

ITEMS DISCUSSED

1. EXECUTIVE SESSION: PROPERTY ACQUISITION RCW 42.30.110(1)(b); PENDING LITIGATION (RCW 42.30.110(1)(i))
2. CALL TO ORDER / ROLL CALL
3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE
4. CITY MANAGER'S REPORT
5. STAFF INTENSIVE
 - A. ORDINANCE NO. 2015-18, PUBLIC SAFETY FACILITY BALLOT PROPOSITION, AB 14-008
 - B. WAYPOINT PUBLIC ART PROJECT UPDATE, AB 15-022
 - C. COMPREHENSIVE PLAN UPDATE STATUS REPORT, AB 15-018
 - D. SUBJECT: 2015-2018 WESTNET DRUG TASK FORCE INTERLOCAL AGREEMENT, AB 15-114
 - E. ORDINANCE NO. 2015-07, ADOPTING A NEW BIMC CHAPTER 15.30, TRANSPORTATION IMPACT FEES, AB 15-048
 - F. RESOLUTION NO. 2015-12, RIGHT-OF-WAY VACATION FOR A PORTION OF POINT MONROE DRIVE, AB 15-127
 - G. PUBLIC WORKS CONTRACTS, AB 15-122
 1. CONSTRUCTION ADMINISTRATIVE SERVICES PROFESSIONAL SERVICES AGREEMENT, AB 15-123
 2. 2015 CHIP SEAL PROJECT CONTRACT AWARD, AB 15-124
 3. 2015 ROAD STRIPING PROJECT AWARD, AB 15-125
 4. BIO-SOLIDS DISPOSAL AGREEMENT, AB 15-126
 - H. ORDINANCE NO. 2015-19, ADOPTION OF SECOND MORATORIUM ON NEW COMMERCIAL AQUACULTURE ACTIVITIES, AB 15-015
 - I. PUBLIC DEFENDER CONTRACT, AB 15-129
 - J. SPECIAL EVENT PERMIT COSTS FOR JULY 4TH EVENTS, AB 15-121
 - K. SATELLITE MANAGEMENT AUTHORITY
6. COUNCIL DISCUSSION
7. COMMITTEE REPORTS
8. REVIEW UPCOMING COUNCIL MEETING AGENDAS
9. FOR THE GOOD OF THE ORDER
10. ADJOURNMENT

1. EXECUTIVE SESSION: PROPERTY ACQUISITION RCW 42.30.110(1)(b); POTENTIAL LITIGATION (RCW 42.30.110(1)(i)) 6:00 PM

Deputy Mayor Scott called the executive session to order at 6:00 p.m. with Councilmembers Blair, Blossom, Bonkowski, Roth, Tollefson, Townsend and City Attorney Marshall to discuss Property Acquisition RCW 42.30.110(1)(b) and Pending Litigation (RCW 42.30.110(1)(i)). The recording system was turned off and a notice was posted on the door of the Council Chamber. The executive session adjourned at 7:00 p.m. No action was taken.

2. CALL TO ORDER / ROLL CALL 6:00 PM

Deputy Mayor Scott called the meeting to order at 7:00 p.m. with Councilmembers Blair, Blossom, Bonkowski, Roth, Tollefson and Townsend present. Records Management Coordinator Jahraus monitored the recording of the meeting and prepared the minutes.

3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE 7:00 PM

7:00 PM

***MOTION:** I move we accept the agenda as modified (addition of Item 5 K: Satellite Management Authority.)*

***BONKOWSKI/BLAIR:** The motion carried 7-0.*

4. CITY MANAGER'S REPORT 7:00 PM

City Manager Schulze commented on:

- Thanked the community for complying with the fireworks ban.
- KPUD's acquisition of the South Bainbridge Island Water and Island Utility system.
- State auditor has completed their audit of City financial reports; there were no findings, it was a clean report.
- WCIA did an audit as well; we are in full compliance.
- 2016 marks the 25th anniversary of the annexation and incorporation of the Island; does Council want to plan a celebration?
- All of the comments regarding the logo/branding exercises have been transferred to Arnett Muldrow.

