

CITY OF SHORELINE

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

Monday, April 20, 2015
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

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

ABSENT: Mayor Winstead

1. CALL TO ORDER

At 7:00 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 Deputy City Clerk, all Councilmembers were present with the exception of Mayor Winstead.

Councilmember McConnell moved to excuse Mayor Winstead for personal reasons. The motion was seconded by Councilmember McGlashan and passed 6-0.

(a) Proclamation of Arbor day

Deputy Mayor Eggen read a proclamation declaring April 24, 2015 Arbor Day in the City of Shoreline. Al Wager, Parks, Recreation and Cultural Services/Tree Boardmember accepted the proclamation. He recognized Shoreline as a “Tree City USA” City and expressed hope that there will soon be a City arborist and staff to help care for Shoreline’s Urban Forest.

3. REPORT OF CITY MANAGER

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

4. COUNCIL REPORTS

There were no Council Reports presented.

Deputy Mayor Eggen recognized departing Parks, Recreation and Cultural Services/Tree Boardmembers Katie Beth, Al Wager, and Gary Lingerfelt for their outstanding services to the City of Shoreline. He read their accomplishments and presented them with a plaque of appreciation.

Councilmembers thanked the Boardmembers for their services to the Board and the Shoreline Community.

5. PUBLIC COMMENT

Tom Poitras, Shoreline resident, commented on development around the 145th Street Light Rail Station and recommended that initial efforts be concentrated in the smallest area possible so the fewest number of residents are negatively impacted. He referenced a publication entitled "*Getting to Smart Growth: 100 Policies for Implementation II*", talked about the use of Priority Funding Areas (PFAs) to fund infrastructure, and provided examples of PFAs.

Wendy DiPeso, Shoreline resident, commented that signs for the purchase of homes are appearing in the neighborhoods since the adoption of the 185th Street Station Subarea Plan. She expressed concern that unscrupulous persons are taking advantage of peoples' fears. She commented on a presentation made by Councilmember Hall regarding the 145th Street Subarea Station and quoted an excerpt from one of the presentation slides. She asked for Council to retain the trees in Shoreline.

Tom McCormick, Shoreline resident, provided two documents for the record: an email that he sent to the City Manager and City Council regarding a \$25,000 contract for a Point Wells Technical Report; and an email he sent to the City Attorney regarding the inclusion of the Transportation Corridor Study (TCS) in the Point Wells Environmental Impact Study. He asked the City to conduct a study of the financial impacts to Shoreline if there is no annexation of Point Wells. He asked for attached liabilities for Point Wells, whether it is annexed or not, and for an answer to a previously submitted question regarding the TCS.

Christopher Monson, Shoreline resident, talked about teaching people about the laws of the City to assist with crime prevention.

Ms. Tarry stated that she also saw signs about home purchases and said that Staff will follow up to see if additional information can be provided. She explained that a no annexation option of Point Wells will be studied in the TCS and that an economic analysis is being performed by BSRE and Snohomish County. She said that those analyses will be reviewed to help address and inform additional questions the City may have, and added that a financial analysis will also be performed.

6. APPROVAL OF THE AGENDA

Councilmember Salomon requested that Consent Calendar Items 7b and 7d be moved to Action items 8c and 8d. Councilmember McConnell requested that the February 23, 2015 Business Meeting Minutes be pulled for review and scheduled for the May 4, 2015 Agenda Consent Calendar.

The Agenda was approved as amended.

7. CONSENT CALENDAR

Upon motion by Councilmember Hall, seconded by Councilmember Roberts and unanimously carried 6-0, the following Consent Calendar items were approved:

- (a) Minutes of Special Meeting April 6, 2015**
- (b) Adoption of Res. No. 372 - Repealing Post-Issuance Tax Compliance Policies for Tax-Exempt Bonds Adopted in Resolution No. 308 and Approving the Revised Policies**
- (c) Adoption of Ord. No. 708 Amending the 2015 Budget for Uncompleted 2014 Operating and Capital Projects**

8. ACTIONS ITEMS

- (a) Public Hearing and Discussion of Ord. No. 715 - Amending SMC 3.60 Revenue Authority for the Transportation Benefit District

Alex Hertzog, Management Analyst, recounted Council's discussion of City Street Regulatory Options at the January 12, 2015 City Council Meeting. He explained that the proposed code amendment adds the use of tolling by the Transportation Benefit District (TBD), as authorized by Revised Code of Washington 36.73.040, to fund transportation improvements. He presented the proposed code amendment and stated that it aligns Shoreline Municipal Code with State Law. He stated that the passage of this Ordinance does not implement tolling, and he then described requirements that must be met before tolling could be put into effect.

Deputy Mayor Eggen opened the Public Hearing.

