

**CITY OF SHORELINE**

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

Monday, June 4, 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, Councilmember Salomon, and Councilmember Roberts

**ABSENT:** None

**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, with the exception of Councilmember McConnell.

**Upon motion by Councilmember Hall seconded by Councilmember Salomon and carried 6-0, Councilmember McConnell was excused.**

**3. REPORT OF THE CITY MANAGER**

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

Deputy Mayor Eggen provided details on the Chamber of Commerce “Dollars for Scholars” reception on June 6.

**4. COUNCIL REPORTS**

Deputy Mayor Eggen reported on the SeaShore meeting and the Suburban Cities Association (SCA) Finance Committee meeting.

Councilmember Hall announced the upcoming Puget Sound Regional Council (PSRC) General Assembly meeting and reported on the King County Regional Policy Committee meeting last week.

Mayor McGlashan reported on the Shorewood High School construction site tour.

**5. PUBLIC COMMENT**

a) Sue Walker, Superintendent, Shoreline School District (SSD), requested support for waiving the surface water maintenance (SWM) fees, which could save the District \$180,000 annually.

b) Lisa Surowiec, Shoreline, expressed support for SWM fee waiver for SSD, noting the District's significant funding cuts and the negative impacts on education.

c) Marianne Stephens, Shoreline, expressed support for a fee waiver due to the current gaps in funding, and she doesn't want to see further voids in school programs.

d) Marcia Harris, Deputy Superintendent, Shoreline School District, stated that the SSD is a partner with the City in managing surface water, noting that the stormwater system at the new Shorewood High School exceeds current surface water requirements.

e) Tom Jaimeson, Shoreline, pointed out that the King County code was never referenced in regards to SWM fee waiver. He noted that the City and its residents have bills and everyone is going through hard times.

f) Randy Stime, Richmond Beach Preservation Association (RBPA), asked the City to delay the public hearing on June 25 so RBPA can fully understand the floodplain modeling process prior to commenting.

## 6. APPROVAL OF THE AGENDA

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

## 7. STUDY ITEMS

### (a) Surface Water Utility: School District Credit Options

Ms. Underwood explained that the auditor found that in order to provide SSD with a credit for the surface water utility, the City needs to have its own ordinance in place. She added that the City has a duty not to give away public funds. She said the credit can be given if the SSD provides a service to the City through education.

Brian Landau, Surface Water Manager, and Jesus Sanchez, Public Works Operations Manager, provided the staff report. Mr. Sanchez concurred with Ms. Underwood, stating that the City does need to make a correction. He noted that King County failed to collect the fees and the auditor stated that the City can either continue with the allowance or enact code that allows the City to credit the SSD. Mr. Landau provided the background and highlighted the pros and cons of having a fee credit. He pointed out that the City staff recommends a fee credit ordinance allowing up to a full credit with a five-year sunset clause. The city staff would develop a credit program based on the programs established in other cities.

Deputy Mayor Eggen discussed comparable cities and verified that Lake Forest Park provides a full credit.

Councilmember Roberts communicated that he hasn't seen the full reports for Storm and Boeing Creeks and verified that the estimated cost hasn't been determined. He also communicated that it's hard to determine if SSD or the residents who suffer from flooding need the funds most. He said he wants to get a sense of how those funds could help our surface water capital problems. Mr. Sanchez replied that the basin plans will tell the City much more and that 95 percent of the City's flooding issues have been addressed. He noted that it is important to look at this every five years. He added that he can't say the \$180,000 per year is not a critical funding element for one particular area. Mr. Landau responded to Councilmember Roberts concerning unfunded plans and said that most of the priority 1 level projects have been constructed, but there are about \$1 million in lower level projects that aren't critical that are unfunded.

Councilmember Roberts confirmed with City Attorney Sievers and noted that these funds can be used to assist SSD as part of the State mandate to fund basic education. Councilmember Roberts asked about acquiring Cedarbrook and Mr. Sanchez replied that it would be an acquisition and the City would need to enter into an acquisition agreement, and then pay for the property. The credit wouldn't allow for the acquisition, he said. Mr. Sievers responded that an easement or acquisition would be one-time transaction. Councilmember Roberts felt that it should be explored as an option. Mr. Sievers added that it would be a problem with open space and a joint use agreement is really between the General Fund and the SSD; this doesn't really involve the stormwater utility. Councilmember Roberts favored the five-year sunset clause.