5. STAFF INTENSIVE

A. ORDINANCE NO. 2015-18, PUBLIC SAFETY FACILITY BALLOT PROPOSITION, AB 14-008 7:08 PM

At the June 9, 2015 Study Session, the City Council identified the location immediately north of City Hall as the preferred site for the facility, confirmed the intent to include both a Police Station and Municipal Court in the project, and reviewed preliminary estimates

for total project costs. The Council was also provided with information on the City's current debt service schedule and estimates for debt service for hypothetical levels of bond issuance.

At the June 16, 2015 Council meeting, the City Council confirmed their intent to consider sizing a bond issue for the full amount of the estimated project cost, while recognizing that potential future surplus property sales may generate funds for project at some point, for which the timing is uncertain. The Council received a briefing on near-term forecasts of the City's fiscal capacity, with detail on expenditures, revenues, debt service and fund balance. The Council also received updated estimates for the annual debt service and taxpayer impact from selected sample levels of bond issuance.

At the June 23, 2015 Council meeting, the City Council directed the City Manager to prepare a ballot proposition ordinance for consideration. To participate in the November ballot, the City is required to consider and approve a ballot ordinance, and then provide notification to Kitsap County in early August. This timing requires Council consideration of a ballot ordinance during the two City Council meetings scheduled in July, 2015.

Bond Counsel Alice Ostdiek of Foster Pepper explained the ordinance would authorize a maximum amount of general obligation bond of 15 million dollars and maximum 20-year debt. The City would not be issued more debt than needed for the project.

7:12 PM

***MOTION:** I move the City Council forward Ordinance 2015-18 to the July 21 City Council meeting for second reading and consideration of approval.*

***TOWNSEND/BONKOWSKI:** The motion carried 7-0.*

B. WAYPOINT PUBLIC ART PROJECT UPDATE, AB 15-022 7:13 PM

Barbara Sacerdote, Arts and Humanities Bainbridge addressed Council with an overview of the RFP budget. The City's Municipal Code establishes a Public Art Program and designates AHB (formerly BIAHC) as the designated agency to oversee this program. The City Council previously approved the request from AHB and the Public Art Committee (PAC) to develop a public art project for the Waypoint site, and approved City funding for the project budget of \$45,000, to be supported from the City's Public Art Account.

AHB has provided a draft of the Request for Proposals they intend to distribute for the Waypoint project. This request includes a sample budget for the project, for illustration.

Following discussion with the City Council, AHB's next steps will be to issue an RFP for the project, receive and consider proposals, and select an artist from the Pacific Northwest area.

Deputy City Manager Smith clarified AHB is the manager of the public art program and particularly this project and in coordination with City staff.

Public Comment

Debbi Lester, Ericksen Avenue, recalled a donor during the Waypoint process who was willing to donate 10K. She suggested Mayor Blair contact Kitsap Transit regarding a possible percentage towards an art installation; Mayor Blair confirmed she will contact Kitsap Transit.

C. COMPREHENSIVE PLAN UPDATE STATUS REPORT, AB 15-018 7:37 PM

The Public Participation Program for the 2016 Comprehensive Plan Update (Resolution 2014-23, October 28, 2014) calls for periodic status reports to the Council and community regarding the Update process. Planning and Community Development Director Cook addressed Council and used a slide to illustrate the Comprehensive Plan Update schedule.

D. SUBJECT: 2015-2018 WESTNET DRUG TASK FORCE INTERLOCAL AGREEMENT, AB 15-114 7:47 PM

Chief Hamner addressed Council and explained the purpose of the agreement is to provide for and regulate the joint efforts of the City, County, State, and Federal law enforcement to combat violations of controlled substance laws within the contracting jurisdictions for their mutual advantage. In order to accomplish this purpose, the task force and advisory board does and must operate confidentially and without public input. The parties do not intend to create, through this Agreement, a separate legal entity subject to suit.

The Bainbridge Island Police Department desires to enter into an agreement and intends to assign a full-time investigator to work in the task force as the drug enforcement needs require and departmental staff levels permit. Each jurisdiction pays all costs associated with its officers and equipment when assigned to the task force.

