

SCA Board of Directors MINUTES

November 26, 2014 10:00 AM
Renton City Hall, Conferencing Center
1055 S. Grady Way, Renton 98057

1. Call to Order

John Marchione, SCA President, called the meeting to order at 10:00 a.m.

Members present: Nancy Backus, David Baker, Chris Eggen, Don Gerend, Jim Haggerton, Bob Harrison, Dennis Higgins, Matt Larson, Denis Law, John Marchione, Bernie Talmas
Bill Allison, Bob Harrison, and Dave Hill were not present at the Call to Order but arrived after the meeting began

Members absent: none

Staff present: Deanna Dawson, Kristy Burwell

President Marchione announced that there was a special order of the meeting to wish Don Gerend a happy birthday.

2. Public Comment

President Marchione asked if any member of the public had any public comment. Seeing none, Marchione closed the public comment portion of the meeting.

3. Consent Agenda

David Baker moved, seconded by Denis Law, to approve the Consent Agenda. There was no discussion. The motion passed 10-0.

4. Executive Session

President Marchione postponed this agenda item until later in the meeting so that all members could be present.

5. Finance Committee Report

Treasurer Don Gerend, Chair of the Finance Committee, reported that a transfer of reserve funds is needed to cover expenses incurred in 2014.

Dennis Higgins moved, seconded by Chris Eggen, to approve the reserve transfers as recommended as follows:

- Employment Reserve Fund (accrued vacation salary) \$7,262

- Employment Reserve Fund (vacation salary payroll taxes) \$672
- Equipment Reserves (equipment - new or replacement) \$2,000
- Legal Reserves (transfer for legal expenses) \$6,945
- **Total Reserve Transfers \$16,879**

There was no discussion. The motion passed 10-0.

Mayor Hill arrived to the meeting.

Treasurer Gerend continued to report that November 3, 2014 Finance Committee meeting minutes were provided in the meeting packet and gave a summary of that meeting. He referenced the 2015 draft budget. Treasurer Gerend reported that an error was found in the budget formula, and asked Dawson to provide detail. Dawson explained that in reviewing the budget she had discovered an error. The source of the error was a formula embedded in last year's budget spreadsheet, which deducted the sums of \$20,000 and \$12,000 (for a total of \$32,000) from the "total expense" line. This formula was carried through into the budget documents that were prepared this year. In order to make the budget balance, Dawson had cut additional items from the 2015 budget. Those cuts were incorporated into the proposed budget reviewed by the Board. (Attachment A.)

Treasurer Gerend asked members if there were any questions. Denis Law stated that he appreciated the work to overcome the deficit. President Marchione agreed.

Denis Law moved, seconded by Nancy Backus, to recommend to the SCA Membership, the 2015 budget.

There was no discussion. The motion passed 11-0.

Treasurer Gerend reported that the Finance Committee reviewed the Bylaws and there was unanimous support to propose a change in Bylaws 4.17.5 and 4.17.6 so that the Finance Committee is charged with recommending the budget to the Board of Directors. Currently, the Bylaws state the Finance Committee recommend to the Executive Committee, which in turn recommends to the Board. Dawson stated that the membership needs ample notice of any proposed Bylaw changes and since this is a housekeeping matter, it may be preferable to wait until next year, given that the Annual Meeting was scheduled in a week. President Marchione stated that this is a great idea and members agreed.

Treasurer Gerend reported that Board policy 207.1(d) states that the Board shall review the investment policies at least annually. He explained that funds are spread over multiple banks so that they do not exceed the FDIC insured limit of \$250,000, however interest rates are low and do not offer much return on investment. The Finance Committee recommended reviewing the investment policy in 2015.

Bob Harrison arrived at the meeting.

David Baker moved, seconded by Bernie Talmas, that SCA is found to be in compliance with SCA Board Policy 207.1(d).

There was no discussion. The motion passed 12-0.

6. **PIC Chair's Report**

Bernie Talmas, PIC Chair, reported on the November 12, 2014 meeting of the Public Issues Committee (PIC). The PIC has recommended a number of action items for the Board.

Nancy Backus moved, seconded by Dave Hill, to appoint Mayor David Baker, Kenmore, to the Area Agency on Aging for Seattle and King County Advisory Council for an appointment ending 12/31/2015.

There was no discussion. The motion passed 12-0.

Chair Talmas continued that the PIC has recommended Deputy Mayor Dan Grausz to the Puget Sound Clean Air Agency (PSCAA) Advisory Council.

Denis Law moved, seconded by Chris Eggen, to appoint Deputy Mayor Dan Grausz, Mercer Island, to the Puget Sound Clean Air Agency Advisory Council for an appointment ending 6/30/2016.

Don Gerend reported that he had a discussion with Everett Councilmember Paul Roberts, PSCAA Board Chair about SCA's concerns with the lack of representation.

Deanna Dawson, SCA Executive Director, asked for direction on how aggressively the Board wanted SCA to pursue changing State law to obtain seats on the PSCAA Board. The Board discussed, and agreed that this is something that should be pursued as time allows with limited staff resources. They also agreed that this is something that should be pursued more aggressively, depending on how having a seat on the Advisory Council plays out.

Mayor Allison arrived at the meeting.

The motion to appoint Deputy Mayor Grausz passed unanimously.

Chair Talmas reported that the PIC had an interesting discussion regarding the idea that military bases be considered as regional centers. The PIC voted to recommend a position that it is more appropriate that consideration be done through the normal process.

Bernie Talmas moved, seconded by Nancy Backus, to adopt the following policy position as recommended by the PIC on November 12, 2014:

SCA supports deferring the consideration of designating military facilities as regional centers to the Vision 2040 update in 2018. This would allow the region the opportunity to consider the questions around designating military facilities within a larger planning context. SCA recognizes that military facilities are regional economic drivers and that the facilities have impacts on the communities adjacent to them, however, more work needs to be done prior to considering such regional center designations, including greater public outreach efforts and the implementation of PSRC's Regional Centers Report.

The motion passed unanimously.

Chair Talmas reported that the PIC has recommended a position on the Manufacturing Industrial Center (MIC) designation. There was a healthy discussion and the PIC voted unanimously to recommend this potential policy position to the Board.

Bernie Talmas moved, seconded by Dave Hill, to adopt the following policy position as recommended by the PIC on November 12, 2014:

SCA supports maintaining the Puget Sound Regional Council's (PSRC) current Manufacturing Industrial Center designation policy, including the existing employment threshold of 10,000 jobs. SCA also supports PSRC expediting the scheduled implementation of PSRC's Regional Centers Report to determine whether updates to existing policies should be made.

The motion passed unanimously.

7. **Executive Session**

At 10:37 a.m., President Marchione announced that the Board would be going into Executive Session to discuss a personnel matter. At 11:08 a.m., the Board ended its Executive Session and the meeting was resumed.

Mayor Law left the meeting.

8. **PIC Chair's Report Continued**

Bernie Talmas, PIC Chair, reported that the PIC had a discussion regarding funding for Youth Athletic Facilities and setting a specific amount.

Bernie Talmas moved, seconded by David Baker, that SCA supports re-establishing and increasing competitive grant funding for the "Youth Athletic Facilities" program administered by the Recreation and Conservation Office (RCO).

There was no discussion. The motion passed 12-0.

Chair Talmas reported that the PIC will also be discussing and possibly recommending positions on school siting, public health funding, and property tax cap.

9. **Board Policies on Board and Committee Appointments**

Deanna Dawson, SCA Executive Director, reported that the Board may wish to codify the longstanding SCA policy regarding no more than one representative from each city may serve on each committee. Members requested that staff bring back language to the next meeting for adoption to formalize the longstanding SCA Board policy.

Dawson next reported that the Board may wish to amend its policies regarding the date in which the PIC must recommend the slate of appointments to the Board from December 1 to December 31. The Board agreed that this change should be made.

The Board had a robust conversation regarding appointment of non-SCA members to regional boards and committees.

Jim Haggerton stated that the SCA membership has given consideration to non-members for years, and does not feel that non-members should be appointed to committees.

Chris Eggen acknowledged a concern raised by staff about the fact that SCA has appointing authority to committees that extends beyond SCA members. He noted that the Shoreline Council has been unhappy about appointment of non-members. While Eggen understands the politics associated, he is supportive of members receiving appointments over non-members.

Bill Allison referred back to the 2014 SCA Board Retreat where members discussed the value that non-members bring to SCA and the foundation of value that SCA provides to members. Cities should not have a voice in SCA if they are not a member.

Bernie Talmas concurred with Haggerton. Talmas stated that Bellevue Councilmember John Stokes is a valuable member of the RPC, but nonetheless felt that members should have priority over non-members.

Gerend agreed that members should take priority over non-members, but was ambivalent as to whether it should be a formal policy or not.

Haggerton stated that there are individuals who are interested in SCA however, their cities have not wanted to join and SCA has been catering to those individuals.

President Marchione stated that it should be kept merit based where the PIC Nominating Committee could take into consideration if the applicant's city is a member. He continued that it would not lock SCA into a specific policy and preserves flexibility.

Nancy Backus stated that preference should be provided to members, which provides some flexibility in a year where a candidate from a non-member city may be the best fit.

Dawson reminded members that when Mercer Island left the SCA membership, it still had representatives who served on committees. Dawson continued that different cities leave at different times for different reasons, reminding the Board about Carnation dropping membership for a time due to financial concerns.

Haggerton noted that the highest SCA dues are approximately \$39,000, which is not a large amount of money for a large city. He noted that ability to pay dues is unlikely to be the cause of non-members not joining.

David Baker stated that dues paying members are interested in serving on regional boards and committees and that every city can experience financial struggles.

Larson stated that he cannot think of any other organization that appoints non-members and would like to set a policy that non-members cannot serve on committees.

President Marchione stated that he would like to preserve the principle of flexibility and would not vote for a policy that restricted it.

Gerend also stated that he would like to preserve flexibility.

Eggen stated that he doesn't think SCA should appoint non-members in ordinary circumstances. Having heard the arguments on extraordinary stances, Eggen stated that if there is a city that has been a longstanding member but is unable to continue membership, flexibility should be maintained. A policy giving preference to member cities would preserve flexibility.

Dawson clarified that the bylaws state that non-members may be considered for committees. The Board could take action on a policy that gave preference to non-members, but a policy that barred non-members from serving would conflict with the existing bylaws.

Matt Larson moved, seconded by Bernie Talmas, to adopt a Board policy stating that preference shall be given to SCA member in appointments to regional boards and committees.

The motion passed 9-3. Don Gerend, Bob Harrison, and John Marchione voted no.

The Board agreed that non-member cities who have applied for committees should be given notice of the change in policy.

10. President's Report

President reported that his topics have been covered in other areas of the agenda.

11. Executive Director's Report

Deanna Dawson, SCA Executive Director, reported that Dave Gordon has resigned as Mayor of Black Diamond.

Dawson reported that the Early Learning Roundtable received strong support for SCA to be a co-convenor from members who responded.

Dawson gave an update on the work of the PIC Nominating Committee. Dawson stated that SCA received a record number of applicants and new applicants. She continued that there were 78 applicants from 27 SCA member cities & Bellevue.

Dawson reported that there was one committee, South Central Action Area Caucus Group (SCAACG), that did not receive applicants. Dawson inquired with members if they would like to open these seats to city staff, based on the recommendation of the nominating committee. Dawson also shared information that staff received from county staff that there will be new funds flowing through this committee. The Board agreed that the committee could be open to both staff, and elected officials and asked that a new call for nominations be sent out.

Dawson reported on additional seats that SCA obtained in 2014: 2 new seats on Regional Law, Safety, and Justice Committee (RLSJ); 4 alternate seats to the Domestic Violence Initiative (DVI) Regional Task Force; 1 seat on the Safety of Newborn Children Task Force; and 1 seat on the

Economic Development Council of Seattle and King County (EDC) Board. Dawson noted that staff is seeking 2 alternate seats on the Committee to End Homelessness (CEH) Governing Board. Dawson mentioned that a challenge with CEH is the meeting conflict with SCORE Board meetings. Dawson reported that SCA is seeking new applicants for a vacant seat on the King County Flood Control District Advisory Committee (KCFCDAC) and will send out a call for nominations. Dawson stated that next year there will be a few committees where members will reach their term maximum and will rotate off of committees.

Dawson reported that the regional caucus meetings are in December and encouraged Board members to attend.

Dawson stated that there will be a graphic demonstration done by Lori Rock at the SCA annual meeting and networking dinner on December 3, 2014. Rock may also attend the SCA Board retreat. This will be done for SCA free of charge.

Dawson reported that the appointee orientation is scheduled for January 28, 2015 and SCA will also do a caucus chair training in 2015.

Dawson reported on a meeting with staff from Congressman Adam Smith's office.

Dawson reported on the Communities of Opportunity.

Dawson reported that the work of the Youth Action Plan Task Force.

Dawson reported that the King County Council adopted the King Conservation District's (KCD) proposal and that the KCD is very happy and appreciative of SCA's support. Matt Larson commented that SCA was mentioned several times in council deliberations.

Dawson reported that at the SCA annual meeting President Marchione will provide the highlights on the list of SCA accomplishments.

12. City Manager's Report

Bob Harrison, Issaquah City Administrator, reported that at the November 5, 2014 meeting of the City Managers and Administrators, Public Health – Seattle and King County (PHSKC) gave a presentation on the authority of PHSKC on quarantine procedures and exposure tracking. Harrison reported that if there is a positive test, the community would be notified. Harrison noted that there is a better understanding on how health systems are doing hospital management. Deanna Dawson added that Dr. Fleming is leaving PHSKC to work for an organization that is working to tackle the world's biggest health challenges. David Baker reported that there are multiple people on self-monitoring in Seattle and that no one facility would be able to provide care for more than 1 or 2 infected patients.

13. Economic Development Council of Seattle and King County Report (EDC)

Mayor Backus reported on the Economic Development Council of Seattle and King County's Executive Committee meeting on November 13, 2014. Backus reported that there was higher attendance than the October meeting. Backus reminded members that the 43rd Annual Economic

Development Forecast Conference. Backus reported that EDC Board retreat was on November 20, 2014 and was attended by 15 members. Backus reported that the EDC is trying to change its membership so that the percentage of private industry is larger than public entities and that the EDC is working to increase its members from 65 to 75 by the end of the year.

14. Discussion Items

2014 Annual Meeting:

Deanna Dawson invited members to provide feedback for the SCA Annual Meeting on December 3, 2014.

Caucus Meetings:

Dawson reported that the SCA Regional Caucus meetings are scheduled for December 17, 2014 for the South and South Valley meeting and December 18, 2014 for the North and Snoqualmie Valley meeting.

2015 SCA Board Nominating Committee Appointments:

The Board discussed the committee and sought volunteers. Denis Law, John Marchione, Chris Eggen, and Bill Allison agreed to serve, and Mayor Marchione appointed the committee.

2015 SCA Board Retreat:

Dawson asked members for retreat topic suggestions, broad or specific in nature. Dawson stated that the best date for the retreat appears to be January 30, 2015. Dawson asked if any members would like to host the retreat. Nancy Backus offered the Auburn Golf Course for the retreat location. The Board thanked Mayor Backus, and agreed to hold the retreat at this date and location.

Bernie Talmas suggested that the retreat topics include expanding SCA's regional influences and increasing public awareness of SCA.

Locations for 2015 Board Meetings:

Dawson reported that this discussion item was talked about at the October meeting and there was support for rotating the meetings to different cities. Dawson noted that there is a need for a January meeting prior to the retreat. President Marchione offered to host the January 21, 2015 meeting will be held at Redmond City Hall.

15. For the good of the order

There were no comments for the good of the order.

16. Adjourn

The meeting was adjourned at 12:09 p.m.