DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, December 27, 2005 Shoreline Conference Center
6:30 p.m. Mt. Rainier Room

PRESENT: Deputy Mayor Jepsen, Councilmembers Chang, Gustafson, Hansen, Ransom, and Way

ABSENT: Councilmember Fimia

1. CALL TO ORDER

The meeting was called to order at 6:30 p.m. by Deputy Mayor Jepsen, who presided.

2. FLAG SALUTE/ROLL CALL

Deputy Mayor Jepsen led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present with the exception of Councilmember Fimia.

Upon motion by Councilmember Chang, seconded by Councilmember Hansen and unanimously carried, Councilmember Fimia was excused.

3. CITY MANAGER'S REPORT

Bob Olander, Acting City Manager, noted the intense rains last weekend and commented that the City only had two reports of minor flooding.

4. COUNCIL REPORTS

Deputy Mayor Jepsen said he attended a meeting last week with Councilmember Ransom which was an update of the Sound Transit Phase II activities. He stated there certain Shoreline projects may be in jeopardy because of Sound Transit Phase II. Projects at risk are the flier stops on Interstate 5 at N.E. 185th Street and the new Sounder Station near Point Wells in Richmond Beach.

5. PUBLIC COMMENT

(a) Bronston Kenney, Shoreline, stated there are political divisions and unwanted projects throughout the City. He discussed the City Manager resignation and George Mauer's possible appointment to review City departments.

(b) Ted Murphy, Shoreline, thanked outgoing Councilmembers. He discussed Councilmember Hansen's campaign funding. He researched campaign funding in City races and said residents need to be aware of them and the motivations of the contributors.

(c) Dawn Grossman, Shoreline, expressed disappointment that the contract for the resignation of Steve Burkett and the contract for George Mauer were done in private. She said an illegal meeting can still occur if members are not in the same room at the same time. She asked how an agreement was signed by a majority of the Councilmembers prior to the meeting if there was no illegal meeting.

(d) Gretchen Atkinson, Shoreline, said she has heard for the past two years that the City must have transparent and open processes. She said there have been secret meetings which excluded the public and certain Councilmembers which led to Steve Burkett's resignation. Forcing him to resign will cost the citizens of Shoreline $168,000, she said. She stated George Mauer does not have any government experience, no small business experience, and he has never done a national search of this level. She commented that Shoreline Community College did an executive search for their president at a cost of approximately $20,000.

(e) Ed Neff, Shoreline, thanked the Council for its public service. He said after watching the last City Council meeting on Channel 21, he thought it was a joke or some type of prank. He said backdoor meetings are improper, and if the private sector had done what the Councilmembers did they would have been fired. He concluded that he would like to see more teamwork from the Council.

(f) LaNita Wacker, Shoreline, read the following quote "power tends to corrupt, and absolute power corrupts absolutely." She said there was an illegal meeting in the hallway at the December 12th Council meeting attended by Scott Jepsen, Janet Way, Bob Ransom, and Maggie Fimia. She stated that any action taken in an illegal meeting is null and void. Additionally, she believed there were secret meetings with Cindy Ryu, before she was sworn in as a councilmember, to discuss City personnel matters. She concluded that she has filed a complaint with the State Auditor and with the Washington Cities Insurance Authority (WCIA).

(g) Patti Crawford, Shoreline, felt the City Manager's resignation was appropriate. She said teamwork is needed on the Council. She highlighted that this is the first time there has been a representative on the Council who lives east of Aurora Avenue. She said she has been ensuring that the City adheres to the Shoreline Municipal Code. She said she has spent her own money fighting the City for 5 ½ years on several issues and she is optimistic that she will be heard in the future.

(h) Cindy Neff, Shoreline, commented that she was disappointed with the December 12th City Council meeting and that the behavior of some Councilmembers and some of the audience was disrespectful. She outlined that it was clear that some of the Councilmembers and some of the audience had some information in advance that would

affect the City. She wanted the Council to be open, honest, respectful, and listen to others. In addition, she asked that they treat each other with respect.

(i) Tom Berquist, Shoreline, commented that after watching the meeting he was disappointed. He felt the actions and proceedings cheapened the integrity of the entire Council. He said character, ethics and the elements of trustworthiness, responsibility, respect, fairness, empathy and citizenship are missing from the City Council. He said that fairness is missing the most, as it refers to the process. He added that the processes of the Council need to be open and transparent at all of the upcoming meetings by seeking out information and listening to opposing points of view. On December 12th he said the process was not open and opposing views were not sought out. In fact, he continued, the process seemed to be secretive and one-sided. The majority was fixed on the end and not the means, he concluded.

(j) Peter Berquist, Shoreline, said he has been pleased with the direction of the City until December 12th and the firing of Steve Burkett. He said the new majority has "stirred up a hornets nest" and the residents will be watching and paying attention to what the Council does from now on.

(k) Mary Bannister, Shoreline, said the actions of the Council are not representative of the residents of Shoreline and asked how the majority could force the City Manager to resign and attempt to appoint a replacement without any community input. She did not feel assured that residents have representative government on the City Council now or checks and balances to prevent improper processes in the future. She said the Council is ripping apart the vestiges of local government in the community which they are bound to serve.

(l) Diane Kamacho, Shoreline, said she actually doesn't like getting involved in local politics but felt she has to pay more attention now because of what has been transpiring. She urged the Council to think more about the consequences of its actions in the future.

(m) Mark Deutsch, Shoreline, was disappointed by the recent actions of the new majority of the Council. He said there is no mandate to fill the City Manager position and there has been no public input. He said the City had an excellent City Manager that was independently identified. Finally, he stated it is appalling that someone who was rejected by the voters is proposed to be Interim City Manager.

(n) Harry Sloan, Shoreline, said the actions of the Council awakened him and it is unconscionable to fire a competent City Manager and try to replace him with someone who has very little or no experience and who was rejected by the voters. He said Councilmember Chang is a "lame duck". He said he will no longer stand by and let the City be run by a group self-serving people.

(o) Doris McConnell, Shoreline, was concerned about the lack of openness and the resignation of Steve Burkett. She concluded stating she would research what she

can do to undo what was done at the last meeting because it was wrong. She felt the last City Council meeting was embarrassing to the residents of Shoreline.

(p) Elaine Phelps, Shoreline, on behalf of Association for Responsible Management (ARM of Innis Arden), distributed a DVD to each Councilmember and the City Clerk. ARM, she said, proceeded in good faith to try to bring the Innis Arden tree conflicts to a resolution through mediation, but it has been deceived and wooded reserves have been badly damaged in the interim. The DVD shows tree cutting each week in violation of the law and permits. She stated that ARM believed the Innis Arden Club deliberately delayed the process to cut as many trees as possible before the Council could adopt the Critical Areas Ordinance (CAO). She concluded that ARM is not participating in negotiations any longer and a class action lawsuit has been filed.

(q) Fran Lilliness, Shoreline, said the Council and their processes are disgraceful, dishonorable, and are an embarrassment to the City. She said Steve Burkett was not a"9-5" City Manager. She said his heart was with Shoreline until it was ripped out when he was fired. That decision to fire Steve cost the City $168,000 and now the Council wants to hire a man who was rejected by a majority of the City, she explained. She said Aurora Avenue looks like a "pest hole" and reminds her of a "shanty town." She said when the project gets completed on Aurora it will live up to the character of the City and be very attractive. She said she is ashamed of the four Councilmembers who voted for his resignation and what they have done to the City.

6. APPROVAL OF THE AGENDA

Councilmember Way moved to revise the order of the agenda. Councilmember Ransom seconded the motion, which failed 3-3, with Deputy Mayor Jepsen and Councilmembers Gustafson and Hansen dissenting.

Councilmember Hansen moved to approve the agenda. Councilmember Ransom seconded the motion, which carried 5-1, with Councilmember Way dissenting, and the agenda was approved.

7. CONSENT CALENDAR: none

8. ACTION ITEMS: PUBLIC HEARINGS

(a) Update on Interim City Manager Hiring Status

Bob Olander, Deputy City Manager, commented that Prothman & Associates has been hired to conduct reference checks and a background investigation of George Mauer.

Deputy Mayor Jepsen called for public comment.

1) Clark Elster, Shoreline, urged the Council and the City staff to proceed with this process with an open mind and to determine if a performance audit is

necessary. It has been communicated, he pointed out, in the newspapers that the Council plans on drastically altering the vision, policies and processes for the City in the next few years and he is concerned. He inquired as to why Shoreline residents have to pay so much more for their Aurora Corridor project than the similar and recently completed projects in Federal Way and Edmonds. He felt the Aurora project would not ease traffic through Shoreline.

2) Ted Murphy, Shoreline, commented that 49% of Mr. Mauer's campaign funds came from five sources to include current Councilmembers and spouses. He communicated that he did not agree with Councilmembers and their families making donations to his campaign and felt it unethical for the Council to name a person to a City position to whom they have made political contributions. Additionally, he investigated and determined that Mr. Mauer has had all of his campaign debt repaid by campaign donors.

3) LaNita Wacker, Shoreline, said Mr. Mauer should not be named as the Interim City Manager. She commented that he lost the election and residents don't want him involved in City's business. She said the City needs an objective city manager. She noted that working in the private sector is much different than working in the public sector. She said Steve Burkett had the specialized training and skills and the Council eliminated a well-trained City Manager. She concluded that she is speechless when it comes to the actions of the Council.

Councilmember Ransom announced that the Council received in their packets this evening a proposal to make Mr. Olander the Interim City Manager and to consider Mr. Mauer for a newly-created position of management auditor. He said a presentation will be given to the Council on January 3rd.

Deputy Mayor Jepsen stated that the only proposal the public is aware of is the motion made by Councilmembers Fimia to appoint George Mauer as Interim City Manager.

Councilmember Way said the performance audit/assessment item is not a secret and there is information on the website and the agenda line.

Deputy Mayor Jepsen clarified that the motion people are addressing tonight is the proposal to appoint George Mauer as Interim City Manager. Public comment then resumed.

4) Mary Fox, Shoreline, expressed concern about this Council. She said she can't believe what transpired at the last meeting. She inquired why the City needs an audit, noting that there must be justification as to why an audit is needed.

5) Margaret Walbruse, Shoreline, said she likes George Mauer and feels he would work with the Council, but the City is divided. She wants a Council that works together and listens to all Shoreline residents. She urged the Council to be

compassionate, fair, and find a City Manager who everyone can trust and who can bring us all together.

6) Dennis Lee, Shoreline, said the City has serious process problems and felt George Mauer could help resolve them because of his experience in the City.

7) Keith McClelland, Shoreline, thanked the Council and the former Councilmembers for their service and commented that George Mauer has become the issue and he should reconsider his decision because it is hindering progress.

8) Patti Crawford, Shoreline, said there should be a citizen's oversight in the City. She said the City is trying to rewrite the Code and remove the protections in the CAO. The City Attorney added language in the Code to weaken it, she said. She added that the Interim City Manager needs to have auditing skills.

9) Caralee Cook, Shoreline, thanked the departing Councilmembers for their service. She said the City has met all goals it has set and the City Manager has done a great job and was recognized nationally as such. Last month, she said the Council had trouble even funding an additional traffic enforcement officer, roughly $100,000. Yet the Council has wasted close to $200,000 to release Mr. Burkett. She felt George Mauer was not qualified to work for the City. She urged that each Councilmember take their responsibility to the residents seriously and make wise choices for Shoreline's future.

