

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF BUSINESS MEETING

Monday, May 5, 2014
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

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

ABSENT: Mayor Winstead and Councilmember McConnell

1. CALL TO ORDER

At 7:03 p.m., the meeting was called to order by Deputy Mayor Eggen, who presided.

2. FLAG SALUTE/ROLL CALL

Deputy Mayor Eggen led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present with the exception of Mayor Winstead and Councilmember McConnell.

Upon motion by Councilmember Hall, seconded by Councilmember Salomon and carried 5-0, Mayor Winstead and Councilmember McConnell were excused.

3. REPORT OF THE CITY MANAGER

Debbie Tarry, City Manager, provided reports and updates on various City meetings, projects and events.

4. COUNCIL REPORTS

Councilmember Hall expressed thoughts of sadness at the passing of Billy Frank Jr., tribal leader of the Nisqually Tribe. Councilmember Hall stated that Mr. Frank was a strong voice for the protection of Puget Sound and the environment, a leader of salmon recovery efforts, and a leading activist for tribal fishing rights leading up to the Boldt Decision. He offered his sincere condolences to the Frank family.

Deputy Mayor Eggen reported attending the International Community Health Services (ICHS) Gala, a fundraiser to raise money for affordable health care services. He stated a new ICHS clinic is scheduled to open in Shoreline, at 165th and Aurora, this summer.

5. PUBLIC COMMENT

Lance Young, Shoreline, speaking on behalf of Interurban Trail Society, commented on the Vegetation Management section of the Seattle City Light (SCL) Franchise Agreement. He thanked Councilmembers and staff for the work completed to incorporate vegetation management into the draft document. He stated the Letter of Understanding signed in August 2012 and the Franchise Agreement need clearer guidelines regarding right-of-way tree trimming and replacement heights. He commented on inconsistencies recently found on SCL's website and in the vegetation management list submitted to the federal government. He requested clarification on the tree list and height requirements, and stated he sent an email to the City with two recommendations.

John Demur, Shoreline, commented on the Project M9 at the University of Washington and the research being conducted on modeling Cascadia (mega) 9.0 magnitude earthquakes. He presented a chart on earthquakes and stated the last mega quake was in 1700 and the state of Washington fell five feet. He commented on the cliff falling down and the potential for a tsunami at Points Wells. He submitted documents on Project M9 and the Cascadia Earthquakes for Council to review.

6. APPROVAL OF THE AGENDA

The agenda was adopted by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Councilmember Roberts, seconded by Councilmember Hall and carried 5-0, the following Consent Calendar items were approved:

- a) Minutes of Business Meeting April 7, 2014 and Minutes of Special Meeting of April 14, 2014
- b) Adoption of Res. No. 344 – Revisions to Council Rules

8. ACTION ITEMS

- a) Adoption of Res. No. 358 and Authorization to Make a Formal Application to the Washington State Public Works Board for the Stormwater Utility Pipe Repair and Replacement Program Capital Improvement Project

Mark Relph, Public Works Director, presented the report requesting authorization to make a formal application to the Public Work Board (PWB) for the Stormwater Utility Pipe Repair and Replacement Program 2014-2019 Capital Improvement Project. He stated the City identified pipes that are in critical and poor condition and have prioritized pipe replacement according to risk. He recalled that in 2013 the City identified cash and bonds as a long term strategy to finance the project. He stated the PWB has made available competitive low interest loans for

these types of projects and are soliciting applications. He reviewed the estimated cost of the project and stated the PWB loan is a lower interest rate option than bonds.

Councilmember Salomon asked if the PWB was defunded by the Legislature. Mr. Relph responded that he is not sure of the future status of the PWB, but stated that there is available funding. He explained that staff is recommending pursuing both the PWB loan and bond options. Deputy Mayor Eggen questioned if the PWB interest rate would be lower than the CIP cost of living rate. Mr. Relph responded the rate would be at 2.55% which is not as low as in past years.

Councilmember Roberts moved adoption of Resolution No. 358 - Authorization to Make a Formal Application to the Washington State Public Works Board for the Stormwater Utility Pipe Repair and Replacement Program Capital Improvement Project. Councilmember Salomon seconded the motion, which carried 5-0.

9. STUDY ITEMS

a) Discussion of Seattle City Light Franchise Agreement

John Norris, Assistant City Manager, provided an overview of the Seattle City Light (SCL) franchise review process and reminded Council that much of the franchise negotiation was completed at the end of 2013. He explained the original agreement was established in 1998 and expires in July 2014. He stated the agreement is for 15 years, which is the maximum time allowed under Shoreline Municipal Code (SMC).

Mr. Norris briefly reviewed all sections of the proposed Franchise Agreement, and highlighted portions of the negotiated agreement. He explained the 8% rate differential added to the SCL base rate for Shoreline customers and that 6% returns to the City's general fund as a contract fee payment. The contract fee is paid in consideration for the City agreeing not to establish its own utility for the length of the contract. He reviewed the Undergrounding section and stated that undergrounding projects will be funded by Shoreline ratepayers as a project line item on ratepayers' bills. He then touched on language under City Use of SCL Property explaining the City is a big user of the Interurban Trail and commented on the continued consideration of fair market value for the use of their property. Mr. Norris stated there are no changes to the Enforcement and Alternate Dispute Resolution sections. He reviewed the Vegetation Management section and explained vegetation management consists of balancing two interests - continuity and safety of the utility system's operation and the health of the urban forest and its environmental function. He explained the language in the new agreement provides more clarity for management and regulation of trees. He provided information on tree related power outages during storm events, stating there are on average 50 outages per year that last 3-5 hours, and without vegetation management there would possibly be more outages. Mr. Norris then provided Council a list of considerations when approving franchise agreements. He stated overall SCL is performing fairly well and recalled the high service ratings it received from the 2012 polling data. He concluded the report by stating the applicant's proposal is reasonable to meet future community needs and stated proposed Ordinance No. 686 is scheduled to come back to Council for adoption on May 19, 2014.

Councilmember Roberts noted the outages map identifies areas of the city with frequent power outages and asked if SCL plans to address these areas. He asked if SCL would be amendable to Mr. Young's amendment to section 6.9.4. Mr. Norris provided information on the Innis Arden outages, stated he would ask SCL for more information and submit Mr. Young's clarifying language. He also commented that SCL would not set different clearance standards.

Councilmember McGlashan stated the franchise agreement looks great but noted issues with vegetation management. He expressed concern over SCL's unwillingness to include specifics on tree trimming regulations in the franchise agreement, and stated he is particularly concerned with the last line of section 6.9.4 that reads "best practice". He asked if Shoreline will be able to renegotiate the agreement if other cities receive a better one, and requested a synopsis of what happened in the meetings with other cities on the issue of vegetation management. Mr. Norris responded SCL's concern is worker safety, continuity of the electric system, and resources. He will be tracking agreements from other cities as they come forward and referred to section 22 in the agreement which provides the City the right to request a different standard. He stated that other cities were not as vocal regarding the issue of vegetation management.

Councilmember Salomon brought up privacy issues on the Interurban trail when trees are cut down and asked if replacement trees could be of a reasonable height. He asked for clarification regarding the vegetation management changes and the impact on SCL's operations. Mr. Norris stated there are no minimum height tree replacement requirements and SCL declined to include them when he requested they be added. He explained that SCL allowed the City to include language on how SCL will govern City trees on their private property and stated asking for more stipulations would be challenging. He explained that the vegetation management plan improves communication regarding SCL planning and activities, and holds SCL accountable.

Councilmember Salomon asked if Shoreline ratepayers have subsidized undergrounding projects in other jurisdictions. Mr. Norris responded that the Mercer Project was subsidized by Shoreline ratepayers, and that he attempted to renegotiate this item in the agreement with no success due to the complexity of creating new rate classes.

Deputy Mayor Eggen stated that he does not want to establish rules that endanger people or contribute to more outages, and supports moving forward with the tree trimming language presented by Mr. Young. He commented on reviewing his electric bill and discovering three undergrounding projects that make up 2% of his total bill. He requested that staff identify Seattle undergrounding projects charged to Shoreline ratepayers. Mr. Norris responded that he will ask SCL for the information and report back to Council.

Councilmembers commended staff on the negotiation of the agreement.

At 8:37 p.m., Deputy Mayor Eggen declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk