

Prior to this meeting, Council and staff will be going into a meeting exempt from the Open Public Meetings Act (OPMA) per Revised Code of Washington (RCW) 42.30.140(4)(a).

# City of SeaTac

## Council Study Session Minutes Synopsis

November 13, 2012  
4:00 PM

City Hall  
Council Chambers

**CALL TO ORDER:** The SeaTac City Council Study Session (CSS) was called to order by Mayor Anthony (Tony) Anderson at 4:04 p.m.

**COUNCIL PRESENT:** Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson (*arrived at 4:09 p.m.*), Councilmembers (CMs) Barry Ladenburg, Rick Forschler, Terry Anderson, and Dave Bush. Excused absence: CM Pam Fernald.

**STAFF PRESENT:** City Manager Todd Cutts, City Attorney Mary Mirante Bartolo, City Clerk Kristina Gregg, Assistant City Manager (ACM) Gwen Voelpel, Senior Assistant City Attorney Mark Johnsen, Human Resources (HR) Director Anh Hoang, Acting Community & Economic Development (CED) Director Gary Schenk, Economic Development (ED) Manager Jeff Robinson, Engineering Review Manager Ali Shasti, Senior Planner Michael Scarey, Senior Planner Kate Kaehny, Associate Planner Anita Woodmass, and Police Chief Jim Graddon.

**Agenda Bill #3460 – A Motion authorizing the City Manager to enter into an agreement with Integris Performance Advisors for Organizational Alignment and Continuous Quality Improvement Consultation**

**Summary:** This agreement is for consultation related to organizational alignment coordination, strategic management system development and process improvement facilitation through December 31, 2014, in an amount not to exceed \$166,000.

The City of SeaTac is committed to ensuring that taxpayer resources are used effectively and efficiently. Like many public and private organizations, the City is interested in developing tools and processes to more closely align the work of staff with the needs of the customer—in this case the SeaTac residents and stakeholders. The City is also interested in being able to better quantify how the City is reaching its goals through a strategic management system that includes relevant performance measures. Additionally, the City is interested in receiving assistance to reduce or eliminate waste by streamlining processes, and other elements that do not add value to SeaTac residents and businesses.

City Council discussed procuring an expert consultant in organizational alignment, performance management and process improvement at the October 7 and 15, 2011, Council Budget Workshops. Subsequently, the City Manager shared a draft Request for Proposals (RFP) including a proposed scope of work at the February 24-25, 2012, Council Retreat. The Council approved issuance of an RFP at the June 18, 2012, Macro Budget Workshop. That draft provided the basis for the City's RFP issued on August 10, 2012. The City Council's vision and goals and the resident survey will be important inputs into these efforts going forward.

Nine firms responded to the RFP. Four firms were interviewed by two panels, each comprised of three City staff and two process improvements experts from outside organizations. Both panels unanimously recommended Integris Performance Advisors as the best firm to assist the City in creating organizational alignment, developing a strategic management system and coordinating process improvement projects. The scope of work includes:

SCOPE	DELIVERABLES	TIMELINE
Strategic communications and engagement	Employee survey communications / Strategic management system communications / Process improvement communications	November 2012-September 2013
Employee engagement survey	25-30 question baseline survey to all employees and follow-up survey / Detailed report with results, analysis and recommendations	November 2012-January 2013
Strategic management system	Strategic Intent Map / List of initiatives tied to strategic intent / Updated departmental goals / A revised approach for developing aligned City-wide strategic plans	December 2012-March 2013
Process improvement/Lean Six Sigma	Train City employees on Lean Six Sigma / Mentor internal resources to build internal bench-strength for training and facilitation of events / Achieve Project Results as defined by the project problem and scope / Develop communication channels for Lean Six Sigma at the City	January - September 2013

**Agenda Bill #3460 (Continued):** The bulk of the work entailed in the proposed consultant services agreement will conclude before the end of 2013. The contract terminates at the end of 2014 only to allow the City and consultant some latitude in administering the follow-up employee engagement survey.

The ultimate goal of this effort is to create in-house capacity to lead future strategic management system and process improvement efforts, thus reducing or eliminating the need for outside assistance. An additional budget of \$124,000 for 2014 to continue this work and expand to other departments is included in the City's 2013-2014 Preliminary Budget. In each phase, staff will be trained, coached and mentored to take on greater roles.

The Finance Director confirms that the \$41,000 projected total expenditures in 2012 will be paid for by the committed savings in the General Fund (GF) and as a result a budget adjustment is not required for 2012. The remaining expenditure of \$125,000 for 2013 and \$124,000 for 2014 are included in the 2013-2014 City of SeaTac GF budget as presented to Council at its recent series of budget workshops and in the Preliminary Budget filed October 30, 2012. These costs are exclusive of the in-kind staff time required to lead and participate in this effort at various levels of the organization.

