

CITY OF SHORELINE
SHORELINE CITY COUNCIL
SUMMARY MINUTES OF REGULAR MEETING

Monday, October 29, 2018
7:00 p.m.

Council Chambers - Shoreline City Hall
17500 Midvale Avenue North

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

ABSENT: None.

1. CALL TO ORDER

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

2. FLAG SALUTE/ROLL CALL

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

(a) Proclamation of America Recycles Day

Mayor Hall read a proclamation declaring November 15, 2018 as America Recycles Day. He recognized the importance of a healthy environment to society and called upon all citizens to celebrate this day by thanking those who contribute to protecting the environment.

Janet Charnley, Sustainability Coordinator from The Evergreen School, and students from the Sustainability Club accepted the proclamation. Ms. Charnley and her students recounted some of their Green School efforts to educate their community about waste reduction and the School's recycling program.

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.

5. PUBLIC COMMENT

There was no public comment.

6. APPROVAL OF THE AGENDA

The agenda was approved by unanimous consent.

7. CONSENT CALENDAR

Upon motion by Councilmember Roberts and seconded by Councilmember McGlashan and unanimously carried, 7-0, the following Consent Calendar items were approved:

- (a) Approving Minutes of Regular Meeting of September 24, 2018
Approving Minutes of Regular Meeting of October 1, 2018**
- (b) Authorizing the City Manager to Amend the Intergovernmental Agreement with the King Conservation District for Performance of Conservation Services**
- (c) Authorizing the City Manager to Execute a Memorandum of Agreement and Trademark Agreement for the City's Participation in the EnviroStars Regional Green Business Program**

8. STUDY ITEMS

- (a) Discussing the Proposed 2019-2020 Biennium Budget – Continued Department Presentations and Capital Improvement Program

Sara Lane, Administrative Services Director reviewed the schedule for the Budget and CIP Review and shared the ways in which the Budget Book could be accessed. She explained the approach to the departmental budget review, which began with incorporating all COLA/Personnel increases, and then moved to a scrubbing process that included review of adjustments and actual spending.

She pointed out that, based on Council's suggestion, the slides have been adjusted to separate annual and biennial views to show comparisons as the City moves from an annual, to a biennial, budget.

- **Public Works:** Ms. Lane displayed the proposed budget and shared a graph diagramming the allocation of funds. She reminded Council that while the budget is biennial, the City has annual plans within the biennium. She shared the staffing trend, which includes the increase in staffing for the Unified Landscaping Team. Randy Witt, Public Works Director, detailed the services provided by Public Works in Operations, Engineering, and Transportation Services. He reviewed the logistical and budgetary challenges of contracting landscaping services that led to the recommendation to move landscaping services in-house. He elaborated that this move would involve absorbing some of the work the street and surface water staff currently do, freeing them up for other projects. He shared the planned timeline for building the Unified Landscape Team, which includes phasing out the contracted work in Parks Maintenance by late 2019. He noted the City

will continue to hire seasonal staff. He stated the only ongoing budget change was for durable pavement marking maintenance, noting the work used to be handled by the County. He addressed the one-time budget requests, which include the purchase of a backhoe and funding for guard-rail repair and pavement marking catch-up, both of which also used to be the County's responsibility.

Councilmember Roberts asked if the budget allocation for the Light Rail Station parking evaluation should be expanded to other areas, as well. Mr. Witt replied that although the City currently monitors parking needs and impacts in many locations, this study would specifically include long-term planning and surveying to manage the residential parking in the Light Rail Station areas, and once the systems were in place they could easily replicate the process for other parking assessments.

Councilmember Roberts asked about the one-time cost of training some employees to qualify for a Commercial Driver's License and wondered how many employees would be involved. Mr. Witt said the City has been challenged to recruit new employees at Maintenance Worker Level II, which requires a CDL, and that his department is interested in growing selected employees from Level I to Level II, and a component of this would include CDL training.