Tom Jamieson, Shoreline resident, read excerpts from the Staff Report and asked Council to clarify if the mention of tolls was intentionally omitted from the discussion on creating a Transportation Benefit District in Shoreline at the June 22, 2009 Council Meeting. He recalled the activity that took place in 2009 involving Snohomish County's Point Wells Draft Supplemental and Final Environmental Impact Study; action taken by Council opposing Snohomish County's designation of Point Wells as an Urban Center; the incorporation of Save Richmond Beach; a Richmond Beach Community Association design charrette; and adoption of the City Goals and Workplan. He asked if tolling was discussed at the Council Retreat held May 7-8, 2009.

Tom McCormick, Shoreline resident, thanked Council for the proposed code amendment making technical corrections to the Shoreline Municipal Code regarding tolling. He commented that placing a toll at the county line would provide additional revenue to the City. He talked about revenue that will be received from residents of Point Wells and stated that the City should be able to calculate how much revenue would be derived without annexing Point Wells.

Deputy Mayor Eggen asked if additional public comments can be accepted after the close of the Public Hearing and if they would be included in the deliberations.

Ms. Tarry responded that any comments received will be provided to Council, and explained that the City would move forward with action on this item on May 4, 2015, unless otherwise directed by Council.

Deputy Mayor Eggen closed the Public Hearing.

Councilmember Salomon commented that the change to the language provides the Transportation Benefit District tolling authority as allowed by State Law. He stated that the proposed code amendment is not a study on tolling and that it does not establish the implementation of tolling. He urged Council to support the amendment and stated that it strengthens the City's position in regards to the Point Wells Development.

Councilmember McGlashan asked if the amendment provides the opportunity for citywide tolling, if the City can implement tolling on a State Route, and what the costs are to implement and maintain tolling. Mr. Hertzog responded that the ballot measure would need to show how tolling revenue would be spent and define tolling locations. He stated that tolling can be implemented on a State Route under specific guidelines. He presented tolling options and stated they would have to be analyzed to determine cost.

Councilmember McConnell clarified that tolling can be implemented in different packages if more than one road was designated for tolling. She shared that she is in favor of tolling to help with mitigations if the Point Wells Developers are not cooperating. She requested that a study be completed for homes in Woodway that are on the County line to research whether they would be subject to the toll, only if tolling is considered for the Point Wells Development. She commented on the importance of having citizen support for a tolling ballot measure to succeed. Mr. Hertzog confirmed that tolling can be implemented on roads in different packages.

- (b) Adoption of Res. No. 373 - Approving Transfer of Telecommunications Franchise from AboveNet Communication, Inc. to Zayo Group, LLC

Mr. Hertzog provided background regarding the granting of a Franchise to AboveNet Communications in 2011 for ten years. He explained that AboveNet was acquired by Zayo Group, LLC in 2013 and that the Franchise needs to be transferred to Zayo. He then reviewed the terms and conditions of the Franchise.

Councilmember Hall moved adoption of Resolution No. 373 Approving Transfer of Telecommunications Franchise from AboveNet Communication, Inc. to Zayo Group, LLC. The motion was seconded by Councilmember Salomon.

Councilmember Roberts stated that he supports the Resolution and asked if the language in the Shoreline Municipal Code could be changed to make the transfer of succession of rights a more automatic process.

Deputy Mayor Eggen asked questions about Zayo assuming the terms of the existing contract. Mr. Hertzog explained that the First Amendment to Franchise Agreement, Attachment C, specifies the terms of the contract.

Councilmember McGlashan questioned the risks associated with not having the transfer of succession of rights approved by Council. Mr. Hertzog explained how Staff can perform due diligence and stated that there could be potential risks.

The motion passed unanimously, 6-0.

- (c) Authorizing a Cooperative Joint Agreement with the Washington State Department of Social and Health Services (DSHS) for Patrol and Emergency Police Services

Ms. Tarry explained that Fircrest is requesting a cooperative agreement for a half time dedicated police officer on their site and shared that they will pay for the costs. She said the police officer would also perform jail transport duties and additional policing duties in the City, and added that there are funds for the position in the budget.

Councilmember Hall moved to authorize the City Manager to enter into a Joint Cooperative Agreement with DSHS to provide campus patrol and emergency police services to Fircrest School for a period of three (3) years. The motion was seconded by Councilmember McGlashan.

Councilmember Salomon expressed concern with adding an on-going expense to the budget without a funding source to support it. He asked if a security guard can provide the services that Fircrest needs. He questioned funding a fully deputized police officer to be a jail transport officer. He stated that he believes there must be a less expensive alternative and urged Council to vote no.

Councilmember McGlashan commented on the need to preserve the number of officers on patrol in the City and the opportunity to support a good Cooperative Agreement with Fircrest. He explained that Fircrest is paying 50% of the cost and urged Council to vote yes.

Councilmember McConnell commented that the City is saving money by entering a Cooperative Agreement with Fircrest.

Councilmember Salomon asked if the new Police Station will help alleviate the number of jail transport trips.

