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CITY OF SHORELINE

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

Monday, October 17, 2005
6:30 p.m.

Shoreline Conference Center
Mt. Rainier Room

PRESENT: Mayor Hansen, Deputy Mayor Jepsen, Councilmembers Chang, Fimia, Grace, Gustafson, and Ransom

ABSENT: None

1. CALL TO ORDER

The meeting was called to order at 6:33 p.m. by Mayor Hansen, who presided.

2. FLAG SALUTE/ROLL CALL

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

(a) Recognition of Celebrate Shoreline Sponsors

Mayor Hansen thanked and recognized the following businesses for their support in "Celebrate Shoreline".

- Shoreline Central Market – Joel Lowern
- Anderson House – Ann Sullivan
- Sky Nursery - Mary Heidi
- Shoreline Community College – Kay Peterson
- Shoreline/South King County YMCA – Carla Hildebrandt
- Shoreline/Lake Forest Park Arts Council – Ros Bird
- Shoreline Bank – Nick Anderson
- John L. Scott Realty – John Fry
- Chuck Olsen Chevrolet/Kia – Greg Olsen
- James Alan Salon – Keith McGlashan
- MetLife Auto & Home – Liza Chaff
- North City Safeway – Gary Johnson
- Top Food & Drug – Colt Davis
- Gordon's Les Schwab Tires – Mark Carey
- North City Dental – Drs. Monty and Barb Junker

3. CITY MANAGER'S REPORT

Steve Burkett, City Manager, noted that 883 residents participated in the recycling event held on Saturday. He thanked all the residents and City staff who made it such a success. He also reported on the Natural Yard Care Workshop, which was aimed at improving the water quality in Echo Lake and Lake Ballinger watershed. The tour of the Boeing Creek Park project drew 30 people and went well, he said. He commended the Public Works crew for picking up leaves, pruning trees, and finishing the right-of-way mowing for the City.

4. COUNCIL REPORTS: none

5. PUBLIC COMMENT

(a) Dale Wright, Shoreline, commented that the Aurora Corridor and North City projects are boosting economic development in the City. Residents and business owners alike are excited about the new developments and the prospects the City has for new retail, apartments, condominiums, etc. He concluded that there are two groups of candidates running for City Council. One group consisting of Paul Grace, Bonnie Mackey, Ron Hansen, and Keith McGlashan has supported these projects from the beginning. On the other hand, he concluded, John Chang, George Mauer, and Cindy Ryu have displayed actions that show they are not in support of economic development in Shoreline.

(b) Keith McGlashan, Shoreline, President of the Shoreline Public Schools Foundation, thanked everyone for the phone-a-thon which supports the classroom grant program. He called attention to the need for callers and an increase in donations for the phone-a-thon.

Councilmember Fimia congratulated the Shoreline Chamber of Commerce on their auction on Saturday which raised \$37,000 for the Chamber and Dollars for Scholars. She then clarified that Councilmember Chang, George Mauer, and Cindy Ryu are in favor of economic development along the Aurora Corridor and in North City. Lastly, she said while there are new businesses being established in North City and Aurora Avenue, the City has lost seventeen businesses as a result of its capital improvement projects.

Councilmember Chang felt the public comment period should not be used for campaigning. He disagreed with Mr. Wright's comments and said he has never opposed the Aurora Project. He said he favors the project but he still has questions and concerns.

6. WORKSHOP ITEMS

(a) Presentation of the 2006 Budget

Mr. Burkett introduced the budget and noted it has improved from the previous year in the performance measures area. Furthermore, he said he will focus on the key changes and policy issues in his presentation.

Responding to Councilmember Ransom, Mr. Burkett replied there would be executive summaries available for the public, and one will be included in the next issue of *Currents*.

Mr. Burkett then outlined the budget schedule which began in April with the Council Planning Retreat. The budget update, he said, was provided to the Council in September which covered the majority of what will be presented at this meeting. On October 24th, he outlined, the Council will have the public hearing and the department budget presentations. Furthermore, over the next several Council meetings the Council will be reviewing the budget, and the actual adoption of the budget and the property tax levy is scheduled for November 28. He said the guiding principles of the City's budget are to make commitments that can be maintained for the long-term and to maintain and improve the City's parks, roads, and drainage systems. The City's current financial position is excellent; the budget is balanced and totals \$78.9 million. The Operating Funds of the City total \$36.5 million which is a 0.4% increase from the 2005 Operating Budget. The General Fund is 6.6% less than in 2005 because many one-time expenses from last year have been removed. The Capital Fund total is \$42.2 million which is 22.4% less than last year's total. This amount goes up or down each year depending on the projects for the given year. 33% of the City's budget comes from grants and loans for the Aurora Project and the Interurban Trail Project.

Continuing, Mr. Burkett noted that property tax and sales tax each make up 9% of the resources. The largest source of operating revenue, property taxes, will provide an estimated \$6.9 million in 2006 with the levy. The 2006 property tax rate will go down 5.6% (\$1.25 in 2005 versus \$1.18 in 2006), because property values are increasing in the City. He communicated that the City receives 10.48% of all property taxes collected each year. In 2006, he outlined, the growth in property taxes is projected to be less than the rate of inflation. Sales tax is the other major source of revenue and the current rate is 8.8%. The average annual growth from 2001 - 2006 has been at a rate of 2.3% per year. In terms of expenditures, \$42 million, or 53% of the proposed 2006 City expenditures is for capital improvements, and \$28 million, or 36% is for operating expenditures. Major operating budget changes include a 4.8% increase in personnel costs. Additionally, the City is proposing the addition 4.5 net FTEs and increasing in compensation and employee benefits. However, he added, the City's 2.6 employees per 1,000 residents is the fourth lowest of comparable cities in King County. Operating budget changes include increasing the public safety budget by \$238,401 (including a 3.5% police contract increase and a reduction of 3.4% in the jail contract). The Economic Business Development Small Business Program is budgeted at \$95,000, Human Services is \$83,000, Streetlight Program is \$77,000, Utilities funding is increased by \$62,000, and other budgeted contingencies total \$333,000.

Councilmember Ransom questioned the \$927,000 reduction to the operating budget.

Mr. Burkett responded that the \$927,000 reduction involves projects or one-time expenditures that will not be carried over from 2005 to 2006. He continued his

presentation, stating that net revenues for the end of the year 2005 should be \$1.3 million, and the City is proposing moving 635,000 into the capital fund or utilizing \$450,000 for traffic signal rehabilitation and other key expenditures such as an urban forestry assessment. 2006 capital expenditures are \$42 million with 64%, or \$27 million, in transportation projects. Future items which may impact the 2006 Budget include: Initiative 912, which may reduce local funding by \$240,000 annually; the Seattle City Light vs. City of Shoreline lawsuit (\$850,000 from budget); and a long-term district court solution. The positive budget note is that while Shoreline has a low fiscal capacity of \$396 per capita, the City currently has no general obligation debt. However, if the bond issue is passed the City will assume \$288 per capita in General Obligation debt. In the future, the City projects that in the next five years expenditures will outpace revenues. The long-range financial plan recommendation has been reviewed by the Council, and a business license program is proposed for implementation in 2006. He said increasing the franchise fee from Seattle City Light is another option that needs further consideration. he concluded his presentation by stating that the 2006 proposed budget supports Council goals and maintains policy reserves.

Mayor Hansen called for public comment. Seeing no one wishing to speak, the Council commenced discussion.

Councilmember Fimia asked to see the operating budget forecast slide in increments of \$5 million as opposed to \$10 million increments as displayed. She said she wants to know what the past shortfalls were in order to predict what the future shortfalls will be. In addition she asked to see sales tax and property tax growth from neighboring cities or cities with similar populations. Finally, she asked that budget figures include demographic information such as average resident income for the City and average income per zip code.

Councilmember Gustafson thanked the budget staff and the City Manager for the presentation and congratulated them for producing a budget that had no findings on the State audit.

There was Council consensus to move Item 6(b) to Item 6(c).

(b) Review of King County District Court Services

Julie Modrzejewski, Assistant City Manager, provided the staff report, noting that in 2002 King County informed cities that they would no longer be providing municipal court services. Based on this the City entered into a short-term contract with the County that terminates at the end of 2006. In June 2005, the City reported to the Council that negotiations were to continue with King County to find a solution. At that time, Council directed the City staff to look at three alternatives; 1) should the City continue with King County for municipal court services?; 2) should the City create and manage its own court system?; and 3) should the City contract with another municipality for court services? She introduced four senior officers of the King County District Court System: Chief Presiding Judge Corrina Harn, Chief Administrative Officer Tricia Crozier, Division

Director Rochelle McKenzie, and Budget Director Donna Brunner. She outlined the services the Shoreline District Court provides, including the hours of operation. There are 20.33 Full Time Equivalents (FTEs) at the facility and 5 FTEs are specifically supporting the average 5,600 cases a year in the City. She noted that every contract city had a reduced caseload from 2003 - 2004. On November 14th, staff will return to the Council to discuss court alternatives.

Mayor Hansen asked whether a cross-county court system between King County and Snohomish County could be a possibility for the City through an interlocal agreement.

Councilmember Ransom was concerned with the drop in caseload, noting that when he was a member of the Law and Justice Committee, the administrative staff called people to remind them of court dates, which increased the caseload. He questioned if that could be done here.

Ms. Crozier commented that she was the court administrator for Shoreline for eleven years and concurred with Councilmember Ransom. She said the pilot program used volunteers to remind defendants to appear for court, and this was a huge success and has been duplicated across King County. This technique has led to a 17% drop in failures to appear across the County.

Councilmember Ransom also had concerns about the length of time it took to have his daughter change her name in 2004. He said the process took four hours when it should have taken five or ten minutes. Additionally, he said there were long lines, people complaining, and other problems. He added that he also called the King County District Court information line and he waited for an hour and a half before he got his questions answered. This is very discouraging and apparently there are still numerous complaints about the passport processes, he concluded.

Ms. Crozier replied that 2003 was a difficult time for the District Court and there were long lines and long wait times. However, she said those days are over and they have extended call center hours and increased resources to include multilingual services.

Judge Harn said she is proud of the advances in the court system that makes King County a different court than what it was a year ago. Everything has been improved and King County District Court is the most technologically advanced court in the State of Washington. All of its records are on-line and soon any user will be able to access PDF files of court documents. She continued that the District Court has the most sophisticated judge-based probation department in the County. She pointed out that the operational master plan was just completed and the County is committed to providing a stable, long term, cost-effective, transparent system so cities can see exactly what they are paying for and what costs are. Another added feature, she continued, is the new system accepts on-line payments and up-to-date records and files can be accessed from any courthouse in the County. Other additions include an electronic court records system and the hiring of 13 additional staff. She concluded that the County has no intention of closing any court facilities with the exception of cities that have more than one courthouse.

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Councilmember Fimia asked for clarification of the 2002 Sims proposal to close District Court. She also inquired whether or not someone from the District Court could meet with the City to discuss the education, engineering, and enforcement efforts to curb neighborhood speeding.

Judge Harn replied that the master plan for the District Court System was approved by the County Council and presented by Executive Sims. Therefore, both parties are unified in the long-term goal to operate court facilities for the cities of King County. As part of this new agreement and to keep the lines of communication open, the District Court will meet with the City Attorney, Public Defender and any City staff who wish to attend each month to discuss pending issues, such as neighborhood speeding and other ways to improve the court.

Councilmember Fimia said she recalled that at one time there was a juvenile program where social workers intervened with the parents. She asked if this program was still active.

Judge Harn said the program is called the Juvenile Diversion Program and it still exists in the County. Judge Clark, the presiding judge, oversees the program in Shoreline.

Councilmember Gustafson asked for an explanation of the reduced staffing in the police department due to injuries, turnover, and the increasing difficulty in recruitment.

Captain Dan Pingrey, Shoreline Police Department, explained that there was an officer added at the end of 2003, however, in 2004 there were officers that weren't available because of injuries. To date, the police department is down one officer and is currently recruiting to fill the position. Currently, there are over twenty officers in the academy, and the department has intensified our lateral transfer recruitment efforts. By February those recruits will graduate and the department is hoping to find five lateral transfers to get officers into patrol to fill vacancies.

Councilmember Gustafson asked if the City staff was going to have the proposal on the other two court alternatives ready before the November 14th Council Meeting.

Ms. Modrzejewski replied it will be a part of the staff report for that meeting. The City is anxious to present alternatives because if the Council directs staff to implement a City of Shoreline Court, there is not much time before the current King County contract expires.

Councilmember Grace said it would be helpful if the Council received a copy of the King County operational master plan, statistics on call times and wait times, improvements on customer service, and information on the technology that has been implemented with the King County District Court System. However, he said, more importantly there needs to be more police officers out there.

Ms. Modrzejewski responded that the District Court has supplied data on call times and a copy of the operational master plan. She said she would provide a copy to the Council for the November 14 meeting.

Councilmember Chang questioned how many police officers serve at the courthouse as guards, and whether the law requires that a police officer be stationed there.

Ms. Crozier replied that one officer serves as a security screener at the courthouse.

Judge Harn answered that most of the defendants are traffic violators, but felons also commit misdemeanors. Some defendants who enter the courthouse are domestic violence cases. She emphasized the importance of having a regular officer at the court for protection, respect, and the security of the judges, staff and people who enter the courthouse.

Councilmember Chang said perhaps City staff could look into combining the location of the police department with the courthouse to minimize FTEs.

Ms. Crozier noted that the probation officers who serve the City are in that facility. When probationers meet with their probation officers they must go through security screening at the courthouse.

Councilmember Chang inquired if the District Court received any federal funds for processing passports at their facilities.

Ms. Crozier replied that the District Court is a federal passport acceptance center. The passport applications are accepted and an application fee is kept by the Court. In turn, the District Court then send a check to the Federal Government for processing.

Councilmember Fimia asked Judge Harn why there was a decrease in case filings.

Judge Harn responded that all the cities in the State of Washington had a drastic decrease in filings when the State Supreme Court held that the driving with a license suspended (DWLS) 3rd degree statute was unconstitutional.

Councilmember Fimia inquired what the decrease in the other cities was, noting that Shoreline experienced a 40% decrease from 2003 to 2004.

Ms. Modrzejewski responded that from 2003 through 2004 Bellevue experienced an 11% decrease, Burien had a 20% decrease, Covington's decrease was 21%, and Duvall's was 20%.

Councilmember Fimia said it is disconcerting that the staff report did not identify the main reasons for the decrease in total cases. It appears the analysis came after the staff report, so there is no way to know how much is attributable to the DWLS 3rd degree decision.

Deputy Mayor Jepsen questioned if Failure to Appear is classified as the same caseload or a second caseload.

Judge Harn said this does not have any impact on the caseload; the case is not counted again if it went to warrant status when the defendant failed to appear.

Deputy Mayor Jepsen asked if Judge Harn could work with the City staff to provide some statistics or some justification to the Council on why the caseload in the City of Shoreline is decreasing. Additionally, he would like the Judge to address what options the City has if the caseload is low and the City cannot use all of the hours for which the District Court bills.

Judge Harn stated the current contract and the new contract the District Court provides for annual reconciliation based on caseload. The City is and will be billed only for those services actually used. She continued and said her staff can conduct a query to deduce where the DWLS caseload was before and after the ruling.

Councilmember Ransom asked if the judges were elected locally and what the benefits were in continuing the municipal court services contract with King County.

Judge Harn responded that there are three districts: 1) Seattle; 2) I-90 South; and 3) I-90 North. The current contract was based on nine judicial districts, but the new contract will have cities choosing from a larger group of judges. The district boundaries have not been decided yet. The districting committee has to decide and recommend the boundaries but there will be some flexibility for cities to choose who their judges will be. Judge Harn outlined that the benefits of continuing with King County Municipal Court is having a regional court in addition to a local community court to handle name changes, passports, small claims, and civil actions in the same facility. Additionally, cities that contract with the County for court services do not assume any probation risk. To have an effective regional justice system, all of the pieces need to work together, and this is realized by contracting with King County.

Mr. Burkett stated this is a complex issue with several factors that interest the Council. It makes sense to focus on the regional issue and to benefit from the economy of scale. Quality, jail costs, and the consistency in jurisprudence are all important factors which will be weighed. He said staff will look at these issues and bring this back to the Council in approximately one month.

(c) Capital Improvement Program (CIP) Update

Jill Marilley, City Engineer, noted that the hurricanes are impacting construction schedules. Specifically, some products are in short supply and could affect the projects. She announced that last week the City has processed and paid \$2.8 million in invoices for the North City and Aurora Corridor projects. Overall, the Aurora Project is three weeks behind, but the contractor said they should be caught up in the next two months. The

next section of the Aurora Corridor Project, from 165th to 205th, is in the environmental phase. The undergrounding work on the North City Project is nearing completion. She continued and said Shoreline Fields A & B are on target for construction next summer pending Council direction.

Mr. Burkett asked that she review the traffic control costs on the North City Project.

Ms. Marilley said the cost of traffic control on the North City Project is higher than expected based on more crews needed to maintain access to local businesses. Additionally, the extra crews were needed because the work zone is smaller because of the undergrounding work. The contractor, she said, will be monitoring the overages and the City staff will bring them to the Council when available.

Mayor Hansen assumed there would be a slowing of expenses since more of the work is being completed.

Deputy Mayor Jepsen wondered if expenditures for traffic control are reimbursable under the contract.

Ms. Marilley responded that traffic control is not a fixed price, but on an hourly basis. Therefore, the City must pay the contractor for it.

Deputy Mayor Jepsen encouraged working with the contractor to emphasize that they are also benefiting by having multiple crews and the City shouldn't have to pay for the full reimbursement. He inquired who is doing the landscaping on the Interurban Trail project from 182nd to 185th.

Ms. Marilley said the City is responsible for landscaping that area.

Deputy Mayor Jepsen asked about delays on Boeing Creek and whether there was an escalation clause in the agreement with King County.

Ms. Marilley said there is no escalation clause in the agreement. The push, she commented, on the City end is getting the County to take on scope rather than financial agreements.

Councilmember Chang inquired about the status of the King County transfer station. On another topic, he commented that there are businesses along Aurora and North City that are reporting significantly decreased revenues due to problems with business access. He emphasized that this is a critical issue. He believed there to be ways to accommodate construction work and the businesses, and the City should brainstorm ways to assist them.

Ms. Marilley responded that King County will readvertise and solicit new bids for the transfer station project in the spring. Second, she said the City has been working with businesses directly about what would work best for each of them. Additionally, she said

if there is an access problem the customer can call the construction management team for assistance. Access to businesses has always been a problem and it is an ongoing process.

Councilmember Chang encouraged people to continue to patronize Shoreline businesses through the construction period.

Councilmember Ransom inquired when the Interurban Trail Bridge and the Richmond Beach Overcrossing would be completed.

Ms. Marilley replied that the Interurban Trail Bridge should be completed this time next year. In a month or so the pier work will start at that location. The Richmond Beach Overcrossing construction is scheduled to start in January and is scheduled to be completed next summer. Burlington Northern Santa-Fe (BNSF) is causing some delay in this project because it is experiencing some staff turnover and the agreement has not yet been executed.

Councilmember Ransom discussed an incident that occurred on September 27th at Shari's Restaurant. The business manager stated there was no access to the restaurant for three hours, and the State Patrol was not receptive to his concerns and ignored his requests to restore access to the restaurant.

Councilmember Gustafson asked if all 2005 – 2006 Capital Improvement Projects were under budget. Ms. Marilley said that information is not yet available because not all the projects have been closed-out.

Councilmember Grace felt restriping of Aurora Avenue needed to occur more often because it is difficult to see the traffic lanes at night. He questioned how the public process was going on the Aurora Project and asked to see a summary of what has been occurring and what the public concerns are. Regarding the Richmond Beach Saltwater Park Master Plan, he said everyone in Shoreline should have their opinions heard, not just those who live adjacent to the park.

Ms. Marilley responded that they have been trying to use some innovative solutions to the striping of Aurora Avenue. There are different things to use at night and the project manager is aware of the problem.

Councilmember Fimia thanked Ms. Marilley for the report. She said the current format of the major construction projects is better than the prior document. However, she said the large Capital Improvement Plan Project Schedule document cannot be read. The document outlining the projects should contain the project description with the original documentation, the original budget with the original documentation, the original timeline including where the City is currently with the budget and timeline, and the narrative and graphs to properly track the projects.

Ms. Marilley inquired as to whether the Council would be interested in knowing when and if the scope changes or items are added.

Councilmember Fimia said the Council would want such information. She said based on the current documents, it is difficult to determine what the original plan was and if any changes or budget increases have occurred. She asked if the night work on Aurora is continuing to make up for the three week delay. She said noise from the work is impacting people at 2:00 a.m., and that work is not acceptable after 10:00 p.m. She said the work should be scheduled from 8:00 a.m. to 10:00 or 11:00 p.m.

Ms. Marilley responded that the night work is not related to the three week delay. The work going on at night would greatly impact the daily commute traffic, so the decision was made to allow the night work, which may continue until Thanksgiving. Ms. Marilley said they have tightened up on the contractor and have limited the type of work that can be performed at certain times during the evening.

Councilmember Fimia asked for clarification on the traffic control information on both the Aurora and North City projects.

Ms. Marilley responded that the three areas that are causing the increase in traffic control expenditures. First, the City anticipated in the contract that the contractor would work with two or three work crews in the area. However, this contractor, for efficiency, works with three to six crews which all require traffic control. Second, it was originally planned that there would be one lane in each direction for the movement of traffic through the construction site. However, after construction began the City discovered the need for three lanes. Thus, another traffic control crew was needed. Third, more flaggers were needed to get patrons in and out of businesses safely.

Councilmember Fimia followed up on her question from last week regarding the number of sidewalk miles left to construct in Shoreline, and the sidewalks for Aurora Corridor Phase I. She asked what the sidewalk needs will be after the Aurora Corridor project is done, and what the sidewalk need is for major school walkways. She also asked how much is being spent on emergency management-related capital projects in the CIP. She pointed out that the most important function of a City is public safety, so emergency management cannot "take a back seat." Lastly, she asked about the City's plan if Initiative 912 passes and if the SCL franchise fee lawsuit is upheld.

Deputy Mayor Jepsen stated he would like staff and possibly the Police Department to respond to the newspaper article that stated Shoreline has the highest auto theft rate in the nation.

7. ADJOURNMENT

At 9:21 p.m., Mayor Hansen declared the meeting adjourned.

Scott Passey, City Clerk

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