**SOUTH FIRE STATION FINANCING**

In recognition of the economic climate, REET funding shortages and the need for a new fire station, Council and staff brainstormed what options they could pursue in 2010. After discussion of design phases, bond or other funding sources, public safety, and possible postponement, the Council agreed to start the "building program" phase in 2010. This phase establishes the purpose and mission of the future facility vis-à-vis the operations that are intended for the building. It is a pre-cursor to determining project scale and cost. City Manager Conrad will propose to the Council how to pay for the estimated $20,000 in architectural services.

In response to an inquiry from Council, Fire Chief Chris Tubbs said he expected to hear whether Mercer Island would be awarded a Homeland Security Grant in September 2010.

**2011-2012 BUDGET PROCESS DISCUSSION**

Council and staff discussed the biennial citizen survey. Councilmember Cero recommended skipping the 2010 survey because of the budget shortfall. Two Councilmembers supported this idea. City Manager Conrad suggested the possibility of fewer calls to save costs. Councilmember Litzow advocated continued support of the survey and requested staff check with the pollsters on how to reduce costs. Councilmember Grady endorsed transitioning to paperless or electronic surveys to save money. Four Councilmembers supported continuing the survey as well as looking at ways to transition to electronic surveys.

Next, Council and staff discussed the budget calendar, ways to improve budget discussions and methods to achieve Council's goals for those discussions. Finance Director Corder recommended that prior to launching into budget detail he would provide a budget overview prior to the October 4 meeting. He suggested splitting the operating budget review into 3 meetings (the first two to review department budgets and a follow-up meeting for issues raised, revenue projections, etc.). Councilmember Litzow advised starting budget meetings earlier, like 6:00 p.m., to avoid late-night deliberations. The Council discussed the possibility of seeing revenue projections prior to developing the budget, but decided to continue reviewing staff's budget first.

Mayor Pearman reiterated the Council's goal of shorter staff presentations and reminded the Council of the importance of preparing for these discussions. He also preferred giving staff the leeway to provide more detailed presentations when deemed necessary.

City Manager Conrad followed up by saying that a discussion on Council budget presentations will be a top priority at the upcoming management retreat.

Councilmember Litzow pointed out that the July 5 meeting scheduled conflicts with Independence Day holiday.

**SUSTAINABILITY**

Deputy City Manager James Mason explained that the Council's investments in staff and consultant time had leveraged $35,000 into three sustainability grants totaling nearly $420,000. He noted that the City is maintaining the ICLEI database and monitoring savings from the City's sustainability initiatives. He said that the fuel savings in the City's new electric and hybrid vehicles will offset the price differential of these vehicles.

The Council raised questions about the new electric bikes for police officers. Police Chief Ed Holmes said that in the past, non-motorized bicycles limited how far the officers could travel from their vehicles. He went on to explain that electric bikes, which travel at speeds of 35 miles per hour, will allow officers to travel greater distances on bicycle trails and then speed back to their cruisers if they are called by dispatch. In response to a query, he said that the City will maintain three officers on duty at all times.

Councilmember Bassett described the growth and citizen advocacy of the Green Ribbon Commission. He said there are more than 25 citizens involved and the transportation and home energy efficiency committees have developed social marketing campaigns. He announced that the transportation committee is sponsoring three "YouPowered" events focused on getting around the Island without using a car.