10) Mark Deutsch, Shoreline, believed the process of securing an Interim City Manager should be competitive. He urged the Council to stop what they are doing, noting that the Council sets priorities and the staff does not need auditing.

11) Bill Bear, Shoreline, said "democracy is messy." He urged attendance at the neighborhood council meetings and supported George Mauer because he is committed to having good processes in neighborhood associations. He said the comments from the public should be brought out at the neighborhood level to find long-term solutions.

12) Al Wagar, Shoreline, said he is appalled by the last Council meeting and that the entire meeting "stunk". He stated he is very uncomfortable with George Mauer since he lost the election and is a crony of the new Council majority who want to give him a City job. He was upset with the way things have been done and hopes the new Council majority is sobered by the comments tonight.

13) Elaine Phelps, Shoreline, thanked the Progress Shoreline folks. She said she wanted Mr. Burkett out because he was unfair to the Council. She said most of the staff is wonderful. Additionally, she said there should be a new City Manager who doesn't think he runs the Council. She considered Mr. Burkett to be a racist who displayed outrageous behavior. She concluded that the City Manager is the Council's employee and the Council is employed by the public.

Councilmember Way thanked all those in attendance and urged them to get involved in their neighborhood associations.

Councilmember Chang moved to postpone Items 8(a) and 8(b) until the January 3, 2006 City Council meeting. Councilmember Way seconded the motion.

Councilmember Chang felt these items should be postponed for the new Council to consider since the there are "lame duck" members on the Council now.

Councilmember Ransom said he thought it would be appropriate for the contract and the performance audit/job description scope of responsibilities to be seen by the public. He felt Council should discuss it on January 3rd. He added that this would allow the Council to address the South Woods issue tonight.

Councilmember Way agreed, noting it would give the Council more time to research what the rates of pay are in other cities. It would also give the public more time to look into the scope of work.

Councilmember Gustafson supported the agenda as proposed and said the public needs to hear where Councilmembers stand on some really serious issues. He said he was aware of the information in the packet, but the Council needs to be thinking about the Interim City Manager hiring. He said the Council needs to have discussion now and move forward with it, so he said he is opposed to postponing.

Councilmember Chang stated the Council is confused and a lot of folks in the community are misinformed. He suggested taking an extra week to consider it carefully and eventually come to a decision that will work for the City of Shoreline.

Councilmember Hansen stated he was voting against the motion because he felt the public needed to review the item.

Deputy Mayor Jepsen concurred, noting that he and Councilmember Chang are still obligated to the electorate until December 31st. He vowed to protect the taxpayers of the City of Shoreline, noting that some of the proposed expenditures are "outrageous." He assumed Mr. Mauer would be appointed as Interim City Manager because there were three Councilmembers who were in favor, including Councilmember-elect Ryu. Thus, agenda item 8(b) is an opportunity to discuss the appointment of Mr. Mauer as Interim City Manager, which is the motion that will be considered on January 3rd. He said there should be a competitive procurement process and that was the intent of agenda item 8(b).

A vote was taken on the motion, which failed 3-3, with Deputy Mayor Jepsen and Councilmembers Gustafson and Hansen dissenting.

Councilmember Gustafson thanked Mr. Olander for answering questions and thought the Council needed time to review them because they pertain to items 8(a) and (b). He and

said in the past the Council has tried to have open, transparent processes prior to coming to a meeting. However, he felt that the process on December 12th, had it been done right, could have had a positive result. He felt the process needed to be fixed and inquired why all seven Councilmembers weren't notified of the actions prior to the meeting.

Councilmember Ransom said the information was faxed to him and sent to the Washington Cities Insurance Authority (WCIA). He said he then called Mr. Burkett and the Councilmembers. He apologized for not notifying Councilmember Gustafson personally.

Councilmember Way added that there was never a time when there were four Councilmembers together in one room.

Councilmember Gustafson disagreed. The issue is the process, he reiterated. He said the Council must move forward and the process needs to be fair, transparent and open from now on. He discussed comments at the December 15th City staff party. He said the Council needs to let each other know when agendas are brought forward, have discussion, and go through the process.

Councilmember Ransom noted that it probably would have happened differently if the performance appraisal had not been moved to December 12th.

Deputy Mayor Jepsen responded that he never received copies of the correspondence either. He asked when Mr. Mauer signed the reference check release form.

Mr. Olander said Mr. Mauer was sent the form to sign on Tuesday, December 13th and he had concerns with the wording and made some revisions. He said the release form was fairly broad and he made a couple of minor changes to it.

Councilmember Ransom said Councilmembers met with Mr. Olander to see if he would be interested in the Interim City Manager position and proposed Mr. Mauer as the auditor. This would accomplish all of the goals by doing it this way.

Councilmember Gustafson said he objected to the fact that the announcement at the staff holiday party began with "We have decided..." He said this led everyone to believe there was an agreement. He said the process was inappropriate and should have been discussed in an open public meeting.

Councilmember Ransom said there is rarely public comment when a CEO of a company is dismissed, and there was no public involvement when past City managers were released because it is a Council personnel decision.

Councilmember Way commented that she has been extremely impressed and has great confidence in Bob Olander's ability. In discussions with staff and in talking to people from the previous city that he used to work for, she said he has heard great things about his ability to work with staff, listen to and involve the public, and work in the public's

interest. She commented that after hearing City staff she was struck by the potential for a win-win situation. She said Mr. Olander could be the Interim City Manager, and Mr. Mauer could recruit for a City Manager and conduct the other tasks. She felt Mr. Mauer has the confidence of a large number of people in the City and came very close to winning the election and is willing to interview. She hoped people would look at the scope of work.

Deputy Mayor Jepsen said he appreciates and agrees with the comments about Mr. Olander, but objects to the way it was done. He said the Council hosts an annual holiday party as a tradition in order to show gratitude to the staff. It was held at Councilmember Hansen's house this year, and the announcement that Council decided to appoint Bob Olander as Interim City Manager was inappropriate.

Councilmember Way said there never were more than three Councilmembers meeting with Mr. Olander at once. She commented that none of the meetings were inappropriate. She said Councilmembers meet with each other at times to come up with a plan, and that's how democracy works. She believed that's the way things have been working in this City.

Deputy Mayor Jepsen said he criticized the fact that a Councilmember made a proclamation outside of a public meeting. There was not a vote of four Councilmembers during a Council meeting to make such a proclamation. He felt it was a violation of the independence of the seven City Councilmembers. It was highly inappropriate, premature, and it makes him wonder what sort of meetings had been held.

Councilmember Gustafson asked if Councilmember Way felt that the public was provided with adequate public notice on December 12th.

Councilmember Way said it was put forward as a motion by Councilmember Fimia and then it was postponed.

Councilmember Gustafson said the letter sent by Cindy Ryu in support of the termination of Mr. Burkett stated that "the public process needs to be transparent, public, complete and honest." She also emphasized "the importance of advanced notice on upcoming items."

Mr. Olander clarified that the agenda packet for next week has been delivered to Councilmembers this evening and will be put on the internet and available at City Hall tomorrow for any members of the public wish to view it. He said he understood from conversations with several Councilmembers that Councilmembers Fimia, Ransom, and Way are proposing a contract with Mr. Mauer for a management assessment/audit and City Manager recruitment portion of a work plan. This draft work plan, he continued, is in that packet for next week. Additionally, he clarified that he is more than willing to serve as Interim City Manager, but he recommended that the permanent City Manager should have previous experience as a City Manager.