Ms. Tarry recalled that when the City entered into the SCORE Agreement that the need for an additional jail transport officer would be evaluated. She stated that it has been determined that an additional officer is needed and explained the savings the City would realize by sharing the cost of the police officer. She stated that a transport can take 4-5 hours and takes an officer off the streets. She said that a deputized officer is required for transport and that transport time constraints are regulated by State law.

Deputy Mayor Eggen talked about the loss of officer time on the streets due to transports to SCORE, and stated he will support the motion.

The motion passed 5-1, with Councilmember Salomon voting no.

(d) Adoption of Ord. No. 709 - 2015 Budget Amendment

Patti Rader, Interim Administrative Services Director, recalled that Ordinance No. 709 was discussed at the April 6, 2015 Council Meeting and explained the purpose of the Ordinance.

Councilmember Roberts moved adoption of Ordinance No. 709 - 2015 Budget Amendment. The motion was seconded by Councilmember McConnell.

Councilmember Salomon moved to amend the motion to remove the current language in Ordinance 709, Parks Recreation and Cultural Services 2015 Extra Help Pay Schedule of “Extra Help Employees hired prior to the effective date will be Y-rated for the calendar year of 2015” and replace it with “Extra Help employees hired prior to the effective date will be Y-rated”. The motion was seconded by Councilmember Roberts.

Councilmember Salomon explained that some Extra Help Employees are currently compensated above the top rate on the Extra Help Pay Schedule and stated that they would have to take a pay cut if they return to the City in subsequent years. He commented on the need to provide more opportunities to low wage earners and said the amendment allows employees to maintain their Y rating indefinitely.

Councilmember McGlashan asked if these employees are currently hired and what affect the amendment would have on new employees. Ms. Rader explained that some employees are currently on staff, some were recently hired, and that some have returned over multiple years and that is why they are at a higher pay rate. Ms. Tarry clarified the intent of the amendment.

Councilmember Hall talked about hiring, separating and compensating Extra Help Employees. He asked if full-time employees that separate from the City and return have rights to previous compensation and benefits. He stated that employees should be subjected to compensation at the time the position is assumed, and stated he does not support the amendment. Ms. Tarry responded that employees who separate and return do not have rights to previous compensation and benefits.

Councilmember Roberts stated he supports hiring people based on their longevity and asked if the City Manager has discretion to hire above Step I. He stated that he supports the amendment and asked if the Extra Help Salary Pay Schedule will be included in the annual budget review. Ms. Tarry responded that an employee can be hired higher then Step I and that the City Manager does not have discretion to hire above the highest step. Ms. Rader added that the Extra Help Pay Schedule will be a part of the annual budget review.

Deputy Mayor Eggen talked about skill level differences within the steps, Y ratings for employees who leave and return to the City, and stated that he will support the amendment.

Councilmember Roberts suggested having a policy discussion about Extra Help Employees that address compensation practices for employees that leave and return to the City in the 2016 Budget Review Process.

The amendment failed 3-3, with Deputy Mayor Eggen and Councilmembers Salomon and Roberts voting yes.

Councilmember Salomon expressed disappointment that Extra Help Employees at the top step that return in 2016 will be subject to a pay cut; but stated he will support the motion.

Councilmember Roberts asked that the topic be brought back for discussion during the 2016 Budget Review Process and stated he will be supporting the motion.

The motion passed unanimously, 6-0.

9. STUDY ITEMS

(a) Discussion of Fourth Quarter Financial Report with CIP Update

Ms. Rader provided a summary of the City's 2014 financial activity and current financial position, and gave an update on Capital Improvement Projects. She reported that revenues exceed expenditures by \$1.1 million. She reviewed General Fund Revenues and Expenditures, Fund Balances and Other Funds. She explained that the City met the 10-Year Sustainability Plan goals to collect revenue at a rate of 100% of the budget and to spend at a rate 98% of budget. She reported that \$3.4 million has been added to General Fund Reserves. She reviewed Revenue Funds and stated that motor vehicle sales tax and ongoing construction are driving the increase in revenue. She stated that she anticipates this type of growth to continue in 2015, and then explained the increases in Development Revenue. She presented General Fund Expenditures, and talked about the outside legal services needed for the City Attorney's Office, and the SCORE and King County Police contracts. She reported that the 2014 General Fund Balance is \$11.6 million. She said the Real Estate Excise Tax is back to the City's revenue baseline, and commented that demand for property is higher than inventory. She then provided a status update on the Annual Surface Maintenance and Stormwater Pipe Replacement Capital Improvement Projects.

Councilmembers expressed gratitude to Staff for work completed to develop and maintain the City's Budget, and for the work accomplished on the 10 Year Sustainability Plan. They communicated that they are glad that the Plan is being used to benchmark the City's progress, and commended the Staff for displaying great financial discipline and management.

10. ADJOURNMENT

At 8:58 p.m., Deputy Mayor Eggen declared the meeting adjourned.

Bonita Roznos, Deputy City Clerk