

**CITY OF SHORELINE**

**SHORELINE CITY COUNCIL  
SUMMARY MINUTES OF SPECIAL MEETING**

Monday, August 6, 2012  
7:00 p.m.

Council Chamber - Shoreline City Hall  
17500 Midvale Avenue North

**PRESENT:** Mayor McGlashan, Deputy Mayor Eggen, Councilmember Hall, Councilmember McConnell, Councilmember Winstead, and Councilmember Roberts

**ABSENT:** Councilmember Salomon

**1. CALL TO ORDER**

At 7:00 p.m., the meeting was called to order by Mayor McGlashan, who presided.

**2. FLAG SALUTE/ROLL CALL**

Mayor McGlashan led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present.

**PRESENT:** Mayor McGlashan, Deputy Mayor Eggen, Councilmember Hall, Councilmember McConnell, Councilmember Winstead, Councilmember Salomon, and Councilmember Roberts.

**ABSENT:** None

**(a) Proclamation of Celebrate Shoreline**

Mayor McGlashan read the proclamation declaring August 11 through August 19 as Celebrate Shoreline Week and presented the proclamation to Evan Voltsis, the 2012 Celebrate Shoreline Parade Grand Marshal, who thanked the City for the recognition.

**3. REPORT OF THE CITY MANAGER**

Julie Underwood, City Manager, provided reports and updates on various City meetings, projects, and events.

**4. COUNCIL REPORTS**

Councilmember McConnell commented on the SeaShore Transportation Forum and the Regional Water Quality Committee.

Deputy Mayor Eggen reminded everyone about the closure of Route 167 this weekend.

Mayor McGlashan discussed the Aurora Corridor Ribbon Cutting ceremony for the final phase of the project.

5. PUBLIC COMMENT

a) Nancy Morris, Shoreline, hoped that the Council carefully considers the proposed Seattle Public Utilities (SPU) purchase.

b) Robert Ransom, Shoreline, stated that the SPU Steering Committee voted to approve the SPU acquisition be put on the ballot by a large majority. He added that the City is in excellent financial shape.

c) Bill Montero, Shoreline, expressed support for the recommendation to pursue the SPU acquisition.

d) Wendy DiPeso, Shoreline, commented that a changing financial picture and legal ambiguities should give the Council reason enough to reconsider the SPU acquisition.

e) Art Maronek, Shoreline, communicated that the City of Seattle has to follow State law to sell any of their utility.

6. APPROVAL OF THE AGENDA

**Upon motion by Councilmember Hall, seconded by Councilmember Roberts and unanimously carried, the agenda was approved.**

7. CONSENT CALENDAR

**Upon motion by Councilmember Hall, seconded by Deputy Mayor Eggen and unanimously carried, the following Consent Calendar items were approved:**

- (a) **Minutes of Business Meeting of July 9, 2012**  
**Minutes of Business Meeting of July 16, 2012**  
**Minutes of Special Meeting of July 23, 2012**  
**Minutes of Business Meeting of July 23, 2012**

(b) **Authorize the City Manager to Execute an Interlocal Joint Purchasing Agreement with the Shoreline School District**

8. PUBLIC HEARING

(a) Public hearing to receive citizens comments on Ordinance No. 641 Floodplain Management and Related Development Code Amendments

Brian Landau, Surface Water Manager, and Juniper Nammi, Planner, presented the recommendation for adoption of Ordinance No. 641 related to floodplain management. He

outlined the extensive public process, hearings, the several meetings with residents, the SEPA process, and the comments from the Washington State Department of Ecology.

Councilmember Roberts discussed the concerns of the residents in Richmond Beach and Mr. Landau replied that the residents of Richmond Beach are aware how they can comment and influence the process.

Ms. Nammi also replied that there haven't been any residents from Thornton Creek or Boeing Creek expressing interest at this time.

Councilmember McConnell communicated that Mr. Relph and Mr. Sanchez were very helpful to her neighborhood.

Councilmember Winstead thanked the City staff for their work.

Councilmember Salomon also thanked the City staff and stated that the only opposition was from residents in Richmond Beach and the City staff resolved their concerns.

Mayor McGlashan opened the public hearing.

No one wished to speak concerning this item.

Mayor McGlashan closed the public hearing.

## 9. ACTION ITEMS: ORDINANCES, RESOLUTIONS, AND MOTIONS

(a) Adoption of Ordinance No. 641 Floodplain Management and Related Development Code Amendments

**Councilmember McConnell moved to adopt Ordinance No. 641 Floodplain Management and related Development Code amendments, seconded by Councilmember Salomon. Motion carried 7-0.**

(b) Adoption of Ordinance No. 644 Authorizing the City to Acquire and Operate a Water Utility within the Seattle Public Utility Service Area in the City of Shoreline; and Providing for the Submission of this Ordinance to the Qualified Electors of the City of Shoreline at an Election to be Held on November 6, 2012

Debbie Tarry, Assistant City Manager, provided a short presentation with the City Manager's recommendation to move forward with placing the SPU acquisition on the November 6 General Election ballot.

