

CITY OF SHORELINE

SHORELINE CITY COUNCIL SUMMARY MINUTES OF BUSINESS MEETING

Monday, November 18, 2013
7:00 p.m.

Council Chambers – Shoreline City Hall
17500 Midvale Avenue North

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

ABSENT: None

1. CALL TO ORDER

The meeting was called to order at 7:00 p.m. 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) Presentation of Alumni Recognition Award from the Raikes Foundation to the City of Shoreline Youth and Teen Development Program

Jody Rosentswieg, Raikes Foundation Program Officer, presented an Alumni Recognition Award to the City in recognition of its Youth and Teen Development Program. She also presented a \$500 check to support ongoing professional development for City staff and the program. Mary Reidy, Recreation Superintendent, thanked Ms. Rosentswieg and the Foundation for the needed support to improve the programs the City offers to youth in the community.

3. REPORT OF THE CITY MANAGER

Debbie Tarry, Interim City Manager, provided reports and updates on various City meetings, projects and events. She advised that staff is recommending that the Aurora Corridor Improvement Project Contract (Item 8.c) be delayed as there are still some issues being resolved with the Washington Department of Transportation.

4. COUNCIL REPORTS

Councilmember Roberts reported that the Suburban Cities Association's (SCA) Public Issues Committee is looking at a new policy regarding future Metro cuts to encourage public participation and dialogue and potentially reopen some of the policy positions and actions that Metro has taken previously. He also announced that the SCA is considering a proposal that

would encourage the legislature to allow cities to create accounts for private donations to fund sister city organization activities.

Councilmember Winstead announced that at the National League of Cities Conference, the City received two “Let’s Move” metals in recognition of programs that benefit children in the community.

Mayor McGlashan reported on his attendance at the Sound Transit Leadership Meeting, where it was agreed that the 145th Street Station should be selected. The Sound Transit Capital Committee also unanimously endorsed the 145th Street and 185th Street Stations. In addition, they indicated support for provisional stations at 130th in Seattle and 220th in Mountlake Terrace, if funding is available. The full Sound Transit Board will meet on November 21st to decide on the station locations and alignment that will go forward as part of the Environmental Impact Statement.

5. PUBLIC COMMENT

Parker Keehn, Shoreline, said he was present to confirm that Aurora Corridor Improvement Project Contract (Item 8.c) was removed from the Council’s agenda. Mayor McGlashan confirmed that the item was removed from the agenda and could potentially be added to the November 25th agenda.

John Chang, Shoreline, reminded the Council that this is the 10-year anniversary of the sister city relationship between the Cities of Shoreline and Boryeong, South Korea. He advised that Shoreline’s Sister City Association representatives presented a plaque to the City of Boryeong. In return, they presented the City with a handmade ink stone and mud cosmetics. He said he supports SCA’s proposal to allow sister city associations to collect private donations, and he encouraged the Council to consider providing City funding, as well.

Sean Osborn, Shoreline, urged the Council not to waive the 1% for art for the Aurora Corridor Improvement Project. Art is important for the beauty of the City and the citizen’s quality of life and will make the project better.

Dan Dale, Shoreline, suggested the City identify more ways to reach out to the community in future light rail discussions. He also suggested the City focus on what can be done now to improve walkability to and from the stations such as sidewalk and lighting improvements and reducing speed limits. He expressed his belief that the actual development happening in North City does not capture the spirit of North City Plan, and the tax breaks offered to developers should be reevaluated.

Tom Jamieson, Shoreline, recalled that the Council adopted Ordinance 674 (permitting alcohol used in the parks) on October 15, 2012, even though the majority of the PRCS Board was opposed. The Council agreed to revisit the ordinance in October 2013. He suggested that the ordinance has resulted in very little additional revenue for the City, and there are better uses for Council’s time than these types of actions.

Ms. Tarry thanked Mr. Chang for his efforts to keep the City's relationship with Boryeong alive. She also clarified that no art was incorporated into the design of the last phase of the Aurora Corridor Improvement Project. Although a City ordinance requires this donation for all capital projects based on the contract amount, it also includes a provision that allows the Council to waive the donation. She announced that the Council is scheduled to discuss Metro's proposed cuts in January.

6. APPROVAL OF THE AGENDA

Councilmember Hall moved to approve the agenda. Deputy Mayor Eggen seconded the motion.

