



CITY COUNCIL MINUTES REGULAR MEETING APRIL 16, 2019

CALL TO ORDER & ROLL CALL

The meeting was called to order at 5:06 pm in the Council Chambers of City Hall, 9611 SE 36th Street, Mercer Island, Washington.

Mayor Debbie Bertlin (arrived at 5:15 pm), Deputy Mayor Salim Nice, and Councilmembers Lisa Anderl, Bruce Bassett, Wendy Weiker, David Wisenteiner, and Benson Wong were present.

EXECUTIVE SESSION

At 5:06 pm, Deputy Mayor Nice convened the Executive Session to discuss pending or potential litigation with legal counsel pursuant to RCW 42.30.110(1)(I) for approximately 60 minutes.

At 6:03 pm, Mayor Bertlin adjourned the Executive Session and Council took a brief break.

Mayor Bertlin convened the Regular Meeting at 6:12 pm.

AGENDA APPROVAL

It was moved by Nice; seconded by Wong to:

Approve the agenda as presented.

Passed: 7-0

FOR: 7 (Anderl, Bassett, Bertlin, Nice, Weiker, Wisenteiner, and Wong)

STUDY SESSION

Mayor Bertlin excused herself from the meeting at 6:45 pm and Deputy Mayor Salim led the meeting.

AB 5551: Proposed Commuter Parking and Mixed-Use Project Update

City Manager Julie Underwood provided an update on progress related to the develop of the Memorandum of Understanding (MOU) with MainStreet Property Group LLC for the Proposed Commuter Project located at 7810 SE 27th Street, also known as the Tully's property. Additional representatives present included:

- MainStreet Property Group:
 - Kelly Price, President
 - Jeremy Eckert, Tharsis Law
- MICA:
 - Paul Shoemaker, Executive Director
 - Amy Worthington, Project Lead
- City Negotiations Team:
 - Jessi Bon, Project Manager
 - Kari Sand, City Attorney
 - Tom Brubaker, Lighthouse Law Group
 - Matt Anderson, Heartland
 - Craig Johnson, Heartland

City Manager Underwood reviewed the project background, the benefits of a public-private partnership, recent milestones, and key MOU components.

MICA Executive Director, Paul Shoemaker, addressed the Council explaining MICA's campaign preparation and

donor conversations.

The City's Negotiation Team then outlined the project's next steps which included, continuing MOU negotiations, ongoing environmental clean-up efforts, finalizing the BP/ARCO site acquisition, coordinating with WSDOT to confirm property rights, and continued coordination with MICA.

There was Council consensus direct the City Manager to prepare an agreement to terminate the current MOU with MICA.

SPECIAL BUSINESS

AB 5555: National Education and Sharing Day Proclamation

Assistant to the City Manager Ali Spietz introduced Rabbi Nissan Kornfeld, Executive Director of Chabad Mercer Island, to accept the proclamation.

Mayor Bertlin proclaimed April 16, 2019 as Education and Sharing Day and urged all Islanders to reach out to young people to create a better, brighter, and more hopeful future for all.

CITY MANAGER REPORT

City Manager Julie Underwood reported on the following:

- Parks & Recreation Grants:
 - 4Culture Sustained Support - \$10,000/year for two years
 - 4Culture Creative Consultancy - \$10,000
 - Mercer Island Community Fund - \$8,000
- Spring Recycling Event
- Summer Camps
- Council Connects on Let's Talk
- Door-to-Door Pet License Canvassing
- News Seasons Market Recycling Event, April 20, 10 am to 2 pm
- Volunteer Restoration Event, April 20, 10 am to 1 pm
- Prospective Council Candidates Workshop, April 24, 5:30 pm to 6:30 pm

APPEARANCES

Daniel Thompson, Mercer Island, expressed support for MICA and the Tully's project. Mr. Thompson further explained that he had read the consultant's report and felt that wasn't anything new in it regarding fiscal sustainability. He expressed disagreement with the consultant's assessment that a levy would be moderately difficult but rather believes it would be more difficult if not impossible. He encouraged the Council to reassess and refocus on the City's capital infrastructure and feels that a capital infrastructure levy would be easier to sell.