Councilmember Roberts said there have been many instances of price escalation in contracted work and asked why the City is contracting out guardrail repairs and durable pavement marking maintenance instead of handling the jobs in-house. Mr. Witt responded that the City does not have equipment for these projects and would need time to explore that route. Councilmember Roberts asked how the City determines when it is time to move jobs in-house to ensure quality and affordability. Mr. Witt said part of the budget process involves internal conversations on contracted services and elaborated that the City hires consultants for support in specialty areas or large projects. Councilmember McGlashan asked if all of the budgeted funds would be needed for these maintenance projects, and Mr. Witt said the extent of the backlog means need for repair exceeds the budget. He said that while the City receives some reimbursement from automobile damage to guardrails it does not cover all the repair costs.

Councilmember Chang asked for details on the maintenance agreements with King County and how it came to be that they were not doing the work anymore. Mr. Witt explained that the City had been paying for these services and King County no longer has the capacity to do the work. He warned that using a new contractor through a more formal agreement will be more expensive, but it is necessary.

Councilmember Scully thanked the City for performing an analysis and recommending adding the Unified Landscaping Team. He added that if the City were able to move away from seasonal employees, he would support it. Mr. Witt said they would continue to evaluate feasibility, but the growing season creates so much more work it is difficult to cross-train full time employees in a valuable way.

Councilmember Scully reinforced Councilmember Roberts' request to expand the areas that may need parking evaluation before the Light Rail becomes operational, citing conversations with

residents who live near the Seattle boundary and are impacted by spillover from Seattle in multi-family housing areas.

- **Surface Water Utility:** Ms. Lane displayed the proposed budget of this enterprise fund and shared a graph diagramming the allocation of funds for capital expenditures, operations, and debt service/City Maintenance Facility rent. The staffing trend for both Operating and Capital was shown, and she told Council that some staff were shared between departments. Mr. Witt reminded Council of the recently adopted Surface Water Master Plan and Fee Schedule. He shared the one-time budget requests for equipment, and detailed the eleven planned 2019-2020 Capital Projects, adding that 25 additional projects were scheduled for 2019-2024.
- **Wastewater Utility:** Mr. Witt commented that the integration of Ronald Wastewater staff to the City has gone smoothly. He said the City is under contract by Ronald for maintenance of operations, but that Ronald manages their own budget. Ms. Lane shared the expenditure comparisons and said the biggest change was the adjustments made to ensure proper staffing allocation, although actual staffing did not change.

Councilmember McGlashan asked why the budgeted backhoe and pickup truck needed to be purchased. He asked why they were not part of the assumption package. Mr. Witt responded that Ronald contracted out all their digging, so there was no equipment to share. Additionally, Mr. Witt mentioned that while the City is performing operations for Ronald, the Ronald Board has made it clear their equipment is only to be used for the Wastewater Utility. He said that once the Utility is fully assumed, the City will have the latitude to decide how equipment is used.

- **Capital Investment Plan:** Tricia Juhnke, City Engineer, presented the 2019-2024 CIP report. She stated that it included the General Capital Fund, the City Facilities Major Maintenance Fund, and the Roads Capital Fund. She mentioned that since the Surface Water Capital Fund was previously discussed it would not be included in her presentation. She clarified that while the CIP is a six-year plan, Council will only be authorizing two years of spending as part of the biennium budget. She displayed the 10 planned Parks projects and one Facilities project. She said it was worth noting that the minimum Capital Fund balance is thin at \$8,000 in 2020, mainly due to the reductions in the Real Estate Excise Tax. She listed the seven City Facilities Major Maintenance Fund projects and mentioned that there were no changes to the Fund. She said the Roads Capital Fund included three projects categorized as either repair or replacement, one being the newly added Sidewalk Rehabilitation Program, funded by Vehicle License Fees. Finally, she reported on the 14 Capacity Construction projects and highlighted the new addition of adding school zone flashers. She said the Roads Capital Fund will have a minimum fund balance of \$18,000 at the end of the CIP in 2024.
- **General Fund Transfers and Fund Balance:** Ms. Lane listed the General Fund Transfers Out to specific funds, totaling \$6 Million. She shared the annual anticipated ending Fund Balances in General Reserves through 2020 and reminded Council that those predictions assume spending all contingencies, which rarely happens.

- Debt Service Payments: Ms. Lane listed the Debt Service Fund allocations and reported that \$8.7 Million was allocated to support existing Bonds. She displayed a list of the additional Funds also included in the budget.

