

City of SeaTac

Council Study Session Minutes Synopsis

February 13, 2018
5:00 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Study Session (CSS) was called to order by Mayor Michael Siefkes at 5:00 p.m.

COUNCIL PRESENT: Mayor Michael J. Siefkes, Deputy Mayor Erin Sitterley, Councilmembers (CMs) Rick Forschler, Joel Wachtel, Peter Kwon, Clyde Hill, and Pam Fernald.

STAFF PRESENT: City Manager Joe Scorcio, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Finance & Systems Director Gwen Pilo, Parks, Community Programs and Services (PCPS) Director Lawrence Ellis, Recreation and Cultural Services Manager Brian Tomisser, Community & Economic Development (CED) Director Jeff Robinson, Planning Manager Steve Pilcher, Senior Planner Kate Kaehny, Public Works (PW) Director Will Appleton, Police Chief Carl Cole.

PUBLIC COMMENTS (related to the agenda items listed below): There were no public comments.

AGENDA BILLS:

Agenda Bill #4815; An Ordinance amending the City's 2017-2018 Biennial Budget.

Summary: In December 2017, Council passed Resolution No. 17-021, authorizing the City to enter into an Interlocal Agreement (ILA) with the Port of Seattle (POS). The agreement is intended to be a comprehensive and cohesive package of elements for mutual value to both the Port and the City, and a commitment to a successful partnership, providing predictability and consistency for activities between the Port and the City. Each element reflects a negotiated outcome between Port and City positions, for overall benefit. Certain elements require the City to amend the 2017-2018 biennial budget prior to implementation. These are viewed as Phase I amendments as additional authorizations may be needed to fully implement the ILA.

The details of the proposed budget amendment are provided in Exhibit A and detailed below.

Revenue

Revenue increases for 2018 total \$2,901,553 and include the following:

\$226,600 for POS Permitting Fees

\$1,400,000 for Community Relief Funds

\$1,274,953 for Storm Drainage Services

Expenditures

Increases for the General Fund total \$69,035 for the following:

1 FTE Permit Coordinator (9 months for 2018, continuing cost 2019/beyond)

The addition of this position in the Building Division is crucial to the effective implementation of the Port ILA while maintaining CED's commitment to excellent customer service for other residential and commercial projects. The anticipated activity from known development pipeline projects coupled with Port permit processing requires additional time be devoted to all components of the Permit Center.

It is anticipated the tracking of airport-related construction projects and inputting of related data will add additional workload for staff. Aspects of the increased workload will be assigned to the Senior Permit Coordinator, including the production of reports related to the ILA.

The new Permit Coordinator FTE will perform essential routine duties assisting other permit coordinators with daily tasks to ensure the processing and input of Port projects into the permit tracking system is accomplished in a timely manner. All costs associated with this position are covered through the \$226,600 minimum annual payment from the Port for quality control and assurance.

Conversion of a limited-term Plans Examiner/Inspector II to a permanent FTE

This position is currently a three-year limited term FTE and expires at the end of 2018. At the time of approval in 2015, it was anticipated this position may need to be converted to a permanent position due to projected workloads. Workloads generated by the City's development pipeline and the new ILA support this position being permanent.

AGENDA BILLS (continued):

Agenda Bill #4815 (continued):

It is anticipated this position will be vacated in May due to retirement. Filling a permanent position is more practical than filling a limited-term position approved only until the end of the year. The approval of this permanent FTE maintains the department's staffing level for the increased permitting activity projected now and for several years into the future and provides the needed capacity for the additional quality control workload from the Port.

While there is no impact to the 2018 budget, there are sufficient revenues projected in 2019-2020, to continue this FTE with the opportunity to augment those funds with a portion of the annual ILA quality assurance payments from the Port.

Expenditure increases in the Community Relief Fund total \$1,012,986 for the following:

6 Police Officers - \$937,986 (10 months for 2018)

The addition of six police officers (two designated as motorcycle officers) complies with Chapter 7.6 (Community Relief), and affords the City the ability to focus on traffic enforcement and parking regulations. The additional officers will also increase attention to general enforcement of City codes addressing public safety impacts associated with airport operations and businesses directly serving airport passengers, vendors, and employees.

If authorized, the City will begin paying the King County (KC) Sheriff's Office for these officers March 1, 2018. According to the ILA (last updated in 2000) between KC and its Partner Cities, the City agrees to begin paying for the additional officers prior to their arrival, recognizing it can take up to 9 months for the Sheriff's Office to hire, train, and assign them to the City. Because the Sheriff's Office is adding additional contract based officers to partners other than the City of SeaTac in 2018, the Sheriff's Office has committed to making every effort to begin providing the City officers on a staged-in basis, possibly as early as six months after the City commits to increasing our officer count.

ILA for Sustainable Airport Master Plan (SAMP) Environmental Review- \$75,000

An ILA with three surrounding cities (Burien, Normandy Park, and Des Moines) has been proposed to collectively hire consultants for environmental review of the SAMP. The agreement will be jointly managed and funded, with the final amount yet to be determined. The Administration & Finance (A&F) Committee discussed the proposal and recommended an initial amount of \$75,000 be used for this purpose.

While the new ILA with the Airport will result in a significant increase in annual surface water fees being paid to the City, there are no anticipated increases in expenditures for 2018. The utilization of the additional revenue by the surface water utility will be evaluated in 2018 with the goal of integrating this funding into the City's stormwater capital and maintenance programs beginning in 2019.

Total Ending Fund Balance across all funds increases \$1.8 million. The amount and description of each revenue and expenditure request and the fund supporting the request is shown in Exhibit A. All budgeted revenues and expenditures for the biennium, along with the adjusted ending fund balance is provided in Exhibit B.

The A&F Committee reviewed the proposed amendment at their February 1, 2018 meeting and recommended the ordinance be adopted.

City Manager Scorcio and Finance and Systems Director Pilo reviewed the agenda bill summary.

Council agreed this is a positive budget revision.

Council consensus: Refer to the 02/27/18 RCM Consent Agenda

Agenda Bill #4765; An Ordinance authorizing the City Manager to execute a contract with Coast to Coast Turf for the Valley Ridge Park Sportfields Improvements and amending the City's 2017-2018 Biennial Budget.

Summary: The scope of work for the Valley Ridge Park Sport Fields Improvements includes, but is not limited to, the removal and installation of synthetic turf on fields 1, 2, and 3, installation of perimeter fencing, construction of a building for restrooms, concession areas, and maintenance storage, earthwork, concrete and masonry construction, irrigation, and planting. The work performed consists of furnishing all labor, tools, materials and equipment necessary for construction.

AGENDA BILLS (continued):

Agenda Bill #4765 (continued): A community meeting was held Monday, October 23, 2017 to provide residents and sport league organizers an opportunity to ask questions of the landscape architect and City staff pertaining to the design and scope of work, and to view conceptual drawings. 16 people attended the meeting.

The Call for Bids was advertised in the Daily Journal of Commerce and the Seattle Times on January 11 and 22, 2018. The bid opening was February 1 and five bids were received. The bid results are listed below:

Company	Base Bid, Alternates 1A and 3	With 5% contingency and 20% Sales Tax
Coast to Coast Turf	\$2,912,718.00	\$3,364,189.00
Ohno Construction	\$3,462,364.00	\$3,999,030.40
Terra Dynamics, Inc.	\$3,092,200.00	\$3,571,491.00
Premier Field Development	\$3,098,410.00	\$3,578,663.00
A-1 Landscaping and Construction, Inc.	\$4,219,000.00	\$4,872,945.00

The total amount of the base bid with the alternates 1 and 3 came in under the Maximum Allowable Construction Cost (\$2,939,105) with a cost savings of \$26,387.

At the February 1 A&F Committee Meeting, PCPS Director Ellis presented the proposal and detailed the bidding process. Optional elements contained in the bid package would allow for the synthetic turf (instead of grass) and lights to be installed on field 4, and for replacement of the soccer screens on fields 1, 2, and 3 to occur as part of the entire project (instead of separately in the future). Completion of the entire project at this time is the most efficient way to proceed with the work (already mobilized, single period of disruption, and sooner return to generating revenue). The additional funding being requested is \$1,171,572, which would be appropriated out of the Municipal Capital Improvement Fund (Fund #301).

The original synthetic turf was installed in September 2007 and has generated \$2,285,140 through rentals and programs over the past 10+ years. Revenue will be greater over the next 10 years due to the increase of rental fees and an additional field. The lifespan of synthetic turf is usually 8-10 years, depending on the amount of use.

Council has appropriated \$3,747,263 from the Municipal Capital Improvement Fund in the 2018 budget for this project. The budgeted funds will be enough to pay for the construction of restroom and concession building, and the turf replacement on fields 1, 2, and 3. If the City Council approves the budget amendment, the City will also complete the optional elements (install field turf and lights on field #4 and replace the soccer screens on fields 1, 2, and 3). The additional \$1,171,572 would need to be appropriated, and the total construction cost would not exceed \$4,535,761.

This item was brought to the February 1 A&F Committee for review. The Committee suggested and recommended the additional funds for replacement of the soccer screens as part of this current project in addition to the lights and artificial turf for field 4. The Committee approved the requests and recommended the item be forwarded to Council.

PCPS Director Ellis reviewed the agenda bill summary.

Council discussion ensued regarding the current turf, which lasted 11 years, and usually has a life of 8 – 10 years; restroom and concession area; baseball field; construction time frame (March 19 – August); and revenues.

Council consensus: Refer to the 02/27/18 RCM Consent Agenda

Agenda Bill #4753; An Ordinance amending Title 16A (Development Review Code) of the SeaTac Municipal Code (SMC) regarding development regulation procedures.

Summary: The Planning Commission (PC) and Land Use & Parks (LUP) Committee have reviewed a series of miscellaneous amendments to Title 14 (Subdivision Code), Title 15 (Zoning Code) and Title 16A (Development Review Code). The proposed amendments to Title 16A include "housekeeping" changes; clarify and consolidate some procedures; remove outdated sections; and remove provisions that would require the City Council to have a role in quasi-judicial matters. The latter correlates with other proposed amendments to Title 15, Zoning Code, currently under consideration.

AGENDA BILLS (continued):

Agenda Bill #4753 (continued): PC work sessions were held on July 12, August 1, and August 15, 2017; a public hearing (PH) was held on September 19, 2017, after which the PC recommended approval.

The LUP Committee reviewed this proposal at its September 28, 2017 and January 25, 2018 meetings. LUP recommended approval.

Planning Manager Pilcher reviewed the agenda bill summary.

Council discussion ensued regarding the Hearing Examiner (HE) decision making process.

Council consensus: Refer to the 02/27/18 RCM Consent Agenda

Agenda Bill #4807; An Ordinance amending Chapters 13.150 and 15.210 of the SeaTac Municipal Code (SMC), Uses and Standards for the AVO and AVC (Airport) Zones.

Summary: The new ten-year ILA establishes a mutual and cooperative system to recognize jurisdictional authorities and avoid disputes in matters relating to land use planning and associated development codes. Implementation of the new Agreement requires amendments to the City's Fire Code and Standards for the AVO and AVC zones. These amendments are necessary to ensure that City Code provisions are consistent with the ILA. The summary of the changes include:

- Clarifying the applicability of the Port's Fire Codes
- Adding Fire Code regulations for certain uses that are unique to the Airport
- Removing references to the 2005 ILA
- No changes to the airport zones (AVO and AVC) or the Comprehensive Plan designation of "Airport" are proposed
- Removing section 15.210.030 Interpretation because the new ILA includes a process for resolving questions and disputes
- Removing section 15.210.040 Rezoning because the new ILA follows the City's process for rezoning POS property
- Revising section 15.210.060 the Land Use Chart for the AVO and AVC zones to be consistent with the new ILA
- Revising section 15.210.070 AVO/AVC Zone Classification Standards to be consistent with the new ILA
- Revising section 15.210.080 the reference to the applicable landscape design standards for Port owned property
- Removing section 15.210.090 Design Standards, because it is no longer applicable
- Removing section 15.210.100 Critical Areas, because the new ILA addresses critical areas in a chapter called "Environmental Regulations"

The PC was briefed on January 2 and 16, 2018, and held a PH on February 6, 2018, after which it recommended approval. Staff presented the proposal to the LUP Committee on January 25, 2018. The LUP Committee also recommended approval.

Senior Planner Torrico and Puget Sound Regional Fire Authority (RFA) Fire Marshal Jon Napier reviewed the agenda bill summary.

Council discussion ensued regarding the need for these changes.

Council consensus: Refer to the 02/27/18 RCM Consent Agenda

Agenda Bill #4833; An Ordinance amending the City's Official Zoning Map in accordance with a Hearing Examiner (HE) decision.

Summary: On October 25, 2017, the City's HE held a PH to consider a rezone request for a 2.06 acre parcel located at 21212 International Boulevard (IB), from Urban High Density Residential (UH-900) to Urban High - Urban Center Residential (UH-UCR). The applicant stated intent is to construct apartments on the site. On November 7, 2017, the HE issued a written decision granting the applicant's request. There were no appeals of the HE's decision.

SMC 1.20.080 grants the HE the authority to make decisions on rezones initiated by private property owners. However, SMC 15.200.020 (B), requires that changes in boundaries of the zones, including applications for amendment, be made by ordinance amending the Official Zoning Map. This requires City Council action.

AGENDA BILLS (continued):

Agenda Bill #4833 (continued): Senior Planner Torrico reviewed the agenda bill summary.

Council discussion ensued regarding the current property use, which is vacant. The proposed use is senior housing.

Council consensus: Refer to the 02/27/18 RCM Consent Agenda

Agenda Bill #4840; A Motion authorizing the City Manager to execute a slope and drainage easement with the Port of Seattle (POS) within a City-owned portion of Des Moines Creek Park.

Summary: The Trammell Crow Company, in coordination with the POS has requested that the City grant non-exclusive slope and drainage easements to facilitate the construction of a 460,000 square foot industrial building located at 20529 24th Avenue South, adjacent to the newly constructed 28th/24th Avenue Connector.

In August 2017, Trammell Crow entered into a ground lease with the POS which was subsequently amended in December 2017 for approximately 25.62 acres for a planned industrial project.

Trammell Crow is currently in the due diligence period for this lease. The proposed slope and drainage easement areas total approximately 30,500 square feet and consists of two areas of City-owned property located within Des Moines Creek Park immediately adjacent to the site. The location of the proposed easement areas is depicted in Exhibits A, B, and C. This area of Des Moines Creek Park is located on the opposite side of the creek from the existing trail and is not readily accessible. This area is considered open space and zoned "Park", but with only negligible active recreational value, as confirmed by the City's PCPS Director. Trammell Crow or their successor or assigns would be required to restore the slope with native vegetation and take full responsibility for the maintenance and any future repairs to the easement area.

During the due diligence period, Trammell Crow, in consultation with the City, considered and analyzed several design options and selected a building configuration which maximizes the use and marketability of the site while meeting the requirements for ingress and egress, vehicle maneuverability and fire protection.

However, the topography on the west and north side of the leased area requires significant fill to maintain consistent site grades for construction. In order to accommodate the amount of fill necessary retaining walls must be built on Port property, ranging from a few feet to 38 feet in height. The slope and drainage easements on City-owned property are required to provide lateral support to the retaining walls. Walls of this height require geotechnical fabric be placed every 16-inches at a 1:1 ratio to the height of the wall.

Without the requested easement, the geotechnical fabric would have to extend under the proposed building footprint and necessitate a significant decrease in the total building size. Without the requested slope and drainage easements the height of the retaining walls would increase to 60 feet. The smaller building size, coupled with the increased cost of the taller retaining wall would render the project infeasible.

The planned project is projected to create over 400 fulltime jobs with an estimated annual payroll in excess of \$28 million. Revenue from construction sales tax and associated fees is estimated at a minimum of \$1.2 million. Annual Leasehold and Personal Property taxes are estimated at approximately \$70,000 annually.

The City, Port and Trammell Crow have negotiated slope and drainage easements for City Council consideration.

The City would receive \$45,620 as compensation for granting these easements. These funds will be deposited into the Municipal Capital Improvement Fund. The additional revenue from permit fees, construction sales and annual leasehold taxes would accrue to the General Fund.

January 25, 2018 the LUP Committee recommended moving the proposal forward to the full Council on February 13, 2018 for discussion and approval.

CED Director Robinson reviewed the agenda bill summary.

Council discussion ensued regarding the benefits of this easement, and the potential for a trail.

AGENDA BILLS (continued):

Agenda Bill #4840 (continued): Trammell Crow Development Services Principal Mark Netherland stated there is an existing trail on the west side, so there's no need to have a trail on the side closest to their project due to land locked by private property.

Council consensus: Refer to the 02/13/18 RCM Consent Agenda

Agenda Bill #4829; A Motion authorizing the City Manager to execute an Interlocal Agreement (ILA) between the cities of SeaTac, Burien, Des Moines and Normandy Park for environmental review of the Sea-Tac Airport's Sustainable Airport Master Plan (SAMP).

Summary: The SAMP is the POS's plan to meet the needs of the growth of the airport over the next 20 years. In order to accommodate the growth, changes will occur to the operational areas (airfield, terminal, and parking and roadways), including increases in passenger and freight, additional gates and additional larger capacity passenger and freight aircraft. This increase in growth will directly affect the cities of SeaTac, Burien, Des Moines and Normandy Park.

The City Managers and Mayors from these Cities have discussed the mutual benefits of joint review and comment on the SAMP environmental documents. The best way to accomplish this is for the Cities to enter into an ILA pursuant to RCW 39.34, the Interlocal Cooperation Act. The purpose of the ILA is to establish a process for joint review of the Port's environmental documents and consolidated comments on the impacts and concerns related to the SAMP documents. This will include coordinated review and consolidated comments throughout the environmental process, the joint hiring and funding of qualified consultants to assist with review and preparation of formal comments regarding the environmental impacts as a result of the SAMP. The ILA does provide for the filing of consolidated or separate appeals of the environmental documents.

It is possible that the initial SAMP environmental documents may be released as early as the second quarter of 2018. Therefore, the Cities have begun the RFQ solicitation process in anticipation of the ILA being approved before a contract is signed (see letter dated January 16, 2018). The City of SeaTac is coordinating this joint effort.

The Burien City Council approved the ILA on February 5. The Normandy Park City Council is considering approval on February 13. The Des Moines City Council is considering approval on February 15.

It is unknown what amount each City will each contribute toward the cost of this work (depends on scope of consultant contract services). Separate Council action(s) will be required on the contract and on any additional budget modifications. However, staff requests an amount of \$75,000 be appropriated from the existing Community Relief Fund for the initial funding commitment.

This matter was brought before the Special A&F Committee on January 17, 2018. The matter was also presented to the Airport Advisory Committee on January 22, 2018. Both committees recommended approval.

City Manager Scorcio reviewed the agenda bill summary.

Council discussion ensued regarding the comment period; funding this effort; and how the cities are sharing the burden.

Council consensus: Refer to the 02/13/18 RCM Consent Agenda

RECESSED: Mayor Siefkes recessed the meeting to an Executive Session on Pending and Potential Litigation at 6:04 p.m. until 6:45p.m.

EXECUTIVE SESSION: *Pending and Potential Litigation RCW42.30.110(1)(i)*

City Clerk Gregg announced Council requested an additional 10 minutes.

RECONVENED: Mayor Siefkes reconvened the meeting at 6:54 p.m.

ADJOURNED: Mayor Siefkes adjourned the Council Study Session at 6:54 p.m.