

ITEMS DISCUSSED

1. **OVERVIEW OF MEETING AGENDA**
2. **PRESENTATIONS BY CITY STAFF**
3. **TRENDS IMPACTING THE COMMUNITY**
4. **PRESENT TO FUTURE**
5. **"HOT" ISSUES**
6. **STRATEGIC PLAN**
7. **ADJOURNMENT**

1. **OVERVIEW OF MEETING AGENDA 8:36:53 AM**

The advance meeting commenced at 8:36 AM with Councilmembers Blossom, Bonkowski, Roth, Townsend, Tollefson, Ward and Mayor Blair present as well as City Manager Schulze, Deputy City Manager Smith, Police Chief Hamner, Finance Director Schroer, Planning Director Cook and Public Works Director Loveless. City Clerk Lassooff monitored the recording of the meeting and prepared the minutes.

Mr. Patrick Ibarra, Meiorando Group, gave a brief introduction on the intent of the meeting. He recommended not measuring the success by how long the list is and suggested whatever is identified as the workplan or policy, it's important there is commitment to be sure those things happen.

2. **PRESENTATIONS BY CITY STAFF**

Budget Update 8:46:33 AM

Finance Director Schroer briefly explained main revenue sources, operating costs, the upcoming classification and compensation study as well as an increased emphasis on performance management and staff training. She noted another increasing area of focus is capital projects and how the Transportation Benefit District plays into the budget. She indicated with respect to the budget, staff is focusing on utilities, costs allocation, and anticipates a future storm water utility discussion. She noted staff spends a fair amount of time reporting on reserves which have been set by Council policy and that those reserves are currently fully funded and will continue to be funded in the approved budget. She explained staff would be investigating priority-based budgeting this year. Councilmember Bonkowski asked how often staff looks at how we are managing revenue sources and making midcourse corrections. Finance Director Schroer noted the use of quarterly reporting as a means of making corrections if needed. Councilmember Townsend asked for further information regarding sales tax. Finance Director Schroer explained that for every dollar of sales tax, the City receives just under ten cents with the State and Counties receiving the bulk of those dollars. Councilmember Townsend commented on the marijuana issue. Councilmember Bonkowski asked what generates the most sales tax to which Finance Director Schroer replied retail sales tax and construction. Mayor Blair thought it was important to think about where and what kind of businesses contribute to that.

Open Meeting Act Law Requirements 9:03:25 AM

City Manager Schulze briefly described the orientation recently given to newly elected Councilmembers on the open public meetings and public records act. He said he would be happy to relay any questions Council may have back to the City Attorney to provide an answer. Councilmember Tollefson commented on what he understood to be different instructions given to ongoing and incoming Councilmembers with regard to communicating amongst each other, the issues related to a rolling quorum and the open meetings act. Mayor Blair understood that Councilmembers were not to communicate directly to the full body but rather go through the City Manager, City Clerk or someone else. Councilmember Blossom recalled an issue she had was there were discussions going on outside the council meeting about who was going to be nominated for Mayor and Deputy Mayor. Councilmember Tollefson asked that the City Attorney brief City Council on the matter. Councilmember Ward commented on the importance of volunteer citizen committees and the need to be aware of instituting policies that are so onerous that we compromise the realm of capable people volunteering. Mayor Blair asked how, as elected members, to deal with the quorum and a policy decision process as opposed to a citizen group. Councilmember Ward thought it was worthy of a more in-depth discussion. Councilmember Townsend did not know how much of it is a policy decision that City Council makes as much as it is education. Councilmember Bonkowski recalled that the law says one thing and the instruction he got was more conservative in order to guard against violations. He described what he understood the process was. Councilmember Tollefson thought City Council needed to have a briefing so that everyone is on the

same page and suggested it be scheduled for a study session when everyone is present. Councilmember Townsend liked the Town Hall idea, as it is less formal but still public.

Update on Independent Police Commission 9:13:51 AM

Police Chief Hamner explained a committee or a group of individuals would put together guidelines and parameters of what the police commission would look like. Councilmember Tollefson asked how the names came about to which Police Chief Hamner replied it was cross section of citizens throughout the community. Mayor Blair asked whether there would be an independent police commission. Police Chief Hamner explained the committee would look at what the commission might look like if we had one. Councilmember Roth asked whether the creation of the commission was recommended by the consultant's report. City Manager Schulze said at this point we want to look at what opinions are available so that we can have a discussion with the City Council and decide how best to move forward. Councilmember Townsend thought Police Chief Hamner was generally supportive of the idea. Police Chief Hamner described how commissions have worked from his perspective. There were brief comments made regarding how the proposed commission relates to what is happening in Seattle and whether it would have influenced past events here on the island.