7:58 PM

MOTION: *I move that the City Council approve the 2015-2018 WestNET Drug Task Force Interlocal Agreement and authorize City Manager Schulze ~~and Police Chief Hamner~~ to execute the agreement.*

TOLLEFSON/BLAIR: *The motion carried 7-0.*

E. ORDINANCE NO. 2015-07, ADOPTING A NEW BIMC CHAPTER 15.30, TRANSPORTATION IMPACT FEES, AB 15-048 7:58 PM

Public Works Director Loveless addressed Council and introduced Victor Salemann, PE, of Transportation Solutions who provided a PowerPoint presentation. The 2004 Island-wide Transportation Plan identified traffic transportation impact fees as a potential revenue source to provide for transportation improvements to accommodate future growth. More recently, members of City Council expressed interest in studying transportation impact fees; therefore, this item was added to the City's 2014 Work Plan.

At the March 10, 2015 City Council meeting, city staff and Consultant Transportation Solutions, Inc. (TSI) presented an update on the *Transportation Impact Fee Rate Analysis* report prepared by TSI dated March 2015.

The ordinance is a result of a combination of recommendations received from the 2004 Island-wide Transportation Plan and comments received from the more recent March 10 City Council meeting.

Public Comment

Dennis Reynolds, spoke on behalf of Visconsi; they do not have a position on this ordinance. He would like to see more of a stakeholder process and would like to work with the city manager and city attorney. He suggested delaying the implementation of the ordinance a year so the newly formed Council can determine if the ordinance coordinates with the output of the Comprehensive Plan Update. Mr. Reynolds also stated the City should not engage in presumptions that growth doesn't pay at all; Visconsi paid \$15,000 for a full right turn at 305 and will pay \$150,000 for a trail.

Debbi Lester, Ericksen Avenue, commented that growth should pay for growth. Growth in the neighborhood service centers like Rolling Bay and Island Center will impact the roadways. Ms. Lester suggested the City needs a historic record of traffic studies for projects and proposals and more recent development.

8:46 PM

MOTION: *I move that the City Council forward Ordinance No. 2015-07, relating to Transportation Impact Fees and adding Section 15.30 of the Bainbridge Island Municipal Code (BIMC) to the July 21, 2015 unfinished business agenda.*

TOWNSEND/BLAIR: *The motion carried 7-0.*

F. RESOLUTION NO. 2015-12, RIGHT-OF-WAY VACATION FOR A PORTION OF POINT MONROE DRIVE, AB 15-127 8:49 PM

Significant segments of the existing, physical roadway known as Point Monroe Drive are located *outside* of the platted right-of-way. As a result, other physical structures such as single family residences are therefore constructed *within* the platted right-of-way.

A petition to vacate and re-dedicate a portion of Point Monroe Drive was received by the City on Monday, June 15, 2015. As required by state law, the Public Works department processed the petition and certifies it to be sufficient. The next required step is to schedule a public hearing.

Public notices will be mailed and/or posted at least twenty days prior to the public hearing. Public Works will also prepare a staff report and include all utility/outside agency comments received to date.

8:51 PM

MOTION: *I move that the City Council approve Resolution No. 2015-12 to set a public hearing date of August 11, 2015 for the proposed Point Monroe Road (portion of) Vacation.*

TOWNSEND/BONKOWSKI: *The motion carried 7-0.*

G. PUBLIC WORKS CONTRACTS, AB 15-122

**1. CONSTRUCTION ADMINISTRATIVE SERVICES PROFESSIONAL SERVICES AGREEMENT,
AB 15-123 8:52 PM**

The City solicited statements of qualifications from firms with experience in federally funded capital projects construction administration. The consultant will provide services to supplement our normal construction administration effort. It is anticipated that the awarding firm will provide an experienced WSDOT trained Office Engineer or equivalent to assist the Engineering Manager in overseeing construction administration processes and perform quality assurance. Additionally, an experienced WSDOT Inspector or equivalent is requested for on-call project needs.

The City advertised for Request for Qualifications in May/June 2015 for Construction Administration Services. The top three firms were interviewed and _____ was selected as the most qualified consultant to perform the work.

8:58 PM

MOTION: I move that the City Council forward the Professional Services Agreement with _____ in the amount of \$ _____ for the Construction Administration Services to the July 21, 2015 unfinished business agenda.

BONKOWSKI/BLAIR: The motion carried 7-0.

2. 2015 CHIP SEAL PROJECT CONTRACT AWARD, AB 15-124

The chip seal process involves applying a layer of asphalt oil and finely crushed rock over the existing pavement to protect the street surface from water penetration and weather damage as well as preserve the integrity of the road. Chip sealing is a cost-effective way to maintain and extend the useful life of roadways and saves significant dollars on future repair costs.

The Chip Seal project is included in the 2015 Annual Roads Preservation program budgeted this year at \$915,000. The City received a Surface Transportation Program (STP) federal grant in the amount of \$303,000 to help fund the Chip Seal project with a City match of 13.5%. A map for the 2015 roads to be chip sealed was included in the agenda packet.

Bids were solicited through the local newspapers and the bid opening was held on Monday, July 13, 2015. The apparent low bidder is _____ in the amount of \$ _____. The engineer's estimate is \$600,000 to \$630,000.

8:58 PM

MOTION: I move that the City Council forward the Chip Seal contract award to _____ in the base bid amount of \$ _____ to the July 21, 2015 unfinished business agenda.

BONKOWSKI/BLAIR: The motion carried 7-0.

3. 2015 ROAD STRIPING PROJECT AWARD, AB 15-125

This project consist of pavement marking on approximately eighty miles of roadway which includes collectors and urban/rural residential roads resulting in approximately 912,700 linear feet of paint stripe. Work also includes traffic controls and environmental protection in accordance with the project manual and the *Washington State Standard Specification for Road & Bridge Construction*, 2014 edition.

Bids were solicited through the local newspapers and the bid opening was held on Monday, June 29, 2015. The apparent low bidder is Apply A Line, Inc. in the amount of \$108,598.00. The engineer's estimate is \$90,000 to \$115,000. Staff has reviewed the bid results and contractor's qualifications and recommends that the City Council award this contract to Apply A Line, Inc. in the amount of \$108,598.00.

8:58 PM

MOTION: I move that the City Council forward the 2015 Road Striping contract award to Apply A Line, Inc. in the amount of \$108,598.00 to the July 21, 2015 consent agenda.

BONKOWSKI/BLAIR: The motion carried 7-0.

4. BIO-SOLIDS DISPOSAL AGREEMENT, AB 15-126

Bio-solids produced from the City's Wastewater Treatment Plant are disposed of every four to ten days by an outside source. Staff negotiated a cost of \$1,426.73 per 20-foot container, for the first 25 tons, of bio-solid disposal services with Regional Disposal Company. Transportation services to haul the bio-solids out of the Plant will cost approximately \$118.45 per hour plus applicable container fees. The estimated cost per month for both the bio-solids removal and transportation costs is approximately \$7,000 per month. The term of the contract is up to 36 months with an annual 3% increase. The contract can be terminated within a 30-day written notice.

8:58 PM

MOTION: I move that the City Council forward the Bio-solids Disposal Agreement with Regional Disposal Company with an estimated cost of \$7,000 per month to the July 21, 2015 consent agenda.

BONKOWSKI/BLAIR: The motion carried 7-0.

H. ORDINANCE NO. 2015-19, ADOPTION OF SECOND MORATORIUM ON NEW COMMERCIAL AQUACULTURE ACTIVITIES, AB 15-015 8:59 PM

On January 20, 2015 the City Council adopted Ordinance No. 2015-06 imposing a six-month moratorium on the acceptance of permits for commercial aquaculture activities. The moratorium was imposed in order to preserve the status quo as the City considered proposed revisions to the aquaculture provisions within the SMP. The City's consideration of proposed revisions to the aquaculture results from the City's desire to more strictly regulate commercial aquaculture activities within its shorelines and a desire to reach a settlement agreement with DOE and the parties that appealed the City's SMP: the Bainbridge Alliance for Puget Sound, (the "Alliance"), and Pacific Coast Shellfish Growers Association ("PCSGA"). Ordinance No. 2015-06 expires on July 19, 2015.

While settlement discussions are continuing and the parties are closely approaching a point at which the proposed regulations will be drafted and the public process for adopting a limited amendment commenced, this point will not be reached before July 19, 2015. Accordingly, the adoption of an additional six-month moratorium will serve as a continuation of the preservation of the Status quo.