**Councilmember Winstead moved to adopt Ordinance No. 644 authorizing the City to acquire and operate a water utility within the Seattle Public Utility service area in the City of Shoreline; and providing for the submission of this Ordinance to the qualified electors of**

**the City of Shoreline at an election to be held on November 6, seconded by Councilmember McConnell.**

Councilmember Winstead spoke in support of the motion and Ms Tarry clarified that there needs to be a public hearing held, but no public vote needs to occur in the City of Seattle. Additionally, there doesn't need to be a two-thirds approval by the City of Seattle Council. Councilmember Winstead spoke in favor of the acquisition.

Councilmember Roberts confirmed with City Attorney Ian Sievers that the difference between Section 1A and Section 1C is that this would be a new franchise agreement and Seattle would sell wholesale water to Shoreline. He also added that there would potentially be three agreements with Seattle, one for wholesale water, one for regional facilities, and one for up to fifteen years of franchise for retail customers. Councilmember Roberts also confirmed that the language about wanting to acquire the southeast corner doesn't preclude the ordinance and that there are many good reasons to purchase this, to include the fact that Shoreline SPU ratepayers pay millions of dollars to the City of Seattle general fund and that SPU has high utility rates. He added that he doesn't support a purchase price of more than \$26.6 million and felt the City of Seattle won't try to negotiate for more. He felt the City can administer a water utility and will be good stewards, thus setting reasonable rates. Councilmember Roberts added that he isn't convinced that the separation costs will be as low as projected, but felt this should go to the voters and people should study the implications.

Councilmember Salomon stated that he supported placing it on ballot and it would be a positive thing if the voters approve it. The City, he said, would then work with Seattle to finalize the agreement. He expressed concern regarding public comment discussion about RCW 35.94.020 and noted that the City Attorney informed the Council that RCW 35.94.040 was responsive concerning the correct way for the City of Seattle to dispose of the property.

Councilmember Hall communicated that the vision of the City when it was created was to improve the City, roads, sidewalks, drainage, etc. The Council, he said, has looked at the negatives, but there are a lot of positives and overall, this is a slam-dunk win for the City.

Councilmember McConnell communicated that this isn't an "iffy" decision for her. She supported the ordinance and the establishment of the pro and con committees.

Deputy Mayor Eggen communicated that there are significant advantages and benefits to the City of Shoreline operating its own water utility. He noted that the steering committee and City staff worked hard and came out with a strong recommendation. He acknowledged Councilmember Roberts' comments about the risk, but felt it is unlikely.

Councilmember Roberts stated that the point of no return in his opinion is when the City agrees to purchase the asset, not when a loan is asked for or budget changes occur. He added that the scenario reflects what is currently going on and he wouldn't characterize the risk as unlikely.

Mayor McGlashan summarized the comments of the Council. He noted that SPU has been discounting Seattle citizens due to our subsidy. He thanked the citizens and stated that this isn't

about SPU giving the City of Shoreline bad service, but it's about local control. He thanked City of Seattle Mayor McGinn and dispelled rumors concerning the negotiations. He supported having this going out to the residents for a vote.

**A vote was taken on the motion to adopt Ordinance No. 644 authorizing the City to acquire and operate a water utility within the Seattle Public Utility service area in the City of Shoreline; and providing for the submission of this Ordinance to the qualified electors of the City of Shoreline at an election to be held on November 6, which carried 7-0.**

(c) Appointment of Pro and Con Committees for City of Shoreline Proposition 1, Authorizing the Acquisition and Local Control of Seattle Water Services in Shoreline

Debbie Tarry, Assistant City Manager, provided a brief staff report. She stated that the committees are responsible for creating the pro and con statements for the ballot measure. Additionally, she stated that there can be three on each committee and the appointments will be communicated to King County. Ms. Tarry highlighted that the City staff recommends David Harris, Joseph Irons, and Sis Pohn be appointed to the Pro Committee and John Behrens, Tom Jamieson, and Art Maronek be appointed to the Con Committee.

**Councilmember Roberts moved to approve the appointment of pro and con committees for the City of Shoreline Proposition 1, authorizing the acquisition and local control of Seattle water services in Shoreline as recommended by the City staff, seconded by Councilmember Salomon.**

**A vote was taken on the motion to approve the appointment of pro and con committees for the City of Shoreline Proposition 1, authorizing the acquisition and local control of Seattle water services in Shoreline as recommended by the City staff, which carried 7-0.**

#### 10. ADJOURNMENT

At 8:26 p.m., Mayor McGlashan declared the meeting adjourned.

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Scott Passey, City Clerk