

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF SPECIAL MEETING

Monday, April 14, 2014

Conference Room 104 - Shoreline City Hall
17500 Midvale Avenue North

5:45 p.m.

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

ABSENT: None

STAFF: Debbie Tarry, City Manager; John Norris, Assistant City Manager; Mark Relph, Public Works Director; and Gail Tabone, EES Consulting; Bonita Roznos, Deputy City Clerk

GUESTS: Ronald Wastewater District: Bob Ransom, Board President; George Webster, Board Vice-President; Commissioners Gretchen Atkinson, Brian Carroll and Arnie Lind; Michael Derrick, General Manager; and Mark Gregg, Finance Manger.

At 5:48 p.m., the meeting was called to order by Mayor Winstead.

Mayor Winstead welcomed the Ronald Wastewater District (RWD) Boardmembers and expressed Council's appreciation for their participation in the meeting. Introductions were provided.

Ms. Tarry thanked the members of RWD for attending the meeting. She provided background on the 2002 Interlocal Operating Agreement and explained that the purpose of this meeting is to review preliminary outcomes of the Utility Unification and Efficiency Study (UUES); identify efficiencies and opportunities for saving; and to create a framework to progress through the assumption process.

Mark Relph, Public Works Director, provided the staff report and stated that the UUES is a high level analysis of possible efficiencies that can be gained from a unified City-operated utility. He stated the analysis includes the Ronald Wastewater District, Seattle Public Utilities, North City Water District, and identified City service operations. He reviewed the methodologies applied to the study and provided a summary of potential savings that would result from the unification of the utilities when operated by the City. He stated the final draft of the UUES, with details of calculations, will be presented at the April 21, 2014 City Council meeting.

Board President Ransom asked for clarification regarding the total RWD savings calculated in the study. Identifying RWD employee headcount and reviewing current employee contractual obligations prior to the assumption were recommended. It was also asked why the City is using 2011 data in the cost saving analysis. Mr. Relph explained that the data was actualized for 2014 costs, that efficiencies would occur with the addition of SPU, and that the savings would be realized beginning 2021. Ms. Tabone added that the saving results from the integration of management level positions and services that can be shared within City operations. Councilmember Eggen stated that the guarantee to integrate RWD employees into the City's organization results in a smaller amount of savings, and that savings will be achieved through the elimination of duplicate services and retirements.

Commissioner Carroll expressed concern about prematurely starting the assumption process and recommended that the process initially be an executive level discussion. Ms. Tarry responded that the process is intended to provide clarity to staff, help answer staff questions regarding the assumption and to promote an environment of collaboration. Mayor Winstead explained Council's accountability to citizens as elected officials and the importance of being able to answers questions relating to the assumption. She recommended a joint transition subcommittee of RWD Boardmembers and City Councilmembers, and proposed that a full joint committee meeting occur once a quarter.

Councilmember Roberts asked RWD to identify any structural needs that should be addressed prior to 2017. RWD responded that older buildings have been earthquake retrofitted; 120 solar panels for garages are currently in the "request for proposal" stage; and that storm water events have damaged creek bed walls and infrastructure piping, and requested assistance from the City to address storm water issues.

Ms. Tarry recommended that continued discussion regarding transition planning initially take place with Michael Derrick, RWD General Manager; Mark Gregg, RWD Finance Manager and Mark Relph, Public Works Director.

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

Bonita A. Roznos, Deputy City Clerk