Upon motion by Councilmember Hall, seconded by Councilmember Roberts and unanimously approved, the main motion was amended to remove the Aurora Corridor Improvement Project Contract (Item 8.c) from the agenda.

Councilmember Roberts moved to amend the main motion to remove Ordinance Number 677 Exempting Termination of Easements (Item 7.b) from the Consent Calendar and direct the City Manager to reschedule it as an action item at a future Council Business Meeting. Councilmember Hall seconded the motion. The motion carried 4-3, with Mayor McGlashan and Councilmembers Winstead and McConnell dissenting.

The main motion to approve the agenda, as amended, was unanimously approved.

7. CONSENT CALENDAR

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

- (a) **Minutes of Special Meeting of October 21, 2013**
- Minutes of Business Meeting of October 21, 2013**
- Minutes of Workshop Dinner Meeting of October 28, 2013**
- Minutes of Special Meeting of November 4, 2013**

8. ACTION ITEMS

- (a) **Public Hearing and Council Discussion on 2014 Property Tax and Revenue Sources**

Ms. Tarry provided introductory comments, noting that this is the second public hearing on the budget and the last meeting before the budget is scheduled for adoption by the City Council. She noted that additional amendments have been submitted, and the Council can either vote on them tonight or next week as part of the actual budget adoption process.

Robert Hartwig, Administrative Services Director, presented the staff report, highlighting the City's anticipated revenue sources and proposed changes to the City's fee schedule for 2014. He

specifically noted that nearly half of the General Fund revenue comes from property taxes, and 20% from sales tax.

Mayor McGlashan briefly reviewed the rules and procedures for the public hearing and opened the hearing.

Tom Jamieson, Shoreline, expressed disappointment in the lack of public notice for the budget hearings. While the City may have met the Open Public Meeting Act requirements, they did not meet City Council Goal 4, which calls for enhancing opportunities for community engagement. In years past, the budget process timeline was published in *CURRENTS*. This year, there was no mention of the budget in the October edition, and the November edition simply announced that final adoption of the budget was scheduled for November 25th. There was no notice of the two hearings.

No one else in the audience indicated a desire to participate, and Mayor McGlashan closed the public hearing.

The Council discussed the proposed change that would create a Parks Maintenance II position. A question was raised about the City's policy for using extra-help employees and the pay schedule. Ms. Tarry explained that funding for the Parks Maintenance II position is budget neutral and will come from the extra-help budget. Staff believes that having a permanent position will actually deliver more consistent service throughout the year.

Mr. Hartwig pointed out that to-date, the number of extra-help hours is about 47,000, the equivalent of about 23 full-time employees over the course of the year. Most of these positions are at the lower end of the pay scale. It was suggested that, at some point in the future, the Council should have a more detailed discussion about this issue. It was noted that there are too many part-time jobs in the economy, and creating a full-time maintenance position would provide one more job with benefits. Ms. Tarry emphasized that the purpose of extra-help is to fill reasonable positions and not as a way for the City to avoid paying benefits to ongoing, regular employees.

It was asked why staff is proposing to add a permit fee for emergency power supply systems and place a 4-hour minimum on permits for alcohol use in parks. Ms. Tarry explained that the emergency power supply system permit fee is not new. Up to this point, it has been collected by the Fire District. However, the Shoreline Municipal Code (SMC) states that the City is responsible for establishing fee amounts and collecting the fees on behalf of the Fire District. To be consistent with the SMC, staff is proposing that it be added to the City's fee schedule. Mr. Hartwig recalled that in 2013, the Council approved an ordinance allowing alcohol use in parks by permit. At that time, a flat \$200 fee was established, with an hourly rate for a supervisor. Staff is now proposing that the two fees be replaced by an \$85 per hour fee, with a minimum of four hours. The intent is to simplify the fee, and the proposed change would not represent an increase to the consumer.

The Council asked how the City uses the liquor excise tax revenue and if cuts were necessary as a result of the significant decrease in revenue. Mr. Hartwig answered that these revenues are

dedicated for public safety. Ms. Tarry advised that the City has been able to absorb the reduction in revenue without having to eliminate officers. She reminded the Council that staff is proposing to consolidate storefront activity at City Hall to reduce costs, but the number of officers would not be reduced.

It was discussed that due to revenues being higher than initially estimated, the City has more money than was initially budgeted. This allows the reserves to grow and creates opportunities to accelerate some projects. Councilmember Hall reviewed the following three budget amendments:

- In past years, the Council has consistently allocated \$500,000 for road preservation, and staff has indicated that \$1 million is needed just to keep up. Councilmember Hall proposed that an additional \$500,000 be allocated to the road preservation program.

