

City of SeaTac

2013-2014 Budget Workshop 3 Minutes Synopsis

October 19, 2012 (Friday)

1:00 PM

City Hall

Council Chambers

CALL TO ORDER: The SeaTac City Council Budget Workshop was called to order by Mayor Anthony (Tony) Anderson at 1:00 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson, Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg (*arrived at 1:38 p.m.*), Rick Forschler, Terry Anderson, Dave Bush, and Pam Fernald.

STAFF PRESENT: City Manager Todd Cutts, City Clerk Kristina Gregg, City Attorney Mary Mirante Bartolo, Finance & Systems Director Aaron Antin, Assistant City Manager (ACM) Gwen Voelpel, Fire Chief Jim Schneider, Acting Community and Economic Development (CED) Director Gary Schenk, Economic Development (ED) Manager Jeff Robinson, Municipal Court Judge Elizabeth Cordi-Bejarano, Municipal Court Administrator Paulette Revoir, Information Systems (IS) Manager Bart Perman, Parks & Recreation (P&R) Director Kit Ledbetter, Facilities Manager Pat Patterson, Public Works (PW) Director Tom Gut, City Engineer Susan Sanderson, Fire Chief Jim Schneider, Assistant Fire Chief Brian Wiwel, and Police Chief Jim Graddon.

2013 – 2018 CITYWIDE CAPITAL IMPROVEMENT PLAN (CIP)

Finance & Systems Director Antin stated that the CIP is a separate document from the budget; however, the 2013-2014 funding from the CIP is included in the 2013-2014 Biennial Budget.

He provided an overview of all of the CIP projects. The capital expenses planned for 2013-2014 is approximately \$21 million. A majority of that is from construction projects. He noted that the next biennium, 2015-2016, is aggressive with capital expenses estimated at \$46 million.

He reviewed the financing schedule, noting the major funding is anticipated to come from parking taxes.

CED Department

ED Manager Robinson reviewed the CED Department projects. Council and staff discussion ensued regarding the projects.

1. SeaTac Center Improvements - \$501,315 in 2012 (funds from lease revenues).
2. South 154th Street Station Area Property Acquisitions - \$500,000 in 2012, \$250,000 in 2013, and 250,000 in 2014.
3. International Marketplace Store Front Retail Space - \$1,626,075 in 2015.
4. Community Access Point (CAP) Property Acquisition - placeholder.
5. CAP Construction – placeholder.

P&R Department / Facilities Division

Facilities Manager Patterson reviewed the 2012 Facilities Division requests. Council and staff discussion ensued regarding the projects.

1. City Hall Heat Pump Replacements – 2013 - \$27,458, 2014 - \$28,266, 2015 - \$29,104, 2016 - \$29,941, 2017 - \$30,779, and 2018 – \$31,616.
2. Purchase Department of Transportation (DOT) land versus leased parking – 2013 - \$400,000.
3. Maintenance Facility Fueling Station – 2013 – \$15,611.
4. Fire Station 45 Replacement - \$1.66 million in 2013 and \$1.46 million in 2014 with potential decrease in utilities of \$36,000+ each year. Fire Chief Schneider reviewed the design options for the station.
5. Replace City Hall Sidewalks – 2013 - \$38,563.
6. City Hall Carpet Replacement – 2018 - \$100,795.
7. Court Staff Alteration – Office/Hallway – 2013 - \$35,653.
8. Exterior Painting – 2013 - \$51,069.
9. Replace Windows in City Hall Building – 2013 - \$155,943, 2014 - \$137,875, and 2015 – \$137,875.
10. City Hall Lighting Upgrade – 2016 - \$194,089.
11. Courts – ADA Modification – 2013 - \$21,625. Municipal Court Administrator Revoir detailed the need for this modification.
12. City Hall Elevator Upgrade – 2016 - \$64,161.

2013 – 2018 CITYWIDE CIP (Continued):

P&R Department / Facilities Division (Continued):

P&R Director Ledbetter discussed the following CIP requests with discussion ensuing. Mr. Ledbetter stated that they are listed in order of priority.

1. Angle Lake Park Phase II – 2013 - \$2.09 million.
2. Valley Ridge Park (VRP) Fourth Sports Field, including restroom and concession building – 2014 - \$207,123, 2015 - \$945,000, and 2016 - \$867,937 (may not need if Tennis Outreach Program [TOPs] is developed).
3. VRP Synthetic Turf Field Replacement - \$1.2 million in 2017.
4. Angle Lake Park Playground Equipment Replacement - \$42,773 in 2013.
5. Sunset Park Tennis Court Renovation - \$120,450 in 2015.
6. Parks Irrigation Controllers/software
7. Riverton Heights Property Development - \$80,000 in 2012.
8. Angle Lake Park Ornamental Fence - \$29,434 in 2012.
9. South 154th Street Station Area Plaza/Pedestrian Connection at Military Road South Triangle - \$82,500 in 2014 and \$330,000 in 2015.
10. SeaTac/Airport Station Gathering Place Plaza - placeholder.

PW Department

PW Director Gut discussed the following 2013-2014 CIP requests with Council discussion on each item. 28th/24th Avenue South Extension – 2013 - \$1.35 million, 2014 \$1.3 million, 2015 - \$8.6 million, and 2016 - \$8.8 million.

1. 2012/13 Neighborhood Pedestrian Improvements (South 168th – 24th Avenue South to Military Road South) – 2013 - \$1.42 million, and 2014 - \$22,000.
2. Military Road South Improvements (South 176th to 166th Streets) – 2013 - \$3.4 million, and 2014 - \$3.5 million.
3. 2013/14 Neighborhood Pedestrian Improvements (location to be determined) – 2013 - \$215,000, and 2014 - \$1.2 million.
4. Military Road South (South 152nd - 150th Streets) – 2013 - \$300,000, 2014 - \$800,000, 2015 - \$2 million, and 2016 - \$980,000.
5. 2014/15 Neighborhood Pedestrian Improvements (location to be determined) – 2014 - \$250,000, and 2015 - \$1.4 million.

Mr. Gut noted the following: (1) parking tax revenue has decreased in 2012 by almost \$900,000; and sidewalk program is estimated to run out of a funding source in the 2015-2016 biennium.

Mr. Gut reviewed potential grant opportunities for City projects.

Recessed: Council recessed from 2:33 to 2:42 p.m.

Information Systems (IS) Equipment Replacement

Finance & Systems Director Antin reviewed the requests. Some equipment will be replaced on a regular replacement schedule, and other items will be replaced because they have reached the end of service life:

1. Computers and Monitors - \$45,000 per year.
2. Network Routers – 2013 - \$24,000.

IS Manager Perman reviewed the Finance Department Decision Cards:

1. Search Appliance – 2013 - \$9,850.
2. Exchange 2010 Hosting Agreement (upgrade email/Exchange) - \$21,930 per year.

Capital Equipment:

Fire Capital Reserve Fund Vehicles/Equipment Replacement

Fire Chief Schneider stated that the Lance Telesqurt will be replaced in a two year cycle (2014 - \$600,000, and 2015 - \$851,688). Also, staff is working on obtaining some additional revenue to cover the funding gap to replace an engine with a Quint apparatus. That will be done without any additional staffing and will increase the City's Insurance Services Office (ISO) Rating.

Assistant Fire Chief Wiwel reviewed the equipment replacement items for 2013 and 2014: 2013 – Self Contained Breathing Apparatus (SCBA) bottles and packs - \$493,893, and Exercise Equipment Replacement - \$7,560; and 2014 – Cardiac Defibrillators - \$91,000, Portable Radios - \$345,899, and Exercise Equipment Replacement - \$6,327. He explained how the cost estimates are determined.

Chief Schneider stated that the training consortium keeps City costs lower by purchasing together.

TRANSIT PLANNING FUND #106

ED Manager Robinson stated that this fund was initially capitalized with dollars from the development agreement (DA) with Sound Transit for the SeaTac/Airport Station area.

He reviewed the non-personnel variances: Some professional services dollars are being moved from 2012 to 2013 related to South 154th Street planning and technical panel. \$250,000 of salary/benefits is expected to be reimbursed from Sound Transit per the development agreement (DA) signed in 2012. This is to account for 2.5 new full time employees (FTEs) as authorized by the Council in October 2012. Revenue of \$250,000 has also been added as these additional resources are to be fully reimbursed per the DA. If existing resource capacity in the GF is used to support the DA work, then reimbursement would be received into the GF versus this special revenue fund.

Decision cards: (1) South 200th Street Station Area: Technical Assistance Consultant - \$17,500; and (2) South 200th Street Station: Planning Area Consultant - \$40,000.

HOTEL/MOTEL (H/M) TAX FUND #107: ED Manager Robinson reviewed the non-personnel variance in 2013 of \$98,525 in Cooperative Tourism promotion costs and increases an additional \$15,000 for 2014. The increase in the Museum of Flight (MOF) marketing increases \$25,000 in 2012 to \$50,000 per year in 2013 and 2014.

Discussion ensued regarding the Northwest Orchestra Symphony request for \$5,000 for each year and whether it is an appropriate use of H/M funds. Council majority concurred to fund this request.

BUILDING MANAGEMENT FUND #108: ED Manager Robinson stated that this fund captures the lease revenues from SeaTac Center and City Hall. It is also the fund used to manage, maintain, and operate the SeaTac Center and 2nd floor of City Hall. There is a decrease in 2013 and 2014 due to interest earnings. The owner's distribution for SeaTac Center over the first three years is approximately \$1.1 million.

FACILITY REPAIR AND REPLACEMENT FUND #110: P&R Director Ledbetter stated that staff takes all items related to a facility, such as carpets, and places a life expectancy on it and funding is saved through the years to pay for the replacement when it is needed. Discussion ensued regarding the 2013/2014 repair and replacement schedule for City facilities and parks.

DEBT SERVICE FUNDS: Finance Director Antin reviewed the four funds: (1) Special Assessment (LID [Local Improvement District] #1) Debt Fund #204; (2) LID Guarantee Fund #205; (3) 2009 Limited Tax General Obligation (LTGO) Refunding Bond Fund #206; and (4) 2009 South Correctional Entity (SCORE) Bond Fund #207. The SCORE Bond Fund is a new budgeted fund with the first principle payment due January 2013.

Budget Workshop 4 will be held Saturday, October 20, 2012, at 9 a.m.

Council 2013-2014 Budget Workshop 3 was closed at 3:57 p.m.