



## AGENDA

### SHORELINE CITY COUNCIL WORKSHOP DINNER MEETING

Tuesday, September 4, 2007  
6:00 p.m.

Shoreline Conference Center  
Highlander Room

**WORKSHOP ITEM:** City Hall/Civic Center Guiding Principles and Site Configuration

### SHORELINE CITY COUNCIL SPECIAL MEETING

Tuesday, September 4, 2007  
7:30 p.m.

Shoreline Conference Center  
Mt. Rainier Room

	<u>Page</u>	<u>Estimated Time</u>
1. CALL TO ORDER		7:30
2. FLAG SALUTE/ROLL CALL		
3. CITY MANAGER'S REPORT AND FUTURE AGENDAS		7:40
4. COUNCIL REPORTS		
5. GENERAL PUBLIC COMMENT		7:45

*This is an opportunity for the public to address the Council on topics other than those listed on the agenda, and which are not of a quasi-judicial nature. The public may comment for up to three minutes; the Public Comment under Item 5 will be limited to a maximum period of 30 minutes. The public may also comment for up to three minutes on agenda items following each staff report. The total public comment period on each agenda item is limited to 20 minutes. In all cases, speakers are asked to come to the front of the room to have their comments recorded. Speakers should clearly state their name and city of residence.*

#### 6. STUDY ITEMS

(a) City Hall/Civic Center Guiding Principles and Site Configuration	<u>1</u>	8:00
(b) Metro Transit Subarea Allocation	<u>7</u>	8:30

## **7. EXECUTIVE SESSION**

9:00

*The Council may hold Executive Sessions from which the public may be excluded, for those purposes set forth in RCW 42.30.110 and RCW 42.30.140. Before convening an Executive Session, the presiding officer shall announce the purpose of the Session and the anticipated time when the Session will be concluded. Should the Session require more time, a public announcement shall be made that the Session is being extended.*

- (a) Potential Litigation and Litigation – RCW 42.30.110(1)(i)

## **8. ACTION ITEMS: OTHER ORDINANCES, RESOLUTIONS AND MOTIONS**

- (a) Contract Amendment for Legal Services

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## **9. ADJOURNMENT**

10:00

*The Council meeting is wheelchair accessible. Any person requiring a disability accommodation should contact the City Clerk's Office at 546-8919 in advance for more information. For TTY service, call 546-0457. For up-to-date information on future agendas, call 546-2190 or see the web page at [www.cityofshoreline.com](http://www.cityofshoreline.com). Council meetings are shown on Comcast Cable Services Channel 21 Tuesdays at 12 noon and 8 p.m., and Wednesday through Sunday at 6 a.m., 12 noon and 8 p.m. Council meetings can also be viewed on the City's Web site at [cityofshoreline.com/cityhall/citycouncil/index](http://cityofshoreline.com/cityhall/citycouncil/index).*

**CITY COUNCIL AGENDA ITEM**  
**CITY OF SHORELINE, WASHINGTON**

<b>AGENDA TITLE:</b>	Civic Center/City Hall Guiding Principles
<b>DEPARTMENT:</b>	City Manager's Office
<b>PRESENTED BY:</b>	Robert L. Olander, City Manager Jesus Sanchez, Civic Center Project Manager

**ISSUE STATEMENT:**

On July 9, 2007, Council authorized the City Manager to enter into a Predevelopment Agreement (Agreement) with OPUS Northwest, L.L.C. (Developer) for the design and development of the Civic Center Project. One of the first important steps taken by the Developer, the City and Community was to develop a set of "Guiding Principles" for the Civic Center Project.

Council asked that we engage the communities to encourage public participation and solicit input regarding the "Guiding Principles, the design and placement of the Civic Center building, and consider additional shell and core space for future growth capacity. Community meetings were held on March 20th, July 30th and August 21<sup>st</sup> to solicit input from the public as to the kinds of amenities, functionality, parking, building placement, and future expansion needs they would like to see in the new Civic Center building.

At the July 30<sup>th</sup> meeting, the Opus Development Team presented to the community, specific building constraints such as, boundary points, foot print of existing site, adjacent roadways, curbing, sidewalk, frontage setbacks etc. Participants were then asked to work with scaled blocks representing building design concepts keeping in mind the constraints pointed out earlier. Although several iterations were created, the frontage corner at 175<sup>th</sup> and Midvale Ave. North seemed to be the common selection among the work stations as the most critical placement for the civic center. Participants felt that a strong city presence needed to be established at this corner and on Midvale.

Parking was also recognized as necessary but that it should not take up nearly one half of the open space area. As the public participated hands on, by placing model building blocks to configure best possible building and parking scenarios, one common comment that was heard was that surface parking would impact and limit space around the Civic Center Building, and could possibly affect the best configuration for the placement of the Civic Center Building. The surface parking proposed under the current construction estimates was the least liked design, rather there was general agreement that under ground or structured parking is strongly preferred, allowing for more "green space", despite the higher cost. The public also discussed the "Guiding Principles" and provided a number of comments and suggestions which have been incorporated in the final draft for Council review.

On September 4 staff and the development team will be presenting options and recommendations to the Council on:

1. Site layout and design
2. Parking options and relative costs
3. Draft "Guiding Principles"
4. Cost options for added "shell" growth space

Although the attachments to this report contain alternative layout designs for parking, they do not reflect the final recommendations on building layout. These will be presented with models at the September 4<sup>th</sup> meeting. Staff will be requesting Council decisions and guidance on these issues in order to proceed with the next phase of achieving 30% design documents scheduled for completion by September 30<sup>th</sup>.