RCW 35A.63.220 states in pertinent part:

"A moratorium or interim zoning ordinance adopted under this section may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period. A moratorium of [or] interim zoning ordinance may be renewed for one or more six-month periods if a subsequent public hearing is held and findings of fact are made prior to each renewal."

Ordinance No. 2015-19 constitutes a renewal of a moratorium for six month period, not a one-year moratorium requiring a work plan. Accordingly, a public hearing is required to be held within sixty (60) days of adoption.

The recitals contained in Ordinance No. 2015-19 contain the chronology of the underlying litigation and the process underway for reaching settlement discussions and an end to the moratorium herein.

9:01 PM

MOTION: I move the City Council approve Ordinance No. 2015-19, Adopting a Six-Month Moratorium on New Commercial Aquaculture Activities and schedule a Public Hearing on August 11, 2015.

BLAIR/ROTH: The motion carried 7-0.

I. CONTRACT EXTENSION FOR PUBLIC DEFENDER, AB 15-129 9:01 PM

City Attorney Marshall addressed Council on this agenda item. Thomas Alpaugh has served as the City's Public Defender since 2011 and is responsible for the provision of legal representation for indigent persons charged with certain criminal offenses in the City's Municipal Court. The City's PSA with Alpaugh was most recently extended from January 1, 2015 to June 30, 2015. The Professional Services Agreement in the agenda packet represents important revisions to the previously-executed PSAs due to a recent federal decision, Wilbur, et al v. Mt. Vernon, et al, regarding misdemeanor public defense services in Washington state as well as new State Supreme Court guidelines on case weighting and the number of cases a public defender can handle necessitate changes in the City's public defense system.

No change in compensation is proposed. Because the previous PSA extension expired on June 30, 2015, staff is requesting that you approve the PSA in "substantially the same form" in order to allow staff to revise the PSA if necessary to address the matter of office space for Alpaugh at the Court. As of this writing, Alpaugh and the City Attorney have not reached agreement regarding this term; the form of motion proposed below will allow staff to make a revision on this subject if necessary.

9:03 PM

MOTION: I move that the City Council authorize the City Manager to execute a Professional Services Agreement with Thomas Alpaugh in substantially the same form as attached hereto.

BLAIR/BONKOWSKI: The motion carried 7-0.

J. SPECIAL EVENT PERMIT COSTS FOR JULY 4TH EVENTS, AB 15-121 9:03 PM

Each year, the City hosts a series of events for the purpose of celebrating the July 4th holiday – specifically, the July 3rd Street Dance and the Grand Old 4th of July. These events were sponsored by the Downtown Association and the Chamber of Commerce, respectively.

Due to a recent change in the City's Special Event Permit Application, additional costs will be incurred by these organizations in order for them to receive the required Right of Way permits to close the roads for these events. The cost to the Downtown Association for the July 3rd Street Dance was \$150 and the total cost to the Chamber of Commerce is \$150 – totaling \$300 for both events.

Because these integral celebrations are beloved by our community, the City is asking Council to consider covering the cost of these events.

9:06 PM

MOTION: *I move to authorize the City Manager to cover the cost of the fees associated with the July 3rd Street Dance and the Grand Old 4th of July with City funds.*

BONKOWSKI/BLAIR: *The motion carried 7-0.*

K. SATELLITE MANAGEMENT AUTHORITY 9:07 PM

The agencies on the Approved Satellite Management Agency List have been approved by DOH (pursuant to WAC 246-295) to provide ownership and/or management and operation services to water systems. The list identifies SMA names, addresses, phone numbers, service areas, and the type of service the agency provides.

Resolution No. 93-03 clearly establishes City policies related to water systems and water resources on Bainbridge Island. Section 7 b provides authorization for the City to become a contract service provider (SMA). The City has not actively implemented the policies set forth by Resolution No. 93-03.

9:11 PM

MOTION: *I move the City Council forward consideration to authorize the City Manager to submit an application for the City of Bainbridge Island to become a Satellite Management Authority to the July 21, 2015 agenda.*

BLAIR/TOWNSEND: *The motion carried 7-0.*

6. COUNCIL DISCUSSION 9:11 PM

None offered.

