

# ***City Council***

## ***Special Meeting Minutes***

**August 28, 2018  
Library Meeting Room  
951 Spruce Street  
7:00 PM**

**Call to Order** – Mayor Muckle called the meeting to order at 7:00 p.m.

**Roll Call** was taken and the following members were present:

**City Council:**        ***Mayor Robert Muckle***  
                              ***Mayor Pro Tem Jeff Lipton***  
                              ***Councilmember Jay Keany***  
                              ***Councilmember Chris Leh***  
                              ***Councilmember Susan Loo***  
                              ***Councilmember Dennis Maloney***  
                              ***Councilmember Ashley Stolzmann***

**Staff Present:**        ***Heather Balsler, City Manager***  
                              ***Megan Davis, Deputy City Manager***  
                              ***Kevin Watson, Finance Director***  
                              ***Tracy Winfree, Interim Parks & Recreation Director***  
                              ***Aaron DeJong, Economic Development Director***  
                              ***Kurt Kowar, Public Works Director***  
                              ***Rob Zuccaro, Planning & Building Safety Director***  
                              ***Chris Neves, Information Technology Director***  
                              ***Becky Campbell, Interim Library Director***  
                              ***Dave Hayes, Police Chief***  
                              ***Kathleen Hix, Human Resources Director***  
                              ***Meredyth Muth, City Clerk***

**Others Present:**     ***Sam Light, City Attorney***

### **REGULAR BUSINESS**

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#### **UPDATE AND NEXT STEPS FOR MCCASLIN AREA DEVELOPMENT STUDY**

Director DeJong stated the City contracted with Economic & Planning Systems (EPS) to conduct the McCaslin Area Development Study. EPS, along with Trestle Strategy, will present their intended process to research, receive input, formulate scenarios, and

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develop a final report for City Council to consider and inform future decisions about how to revitalize the study area.

He reviewed Council's stated goals:

- Understand the McCaslin area's potential for retail and commercial development and supportive uses that could foster new investment and development,
- Review the rules and regulations upon properties in the area that may be limiting its full potential for redevelopment,
- Understand and incorporate the property owner's, tenant's and public's input into development and redevelopment options for the area,
- Evaluate various development scenarios, that focus on retail and commercial uses with possible residential development only as a secondary use, that meet market potential and provide exceptional fiscal benefits for the City by meeting or exceeding past tax revenue performance for the area, and
- Provide recommendations for regulatory changes or other actions that could create more certainty for the development community that encourages redevelopment.

Dan Guimond, EPS, outlined the steps to be taken for the study:

- Step 1 is researching the regulatory framework and perform the market analysis for the area.
- Step 2 is the community engagement component to engage stakeholders, community groups, residents, employees, and visitors.

Danica Powell, Trestle Strategy Group, noted her company will focus on the complex community engagement part of the project. First step is to understand stakeholders and existing resources. Work on a stakeholder engagement plan with a goal to reach those not traditionally involved in this type of project. We try to explain complex information in ways people get; why we are where we are.

The goal is to align public input with market reality – what does the community see as values and bringing it together with what is allowed or possible.

Three steps in the outreach plan are:

- 1- Initial Outreach – data gathering and informing stakeholder
- 2- Engage around market information – share findings from the market study
- 3- Share Findings and Recommendations – share recommendations with community member stakeholders and get feedback on next steps

Dan Guimond continued with step three.

- Step 3 is developing scenarios and recommendations for implementation. The scenarios will be based on the market analysis and input.

He noted tonight is to get input on community engagement, the market study has already begun and stakeholder involvement will begin in the next few weeks. In October they will come back with initial findings and present a final report at a third session in December.

Mr. Guimond asked Council to address two questions: What outcomes do you hope this will achieve? How do you define success in this process?

Councilmember Maloney asked how to reach alignment on market analysis and public input when potential uses aren't allowed. Mr. Guimond said he knows about the regulatory constraints and how it seems to be why nothing has happened. The intent is to work closely with staff to evaluate the regulatory constraints and see if there are other ways to address those.

Councilmember Loo asked how to get input from those who don't come to meetings, those that aren't usually vocal. There is a need for input from all different kinds of personalities. This is a very complex piece of property that people don't understand. It is hard to explain covenants and have it understood that the City is not the owner.

Councilmember Stolzmann noted some market areas attract shopping from people that are not just the residents. Mr. Guimond said they review the market sections in detail including residents and employees and also understanding the competitive boundaries.

Councilmember Stolzmann asked about property owner engagement. Ms. Powell noted it is a huge piece and will require a big education piece for how we got here. The plan is to interview people individually without city staff, and ask neutral questions to get frank discussion. Major owners will be interviewed directly and privately. Further out perhaps nearby HOAs or owners' associations will be contacted.

Councilmember Stolzmann asked how it will be addressed if a property owner's vision does not align with the market or public vision. Mr. Guimond noted this is a possibility, generally there is some interest in development, or selling; we will need to flush out their objectives.

Councilmember Loo asked if new residences in Superior are being considered as part of this market. Mr. Guimond stated yes, from a market perspective it is part of this area.

Council was asked what outcomes they hope to achieve from the study.

Mayor Muckle hopes the study will help the site and adjacent sites redevelop in a way good for our finances; that our residents like the area, and it has significant public benefit (park). He would like a gathering place and the area to be a benefit to that part of town. He wants something other than a standard retail plan, he wants a vision of what

will make sense, what will be successful, and what our residents will like 20 years from now.

Councilmember Keany wants something to bring vibrancy and vitality to the area; to the whole McCaslin corridor. He would like a viable project that comes to fruition and draws people and activity to the area.

Councilmember Stolzmann wants the goals outlined in the RFP met. She wants to align rent rates with what the market will bear. Success is more than just doing something, we also need to be cost effective and fiscally responsible.

Councilmember Maloney agrees the goals in RFP are important. We need long-term economic benefit to the City's sales tax, a magnet to community and business.

Mayor Pro Tem Lipton wants some renewed notoriety and interest in the property and some redefinition of what the market is. He wants to know what the highest and best use is under the conditions; set the expectations for the realities in that area.

Councilmember Loo would like to net an extra \$2M or more in revenue, property, or sales tax.

Councilmember Leh hopes we get activation; to get people excited about the property and area. He hopes the consultants will not shrink from giving Council bad news to the extent that we need to hear it. Teach us something about the assumptions we are all making. Help us be able to explain this to the public, what has gone wrong and what can go right.

Michael Menaker was interested in what we cannot accomplish, what is beyond our ability. We don't have enough resources; what are the things not to waste time on due to property and market limitations.

### **DISCUSSION/DIRECTION – PRELIMINARY REVIEW OF SIX-YEAR STAFFING PLAN**

Director Hix stated this is a historic view and how the FTE's fit in the budget, the programs and subprograms, and the Key Performance Indicators (KPIs). Input was given from directors and most division managers as to what was needed in the 6-year staffing plan. All requests seemed reasonable until they were all put together. Directors did discuss each department's wishes and looked at the whole picture.

Some themes and patterns emerged during the discussions: supportive staff, requests for process improvement, better technology, and discussion of service levels. Work load was identified as an issue in exit interviews. She noted a large number of employees are losing Personal Leave Bank. All of these considerations went into the staffing plan.

City Manager Balser stated this conversation is before the budget and focuses solely on staffing. There will be more conversation to come in relation to the full budget. This is dynamic. We want to know what other information you want. She added the strategic plan could play into this.

Councilmember Loo stated the Parks board recommendations for staff are missing. She stated they originally asked for four people and now Open Space is getting more staff but Parks is not. She stated the number one recommendation from Parks & Rec has been a turf specialist and it has been turned down two years in a row. We want to maintain what we have; the turf looks terrible. Director Hix stated the previous Parks & Rec Director did state a resource specialist was the number one departmental priority.

Mayor Pro Tem Lipton stated this is just the beginning of the conversation, we need to integrate this into the budget. He noted half of 2016-2018 growth was in the Police Department, and there are still more included here for the next two years. He is concerned we are adding police and neglecting everything else. At the end of the day, we need to align this with the articulated goals of the Council. We need to maintain what we have, not expand our scope of services. We should improve community engagement. We need to make strategic investments and manage expectations. If we are trying to get from 90% satisfied to 100% satisfied this may not be worthwhile.

Councilmember Keany stated he has concerns about some of the choices. We may be continuing to increase the Police Department at the sacrifice of other departments. He is concerned about the resource specialist. He agrees we need to focus on essential services, not expanding programs.

City Manager Balser stated the requests noted for 2019-2020 can be supported by the General Fund. She noted the police requests are based on the master plan. She agreed there has been a lot of focus on the Police Department in recent years, so this discussion tonight is a new perspective.

Councilmember Maloney stated he will need to see how this fits with the entire budget. He would like to see some narrative on the justification of the positions. He noted four positions are for new functions; things we are not doing today but are hoping to accomplish so we need to know more about what we hope to accomplish with those positions. The Open Space position brings up the discussion of balancing acquisition and maintenance. We need to be sure we can maintain what we have. He supported option 1.

Mayor Muckle agreed and noted this will have to fit into the full budget picture. We don't want to hire any positions we can't maintain long term. Open Space needs more staff and management for maintenance. We need to be careful of acquiring more if we can't maintain what we have.

City Manager Balser stated all of the positions on the list are needed to maintain service levels. Yes, they are new positions but it is to continue existing services; enhance what we have.

Deputy City Manager Davis stated some positions are to address what we are hearing from employees; where they need support and where we can create efficiency across the organization.

Councilmember Leh noted the organizational development training specialist is good. It says a lot to staff that someone is dedicated to this.

Councilmember Loo suggested the communications, business analyst, and organizational development positions could be contracted out. That allows us to end the contract if we need to.

City Manager Balser stated we are getting to the point where organizational culture is important. We need a communications person in house who knows our culture and is part of our thought process throughout the organization. We need to allow existing staff to do their day-to-day work. As to the data analyst, we get requests all the time for data/information we have, and we want to provide Council (and the public). This is information you can use for good decision making. We have reached a level of complexity in which we need these positions in-house rather than contracting out piece meal to help us become more efficient.

Deputy City Manager Davis stated we have added technology, servers, cameras, and other pieces, but staff doesn't have the capacity to leverage the technology to use it to its capacity or to improve our processes.

Mayor Pro Tem Lipton stated he is personally interested in strategic one-time investments in technology and equipment without having to make long-term continuing investments.

Councilmember Stolzmann agreed we need to look it at holistically. We need to do a better job of tying in the KPIs to the position requests. It continues to be an additive process, instead we need to do a better job of what services we need to continue and what we might stop. That is part of what is leading to fatigue.

Councilmember Stolzmann asked if there are places we can look at partnerships with other jurisdictions; collaborations. We need to determine what can be done by contracting or if there is a good hybrid of in-house and contracting.

Councilmember Stolzmann stated she is hoping the Police Department could always have enough people so we are never understaffed; same for water. For the 24/7 critical operations that should be the goal.

Mayor Pro Tem Lipton noted the turnback at end of year is huge. If we need more people for maintenance, why can't we create new positions from the turnback without new budgeted positions?

Mayor Pro Tem Lipton stated there is a proposal in 2020 for a full-time sustainability coordinator. This is not a strategic priority for us; this needs additional conversation.

### **DISCUSSION/DIRECTION – LEGAL SERVICES**

City Manager Balsler stated with Sam Light leaving Light | Kelly staff is looking for direction on next steps. Staff's suggestion is to continue with the firm through 2018 and use the Legal Review Committee to look at various options in 2019.

Mayor Muckle agreed with the proposal to stay with firm for 2018 and have the Legal Review Committee look at options in 2019. Members agreed.

### **REVIEW OF ADVANCED AGENDA**

Members reviewed the advanced agenda.

City Manager Balsler noted there would be one-week extension of the closure of the Recreation Center.

Mayor Pro Tem Lipton stated we should have an answer if we get requests for membership refunds.

Councilmember Maloney stated the Recreation Advisory Board is supportive of the delay as there is simply so much to do.

Councilmember Stolzmann noted she will be sending out information on ballot initiative 108 which would require compensation for many kinds of municipal action. She urged people to take a position on this one.

### **ADJOURN**

Members adjourned at 8:50 pm

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Robert P. Muckle, Mayor

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Meredyth Muth, City Clerk