#### **FINANCIAL IMPACT:**

The estimated cost to complete structured parking is \$3,556,000 and the estimated cost for an additional 15,000 square feet for future growth is estimated at \$3,100,000, for a total combined cost of \$6,656,000. The City's current budget for the City Hall/Civic Center project assumes the issuance of \$12.7 million in debt. Based on current market conditions, which are always subject to change, the estimated annual debt service for \$12.7 million in debt is \$883,000. If the City were to complete both the structured parking and additional space the amount of debt issued would need to be approximately \$19.3 million, with an estimated annual debt service cost of \$1.353 million, or approximately \$470,000 more than the City's current projected budget. Completing just the additional space for future growth would result in an estimated annual debt service cost of \$1.111 million, or \$228,000 more than the City's current projected budget.

At this time, given budgetary constraints, we cannot undertake to finance both the parking structure and the proposed added growth capacity. Building in the added growth capacity has the highest efficiency outcome both in dollars and planned growth. Taking into consideration a modest 75% occupancy rate at today's lease cost per square feet of \$22.50, the additional space could provide a potential annual revenue stream of \$250,000 to offset the added cost of building another 15,000 sq. ft. of future growth space.

#### **RECOMMENDATION**

Staff recommends that Council approve the "Guiding Principles" as the goals for the Civic Center Project; authorize the City Manager to direct the Developer to develop design plans with a strong emphasis on securing the corner of 175<sup>th</sup> and Midvale North as the prominent location for the civic center, and incorporate additional growth capacity into the building design which would expand the currently proposed 15,000 Sq. Ft. per floor foot print.

Approved By:                      City Manager  City Attorney \_\_\_\_\_

## INTRODUCTION

Council asked that we engage the communities to encourage public participation and solicit input regarding the "Guiding Principles", the design and placement of the Civic Center building, and consider additional shell and core space for future growth capacity. Community meetings were held on March 20th, July 30th and August 21<sup>st</sup> to solicit input from the public as to the kinds of amenities, functionality, parking and building placement, and future expansion needs they would like to see in the new Civic Center building.

## BACKGROUND

Through the community process, the Guiding Principles for the Civic Center Project were developed and are as follows: People First; Inclusive; Accessible; Connected; Specifically...Shoreline; Civic; Affordable; Sensible; Sustainable; and Low-Impact. These guiding principles embrace the public's valued considerations and are the Project's goals as we begin construction of the City of Shoreline's new City Hall. The principles are further defined in **Attachment A – Guiding Principles**.

Another critical issue discussed at the community meetings was the placement of the Civic Center Building. After the Opus Development team presented to the community, specific building constraints such as, boundary points, foot print of existing site, adjacent roadways, curbing, sidewalk, frontage set setbacks, participants were asked to work with scaled blocks representing building concepts. Although several iterations were created, there seemed to be a common theme at each work station. The frontage corner at N.175<sup>th</sup> and Midvale Ave. North, was selected as the most critical placement for the civic center. Participants felt that a strong city presence needed to be established at that location.

Parking was also recognized as necessary but that it should not take up nearly one half of the open space area. As the public participated hands on, by placing model building blocks to configure best possible building and parking scenarios, one common comment that was heard was that surface parking would impact and limit space around the Civic Center Building, and could possibly affect the best configuration for the placement of the Civic Center Building. The parking space proposed under the current construction budget was the least liked design, with under ground storage and or structured parking strongly preferred.

## DISCUSSION

### PARKING

Four parking options are discussed in this document and presented for discussion and direction. The crucial decision, as to which parking option to proceed with, needs to be made at this time, while in the design process. Option 1 is wide surface parking on the north side of the civic center property; Option 2 is narrower linear surface parking on the civic center site, but extending east on to the former Kimm property; Option 3 is similar to Option 1 but located as far east as possible and Option 4 is a two story parking deck at the northeast corner of the former Kimm property.. The authorized

budget for the Civic Center Project allows for surface parking only. A two-story parking structure is outside of the approved budget and would need Council approval.

Parking structures are considerably more expensive on a per sq. ft. construction cost than surface parking. A parking structure for a proposed 180 parking stalls could reach a cost of approximately \$3,556,000 as opposed to surface parking, which may be \$160,000.00 (**Attachment B: Parking Option Scenarios**).

#### Option 1: Surface Parking Wide

This option allows for a more consolidated parking area near the building, a shorter walking distance for people parking and accessing the building. This is the baseline option that is within the existing budget.

#### Option 2: Surface Parking Linear

This option allows for more open space fronting Midvale Avenue and arranges parking in a more east-west direction, also allowing more open space around the new Civic Center facility. There is added demolition cost of the north portion of the Highland Park Building of approximately \$60,000. This option can be programmed in the same location as the proposed parking structure in option 3.

#### Option 3: Surface Parking Wide- Shifted to the East

This option creates the maximum amount of open space north of the civic center building of any of the surface parking options but does impact most of the buildings and tenants on the old Kimm property.

#### Option 4: 2-Story Structured Parking

This option is to construct a parking structure on the northeast corner of the Civic Center site located at the existing Highland Park Building north portion. There are demolition costs and construction costs to construct a two-level parking structure. The design would take advantage of topography changes to minimize the size appearance to the north residential neighborhood. The garage would preserve maximum open space for the Civic Center site, and would minimize the presence of vehicles on the site. The construction cost is approximately \$3,556,000 if constructed as part of the overall Civic Center Project. The garage would have a capacity of 180 stalls, with the expectation of reconfiguring tighter spaces at a future time to allow up to a maximum of 200 stalls as the need for additional parking requires.