It was asked if the additional expenditure would allow the City to meet its goal for road maintenance. If so, would this be problematic moving forward with road maintenance projects in the future. Mr. Relph cautioned that this would be a one-time expenditure that would allow the City to approximately reach its goal in 2014. However, the City would still need to identify funding sources in future years to move to a higher level of maintenance.

It was asked if a voter approved \$20 per car increase in the Transportation Benefit District (TBD) tax would enable the City to meet its long-term road maintenance needs. Mr. Relph said the City currently spends \$1 million annually on road surface maintenance, and about \$2 million is needed annually to meet the City's goal.

- The highest priority sidewalk project listed in the Transportation Improvement Plan is on 20th Avenue Northwest where people walk to Salt Water Park. This is a neighborhood where there is little potential for redevelopment that would create frontage improvements. In addition, it is not a heavily-used route to school so it would not be as competitive for grant funding. Councilmember Hall proposed that \$500,000 be added to the budget for sidewalk improvements from the park entrance to 185th Street.

The Council discussed that the 20th Avenue Northwest sidewalk improvement could potentially be identified as mitigation in the Transportation Corridor Study (TCS). Ms. Tarry said it is unclear whether or not the actual mitigation requirement of the developer would reach all the way to the park entrance. If approved, the sidewalk design and the TCS would move forward in 2014, and match up before actual construction gets started. Mark Relph, Public Works Director, agreed that it is not likely that mitigation would be required on that particular corridor all the way to Salt Water Park. He said he supports the proposal to start at the park and work north.

It was suggested that the sidewalk project be postponed until the TCS has been completed.

- The Council has discussed a need to identify how much of the wear and tear on City roads is a result of people who live outside of the City using Meridian Avenue North as a highway to get to 145th and the Interstate 5 on-ramp. Councilmember Hall recommended the City invest

\$25,000 to purchase software and hardware that would not only allow them to track the number of vehicles that pass through a certain point, but learn about traffic flows on corridors, as well.

While some Councilmembers agreed that purchasing software and equipment would make more sense than spot studies, they questioned how the information that is collected would be used. They also expressed concern about the idea of punishing nonresidents for driving through the City. They invited staff to elaborate on the benefits of the equipment and software. Mr. Relph explained that while the traditional traffic tubes simply count the volume of traffic, the new software and equipment could identify where cars are headed (from origin to destination), and can measure cut-through traffic.

A question was raised about how much time it would take the City to analyze the data to actually lead the City to policy direction or identify where intersection improvements are needed. Mr. Relph answered that the City currently has the internal resources to manage the equipment and software efficiently.

It was pointed out that the equipment and software would help the City identify which roads need to be expanded or improved through traffic control devices and how bus, rail and freeway improvements might change traffic flows. It would also help the City understand how people from various parts of the City travel to destinations such as park-and-ride lots and light-rail stations.

Questions were raised about privacy protection related to the new software, and Mr. Relph agreed to provide additional information to address this concern.

The Council had a general discussion about the prudence of using the excess money in the reserve fund for one-time projects. Mr. Relph clarified that the excess reserve fund balance is a one-time savings because revenues exceed expenditures in 2012.

It was asked why staff did not suggest the additional expenditures earlier in the budget process. Ms. Tarry pointed out that when staff presented the original budget recommendation, they were in the process of completing the 10-Year Financial Sustainability Plan, which identifies a long-term financial strategy for providing services to the community within the City's projected means. The plan will be presented to the Council in early 2014 for adoption. It was suggested that perhaps it would be better to be more conservative and wait until the 10-year Financial Sustainability Plan has been adopted before dipping into the reserve fund.

The Council raised questions about how the proposed new full-time employee (FTE) positions would impact the fund balance. Ms. Hartwig explained that the new Engineer II position would be funded through the Surface Water Utility and is related to projects identified in the basin plans. The Parks Maintenance II position would be budget neutral, and the Engineer Technician position would allow the City to further implement the new Asset Management System for roads, streets, facilities and fleet. He noted that roads and streets are the City's highest valued asset, and it is important to have a systematic way to track their maintenance. Building this information will allow the City to project ongoing preventative maintenance needs, capital needs,

and replacement. This system was started with the Surface Water Utility, and staff is committed to expanding it to include other City assets. Staff feels strongly that the City must accomplish this task so that good practices are in place before it adds additional utilities to its organization.