(b) Request for Proposals for Performance Audit / Assessment and City Manager recruitment

Deputy Mayor Jepsen explained that he added this to the agenda because the motion that was postponed on December 12th was to hire George Mauer as the Interim City Manager. In addition to the duties of the Interim City Manager that person was also to provide a performance audit/assessment of City departments and handle the City Manager recruitment. He felt the performance audit/assessment and recruitment would be done through the normal public process and be put out to bid. Normally, he said, a Request for Proposals (RFP) would occur, which is both a qualifications-based and price-based activity where the proposals are received and the Council selects the best one with a recommendation from staff.

Deputy Mayor Jepsen called for public comment.

1) Sally Granger, Shoreline, said she was disappointed with all four Councilmembers and that they acted in an incompetent manner. She stated that the residents of Shoreline would be watching them closely from now on.

2) Patty Crawford, Shoreline, favored creating the performance assessment position. She felt that the City needs some kind of audit. She pointed out that years ago she asked the Council to hire a local city manager but Steve Burkett was hired. She said the City Manager needs to have local ties to the City.

3) LaNitaWacker, Shoreline, was opposed to creating a new performance assessment position and would rather see money spent on human services. She stated that staff performance could be measured by evaluating what has been accomplished in the City. She felt problems such as flooding have been resolved, the City has a generous amount of reserve funds, and the work on the tree inventory and parks signifies that staff is getting the job done. She concluded that she doesn't want any tax dollars going to pay Mr. Mauer's salary.

4) Caralee Cook, Shoreline, said she was disappointed with the motion to table items 8(a) and 8(b) and worried that the public meeting law was violated. She inquired what the liability risk would be for the City. She stated that the City needs to conduct a national search to fill the City Manager position and approach the process as a matter of public interest. She felt the professional search for a City Manager should cost no more than $20,000. She commented that Shoreline has one of the lowest staff to citizen ratios and one of the highest grant acceptance rates in King County. Additionally, the City has been more financially sound than other local cities. She said the Council cannot hire an unqualified friend at $140,000 to work in an unnecessary position.

5) Mark Deutsch, Shoreline, said the Council wanted public participation, so this item should not be postponed. He said he would like the performance audit and the City Manager recruitment split into two separate items. First, he said the City does not need an audit, and there should be a competitive recruitment

process for a City Manager. The recruitment should be done independently so there is a wider slate of qualified candidates from which to choose.

6) Peter Henry, Shoreline, said Mr. Burkett was released because he didn't have the support of all the Councilmembers. He said the position is a political position and Mr. Burkett was disrespectful, evasive, and would not allow the Council to directly question the staff. He said the Council needs an independent source for information and is in favor of the auditor position. He said Mr. Mauer has been involved with Shoreline for years and he is a person who would work hard and do the best he could.

7) Elaine Phelps, Shoreline, said that the hiring and firing of a city manager is a personnel issue and the Council was correct in discussing it in executive session. She summarized that everyone will not agree all of the time, and there is no need for "nastiness." She complimented Deputy Mayor Jepsen on the way he conducts Council meetings.

Deputy Mayor Jepsen moved that staff develop a Request for Proposals (RFP) for the City Manager recruitment process. Councilmember Gustafson seconded the motion.

Councilmember Gustafson said the Council needs to conduct the recruitment in the most proper and efficient way. He agreed with Mr. Deutsch that the two items should be separated. He stated that Initiative 912 relates to performance audits conducted by the State. He wondered how the Initiative would apply to Shoreline, and if savings could be achieved if the State did the audits.

Mr. Olander stated the City staff included information on Initiative 912 in the packet. He communicated that in discussions with the Association of Washington Cities, the Initiative is still in the formative stages.

Councilmember Gustafson felt that the initiative would fit the needs of the City and supported the motion as stated.

Councilmember Way asked about the established procedure for a competitive bid process and what recruiting agencies charge for their services.

Mr. Olander responded that it is common for cities to hire a recruiting firm, or an individual. Typically, those searches for a City Manager for a city of our size would run $25,000 to $30,000. There are at least four firms on the west coast that he felt are qualified and experienced in those areas. The Council would call for an RFP and then interview and select from those firms. In turn, a draft contract would be written to have that firm perform the recruitment. In terms of a performance audit, generally the purchasing procedures require an RFP for any professional services contract over $50,000. At that time firms would basically submit proposals. Alternatively, he said the Council could direct staff to hire an individual on a temporary employment contract.