### ADDITIONAL BUILDING SPACE FOR FUTURE GROWTH

There was general support and understanding for the need to address future growth capacity. Adding additional shell and core building space either as a single story side adjacency or expanding the current proposed 60,000 square foot building to 75,000 square feet was proposed. A shell and core 5th floor at this time exceeds the city's height limitations. Sound business planning dictates that if an additional shell and core space is needed, it should be configured into the current design process now, creating efficiency in terms of cost. This expansion growth consideration is not part of the original; construction budget and will need council approval to proceed with incorporating that expansion design element. At a shell and core cost of \$160.00 per

Sq. ft., an additional 15,000 Sq Ft., would cost approximately \$2,400,000 dollars. With design and developer fees, the overall cost is approximately \$3,100,000.

With the escalating cost of materials and supplies that our region continues to experience, it would be prudent for the City to include in its Civic Center building growth expansion capacity by either increasing the building foot print of the 60,000 Square foot building to 75,000 square feet or adding a shell and core feature either as a single story unit. A fifth story shell and core proposal would exceed the City's height limit. As mentioned above, both the 15,000 sq. ft. of additional growth space and a two-story parking structure is outside of the approved budget and would need Council approval.

### **FINANCIAL ANALYSIS**

The current CIP budget for the City Hall/Civic Center building is \$19.2 million. The proposed financing for the building is to use \$6.5 million in cash and finance approximately \$12.7 million. The estimated annual debt service for repayment of the \$12.7 million, based on a 25 year repayment schedule and assuming an average interest rate of 4.6%, is \$883,000.

In order to complete structured parking and/or the additional 15,000 square feet of space, the City would need to either increase the amount of cash allocated towards the project or could finance the additional costs. Assuming the City financed the additional costs to complete the structured parking, \$3,556,000, and additional space, \$3,100,000, the amount financed would increase to approximately \$19.3 million. The estimated annual debt service for this level of debt is \$1.353 million, approximately \$470,000 greater than the annual debt service for issuing \$12.7 million of debt. If the City were to complete the additional space only the annual debt service is estimated at \$1.111 million, or \$228,000 more than the debt service for the current City Hall/Civic Center project.

The City's long-term financial projections assume an annual occupancy cost of \$1.3 million for the new City Hall/Civic Center. Occupancy cost would include both debt service and operation/maintenance costs. It is likely that debt service in excess of the \$883,000 would result in total occupancy costs exceeding the \$1.3 million. If this were the case the City would need to address any additional costs as part of its long-term financial planning process to determine if additional operating dollars or Real Estate Excise Tax should be allocated towards the City Hall/Civic Center project.

At this time, given budgetary constraints, we cannot undertake to finance both the parking structure and the proposed added growth capacity. Building in the added growth capacity has the highest efficiency outcome both in dollars and planned growth. Taking into consideration a modest 75% occupancy rate at today's lease cost per square feet of \$22.50, the additional space could provide a potential annual revenue stream of \$250,000 to offset the additional cost of debt service. Additionally, building a stand alone structure for added growth would be more costly since aside from the per square foot construction, the building would need its own stand alone support systems, such as H-VAC, cooling systems, electrical , plenum and conduit ,not counting added design costs.

A parking structure could be added later when a final master planning exercise can cost out a police station and a parking structure together. Removing the asphalt from the planned surface parking at a later time to make way for a structured parking scenario on the Northeast corner of the Kim property will have nominal costs.

### **RECOMMENDATION**

Staff recommends that Council approve the "Guiding Principles" as the goals for the Civic Center Project; authorize the City Manager to direct the Developer to develop design plans with a strong emphasis on securing the corner of 175<sup>th</sup> and Midvale North as the prominent location for the civic center, and incorporate additional growth capacity into the building design which would expand the currently proposed 15,000 Sq. Ft. per floor foot print. The preferred affordable parking alternative is Option 3.

### **ATTACHMENTS**

Attachment A: Guiding Principles

Attachment B: Parking Option Scenarios



## City Hall/Civic Center Guiding Principles

### People First.

- Warm and Welcoming
- Intuitive
- Functional/Efficient/Flexible
- Open - Natural Light
- Community "Living Room"
- Inside and Outside
- Community Meeting Space
- Gathering Places, Off-hour Activities
- Minimize Visual, Spatial Impact of Cars

### Low-Impact.

- Environmentally Sustainable
- Long-Range Planning (50+ years)
- Connected to Transit and Bike Paths
- Protecting Natural Systems, Resources
- Healthy Environment, Healthy Community
- Avoid Traffic Impacts to 175<sup>th</sup>, Neighborhood
- Conservation, Water, Energy
- Reduce Paved Areas, Visual Impacts of Parking

### Sustainable.

- Environmentally, Socially, Economically
- Focus on Benefits rather than Certification
- Balance Operations Costs with First Costs
- Long-Range Planning (50+ years)
- Durable, Proven Technology, Products
- Establish Clear Environmental Goals
- Use Life-Cycle and Cost/Benefit Analysis

### Sensible.

- Modest, Sensible. Not Ostentatious.
- Quality Product, but Within Set Budget
- Incremental Expansion, As Needed
- Long-Range Planning (50+ years)
- Functional/Efficient/Flexible
- Distinctive but Responsive
- Durable Proven Technology, Products

### Affordable.

- Quality Product, but Within Set Budget
- Incremental Expansion, As Needed
- Balance Operations Costs with First Costs
- Judicious Choice of Extras, Features
- Use Life-Cycle and Cost/Benefit Analysis to ensure affordable over long- period

### Civic.

- Embody Values and Aspirations of Community
- Serving the Community
- Pride and Ownership
- Public Space, Community Amenity
- Community "Living Room"
- Gathering Places, Off-hour Activities
- Long-Range Planning (50+ years)
- Easy to Use and Access all Departments
- Welcoming Outdoor Public Space

**Specifically...Shoreline.**

- Reflect Unique History and Identity of Shoreline
- Acknowledge Past, Look Toward Future
- Embody Values and Aspirations of Community
- Welcoming all the Diversity of Shoreline
- Modest, Sensible. Not Ostentatious.
- Integrated Regional Art/Culture/Music
- Local Destination
- Reflect Tradition of Educational Excellence

