

**CITY OF SHORELINE**

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

Monday, June 25, 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.

**(a) Proclamation of Parks, Recreation and Cultural Services Month**

Mayor McGlashan read the proclamation declaring the month of July 2012 as Parks, Recreation and Cultural Services Month in the City of Shoreline. Lynn Cheeney, Recreation Superintendent, accepted the proclamation and thanked the City for this 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**

Deputy Mayor Eggen reported on various workshops he attended at the Association of Washington Cities (AWC) Conference.

Councilmember Roberts reported on the Suburban Cities Association (SCA) Public Issues Committee meeting and the Automated Fingerprint Identification System (AFIS) levy.

Mayor McGlashan reported on the AWC conference and said he testified before the Joint Transit Committee.

**5. PUBLIC COMMENT**

a) Nola Moore, Shoreline, on behalf of the North City Neighborhood Association thanked the Council for the mini-grant for neighborhood signage.

b) Lance Young, Shoreline, thanked the City for the tree preservation efforts along the Interurban Trail, noting that Seattle City Light trimmed the trees rather than remove them.

c) Cynthia Knox, Shoreline, thanked the Council for the mini-grant for the Ronald Bog art and invited the Council to attend the exhibition on September 15.

d) Tom Jaimeson, Shoreline, discussed priorities in budgeting, adding that the essence of priority is to learn what you must do without and figure out how to do less with less.

**6. APPROVAL OF THE AGENDA**

**Deputy Mayor Eggen moved to approve the agenda. Councilmember Roberts seconded the motion. Following a brief discussion about future Council agendas, a vote was taken on the motion to approve the agenda, which carried 7-0.**

**7. CONSENT CALENDAR**

**Upon motion by Councilmember Roberts, seconded by Councilmember McConnell and unanimously carried, the following Consent Calendar items were approved:**

- (a) **Minutes of Business Meeting of May 21, 2012**  
**Minutes of Business Meeting of May 29, 2012**  
**Minutes of Business Meeting of June 4, 2012**

- (b) **Approval of expenses and payroll as of June 15, 2012 in the amount of \$1,289,473.53 as specified in the following detail:**

**\*Payroll and Benefits:**

<b>Payroll Period</b>	<b>Payment Date</b>	<b>EFT Numbers (EF)</b>	<b>Payroll Checks (PR)</b>	<b>Benefit Checks (AP)</b>	<b>Amount Paid</b>
5/13/12-5/26/12	6/1/2012	45303-45500	11727-11762	50427-50433	\$402,828.53
					<u>\$402,828.53</u>

**\*Wire Transfers:**

<b>Expense Register Dated</b>	<b>Wire Transfer Number</b>	<b>Amount Paid</b>
6/4/2012	1053	\$44,161.50
	1054	Skipped (to be used later)
6/4/2012	1055	\$103,000.00

**\$147,161.50****\*Accounts Payable Claims:**

<b>Expense Register Dated</b>	<b>Check Number (Begin)</b>	<b>Check Number (End)</b>	<b>Amount Paid</b>
6/5/2012	50371	50371	\$820.00
6/5/2012	49502	49502	(\$138.58)
6/5/2012	50372	50372	\$138.58
6/7/2012	50373	50380	\$11,119.21
6/7/2012	50381	50395	\$28,936.60
6/7/2012	50396	50406	\$1,765.54
6/8/2012	50407	50426	\$127,984.16
6/12/2012	50434	50435	\$60.00
6/12/2012	50436	50453	\$44,399.41
6/12/2012	50394	50394	(\$230.00)
6/12/2012	50454	50454	\$120.00
6/12/2012	50455	50478	\$442,504.02
6/13/2012	50479	50482	\$1,626.14
6/13/2012	50483	50487	\$786.96
6/13/2012	50488	50496	\$79,591.46
			<u><b>\$739,483.50</b></u>

(c) **Approval of Neighborhood Mini-Grant for the North City Neighborhood - Neighborhood Signs and Approval of Neighborhood Mini-Grant for the Meridian Park Neighborhood - Summerset Arts Festival Celebrating Ronald Bog**

(d) **Authorize the City Manager to Modify the Johansen Excavating Contract and Contingency for the Aurora Improvement Project**

(e) **Authorize the City Manager to Modify the HDR Construction Management Contract for the Aurora Corridor Improvement Project**

(f) **Authorize the City Manager to Execute a Contract with U.S. Bank for the City's Banking Services**

(g) **Approval of City Policy Regarding Oversight and Investment Policy for Deferred Compensation and Pension Plans**

(h) **Authorize the City Manager to Execute a Contract with Hyas Group to Provide Financial Advisory Services for the City's 457 and 401(a) Plans**

**8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS, AND MOTIONS**

(a) **Adoption of Interlocal Agreement with King County for Regional Animal Services**

John Norris, Management Analyst, provided the staff report regarding the proposed Interlocal Agreement (ILA) with King County for Regional Animal Services. He stated that the ILA is for

a three-year term with three districts. He noted the City's cost would be \$47,882 for 2013 and said the execution date is January 1, 2013. He explained that the City will also be entering into an agreement with PAWS for three years, and the animal control officer would be based in Shoreline. Mr. Norris added that he would continue to provide annual updates on the ILA if desired.

**Deputy Mayor Eggen moved to adopt the Interlocal Agreement with King County for Regional Animal Services for 2013 – 2015. Councilmember McConnell seconded the motion. Following brief comments by Councilmembers, a vote was taken on the motion, which carried 6-1, with Councilmember Roberts dissenting.**

9. STUDY ITEMS

(a) Discussion of Preliminary 2013 Budget

Bob Hartwig, Administrative Services Director, provided the staff report on the 2013 Preliminary Budget. He highlighted the preliminary estimates and forecasts for 2013, noting that there aren't any authoritative sources in the data presented. He presented the 2012 revenue estimates and expenditure estimates. He noted that based on current numbers the revenues are estimated to be \$34.7 million and expenditures are estimated to be \$32 million. He stated that there should be some savings in animal control and other departments. Staff projects an ending general fund balance of \$8.2 million. Mr. Hartwig discussed the 2013 estimated revenue and expenditure forecasts. He discussed new construction and highlighted four upcoming projects. He noted that there is a \$135,000 budget gap in 2013 and discussed possible ways to close that gap. He commented on the unaddressed demands of the residents and Council.

Councilmember Hall discussed Shoreline Community College new housing and asked if the new construction assessed value considers the newly adopted property tax exemption program. Mr. Hartwig responded that he would need to research it and come back to the Council. Councilmember Hall pointed out that the growth in assessed value in Shoreline has dropped even lower.

Councilmember Salomon noted the 4.3 percent increase in sales tax revenue and wondered if it's a "ray of hope" for economic development. Mr. Hartwig advised that it is still too early to make such a determination. Councilmember Salomon confirmed with Mr. Hartwig that the State has a fund with an unfunded liability portion of the PERS plan, so they need to close the gap.

Councilmember Roberts pointed out that labor is the City's largest proportion of costs. Mr. Hartwig confirmed that the ten-year financial sustainability plan is exactly what the Council needs to focus on to maintain fiscal sustainability. He also confirmed with Ms. Underwood that the unfunded sidewalks discussion could be held during the CIP process. Councilmember Roberts added that he would like to see more options for constructing sidewalks, like an LID program.

Deputy Mayor Eggen noted that development that the City has provided a property tax exemption won't be able to pay property taxes for a number of years. He discussed the fact that

the PERS contributions were lower than what was recommended by the auditor years ago and now they must increase them. He clarified that the arraignments are on the unfunded item list and that naïve defendants are making decisions without having any good advice at the court. Ms. Underwood noted that the CHS funding request is for suicide prevention.

Ms. Underwood noted that on July 23 the City staff will be providing a tour of sidewalk needs throughout the City. She also noted that the 2012 citizen satisfaction survey results will be presented to the Council in September.

Councilmember McConnell added that the City still needs to show residents that the Council is tightening the belt even more. She added that she isn't sure sidewalks are a necessary service and she would like to see a budget that reflects that.

Councilmember Salomon said that if there are needs to be cuts, there should be an outline presented for discussion on what should be cut.

Ms. Underwood pointed out that 56.5% of residents in 2010 said service levels should be maintained. However, she said the challenge is to provide a balanced budget that maintains the services for which they voted to increase their taxes.

#### 10. ADJOURNMENT

At 8:21 p.m., Mayor McGlashan declared the meeting adjourned.

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Scott Passey, City Clerk