

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF DINNER MEETING

Monday, November 24, 2003
6:00 p.m.

Shoreline Conference Center
Highlander Room

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

ABSENT: Councilmember Montgomery

STAFF: Steve Burkett, City Manager; Robert Olander, Deputy City Manager; Julie Modrzejewski, Assistant City Manager; Joyce Nichols, Communications and Intergovernmental Relations Director; Paul Haines, Public Works Director; and Marci Wright, Human Resources Director

GUESTS: Shoreline Water District Commissioners Charlotte Haines and Ron Ricker; General Manager Stu Turner; and consultant David Findley

Mayor Jepsen convened the meeting at 6:25 p.m.

Steve Burkett, City Manager, introduced the two Shoreline Water District Commissioners and staff, who had come to provide an update on progress in the discussions between the Shoreline Water District (District) and the City of Seattle regarding the District's acquisition of the portion of the Seattle Public Utility (SPU) water system in Shoreline.

Stu Turner, District General Manager, provided an overview of the issues discussed with SPU on potential acquisition of the system. Mr. Turner said the District has conducted an analysis of the SPU system. RH2 Engineering was hired by the District to look at the technical and physical parts of the system (the pumps, piper, valves, etc.). The District also has conducted a financial analysis of the SPU system to determine its value as an asset.

David Findley, financial consultant to the District, discussed the three approaches (income, market and cost) used to evaluate the SPU system to determine its potential value. The District and the City discussed potential next steps, including having City representatives join District representatives during negotiations with the City of Seattle.

Councilmembers asked staff to discuss options with Councilmember Hansen, who serves as the Council's liaison to the District, and then report back to the Council.

On another matter, Mr. Burkett brought up the issue of City Councilmember health benefits. Mr. Burkett explained that under the City's health benefit policies through the

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Association of Washington Cities, four members of the Council need to vote in order for the City Councilmembers to receive health benefit coverage under the City's Health Care Plan.

Councilmembers Chang and Ransom indicated they were interested in receiving the coverage. In the absence of the four votes required, Mr. Burkett said the City Council could re-visit the issue in January when there would be two new Councilmembers.

Mayor Jepsen adjourned the meeting at 7:25 p.m.

Joyce Nichols, Communications and Intergovernmental Relations Director