



Board of Commissioners Retreat Minutes

10:00 AM Monday – June 21, 2010
3rd Floor Conference Room, Public Works

ATTENDANCE:

Commissioners Charlotte Garrido, Steve Bauer, Josh Brown,
Administrator Nancy Buonanno Grennan, Assistant Nancy Hahn,
Chris Henry, *Kitsap Sun*

Agenda:

- A. Morning: review 2010/2011 workplan, identify which issues have been completed, which will need further leadership and staff need time for 2010, and highlight those which are important to include in the 2011 workplan.
- B. For this afternoon – look at budgets (invite Amber D'Amato) – to set priorities.
- C. Continue discussion of the Administrator's evaluation at lunch.
- D. Afternoon: begin more in-depth review of 2010 workplan/financials
- Commissioner Brown wants the Board of Commissioners to be visionaries, driving the goals, and setting the larger framework of projects rather than having staff telling the Board of Commissioners what issues they will tackle.
 - Commissioner Garrido suggested structuring and coordinating the goals around the stated categories the Board of Commissioners had previously identified and recommended. That would make stated performance measures much easier.
- E. Looking at the 2010 workplan: (* identified as needing further discussion today). Commissioner Bauer complimented Nancy Buonanno Grennan on the organization of the workplan, and suggested perhaps adding a column for the Commissioners priorities.
- *1. North Kitsap Legacy Project – keep for discussion
2. Rural Wooded Incentive Plan – Completed
 3. Legacy Lots – ongoing
 4. Large Onsite Septic Systems – Completed
 5. Commercial & Industrial Limited Area of More Intense Rural Development (LAMIRDs) – ongoing
 6. Countywide Planning Policies – ongoing
 7. Land Use Appeals – Completed code revisions, other aspects ongoing
 8. Community Planning Updates: Kingston – ongoing; hoping to wrap up in 2010, challenges within the community; parking issues, traffic issues.

9. Code/Ordinance Changes – ongoing
10. Shoreline Master Plan — in the community outreach phase
- *11. Water as a Resource policy (take in its entirety.) We need to define this policy and review the whole sector..

ACTION: Commissioner Bauer will meet with Dave Tucker soon.

- *12. PSP implementation is a misnomer. This is essentially a Stormwater Plan Redesign and ought to be renamed. Further analysis is needed.
- *13. Hood Canal Stormwater Plan – Board of Commissioners needs to receive updates from staff more regularly.
- *14. Financial & Service Stability section:
 - How do we prioritize? – need to do this as part of the budget call letter.
 - 2011 goals – performance measures; need to monitor and be sure that we’re connecting to the big goals.
 - This is an important conversation for the Board of Commissioners to have. It is the connection between some of the big goals we’ve set and monitoring how well they are being carried out.
 - The relationship between the Electeds & the Board of Commissioners needs to be better coordinated.
 - Commissioner Bauer - compensation reform – encouraging and improving citizen involvement; potential tax levy for 2011.
- *15. Annexation/Incorporation analysis – identified as a priority
 - Further analysis and discussion needed
 - Coordinate internally first, then with other entities to work cooperatively
 - Lay out the various options, identify consequences
 - Commissioner Garrido added that this is an important part of our budget.
16. Resource Conservation/Economic Development/Green jobs
 - Pay attention to energy efficiency region-wide initiatives as well as local/internal.
 - For workplan, look at partnering with the four-county region
 - Encourage federal funds, beyond county facilities for 2011.
- *17. Major District Projects – Commissioner Garrido suggests that this might back up to the mega goals for the county (especially vis-à-vis the Parks). The district issues we need to work on are the more overarching and include the relationship between staff time/resources needed.
 - Need standardization & stability in Parks
 - Park’s assessment – ready for a discussion/presentation from Parks Director, Dunwiddie
 - Business plan to include strategic direction for parks, organizational structure, policies directions for Parks Board, Fair Board, sustainability task force and fees (utilize recommendations from advisory groups)

- Create a systematic plan – phases, funding and citizen engagement
- Identify and recommend what parks might be shed over time and which ones would be kept (regional parks)
- Chair Brown – Newberry Hill Heritage Park is being wrapped up now.
 - It's about implementation now, looking at second phase - parking structure.
 - 2011 workload will be less - might need some of Eric Baker's (Special Projects) help in talking to legislatures, re parking, background, etc.
 - Also Planning, Public Works assistance – phasing in development.
 - Other big District three issues: not major for 2011 workplans.
- Commissioner Garrido named four priority parks for 2010, and still sees a pattern of need, which has been frustrating.
 - Needs standardization among county parks.
 - Village Green needs a business plan.
 - Howe Farm – haven't done much this year.
 - South Kitsap Parks need to be addressed in a really organized way.
 - If departments make budget submittals by 8/9/10, Dunwiddie might need to come talk to the Board of Commissioners prior to the fair.
- North Kitsap Heritage Park – stewardship groups now, not requiring much staff time.

18. Inter-jurisdictional relations: much discussion held. Highlights:

- Annexation Review and Inter-local Agreement negotiation/UGAs
 - This is a high priority for the Board of Commissioners
 - Maybe we adopt some of the city's planning measures. Would like to see us come together on some matters – relating to providing services.
 - Currently, some of our codes are different (e.g. fire flow). Need plan for addressing that & other issues, timeline
 - Commissioner Garrido suggested reviewing the pre-annexation checklist – to find areas that are similar, etc.
 - Where are we at with Poulsbo UGMA?
 - Internal discussions with DCD, PW, law enforcement for clarity prior to meeting with the cities
 - Board of Commissioners needs to look at the long term effects of annexation on the county
 - Set up face-to-face meetings with cities and develop joint workplans, where do we want to be in two years?

- Public outreach to find out what the citizens want.
- Reach agreements on levels of service, etc. We need to be transparent: For example, let the public know that there are uniform levels of service that they can expect if they're annexed, if they remain unincorporated, etc.
- Maybe put together an information sheet spelling out impacts to each, etc.
- Prepare for capital investments, rights-of-way, law enforcement
- Need feedback from residents. [There seems to be a real reticence for Silverdale (Central Kitsap Schools) to join with Bremerton.]
- We will need resources to do public outreach. For annexation – financial component, 2010 proper review.
- Set up a work plan for 2011 annexations.
- Need to establish boundaries, but the county needs to be able to provide input. We can provide resources from key departments to help with the process.
- Revenue Sharing Agreement updates - we need to review the analysis, but would also like to see the county work with Bremerton, Poulsbo & Pt. Orchard to review specific annexations.

21. Chair Brown mentioned that the other piece of this is the Road Fund, which needs to be looked into and possibly beefed up.
- How do we balance out how it's funded; if the county has less jurisdiction, it will have less funding, which is an important issue (e.g. Silverdale)?

ACTION: Need an internal discussion on this issue – regional/local.

22. Code compliance, hearings officer, lack of enforcement - need to get the compliance/enforcement discussion process flowing.

23. Noise ordinance needs to be on this workplan too. The prosecutor said the noise ordinance is unenforceable as currently written, so sheriff & prosecutors aren't enforcing.

ACTION: Review the code compliance & enforcement and noise ordinance

- F. Board of Commissioners need to identify 2011 Big picture list workplan items to send back to departments for their budget submittals, and set out what goes in the call letter.

- Need to make sure that the items we highlight are achievable given the resources they have.
- Make sure to prioritize Board's items.

The BOCC 2011 workplan items – major projects:

1. District Specific:
 - a. Kingston Master Plan
 - b. Kingston Village Green – post MPD election (staff needed: assign one person from civil – Shelley or Jacquelyn)
 - c. So. Kitsap Regional Parks (phase one and citizen engagement)
 - d. Village Green Golf – business plan
 - e. Howe Farm
 - f. Central Kitsap Campus – parking structure. (staff needed: Special Projects/Eric Baker and Public Works for parking structure analysis)
2. Road standards – implement new policy on road standards from May 2010 workshop.
 - Traffic calming measures,
 - Randy Casteel to provide info soon. Need a policy for how we'll approach this.
 - New book out on this subject - Commissioner Garrido has ordered copies for the Commissioners' office.
3. Sustainability – has been a general issue since 2008 and still needs a clear definition. Autumn Salamack has a good definition of this – we could adopt, modify, etc. What does this mean for programs?

ACTION: Ask Autumn Salamack for her definition of sustainability.

4. Water as a Resource
 - Commissioner Bauer will have attend a workshop on 6/30, so for budget purposes, we'll hold the discussion until then.
 - Action item from that workshop will be getting specific about the 2011 workplan. Specific plan & budget will be done – Public Works (sewer, stormwater, natural resources).
 - Commissioner Bauer thinks there are some fairly sweeping changes going on, and funding is scarce. We may need to raise funds and the money needs to go to where the Board of Commissioners' priorities are so they need to be clear on what they are. The Beach Watchers program is receiving county funds – we are putting our money where we need to.
5. North Kitsap Legacy Partnership — work plan submitted, action plan established.

- Staffing needs: Parks has a nominal role; Special Projects, Public Works, Civil (Shelley) and Department of Community Development (permitting) will be fully engaged.
 - Eric Baker could be lead/managing.
- Need funding for 2010 & 2011. Need to hire someone to do some of the financial/property transfer details.

ACTION: Commissioner Bauer will continue to keep the commissioners in the loop on this project.

6. Parks – assessment, business plans, sustainability for 2010 and 2011 (financial).

- Standard Operating Procedures for all county parks.

1. Investment for what the public gets for its money. Continues to be difficult to unravel. Wait to hear about the MPD election. There are complicated. Civil division input will be needed mainly.

ACTION: Need to address this soon, for Director Dinwiddie's budget proposals.

7. Performance measures & compensation reform

- Need clear monitoring/rigorous performance measures/benchmarks
- Revamp in terms of assessment, measuring, re-evaluating to be sure they match the goals.
- Amber D'Amato is helping develop this – program budgets, etc.
- Might need a discussion with other Electeds and County Administrator Grennan regarding this so that it's appropriate for the entire county.
- Public input process for county services – Commissioner Garrido asked if this could be a performance measure for each facet of the budget, because one of our goals is to enhance public trust, and be inclusive.

ACTION: The Board of Commissioners will talk with Amber D'Amato this afternoon, as well as compensation reform (get public input on county service levels). Administrator Grennan will also talk with Fernando Conill and Bert Furuta as well. Commissioner Garrido said that Autumn Salamack has a good model for measuring performance goals that she will request.

8. Developing Annexation Policies & Direction; Interaction with cities – joint/workplan – hold an internal review to take an innovative look at what providing services will look like regionally, given funding levels.

- Re: staffing - will mainly affect Special Projects – Eric Baker & Angie Silva, resources from DCD, PW, Parks, and Financial resources from Amber D'Amato.

- Discuss internally, then meet with the cities /Urban Growth Areas (UGAs)
 - If departments are unsure about this, they need to come to the Board Work Study session.
 - The UGA analysis should be done by July. After that, need to get together and discuss & see where that impacts and informs decisions.
- Public outreach in UGAs – particularly Central Kitsap – making UGA financial analysis information available to the public.
 - We need to discuss levels of service, what we'll commit to, be clear. In Central Kitsap, what really makes sense? Can't be too narrow in one area and then not be able to provide to others.
 - Will help inform on whether or not to associate, whether a comprehensive plan revision is warranted
 - 1:1 meetings with Poulsbo, Port Orchard and Bremerton
 - Annexation plans for associated UGA, services over time, etc.
- Non-associated UGAs should put forth their options and we review and negotiate, etc. – have public outreach. Three options – remain unincorporated, annex to existing city, or incorporate on their own.
 - Kitsap Regional Coordinating Council workplan had something about this – might want to ask them.
 - Use pre-annexation checklist – add matrix about the various issues and how they'll be dealt with.

9. Positioning County for energy grants – Autumn Salamack, Special Projects – if we get involved with the four-county energy plans, this will include some revenue and work for DCD. Commissioner Garrido thinks there will be large scale retrofit programs.

10. Trails planning

- Establish one point of contact/perhaps a specific trails staff person?
- Establish policy (coherent guiding policies) and connect with citizen groups
- Create a 6-year plan – dedicated TIP funding; additional allocation (similar to Clallam – trail grants to groups)
- Also dedicate some money in the Public Works budget.
- Staffing: Work with Public Works & Department of Community Development.

ACTION: Nancy Buonanno-Grennan will bring back the discussion that's taken place. Resources will be needed, so DCD, Parks & PW need to provide a budget proposal to the Board of Commissioners.

