

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, April 25, 2016
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

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

ABSENT: None

1. CALL TO ORDER

At 7:00 p.m., the meeting was called to order by Mayor Roberts who presided.

2. FLAG SALUTE/ROLL CALL

Mayor Roberts led the flag salute. Upon roll call by the City Clerk, all Councilmembers were present.

(a) Proclamation of Arbor Day

Mayor Roberts read a proclamation declaring April 29, 2016 as Arbor Day in the City of Shoreline. Jim Coneul and Yoshkio Saheki, Stewards of the Twin Pond Park Group, accepted the proclamation. Ms. Saheki thanked Council for the proclamation and for including them in the Arbor Day Celebration, recognizing their work in restoring the natural area of Twins Ponds Park, and awarding them an environmental mini grant. She acknowledged those that came before them, including John Dixon of Seattle, and Park Staff. She asked Council to remember the value of natural parks as the City contemplates the 145th Street Station Subarea rezone and the Parks, Recreation, and Open Space Plan. Mr. Coneul provided their website address, twinpondspark.file.wordpress.com, and shared they are carrying on the work started by John Dixon. He commented that he is pleased that the City is implementing a Vegetation Management Plan.

3. REPORT OF CITY MANAGER

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

4. COUNCIL REPORTS

Councilmember Salomon commented that he attended part of a Best Start for Kids retreat and shared that he is a King County Youth Advisory Board nominee. He explained that the Board

would provide oversight for annually disbursing \$65 Million to help prevent youth from starting behind in pre-school and kindergarten, and to address race and income disparities.

5. PUBLIC COMMENT

Johnny Franck, Shoreline resident, said he lives directly behind the new Trader Joes, and he has been disturbed by the truck noise made during deliveries between the hours of midnight and 5 a.m. He commented that the City is not enforcing its Noise Ordinance and said he would like signs posted to regulate the trucks.

Brad Lancaster, Shoreline resident, provided an example of how Mayor Richard Berry of Albuquerque, New Mexico addressed homelessness through a homeless work program. He described how the program works and is funded. He stated that the initial budget was \$50,000 and is now \$181,000. He then provided information regarding the program’s employment and housing outcomes.

Dave Lange, Shoreline resident, stated he hopes he did not offend anyone with the comments he made over the weekend regarding safety and Sound Transit’s design for the 145th Street Light Rail Station. He commented on improvements in recent designs and pointed out the lack of appropriate transit connectivity to the Station.

Debbie Tarry, City Manager, shared that Alex Herzog, Management Analyst, has been talking to Mr. Franck and Trade Joe’s about the truck noise, and said the City is trying to facilitate a solution.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Councilmember Hall and seconded by Deputy Mayor Winstead and unanimously carried, 7-0, the following Consent Calendar items were approved:

(a) Minutes of Workshop Dinner Meeting of April 11, 2016

(b) Approval of expenses and payroll as of April 8, 2016 in the amount of \$1,133,387.17

***Payroll and Benefits:**

Payroll Period	Payment Date	EFT Numbers (EF)	Payroll Checks (PR)	Benefit Checks (AP)	Amount Paid
3/13/16-3/26/16	4/1/2016	65718-65897	14326-14337	63126-63131	<u>\$469,481.39</u>
					<u>\$469,481.39</u>

***Wire Transfers:**

Expense Register Dated	Wire Transfer Number	Amount Paid
3/28/2016	1106	\$1,690.11
		<u>\$1,690.11</u>

***Accounts Payable Claims:**

Expense Register Dated	Check Number (Begin)	Check Number (End)	Amount Paid
3/31/2016	62990	63014	\$265,369.76
3/31/2016	63015	63028	\$2,380.72
3/31/2016	63029	63043	\$31,762.59
3/31/2016	63044	63067	\$64,836.51
3/31/2016	63068	63081	\$76,776.39
4/6/2016	63082	63101	\$205,139.86
4/6/2016	63102	63109	\$8,712.45
4/6/2016	63110	63118	\$6,202.28
4/6/2016	63119	63125	\$1,035.11
			<u>\$662,215.67</u>

- (c) **Adoption of Ord. No. 743 - 2015 Budget Carryover**
- (d) **Adoption of Ord. No. 744 - 2016 Budget Amendment**
- (e) **Approval of Res. No. 383 - Shoreview Park Boeing Creek Restoration at Hidden Lake Development Grant - Washington State Recreation and Conservation Office, Land and Water Conservations Fund**
- (f) **Approval of Res. No. 384 - Twin Ponds Park Lighting Replacement Development Grant - Washington State Recreation and Conservation Office, Youth Athletic Fund**
- (g) **Approval of Res. No. 385 - Twin Ponds Park Lighting Replacement Development Grant - Washington State Recreation and Conservation Office, Washington Wildlife and Recreation Program**
- (h) **Authorize the City Manager to Execute a Purchase Order for the Lease of New Copiers**

