

City of SeaTac

Council Study Session Minutes Synopsis

November 12, 2013
4:00 PM

City Hall
Council Chambers

CALL TO ORDER: The SeaTac City Council Study Session (CSS) was called to order by Deputy Mayor (DM) Mia Gregerson at 4:02 p.m.

COUNCIL PRESENT: Mayor Anthony (Tony) Anderson (*arrived at 4:04 p.m.*), Deputy Mayor (DM) Mia Gregerson, Councilmembers (CMs) Barry Ladenburg, Rick Forschler (*arrived at 4:07 p.m.*), Terry Anderson, Dave Bush, and Pam Fernald (*arrived at 4:07 p.m.*).

STAFF PRESENT: City Manager Todd Cutts, Senior Assistant City Attorney Mark Johnsen, City Clerk Kristina Gregg, Public Works (PW) Director Tom Gut, Parks and Recreations (P&R) Director Kit Ledbetter, Community & Economic Development (CED) Director Joe Scorcio, Economic Development (ED) Manager Jeff Robinson, Senior Planner Al Torrico, Assistant Finance Director Brenda Rolph, Police Chief Lisa Mulligan, and Assistant Fire Chief Brian Wiwel.

PUBLIC COMMENTS (related to the agenda items listed below): Earl Gipson spoke regarding Agenda Bill #3551 (Surface and Storm Water Management Rate Structure) and that the Port of Seattle (POS) is actively trying to not pay \$400,000 as part of the interlocal agreement (ILA). He also clarified 25 year, 50 year, and 100 year floods.

Mayor A. Anderson arrived at this point in the meeting.

Agenda Bill #3551; An Ordinance changing Section 12.10.225 of the SeaTac Municipal Code (SMC), related to Surface and Storm Water Management Rate Structure

Summary: The City's 2013 Surface Water Plan identified the needs of the Surface Water Utility and changes which are necessary to meet the challenges of the future, while maintaining an appropriate level of service (LOS). A stormwater rate study was conducted by FCS Group in conjunction with Herrera Environmental based on the findings and recommendations of the Surface Water Plan. The rate study evaluated four stormwater rate scenarios ranging from a no action alternative to a full plan implementation alternative, which would implement all of the recommendations of the Surface Water Plan.

This Ordinance implements the Limited Surface Water Plan Implementation Scenario, which allows the minimum stormwater program expansions necessary to meet pending regulatory requirements, as well as create a proactive asset management program to sustain stormwater infrastructure by identifying and conducting needed repairs and replacements. The limited scenario also includes funds for nominal capital improvements.

A proactive asset management program is needed to conduct video evaluation of the City's existing stormwater system, which is valued at \$26.9 million and includes 72 miles of storm pipe. After video evaluation, the City can identify and prioritize repair and replacement needs before system failures occur. The asset management program also includes the necessary funding to make these repair or replacements once they are identified. The asset management program constitutes approximately 60% of the costs for the proposed rate increase.

Implementation of the recommended rate study scenario also includes changes in cost allocations of how existing staff positions that work on Surface Water Utility programs are funded. These changes in cost allocations will ensure the Utility is appropriately charged for these positions.

In addition, City Council has expressed an interest in providing a rebate to those properties that can infiltrate 100% of their stormwater. To that end, a 20% rebate has been added in an effort to encourage the use of infiltration techniques. These techniques can provide benefits to the City stormwater system and natural waters by reducing the volume of stormwater flows and water quality impacts.

Rate increases will be phased in over a five year period from 2014 through 2018 in order to spread out the impact of the rate adjustments. The proposed phased rate increases are as follows: 20.32% in 2014; 26.85% in 2015; 4.88% in 2017; and 6.55% in 2018.

Agenda Bill #3551 (Continued): The proposed rate increase would increase the Surface Water Utility revenues over a five year period. Estimated annual increases in utility fee revenues generated as a result from the rate modification are listed below:

<u>Year</u>	<u>Estimated Rate Revenue Increase Year to Year</u>
2014	\$258,284
2015	\$446,528
2016	\$ 27,117
2017	\$126,933
2018	\$170,107

CMs Forschler and Fernald arrived at this point in the meeting.

PW Director Gut introduced FCS Group Principal John Ghilarducci. Mr. Gut reviewed the agenda bill summary.

Mr. Gut detailed the Surface Water Rate Study, and the Asset Management: Repair and Replacement.

