

REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES

January 4, 2007

The regular study session of the Des Moines City Council was called to order by Mayor Sheckler at 7:30 p.m. in the Council Chambers, 21630 11th Avenue South, #B.

PLEDGE OF ALLEGIANCE to the Flag was led by Mayor Pro Tem Thomasson.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Dave Kaplan, Ed Pina, Carmen Scott, Dan Sherman and Susan White. Also in attendance were City Manager Tony Piasecki, Assistant City Attorney Richard Brown, Planning, Building & Public Works Director Grant Fredericks, Assistant City Engineer Dan Brewer, Finance Director Paula Henderson, Parks and Recreation Director Patrice Thorell and City Clerk Denis Staab.

DISCUSSION ITEMS

Draft Resolution No. 06-280 Declaring An Emergency

Planning, Building and Public Works Director Fredericks reminded Council that on December 14 and 15, 2006 the City experienced a violent wind storm which created an emergency at Saltwater State Park Bridge when a tree fell on the concrete cribbing. Engineer Brewer, with the use of photos described the damage which caused the anchor cable to break, the crib wall to fail and retained earth slid down the steep slope under the bridge undermining the roadway.

Planning, Building and Public Works Director Fredericks advised that a Declaration of Emergency was issued by City Manager Piasecki on December 18, 2006, thereby waiving competitive bidding requirements and allowed for an award for any emergency related work. He advised that the City is contracting with Reid Middleton to provide an evaluation of the immediate damage and repair to the Bridge, as well as to determine a long-term fix. He stated the emergency and permanent repair work for the bridge has not yet been determined, however the bridge has been closed indefinitely.

MOTION was made by Councilmember White, seconded by Councilmember Pina and passed unanimously, to adopt Draft Resolution Number 06-280 accepting findings that an emergency existed on December 14 and 15, 2006, which justified the City's entering into emergency contracts to evaluate and mitigate the effects of the violent wind storm which caused damage to the Saltwater Park Bridge on Marine View Drive and other tree-related damage.

Mayor Sheckler read the draft resolution by title into the record.

City Manager Piasecki advised that staff will be evaluating efforts put forth during the storm event and review ways we can prepare to be ready the next time such an event happens, and a full report will be given to Council. He noted that the first edition of City Currents for 2007 will carry a story on the storm response, talk about debris pick-up from Allied Waste, and other things to remind citizens of services they may not be aware of.

Council requested the following items be included in such a report:

- Storm Debris Pick-up Notification
- Emergency Phone Number (manned by personnel)

- Physical Location when citizens can go to get questions answered

Budgeting for Outcomes (BFO) - Presented by Beverly Stein of the Public Strategies Group

Ms. Stein proceeded to brief Council through a power point presentation, on a budgeting process known as "Budgeting for Outcomes" to meet citizens needs better and to address fiscal restraints. She noted this is not about cutting budgets, but about using the money you have in the most effective way possible. Some highlights of the presentation were:

- The Goal: Buy better results with less money
- BFO asks 4 questions:
 1. What price of government will we charge citizens?
 2. What priorities matter most to citizens?
 3. How much should be spent to achieve each priority?
 4. How can we best deliver each priority that citizens expect?
- Set the Price of Government: All Taxes+Fees+Charges
- Choose the Priorities
 - Identify the priorities that matter most to citizens
 - Involve citizens in the process if possible via surveys, meetings, etc.
 - Use language that is understandable
 - No more than 10 priorities in total
 - Include specific indicators/measures of success
- Pricing the Priorities: How much is each priority worth? What is their relative value?
- Results Teams: Buying Agents for citizens
- Inviting Offers:
 - Departments create responses to requests
 - Offers assume no guarantee of funding based on historic levels
 - Offers are opportunities for departments to propose new, innovative practices
- Buyers Seek the Most for the Money
- Deciding What to Buy: Most value within the allocation
- Organizing BFO Teams/Roles
 - Council
 - Sets price of government
 - Decides citizen priorities
 - Provides comments
 - Guidance Team (optional)
 - Citizens
 - Advises elected leaders
 - Assures legitimacy & integrity of process
 - Results Teams
 - Combination of expertise & strategic thinking
 - No department heads
 - Project Team
 - Includes some budget staff
 - Oversees process - reviews materials, identifies problems
 - Coaches/consultants
 - Help teams think outside the box
 - Help sellers develop creative offers
 - Guides Project Team

- BFO's Bottom Line
 - Balanced budget
 - Focus on the 'keeps', not the 'cuts'
 - Buy results, not costs
 - Low-value spending is forced out of the budget
 - Important new investments to the front
 - General interest trumps special interests
 - Performance accountability
 - Continuous reform/improvements
 - "Common Sense" communications

Upon questioning, Ms. Stein advised it is rather difficult to put an amount of time before results should be known. She stated it is a lot of hard work and does take time, however most places have not needed her companies help after the first year. She also responded that you should get value in the first year, but noted that only Snohomish has used this method for three years. She felt the degree to which you make change and how fast it is, will depend upon department heads taking advantage of the process and using it to bring forward ideas that they want funded that are better than what is being done now.