7. COMMITTEE REPORTS 9:11 PM

Utility Advisory Committee: Councilmember Tollefson reported that Planning Director Cook would be attending their next meeting to discuss the committee's involvement with the Comprehensive Plan Update.

Non-Motorized Committee: Councilmember Roth referred to the Island Wide Transportation Study stating the Non-Motorized Committee specifically does address non-motorized issues but for purposes of the study, they would like to act as a transportation committee.

Kitsap Regional Coordinating Council: Councilmembers Blair and Roth attended the KRCC meeting where they approved a management services contract with Triangle Associates. KRCC is hosting a planning retreat on July 28.

Councilmember Blair reported the subcommittee on the Suzuki project has met with other interested groups for Questions and Answers.

Councilmember Blair attended a meeting with the CENCOM board where action was taken to establish CENCOM as an independent and legal separate entity aside from Kitsap County.

Councilmember Blair joined other local elected at the Kitsap Transit Board of Commissioners meeting. They discussed BI Ride and its success on the island; alcohol print ads on the buses (Councilmember Blair abstained from the vote); and the citizen advisory committee for Kitsap Transit of which new volunteers are needed.

Councilmember Bonkowski attended the Association of Washington Cities conference. He mentioned three takeaways: economic development in small communities, cyber security and a new product through a joint non-profit between Seattle and Tacoma to computerize contractor business licenses and B & O tax.

Councilmember Blossom shared information from the Kitsap Board of Health regarding an event on July 23; Kitsap Strong Kitsap is partnering with ACES (Adverse Childhood Experiences) to provide free screenings for healthy priorities.

8. REVIEW UPCOMING COUNCIL MEETING AGENDAS 9:28 PM

July 21

Ordinance No. 2015-18, Public Safety Facility Ballot Proposition, 2nd Reading (Consider Action)

Suzuki Property Request for Proposals (Discussion)

Waterfront Park Cost Estimate Update (Consider Action)

Ordinance No. 2015-07, Transportation Impact Fees - 2nd Reading (Consider Action)

Wing Point Way Construction Award (Info.)

Islandwide Chip Seal Construction Award - Unfinished Business (Consider Action)

2015 Road Striping Project Award - Unfinished Business (Consider Action)

Construction Administrative Services PSA - Unfinished Business (Consider Action)

Resolution No. 2015-10, General Sewer Plan Adoption, Unfinished Business (Consider Action)

Bio-Solids Agreement (Consider Action)

2015 Mitigation Grant Program Application (Consider Action)

Public Defender PSA (Consider Action)

9. FOR THE GOOD OF THE ORDER 9:33 PM

Councilmember Blair shared her concern regarding KPUD assuming operation of the South Bainbridge Water System and Island Utility Water System on Bainbridge Island as of July 1. She is concerned that KPUD did not bring up the acquisitions as a point of conversation with the City at all. Councilmember Blair would like, as a Council, to approach the KPUD commissioners and remind them that in the past there was always a courteous and collaborative working relationship. The City understood from past conversations that KPUD would not approach water system entities on the island without engaging with the City first as a matter of courtesy. Councilmember Tollefson stated that if they had come to us, we would not have been prepared to respond. We are currently engaged in a comprehensive plan process that should address this issue and the Utility Advisory Committee will be looking at these elements. He added that now is a good time to get clarity on what we want to do and if we decide to be proactive in acquiring water utilities we have that ability. This transfer to KPUD doesn't close the door on our ability to move forward.

Regarding Manitou Beach, Councilmember Blair reported the neighbors around Manitou have continued concern about the patch of land (for the parking strip); they are not at all pleased with the direction and process the City have used and they will be approaching the City again.

Councilmember Blair received a letter from a citizen pertaining to the City's lack of recognition of service veterans. Council concurs that there should be more city involvement.

Councilmember Bonkowski reported that the Rotary Auction raised \$480,000!

10. ADJOURNMENT 9:44 PM

Deputy Mayor Scott adjourned the meeting at 9:44 p.m.


for Anne S. Blair, Mayor


Kelly Jahraus, Records Management Coordinator