The rate study was presented at the October 8 CSS with response to questions presented at the October 22 CSS. The rate study looked at four scenarios: current rate, current rate plus emergency repair fund, limited surface water plan implementation (staff recommendation), and full plan implementation.

Mr. Ghilarducci stated that the Ordinance phases the rate increase over 5 years, funds the limited surface water plan, reconciles staffing - \$60,000 general fund (GF) savings, adjusts fees for City roads, and incentivizes low impact development.

If the rates are approved, the deadline to submit changes to KC is December 2. The implementation process includes bi-annual budget review and approval of decision cards for the resources.

Council discussion ensued regarding the rate structure.

Council consensus: Refer this to the 11/26/13 RCM Action Item

Agenda Bill #3557; A Motion authorizing the City Manager to execute a lease with the Washington State Department of Transportation (WSDOT) for the Lake to Sound Trail Project

Summary: The lease is required by WSDOT in order for the trail to go under the 509 Freeway on east side of Des Moines Memorial Drive (DMMD). The lease is for about a 20 feet wide by 200 feet long space under the freeway overpass and in the road right of way (ROW) off of the east side of the road pavement. There is no charge for the lease easement from WSDOT. King County (KC) is managing the construction of the Lakes to Sound Trail that will be bid in 2014 that will be on the east side of DMMD extending from South 154th Street south to South 174th Street. The SeaTac P&R Department will take over the maintenance of the trail in SeaTac after construction.

With the successful vote of the 2013 KC Park Levy the Lakes to Sound Trail has funding and is process of bidding and building this section of the new trail.

There is no direct fiscal impact. The City will lease the land for the trail at no cost.

P&R Director Ledbetter introduced KC Park Lakes to Sound Project Manager Jason Rich.

Mr. Rich reviewed the Lakes to Sound Trail project, specifically Segment B – 1.5 mile paved, regional trail within the cities of SeaTac and Burien.

Design review for segment B is currently 90% complete. Next steps include: incorporate comments from the cities into construction documents, finalize ROW agreements (easements, leases and driveway reconstruction agreements), finalize ILAs and associated utility agreements, WSDOT/Federal Highway Administration (FHWA) design review, submit local permit applications, and advertise for construction (anticipated May 2014).

Mr. Ledbetter reviewed the agenda bill summary.

Council discussion ensued regarding the trail, potential contamination, maintenance, and intersections.

Council consensus: Refer this to the 11/26/13 RCM Consent Agenda

Agenda Bill #3553; A Motion accepting the Phase Two Design Planning and Site Analysis Report for the Riverton Heights Property

Summary: In January 2011, after the City Council accepted the report titled “A Community-owned Vision for the Riverton Heights property,” staff was directed to undertake a more detailed analysis of the Riverton property for the purpose of further exploring the options derived during the community engagement process.

This report is a compilation of the community outreach process, site analysis, and conceptual planning that has been completed between 2010 and 2013 on the potential future uses of the former Riverton School property. Also incorporated in the report is feedback from the community and City Council received at the March 26, 2013 CSS.

As the conceptual plan has evolved, certain realities have become evident:

- Not all of the concepts and desired public uses can be accommodated on the site due to size and site limitations;
- The placement of the fire facility does not have to be situated in the northwest quadrant of the property;
- The development and construction of the park components will be accomplished over a period of several years;
- Additional community participation is necessary to plan for and focus the park’s amenities and the implementation schedule; and
- Residential development, whether detached or attached single-family units, is not currently feasible and is projected to remain unfeasible into the foreseeable future.

The report is neither presented as a plan nor a development proposal. The report neither prescribes nor provides a specific guide to the actual types of amenities to be developed. The implementation schedule and budget for completion are also not included. The report does provide guidance based upon an analysis of the property’s spatial capacity and other pertinent features such as its location and its relationship to other important aspects such as transportation facilities and future area-wide plans.

The City Council’s acceptance of this report allows the following actions:

- The P&R Department can apply for funding from the KC Conservation District;
- The City can proceed with the initial development proposal; and
- The Fire and Parks agencies can proceed to investigate other potential development features in the future, as appropriate.

CED Director Scorcio, P&R Director Ledbetter, and ED Manager Robinson reviewed the agenda bill summary.

Mr. Scorcio provided an overview of the report.

Mr. Robinson reviewed the history in regards to the Riverton Heights School site.