Mayor Hall asked when the 2006 Bonds would be paid off, and Ms. Lane said at the end of 2021.

Ms. Lane reminded Council that recommended amendments to the Budget were due by November 7, 2018 so they could be included in the November 19, 2018 meeting packet.

(b) Discussing Ordinance No. 845 – 2018 Comprehensive Plan Annual Docket Amendments to the Shoreline Comprehensive Plan

Steve Szafran, Senior Planner, presented the Staff Report. He explained that the State Growth Management Act limits review of the proposed Comprehensive Plan Amendments to once a year, with limited exceptions. He reminded Council of the Docket of eight amendments set by them in March 2018. He reviewed the amendments and provided updates on each one. He stated that the first two amendments need to be carried over to the 2019 docket because of delays in other agencies.

Mr. Szafran said Amendment 5 was withdrawn by the applicant. He elaborated on Amendment 6, which considers amendments to the Point Wells Subarea Plan to reflect recent changes to the Point Wells area that revise the total land area, remove reference to the upper bluff, amends maps and figures and zoning and land use designations, and make other administrative type corrections. Mr. Szafran stated that Council also received Public Comment requesting additional minor revisions to the Subarea Plan. He said these changes are administrative and clarifying in nature and Staff supports them.

Mayor Hall asked for more information on the height changes in the amendment, and Mr. Szafran explained the Planning Commission discussed the height issue and that Staff supports the amendment. Councilmember Scully said it is his understanding that the height amendment is being proposed to reflect Snohomish County's current process, and Mr. Szafran said that was also his understanding. Mayor Hall reminded Council that the Point Wells Subarea Plan would only go into effect if Point Wells is annexed. He said any decision on height in the Plan is Council's decision, that can be made regardless of what Snohomish County has adopted, but would only take effect in the event the City gains control of the site.

Mr. Szafran shared the Planning Commission's recommendation to carry over Amendments 1 and 2 to the 2019 docket, and to approve Amendments 3, 4, 6, 7, and 8.

Councilmember Roberts suggested that in Amendment 7 the sentence listing specific commercial areas should be eliminated to prevent need for future policy clarification. Mayor Hall agreed, and Mr. Szafran said the sentence would be struck.

Mayor Hall confirmed that there were no objections to the incorporation of the suggested changes to Amendment 6 as an amendment to the final Ordinance.

9. EXECUTIVE SESSION

At 8:07 p.m., Mayor Hall recessed into Executive Session for a period of 30 minutes as authorized by RCW 42.30.110(l)(i) to discuss with legal counsel matters relating to agency enforcement actions, or litigation; and RCW 42.30.110(1)(b) to consider the selection of a site or the acquisition of real estate by lease or purchase. Staff attending the Executive Session included Debbie Tarry, City Manager; John Norris, Assistant City Manager; and Margaret King, City Attorney. At 8:38 p.m. Mayor Hall emerged and announced a 10-minute extension to the Executive Session. The Executive Session ended at 8:49 p.m.

At 8:51 Mayor Hall reconvened the Council Meeting following the Executive Session.

Councilmember McGlashan moved to authorize the City Manager to take the necessary legal steps to seek intervention in any appeal filed by BSRE of the Snohomish County's decision regarding BSRE's Urban Center development applications for Point Wells and to prosecute and defend the City's interests in that legal action as deemed necessary. Councilmember McConnell seconded the motion.

The vote on the main motion passed unanimously, 7-0.

Councilmember McGlashan moved to authorize the City Manager to take the necessary legal steps to file a Declaratory Action, an Injunction, or other Actions challenging Woodway's proposed annexation of Point Wells and to prosecute such Actions in a manner deemed necessary. Councilmember Chang seconded the motion.

Councilmember Roberts stated that it is unfortunate when jurisdictions are forced to take legal action against each other, and he feels all Cities and jurisdictions should work together. Mayor Hall reiterated the hope that the situation could be worked out, but said he supports the motion in order to ensure the City is able to take action to protect the community interests.

The vote on the main motion passed unanimously, 7-0.

10. ADJOURNMENT

At 8:55 p.m., Mayor Hall declared the meeting adjourned.

Jessica Simulcik Smith, City Clerk