Ira Appelman, Mercer Island, felt that it was good news that the Council decided to terminate the current MOU with MICA for siting at Mercerdale Park. He continues to be worried about the term "vibrancy" and spoke against the Community Facilities Zoning.

Robin Russel, Mercer Island, supported the termination of the MOU with MICA. Encouraged the City, Mainstreet and MICA to take a hard look at MICA and Mercerdale, how it created a divisive community, and perhaps learn from those mistakes.

CONSENT CALENDAR

Payables: \$1,339,750.69 (04/04/2019)

Recommendation: Certify that the materials or services hereinbefore specified have been received and that

all warrant numbers listed are approved for payment.

Payroll: \$844,501.76 (04/12/2019)

Recommendation: Certify that the materials or services specified have been received and that all fund warrants are approved for payment.

Minutes: April 2, 2019 Regular Meeting

Recommendation: Adopt the April 2, 2019 Regular meeting minutes.

It was moved by Wisenteiner; seconded by Bassett to:

Approve the Consent Calendar and the recommendations contained therein.

Passed 6-0

FOR: 6 (Anderl, Bassett, Nice, Weiker, Wisenteiner, and Wong)

ABSENT: 1 (Bertlin)

REGULAR BUSINESS

AB 5552: Fiscal Sustainability Plan: Review Financial Forecast, Budget Strategies, Recommendations, and Public Engagement Plan

City Manager Julie Underwood summarized the Fiscal Sustainability Plan's (FSP) background explaining that the Council directed staff to prepare the FSP as part of the Proposition 1 ordinance, which failed in November 2018. The Council then retained Management Partners, as part of their forecasting review, to assist the City in developing the FSP. At its February 2019 planning session, Council identified the implementation of a Fiscal Sustainability Plan as one of its priorities.

Mr. Steve Toler of Management Partners presented the budget strategies analyses and recommendations and reviewed the updated baseline General Fund forecast, as well as three proposed budget scenarios for addressing the City's long-term structural deficit. He also identified additional information and data needed and discussed the proposed public outreach and engagement plan.

In response to Council questions, Mr. Toler also briefly reviewed reductions made by staff as part of the 2019-2020 adopted budget and strategies, thereby buying the Council time to make thoughtful, corrective actions as needed and extending the life of contingency funds from 2021 to 2023.

Following Council questions and discussion, the City Manager was directed to collect and memorialize efficiencies from the past few years and to have department directors review and provide feedback on the feasibility of the budget strategies presented.

Council debated the timing for the public outreach plan and agreed that staff would come back to Council at its June 21 Mid-Year Planning session with a public engagement plan and timeline.

OTHER BUSINESS

Councilmember Absences

There were no absences to report.

Planning Schedule

City Manager Julie Underwood reviewed the proposed planning schedule accordingly:

April 25 – MISD Joint Meeting wherein the FSP and YFS will be discussed.

April 30 – the Executive Session will be 60 minutes and the meeting will start at 5 pm

Board Appointments

There were no appointments.

Deputy Mayor Nice reported that the Boards and Commission Annual Recruitment process was opened, and that the City was seeking to fill the following positions:

- Arts Council – 2 positions

- Design Commission – 2 positions
- Parks & Recreation Commission – 7 positions
- Planning Commission – 2 positions

Deputy Mayor Nice further reported that the deadline to submit applications was May 3.

Councilmember Reports

Council discussed at length whether Sound Cities Association (SCA) as an organization should take a position on statewide initiatives that impact cities.

EXECUTIVE SESSION

At 10:33 pm, Deputy Mayor Nice convened the Executive Session to discuss planning or adopting the strategy or position to be taken by the governing body during the course of any collective bargaining while in progress pursuant to RCW 42.30.140(4)(a) for approximately 30 minutes.

At 11:02 pm, Deputy Mayor Nice adjourned the Executive Session.

ADJOURNMENT

The Regular Meeting adjourned at 11:03 pm.

Debbie Bertlin, Mayor

Attest:

Deborah A. Estrada, City Clerk