Councilmember Way inquired how much this would cost.

Mr. Olander said the cost depends on the scope of work and the amount of hours necessary.

Councilmember Ransom stated that the Council already has a proposal for the performance audit and the Council can interview him in Executive Session. He felt that should be done first and it can be put to Council vote next week.

Responding to Councilmember Way, Mr. Olander outlined an estimated timeline for an RFP process. He concluded that a very aggressive process might take about two months, but 2-3 months would be a more realistic estimate.

Responding to Councilmember Gustafson, Mr. Olander affirmed that Mr. Mauer could submit a proposal for this position if he chooses. He clarified that the timeframe he outlined was for a full RFP for the management assessment/performance audit position. The actual City management recruitment might only take about two weeks.

Councilmember Gustafson inquired if there were other solutions for the hiring of a city manager and asked about Mr. Olander's experience. He asked what procedures Mr. Olander would recommend and what the City staff recommendation would be in terms of hiring a new City Manager.

Mr. Olander said his professional recommendation is that the Council goes out to bid for an RFP and competitive proposals. He thought Mr. Mauer and any other individuals should compete on that basis. He felt there would be significant advantages to having an open, competitive process with proposals based on cost and qualifications. He also indicated that whatever the Council decides, the staff would pledge to make the process work.

Councilmember Hansen thanked Councilmember Ransom for pointing out that the Council has a completed performance audit contract. However, he did not know any of the terms because he has never seen it. He thanked Mr. Olander for adding it in the Council packet, because he can now look at it and "see what people have been deciding."

Councilmember Ransom commented that the contract was in the packet several days ago.

Councilmember Chang said that after tonight's Council meeting he is looking forward to the New Year. He wished everybody the wisdom to look beyond their own eyes. He asked that the public pray for all the Councilmembers to have the intelligence and wisdom to serve the public interest.

Deputy Mayor Jepsen said the contract proposed on December 12th is to pay George Mauer $174,258, which is the value of the total package. He would become the Interim City Manager under this contract, and he would conduct the recruitment of the new City

Manager and to do a performance audit of the departments. He pointed out that Initiative 912 goes much further than what has been proposed so far. Additionally, the Council may authorize audits to be made of any department or office. He felt even if the City needed a performance audit, Initiative 912 would cover it at the State's expense. He thought that if the Council is going to truly do a professional City Manager recruitment process, the RFP process needs to begin.

A vote was taken on the motion to direct staff to develop a Request for Proposals (RFP) for the City Manager recruitment, which failed 3-3, with Councilmembers Chang, Way, and Ransom dissenting.

(c) Purchase three (3) acres of South Woods from the Shoreline School District

Dick Deal, Parks, Recreation and Cultural Services Director, stated that the Shoreline School District (SSD) asked the City to evaluate the site and come back with two pieces of property that the City would consider purchasing. The City did so and the Shoreline School District offered to sell the west side parcel next to Fircrest to the City at this time.

Ian Sievers, City Attorney, pointed out there were some corrections submitted by the Council and proposed some amendments to the contract. In Section 10.3 the words "and option premium" should be inserted on line 11 after the word "money." Furthermore, in Section 14.1, line 3, the word "herein" should be replaced with "in this article" because it sets up a procedure for exercising the right of first refusal. He suggested the motion cover both of these revisions.

Deputy Mayor Jepsen noted that these revisions were sent to the Councilmembers and City staff this morning and hoped the Council had an opportunity to review it.

Councilmember Way said she received them right before the meeting but did read it.

Councilmember Ransom expressed concerns because the impression was that SSD was going to let the City purchase additional acres at the same price. This is not reflected in this contract.

Mr. Olander said the staff report and the information that was communicated was incorrect. He said Councilmember Gustafson asked the SSD Superintendent if they were willing to sell the balance of the property at the same price. He responded that the SSD Board had not discussed that option.

Deputy Mayor Jepsen called for public comment.

1) Dennis Lee, Shoreline, stated that SSD and the Shoreline Water District (SWD) purchased South Woods as common tenants and he assumed that SWD sold their portion to SSD. He is in favor of preserving the corridor and stated that he has

heard from some residents who favor higher taxes to pay for these kinds of purchases for the City.

2) Clark Elster, Shoreline, stated he is concerned about South Woods and favored the City staff recommendation to purchase three acres.

3) Bill Bear, Shoreline, pointed out that he grew up in New York City and it is about time for cities to realize the importance of forest land. He agreed with the purchase of the three acres and concluded that forests play a key role in our environment.

4) Peter Henry, Shoreline, thanked the Council, SSD, and SWD for the "down payment" on the entire parcel. He felt the price is immaterial because it comes from property taxes. He encouraged the Council to come up with creative ways to ensure the land stays in public ownership forever.

5) Elaine Phelps, Shoreline, said she supported all the previous public comments and noted that Shoreline is a growing City that needs more open space. She said Shoreline Community College has encroached upon City property and wondered what the City could get from them in return. She inquired whether the City could be compensated by their encroachment and apply those funds to the purchase of more South Woods property. She urged the Council to find creative ways to fund the purchase of the entire South Woods parcel.

Councilmember Way moved to approve the terms of the Purchase Option Agreement, as revised, accept the Property, and authorize the City Manager to exercise the option to purchase upon final short plat approval segregating the City parcel approximately as shown in Exhibit A to the agreement. Councilmember Gustafson seconded the motion.

Councilmember Way commented that she has been working on this for many years and South Woods is an extremely important property for open space, water retention, clean air, and neighborhood use. She said it is a unique and rare property on the north end of the City. She requested that staff research the zoning idea by Mr. Bear and Mr. Henry to preserve South Woods as open space. She added that she would like to work on language stating this property was purchased for public ownership.

Councilmember Ransom inquired about the possible purchase of additional South Woods property.

Mr. Deal responded that SSD said they are only willing to sell the parcel on the west side and would not discuss any other land.

Mr. Olander pointed out that the balance of the land is still jointly owned by SWD and SSD.

Councilmember Ransom favored proceeding and he hoped the City could obtain the rest of South Woods at a later date.

Deputy Mayor Jepsen said the property is being short-platted and the three acre parcel will legally be created once this agreement is executed.

A vote was taken on the motion, which carried 6-0.

Mr. Olander pointed out that half of the funds for the purchase have been provided by the King County Conservation Future Trust grant.

(d) Election of Interim Mayor

Ian Sievers, City Attorney, reviewed the Council Rules and Procedure concerning the vacant Mayor position and stated the practical benefit of having an Interim Mayor preside over the Council meeting on January 3, 2006.

Councilmember Chang nominated Councilmember Ransom.

Councilmember Hansen nominated Deputy Mayor Jepsen.

A vote was taken on electing Councilmember Ransom to serve as Interim Mayor until the election of a new Mayor on January 3rd, which failed 3-3, with Councilmembers Chang, Way, and Ransom voting in the affirmative.

A vote was taken on electing Deputy Mayor Jepsen to serve as Interim Mayor until the election of a new Mayor on January 3rd, which failed 3-3, with Councilmembers Hansen, Gustafson, and Deputy Mayor Jepsen voting in the affirmative.

Councilmember Ransom moved to suspend the Council Rules and Procedure and not take action, thereby not electing a Mayor until January 3, 2006. Councilmember Hansen seconded the motion, which carried 6-0.

10. ADJOURNMENT

At 10:00 p.m., Deputy Mayor Jepsen declared the meeting adjourned.

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Scott Passey
City Clerk

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