SPECIAL/REGULAR CITY COUNCIL MEETING
JUNE 12, 2013

ITEMS DISCUSSED

1. CALL TO ORDER / EXECUTIVE SESSION: CURRENT LITIGATION (RCW 42.30.110(1)(i)) AND PROPERTY ACQUISITION (RCW 42.30.110(1)(b))
2. ROLL CALL / PLEDGE OF ALLEGIANCE
3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE
4. PUBLIC COMMENT
5. ORDINANCES/1ST READING: ORDINANCE NO. 2013-14, BOND REFINANCING, AB 13-078 – FINANCE
6. NEW BUSINESS
   A. CONSIDERATION OF LITIGATION [ADDED]
   B. ECONOMIC DEVELOPMENT
   C. REPROGAMMING 2013 WORK PLAN
   D. IDENTIFYING 2014 WORK PLAN
7. CONSENT AGENDA
   A. ACCOUNTS PAYABLE VOUCHER AND PAYROLL APPROVAL
   B. REGULAR BUSINESS MEETING MINUTES, MAY 8, 2013
   C. SPECIAL/REGULAR STUDY SESSION MEETING MINUTES, MAY 15, 2013
   D. 2013 ROAD STRIPING PROJECT, CONTRACT AWARD, STRIPE RITE, INC., AB 13-074 – PUBLIC WORKS
   E. ORDINANCE NO. 2013-08 RELATING TO CIVIL SERVICE COMMISSION APPOINTMENTS, AB 13-044 – EXECUTIVE
8. CITY MANAGER'S REPORT
9. COMMITTEE REPORTS
10. REVIEW OF UPCOMING COUNCIL MEETING AGENDAS
11. FOR THE GOOD OF THE ORDER
12. ADJOURNMENT

1. CALL TO ORDER / EXECUTIVE SESSION: CURRENT LITIGATION (RCW 42.30.110(1)(i)) AND PROPERTY ACQUISITION (RCW 42.30.110(1)(b)). Mayor Bonkowski called the meeting to order 6:32:03 PM, and immediately adjourned the meeting to executive session with legal counsel to discuss current litigation and property acquisition. The recording system was turned off and the door to Council Chambers was posted. At 7:05 pm, Mayor Bonkowski extended the executive session until 7:20 pm. Councilmember Hytopoulos arrived at 7:11 pm.

2. ROLL CALL / PLEDGE OF ALLEGIANCE. Mayor Bonkowski re-convened the meeting at 7:19 pm and reported that no action was taken during executive session. A quorum was present consisting of Councilmembers Blair, Blossom, Hytopoulos, Lester, Ward, and Mayor Bonkowski. Councilmember Scales was absent and excused. Deputy City Clerk/Paralegal Brown monitored the recording of the meeting and prepared the minutes.

3. ACCEPTANCE OR MODIFICATION OF AGENDA / CONFLICT OF INTEREST DISCLOSURE. 7:20:09 PM Councilmember Blair asked to add under New Business, as item 6(a), consideration of litigation.

> ***MOTION:*** *I move that we approve the agenda as modified.*
> ***WARD/LESTER*** *– The motion carried unanimously, 6-0.* 7:20 PM

Councilmember Lester said that depending on the topic, she may need to recuse herself from the litigation item.

4. PUBLIC COMMENT. 7:21:38 PM There was no public comment.

5. ORDINANCES/1ST READING: ORDINANCE NO. 2013-14, BOND REFINANCING, AB 13-078 – FINANCE. 7:22:02 PM David Trageser, the City's financial advisor, introduced the ordinance relating to bond refinancing. He provided an updated schedule for the process and said he anticipates closing in August, 2013. In response to Mayor Bonkowski's inquiry, he provided an estimate of the savings.

> ***MOTION:*** *I move that the City Council schedule Ordinance No. 2013-14 on the June 26, 2013 consent agenda.*
> ***BLAIR/WARD*** *– The motion carried unanimously, 6-0.* 7:28:17 PM

6. NEW BUSINESS. 7:28:23 PM

A. CONSIDERATION OF LITIGATION [ADDED].

> ***MOTION**: I move that we authorize the City Attorney to make a settlement offer in the McNabb lawsuit in the amount that was discussed in executive session.*
> ***WARD/BLAIR** – The motion carried 5-0 with Councilmember Lester recusing herself from the vote.* 7:29:25 PM

B. ECONOMIC DEVELOPMENT. 7:28:31 PM City Manager Schulze reported that he had just received a second proposal for a community workshop on economic development. He reported on the first proposal that was received. He said the consultant is proposing a process that would require some preparation for the agenda and include discussions with community members, Council members, the Chamber of Commerce and Bainbridge Island Downtown Association. He said that August 17th and 24th are possible dates for a workshop. Council discussed how to determine the stakeholders in the partnership. Mayor Bonkowski suggested adding a study session agenda item to discuss inclusion of the stakeholders. Council discussed how to promote the event. City Manager Schulze will check the community calendar and confirm the date.

C. REPROGRAMMING 2013 WORK PLAN. 7:40 PM City Manager Schulze provided an update on the 2013 Work Plan, and Council discussed the Work Plan. Councilmember Ward said that revising the traffic study requirements needs to be a priority. City Manager Schulze said he would have a discussion with staff to see if the work plan could be re-prioritized to accommodate the traffic study requirements revision. Mayor Bonkowski asked to look at impact fees. Councilmember Blair asked to add a review of downtown development standards and use of the public sidewalks.

Finance Director Schroer went through the 2013 preliminary financial information. She provided an update on revenue and said that there have been unanticipated capital expenditures, including a local match for the Wing Point grant and the Rockaway Beach re-design. She summarized personnel savings, personnel expenditures and approved budget adjustments and reported on the cost of organizational assessments and Information Technology proposals. She highlighted current issues under discussion that could impact the amount available. Council discussed the use of the contingency fund and how it is reported.

D. IDENTIFYING 2014 WORK PLAN. 8:06:13 PM City Manager Schulze provided information on a peer city comparison he is undertaking. He provided information on the population, square miles, residents per square mile, average residential assessed value, property tax revenues per capita, 2012 property tax rates, combined property tax and sales tax revenues, total revenue per capita, and total expenditures per capita for each peer city. Council discussed the comparison.

City Manager Schulze said the directors have provided information on anticipated work items in 2014 which has been provided to Council. Council discussed the process in providing direction on the work plan and modifications to the 2014 budget. Council discussed adding a discussion of work plan goals and budget at their upcoming retreat. In response to Councilmember Lester's inquiry, City Manager Schulze said that Strategic Government Resources (SGR) has returned a proposal that is half the cost of the original proposal with the same level of work. He provided an update on the evaluation process and timing. Mayor Bonkowski said he will work with City Manager Schulze and return next week with recommendations.

7. CONSENT AGENDA. 8:35:11 PM

- **A. ACCOUNTS PAYABLE VOUCHER AND PAYROLL APPROVAL**
  Accounts Payable ACH Check Number 128, ACH Electronic Transfer, EFT Check Number 129, Manual Check Numbers 333012 through 333099 and Regular Check Run Numbers 333100 through 333190 for a total of $640,658.99. Payroll Direct Deposit Check Numbers 027908 through 028011, Regular Run Check Numbers 106229 through 106233, Vendor Check Numbers 106234 through 106247 and Federal Tax Electronic Transfer EFT for a total of $522,207.48.
- **B. REGULAR BUSINESS MEETING MINUTES, MAY 8, 2013**
- **C. SPECIAL/REGULAR STUDY SESSION MEETING MINUTES, MAY 15, 2013**
- **D. 2013, ROAD STRIPING PROJECT, CONTRACT AWARD, STRIPE RITE, INC., AB 13-074 – PUBLIC WORKS**
- **E. ORDINANCE NO. 2013-08 RELATING TO CIVIL SERVICE COMMISSION APPOINTMENTS, AB 13-044 – EXECUTIVE**

Mayor Bonkowski confirmed that consent agenda items are items that Council has adequately discussed previously.

MOTION: *I move that the City Council approve Consent Agenda items A through E: Item A, Accounts Payable Voucher and Payroll Approval; Item B, Regular Business Meeting Minutes May 8, 2013; Item C, Special/Regular Study Session Meeting Minutes, May 15, 2013; Item D, 2013 Road Striping Project, Contract Award, Stripe Rite, Inc., and Item E, Ordinance No. 2013-08, relating to Civil Service Commission Appointments.*
WARD/LESTER *– The motion carried unanimously, 6-0.* 8:38:13 PM

8. CITY MANAGER'S REPORT. 8:38:19 PM City Manager Schulze introduced Police Chief Hamner who joined the City on Monday, June 10th. He announced that there will be swearing-in ceremony and reception on June 20, 2013. City Manager Schulze addressed community concerns regarding last week's meeting and said that he feels he has support from Mayor Bonkowski, and they have a strong working relationship. Councilmember Lester asked to discuss the LEMAP report in a future study session agenda. City Manager Schulze said the City is looking into hosting crisis intervention training given the difficulty in scheduling training for officers. City Manager Schulze said that he has scheduled a briefing with Police Chief Hamner and Dr. Pendleton next week.

9. COMMITTEE REPORTS. 8:45:15 PM Councilmember Ward reported that he attended an Environmental Technical Advisory Committee meeting and received a flow monitoring briefing. He added that they have four upcoming joint meetings with the Planning Commission and Utility Advisory Committee on the General Sewer Plan. Councilmember Blair said that she is the delegate for the local integrating organization dealing with the Puget Sound Partnership and water quality projects around Puget Sound and needs an alternate delegate by Friday, June 14th. Councilmember Hytopoulos volunteered. Councilmember Lester noted that online applications for the 2014 Coordinated Grant Cycle for Kitsap County are available and due by July 10th. She said that the City needs to provide someone to serve on the Grant Review Committee and suggested James Weaver for the capital side. She asked Council for recommendations for a committee member for the social services side.

10. REVIEW OF UPCOMING COUNCIL MEETING AGENDAS. 8:51:24 PM Mayor Bonkowski went over the June 19th Study Session agenda. Council discussed the inclusion of the Waterfront Park/City Dock Request for Qualifications. Councilmember Blair asked to add a discussion on the process for committee and commission appointments. Council added an executive session to discuss property acquisition. Mayor Bonkowski reviewed the long-range agenda. Councilmember Hytopoulos asked to add a discussion of the communication process regarding development to the July 17th agenda. Council discussed the scheduling of the Tree Ordinance.

11. FOR THE GOOD OF THE ORDER. Councilmember Lester provided an update on the Waterfront Park workshop, the grand opening of Bainbridge Island Museum of Art, and the Wooden Boat Festival at Harbor Pub Dock. Councilmember Blair said she is exploring ideas with the new high school principal, Jake Haley, and Mike Anderson, student government advisor, on ways to strengthen student ties to City government. Mayor Bonkowski announced that Rotary Auction is on June 29, and they will start receiving donations on June 20. In response to Mayor Bonkowski's inquiry, John Cunningham said the Public Works department is coordinating with Rotary Auction in connection with upcoming work on Sportsman Club Road.

12. ADJOURNMENT
Mayor Bonkowski adjourned the meeting at 9:14:48 PM.

Steven Bonkowski, Mayor

Christine Brown, Deputy City Clerk/Paralegal