Mr. Ledbetter reviewed the implementation steps.

Mr. Scorcio stated that if Council accepts the report, the P&R Department will apply for King Conservation funds to supplement the work that needs to be done. With funding, the P&R Department will then begin construction.

Council discussion ensued regarding the report and the Riverton Heights School site.

Council consensus: Refer this to the 11/26/13 RCM Consent Agenda

Agenda Bill #3558; A Motion authorizing the City Manager to execute a Property Management Agreement with Kidder Matthews for the purpose of providing services at the SeaTac Center

Summary: Since the City began operating the SeaTac Center in 2010, Colliers International has provided all aspects of property management including repairs, maintenance, tenant relations, all aspects of accounting including the administration of accounts receivable and payable. After an annual review, staff determined it may be beneficial to seek requests for property management proposals from a selected group of firms, including Colliers. The City received four proposals and rated each prior to interviewing each firm. The proposals and the interviews were evaluated on:

- The firm’s and the key staff’s prior experience in managing comparable properties with a diverse tenant base in similar communities and neighborhoods;
- Their experience in managing publicly-owned property;
- The pricing structure for the basic and elective services;
- The ability to accommodate the City’s financial reporting requirements and formats;
- The range of services offered and the ability to provide customization for the SeaTac Center; and
- The approach to establishing working relationships with the City and the existing tenants.

Agenda Bill #3558 (Continued): After both the proposal rating and the interview process were completed the decision was made to offer the contract to Kidder Matthews for an initial one-year period with automatic extensions if no termination notice is given or received.

The fee structure is comparable to that of the existing management firm which is a minimum monthly charge of \$3,000 or 3% of gross monthly income, whichever is greater. There is also a one-time set-up fee of \$4,000 paid in conjunction with the first month management fees. All fees are paid through the income generated from the property.

CED Director Scorcio reviewed the agenda bill summary.

Council consensus: Refer this to the 11/26/13 RCM Consent Agenda

Agenda Bill #3562; A Resolution authorizing the City Manager to execute a Development Agreement (DA) with Park-N-Jet, LLC

Summary: In July 2012, Park-N-Jet, LLC’s request to rezone three parcels located at 18420 8th Avenue South from Industrial and Business Park to Community Business was approved. The purpose of the rezone was to enable the expansion of their current park-n-fly operation by 467 stalls for a total of 707. The rezone also helps facilitate the future redevelopment of the site when State Route (SR) 509 extension is constructed.

The proposed DA would allow the site to be developed in the short-term with an expanded park-n-fly operation and grant four temporary departures from the SMC in exchange for a public benefit of equal or greater value. These departures and public benefits are summarized below.

Departures:	Benefits:
Depart from providing at least 10% of the interior parking area with landscaping when the total number exceeds 20 parking stalls (SMC 15.14.090 (A)).	<ul style="list-style-type: none"> • Since Park-N-Jet, LLC will not have to construct and install interior landscaping, the 56 trees that would otherwise be required will be provided to the City in the form of a monetary equivalent. Park-N-Jet, LLC will transfer funds to the City in the amount of \$19,622.40, which includes material, labor and sales tax for 56 trees. <i>These trees will be available to plant on City owned property, street trees within City ROW or at City parks.</i> • Park-N-Jet, LLC will extend and construct off-site improvements along 8th Avenue South. These improvements include curb, gutter, sidewalk and extending sidewalk to the existing crosswalk at 8th Avenue South. These improvements are outside the project area and would not otherwise be required under the Municipal Code. These improvements have an estimated value of \$48,612.23. • <i>The combined value of cash and frontage improvements is \$68,234.63 as a public benefit.</i>
Depart from provide at least one interior landscape island for every seven stalls within the parking lot (SMC 15.14.090 (B)).	
Depart from providing at least one tree in each landscape island (SMC 15.14.090 (C)).	
Depart from providing pedestrian circulation through surface parking lots (SMC 15.15.140 A-F).	

For the purposes of the DA, “redevelopment is defined as the increase in the current land use to a more intensive utilization of the subject parcels including but not limited to the construction and placement of permanent structures on the site or structured parking facilities.” Expanding the current park-n-fly operation under the Community Business zone is an allowed use, but requires the site to be brought up to current standards.

The engineering plans are currently under review by the Engineering Division. Once these plans have been approved, the DA can be executed.

The DA includes a non-performance clause of \$100,000 and has a term of 20 years (December 31, 2033). Since this agreement is linked to the construction of SR 509, if SR 509 is not extended within the term of the agreement, Park-N-Jet, LLC and the City may negotiate a mutually agreed extension.

Senior Planner Torrico reviewed the agenda bill summary.

Next steps: November 26 - public hearing (PH) on the DA, engineering plans currently under review, and once the engineering plans are approved, they will be recorded with the DA.

Council discussion ensued regarding access and fencing.

Council consensus: Refer this to the 11/26/13 RCM PH and Action Item

Agenda Bill #3399; A Motion declaring City Property surplus and authorizing its disposal

Summary: Various obsolete and/or inoperable items have been identified by City departments and are being recommended for City Council declaration as surplus property. This list includes items such as computers and other hardware, fire and police equipment, exercise equipment, Equipment Rental vehicles and equipment, and landscape maintenance equipment. The City last compiled a surplus list in November 2010.

As shown on the attached surplus list, departments have specified their intended method of disposal for their assets along with the estimated value of the assets. Each department will be responsible for the actual disposal of their assets following City Council approval. Due to the approval of the Fire Consolidation Plan in September 2013, it is anticipated that an additional asset surplus list will be presented to the City Council in the near future to declare any additional fire assets surplus.

Any proceeds from selling the assets will be deposited into the appropriate fund.

Assistant Finance Director Rolph reviewed the agenda bill summary.

Council consensus: Refer this to the 11/26/13 RCM Consent Agenda

Agenda Bill #3545; A Motion authorizing the City Manager to enter into an agreement between the Highline Public Schools and City of SeaTac for a School Resource Officer (SRO) at Tyee High School and Chinook Middle School

Summary: This proposed agreement would continue the Highline Public Schools' annual contribution to offset a portion of the cost for a SRO at the Tyee Educational Complex and Chinook Middle School for the 2013-2014 school year. The District has provided partial funding at this level since 2006.

The agreement is similar to that used last year with the exception of the following changes:

- Total cost of SRO increased \$1900.00 from last year which translates to a \$475.00 increased cost to SeaTac and a \$1425.00 increased cost to Highline.

	2012-2013 Cost	2013-2014 Cost
City of SeaTac share	\$119,945	\$120,420
Highline Public Schools share	\$52,500	\$53,925
Total cost for SRO	\$172,445	\$174,345

- New language added to scope of services at request of Highline: *"Secondarily, as time permits, the SRO may similarly patrol and interact with other Highline Public Schools within the City of SeaTac, to promote positive relationships with staff and students."*

The agreement documents cost sharing, indemnification, the employment status of the officer, how a replacement would be selected, the work schedule and duties of the SRO, and the facilities to be provided by the School District. This agreement does not commit the City to any additional staffing or enhancement of services at the schools. The term of the agreement is through June 30, 2014 and allows for early termination with 60 days written notice. In the event of early termination, the City must return to Highline \$5,392.50 for each full month remaining in the 2013-2014 school year.

This agreement would result in compensation of \$53,925 by the School District to the GF. The 2013 portion of the City's 2013-2014 biennial budget was approved with an anticipated revenue of \$52,500 from Highline to offset \$174,345 which is the total cost of an SRO.

Police Chief Mulligan reviewed the agenda bill summary.

Council discussion ensued regarding the agreement, costs, and school sites.

Council consensus: Refer this to the 11/26/13 RCM Consent Agenda

PRESENTATIONS:

•Public Safety Statistics

Assistant Fire Chief Wiwel presented statistics for October 2013. He also encouraged everyone to change their smoke detector batteries. The International Association of Fire Fighters (IAFF) also participated in Operation Warm Coats to provide warm coats to children.

RECESSED: Mayor A. Anderson recessed the CSS to an Executive Session to consider the minimum price at which real estate will be offered for sale or lease at 5:50 p.m.

EXECUTIVE SESSION: To consider the minimum price at which real estate will be offered for sale or lease (42.30.110[1][c]) (25 minutes)

Staff present in Executive Session: City Manager Cutts, City Attorney Mirante Bartolo, CED Director Scorcio, and ED Manager Robinson.

City Clerk Gregg announced that Council requested an additional 10 minutes at 6:15 p.m.

RECONVENED: Mayor A. Anderson reconvened the meeting at 6:27 p.m.

ADJOURNED: Mayor A. Anderson adjourned the CSS at 6:27 p.m.