

DRAFT

CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF REGULAR MEETING

Monday, October 27, 2003
7:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

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

ABSENT: Deputy Mayor Grossman and Councilmember Montgomery

1. CALL TO ORDER

The meeting was called to order at 7:34 p.m. by Mayor Jepsen, who presided.

2. FLAG SALUTE/ROLL CALL

Mayor Jepsen led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present with the exceptions of Deputy Mayor Grossman and Councilmember Montgomery.

Upon motion by Councilmember Hansen, seconded by Councilmember Chang and unanimously carried, Deputy Mayor Grossman and Councilmember Montgomery were excused.

- (a) King County Councilmember Carolyn Edmonds—
Update on King County Executive Ron Sims’
Proposed 2004 Budget

King County Councilmember Edmonds provided an overview of the proposed King County budget, outlining the regional, local and contract services provided by the County, the County’s sources of revenue, and the general fund expenditures. She noted that only ten percent of the property tax comes to King County, although it collects the tax for all taxing jurisdictions. She pointed out that the general fund has a shortfall every year because revenues are growing more slowly than expenditures. In 2004 this shortfall will be \$23 million. The on-going shortfall has resulted in cuts to services in the Sheriff’s Office, District Court, health and human services and parks.

Councilmember Edmonds said the most controversial part of the proposal to balance the budget is to charge the Solid Waste Utility rent for the Cedar Hills Landfill. Councilmember Hansen noted that he opposes this idea.

Councilmember Edmonds concluded by describing the human services funding for Shoreline and the capital projects scheduled for the Shoreline area, including the 1st NE transfer station upgrade, the Aurora Transit Corridor improvements, and the Hidden Lake Pump Station.

Responding to Councilmember Chang, Councilmember Edmonds said the regional parks levy was passed specifically to fund regional parks, so Shoreline residents' contributions cannot be earmarked for Shoreline parks.

Councilmember Gustafson raised the issue of the Brightwater project's impacts to Shoreline. Councilmember Edmonds responded that the money in the current budget for Brightwater is for design. Since Shoreline will be the permitting authority for the outfall, it should be able to negotiate mitigation of negative impacts. She concluded by soliciting the opinions of Councilmembers and residents prior to budget adoption by the County Council.

Mayor Jepsen thanked Councilmember Edmonds for the update and also for donating a passenger van to the City.

3. CITY MANAGER'S REPORT

Steve Burkett, City Manager, asked the Council to delete Item 10(a) from the agenda, since the Interurban Trail bid opening has been delayed and will be on next week's agenda. He also noted that the City's United Way campaign exceeded its goal and over \$20,000 was collected from City employees, a 20 percent increase over last year.

Mayor Jepsen thanked staff for its support of United Way. He also mentioned the visit to Boryeong, Republic of Korea. He shared a large photograph of the three miles of beach area that is highly developed for public use. He also mentioned the planned visit of a Boryeong delegation in the spring.

4. REPORTS OF BOARDS AND COMMISSIONS: none

5. PUBLIC COMMENT

(a) LaNita Wacker, Shoreline, commented on the disappearance of campaign signs and told a story of a very dignified campaign that occurred when Judge Wacker was running for Shoreline District Court.

(b) Janet Way, Shoreline, felt the public process for the updates to the Comprehensive Plan is not being conducted in a way that facilitates citizen involvement. She objected to the fact that citizens are not allowed to speak at the meetings of the Planning Commission work groups. She suggested that citizen advisory committees be formed as occurred when the first Comprehensive Plan was developed. She also reiterated an earlier suggestion to create an Environmental Quality Commission similar to Lake Forest Park's.

DRAFT

(c) Stan Terry, Shoreline, supported the suggestion of an Environmental Quality Commission. He also commented on the Aurora Corridor Project, noting it was a plan developed by all segments of the community and supported by them.

(d) Cindy Ryu, Shoreline, spoke about the King County budget, noting that Shoreline staff did not testify at the budget hearings. She felt citizens should be told what the Council and staff communicates to Councilmember Edmonds.

(e) Gretchen Atkinson, Shoreline, commented on the appropriateness of naming the Connie King Skate Park after Shoreline's first mayor and the parks biggest proponent.

(f) Fred Clingan, Shoreline, objected to Executive Sims' proposal to charge the solid waste utility annual rent of \$7 million for the Cedar Hills Landfill. He felt that this was never intended to be an income generator for the general fund. If the County can find any savings, they should go directly to the utility or to the ratepayers. He said the rental proposal will set a bad precedent when the Harbor Island Landfill comes on line.

(g) Brian Doennebrink, Shoreline, also commented on the Aurora Corridor project. He recalled the County's initial offer in 1995 to add a new northbound lane and the Council decision to look at the entire corridor. He also noted that much of the money for the project is grant funding that cannot be allocated in any other way. He concluded with several comments regarding sidewalk widths and the median.

Tim Stewart, Planning and Development Services Director, explained the Comprehensive Plan update process, noting there are several phases to the review. He said the current meetings of Planning Commission work groups are to collect and discuss information with staff. Later there will be public hearings before both the Planning Commission and the City Council.

Mayor Jepsen responded to the other public comments.

6. APPROVAL OF THE AGENDA

Councilmember Hansen moved approval of the agenda, deleting item 10(a) as requested by the City Manager. Councilmember Gustafson seconded the motion, which carried unanimously, and the agenda was approved as amended.

7. CONSENT CALENDAR

Councilmember Ransom moved approval of the consent calendar. Councilmember Gustafson seconded the motion, which carried 5-0, and the following items were approved:

Minutes of Workshop Meeting of October 6, 2003

**Minutes of Dinner Meeting of October 13, 2003
Minutes of Regular Meeting of October 13, 2003**

**Approval of expenses and payroll as of October 17,
2003 in the amount of \$679,280.17**

**Motion to adopt the City of Shoreline's 2003 –
2009 Strategic Plan**

**Motion to approve a \$5,000 mini-grant to the
North City Neighborhood Association for its
holiday tree and street banner project an
Rotary Pocket Park project**

8. ACTION ITEMS: PUBLIC HEARINGS

- (a) Public hearing to consider citizens comments on the proposed 2004 budget

Debbie Tarry, Finance Director, provided an overview of the proposed 2004 budget, noting that it is balanced and totals \$58.3 million. She said it reflects conservative revenue projections and shows reduced expenditures in the areas of health insurance benefits, jail costs and janitorial services. There is an increase in right-of-way maintenance services. She reviewed a variety of financial information, including revenue sources, 2001 taxes per capita, sales tax comparisons, distribution of property taxes, expenditures by category, personnel costs [three new positions but with no budget impacts, a 1.2 percent market adjustment to salaries, and health care costs], and a comparison of staffing levels among various comparable cities. She noted that Shoreline has only 2.6 staff per 1,000 residents.

Mayor Jepsen opened the public hearing.

(a) Mark Deutsch, Shoreline, commended the Council for its conservative financial planning but objected to the City Hall Project at this time.

(b) Jeff Lewis, Shoreline supported an allocation for a "Show Mobile" to be purchased by the Shoreline/Lake Forest Park Arts Council, the School District and the Breakfast Rotary for outdoor theater presentations.

(c) Cindy Ryu, Shoreline, commented that the amended 2003 budget increased by \$6.7 million from the adopted budget. She also pointed out an inaccuracy in the budget figure in the Strategic Plan. She concluded the funds should be spent to make Shoreline "a safe place to live."

(d) Janet Way, Shoreline, concurred with Mr. Deutsch that the City should wait for a new city hall. She felt the citizens are unaware of plans for this project and

should have an opportunity to comment on them. She also mentioned the potential loss of sales tax revenue due to the Aurora project.

Upon motion by Councilmember Hansen, seconded by Councilmember Gustafson and unanimously carried, the public hearing was closed.

Councilmember Hansen commented that moving forward with the City Hall Project will be a financial decision that involves comparing buying and building to renting facilities over time. Councilmember Gustafson concurred.

Responding to Ms. Ryu, Ms. Tarry explained that the 2003 budget was amended twice, once to reappropriate funds allocated but not spent in 2002 and the other time to move one-time savings from the 2002 budget to the Capital Improvement Plan budget for the City Hall Project.

Mayor Jepsen asked staff to try to calculate the impacts of the Aurora project by providing a breakdown of sales and property taxes paid by Aurora businesses.

Mr. Burkett commented that, unlike King County, which is balancing its budget with new revenues, the City has reduced expenditures in the operating budget by 14%.

Ms. Tarry explained the process of review of the departmental budgets and how the performance measures associated with each budget will be tracked and used. She then reviewed the City Council budget, which has a 12.03% increase because all Councilmembers will be eligible for health insurance in 2004.

Councilmember Ransom said he did not care where it appeared in the budget, but he felt the discussion should occur about potential funding for sister city activities. He noted that Federal Way provides \$15,000 for this purpose.

Mayor Jepsen felt that if there is a sister city allocation, it should be a match to money raised independently by the Sister Cities Association.

Councilmember Hansen commented that no expenses for the recent trip to Boryeong were charged to the City and the Sister Cities Association did raise some money for gifts.

Turning to the City Manager budget, Ms. Tarry said there has been a decrease of 1.9% because of reduced professional services and the shifting of \$13,000 to the City Attorney's budget to help fund an administrative assistant in that office.

Ms. Tarry explained that the City Clerk's budget has increased by an extremely small percentage. Mayor Jepsen asked why license revenues are projected to be less in 2004, to which Sharon Mattioli, City Clerk, responded that early in 2004 a proposal will come forward to eliminate some of the specialty licenses.

With regard to the Communications and Intergovernmental Relations budget, Ms. Tarry said there is an overall decrease and a shift of \$15,000 from the temporary help item to support hiring a part-time administrative assistant.

Councilmember Gustafson asked about the use of the mini-grants and said he would like to discuss this allocation.

Joyce Nichols, Communications and Intergovernmental Relations Director, said that expenditures vary from year to year, as do the neighborhood associations applying for grants. Except for the Highlands, all neighborhoods have used at least one mini-grant.

Moving on to the City Attorney's Office, Ian Sievers, City Attorney, explained the overall increase of \$12,748 (2.69%). The budget proposes a new Administrative Assistant, partially funded by money from the City Manager's budget and partially funded through a reduction in professional services. Mr. Sievers explained why an assistant with legal training is important and noted that all other City Attorney Offices in comparable cities have at least one such position.

There was a brief discussion of the work of the domestic violence advocate and the prosecuting attorney. Mayor Jepsen wondered about the workload of the domestic violence advocate and Councilmember Gustafson asked whether the City has improved its handling of domestic violence cases since this service was taken in-house.

Police Chief Denise Turner provided statistics from 2002, noting there were 366 domestic violence-related cases in Shoreline, an increase over 2001.

Mayor Jepsen then commented on the 7% increase in the costs of the prosecuting attorney for 2004. Mr. Sievers explained that this is an estimate that includes a contingency that will probably not be required and the actual expenditure will probably be closer to 2003's \$110,000.

Responding to Councilmember Ransom, Mr. Sievers said the public defender is funded in the Criminal Justice budget so there is no conflict of interest having both the public defender and the prosecuting attorney in the same department.

Mr. Burkett commented that during budget development this year staff was told that new positions would only be allowed if there is a way to pay for them without additional funding.

Ms. Tarry then reviewed the Finance Department budget. The overall decrease of \$403,082 (9.97%) is mainly due to reductions in the Technology Plan. She also noted that the Grants Specialist position has been moved to the Finance Department, with funding spread across the CIP, Finance and Human Services.

Ms. Tarry concluded with a discussion of the citywide expenses category, which is \$1.4 million and includes liability and property insurance, election costs, citywide

memberships, copier equipment and maintenance costs and the various budgeted contingencies. The contingencies include:

- Insurance reserve (\$255,000)
- Operational (\$250,000)
- Health insurance reserve (\$18,000)
- PERS increase (\$67,749)
- Police communications equipment (\$85,000) and
- Wedge development (\$55,400).

She explained that generally the contingency funding is not expended.

Councilmember Hansen suggested that staff double check the reduction of benefits on page 112 of the budget. He also asked for clarification of the increase in intergovernmental payments, which Ms. Tarry attributed to higher election costs and the police communications equipment contingency.

Mayor Jepsen asked for clarification of the differences between the IT programs. He wondered why the FTE count should be the same if projects have come on line and the investment in technology is being reduced. He noted his belief that project managers should not be retained on staff after the conclusion of a particular project unless they are assigned another project. Ms. Tarry responded that although the City has completed the purchase of several major software systems, the IT staff has as much internal work to do in the next phase of system integration.

10. ADJOURNMENT

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

Sharon Mattioli, City Clerk

This page intentionally left blank.