8. STUDY ITEMS

- (a) Discussion of 2015 Fourth Quarter and Year End Financial Report

Sara Lane, Administrative Services Director, summarized the City’s 2015 financial activity, reviewed Shoreline's financial position, and updated Council on progress made on Capital Projects. She noted a \$1.3 Million increase in Reserves, explained why there was a decrease in

Development Revenues, and said there is a favorable General Fund variance of \$4.5 Million. She reviewed sales tax by sector, permits by type and volume, recreation revenue by program area, Other Funds revenues and expenditures, and said real estate excise tax increased significantly.

(b) Discussion of 10 Year Financial Sustainability Plan Permitting and Inspection Cost of Service and Cost Recovery Study

Sara Lane, Administrative Services Director, along with FCS Group consultants Peter Moy, Project Manager, and Christine Elting, Project Analyst, presented the staff report. Mr. Moy identified that the four key study goals were to 1) identify the cost of service; 2) determine level of cost recovery; 3) compare City fees to comparable fees in other cities; and 4) assist City staff in developing fees and cost recovery recommendations. He reviewed the fee methodology used included collecting data; time estimates for how long it takes to provide services and how many hours spent on a specific permit; defining full cost of services; discussing cost recovery policy; and setting fees.

Mr. Moy stated that 56% of the Building and Inspection staff's time is spent on direct services and has a 75% cost recovery rate. He stated that the overall cost recovery for Planning is 27% and 32% for Public Works Engineering, and said direct cost are barely covered. Ms. Elting presented building and planning fee comparisons, and said the cities used in the comparisons were Burien, Kirkland, Lynnwood, Renton, and Sammamish. Mr. Moy then reviewed fee setting considerations.

Ms. Lane reviewed staff's overall cost recovery recommendations are to adjust the hourly rate to \$180; adjust all fees for cost recovery objectives; move to a flat rate where practical; and increase minimum hours where appropriate. She reviewed the cost recovery recommendations for building permits are to increase rates to median for valuations over \$1 Million; evaluate opportunities to create fees for specific activities for the minimum hourly fee plus additional hours; and maintain the current structure for the minimum hourly fee per fixture fee. She reviewed the cost recovery recommendation for Planning Fees are to adjust most permits to a flat fee; maintain minimum hour plus additional hours for those permits with greater variability in effort; and evaluate opportunities for new fees. She reviewed the cost recovery recommendations for Engineering fees are to maintain minimum hour plus additional hours for most permits with greater variability in effort, and evaluate opportunities for new fees. She then explained how cost recovery percentages will be improved.

Councilmember Hall pointed out that the numbers on the chart for the cost recovery goals do not match the policy recommendation statements. Ms. Lane responded they do not match because they deal with volumes and costs of individual permits. Councilmember Hall stated that 100% of the cost for multi-family and mixed-use building permits should be recovered and expressed concern that the City will sell itself short if permit volume increases and policy is not set to recover 100% of cost.

Councilmember McGlashan asked clarifying questions about what the new fees are and how the minimum fee process works. He said a fixed permit fee would be good. Ms. Lane responded that the new fees are those fees currently listed under another category. Ms. Markle explained that in some cases not enough fees were being collected for large projects and staff is proposing a new

way to calculate fees based on the size of the project. She added that there are also new fees being proposed that are not currently charged. In regards to how the minimum fee works, Ms. Markle explained that staff mostly rely on the minimum fee due to challenges with the current permit system that make it difficult to track hours. She said the City is in the process of implementing a new permit system, Track-It, that will make it easier to track hours. She anticipates that over the next three or four years, staff will have more accurate data to set fees with.

Deputy Mayor Winstead expressed that she would like to see the developer bear the permitting cost for larger commercial buildings rather than the General Fund and she favors looking at 100% cost recovery.

Councilmember Scully asked what it costs the City to issue a building permit and said hourly data needs to be collected.

Mayor Roberts commented that there are seven different categorizes of building permits by evaluation and asked if this is a common practice. He expressed concern that permits have not been tracked by hour and requested that they be tracked more carefully and billed at the correct rate. He asked what the cost recovery would have been if billing had been done correctly. Mr. Moy responded that they did not have a good sense of that. Mayor Roberts suggested that hourly tracking should be started immediately.

Councilmember McConnell commented that 100% cost recovery may be too high.

Ms. Lane commented the Study did not include a 100% cost recovery, and explained adjusting the cost recovery to the median will result in a 47% increases in fees collected.

9. ADJOURNMENT

At 8:29 p.m., Mayor Roberts declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk