

ITEMS DISCUSSED

1. EXECUTIVE SESSION: CURRENT AND POTENTIAL 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
 - A. SETTLEMENT AGREEMENT [ADDED]
5. STAFF INTENSIVE
 - A. PUBLIC ART FUNDING (BAINBRIDGE ISLAND ARTS AND HUMANITIES COUNCIL, PROFESSIONAL SERVICES AGREEMENT, AB 14-079 – EXECUTIVE
 - B. PROCESS FOR COMPREHENSIVE PLAN UPDATE – AB 14-072 - PLANNING
 - C. PRIORITY-BASED BUDGETING FOLLOW-UP, AB 14-045 – FINANCE
 - D. Q1, 2014 FINANCIAL REPORT, AB 14-078 – FINANCE
 - E. ORDINANCE NO. 2014-15, Q1, 2014 BUDGET AMENDMENTS, AB 14-064 – FINANCE
 - F. CHAMBER TECHNOLOGY, AB 14-075 – EXECUTIVE
 - G. ORDINANCES RELATED TO BOARDS, COMMISSIONS AND COMMITTEES, AB 14-077 – EXECUTIVE
6. COUNCIL DISCUSSION
 - A. PROCLAMATION DECLARING MAY 18-24, 2014 AS NATIONAL PUBLIC WORKS WEEK, AB 14-080 – MAYOR BLAIR
7. COMMITTEE REPORTS
8. REVIEW UPCOMING COUNCIL MEETING AGENDAS
9. FOR THE GOOD OF THE ORDER
10. ADJOURNMENT

1. EXECUTIVE SESSION: CURRENT AND POTENTIAL LITIGATION (RCW 42.30.110(1)(i)) 5:59 PM

At 5:59 PM, Deputy Mayor Tollefson adjourned the meeting to an executive session with Councilmembers Bonkowski, Blossom, Roth, Townsend and Mayor Blair to discuss current and potential litigation with legal counsel. Councilmember Ward participated by telephone. The recording system was turned off and the door to council chambers was posted.

2. CALL TO ORDER/ROLL CALL 7:00 PM

Deputy Mayor Tollefson reconvened the meeting at 7:00 PM with aforementioned Councilmembers and Mayor Blair present. He indicated no decisions were made in executive session. Councilmember Ward participated by telephone during a portion of the study session. City Clerk Lassoff monitored the recording of the meeting and prepared the minutes.

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

Councilmember Bonkowski requested a settlement agreement be added following the City Manager's report (item 4A).

The agenda was unanimously approved as amended.

Deputy Mayor Tollefson disclosed that he had a conflict of interest with respect to item 5A related to the public art funding. He would not vote on the item however would participate in the discussion.

4. CITY MANAGER'S REPORT 7:02 PM

City Manager Schulze reported on the following items:

- Priority Based Budgeting process
- City earns 2014 WellCity Award
- Update on beaches at Wyckoff Eagle Harbor Superfund Site

A. SETTLEMENT AGREEMENT [ADDED] 7:04 PM

MOTION: I'd like to make a motion that we authorize the city manager to sign a settlement agreement and release of the Wicktom undergrounding claim as discussed in executive session.

BONKOWSKI/BLAIR – Motion carried unanimously, 7-0.

5. STAFF INTENSIVE

- A. PUBLIC ART FUNDING (BAINBRIDGE ISLAND ARTS AND HUMANITIES COUNCIL), PROFESSIONAL SERVICES AGREEMENT, AB 14-079 – EXECUTIVE 7:05 PM

Deputy City Manager Smith explained this item was a continuation of a council discussion from last December about what options exist to resume some or all of the activities around the city's public art program. She noted the proposed motion is really a policy decision about whether to resume expenditures towards the program and, in particular, whether the program support that's being proposed would be something the council would like to have resumed and, if so, whether the proposal reflects what council would like to see.

Councilmember Bonkowski suggested changing the name of the committee to something else besides PAC.

Mayor Blair said she was pleased to see the city moving back into being actively involved in support of the cultural element. She pointed out that the contract does not explicitly include an automatic renewal for funding in 2015 and that there will be regular reports to the council. She added a renewal would be something that the council would need to consider based on scope of work accomplishments and the timeline presented.

Deputy City Manager Smith noted the funding cycle would be January 1 through December 31 and there are early termination clauses.

Deputy Mayor Tollefson asked where the \$10,000 for conservation came from to which staff replied it came from the public arts subfund which lives underneath the general fund. Deputy Mayor Tollefson asked staff to look into making sure that the ordinances on the website properly reflect how the fund is being accounted for.

Mayor Blair clarified that the funds being discussed tonight would be an additional expenditure of \$18,350 from the public art subfund. Councilmember Bonkowski asked whether there was an estimate on how much money would be going into the fund this year. Deputy City Manager Smith responded contributions were suspended in 2010 and there has been no money going in since then. Councilmember Bonkowski thought it was council's intent when they authorized the \$10,000 that they also wanted to begin putting 2% back into the fund. Deputy City Manager Smith explained there certainly was discussion about that concept however council did not take any action to resume funding during last December's discussion. Councilmember Bonkowski wanted to get the funding determined before settling on the biennial budget. Deputy Mayor Tollefson indicated the timeline and scope of work in the contract before council tonight contains some target dates for recommendations from Arts and Humanities. Deputy City Manager Smith noted if council prefers that being an activity that occurs earlier that what is shown in the timeline, tonight would be a good time for feedback since the scope of work suggests that funding will largely fall into next year.

Barbara Sacerdote, Bainbridge Island Arts and Humanities Council Executive Director, thanked everyone for bringing this forward. She shared three goals of the BIAHC were to reactivate the public art project, initiate a new project and get the conservation management of all the citizen's art up and running.

Amy Alspell, Kallgren Road, was glad that this issue was being addressed and encouraged everyone to move forward with the program.

Debbi Lester, 266 Erickson Avenue, thanked the council for moving forward with reinstituting the public art committee. She mentioned three potential projects within the coming years could include Waterfront Park, the ferry terminal remodel and Sound to Olympic Trail.

7:22 PM ***MOTION:** I would move that the City Council forward this item to the consent agenda on May 12, 2014.
BLAIR/BONKOWSKI – Motion carried unanimously, 6-0 with Deputy Mayor Tollefson abstaining.*

B. PROCESS FOR COMPREHENSIVE PLAN UPDATE, AB 14-072 – PLANNING 7:23 PM

Planning Director Cook explained the three attachments contained in the agenda packet from the Department of Commerce and noted the city would be relying on those documents quite extensively during the update process. She indicated the city is required to develop and regularly update its Comprehensive Plan as the document provides the framework for how our community wants to grow and what values we wish to protect (land use, housing, capital facilities, utilities, transportation, economic development, natural resources, environment and cultural resources). She listed the required tasks for a state-mandated update include: 1) conduct a public participation program which must be early and continuous, 2) review relevant plans and regulations, 3) take legislative action and 4) submit notice to the state 60-days prior to adoption and then again 10 days after adoption. She explained a Comp Plan 101 kickoff event would be held at the high school as an introductory session sometime in early summer.

Councilmember Townsend encouraged the use of alternative media resources to get the word out. Mayor Blair asked whether there was an approval process similar to what we are going through with DOE. Interim City Attorney Haney replied it not a formal approval process in that they are not required to formally approve it, as DOE needs to for the Shoreline Master Program. City Manager Schulze encouraged everyone that has an interest in this is to visit the Association of Washington Cities website.

Dominique Cantwell asked how binding the comprehensive plan is as a document for the council's leadership in the three-year term. Planning Director Cook replied the plan is intended to provide a policy framework and guidance in the development of our zoning regulations. She added the plan is enforced through the application of the development regulations so if there were substantive changes to the goals and policies then we would want to look at our development regulations to see whether those should be modified to allow the city to apply the comprehensive plan.

Councilmember Bonkowski briefly commented on stormwater management and infrastructure development. Councilmember Blossom did not want to undo what the consultants have already done with respect to the general sewer plan. Mayor Blair asked whether questions raised could be discussed during the Comp Plan 101 discussion. Planning Director Cook replied it would need to be part of the public participation process because the public may have other thoughts they would like addressed. Mayor Blair wanted to see stewardship, advocates and careful thought when it comes to the cultural element.

MOTION: *Authorize the City staff to move forward with a "Comp Plan 101"*
BLAIR/BONKOWSKI– *Motion carried unanimously, 7-0.*

C. PRIORITY-BASED BUDGETING FOLLOW-UP, AB 14-045 – FINANCE 7:46 PM

Finance Director Schroer provided follow-up on last week's priority-based budgeting workshop. She briefly reported on both the resource alignment and fiscal health diagnostic tools as well as the results definition based on council's feedback (community-orientated results working list - safe city, reliable infrastructure and connected mobility, green, well-planned community, healthy and attractive community and healthy economy). She reviewed what has been done and the process moving forward.

Councilmember Bonkowski said he was delighted the city was doing this. He encouraged staff to put a link to the "Espresso Blast" video on the city website. Councilmember Townsend suggested utilizing various social media outlets to engage the community. Councilmember Bonkowski thought the city should also be utilizing the local radio station if we have not already done so.

D. Q1, 2014 FINANCIAL REPORT, AB 14-078 – FINANCE 7:53 PM

Finance Director Schroer gave PowerPoint presentation on city's finances through the end of March.

Mayor Blair commented on an email received from a citizen asking about the SSWM revenue, prior work done and the assurance that the fund would be made whole. Councilmember Bonkowski said the discussion has already taken place noting when council made the decision to eliminate city streets from stormwater, the commitment at that time was that we were going to transfer money from the General Fund to the SSWM Fund in an equivalent amount to make it whole. Deputy Mayor Tollefson noted if the decision was made, it would be in the record. City Manager Schulze commented it was a decision the council made for a given budget year and what we are trying to do is go back and confirm whether it was something that was done in perpetuity. Councilmember Bonkowski said if you go back and look at the meeting where council made the decision, a commitment was made at that point in time that the General Fund would be used to make the SSWM Fund whole on an annual basis not just one time. City Manager Schulze noted another issue is a previous policy that the city's Enterprise Funds (Utility Funds) will be self-sustaining so the council needs to give clear direction on how they would like to handle that. Deputy Mayor Tollefson suggested reviewing the record before spending time talking about it.

Finance Director Schroer continued her presentation.

E. ORDINANCE NO. 2014-15, Q1, 2014 BUDGET AMENDMENTS, AB 14-064 – FINANCE 8:03 PM

Finance Director Schroer reported on proposed amendments to the 2014 operating budget (capital projects – Waterfront Park/City Dock – \$240,000 from WSF funds, Sportsman's Club Road Trail – \$17,000 from bond funds, Madison Avenue Safety/Pedestrian Improvements – \$4,000, Rockaway Beach Road mitigation – \$20,000 and North Madison Overlay administrative transfer of budget authority; contingency reserve – classification and compensation study – \$75,000, Green Power – \$3,000; city operating activities – Priority Based Budgeting – \$60,000 and community outreach – \$35,000).

Mayor Blair asked where the funding the priority based budgeting was coming from. Finance Director Schroer explained it was a one-time expense as an increase to the budget (i.e. fund balance). Councilmember Blossom asked what the \$35,000 for community outreach covered. City Manager Schulze replied the city would be participating in various community events, creating videos, pushing out information on social media. Councilmember Bonkowski thought it would be helpful on an annual basis to receive a general accounting of what we are spending the money on.

8:12 PM **MOTION:** *I move the City move Ordinance 2014-15 Amending the 2014 Budget of the City to the May 12, 2014 Consent Agenda.*
BONKOWSKI/ROTH – *Motion carried unanimously, 7-0.*

**F. ORDINANCES RELATED TO BOARDS, COMMISSIONS AND COMMITTEES, AB 14-077 –
EXECUTIVE 8:13 PM**

Mayor Blair explained these ordinances incorporate language contained in the scopes of work approved last year as well as adding email account and training language. She indicated the Non-Motorized Transportation Advisory Committee was originally established by resolution and it will now be codified in the municipal code.

8:15 PM **MOTION:** *I move that the City Council forward Ordinance Nos. 2014-17, 2014-18, 2014-19 and 2014-20 to the May 12, 2014 Consent Agenda*
BLAIR/TOWNSEND – Motion carried unanimously, 7-0.

6. COUNCIL DISCUSSION

**A. PROCLAMATION DECLARING MAY 18-24, 2014 AS NATIONAL PUBLIC WORKS WEEK, AB 14-080
– MAYOR BLAIR 8:16 PM**

Mayor Blair read the proclamation.

MOTION: *I move the City Council authorize Mayor Anne Blair to sign the proclamation declaring May 18 through May 24, 2014 as National Public Works Week.*
BONKOWSKI/WARD – Motion carried unanimously, 7-0.

Councilmember Bonkowski asked whether proclamations are included in the city manager's report to which City Manager Schulze replied some are but he can certainly do that on a regular basis.

7. COMMITTEE REPORTS 8:20 PM

There were no committee reports given.

8. REVIEW UPCOMING COUNCIL MEETING AGENDAS 8:20 PM

City Manager Schulze reviewed the May 12 business meeting agenda. There was a brief discussion on how best to arrange agenda topics given the marijuana ordinance public hearing. Following a brief discussion, the public hearing was scheduled after the two presentations.

City Manager Schulze reviewed the long-range calendar. Councilmember Ward requested 15 minutes be scheduled on May 19 to receive recommendations from the Environmental Technical Advisory Committee. Mayor Blair commented on the June 10 Advance follow-up on the strategic planning workshop held earlier in the year. Councilmember Bonkowski asked why council was getting involved in the City Hall paint and wood restoration project item listed on the June 2 agenda. City Manager Schulze indicated he had the same question and was going to ask whether it's a contract related issue. Deputy City Manager Smith said it was her impression that the item exceeds the \$30,000 budget authority. Councilmember Bonkowski asked whether it is appropriate to increase the city manager's budget authority. Deputy City Manager Smith recalled a recent discussion about matching the surplus and signing authority to match levels with the state.

9. FOR THE GOOD OF THE ORDER 8:33:38 PM

Councilmember Bonkowski commented on Cinco de Mayo.

10. ADJOURNMENT 8:34 PM

The meeting adjourned at 8:34 PM.



Rosalind D. Lassoff, City Clerk



Anne S. Blair, Mayor