS INTO 2013, AB 13-023.** 7:08:19 PM Finance Director Schroer summarized the carry-over items from the 2012 Budget and addressed Council's questions.

**MOTION:** *I move the City Council forward Ordinance No. 2013-04 amending the 2013 Budget of the City to include carry-over items for work funded in 2012 but to be performed in 2013 to second reading on March 27, 2013.*

**LESTER/BONKOWSKI** – *The motion carried unanimously, 6-0. 7:12:12 PM*

**B. REVISIONS TO DESIGN GUIDELINES FOR THE ERICKSEN AVENUE OVERLAY DISTRICT, AB 13-031.**

7:12:44 PM Planning Director Cook presented the proposed revisions to design guidelines for the Ericksen Avenue Overlay District. She introduced Russ Hamlet and Jim McNett from the Design Review Board, and said that the Design Review Board developed the proposed revisions. She added that the Historic Preservation Commission has also reviewed the updated guidelines. She said the current guidelines are too vague and difficult to apply. She highlighted the revisions and addressed Council's questions. She confirmed that the guidelines apply only to commercial development, although the only single family residential development allowed in the district is through the Housing Design Demonstration Project (HDDP).

***MOTION:** I move the City Council schedule Ordinance No. 2013-07 revising the design guidelines for Ericksen Avenue Overlay District to first reading on March 27, 2013.*

***BONKOWSKI/BLAIR** – The motion carried unanimously, 6-0. 7:12:12 PM*

**C. 2013 ROADS PRESERVATION PROGRAM OVERVIEW, AB 13-032.** 7:24:39 PM Public Works Director Newkirk presented the 2013 roads preservation program. He gave an overview of the program, explained the criteria for selecting annual projects and noted the challenges of the increased work. He explained the components of the maintenance work: shoulder grading, crack sealing, annual roads striping, and raised pavement marker. He presented the proposed maintenance schedule. He next provided lists of proposed preservation projects that will have asphalt repairs and chip seal. He provided information on the reconstruction projects at Ft. Ward Hill and Rockaway Beach and the proposed schedule. He described the repair projects, Sunrise Drive slide repair and Crystal Springs embankment repair. He presented the proposed new infrastructure, including shoulder widening and bike lanes on North Madison between Valley and Winther Road, and Sportsmans Club non-motorized transportation spot improvements. He said the grant awarded for Olympic Drive/Hwy 305 Improvements must be incorporated into the State budget before the City begins work. He summarized the 2013 budget for roads preservation and the planned expenditures. He added that he anticipates bringing additional asphalt repair work to Council in September after initial work is done. He said the City will re-rate the roads following this year's work and develop new financial forecasts in 2014. He said the City will work with the Transportation Benefit District to develop financial policies for use of the funds. He concluded by saying that staff will continue to develop long-term strategies to fund road reconstruction and new infrastructure projects, and noted staff resources will need to be addressed with the increased scope of work.

7:45:20 PM Bill Knobloch inquired about Wing Point Way and asked about the previous plan for improvements.

At the request of Councilmember Lester, Public Works Director Newkirk described the grant that is on the Kitsap Regional Coordinating Council's contingency list for planning and design of non-motorized improvements along Wing Point Way. He said this year's proposed repair project will improve the road this year and allow time for consideration of a larger repair, including non-motorized improvements and underground utilities.

Councilmember Lester asked staff to check with the Non-Motorized Transportation Committee about chip seal's compatibility with bicycling, and asked staff to make sure the bike lanes are protected in the re-striping process. She also asked staff to make the bike lanes larger (road diet) if possible.

Council discussed the low Pavement Condition Index (PCI) rating for Wing Point Way and the proposed repairs. Council discussed the Federal grant cycle and prioritizing the Wing Point Way reconstruction. Councilmember Ward said he believed traffic counts should be a consideration in ranking projects, and Wing Point Way should be the number one reconstruction project. Mayor Bonkowski inquired about the timing for advertising the projects and asked for a schedule. Public Works Director Newkirk said advertisement is generally 4-6 weeks prior to the contract.

