

**CITY OF MILWAUKIE
CITY COUNCIL WORK SESSION
AUGUST 12, 2000**

The work session came to order at 9:00 a.m. in the Public Safety Building Community Meeting Room, 3200 SE Harrison Street.

Council Present: Mayor Tomei and Councilors King, Lancaster, Marshall, and Newman.

Staff Present: City Manager Bartlett, Assistant City Managers Bennett and Richards, Police Chief Kanzler, Finance Director Gehlen, and Neighborhood Services Manager Gregory.

Citizens Present: David Aschenbrenner, Bill Hupp, Sally Jacob, and Ed Zumwalt.

Transforming Team Presentation

Bartlett provided background on the Transforming Local Government Program attended by Councilor Marshall, Clackamas Fire District Chief Kefalas, Assistant City Managers Bennett and Richards, Finance Director Gehlen, Neighborhood Services Manager Gregory, Police Chief Kanzler, and Public Works Director Stepan.

The team's charge was: "How do we deal with a 20% reduction in the General Fund while delivering on Council goals and continuing to provide excellent citizen service." Although the minimum reduction for fiscal year 2001 - 2002 is 6%, there are measures on the November ballot which may impact fees and intergovernmental revenues. Milwaukie also has a permanent tax rate. He discussed possible repercussions of statewide ballot measures including home rule.

Councilor Newman asked how the 6% shortfall was projected.

Bartlett said it was based on the assumption of a 2% revenue growth and 3.3% expenditure increase. The projection also includes paying back the water fund loan.

Councilor Newman asked how much money Milwaukie gets from the State.

Bartlett replied approximately \$800,000.

Richards described the key “ah ha"s for the team:

- eliminate what is not necessary in order to focus;
- set benchmarks for quality control;
- be able to respond rapidly;
- provide a safe environment so employees who are willing to be creative and take risks can "fail forward";
- market and take pride in what we do;
- develop a process so employees can initiate interdepartmental group projects; and
- know what we do in order to make decisions on priorities.

Kanzler discussed the strategy:

- determine what we do well by describing all of our services;
- identify core services by asking employees what they believe are essential including mandated services;
- develop conversations to engage the community and staff in exchanging ideas and setting priorities;
- create the product by assembling the ingredients based on the core services and budget constraints; determine if lower priority services can be shared with other entities or contracted out; assess community risks if lower priority items were eliminated; and
- evaluate the results.

Gehlen discussed internal data gathering:

- consider services and apply funds in that manner;
- describe current services;
- test the public process; and
- assist in facilitating the public process.

Councilor King asked which employees would be part of the public process.

Gehlen responded the process had not been refined to that point, but employees wishing to act as facilitators will have an opportunity to do so. The objective of the survey is to provide relevant information to the decision-making process. It will help determine appropriate administrative charges, effectiveness of the current fee structure in recovering costs, and provide data for the upcoming Classification Compensation Study. The internal data gathering will occur over about a 12 week period, and adjustments will be made for seasonal or cyclical activities.

Councilor Lancaster asked how the veracity of the data would be established since employees might perceive the survey as a threat.

Gehlen said the team is trying to impress managers and supervisors with the fact accurate data is needed in order to meet budget constraints.

Bartlett added the Class/Comp Study would be a selective audit to test key activities. The Transforming Project and the Study are inter-related to ensure actual costs are being captured through City fees and to define compensation based on job duties.

Gehlen explained this was one method to determine if the budget shortfall can be made up by capturing more revenue.

Gregory discussed external data gathering:

- avoid a council-driven, top down process;
- listen to what citizens believe are the core services through a citywide survey to ascertain broadly how citizens value or rate the services currently provided; and
- facilitate community conversations.

Gregory briefly reviewed previous City surveys.

Mayor Tomei asked if staff is considering a phone survey.

Councilor Lancaster asked Gregory if she believed it was the subject matter or methodology of the riverfront/downtown survey that elicited a high response percentage.

Gregory was not sure, but the response method can be critical.

Councilor King thought the town halls generated a lot of community interest.

Gregory summarized the proposed survey process:

- distribute in mid-September;
- accept responses during October; and
- compile and share results in November.

Councilor King thought a phone tree would help encourage participation.

Councilor Lancaster was concerned about the timing of this project with the November election.

Councilor Marshall suggested a shorter timeline in which to complete the surveys.

Gregory reviewed the proposed community conversation process:

- the goal is to have citizens rate their current services;
- conversation groups would represent geographic and demographic elements of the community;
- meetings would be during January 2001;
- present a menu of services and related costs;

- trained staff would facilitate about 20 group meetings; and
- the groups will build pizzas based on the required activities (the crust), the ingredients (the services), and the size (how much money is available).

