



CITY COUNCIL MINUTES PLANNING SESSION FEBRUARY 1-2, 2019

FRIDAY, FEBRUARY 1, 2019

CALL TO ORDER AND ROLL CALL

Mayor Debbie Bertlin called the Planning Session to order at 2:33 pm in the Luther Burbank Room at the Mercer Island Community and Event Center, 8236 SE 24th Street, Mercer Island, Washington.

Mayor Debbie Bertlin, Deputy Mayor Salim Nice, and Councilmembers Lisa Anderl, Bruce Bassett, Wendy Weiker (arrived 2:45 pm), David Wisenteiner, and Benson Wong were present.

Mayor Debbie Bertlin welcomed Councilmembers and staff to the 2019 Planning Session. She noted that 2018 was an intense year and that 2019 needs to be focused on deliverables for large projects and issues the City is facing and the unanticipated items that will require attention. She reviewed the Planning Session meeting norms and the agenda. She explained that decisions are not made at the Planning Session, but agreements are reached, and staff will bring issues back for Council action at regular meetings.

SPECIAL BUSINESS

Bargaining in the Public Sector

Human Resources Director Kryss Segle introduced Otto Klein from Summit Law Group who presented information to the Council related to Washington State bargaining laws. He answered questions from the Council regarding the parameters, constraints, and considerations of bargaining with represented employee groups when the City is faced with a significant budget shortfall.

EXECUTIVE SESSION

#1: Discuss with legal counsel representing the agency litigation or potential litigation pursuant to RCW 42.30.110(1)(i)

At 4:55 pm, Mayor Bertlin convened Executive Session #1 to discuss with legal counsel representing the agency litigation or potential litigation pursuant to RCW 42.30.110(1)(i) for approximately 15 minutes.

At 5:10 pm, Mayor Bertlin reported that the Executive Session would be extended an additional 5 minutes.

At 5:15 pm, Mayor Bertlin adjourned the Executive Session #1 and the Regular Meeting reconvened.

#2: Review the performance of a public employee pursuant to RCW 42.30.110(1)(g)

At 5:20 pm, Mayor Bertlin convened Executive Session #1 to review the performance of a public employee pursuant to RCW 42.30.110(1)(g) for approximately 60 minutes

At 6:10 pm, Mayor Bertlin adjourned the Executive Session #2.

ADJOURNMENT

The Planning Session adjourned for the day at 6:11 pm.

SATURDAY, FEBRUARY 2, 2019

CALL TO ORDER and ROLL CALL

Mayor Debbie Bertlin called the Planning Session to order at 8:17 am in the Luther Burbank Room at the Mercer Island Community and Event Center, 8236 SE 24th Street, Mercer Island, Washington.

Mayor Debbie Bertlin, Deputy Mayor Salim Nice, and Councilmembers Lisa Anderl, Bruce Bassett, Wendy Weiker, David Wisenteiner, and Benson Wong were present.

Mayor Bertlin introduced Marilynne Beard as the facilitator for the Planning Session.

SPECIAL BUSINESS

2019-2020 Goals and Work Plan Development

Following the review of 2018 accomplishments, Ms. Beard asked Councilmembers to identify their top three priorities for 2019, which included:

- Fiscal Sustainability Planning *
 - Internal Capacity
 - Land Use Issues
 - Communication – Clear Message
 - Commuter Parking
 - Parks Issues
 - Sound Transit Spending Plan Resources *
 - Prioritizing within resources, “New Normal” *
 - Utility Upgrades
 - Environmental Sustainability
- * top priority

The Council also reviewed the Leadership Team Work Plan that identifies projects over the next three years that are already scheduled. City Manager Julie Underwood explained to Council that staff feels confident that they can meet the timelines outlined in the Leadership Team Work Plan. However, if unplanned items develop staff will need to reassess.

City Manager Underwood noted that the 2017-2018 City Council Goals and Work Plan would be refined, and the number of goals identified would be reduced due to resource and staff levels. Councilmembers Wong and Bassett expressed a desire to keep all goals identified and reduce the number of action items.

Mayor Bertlin and Councilmember Weiker expressed support for working with what the City has and revise the Council Goals and Work Plan to reflect reduced resources. Underwood suggested including a preamble to the 2019-2020 Goals and Work Plan that explains that the City has had to narrow its focus and prioritize.

Councilmember Bassett questioned the process for identifying Council goals, stating that he would like to see all ideas from all Councilmembers as was done in past years.

Council debated at length how to proceed with Council priorities. Following a break to decide how to identify and decide on goals for 2019-2020, the Council agreed on the following priorities:

- 1. Fiscal Sustainability Plan:**
 - \$1.2 Million Reductions and Revenue Enhancements
 - Fiscal Sustainability Plan
 - Organizational Assessments
 - Engage with Grassroots Group

- Thrift Shop strategy
- Feasibility of funding school counselors

2. Sound Transit:

- Commuter Parking/Mixed-Use (Freshy's and Tully's)
- Sound Transit Interchange
- Fund Allocation

3. Required Work:

- Critical Areas Ordinance
- Small Cells Facilities
- Community Facilities Zoning
- Sign Code
- Urban Growth Capacity/GMA
- Town Center Property Development/King Property
- East Seattle School
- Aubrey Davis Park/King County Sewer Project
- Parks Recreation and Open Space Plan
- Parks and Recreation Commission Appointment
- Recology Roll Out
- ADA Transition Plan

Expanded Preamble:

- Why reducing number of priorities?
- What are our values
- Basic Services/Legally Required
- Sustainability
- Priorities vs Values
- Business Economic Development
- Communication/public involvement as an overlay

Planning “Beyond the Biennium”

2016 and 2018 Community Survey Results Regarding the Community's Priorities

City Manager Underwood and Finance Director Corder reviewed with Council the community's priorities as defined by the 2016 Mercer Island Citizen Survey Results and noted that the results have been consistent over the last 10 years. They also reviewed the importance-satisfaction matrix analysis from the 2018 community satisfaction survey to show the areas where the level of satisfaction is relatively low, and the perceived importance of the service is relatively high. Underwood noted that the intent is to preserve the services that the community considers a priority and reduce services that rank lower to the community.

First Draft of Additional \$1.2 Million in Reductions/New Revenues to Offset Deficit Spending

Finance Director Chip Corder presented the first draft of additional \$1.2 Million in reductions or new revenues to offset deficit spending as requested by the Council in fall 2018. Director Corder reminded the Council that the 2019-2020 budget is balanced. He explained that the focus was reducing deficits and looking at both sides of the ledger. City Manager Underwood explained that she asked directors to submit their recommendations for reductions and increased revenues in their departments. She noted that the Leadership Team spent a great deal of time talking through the options, prioritizing the list, and supporting the final recommended list.

City Manager Underwood noted that after evaluating the challenges of long-term planning, she is recommending reinstating the Deputy Fire Chief position that was eliminated in the 2020 budget by eliminating the pay-for-performance plan for non-represented employees. Fire Chief Heitman spoke about the Deputy Fire Chief, the

duties of the position, department administration and the difficulty of reinstating the position if it is eliminated as many of the duties will have to fall to union employees.

Council Consensus: Support City Manager Underwood's recommendation to reinstate the Deputy Fire Chief position by cutting the pay-per-performance program.

(Council recessed for 20 minutes and returned to open session for a working lunch.)

Ms. Beard suggested Council review the list of proposed reductions by department for clarification. Councilmember Wong asked that staff spend time explaining each of the proposed reductions and Department Directors answered questions from the Council regarding specific proposed reductions.

Youth and Family Services Director Cindy Goodwin reviewed the proposed revenue options for YFS and explained the pilot project for instituting school counseling fees, noting that the projected revenues were a best guess and that YFS intends to start test driving the proposed model in spring 2019. Director Goodwin and Councilmembers engaged in a lengthy discussion of the logistics of collecting fees from students who are seen by mental-health counselors at the schools.

Council agreed with the pilot project but asked for regular updates on revenue projections. They also requested long-term ideas if the revenues do not come close to projections.

Additional ideas for deficit spending reductions included, but no consensus was reached:

- Eliminate or reduce the ARCH contribution/Trust Fund
- Suspend ARCH contribution for two years
- Target 0% for contingency.

MIYFS Stakeholder Group Update

YFS Director Goodwin reported that various groups were discussing what options were available to continue funding YFS and whether they were sustainable. City Manager Underwood reported that the Mercer Island Coalition had requested a joint meeting with City Council in April or May when the Coalition believes it will have a better understanding of their direction. Council engaged in a lengthy discussion regarding the community's desire to fund YFS.

Council Consensus:

- Continue discussion on restoring school counselors (develop road map, establish time frames, and bring back to Council).
- Develop a one-time bridge for the 2019-2020 biennium.
- Develop a series of long-term options for Council consideration.
- Review YFS revenue enhancements, run the pilot program, and reassess later.
- Develop a proposal for a Thrift Store enhancement and develop strategic plan.
- Encourage the Coalition to continue working on a long-term funding solution.
- Request that staff brief the Council on YFS Department funding.

In response to the Coalition's request for a survey, YFS Director Goodwin reported that the YFS Community Needs Assessment survey might be able to incorporate the Coalition's survey, to which Council was supportive.

Council recessed from 2:20 pm to 2:39 pm

Fiscal Sustainability Plan Project

City Manager Underwood updated the Council on the status of the Fiscal Sustainability Plan (FSP) and reviewed Management Partners activities, tasks, and schedule, explaining that the fiscal sustainability plan was scheduled to be presented to the Council on April 16, 2019 and finalized by April 30, 2019. She further reported that some Councilmembers expressed an interest in hosting a community meeting with Management Partners and inviting public input. In response, a tentative May 6 date was added to the timeline to present the Draft FSP to the community.

Council Consensus: Review the draft FSP and then determine the level of public involvement needed. Meanwhile, staff will ask Management Partners to hold the proposed May date.

City Manager Underwood further reported that staff intended to discuss implementing the FSP and identifying which City services to include in the organizational efficiency assessment at Council's June Mini-Planning session.

Council Consensus: Schedule the Mini-Planning Session on Friday, June 21, with a start time of 1 or 2 pm going until 7:00 or 8:00 pm

Council recessed from 2:55 pm to 3:10 pm.

Prioritizing the Sound Transit Settlement Agreement Funds

First/Last-Mile Review and Future Prospects

Sustainability and Communications Manager Ross Freeman reviewed the First/Last Mile project and discussed its results. In response to Mercer Island Park and Ride demands, the City identified two near-term pilot projects funded entirely by the Sound Transit (ST) Settlement Agreement:

- Rideshare Pilot – a six-month program that used \$20,000 in ST funds and was matched by \$20,000 from the rideshare vendors. The pilot delivered 5,859 rides total, and approximately 245 users tried the service at least once with Lyft, and 686 users with Uber.
- Bikeshare Pilot – a three-month program wherein the City agreed to share the cost of program administration and maintenance 50/50 with LimeBike in Seattle.

Total Number of Rides	4,155
Total Number of Unique Riders	1,260
Total Distance	3,886 miles
Total Ride Time	71,138 mins (i.e. 1,185 hrs)
Median Distance per Trip	0.4 mile
Median Time per Trip	9 minutes

Other mobility updates included:

- Metro Route 630 Shuttle – continues to be a popular service, exceeding King County metro ridership goals. Currently the City supports this service with \$40,000 per year from Transportation Benefit District Funds/Street Fund, with the City of Seattle also contributing \$40,000 and Metro funding through their Innovate Metro service.
- Metro Route 201 – service will be discontinued at the March 22, 2019 service change.
- Short-term Parking Pilot – the Tully's parking lot is being investigated as a temporary commuter parking site.
- Paid Permit Parking at Sound Transit Park and Rides – this project is being rolled out in phases, with the Mercer Island Park and Ride being considered for fall 2019.

- Town Center Permit Parking Program – staff is researching the existing program and will return to Council to consider extending the area requiring a permit and revisiting the existing fee charged for a 2-year permit.

Senior Project Manager Kirsten Taylor reported that future mobility pilots include seeking further partnerships to leverage ST settlement funds intended to provide first-last mile solutions for the community. Metro has also been testing a last-mile solution provided by Chariot (a Ford company) in the Eastgate area.

Goals, Guiding Principles, and Considerations for Spending Sound Transit Settlement Funds

Senior Project Manager Kirsten Taylor reviewed the goals, guiding principles, and considerations for spending Sound Transit (ST) Settlement Dollars:

Goals for Spending Sound Transit Settlement Dollars:

1. Fund projects that mitigate the loss of access from closure of the center roadway.
2. Fund projects that improve access to transit.
3. ~~Fund effective, visible projects that demonstrate “smart” use of settlement funds.~~
4. ~~Fund projects that are supported by data-based conditions.~~

Council Consensus: Remove Goals 3 and 4 for future projects funded by ST Settlement Dollars.

Guiding Principles for ST Settlement Agreement Projects:

1. Projects that demonstrate City’s response to citizen priorities and align with the community’s needs (as demonstrated through surveys or planning document goals and policies).
2. Ability to complete full project within 2025 deadline.
3. Ability for rapid deployment of pilot or temporary project.
4. Projects with partners to leverage City expenditure of staff and dollars.

Councilmember Bassett suggested language that would provide an opportunity to negotiate with Sound Transit for additional time to expend the funds and receive reimbursement from the Settlement Agreement.

Council engaged in a lengthy discussion regarding current and future mobility and how to get people from their home to transit. Ideas generated by the discussion included:

- Renegotiate ST settlement agreement to extend time frame.
- Last mile options
- Place the ST settlement funds in escrow

Suggested criteria for how to use the ST Settlement Funds included:

1. Use for projects that improve safety due to a loss of center roadway
2. Traffic enhancement framing
3. Multi modal transportation encouragement

Council Consensus: Include the word “programs” to “Considerations in Selecting and Designing Projects and Programs.”

Senior Project Manager Taylor reminded Council that any projects that staff bring to Council for consideration should be screened through the guiding principles prior to Council consideration.

Council Consensus: Bring back revised goals and draft projects and programs at a Study Session for Council consideration prior to developing a plan.

City Council Seating Assignments

In response to Mayor Berlin’s question regarding whether Councilmembers wanted to stay where they were seated at the Council Chamber dais, **Council consensus** was to remain in the same seats.

Citizen of the Year – Nominations and Selection, Policy, and Key to the City Policy

2018 Nomination and Selection

Councilmembers nominated Mercer Island community members for the 2018 Citizen of the Year award. Following discussion of the nominees, the Council made their selection for 2018. The nominee will be honored at an upcoming 2019 Council meeting.

Proposed Policies

Due to the late hour, the Council requested staff bring back the proposed Citizen of the Year and Key to the City policies at regular meeting for review.

ADJOURNMENT

The Planning Session adjourned at 5:20 pm.

Attest:

Debbie Bertlin, Mayor

Deborah Estrada, City Clerk