

**DRAFT**

**CITY OF SHORELINE**

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

Monday, March 27, 2006  
7:30 p.m.

Shoreline Conference Center  
Mt. Rainier Room

PRESENT: Mayor Ransom, Deputy Mayor Fimia, and Councilmembers Gustafson, Hansen, McGlashan, Ryu, and Way

ABSENT: none

1. CALL TO ORDER

The meeting was called to order at 7:36 p.m. by Mayor Ransom, who presided.

2. FLAG SALUTE/ROLL CALL

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

(a) Proclamation of Consul General Jae-Gouk Kim Week

Mayor Ransom read the proclamation and outlined the accomplishments of former Consul General Kim. He noted that the Consul General was a strong supporter of Shoreline and proclaimed the week of March 27, 2006 as "Jae-Gouk Kim Week" throughout the City.

3. CITY MANAGER'S REPORT

Bob Olander, Interim City Manager, reported on the following items:

- The Oltman Family recently donated a historical and interpretive sign to the City for visitors of the Bluff Trail along Richmond Beach Saltwater Park.
- Completion of installation of all streetlighting and traffic signal poles at the North City project. There has also been restoration activity on private property on sidewalks, driveways, and walkways.
- Near completion of the support columns for the Interurban Trail Bridge, along with installation of the first shipment of decorative art panels.
- The 2nd Annual Shoreline Live! Variety show on March 28, at 7:00 pm in the Shoreline Center Auditorium.

4. REPORTS OF BOARDS AND COMMISSIONS:

Councilmember Ryu attended a reception with Governor Gregoire called “Economic Vitality: Rising to the Goal of Economic Competition.” She suggested that Tom Boydell, Economic Development Manager, research Washington State’s export assistance program on behalf of Shoreline businesses. She also reported on the success of the fundraising efforts at the Shoreline Boosters Auction.

Councilmember Way said she attended an Aurora Corridor “walkabout” with Councilmember McGlashan and Kirk McKinley. They visited McDonald’s, Nora Bistro, several businesses in Ryu Plaza, Wells Fargo Bank, Central Chiropractic, Qualstar Credit Union, Allstate Insurance, Nursing Assistant Training Institute and several other local businesses. She commented that the business owners were glad that the sidewalks were near completion and posters were given to them outlining the progress of the project. There was discussion about promoting the businesses as a way to thank them for enduring the construction on Aurora Avenue. She appreciated being able to attend the National League of Cities (NLC) Conference. She said she attended the Community Economic Development Committee meeting which continues to urge Congress to provide funding for the Community Development Block Grant (CDBG). She also attended the Energy, Environment and Natural Resources committee meeting. The committee decided on a list of priority goals, including energy supplies, water quality, wetland preservation, FEMA maps, global warming, and air quality issues. She added that she attended events with keynote speakers and did some lobbying on the last day. She concluded that all of the materials she obtained at the workshop would be available in the City Manager’s Office.

Councilmember Gustafson attended a Shoreline Public Schools “History Day” function where he and Deputy Mayor Fimia served as judges. Regarding the NLC Conference, he said Senator Voinovich highlighted that children in the United States are behind those of other countries in science, math, and technology. He added that Senator Chertoff from the Department of Homeland Security emphasized the national need for better emergency management planning and the lack of a moral responsibility by Americans to get out of harm’s way if so instructed by federal, state, and local agencies. First Lady Laura Bush discussed youth and juvenile crime and the fact that opportunities for music, physical activity, and art are declining. He pointed out that the Shoreline School District has to reduce its budget by \$4.7 million and noted that after-school programs will be reduced. He said on in the NLC First Tier Suburbs Committee the common issues in suburbs across the country include inadequate housing, aging and deteriorating housing stock, aging household members, increasing maintenance costs, absentee landlords, and predatory lending, among other issues. The main issue, he expressed, is addressing the problem of aging and deteriorating housing.

Councilmember McGlashan said he enjoyed the NLC Conference. He concurred with the NLC President’s focus on creating inclusive communities and noted that the focus of the Community and Economic Development Steering Committee meeting was post-disaster response, housing, and immigration. He stated that he attended “Teens Are

Talking, Are We Listening” here in Shoreline and thanked the sponsors for the three-hour presentation on insights into how teenagers think.

At the NLC Conference Mayor Ransom attended “Building Accountability and Commitment: The Restoration of Communities” which focused on the utilization of alternative means to restore communities and how to think “out-of-the-box” to solve problems. He also attended a seminar on “Leading Your Community Through Effective Strategic Communications” and a Human Development Steering Committee meeting which discussed the “No Child Left Behind” Act, immigration, and healthcare. As a member of the First Tier Cities Planning Committee, he spoke with Senator Patty Murray and Congressman Jay Inslee about their support for local issues, including the Aurora Corridor. He pointed out that Shoreline requested \$2 million in federal funding for the Aurora Corridor, whereas the City of Seattle requested \$4 billion. He reported on other activities while in Washington D.C., including watching a Senate budget debate and visiting the Library of Congress. He commented on Al Gore’s presentation on the Kyoto Treaty, which has the endorsement of over 185 U.S. cities. He wondered if the City of Shoreline should also endorse the Kyoto Accords.

Councilmember McGlashan urged the public to visit Aurora Avenue businesses because they have been adversely impacted by the construction project. He said the business owners are excited about the bridges and the development of the Aurora Corridor, but they need customers to return to their stores.

## 5. PUBLIC COMMENT

(a) Bob Barta, Shoreline, supported the building of Gateways in Shoreline. He said the Gateways visually connect Shoreline citizens and visitors, sustain the quality of life, and have a redeeming quality. He urged the Council not to let the original goal to build a Gateway plan fall by the wayside.

(b) Todd Linden, Shoreline, on behalf of Friends for Shoreline’s Park Campaign Committee, stated that on May 16<sup>th</sup> residents will vote on the park bond. He said the bond would build pride and community spirit and give residents an opportunity to have something in common. This vote, he said, is not a vote of the City Council; it is a vote of the public. He highlighted that the website for more information is [www.citizensforshorelineparks .org](http://www.citizensforshorelineparks.org).

(c) George Allen, introduced himself as a new member of King County Councilmember Bob Ferguson’s staff, commenting that he hopes to be an asset to Shoreline. He noted that he will be in charge of outreach regarding the King County Sheriff’s Department. He announced that Councilmember Ferguson is holding a Town Meeting on April 4 in Bothell which will be attended by King County Sheriff Sue Rahr. He said Councilmember Ferguson is very interested in the views of the community on potential changes in oversight and accountability in the Sheriff’s Department.

(d) Eskandar Mohazzabfar, Kirkland, announced an arbitration award was granted to Construction International for \$250,000 for wrongful termination related to Paramount Park. He commented on the stressful and detrimental impact this process has had on his family and business. He asked the Council to direct the City Manager to investigate this matter so other businesses won't have to go what he has gone through.

Mr. Olander announced that the Dayton Triangle property issue, which has been an ongoing issue for several years, has finally been resolved. He added that the disagreement concerning Paramount Park has just been decided through arbitration; the City Attorney will forward a memorandum to Council on this issue. He summarized that the City was not satisfied with the work that was done and appealed under the arbitration clause. He also welcomed Mr. Allen as Councilmember Ferguson's representative.

6. APPROVAL OF THE AGENDA

Deputy Mayor Fimia requested that the Special Meeting Minutes of January 3, 2006 be added to the Consent Calendar. Councilmember Hansen pulled the Workshop Minutes of March 6, 2006 from the Consent Calendar. Councilmember Way pulled Consent Calendar Item 7(c) and moved it to Action Items 8(a).

**Deputy Mayor Fimia moved approval of the agenda as revised. Councilmember McGlashan seconded the motion, which carried 7-0 and the agenda was approved.**

7. CONSENT CALENDAR

**Deputy Mayor Fimia moved approval of the consent calendar as amended. Councilmember Gustafson seconded the motion, which carried 7-0, and the following items were approved:**

**Minutes of Special Meeting of January 3, 2006  
Minutes of Special Meeting of February 6, 2006  
Minutes of Regular Meeting of February 13, 2006  
Minutes of Dinner Meeting of February 27, 2006  
Minutes of Regular Meeting of February 27, 2006**

**Approval of expenses and payroll as of March 16, 2006 in the amount of \$3,018,398.53**

**Motion to authorize the City Manager to execute Local Agency Agreements, Supplements, and Prospectus to obligate grant funds totaling \$525,631 for the Aurora Corridor Project (N. 165<sup>th</sup> to N. 205<sup>th</sup>)**

**Ordinance No. 416, creating a New Classification, Recreation Coordinator II**

**Ordinance No. 418, reclassifying the Grant Specialist**

**Resolution No. 241, approving the Economic Development Task Force Strategic Plan**

8. ACTION ITEM: OTHER ORDINANCES, RESOLUTIONS, AND MOTIONS

- (a) Ordinance 414, 2006 Budget Amendment for 2005 Carry overs

Councilmember Way wished to have this item clarified for the public.

**Councilmember Hansen moved to approve Ordinance 414, 2006 Budget Amendment for 2005 Carry-overs. Councilmember seconded the motion.**

Debbie Tarry, Finance Director, explained that carry-overs occur because departments underestimate their expenditures each year and there are carry-over balances that need to be applied to the next year's budget. Specifically, in 2005 the City overestimated expenditures, especially on capital projects. Now, she said, the City needs to apply the rest of the funds to 2006.

**A vote was taken on the motion to approve Ordinance 414, 2006 Budget Amendment for 2005 Carry-overs, which carried 7-0.**

- (b) Planning Commission Appointments

Mayor Ransom opened the meeting to public comment.

(1) Bronston Kenney, Shoreline, said these appointments are very important to the City. He said in the past, citizens were given limited comment opportunities, cannot rebut, and builders and developers have been the only groups heard at Planning Commission meetings. He said the purpose of government is for representatives to advance the interests of their constituents. He commented that the Aurora Corridor and 15<sup>th</sup> Avenue NE are two projects in which poor planning decisions were made. He added that 15<sup>th</sup> Avenue still hasn't been restored to four lanes.

**Deputy Mayor Fimia moved to appoint Sid Kuboi, Rocky Piro, David Pyle, and Michelle Wagner to the Planning Commission. Councilmember Gustafson seconded the motion.**

Deputy Mayor Fimia highlighted that there were 19 applications for the four Planning Commission positions. All applicants are extremely talented, well qualified people and the City is blessed to have so many people who are willing to serve. She continued that of the 19 applicants, the subcommittee decided to interview nine of these individuals. Two of them withdrew, so seven candidates were interviewed. She noted that the Council was very impressed by the remaining seven but the four recommended would

bring the best balance to the Commission. She highlighted that there will now be two or three members from the east side of the City.

Councilmember Way was impressed with the caliber of all the applicants and encouraged others to reapply and offer their services to other commissions in the future.

Councilmember Ryu appreciated the interview process and said all the applicants were highly qualified and experienced. She said there will be other openings in the next two years and she is glad to have been a part of the interview process.

Mayor Ransom noted that six of the seven Councilmembers attended the interview session.

Councilmember Gustafson commented that the decision was difficult for the Council to make, but eventually they arrived at a consensus. He said he is comfortable with the recommendation.

Responding to comments made by Deputy Mayor Fimia, City Clerk Scott Passey noted that the completed applications were posted on the City's website, but no personal information had been posted.

**A vote was taken on the motion to appoint Sid Kuboi, Rocky Piro, David Pyle, and Michelle Wagner to the Planning Commission, which carried 7-0.**

(c) Library Board Appointments

**Councilmember McGlashan moved to appoint Jane Hinton, Susan Hoyne, and Thomas M. Peterson to the Library Board. Councilmember Ryu seconded the motion.**

Dick Deal, Parks, Recreation and Cultural Services Director, confirmed the resignation of Ed Renaud from the Library Board. He said whoever is chosen to fill his position would have a short term.

**Councilmember Ryu moved a substitute to appoint Jane Hinton and Thomas M. Peterson to the full term positions and to appoint Susan Hoyne to the short term position. Councilmember McGlashan seconded the motion.**

Deputy Mayor Fimia said the applicants were very diverse and full of experience. He encouraged all of them and especially Mr. Whitman to seek other City volunteer opportunities as they become available. She enthusiastically supported the recommended motion.

Councilmember McGlashan said he was very impressed with the caliber of the seven applicants, who all have expressed a passion for the library system.

**A vote was taken on the substitute to appoint Jane Hinton and Thomas M. Peterson to the full term positions and to appoint Susan Hoyne to the short term position, which carried 7-0.**

- (d) Approval of the employment agreement appointing Robert Olander as City Manager

**Deputy Mayor Fimia moved to approve the employment agreement appointing Robert Olander as City Manager. Councilmember McGlashan seconded the motion.**

### **EXECUTIVE SESSION**

**At 8:57 p.m., Mayor Ransom announced that the Council would recess into Executive Session for a period of 20 minutes. At 9:22 p.m., Mr. Olander emerged and announced that the Executive Session would be extended for an additional 10 minutes. At 9:42, the Executive Session concluded and the regular meeting reconvened.**

**Mayor Ransom announced the following amendments to the contract. At Item 3(a) at the end of the second paragraph the following sentence was added: “This is a flat or one-step range.” Additionally, at Item 4(b) after the word “employee” add the words “as an addendum on how it will be done by June 1, 2006.”**

**Councilmember Gustafson moved to approve the amended employment agreement appointing Robert Olander as City Manager. Councilmember McGlashan seconded the motion.**

Deputy Mayor Fimia said this action provides the City with more stability and saves the City thousands of dollars by not having to conduct a national recruitment. She said Mr. Olander prefers a flat salary with no bonuses. She highlighted that the salary is mid-range compared to other cities, and the City is not filling the Deputy City Manager position. Mr. Olander has over 30 years municipal experience and is very experienced in local government, regional, and state professional boards. She commented that she is looking forward to working with Mr. Olander.

Mayor Ransom noted that in the prior City Manager recruitment, the City conducted a national recruitment and 42 applicants were screened down to six that were interviewed by the Council before a final selection was made. He said Mr. Olander represents the “satisficing factor,” meaning that he is an in-house candidate and the full Council felt he is well qualified. Mayor Ransom also pointed out that it is the policy of the City to promote from within and Mr. Olander has earned the respect of the Council and in turn the Council is showing their loyalty by hiring him as the City Manager. He added that Mr. Olander will receive 100% employee benefits and a salary of \$136,000 per year.

Councilmember Hansen said she is looking forward to working with Mr. Olander for at least four years. He said he is very qualified, has done a great job for the City, has the respect of the management team and the Council, and is an excellent choice for the City Manager position.

Councilmember Ryu commented that she also supports the motion. She added that Mr. Olander has over 30 years of public service in Washington State and he brings stability to the City.

Mayor Ransom added that Mr. Olander has been a City Manager for the cities of Ocean Shores, Anacortes, and Des Moines.

**A vote was taken on the motion to approve the amended employment agreement appointing Robert Olander as City Manager, which carried 7-0.**

Mr. Olander said he feels honored and privileged to be the City Manager of the City of Shoreline and looks forward to many years of progress for the citizens of Shoreline. He added that this is a great community with great, active citizens with a real sense of place with a good City Council and an outstanding staff.

9. NEW BUSINESS

(a) 2005 4<sup>th</sup> Quarter Financial Report

Deputy Mayor Fimia commented that the fonts on the report were too small for many people to read. She requested that staff use nothing smaller than 10 pitch fonts in the future.

Ms. Tarry noted that when looking at all of the City funds it is almost as if you are looking at separate operating accounts. She explained that the general fund revenues were about \$1 million more than anticipated because of sales tax, utility tax, franchise fees, a contract payment from Seattle City Light, construction, and service industry increases in the City. From 2004 to 2005 the actual sales tax as related to retail trade was down slightly, however, during that same period of time construction sales tax revenues grew by 30% in the City. This, she said, will be monitored throughout 2006. In utility taxes and franchise fees the most growth took place in telephone and cellular phone revenues and this is based on more use in the community.

MEETING EXTENSION

**Councilmember Gustafson moved to extend the meeting until 10:10 p.m. Deputy Mayor Fimia seconded the motion, which carried 7-0.**

Ms. Tarry stated the City has been promoting the utility tax exemption program for low income residents and senior citizens. As of last week, she noted there have been 150 participants. She added that in the 4th quarter of 2005 there were substantial commercial



permit revenues received by the City (\$150,000). Gambling tax revenues, she said, were about \$3 million, representing the five gambling establishments. She noted that jail expenditures have significantly increased in 2005 based on the number of jail days used by the City.

Councilmember Hansen pointed out that using the Yakima jail is far less expensive than using King County jail.

Mr. Olander stated that the City can get credited more jail days at Yakima from other cities to reduce the jail expenditures.

Ms. Tarry highlighted that the Real Estate Excise Tax (REET) is a significant revenue source for the City. There was significant growth in REET in 2005 based on the value of real estate transactions. The City, however, does not expect the trend to continue as the real estate market is slowing. In summation, she felt the financial results of the City are positive and in 2006 the gambling and sales related tax revenues will be monitored. As far as expenditures, she said, all departments are spending within their respective budgets. The next steps include updating the City's long-term financial model and the Capital Improvement Program later this year.

Mayor Ransom asked if the \$11 million reserves in the General Fund included monies for the new City Hall.

Ms. Tarry stated that the monies for building the new City Hall are in the General Capital Fund and are separate from the General Fund.

Councilmember Gustafson thanked Ms. Tarry for the presentation. He noted that he would be absent from three Council meetings beginning March 31.

10. ADJOURNMENT

At 10:13 p.m., Mayor Ransom declared the meeting adjourned.

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Scott Passey, City Clerk

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