The results of the community conversations will show which services the community believes are "essential and valuable." The process will also help identify alternate funding sources and/or determine the ramifications of reducing or eliminating some services. Community conversation reports will be available in March with the internally-gathered information integrated.

Councilor Lancaster had concerns with the survey results being published at the same time as the election results.

Councilor Newman wanted more Council discussion on the pros and cons of a phone survey.

Gregory noted the challenges of a phone conversation versus having written information.

Councilor Lancaster suggested having employees make reminder calls.

Councilor Marshall suggested a computerized survey.

Councilor King asked how the neighborhood visions would be used.

Gregory thought the neighborhood visions would provide good background information.

Bennett summarized:

- traditional budget assembly is November through February;
- the Budget Committee will order the pizza;
- the Classification/Compensation and Cost of Services Studies will provide program costs;
- employees will identify core services, and the public will let the City know what it thinks of those services to help set priorities; and
- base decisions on all of these elements.

Aschenbrenner recommended sharing this information with the Budget Committee as soon as possible.

Councilor King suggested the Transforming Team make this presentation to the Budget Committee.

Jacob was disturbed the City Council goals might not be citizen goals.

Councilor King said the goals come from the citizens.

It was moved by Councilor Lancaster and seconded by Councilor Marshall to change "Council Goals" to "Community Goals." The Mayor and Council concurred.

Next Steps

Bartlett understood the purpose of the session was to review the current goals and perhaps pare them down to the most critical. He reviewed the 17 key issues related to the riverfront and downtown planning process.

Councilor Lancaster thought it would be helpful to identify those projects that have to be done because of potential ramifications.

Bartlett said the Milwaukie Transit Center should not be set aside. This process has taken 10 years, and now Tri-Met has its wallet open. This type of community goal may take years to evolve.

Councilor Marshall wanted to discuss the amount of staff time spent on Metro's Functional Plan compliance versus spending time on developing flaglot regulations and establishing a Design Review Committee. Staff is working on unfunded mandates rather than dealing with community concerns.

Councilor Lancaster asked the ramifications of walking away from the Functional Plan.

Bennett replied the City would have legal exposure if it did not deal with Title 3.

Councilor Marshall questioned hiring additional planners to deal with unfunded mandates.

Councilor King suggested Council address unfunded mandates through the state legislature.

Councilor Marshall did not believe Council should spend work session time listening to annual reports. He recommended advisory board members be responsible for representing the Council on regional groups. Council could get more work done if it acted like a manager instead of being so hands-on.

Councilor Newman would still want written reports to stay informed. He did not want to discourage advisory groups from seeking Council input.

Councilor Marshall said a process is needed for Council input. There is a lot of directive in the goals, and Council needs to be selective in its advisory board appointees and empower them to act, under Council supervision, on behalf of the

City. Prospective advisory board members need to understand membership is more than attending meetings. He suggested, for example, appointing a Citizens Utility Advisory Board (CUAB) member to the Regional Water Consortium.

Bartlett said jurisdictions in the Consortium are represented by elected officials or staff.

Councilor Marshall did not want to put this on staff.

Councilor Lancaster felt the Council should move quickly toward project-based task forces.

Mayor Tomei thought it premature since the transforming project continues through March. She was concerned about delegating regional committee assignments to appointed advisory board members. Councilors take on those types of responsibilities when they are elected.

Councilor King thought the Johnson Creek Watershed executive committee might be a good example of one an appointed person could attend.

Councilor Marshall said one must trust in others to do the right thing. The manager is responsible for making expectations clear. He would support a person of Alan Fletcher's caliber, for example, to represent the City.

Bartlett said the City could use Clackamas River Water as its advisor for the Regional Water Consortium, since Milwaukie is a very small player.

Councilor Marshall added the City Council still makes the final decisions, so assigning appointed people does not absolve the Council of its responsibilities. He personally has a limited amount of time outside his normal work hours.

Councilor Newman suggested reviewing a list of those groups in which the City is involved and determining if positions could be delegated to an appointed person. He felt the Council should, however, move slowly on this.

Councilor Marshall suggested restructuring the boards and commissions.

Councilor King agreed the list should be reviewed in order to determine which groups had higher priorities than others.

Councilor Marshall felt Council should have time available to lobby in Salem. He felt Council wastes three or four hours on Monday evenings and should operate at a different level.

Bartlett suggested the City Council might want to review its intergovernmental agreements on these types of issues and consider amendments.

