

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, July 29, 2013
5:45 p.m.

Conference Room 104 - Shoreline City Hall
17500 Midvale Avenue North

PRESENT: Mayor McGlashan, Deputy Mayor Eggen, Councilmembers Hall, McConnell, Winstead, Salomon, and Roberts

ABSENT: None

STAFF: Julie Underwood, City Manager; Debbie Tarry, Assistant City Manager; John Norris, Management Analyst; Ian Sievers, City Attorney; Mark Relph, Public Works Director; Jessica Simulcik Smith, Deputy City Clerk

At 5:52 p.m., the meeting was called to order by Mayor McGlashan, who presided.

Seattle City Light (SCL) Franchise Renewal

Mr. Norris reviewed that the SCL Franchise agreement expires January 31, 2014 and updated the Council on the status of negotiations for renewal. He explained that in the current agreement, SCL pays their proportional share of all undergrounding costs for City-initiated projects upfront. SCL then recoups the cost, plus interest, from Shoreline ratepayers through line item charges for a period of 25 years.

Mr. Norris announced SCL is now proposing a different financing model. The new methodology would require the City of Shoreline to pay 100% of trenching and 40% of electrical infrastructure costs, with SCL paying 60% electrical. SCL's portion would no longer be passed onto Shoreline ratepayers as a line item but would be distributed to all SCL ratepayers in the base rate. He explained that this also means Shoreline ratepayers will be paying a portion of other jurisdictions' undergrounding projects. Mr. Norris requested Council's feedback on SCL's proposal and for direction on how to proceed with negotiating the franchise agreement.

Councilmembers spoke about the importance of transparency and their apprehension to hiding undergrounding project costs in the base rate. There was concern expressed over the potential inequity of cost sharing and discussion of other jurisdiction's utility structures/franchise agreements and funding options.

Councilmembers agreed that staff should pursue negotiating a franchise agreement that benefits Shoreline residents.

July 29, 2013 Special Meeting

DRAFT

At 6:53 p.m. the meeting was adjourned.

Jessica Simulcik Smith, Deputy City Clerk