City Workforce Demographics 9:24:08 AM

City Manager Schulze explained twenty-five percent of the workforce is very close to retiring and there's a need to start thinking about how the organization is going to look in the coming years. Councilmember Bonkowski understood the issue but to say that it is then going to allow, cause, or change the way we do business, then we need to do it with the workforce that we have now. Mayor Blair explained why a strategic plan is so critical and how it underscores the importance of today's meeting.

3. TRENDS IMPACTING THE COMMUNITY 9:28:22 AM

Retailing (online impacts, parking issues); rubric around mental health (providing for and training about – especially with returning veterans); State needing more funding (squeezing local governments); more regulations (trickle down to the local level); telecommunication and technically-based businesses (less commuting); Transportation 2040 (impacts on gasoline taxes); housing stock mixture (rental versus ownership); aging demographics and infrastructure; losing locally-owned banks; government functions being taken over by non-profits; role of government as a facilitator versus a provider of services; City to do a better job of delivering services; social media and activism (CAVE – citizens against virtually everything); impact of ferries; population growth (County-wide); changing importance of agriculture (farming, homegrown, etc.), pace of change (accelerating), island's identity (which County – how do we perceive ourselves); neighborhoods and dining out more.

Following a brief recess, the advance meeting reconvened at 10:28 AM.

4. PRESENT TO THE FUTURE

How prepared are we to handle all the opportunities and service demands that will occur in the next 3-5 years?

Councilmember Bonkowski said he did not see the City doing anything predominately different today than it did five years ago so he was not sure how prepared the City is. Mayor Blair believed in order to be ready for the future, we cannot be completely consumed by the moment which we seem to be in right now. Councilmember Tollefson recalled the City's unexpected financial crisis five years ago and how it responded effectively over a period of time. He said it seemed to him the way the City reacted to the last crisis, gives us some hope that when the next unanticipated crisis comes along there are enough smart people around to figure out how to deal with it. He respectfully suggested when we feel overwhelmed, it is probably because we have gotten lost in the weeds and need to get above that. Councilmember Bonkowski commented on high performance organization training. Mr. Ibarra believed City Council was doing more rebuilding than reloading. Mayor Blair believed the City is prepared in the sense that there is skilled and experienced professional management.

How flexible and dynamic is our current strategy and operation to respond to continuous change? 10:40:50 AM

Mr. Ibarra shared a pie chart showing policies, procedures, and organic elements. Councilmember Blossom thought the organization was more flexible now than when she first came onboard. Councilmember Bonkowski commented on the two-year budget cycle and how it can be tough to be dynamic and flexible if the pace of change is less than two years. Mayor Blair suggested building a budget that is designed to articulate that we need to have that flexibility.

What barriers exist that our workforce will have to overcome and how motivated are they to do so? 10:45:18 AM

Mayor Blair commented on an aging workforce and the possibility of some short-timer syndrome going on. She thought another barrier maybe in the community in that it is unsettling to have change at the very basic government level, some resistance, and a recollection of how wonderful it was in the past. Councilmember Bonkowski believed the organization was very risk adverse and that mistakes are looked at as failures rather than opportunities to learn. Mayor Blair described how one becomes more risk adverse with community resistance.

To what level does harmony and cooperation exist inside our organization to ensure synergy and teamwork? 10:50:48 AM

Councilmember Tollefson commented that depending on the issue people are very capable of getting highly motivated. Councilmember Bonkowski noted the last election demonstrated a vote for a harmonious City Council. Councilmember Blossom felt it would take some time for the community to see changes as their perception is still based on the past experiences not new ones. Councilmember Tollefson noted to the extent that we are talking about the City Council, we have the ability to directly influence the harmony and cooperation with which we work. Mayor Blair commented on transparency and understanding the process that was taken to get to a decision. Councilmember Bonkowski sensed it is partially about process but it is more about outcome in terms of the community.