11. Fiscal Stability

- Commissioner Bauer proposed possibly needing to put out a Ballot levy measure for 2011, and to keep the public informed about the facts about the County's financial status.
- Reporter Chris Henry asked for clarification about this.
- Over 70% of our budget is for criminal justice. Our major responsibility is to appropriate funds to the courts, sheriff and the prosecutor. They've made deep cuts, but are having cuts from feds, etc., and are being spreading too thin.
- 30-40% of budget cuts for 2011 we have to make are because of federal cuts. So, we need to talk to the public about our ability to provide services given these cuts. Let them know that at this level of income, this is what we can afford to do.
- Our budget today is about \$8M lower than four years ago.
- \$82M budget this year. May need to cut \$10M next year.
- Next year's cuts will be very deep. So, the county wants to have some public discussions about all this in 2011. Taxes can't be elevated by the Board of Commissioners, so we need to have a transparent process where we share the info about the cuts.
- All other Electeds will have to share their cuts as well. We'd be open to getting feedback on everything we're doing.

The process we're talking about today for 2011 work plans is to get some of these core ideas out to the departments. Our call letter will say, "Here's what your budget is, we need your priorities. Here are all the things we're doing to get the county on sound footing. We will have to do some compensation reform."

The Board of Commissioners recessed into an Executive Session to review performance of a public employee at 12:30 PM. No action was taken.

Meeting reconvened at 1:15 pm.

Commissioner Brown said this afternoon would be used to review the agenda for the meeting with the unions tomorrow, the budget process for the rest of the year and performance measures. The Agenda is as follows:

1. Review 2010 Financial Picture
2. Looking at the Revenue Projections for 2011 and Beyond.
3. Brainstorm Possible Ways of Addressing the 2011 Projected Shortfall
4. Beginning discussion on Developing a Sustainable Compensation Structure.
 - Nancy said she has a handout to show to the Unions regarding the cash flow issue that highlights the reserves and cash issue. We can show them how we are tracking and building a better projection model.
 - Amber will have the information for the Board in the morning.

- Need something added to the agenda about going for a levy next year.
- How to deal with 1% limitation – in order to live within our means we are going to have to address the expenditure side but also the revenue side. The 1% is not going to cut it long term - it's not going to be enough to sustain operations.
- Targeting sales tax increase versus levy.
- Commissioner Brown said we need to share our principles with them. These are principles we are directing out staff to follow.
- Commissioner Bauer commented they need to hear from the Board.
- We need to look at the big items – the COLAs, the market and healthcare.
- We need to focus our energies in looking for long term solutions.
- Commissioner Bauer said we need something in the beginning of this stating this is an outreach to both the Electeds and Unions.
- Commissioner Garrido said the Principles should also be on the handout.
- Commissioner Bauer commented that there were questions they were alerted to last week that they need to be prepared to answer tomorrow. ie,
- KCCHA debt, Electeds and Boards salaries, etc.
- Be sure to let them know the Board has been and will continue to self-pay for their healthcare.

Proposed Budget Process for 2011.

Amber said she had put together, with Nancy's help, a draft proposed budget process for 2011 which gets us partially towards a good place as far as how to budget in accordance with priorities. She said they tried to take what we already started with as far as projections to try to build off that. She commented that envisioning it will take several years to get to a point where we can make really large changes in the way we allocate resources. The goal was to design a budget process that is fair, accessible, transparent and adaptable to change.

Budget Process Design Steps.

- Identify Available Resources – Goals are:
 1. Preparation of revenue projections based on historical trends, economic indicators, consultations with departments, and analysis of economic development potential.
 2. Briefing with the Board, including review of assumptions, presentation of data, and solicitation of feedback.
 3. Briefing of Elected Officials, including review of assumptions, presentation of data, and solicitation of feedback.
- Identify Priorities – Goals are:
 1. Create strategic plan for upcoming fiscal year, including specific and measurable priorities within each goal area.

2. Communicate with employees and citizens to solicit input regarding program value and potential efficiencies.
 3. Report back to stakeholders with finalized strategic plan and identified priorities.
- Prepare Programs for Evaluation – Goals are:
 1. Work with departments/offices to identify core functions within each unit.
 2. Identification of program results in addition to program functional and financial descriptions.
 3. Discussion and prioritization of programs within each unit.
 - Score programs against results –Goals are:
 1. Define a scoring matrix for objectively evaluating programs
 2. Determine who will score the programs (self-scoring, peer scoring, Board scoring, or some combination)

Discussion Points:

- Make sure the ranking is logical. Voters would welcome the opportunity for input.
- Compare scores for programs
- Rank projects into 4 tiers.
- Solicit departmental input on how to rank.
- Question how will this be broken out, ie how to separate Sheriff's department – Westnet, Marine, Patrols etc.
- What would this look like for the jail or courts. Amber said they would provide a priority ranking list of their programs.
- Commissioner Brown said we need to have a meeting with the Electeds to run our priorities past them.
- Would also like the departments to come up with a list of the results of the programs, so we can see what the program is expected to do. That way we can measure whether or not they are meeting those results.
- Amber talked about possibly having us do an internal ranking for each program and then ask the departments to self-rank and indicate how they best meet the strategic goals and then do a comparison.
- League of Women Voters would welcome the opportunity to participate in some of the outreach.
- Could just give departments a dollar amount and let them decide how to use it.
- Or start with giving them an across the board 7% cut. and let them decide how to use the money.
- If we get to the point where there is something we desperately want to fund - how do we go back to departments to make cuts in order to fund those.
- We can use the priorities in order to go back to the departments and make cuts in other departments.

- Nancy said what will be even dicier is if we go through and pick on the Sheriff....they don't want to eliminate the marine patrol, the bomb squad, etc. They are just going to cut deputies and try to do everything but at a reduced level.
- We could get that from all departments – try to do it all but at a reduced level.
- At the end of the day, what authority does the Board really have to dictate what programs need to be cut.
- Commissioner Bauer said Amber is pointing us in the right direction. She has put this together in a short period of time and is doing a good job. He thinks there are a lot of difficulties in doing this.
- Benchmarks – we have got to have some comparators. The problem with performance measures is that by themselves they mean nothing other than year-to-year comparisons.
- We need to think this one through. Having the department do ranking is ok, but having analysis and recommendations from our financial group strengthens our role.
- Form is too complicated.
- Who does the scoring is important. The Board needs to do a set of scoring and we need to have real meaningful presentations from the departments.
- One possibility is to bring all Electeds and Department Heads together to hear the presentations and score each other. They will all start looking at the overall organization. It changes the dynamics of the whole budget process. Things get far more real when dealing with their peers.
- Commissioner Bauer said he is prepared to say even though the Legislature has mandated something, we are not going to do it. At a time like this we need to be able to say “here are the things that are the priorities for our citizens and they are the most important and we are going to do them and not some others. “
- Commissioner Brown said maybe we can get a bill drafted to change in the upcoming legislative session.
- Evaluating programs for impact and effectiveness on the return on the investment makes a lot of sense.
- Don't like the idea of giving across the board cuts. We need to find a way to take away from some things and add to others. Having an “add to list” to fund programs as money is available makes sense.
- Commissioner Brown said if we ask for across the board cuts, we are not going to get any of the things we are looking for. We should consider for budget call letter to get analysis done in terms of the revenue projections and getting the priorities right. Should consider asking each department to make 10% cut across the board, with the idea being we are going to review these programs and priorities and have resources to buy back their key priorities and we will allocate as appropriate. They will know that the only way to get something bought back is to make the justifications.

- Need to think about a much more public process early on. If we move presentations into the public meetings and get public input at the formative state, people get more engaged and involved.
- Commissioner Garrido said a valuable thing is to have some collaboration with Department Heads and Electeds as we are going through the rankings.
- Nancy suggested taking one person each from budget committee to participate? Commissioner Brown said he feels we need to talk with Electeds before we do that.
- Commissioner Garrido feels we need to tell the story of what the budget does, what we are spending and what we are doing, for the public to understand how much they get from county government. We can think about being more creative in telling the story. We could possibly use BKAT or the county web for broadcast so people can see at a program level what the departments are doing.
- Measure performance to ensure results

ACTION: Amber will provide a draft plan to the Board on Wednesday. Nancy will get a written opinion on this process.

Adjourned

Respectfully Submitted by:

Nancy Hahn
Deanna Erstad