**Connected.**

- To the Community, Neighborhoods
- Integrate and Reinforce Town Center Projects
- To Transit, To Bike Paths
- To the World
- Long-Range Planning (50+ years)
- Orient to Pedestrian-Friendly Midvale
- Natural Expansion over Time

**Accessible.**

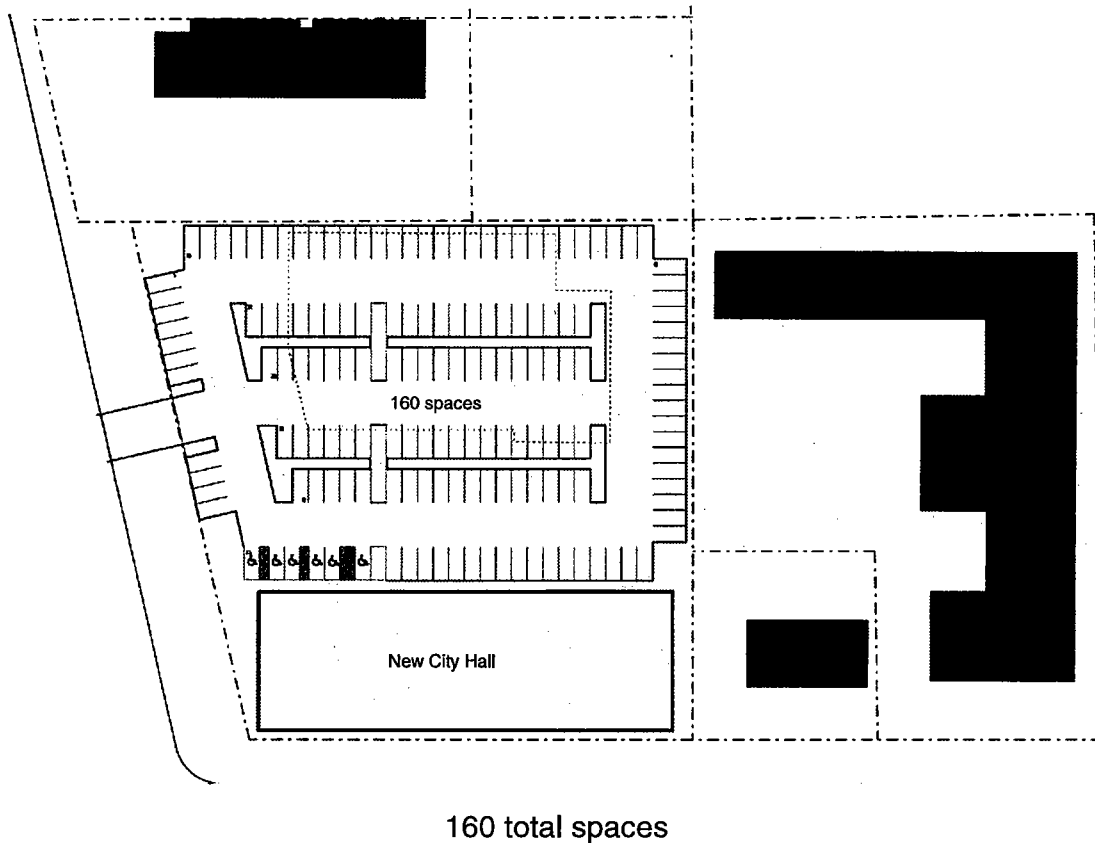
- Warm and Welcoming
- Walkable, Safe
- Convenient
- Connected
- Understandable
- Pride of Ownership
- Future Complex Connected (not disjointed)

**Inclusive.**

- Public Involvement and Pride
- Welcoming all the Diversity of Shoreline
- Community "Mixing Chamber"
- Flexible, Multi-Purpose
- Integrated Local Art/Culture
- Family-Friendly
- Represent each Neighborhood