5. "HOT" ISSUES

A. CITY COUNCIL AS A GOVERNING BODY

Transparent Discussions 11:04:00 AM

Mayor Blair envisioned when the shift was made to a Council/Manager form of government that much of City Council's work would be done as a Committee of the Whole and that it happen in a public forum. Councilmember Tollefson said transparency seems so obvious to him and it is not only what we want to do but also what is required by law. He wondered if there were ways to make City Council's communication more effective without sacrificing transparency. Mayor Blair wondered if Council was inhibiting the effectiveness of their conversations. Councilmember Tollefson felt the open meetings act makes it more difficult to have an exchange of ideas that might lubricate the final decision process at an official meeting. Councilmember Bonkowski commented on not being able to do a majority of work via email and wondered if it would be legal to have an email conversation that then becomes a public meeting. Mayor Blair commented on Robert's Rules, which can limit the exchange of ideas. Councilmember Bonkowski asked if it was possible to press the issue of having email be a method to get work done outside of the very formal meeting once a week. Councilmember Roth wondered how quorum issues are handled in Seattle since everyone has an office there. Councilmember Townsend commented on how emails are both a blessing and a curse.

Purpose of Study Sessions 11:17:00 AM

Mayor Blair felt study sessions were an essential and valuable part of the City Council's decision-making process. Councilmember Ward thought the dais set up stifles the informal flow of conversation and that City Council should consider moving from the dais down to the table. Councilmember Townsend wanted some way to communicate with fellow Councilmembers other than in City Hall and conform to the law. There was a brief discussion on the logistics of recording and broadcasting the meetings both at City Hall and off-site.

Purpose of the Governance Manual 11:32:13 AM

Councilmembers Blossom and Roth will review the governance manual.

Scheduled Day of Council Meetings 11:32:44 AM

Council discussed the merits of moving the meeting date to either Monday or Tuesday. City Manager Schulze mentioned potential conflicts due to Monday holidays and why the Friday agenda packet distribution date should remain the same. It was suggested that there be a better way of allowing City Council to participate in a meeting by phone. There was consensus that an ordinance be presented changing the meeting to Tuesday, experiment with study sessions around the table versus dais, have technology to include a telephone connection and explore conducting study sessions out in the community.

SPECIAL CITY COUNCIL ADVANCE MEETING
JANUARY 24, 2014

Summer Hiatus 11:43:23 AM

Council discussed the merits of taking time off during the summer. City Manager Schulze commented on the need for a quorum to approved accounts payable vouchers and payroll. It was suggested that there be a process in place for expected/excused absences.

Pace and Scope of Council Meetings 11:48:21 AM

Council discussed the challenge of having long meetings, the ability to reorder agenda items if needed and sticking to the subject at hand to get through the agenda faster.

B. POLICY ITEMS RELATING TO ORDINANCES 11:52:20 AM

Agricultural Zoning and Practices 11:52:34 AM

Council discussed redefining the forestry commission's scope of work to include a wider range of agricultural issues, continuing community input, importance of comprehensive plan and code provisions, creating an adhoc committee to look at policies, public participation, drawing in non-agricultural individuals into the conversation, making sure the committee does not slow the process down, consider a temporary ordinance on a short-term basis while looking at a permanent solution, unintended consequences as a result of our current zoning regulations and adding the topic to the strategic plan.

At 12:12 PM, the meeting recessed for lunch and reconvened at 12:48 PM. Councilmember Tollefson indicated he would be leaving the meeting at 3:00 PM.

Affordable Housing 12:47:01 PM

Council discussed resources for the homeless, shelters for abused women and families, affordable and low-income housing, Health Housing and Human Services (HHHS) and Housing Resources Board (HRB) A question was raised regarding how the Housing Trust Fund (HTF) was administered to Deputy Manager Smith explained the City is currently providing around \$300,000 yearly in direct support to eight agencies most of which would be called social services. Planning Director Cook gave some brief history behind the HTF Executive Committee. Council and staff continued their discussion of economic diversity, how other communities create affordable housing, and next steps in potentially exploring the use of the Suzuki property. There was Council consensus to continue discussing the issue during their strategic plan discussion later in the meeting.

Cell Phone Service and Telecommunications 1:10:18 PM

Council commented on Wi-Fi coverage, additional cell phone towers, CENCOM's cell coverage study for the island, examining our ordinances to see if they are a major barrier to solving the problem, knowing what is going to be acceptable to the community, and broading the discussion to include telecommunications.