Councilmember Winstead confirmed that some of the stormwater work is mandatory and a part of the permitting process. She verified with Mr. Landau that City normally funds educational programs through the environmental mini-grant program in the amount of \$11,385 which comes out of the surface water management fund for public schools. She expressed concerns about having a fee waiver for public schools and having private schools pay it. She said she favored the item, but is leaning towards a three-year sunset clause.

Councilmember Hall noted that the Ronald School is an example of how the community found a solution. He discussed the public versus private school dilemma and if surface water education benefits public schools, then it should benefit private schools too. He added that surface water improvements are largely a requirement of the permitting process. The Shorewood surface water system will be better for community and will help the basins. However, he said he doesn't feel it's fair to allow the school district to get a credit on their surface water improvements when any developer would be required to do the same improvements as part of the permitting process. Therefore, he said it comes down to the value of this on the ratepayers as a whole. He discussed examples of the Shoreline Historical Museum and Shoreline/Lake Forest Arts Council contracts rather than through the stormwater utility. He said he is not comfortable with giving a full credit for the full amount, but something would be appropriate.

Councilmember Salomon stated that public schools and a City like Shoreline are both connected to public funds, with private schools having their own funding mechanisms. Therefore, he said he is comfortable with the distinction between public and private. Education is a high priority in Shoreline and the curriculum has shown a long-term benefit. He concluded that he is comfortable continuing the fee credit.

Deputy Mayor Eggen stated that he knows the schools are struggling and doesn't support an imposition of these fees in the next three years. He noted that the surface water system represents a significant change in the conditions at two large parcels and there will be continual benefits from it. He expressed concern comparing this to the Cedarbrook issue and said it is inappropriate for a city to levy additional fees on schools.

Councilmember Roberts responded to Deputy Mayor Eggen about Cedarbrook and added that the entire property would need to be upgraded to include the demolition of the building which would lead to the enhancement of the surface water facilities and possibly the inclusion of some open space somewhere on the property. Deputy Mayor Hall concurred that there is great potential for surface water enhancement on the property. However, he is concerned that it would take some lengthy studies to determine which area would offer the greatest potential.

Councilmember Hall pointed out that the Council has had robust discussion about state revenues and that state's failure to fund education is a crisis. The Council recognizes that the state needs to meet its commitments. He agreed with Deputy Mayor Eggen that the City should not impose big changes suddenly. He added that he isn't sure the City needs to do a multi-year proposal. He suggested possibly supporting a full credit for 2012-2014, then draft into the language that the next two years would be at half the amount and bring it back for the Council to continue the discussion every year.

Mayor McGlashan noted that Councilmember McConnell supports the ongoing waiver. He confirmed with Mr. Landau that all of the surface water upgrades that SSD is doing is required by their permits. He agreed with everyone to continue the partnership with SSD. He supported continuing the full credit and then moving to 50 percent funding over a certain number of years.

Ms. Underwood confirmed the Council consensus of a three year sunset and possibly having a 50 percent credit the fourth year.

Councilmember Hall suggested structuring this as a contract and Mr. Sievers replied that it would act as a contract and include language concerning the maximum credit. He pointed out that this seems to be a contract between two parties and should work that way.

Deputy Mayor Eggen stated that this was an audit issue and the City should have an ordinance that establishes an exemption. Mr. Sanchez replied that the auditor said this needs to be put in the Shoreline Municipal Code that allows the City to give a credit, but it must be specific about what the City is giving and what the City is getting. Mr. Sievers explained that the auditor called out an ordinance amendment, but he is certain the auditor would have no problem with a service agreement.

Councilmember Roberts stated that the reason a service agreement would be accepted by the auditor is because the City would be levying a fee against SSD and then the City would contract for it. It would show up in the City's budget twice -- once as revenue for the utility and as an expense against the utility. He added that the City staff can negotiate the agreement and every year the Council can review it and make adjustments. He added that there are two paths to structure the ordinance: one is through a three-year sunset, and the other would be a step-down program. He felt both should be drawn up so the Council can consider the merits of each. Mr. Sievers responded regarding having a contract versus an ordinance.

Councilmember Winstead felt there is a big difference between SSD and the museum, arts council, and senior center. She said she isn't in favor of having the Council review this on a yearly basis and preferred having a three year agreement with a sunset clause.

Councilmember Salomon stated that it is not realistic that the state will drastically increase funding to schools.

Deputy Mayor Eggen concurred with Councilmember Winstead and noted that SSD is a different kind of entity than the two nonprofits. He favored setting this up so SSD has no payments for the next three years with a minor payment beginning the fourth year if the Council decides to vote for one.

Councilmember Hall agreed with Councilmember Salomon that the state isn't likely to increase education funding and that it isn't a side effect of the recession. He said he is fine executing it through an ordinance.

Ms. Underwood summarized the discussion and stated that the City staff will return to the July 9<sup>th</sup> Council meeting with an ordinance giving up to a full credit for three years.

Mayor McGlashan favored having a three year credit plus a reduction of the credit by 50 percent the fourth year with future Councils deciding on the appropriate rate in the future.

(b) Discussion of Floodplain Management Ordinance and related Development Code Amendments

Juniper Nammi, Associate Planner, Brian Landau, Surface Water Manager, and Jesus Sanchez, Public Works Operations Manager, provided the staff report. Mr. Landau said that the key feature of this ordinance is that it consolidates existing City of Shoreline floodplain regulations and keeps the City in compliance. He discussed the background of the City's floodplain regulations and noted that the City has a FEMA regulatory floodplain along Boeing Creek, the Puget Sound shoreline, and Thornton Creek, including approximately 100 properties, four parks, the Transfer Station, and private reserves along Boeing Creek.

Ms. Nammi discussed the floodplain management ordinance and noted that it consolidates existing regulations and adds new habitat protection standards as required under the Endangered Species Act. Development code updates include changes to critical areas, definitions, and administrative changes. She noted that at this stage, the administration of the regulations is transferred from the Planning and Community Development Director to the Public Works Director.

Mr. Landau summarized the key features of the floodplain regulations and the next steps which include the public comment period from June 11-25 and public hearing and adoption on June 25.

Deputy Mayor Eggen discussed the resident comments on the map and Mr. Landau noted that the study that produced the map is separate and is yet to be released for public comment. Deputy Mayor Eggen also inquired what would happen with the City's very detailed critical areas ordinance. Ms. Nammi replied that the proposed development code changes associated with the

new floodplain management section of the municipal code would delete the standards from the critical areas regulations as they apply in the floodplain. However, the regulatory floodplain would still be defined as a critical area, but all standards that would apply in that type of area would be found in the new chapter. However, other types of critical areas that might be concurrent with a floodplain, such as streams and wetlands or fish and wildlife habitat areas would still be subject to the critical areas regulations.

Councilmember Hall said he is glad to see these separated out, floodplain protection is also there to help people and property and it is different than protecting habitat areas.

Mayor McGlashan discussed page 157 and asked what “as needed” meant in the language. Ms. Nammi replied that it pertains to what is directed by FEMA, but the City was informed that our regulations were adequate. Mayor McGlashan inquired if the City carries flood insurance and Ms. Underwood replied that she would confer with the City’s risk management firm. Mr. Landau verified that structures get insured.

Deputy Mayor Eggen noted that the floodplain mapping hasn’t been approved yet and inquired if the City has notified all the potentially affected property owners that it's a good idea to purchase flood insurance so they're grandfathered in at the lower price. Mr. Landau replied that the City has and there have been discussions and letters sent to residents in the Ronald Bog area.

Mr. Sanchez reiterated that the process tonight is separate from the study and the map. He noted that King County will be putting the two together and this process is what would be used in any study FEMA might adopt. He noted that the City isn’t in concert with King County and the City will sit down with residents and discuss it before FEMA does adopt the map.

Ms. Underwood noted that this is due to come back for public hearing at the end of the month. However, she noted that the City staff can reschedule it if the Council wants to provide more time. Ms. Nammi pointed out that the actual adoption of this is at least a year away and the City informed FEMA that the City’s ordinance would be updated by June.

**Deputy Mayor Eggen moved to suspend Council rules to allow a member of the public to provide public comment on this item. The motion died for a lack of a second.**

There was general discussion about timing, adoption, and FEMA review. Mr. Landau noted that the ordinance itself doesn't relate to any specific location in the City. It consolidates the current regulations. There was Council consensus to adhere to the existing timeline concerning this item.

## 8. ADJOURNMENT

At 9:07 p.m., Mayor McGlashan declared the meeting adjourned.

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Scott Passey, City Clerk