Councilmember Pina felt the process as described by Ms. Stein could be more straightforward and less time consuming. Especially by surveying the community to help establish priorities, then if Council accepts the priorities, have staff break down their items of what they do relative to those priorities. Then Council can better understand how what it is doing links to what the public desires, and can make better determinations on how to spend funds available.

In response to comments about staff resisting change, Ms. Stein stated that is a performance management problem, not a budgeting problem. She felt staff needs to be held accountable for reaching outcomes that may be promised. She noted directors and management must be able to inspire and provide recognition to valuable staff.

8:45 p.m. Mayor Sheckler called for a 10 minute break.

Upon questioning Ms. Stein commented that it is valuable to look at programs and which ones fit with the outcome you are going for. Competition will drive change.

Mayor Sheckler questioned whether there are other cities the size of Des Moines using this method. Ms. Stein responded, that there are none, but that is why they created a on-line service to provide coaching which takes you through the process and provides forms, along with 3 sessions of coaching and training for the results teams and the sellers. She advised the 'buyers' are the results team and the 'sellers' refers to the departments that produce bids to do projects. She felt it is best that the results team should be staff appointed by the City Manager, who will be experts on what matters.

In regards to dedicated funds, Ms. Stein suggested that during the first offers to ignore mandates and perhaps question why it is mandated, as it may turn out it is not really needed.

Upon questioning by Mayor Pro Tem Thomasson, Ms. Stein stated she could provide some "road maps" from other cities that may help Des Moines get started and save some time.

Councilmember Kaplan stated that he feels this is a very resource intensive process. He felt that tonight's presentation is healthy in that it presents a different perspective for Council to consider in updating the budget process.

Finance Director Henderson felt some small steps could be taken such as looking at priorities, outcomes that we need to identify and get away from a budget by department. Look at the programs and services being provided and cost those out, that should give Council a good idea on where we are spending money.

Councilmember White agreed with taking small steps and gathering information.

Councilmember Pina questioned the cost of using Ms. Stein's company services. Ms. Stein replied that using the Web site with some consulting runs around \$50,000. However, if her company staffs the whole process it runs around \$150,000.

City Manager Piasecki noted he is a little frustrated with the City's current budgeting process. He advised that he agrees with the Finance Director in that we sometimes do not know exactly what we are getting for the money we are spending. He stated he would like to see the City get to a budget that talks about what are we getting, what are the outcomes we expect, what does citizens, staff and Council expect, and then build the budget around the types of services and outcomes that are really wanted. He informed Council he would like to take more time with Ms. Stein to look at her process and seeing if it something we could adapt to work for Des Moines. He felt in the long run this type of process will help the City give citizens what they are expecting at a minimum, explain how we are doing it and explain why we can not go to the levels that some of them are asking for.

Councilmember Sherman advised that he likes the idea of asking citizens for ideas. He also felt there is a need to look at what we are actually allocating, percentage wise, and where it is being spent.

2007 Intergovernmental Policies and Positions

City Manager Piasecki requested Council review the recommended Intergovernmental Policies and Positions for 2007. Council discussion ensued, with the following changes noted:

Councilmember Pina requested on page 3, item k, be removed. As there was no consensus to remove, the item remains.

Page 4, item z changed to read:

"The City supports legislation establishing a state process for siting an additional major airport at a location 15 miles away from SeaTac and other essential public facilities of a regional nature."

Council's consensus was to accept this change.

Page 5, item 4.a changed to read:

"The City supports the feasibility study of a Puget Sound Waterborne Transportation System to be integrated with other transportation"

Council's consensus was to accept this change.

Page 2, deleted item be reinstated to read:

"The City opposes re-initiation and expansion of fill mining operations on Maury Island."

Council's consensus was to accept this change.

MOTION was made by Councilmember Kaplan, seconded by Councilmember White, to adopt the Intergovernmental Policies and Positions as amended by the City Council. Motion passed 6 to 1 with Councilmember Pina opposed.

NEXT MEETING DATE

Mayor Sheckler noted the next regular meeting will be January 11, 2007.

ADJOURNMENT

At 10:02 p.m. **MOTION** was made by Councilmember Sherman, seconded by Mayor Pro Tem Thomasson and passed unanimously, to adjourn.

Respectfully submitted,

Denis Staab
City Clerk