Tree Ordinance 1:22:59 PM

Councilmember Blossom recalled past meetings with the ad hoc committee and thought it would be helpful if the whole City Council described what was trying to be achieved. Councilmember Tollefson did not want to abandon all the hard work already done and start over. Planning Director Cook also recalled past meetings. She explained the reason behind revising our tree regulations was the outcome of the King County case. She noted a Council adhoc committee consisting of Councilmembers Blossom, Townsend, and Ward was formed last week. She added the big issue that is going to be fairly controversial is that there are people that are going to try to regulate tree removal island-wide.

C. INFRASTRUCTURE 1:30:28 PM

Councilmember Bonkowski asked that parking be included on the list. Mayor Blair commented on the Transportation Master Plan. Councilmember Ward suggested adding sidewalks as a component of non-motorized transportation. Council and staff discussed current parking regulations, permit-parking program, conducting a storm and sewer rate study similar to the water rate study and the Utility Advisory Committee role in the process.

D. SHORELINE MASTER PLAN 1:44:38 PM

Councilmember Tollefson thought the Council should quickly complete the work of the last Council however; he also knows there is a sub issue dealing with Department of Ecology requirements regarding aquatic elements. He was personally interested in finding a middle ground to address those issues without getting mired in a long process over the rest of the plan. Councilmember Ward also wanted to discuss the twenty-five percent liveaboard issue. City Manager Schulze explained staff would be bringing the SMP back when it is received from DOE. Councilmember Bonkowski said if the Council was interested in reducing the potential of litigation, it should go back and revisit of application or not of Senate Bill 5451. Councilmember Townsend commented on the monitoring piece and the value of using State and County resources.

E. COMPREHENSIVE/LAND USE PLAN UPDATE 1:49:41 PM

Councilmember Blossom suggested Council discuss whether there was enough appetite for trying to do the subarea plans for the other two neighborhood service centers located in Rolling Bay and Island Center. Councilmember Bonkowski suggested adding a new neighborhood service center at Copper Top. Planning Director Cook noted the Comprehensive Plan land use update needed to be completed by June 30, 2016 and explained what the special planning area process was.

F. CITY'S ROLE IN ECONOMIC DEVELOPMENT 1:58:39 PM

Council commented on the City taking on a more active role in facilitating better telecommunications coverage on the island, parking in the downtown core, having homegrown talent, the island's public art connection, restoring arts funding, agricultural tourism, farming, and the *Branding of Bainbridge* process.

G. PUBLIC DOCK 2:16:41 PM

Council discussed the financial aspects of funding the Waterfront Park project, which was estimated to cost between \$4-7M dollars, whether there was willingness to invest those funds over time, potential private and grant funding opportunities and scalability of the project. A suggestion was made that the City fund \$500,000 for the next five year.

H. EFFICIENT GOVERNMENT 2:24:39 PM

Councilmember Blossom commented on the discussion over the years about fixing the road and finds it difficult to talk about funding \$500,000 for a park especially when we have a park district. Councilmember Tollefson commented on fiscal implications and what other opportunities are out there.

There was a 15-minute recess.

6. STRATEGIC PLAN 2:49:23 PM

Mr. Ibarra reviewed the goals that management developed during their Thursday advance meeting (staff ready to activate and implement Council's plan, policies, programs and projects, whether we can focus on what we can accomplish in 2014 and what Council wants and how it is to be done). He encouraged Council to reflect on things that are already underway.

Following earlier discussions about "hot" issues, projects, services, and programs, Council identified the following items be included in the strategic plan – Comprehensive Plan update (public participation early on/adopt scope of work by year-end), road projects (utilize funding available), Transportation Master Plan (complete draft by year-end), Utility Master Plan (complete plans by year-end), Waterfront Park (agreed upon path forward), telecommunications (update/approve ordinance), agriculture (assess impacts of current ordinance by agricultural/forestry commission), Sewer and Storm Water Utilities (operational assessment) and plan to address City workforce demographics. City Manager Schulze explained next steps would be to take Council's priorities and work with staff to see how they fit into the workload, time required, deadlines, how we might need to approach the priorities (internal staff/consultant driven), budget impacts and come back with a plan for Council to consider.

SPECIAL CITY COUNCIL ADVANCE MEETING
JANUARY 24, 2014

7. **ADJOURNMENT** 4:17:06 PM
The advance meeting adjourned at 4:17 PM.



Anne S. Blair, Mayor



Rosalind D. Lassoff, City Clerk