ACM Voelpel introduced Integris Performance Advisors Managing Partner Brett Cooper. Ms. Voelpel and Mr. Cooper reviewed the agenda bill summary.

*DM Gregerson arrived at this point in the meeting.*

Mr. Cooper also briefed Council on Integris Performance Advisors: mission, sample of clients served – government as well as corporate, and performance management model.

Council discussion ensued regarding the scope of the contract.

**Council consensus:** Refer to the 11/26/12 SCM Consent Agenda

**Agenda Bill #3475 – A Resolution authorizing the City Manager to terminate the City of SeaTac's regular membership in the Cities Insurance Association of Washington (CIAW), and authorizing the City Manager to acquire liability and property insurance for the City through the private insurance market consistent with budget appropriations**

**Summary:** The City is currently a regular member of the CIAW risk pool, which provides liability and property insurance coverage for the City. The current annual premium paid by SeaTac to CIAW is \$248,420. The CIAW pool is mostly made up of small cities, special districts, and fire districts within the state. As a regular member, the City could be reassessed additional premiums should CIAW's assets be insufficient to cover its liabilities. Staff has concerns regarding the long term financial stability of the CIAW risk pool.

City staff from Risk Management/HR, Legal, and Finance have reviewed the City's insurance options to determine the best options for the City's liability and property insurance coverage. Three options were reviewed - maintain the current insurance coverage through CIAW, switch to another insurance risk pool (Washington Cities Insurance Association [WCIA]), or obtain insurance through the private market to reflect the City's unique low risk profile.

Staff received a quote from WCIA. WCIA currently insures a large number of municipalities in the state and has a good reputation and performance history with regard to their financial stability and service level. However, staff believes that the additional cost of over \$130,000 per year for similar coverage is not advisable at this time.

The City also obtained a quote through Bannan, Carlson & Kessel, Inc., for private insurance coverage, underwritten by Travelers. Travelers' quote for a policy customized to the City's unique profile is \$238,375 per year, which is approximately \$10,000 per year less than CIAW. In comparison with CIAW's current coverage, Travelers' policy has slightly higher deductibles for certain liability/damage claims. However, if the City's loss history remains similar as in our past, CIAW and Travelers would be fairly similar in overall cost for the City. However, the advantages that Travelers has over the CIAW risk pool are as follows:

- The premiums paid by the City to Travelers are fixed for the coverage period. We cannot be reassessed with additional premiums later on should the insurance provider's assets be insufficient to cover its liabilities.
- Travelers is the #1 writer of insurance policies for public entities in the United States, and they have A.M. Best's highest A+ XV Superior rating. This translates into higher level of confidence in their financial stability.
- As part of the CIAW risk pool, the City shares its insurance coverage limits with other Pool Members. When covered by Travelers, our liability limits are reserved solely for SeaTac's losses, not shared with anyone.

**Agenda Bill #3475 (Continued):** Staff believes that the financial stability of Travelers and the range of services that are provided as part of their coverage make this a prudent choice for SeaTac. The broker from Bannon, Carlson & Kessel representing the City will be Dan Delorenzo, who has been the City's broker previously.

HR Director Hoang reviewed the agenda bill summary.

**Council consensus:** Refer to the 11/26/12 SCM Consent Agenda

**Agenda Bill #3469 – A Motion authorizing the City Manager to sign agreements related to the F-Line RapidRide Intelligent Transportation System (ITS) Project**

**Summary:** The RapidRide F-Line is being developed by King County (KC) and will run between Burien and Renton. In SeaTac, the route will follow South 154<sup>th</sup> Street/South 156<sup>th</sup> Street between Des Moines Memorial Drive (DMMD) and International Boulevard (IB). As part of the project, KC will install ITS equipment at the intersections of Southwest 156<sup>th</sup> Street/Des Moines Way South, South 154<sup>th</sup> Street/14<sup>th</sup> Avenue South and South 154<sup>th</sup> Street/24<sup>th</sup> Avenue South, and pull fiber optic communication cable along the F-Line route in order to support transit signal priority, real time bus information signs, and off-board fare collection. The F-Line is anticipated to commence operation in September, 2013.

This Motion authorizes the City Manager to execute two agreements related to the F-Line project. The first agreement is between the City and KC to identify the roles and responsibilities of both parties regarding the construction and maintenance of the ITS infrastructure that is located within the City limits. The second agreement is between KC and all cities in which the F-Line is routed. This agreement is more global and addresses the design, construction, ownership and maintenance of the F-Line RapidRide ITS. The City executed similar agreements for the installation and construction of the ITS for the RapidRide A-Line project. The F-Line RapidRide ITS project is fully funded by KC.

Engineering Review Manager Shasti and KC Metro Senior Project Manager David Cantey reviewed the agenda bill summary.

Council discussion ensued regarding the details of the ITS project.

**Council consensus:** Refer to the 11/26/12 SCM Consent Agenda

**Agenda Bill #3451 – An Ordinance adopting the 2012 Comprehensive Plan (CP) Amendments**

**Summary:** The City of SeaTac procedures for amending the CP provide for consideration of proposed amendments for any calendar year in two stages: (1) the Preliminary Docket, and (2) the Final Docket.

The Preliminary Docket is made up of all proposals submitted in accordance with the pre-established deadline or added by the Council and/or staff.

The Final Docket is made up of all proposals that meet the Preliminary Docket criteria, and are deemed appropriate by the City Council to go forward for detailed review, including analysis under environmental review, and a Public Hearing (PH) before the Planning Commission (PC). The City Council established the Final Docket by Motion on July 24, 2012, forwarding all of the Preliminary Docket proposals to the Final Docket.

Both dockets require that all proposed amendments be evaluated according to the following criteria:

- A. May satisfy concurrency for transportation and utilities and does not adversely affect other adopted level of service (LOS) standards;
- B. No impacts to housing, transportation, capital facilities, utilities, parks or environmental features that cannot be mitigated;
- C. Will not result in development that adversely affects public health, safety and welfare;
- D. Consistent with other elements of the comprehensive plan and other applicable policies and agreements;
- E. The proposal is based upon new information or changed circumstances since plan adoption;
- F. Will not prevent the City's population and employment targets, under Growth Management Act (GMA), from being reached.

The PC made their recommendation about each of the amendment proposals at their November 6, 2012 meeting, following the PH. The PC and staff concur in their recommendations on all of the proposed amendments. Regarding Map Amendment A-1, staff also offers an alternative recommendation.

**Agenda Bill #3451 (Continued):**

The PC and staff recommendations are as follows:

- Map Amendment A-1, related to property located at 3050 South 150<sup>th</sup> Street  
*PC/Staff Recommendation: Do not Adopt*  
*Staff Alternative Recommendation: Move to 2013 Docket and take no action this year*
- Map Amendment A-2, related to property located at 19740 Military Road  
*PC/Staff Recommendation: Do not Adopt*
- Map Amendment B-1, Existing Land Use. This is an informational map, not a regulatory map. It displays the current use for all parcels in the City, rather than showing Zoning or CP designation. This map is updated every spring as part of preparing a report to the state on residential building activity.  
*PC/Staff Recommendation: Adopt*
- Four text amendments are:
  - Amendment T-1: Incorporate new growth forecast information in the Land Use Element, including Growth Targets through 2031;  
*PC/Staff Recommendation: Withdraw, due to insufficient time to prepare the data for proper review; and include in 2013 Docket*
  - Amendment T-2: Update existing land use information in Land Use Background Report (related to Map Amendment B-1);  
*PC/Staff Recommendation: Adopt*
  - Amendment T-3: Update policies and background information related to affordable housing;  
*PC/Staff Recommendation: Withdraw, due to insufficient time to prepare the data for proper review; and include in 2013 Docket*
  - Amendment T-4: Update the Capital Facilities Element, including the 6-year Capital Facilities Plan.  
*PC/Staff Recommendation: Adopt*

Amendment proposals that are not adopted, unless withdrawn prior to Council action, may not be resubmitted for two years, unless conditions have changed substantially in the immediate area.

Senior Planner Scarey reviewed the agenda bill summary, detailing the amendments.

Council discussion ensued regarding the proposed amendments.

Due to the lack of time remaining in the meeting, Mayor A. Anderson requested that the discussion continue during the November 26, 2012 Special Council Meeting (SCM) as an action item.

**Council consensus:** Refer to the 11/26/12 SCM Action Item

**PRESENTATIONS:**

**•Discussion on Proposed City Center Park-and-Fly Code Amendments**

Associate Planner Woodmass provided a project status update: October 15 - Council Workshop, Council directed staff to come back to the November 13 CSS; November 6 - PC briefing, PC voted on preliminary recommendation for code adoption; and November 13 – CSS, PC preliminary recommendation is being presented.

There are six options. The PC chose Option 3 – adopt proposed code, keep existing City Center road standards and recommend a review of City Center and CP at a later date.

Council discussion ensued regarding the PC recommendation. Senior Planner Kaehny stated that staff has not yet formulated an overall recommendation.

Mayor A. Anderson requested any Council direction be delayed until CM Fernald can get any of her questions addressed as she is not in attendance.

Council directed staff to prepare an agenda bill for the November 26 Special CSS.

**RECESSED:** Mayor A. Anderson recessed the CSS to an Executive Session on Potential/Pending Litigation at 5:46 p.m.

**EXECUTIVE SESSION: Potential/Pending Litigation (RCW 42.30.110 [1] [i]) (10 minutes)**

**RECONVENED:** Mayor A. Anderson reconvened the meeting at 6:02 p.m.

**ADJOURNED:** Mayor A. Anderson adjourned the meeting at 6:02 p.m.