Councilor Marshall and **Gregory** attended a transforming session in which Martin County, Florida, provided information on its community leadership training program. The County spends about \$8,000 on the program.

Councilor Marshall added it would help the City tremendously if residents understood how their government functions.

Councilor King suggested partnering with Happy Valley for training. She also noted little was done by the City to recognize community volunteers.

Councilor Lancaster said the City needs the ability to act quickly and determine what it can stop doing right away. He asked if it was necessary to have the staff liaison at each Neighborhood District Association (NDA) meeting.

Gregory said NDAs indicated they liked having City representation at their meetings and do not like the liaisons rotating out too quickly.

Councilor Marshall asked, in the interest of cutting out some of the night meetings, if the liaisons could be available if the chairs requested them.

Councilor Lancaster appreciated the relationship but thought it might not always be realistic for staff to attend each meeting.

Richards felt it was important to build relationships with each NDA and for top management to have a good working relationship with the community.

Gehlen agreed it was important to connect with the community and hear the issues. Although she does not attend a lot of other night meetings, she understands that other staff does.

Hupp said, while he enjoys having staff at the meetings, he felt it was a waste of their time. He suggested staff attend only if they have a topic on the agenda.

Bennett liked the community contact but questioned the additional night meetings. Others in the organization might be interested in acting as liaisons. Each NDA varies in its needs and expectations from staff.

Councilor King thought it was important to have a presence and commit to having a City employee available to the groups after normal working hours.

Bartlett suggested rolling the responsibility down to other levels of the organization.

Councilor Marshall felt the liaison should be accessible during the day, so he questioned field personnel acting in that capacity.

Councilor Newman liked meeting with senior staff and suggested a monthly meeting similar to this. He agreed freeing up staff time was an important goal.

Bennett thought having back-to-back work session and regular sessions was difficult.

Councilor Newman asked if Council had considered meeting every Tuesday with two work sessions and two regular sessions.

The group discussed the feasibility of adopting a model similar to the Planning Commission which meets twice monthly. One meeting was to consider action items, and the other was reserved for work sessions.

Councilor King thought meeting once each week could present problems if people wanted to go out of town.

Councilor Marshall questioned the importance of the work session sharing time.

Aschenbrenner encouraged Council not to cut back on the opportunity for public sharing. The public needs to be able to talk to Council. He recommended cutting out one of the work sessions if Council wanted to reduce the number of meetings.

Councilor Marshall suggested each Councilor take one Saturday in the City Hall Council office in lieu of a work session.

Bartlett noted the Mayor sets up a card table at the Sunday Farmers' Market. Council could sit outside of Albertson's if it wished.

Councilor King recommended holding off on a decision. A lot of information is provided during work sessions, and it helps the regular sessions go more quickly. She was not opposed to four meetings per month.

Councilor Lancaster commented on neighborhood outreach and suggested asking residents to host coffees in their homes.

Mayor Tomei thought the NDA meetings served the same purpose.

Kanzler understood there was a mandate to department heads to attend neighborhood meetings. He talks to the Linwood chair weekly and felt that was a good way to get his information.

Bartlett believed the NDAs need continuity. Light participation may indicate the need for more community outreach and staff involvement.

Councilor Newman asked if there were other Council mandates or activities that needed re-evaluation.

Gregory commented there were certain projects, such as the Metro South Corridor Study, currently consuming a lot of staff time.

The group discussed ad hoc committees and the need to clearly define their roles and expected outcomes.

Councilor Marshall suggested staff provide a basic outline of the departments' policy driven activities for the August 14 work session.

Richards said staff would appreciate going back to the quarterly activity reports.

The Council agreed it would accept quarterly departmental activity reports.

Bartlett thought staff probably only spent 25% of its time on community goals. The rest of the time is spent on projects like Metro South Corridor and Endangered Species Act (ESA) activities.

Councilor Marshall and **Councilor Lancaster** wanted information on programs that could be pushed back and if there was any potential liability in doing so.

Jacobs referred to the Clackamas Education Service District hearing and the City Attorney's advise to Councilor King to use her conscience when deciding if there were a conflict of interest. She asked if there were rules about that type of thing.

Mayor Tomei said it is State law.

Aschenbrenner commented ad hoc committees such as the Minthorn Springs group are sometimes left in limbo. They do not know when their jobs are done. He thought the transforming presentation was very informative and recommended staff present it to the Budget Committee.

Richards explained the Minthorn Springs ad hoc group had finished its plan, so its part of the project was done.

The work session adjourned at 11:55 a.m.

Pat DuVal, Recorder