**MOTION:** *I move that the City Council receive the overall 2013 Annual Roads Preservation Program overview discussion and recommend the award to Puget Paving in the amount of \$126,819.20 for the asphalt repair project and will consider these issues at the March 27, 2013 City Council meeting.*

**BLAIR/LESTER** – *The motion passed unanimously, 6-0. 8:20:25 PM*

**D. BRIEFING ON WATER UTILITY.** 8:20:31 PM City Manager Schulze provided Council with additional analysis on the water utility management issue. He showed a map of the water systems on the Island. He explained his approach to the analysis of the management proposal from Kitsap Public Utility District (KPUD) which was to identify the true cost to the City for operating under an interlocal agreement with KPUD, identify the minimum cost to City, and to identify concerns and risks related to legal issues, labor, and performance and service delivery. He said that he also reviewed the 2013 adopted budget for the Water Fund in his analysis. He presented the cost analysis and the adopted budget components. He explained the operations and maintenance portion, which would be eliminated if the utility management is outsourced, and the engineering costs. He showed the cost of service comparison with KPUD. He explained the other components of the budget, the mandatory costs of the utility and the shared allocated costs. He summarized the operating expenses under City management and KPUD management, and said the City's operating expenses are approximately \$100,000 less. He showed a cost comparison with other systems and explained that the City's rate structure is set up to encourage conservation. He said there may be other policy issues besides the cost analysis that will influence Council's decision and asked Council if they wanted to address the cost allocation decision relating to shared cost prior to addressing the management issue. He raised issues relating to the impacts to remaining services. He summarized legal concerns and risks, labor concerns, and service delivery issues. He discussed a 2006 Environmental Protection Agency report on water management and the issues raised with the creation of special districts. He discussed the Water Resources Element of the Comprehensive Plan and specific Water Resources Policies. He provided background information on City staff qualifications.

Mayor Pro Tem Ward invited public comment.

8:51:59 PM Bill Knobloch spoke in favor of KPUD management and the benefits of economy of scale that he feels the City cannot match.

8:55:42 PM Randall Samstag said the City Manager has provided an objective opinion that outsourcing the management will cost more and decrease incentives to conserve water.

City Manager Schulze addressed Council's questions about cost allocation, the impact of the designation of Bainbridge as a sole source aquifer and conservation issues.

**E. WATER FLOW MONITORING.** 9:11:31 PM City Manager Schulze presented a table summarizing the water quality and water flow monitoring program and costs. He asked Council to decide if the water flow monitoring program is a program they want to continue, and if so, he will make sure it is done as efficiently as possible. He went over the tasks involved in the program and who is responsible for each. City Manager Schulze confirmed the Cardno Tec contract is on hold. Council discussed the process of evaluating the program and the upcoming discussion of the stormwater program. Mayor Bonkowski noted that the Utility Advisory Committee has said that this is not required as part of a stormwater program. Council discussed concerns with pollution from stormwater from the roads and whether the data collected from the flow monitoring program has been used. 9:31:51 PM

9:34:16 PM Cami Apfelbeck, Water Resources Specialist, said the City has already started instituting actions in the stormwater management program based on the results in the State of the Waters report, specifically through Illicit Discharge and Detection Elimination efforts. She said the City and Kitsap Public Health District used the data to get a grant for work in the Murden Cove watershed to address nutrients and bacteria, and Sakai Intermediate School and Islandwood received a grant as well for the Murden Cove watershed. She said she is the only staff member involved which has slowed the process, but the data has helped identify problems. She said flow monitoring data equipment has been upgraded, and she is starting to get enough data to be useful. She said they need flow data to calculate the amount of pollution. In response to Councilmember Blossom's question, she clarified that flow monitoring is part of the Murden Cove project but the flow monitoring data was not used to obtain the

grants. She described possible consequences in putting the contract on hold. She said that she needs technical assistance when problems with the stations develop.

9:42:25 PM Randall Samstag noted that 80% of the contract is for water quality monitoring and said the stormwater utility includes streams on the Island by ordinance.

Mayor Pro Tem Ward said that there will be further discussion when City Manager Schulze returns with his stormwater presentation in May.

**5. REGIONAL COMMITTEE REPORTS.** 9:46:23 PM Councilmember Blair reported on Kitsap Transit's Board meeting and said that the Rich Passage passenger ferry will be designated as back-up for Washington State Ferries. She added that Kitsap Transit is looking at service improvements for the passenger-only ferry on the Port Orchard / Bremerton route and hybrid fuel systems for passenger-only ferries and buses.

9:48:07 PM Mayor Bonkowski reported on the Executive Board meeting of Kitsap Regional Coordinating Council (KRCC). He said they are evaluating the cost allocation structure that is currently based on population rather than tax base. He said the board is also looking at the allocation for state and federal monies to serve the needy and how to do a better job of identifying how those opportunities can be leveraged in the northern portion of Kitsap County. He said that KRCC has been asked for their forecasted population estimates. He said that some of the demographic data may be incorrect, and he would like Planning staff to examine it.

Councilmember Lester reported on the Intergovernmental Work Group meeting. She said that Scott James from Prepared Neighborhoods introduced a new Bainbridge Island preparedness web site: [www.ready.recovers.org](http://www.ready.recovers.org). She added that there is additional information on disaster preparedness at [bi.prep.org](http://bi.prep.org). She noted that Bainbridge librarian, Audrey Barbakoff, received a national award for innovative programs. She added that the School District thanked the City for the two new crosswalks at Sakai Intermediate School.

Councilmember Ward reported on the recent CENCOM meeting. He said that there was a briefing on performance metrics and that the performance level is high.

**6. REVIEW OF UPCOMING COUNCIL MEETING AGENDAS.** 9:59:14 PM Mayor Pro Tem Ward reviewed the March 27, 2013 agenda. Councilmember Lester asked about the placement of the Kitsap Conservation District Interlocal Agreement update. Council discussed the schedule of the Shoreline Master Program (SMP) update and the status of the consistency analysis. Councilmember Hytopoulos asked for a discussion of the Ethics Program, and it was added after public comment on March 27th. 10:12:14 PM Mayor Pro Tem Ward reviewed the long-range agenda and asked to postpone the discussion of Pritchard Park on April 3 and add a discussion of SMP impacts on individual lots. City Manager Schulze said that Planning staff will be discussing this topic at the April 10, 2013 City Council meeting. Councilmember Lester asked to add a discussion of business licenses for consultants and web-based / digital services and a request for proposals for a communications insert in a local paper. Council added the two items to the April 3, 2013 agenda. Councilmember Blossom requested that information on the General Sewer Plan policy discussion be provided to Council as early as possible.

**7. FOR THE GOOD OF THE ORDER.** 10:13:23 PM Mayor Bonkowski said he was contacted by Rob Gala, Regional Affairs Manager for the Mayor of Seattle, who is putting together a group to talk to State legislators about House Bill 1959 relating to transportation. Council authorized him to join the group.

In reference to the water flow monitoring discussion, Councilmember Blossom noted there are 59 streams on the island and only 16 streams are measured.

Councilmember Lester said that March is National Ethics Awareness Month and the 85th anniversary of the International City/County Management Association (ICMA) Code of Ethics. She reported that the Ethics Board dismissed the recent complaint against her. She spoke in favor of the process, but noted that it should not be used for political reasons.

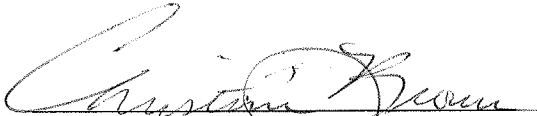
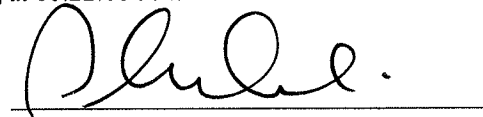
SPECIAL/REGULAR CITY COUNCIL STUDY SESSION  
MARCH 20, 2013

Councilmember Lester announced upcoming performances and discussions on Bainbridge.

Councilmember Hytopoulos expressed concerns about the recent Ethics complaint. She added that she was unhappy with the tone of recent comments and the conduct of last week's meeting.

Councilmember Lester suggested asking the audience to refrain from applause.

**8. ADJOURNMENT.** Mayor Pro Tem Ward adjourned the meeting at 10:22:10 PM.

  
Christine Brown, Deputy City Clerk/Paralegal  
Steven Bonkowski, Mayor