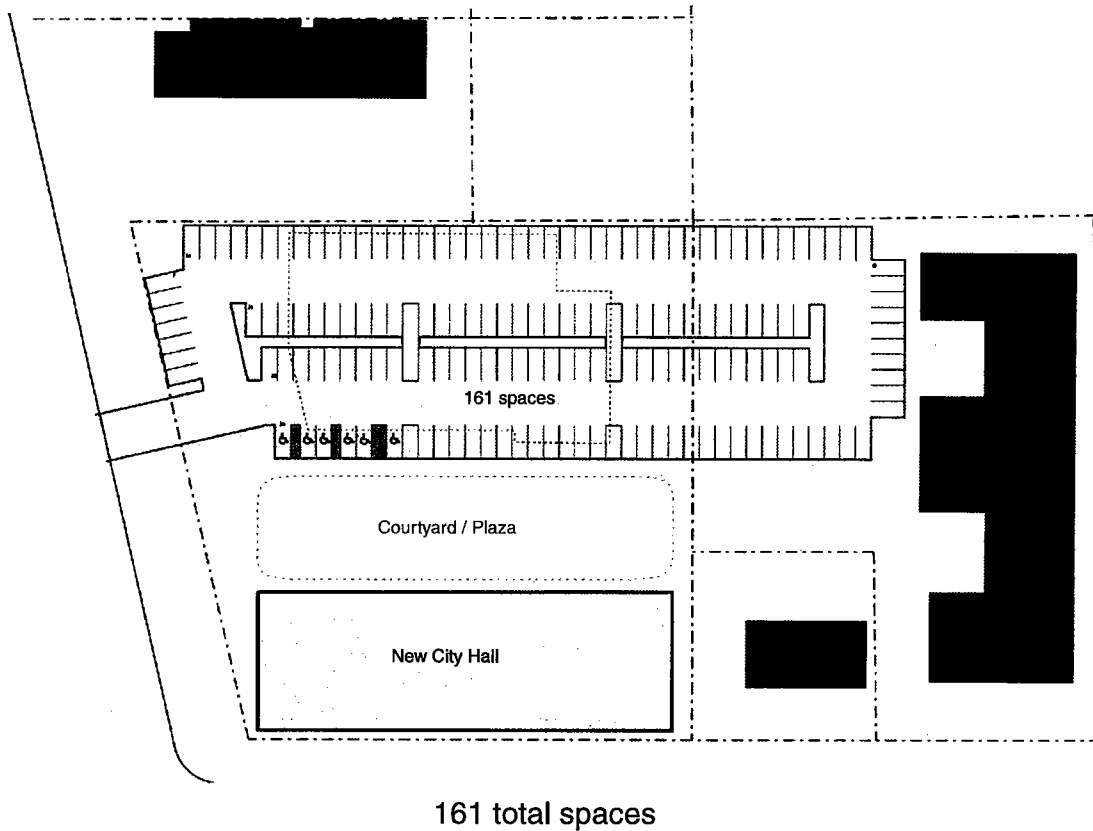
# parking

OPTION 1



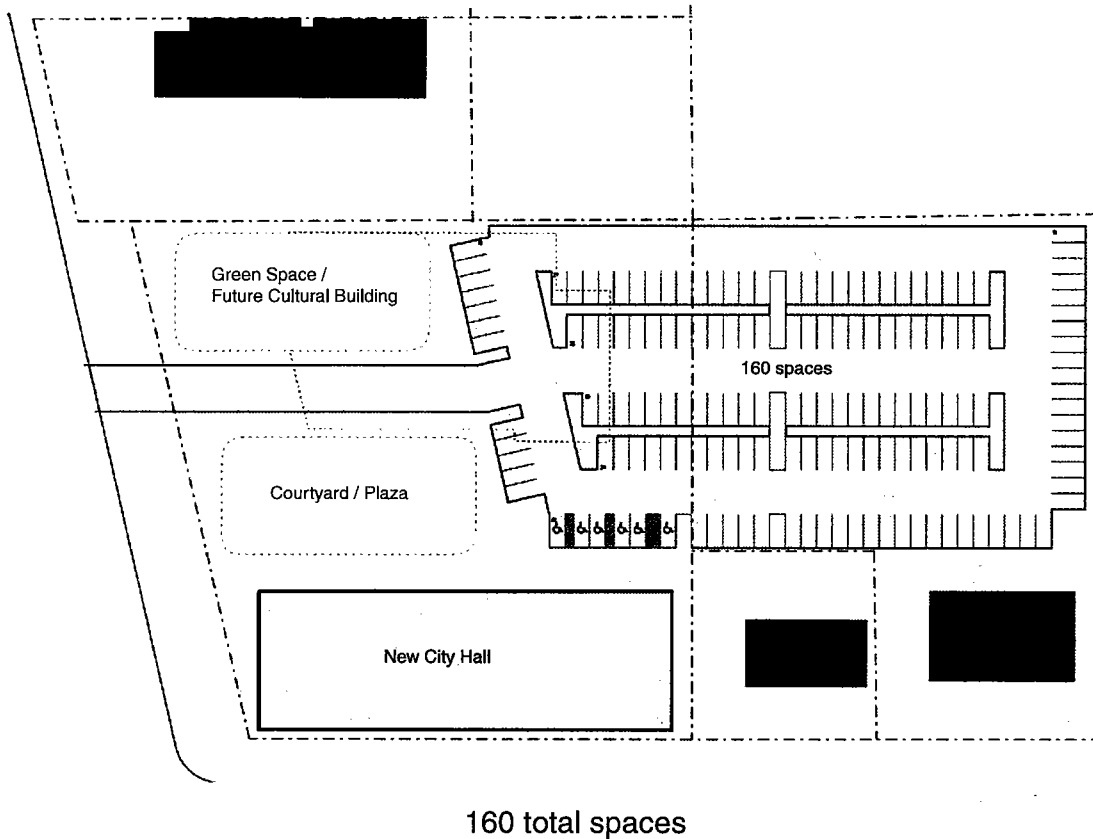
## Surface Parking - Wide :

- **entry from Midvale**
- **possibility to push parking back to East site to create more open space on Midvale**



## Surface Parking - Linear :

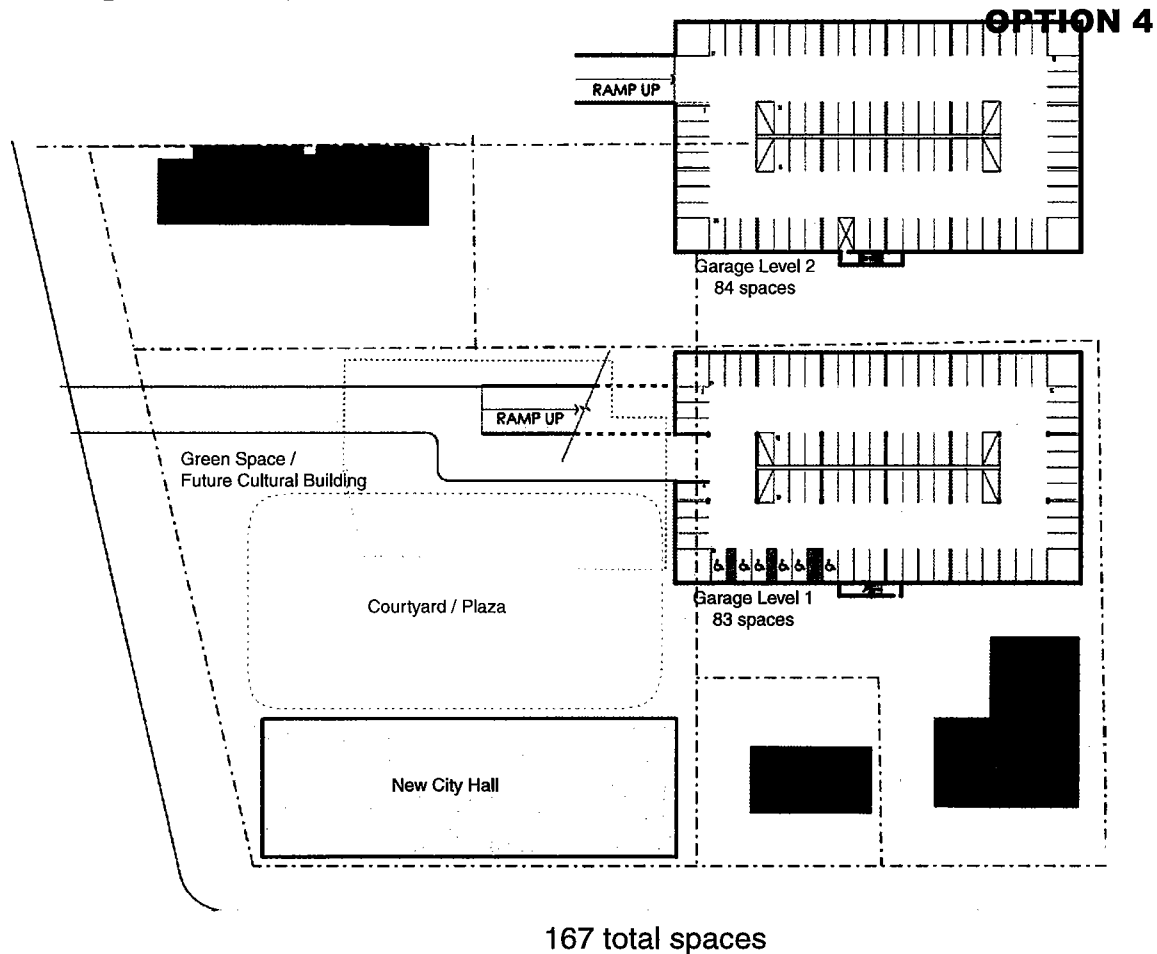
- entry from Midvale
- open space between building and parking
- possibility to push parking back to East site to create more open space on Midvale



## Surface Parking - Wide shifted to East :

- entry from Midvale
- pushing parking back to East site to create more open space on Midvale

# parking



## 2 Story Structured Parking :

- **entry from Midvale**
- **ramp up to upper floor parking**
- **open space on Midvale**
- **open space between building and parking**
- **possibility to push parking back to East site to create more open space on Midvale**

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**Council Meeting Date: September 4, 2007**

**Agenda Item: 6(b)**

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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b> Metro Transit Subarea Allocation <b>DEPARTMENT:</b> Public Works <b>PRESENTED BY:</b> Mark Relph, Public Works Director
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**PROBLEM/ISSUE STATEMENT:**

King County councilmember Bob Ferguson suggested to the City of Shoreline a proposal to move the City from the West Subarea of the King County Metro Planning Area to the East Subarea. Council action in September was requested by Councilmember Ferguson so as to confirm our preference

**FINANCIAL IMPACT:**

There is no direct fiscal impact to the City, but the city's location within a subarea is important when Metro plans and allocates transit service.

**RECOMMENDATION**

It is Staff's recommendation that the City of Shoreline stay within the West Subarea of the Metro Transit Planning Area. There are two main reasons for the recommendation; 1) 16 of the 18 transit routes within Shoreline go to Seattle, 2) while there may be more transit service hours available in the East Subarea, there are more cities vying or competing for the service.

Approved By: City Manager  City Attorney \_\_\_\_\_

## **INTRODUCTION**

King County Councilmember Bob Ferguson recently contacted the City to discuss the possibility of changing the boundaries of the King County Metro planning subareas to include Shoreline in the East subarea. Part of the rationale for this change would be to allow Shoreline to compete for a larger pool of new transit service hours. Metro distributes new transit service hours among three subareas within its service area. These subareas are the East, South and Seattle/North King County. Currently, Shoreline is in the Seattle/North King County subarea, along with Seattle and Lake Forest Park. The East subarea includes Kenmore, Bothell, Woodinville, Kirkland, Bellevue, Redmond, Issaquah, Sammamish, Mercer Island, Snoqualmie and North Bend.

While the East Subarea receives more allocation of new transit service, the concern is the larger number of cities competing for that service. In addition, Shoreline's service requirements are more closely tied to Seattle than any of the other East Subarea cities. This may make it difficult for Shoreline to move forward our priorities when the other East Subarea cities may have priorities centered within their immediate developing area.

## **BACKGROUND**

Metro's planning policies require that new transit service hours for the three Subareas be distributed according to the following formula:

- East subarea: 40 percent of new transit service hours
- South subarea: 40 percent of new transit service hours
- Seattle/North King County subarea: 20 percent of new transit service hours.

Transit Now includes 500,000 new service hours, which will be implemented between now and 2016. These service hours will be dedicated to three areas of transit service: Rapidly developing areas, RapidRide and High Ridership/Core Routes. These hours are subject to the 40-40-20 rule described above. Currently, the City of Shoreline is scheduled to receive approximately 5,000 additional hours for implementation of the Bus Rapid Transit system on Aurora Avenue North beginning in 2013. Additionally, improved service to Route 331, which serves Shoreline Community College and the Aurora Village Transit Center, then continues to UW Bothell/Cascadia Community College via Ballinger Way NE and Bothell Way NE, is scheduled to receive additional service hours as part of a High Ridership/Core Route improvement. The additional service hours on Route 331 will result in 15 minute headways during the two hour peak periods in each direction. The timing for implementation of these additional service hours is unknown at this time. The attached chart shows the anticipated distribution of these hours over the next ten years.

In addition to the 500,000 new service hours, Transit Now includes 90,000 new service hours which can be implemented through service partnerships. Service partnerships, which include Direct Financial Partnerships and Speed and Reliability Partnerships, are



an opportunity for a jurisdiction or private entity to enter into an agreement with Metro to provide improved transit service, either by providing direct financial support to Metro or implementing capital improvements. Service partnerships are not subject to the 40-40-20 rule. The City is currently pursuing a Speed and Reliability Partnership in conjunction with the City of Seattle (see memo from Kirk McKinley and Alicia Sherman dated June 28, 2007).

If the City of Shoreline is located within the East subarea, the City would be located in a subarea with a larger pool of hours available for new service (40 percent of the new service allocation versus 20 percent of the new service allocation). The following charts, prepared by Metro staff, show the current and proposed distribution of population and service hours among the subareas according to the current boundaries and those if Shoreline was located in the East subarea. It should be noted that Lake Forest Park will also be included in the East subarea if this change is implemented. Annual service hours on routes serving Shoreline and Lake Forest Park constitute approximately 5.2 percent of Metro's total annual service hours (approximately 173,600 hours). Please note that the West subarea listed on the chart is the same as the Seattle/North King County subarea.

#### Current Subarea Distribution

Subarea	King County Population (2005)	Percent	Annual Service Hours (Fall 2006)	Percent
East	501,700	27.7%	542,074	16.3%
South	668,300	37.0%	659,715	19.8%
West	638,200	35.3%	2,126,434	63.9%
Total	1,808,200	100.0%	3,328,223	100.0%

#### Subarea Distribution, with Shoreline and Lake Forest Park as East

Subarea	King County Population (2005)	Percent	Annual Service Hours (Fall 2006)	Percent
East	566,930	31.4%	715,735	21.5%
South	668,300	37.0%	659,715	19.8%
West	572,970	31.7%	1,952,773	58.7%
Total	1,808,200	100.0%	3,328,223	100.0%

The majority of Metro service within Shoreline serves Seattle. Currently, there are eighteen Metro routes that serve the City of Shoreline. Sixteen of these routes go through or into Seattle. Of these sixteen routes, nine serve downtown Seattle, seven serve the Northgate Transit Center, one serves the University District and two serve Lake City. One route that serves the Northgate Transit Center continues service to the Overlake Park and Ride via I-5 and SR 520. Of the two routes that do not include

service to Seattle, one route provides service to the Kenmore Park and Ride via Ballinger Way NE and Bothell Way NE and the other route provides service to the Renton Park and Ride via Ballinger Way NE, Bothell Way NE and I-405.

At this time, the majority of Metro service provided to the East subarea begins and ends in either the East or south subarea. Sound Transit provides the majority of cross-lake service into downtown Seattle for the East subarea, allowing Metro service hours to be focused on serving the East subarea. All of the Metro routes that serve Shoreline along Bothell Way NE begin/end in the East subarea. If these routes are experiencing overcrowding at this time, that means residents of the East subarea are experiencing these problems as well. It is worth examining the East subarea's priorities for these routes at this time to determine why the East subarea is not advocating for better service on these routes at this time.

Metro staff has explained that municipalities do not "compete" for service hours – they are allocated in the areas where the best and most efficient transit service can be provided. Although there are more new service hours available in the East subarea, that does not mean that Shoreline will have a better chance at receiving them. Metro staff has explained that hours are allocated according to service need. Although Shoreline would not necessarily be ignored, the East subarea appears to have different priorities for service locations. Decisions about the allocation of service hours are made by the King County Council upon review and recommendation by the King County Regional Transit Committee. Regardless of which subarea the City is in, the representative for the City of Shoreline will need to ensure that the City's needs are met.

Finally, there are concerns about how this would impact the City's involvement with the SeaShore Transportation Forum. Shoreline would participate in the Eastside Transportation Partnership to discuss allocation of Metro Transit service hours, even though decisions would not be made by ETP regarding these allocations. Unless Sound Transit modified its subarea boundaries, Shoreline would participate in the SeaShore Forum regarding Sound Transit issues. It is likely that Shoreline would participate in when developing proposals for SAFETEA-LU funding through the PSRC regional competition.

Councilmember Ferguson met with Lake Forest Park's mayor on June 29, the Lake Forest Park City Council on July 12 and the Shoreline City Council on July 23. On July 26, 2007, the City of Lake Forest Park passed a resolution identifying their wish to be located in the East subarea for allocation of Metro service hours. Overall, it is our recommendation that the City of Shoreline remain in the Seattle/North King County subarea. We acknowledge that improved service is needed for east-west transit connections, however, the City benefits through its relationship with Seattle, as the routes that serve Seattle are successful and heavily used. We believe the City should examine alternate ways to improve east-west transit service rather than changing subareas, including discussions with the East subarea to improve routes that serve both subareas.

## **RECOMMENDATION**

It is Staff's recommendation that the City of Shoreline stay within the West Subarea of the Metro Transit Planning Area. There are two main reasons for the recommendation; 1) 16 of the 18 transit routes within Shoreline go to Seattle, 2) while there may be more transit service hours available in the East Subarea, there are more cities vying or competing for the service.

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**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Contract Amendment for Legal Services
<b>DEPARTMENT:</b>	City Attorney's Office
<b>PRESENTED BY:</b>	Ian Sievers, City Attorney Flannary Collins, Assistant City Attorney

**PROBLEM / ISSUE STATEMENT:**

This is a continuation of the discussion on this item that was carried over from August 20, 2007. Attached is the staff report from that meeting. In addition, staff has requested an independent outside legal opinion on some of the issues involved and that will be completed prior to the September 4 meeting.

**RECOMMENDATION**

It is recommended that Council move to approve an amendment to the 2006-2007 contract with Foster Pepper PLLC for general litigation in the amount of \$171,700 increasing the new not-to-exceed amount to \$341,700.

Approved By: City Manager  City Attorney \_\_\_\_

Attachment

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b> Contract Amendment for Legal Services
<b>DEPARTMENT:</b> City Attorney's Office
<b>PRESENTED BY:</b> Ian Sievers, City Attorney ; Flannary Collins, Assistant City Attorney

**PROBLEM/ISSUE STATEMENT:**

In February 2006, the City Council authorized legal defense for Mayor Ransom, Deputy Mayor Fimia, Councilmember Way and former Councilmember Chang in the civil suit filed January 1, 2006 for alleged violations of the Open Public Meetings Act (*King et. al v. Fimia et. al*. King County Superior Court case Non 06-2-0803-1). All the City defendants accepted a joint defense using counsel assigned for defense, Steve DiJulio of Foster Pepper. This defense was assigned as a separate matter under an existing standing contract with Foster Pepper for miscellaneous services.

In October 2006 the City Council approved a \$45,000 amendment to the Foster Pepper contract, for a new contract amount of \$120,000. Approximately \$32,000 of this contract had been spent on legal services with Foster Pepper for defense of a recall petition suit authorized by the Council in April 2006. The expectation in October 2006 was that the lawsuit would be resolved in summary judgment, so the \$45,000 amendment was projected to cover the legal fees associated with summary judgment resolution. In March 2007, the City Manager administratively approved a \$50,000 contract amendment as allowed by the City's purchasing ordinance, SMC 2.60.040(D)(c), increasing the not-to-exceed amount of the miscellaneous services contract to \$170,000 through the end of 2007. The total contract limit has been paid and Council authority is need to pay additional defense of this suit including work performed in July or any other services from Foster Pepper except bond counsel services on the Civic Center project.

**ANALYSIS:**

A. Status of Litigation. A confidential progress report on this case from Foster Pepper is attached to this report. The procedural highlights that have most affected price is summarized here. As promised, in October, Defendant councilmembers filed a motion for partial summary judgment. This motion requests dismissal of allegations that there was a knowing violation of the Open Meetings Act and dismissal of penalties assessed for such violations September 2006 so the Plaintiff's could be prepared to respond to the motion. The Defendants moved and were granted a continuance.

Plaintiffs' motion for partial summary judgment requested that the court find that the defendant councilmembers violated the Open Public Meetings Act regardless of

whether it was a knowing and willful violation. Plaintiffs' summary judgment was denied by the court finding that the facts were in dispute. The Defendant's motion was renoted for June 22<sup>nd</sup>. Plaintiff's still did not take depositions to prepare, and moved again to continue to allow discovery. Again the continuance was granted, moving the hearing to July 27. Plaintiff's filed a third motion to continue and finally began depositions during the week of July 17. The court has now moved the Defendant's motion for summary judgment to September 14 only ten days before start of trial. Mediation was attempted on July 27<sup>th</sup> ahead of most deposition that are now ongoing, but was unsuccessful.

At this point the City should anticipate a two to three day trial to run its course. Council was told in October, 2006 that if the case proceeded to trial additional contract authority would be needed. Substantial preparation has been underway in conducting depositions which will continue this month. Projected costs may be higher than the projections provided by Foster Pepper discussed below. On August 7<sup>th</sup>, Plaintiffs filed a motion to amend its complaint to add the City as a defendant and to add an open meetings act violation allegedly occurring in November, 2004. The City will be grossly prejudiced by this amendment adding it to the litigation and will ask that a separate action be filed or discovery cutoff and trial be substantially continued. A request for coverage has been requested of WCIA. A ruling on the motion is expected on August 14. If plaintiffs are successful will be necessary to retain a second outside counsel firm to represent the City's interest unless the Council waives the original reservation of rights.

Voting on the contract amendment is limited to councilmembers not benefiting from the defense unless the Council lacks a quorum to take action without the recused members. Defense is provided under the City's reservation of rights to indemnification if there is a finding of intentional violations. This amendment will not affect the existing reservation of rights.

As with the original approval of defense, under SMC 2.40 this action must be approved by a vote of councilmembers not parties to the suit and benefiting from the defense. The legal risks of not approving continued defense costs are addressed in the confidential memo included as Attachment C.

#### **FINANCIAL IMPACT:**

In addition to arguing the summary judgment, Foster Pepper will be attending numerous depositions in the upcoming months. Finally, a non-jury trial is scheduled for September 24, 2007, which will require trial briefing, document preparation and witness preparation. Foster Pepper has estimated that the above described work will amount to approximately \$171,700 in additional contract authority to pay defense through trial. A detailed breakdown of work projected through the end of trial scheduled for September 24<sup>th</sup> is attached. Thus, the 2006-2007 contract amount is proposed to be increased to a new not-to-exceed amount of \$341,700. No additional amendments should be required to the contract unless unexpected work is required. Additionally, if the case settles prior to trial, fewer funds will be spent. It is expected that a budget amendment will be needed to the City Attorney's budget to cover the increase in this services contract for 2007 which will be presented at a later date.

### **RECOMMENDATION**

It is recommended that Council move to approve an amendment to the 2006-2007 contract with Foster Pepper PLLC for general litigation in the amount of \$171,700, increasing the new not-to-exceed amount to \$341,700.

Approved By:

City Manager



City Attorney



### **Attachments-**

Case Status Memo from Foster Pepper [Confidential]

Litigation Budget Estimate [Confidential]

Memorandum Regarding Defense Cost Liability [Confidential]