It was asked if the excess reserve could be used to fund the deferred departmental needs that were identified on a list provided by staff at the beginning of the budget process. Mr. Hartwig reminded the Council of its policy that on-going expenditures will not be funded with one-time revenues on an on-going basis. Ms. Tarry added that the proposed amendments would add one-time expenditures that would come out of the general fund reserve. At this time, the reserve levels are in excess of the City's policy by more than \$1 million. She shared her thought that the City's financial position would not be negatively impacted if some of the reserve were used to fund sidewalk improvements and street maintenance.

The Council agreed it would be prudent to discuss and take action on the amendments separately at their next meeting.

- Councilmember Hall proposed that the City consider reclassifying the Human Resource Director position upon the departure of the incumbent. However, rather than making the change at the time of budget approval, the budget could include a proviso that would allow the new City Manager to provide a recommendation to the City Council prior to initiating the recruitment process for a new Human Resource Director. This would give flexibility to the new City Manager, while at the same time, signal that there may be some cost saving opportunities. It was noted that the current classification is at a higher pay grade than other managers within the City's pay system, and the classification was not reviewed as part of the most recent salary survey because there was insufficient comparable data.

Because the City is currently in the process of hiring a new City Manager, concern was raised about how the proposed reclassification would impact the timeline for hiring a new Human Resources Director. It was noted that a City Manager should be on board by December, and the current Human Resource Director will retire in April. There should be ample time for the City Manager to bring forward a recommendation.

It was asked if the City would hire a recruiter to fill the vacant Human Resource Director position, or if recruitment would be done in house. Ms. Tarry anticipates that the City would first look at in-house recruitment.

- Councilmember Hall suggested that the new FTE positions (Engineer II and Engineer Technician) remain vacant until the Financial Sustainability Plan has been adopted. At that point, funding for the two new positions will be clearer.

(a) Approval of Final Candidates for City Manager Interviews

Mayor McGlashan announced that because Interim City Manager, Debbie Tarry, is a candidate for the City Manager Position, she has not participated in the selection process in any way, including evaluation of applications or preparation of agenda items, nor will she participate in the future, other than as a candidate.

Deputy Mayor Eggen moved that the following five individuals be Neal Beets, Arlene Fisher, Subir Mikerjee, Nabel Shawa, and Debbie Tarry. Council Member McConnell seconded the motion, which carried unanimously.

9. STUDY ITEMS

(a) Discussion and Update to the Transportation Master Plan (TMP)

Alicia McIntire, Senior Transportation Planner, reviewed the Staff Report and introduced minor amendments to the City's Transportation Plan related to Street Reclassification and the Master Street Plan. She noted that the amendments would be presented to the City Council for adoption on December 2nd.

A question was raised about why the Washington State Department of Transportation would allow the City of Lake Forest Park to reclassify their segment of Northeast Perkins Way, when they denied the City of Shoreline's request. Ms. McIntire clarified that WSDOT agreed to entertain the City's reclassification request if and when the City of Lake Forest Park also expresses an interest in changing their segment of the roadway.

10. EXECUTIVE SESSION

At 9:05 p.m., Mayor McGlashan announced that the Council would recess into an Executive Session for a period of 30 minutes to discuss litigation per RCW 42.30.110(1)(i), and property acquisition per RCW 42.30.110(1)(b). He noted there was a chance that Council would take action following the Executive Session. The Council discussed litigation from 9:05 to 9:15 p.m. Staff present were: Debbie Tarry, John Norris, Ian Sievers, and Mark Relph. Council discussed property acquisition from 9:15 to 9:25 p.m. Staff present were: Debbie Tarry, John Norris, Ian Sievers, and Dan Eernisse. At 9:25 p.m., the Executive Session concluded and the meeting reconvened.

(a) Authorize the City Manager to File a Claim in the Ronald Wastewater District Lawsuit

Upon motion by Councilmember Winstead, seconded by Councilmember McConnell and unanimously carried, authorization was given to the City Attorney to add a claim in the Ronald Wastewater lawsuit against the City of Shoreline that the transfer of Ronald Wastewater District assets to a joint municipal utility authority is a breach of City's operating agreement and franchise with Ronald Wastewater District.

11. ADJOURNMENT

At 9:30 p.m., Mayor McGlashan declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk