

City of SeaTac

Regular Council Meeting Minutes

November 12, 2014 (Wednesday)

6:30 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Regular Meeting was called to order by Mayor Mia Gregerson at 6:30 p.m.

COUNCIL PRESENT: Mayor Mia Gregerson, Deputy Mayor (DM) Anthony (Tony) Anderson, Councilmembers (CMs) Barry Ladenburg, Kathryn Campbell, Dave Bush, and Pam Fernald. Excused absent: CM Terry Anderson.

STAFF PRESENT: City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Finance & Systems Director Aaron Antin, Community & Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, Planning Manager Steve Pilcher, Human Resources (HR) Manager Vanessa Audett, and Facilities Manager Pat Patterson.

FLAG SALUTE: Mayor Gregerson led the Council, audience, and staff in the Pledge of Allegiance.

PUBLIC COMMENTS: There were no public comments.

PRESENTATIONS (Continued):

● **Council consideration and confirmation of Mayoral re-appointment of Fred Geraldson and appointment of Donna Ellenberger and Doris Spence to the Senior Citizen Advisory Committee**

MOVED BY A. ANDERSON, SECONDED BY FERNALD TO RE-APPOINT FRED GERALDSEN AND APPOINT DONNA ELLENBERGER AND DORIS SPENCE TO THE SENIOR CITIZEN ADVISORY COMMITTEE.

MOTION CARRIED UNANIMOUSLY.

Mayor Gregerson read and presented the certificates.

● **Tukwila Pantry**

Director Joe Tice detailed how the Pantry started and where they are today. In 2007, the pantry served 1,169 SeaTac individuals. In 2013, the pantry served 1,842 individuals in SeaTac. He briefed Council on the services the pantry provides to SeaTac residents.

The Tukwila Pantry Fall Fundraiser is being held November 14 at the SeaTac Community Center at 5:30 p.m.

Council thanked Mr. Tice for the services provided. Discussion ensued regarding the potential for more locations, a community garden near the pantry, and how the Northwest Harvest and Rotary First Harvest Food Banks interact with surrounding pantries.

● **Museum of Flight (MOF) Scholarship**

Madrona Elementary School 5th Grade Teachers Jennifer Reese thanked the City for its continued scholarship for children to visit the MOF every year.

Council commented on this worthwhile investment in the kids of the City.

CONSENT AGENDA:

● **Approval of claims vouchers** (check no. 109046 – 109188) in the amount of \$481,675.89 for the period ended November 5, 2014.

● **Approval of payroll vouchers** (check nos. 52490 – 52511) in the amount of \$301,599.36 for the period ended October 31, 2014.

● **Approval of payroll electronic fund transfers** (check nos. 82714 - 82852) in the amount of \$260,680.30 for the period ended October 31, 2014.

● **Approval of payroll wire transfer** (Medicare and Federal Withholding Tax) in the amount of \$53,805.00 for the period ended October 31, 2014.

● **Final Acceptance for Projects under \$50,000** for the period ended October 30, 2014.

Approval of Council Meeting Minutes:

● **Council Study Session held September 23, 2014**

● **Council Budget Workshop 2 held October 9, 2014**

● **Council Budget Workshop 2 held October 27, 2014**

● **Council Study Session held October 28, 2014**

● **Regular Council Meeting held October 28, 2014**

CONSENT AGENDA (Continued):

Agenda Items reviewed at the October 28, 2014 Council Study Session and recommended for placement on this Consent Agenda:

Agenda Bill #3642; Ordinance #14-1016 amending Title 15 of the SeaTac Municipal Code (SMC), relating to housing definitions and senior housing standards

Agenda Bill #3645; Ordinance #14-1017 amending Title 15 of the SeaTac Municipal Code (SMC), relating to home occupation standards

Agenda Bill #3646; Ordinance #14-1018 amending Title 15 of the SeaTac Municipal Code (SMC), relating to temporary off-site construction staging; required landscaping for building facades; and parking requirements for townhouse developments

MOVED BY A. ANDERSON, SECONDED BY LADENBURG TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION CARRIED UNANIMOUSLY.

PUBLIC HEARING (PH):

●2015 Property Tax Levy

Mayor Gregerson opened the PH at 6:51 p.m.

City Manager Cutts and Finance Director Antin reviewed the agenda bill summaries for #3656 (2015 Property Tax Levy) and #3657 (2015-2016 Biennial Budget).

Mr. Antin presented the timeline: 2012 – predicted \$4.3 million deficit in 2015-2016, 2013-2014 – biennial budget balanced without utility tax, 2014 – budget projections from significant deficit in 2015-2016, Macro budget projection = \$5.5 million deficit, 2014 – adopted 6% utility tax. He also reviewed the 2015-2016 budget process.

The cumulative 2012-2016 forecasted funding gap = \$5 million deficit. The cumulative 2012-2018 forecasted funding gap with 25% reserve = \$14 million deficit.

Mr. Antin stated that based on a \$3.10 levy rate and an average home value of \$239,723 the annual property tax amount the City would receive to provide all City services would be \$743.

Mr. Cutts reviewed the GF new programs/services enhanced (decision cards recommended): Code Compliance, Prosecution Services, Public Records Management (RM), Public Engagement, Parks Maintenance, and Comprehensive Classification & Compensation Study.

He also reviewed measures used to balance the budget: \$900,000 in proposed fees increases, \$5.4 million Utility Tax, and \$910,000 in budgeted expense reductions.

Mr. Antin stated that the total 2015-2016 Biennial Budget is composed of the General Fund (GF) (\$70 million) plus all other funds (\$57.5 million) plus ending balances (\$39.4 million) = \$166.9 million. This includes the 25% GF strategic reserve of \$8.8 million.

Discussion ensued regarding the property tax deadline to King County (KC) and the \$5.4 million projected revenues from utility tax over the two year period.

Mayor Gregerson closed the PH at 7:11 p.m.

ACTION ITEM:

Agenda Bill #3656; Ordinance #14-1019 authorizing the City's 2015 Property Tax Levy

Summary: Cities must submit their authorized levy amounts to the KC Assessor's Office by November 30 for inclusion in KC's 2015 property tax roll. The KC Assessor's Office is not expected to certify the City's assessed valuation (AV) prior to their November 30 deadline. Based on past experience, this action typically occurs in December after the date by which City's must file their request to the County, which is November 30.

Per the KC Assessor, the 2012 Limit Factor (last allowable 101% levy) amount = \$13,031,356. A 1% increase on that amount = \$130,314 per year to sustain all city GF provided services. The budget for contracted police services in 2015 = \$9,115,450 and for contracted fire services = \$9,645,675.

The total estimated allowable levy amount including new construction, estimates of refunds and increases in utility valuations = \$13,330,732. The KC Assessor has given the city a preliminary estimate of the City's 2015 assessed

ACTION ITEM (Continued):

Agenda Bill #3656; Ordinance #14-1019 (Continued): value = \$4.2 billion which is a 4% increase over 2014. This preliminary estimate excludes any increases in utility valuations. Because the actual 2015 levy rate is calculated from the final KC certified assessed valuation, the final rate is unknown at this time, but there is no increase in the anticipated levy rate of \$3.10/\$1,000 AV that has already been in place for the past two years (2013-2014). The KC Assessor will automatically decrease the City's authorized rate below the 101% limitation once they certify valuations in December 2014.

Historically, the city has levied below the 101% limit in 2013, 2014, and it is again anticipated that the final 2015 levy amount will still be below the 2012 limit factor amount. Since the overall tax levy rate being proposed is the same for 2015 as was in place for 2013 and 2014 (\$3.10/\$1,000 AV), the only change a homeowner would experience is related to any change the KC Assessor makes in assessing the value of their individual property. As an example, for the owner of a \$250,000 home, with no change in the KC assessed value of their home, applying the same \$3.10/\$1,000 AV rate in 2015 as has been in place the past two years would result in no increase in city property taxes paid. The total annual amount paid to the city would be \$775/year (or \$64.58/month); the same amount as 2013 & 2014, if the property assessed remained unchanged over this same period. However, it should be noted that the actual increase or decrease in taxes is dependent upon the actual change in a particular property's assessed valuation.

This Ordinance authorizes a 2015 property tax levy amount of \$13,332,732 based on a levy rate of \$3.10 per thousand AV. The actual levy amount will be determined when the KC Assessor certifies the City's total assessed valuation in December. In 2013 and 2014, the certified tax levy rate was also \$3.10 per thousand AV.

MOVED BY A. ANDERSON, SECONDED BY LADENBURG TO PASS AGENDA BILL #3656 (ORDINANCE #14-1019).

MOTION CARRIED WITH FERNALD VOTING NO.

PUBLIC HEARING (PH):

●2015 – 2016 Biennial Budget

Mayor Gregerson opened the PH at 7:11 p.m.

The presentation was made during the property tax levy PH.

Upon a question posed by CM Campbell, Mr. Antin stated that the final payment towards the debt service will be in 2018.

Mr. Cutts stated that the proposed budget retained funding per Council direction for the Community Service Officer (CSO) position and the Lifeguard program. The budget continues to be balanced through 2016.

CM Ladenburg and DM A. Anderson agreed that this was a difficult budget to develop.

Mayor Gregerson thanked everyone for their efforts on this budget and stated that the conversation will continue even after the budget is adopted in order to work towards balancing the budget in future years.

Mayor Gregerson closed the PH at 7:16 p.m.

ACTION ITEM:

Agenda Bill #3657; Ordinance #14-1020 adopting the City's 2015 – 2016 Biennial Budget

Summary: This Ordinance adopts the 2015-2016 Budgeted revenue and expenditure amounts as originally jointly recommended by the City Manager and the City Council budget working group and further modified by the entire City Council during the budget meetings that occurred through October prior to the setting and filing of the City Council's preliminary budget on October 29, 2014. In accordance with Washington State law, public notice has been issued following the filing of the preliminary budget for two consecutive weeks prior to the PH on the City Council's preliminary budget which is scheduled for November 12, 2014. Following the PH on the budget and the property tax levy rate, the City Council may adopt the City's 2015-2016 Biennial Budget. This Ordinance includes references to the Capital Improvement Program (CIP), which is a planning document, but outlines the capital projects to be included for funding during the 2015-2016 budget period. The CIP was reviewed and discussed during the public budget workshop on October 27, 2014. This Ordinance also adopts by reference the salary schedule for city employees. Any adjustments to the salary schedule, including COLA, new positions and eliminations of positions were discussed at the budget workshops. The budget appropriations being presented here are consistent with prior City Council direction on what to include or not include in their setting of the City's preliminary 2015-2016 biennial budget including balancing the budget and fully funding the 25% strategic operating reserve for the GF through the 2016 budget period.

ACTION ITEM (Continued):

Agenda Bill #3657; Ordinance #14-1020 (Continued): This Ordinance provides for a total appropriation of all city funds for a two year period in an amount = \$166.9 million.

MOVED BY A. ANDERSON, SECONDED BY LADENBURG TO PASS AGENDA BILL #3656 (ORDINANCE #14-1020).

MOTION CARRIED WITH FERNALD VOTING NO.

PUBLIC COMMENTS (related to Action Items and Unfinished Business): There were no public comments.

Agenda Bill #3643; A Motion authorizing the leasing of space in and the placement of an antenna on top of City Hall for One America Radio Station

Summary: The nonprofit organization, One America, is putting together a radio station with a reception area of about ten miles in SeaTac. Their vision is to partner with local governments to distribute non-partisan information to underserved immigrant and refugee communities about services and government processes to facilitate greater community engagement. They also want to partner with community members, including youth groups, to produce original programming by community members for community members on key issues of importance to immigrant, refugee, and other communities in the region. The station itself will consist of a 2" diameter by +/- 22' long pole with a coil antenna attached to the top. The transmission equipment would sit on a rack inside the penthouse area and occupy a space roughly 2' x 2'.

The City will collect \$400 per month in rent over a 5 year period. One America will also pay the City \$2,003.85 to attach a pole to the existing "unistrut" on the penthouse wall along with a shelf in the penthouse for the transmitter.

Facilities Manager Patterson introduced One America Executive Director Rich Stolz and Organizer Mohamud Yussuf. Mr. Patterson reviewed the agenda bill summary.

MOVED BY CAMPBELL, SECONDED BY LADENBURG TO PASS AGENDA BILL #3648.*

Facilities Manager Patterson / One America Organizer Mohamud Yussuf / One America Executive Director Rich Stolz

Upon a question posed by CM Ladenburg, Mr. Patterson stated that One America has approval and license to open the radio station. He is under the assumption that they will begin within a couple of months.

*MOTION CARRIED WITH FERNALD VOTING NO.

UNFINISHED BUSINESS: There was no Unfinished Business.

NEW BUSINESS:

CM Ladenburg commented that since Council chose to retain the Lifeguard program, there is an ongoing issue of needing to upgrade the Lifeguard shack.

CITY MANAGER'S COMMENTS: City Manager Cutts commented on the following: (1) December 4 – 5:30 p.m., Tree Lighting; (2) November 21 – 11:00 a.m., Senior Thanksgiving Lunch; (3) Community Center is a warming center during operating hours; and (4) the America One radio station will be operational within 15 months.

COMMITTEE UPDATES: There were no committee updates.

COUNCIL COMMENTS: CM Fernald requested Council revisit the Sidewalk Committee and a date of when that can happen.

CM Campbell commented on the following: (1) excited about community radio station; and (2) attended stormwater conference last week and Stormwater Compliance Manager Don Robinett did a good job representing the Click 'n Request system.

CM Ladenburg commented on the windstorm stating that many people are without power.

DM A. Anderson commented on a leadership class he taught last month.

Mayor Gregerson stated concern over what happens to community members after the warming shelter closes at 9 p.m. She also requested a presentation on homelessness and services similar to what the City of Burien recently received.

CM Ladenburg requested Council direction in order for CMs attending the National League of Cities (NLC) conference in Austin, TX to be able to show support for a proposed Transportation Investment Generating Economic Recovery (TIGER) Cities Underfunded Because of Size (CUBS) grant.

ADJOURNED: Mayor Gregerson adjourned the meeting at 7:27 p.m.

Mia Gregerson, Mayor

Kristina Gregg, City Clerk