

	<p>City Council Study Session Finance - Econ Dev SFA February 12, 2018 - 5:30 PM Council Chambers - City Hall MINUTES</p> <p>Watch the meeting LIVE!</p> <p>Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.</p>
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I. CALL TO ORDER

Deputy Mayor Bob Baggett called the meeting to order at 5:32 p.m. in the Council Chambers of Auburn City Hall, 25 West Main Street in Auburn.

A. Roll Call

Councilmembers present: Deputy Mayor Baggett, Larry Brown, Claude DaCorsi, John Holman, Bill Peloza and Yolanda Trout-Manuel. Councilmember Largo Wales was excused.

Department directors and staff members present included: Finance Director Shelley Coleman, Planner Alexandria Teague, Water Quality Program Coordinator Chris Thorn, Arts and Events Manager Julie Krueger, Engineering Aide Amber Price, Customer Care Manager Brenda Goodson-Moore, Storm Drainage Engineer Tim Carlaw, Parks, Arts and Recreation Director Daryl Faber, Assistant Director of Engineering Services/City Engineer Ingrid Gaub, Arts Coordinator Allison Hyde, Assistant Director of Community Development Services Jeff Tate, Parks Planning and Development Manager Jamie Kelly, Utilities Engineering Manager Lisa Tobin, Planning Services Manager Jeff Dixon, Police Commander David Colglazier, and City Clerk Danielle Daskam.

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

There was no announcement, report or presentation.

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. Brannan Park and Reddington Levee Use Agreement (Faber) (10 Minutes)

Parks Planning and Development Manager Jamie Kelly presented the Brannan Park and Reddington Levee Use Agreement. In 2013, the City entered into an Interlocal Agreement with King County and the King County Flood Control District for easements associated with the Reddington Levee Extension and Setback Project. As part of the agreement, the City granted a Flood Protection Easement to King County. The easement area is located on a portion of Brannan Park. However, Brannan Park was acquired by the City using funds from the Washington

Recreation and Conservation Office (RCO). RCO determined that the flood control easement triggers a land conversion requirement, while a Use Agreement does not amount to granting of real property interest running with the land in perpetuity. Therefore, a Use Agreement to provide King County access to the area in perpetuity for the purposes of maintaining the flood control structure would not trigger a land conversion requirement.

To resolve the issue and to carry out the intent of the 2013 Flood Control Zone District Interlocal Agreement, King County agrees to relinquish and quit claim its rights under the easement back to the City in return for the City agreeing to enter into a Use Agreement with King County for flood protection purposes.

B. Public Art Selection - Les Gove Park (Faber) (20 Minutes)

Parks, Arts and Recreation Director Daryl Faber, Arts Commissioner Nancy Colson, and artist Peter Reiquam presented information on the public art selection for the Iconic Public Artwork for Les Gove Park.

Director Faber explained the method for selection of public art has been through the subcommittee method. The art site is located at the Big Daddy's/Herr property which opens up to Les Gove Park. King County 4Culture created, posted and promoted the call to artists and 34 applications were received from artists in Washington and Oregon. The budget for the project is \$125,000.00 and is included in the Capital Facilities Plan.

Arts Commissioner Nancy Colson reported the subcommittee contemplated the site for the public art and wanted an iconic presence that would indicate the presence of the park from Auburn Way South and draw the attention of passersby. The subcommittee wanted a fun, whimsical, touchable piece of art that would appeal to a broad audience.

Artist Peter Reiquam presented examples of his previous work and his vision for the art piece for Les Gove Park. Mr. Reiquam's primary emphasis has been public art for over thirty years. His projects have always been relevant to the site the art is located.

Arts Commissioner Colson talked about the selection process and the recommended piece of art, *Crow with Fries*. Commissioner Colson stated the committee discussed crows at length and learned crows are adaptable and brainy. She also read from the poem, *The Business of Crows* by Joseph Green.

Mr. Reiquam described the art as abstract, fabricated mechanical-looking. It would be approximately 12 feet high. The French fry box could be used as seating. The giant stylized crow would have a powder-coated finish that is very durable. The semi-gloss black finish will reflect some of the colors

around it. Mr. Reiquam proposed glass eyes for the crow illuminated with LED lights. For the purpose of care and maintenance, Mr. Reiquam recommended a small plaza beneath the giant crow for ease of maintenance.

Councilmember Trout-Manuel expressed concern people would be tempted to climb on the art.

A resolution authorizing the Mayor to negotiate a contract with the artist will be presented at the next regular Council meeting.

C. Ordinance No. 6670 (Gaub) (10 Minutes)

An Ordinance of the City Council of the City of Auburn, Washington, authorizing the renewal and amendment of Ordinance No. 6452 For Zayo Group, LLC, Franchise Agreement No. 12-41 for a telecommunications system

Engineering Aide Amber Price presented Ordinance No. 6670 for the renewal of Franchise Agreement No. 12-41 with Zayo Group LLC for telecommunications facilities in the public right-of-way. The current franchise will expire in April 2018. There is one minor amendment to reflect current contact information. A public hearing on the franchise renewal is scheduled for February 20, 2018.

D. NPDES Annual Report and Stormwater Management Program Plan (Gaub) (15 Minutes)

Storm Drainage Engineer Tim Carlaw and Water Quality Program Coordinator Chris Thorn presented the Stormwater Management Program Plan annual report. The City of Auburn's National Pollutant Discharge Elimination System (NPDES) Phase II Stormwater Permit requires the City to submit an annual report for activities in 2017 and Stormwater Management Program Plan for the current year.

Water Quality Program Coordinator Thorn spoke regarding public education and outreach programs, illicit discharge detection and elimination, controlling runoff from new development, and the municipal operations and maintenance element.

A public hearing on the Stormwater Management Program Plan is scheduled for March 5th and a resolution adopting the Plan will be presented to Council for adoption on March 19, 2018.

Councilmember Peloza requested a report on what other cities are doing related to discharge monitoring.

E. Ordinance No. 6677 (Tate) (15 Minutes)

Planning Commission recommendation to adopt text and map amendments to establish and implement the Open Space zoning district created when City Council adopted the 2015 Comprehensive Plan and Comprehensive Land Use Map

Planning Services Manager Jeff Dixon and Planner Alex Teague

presented Ordinance No. 6677 and the Planning Commission recommendation to adopt text and map amendments to establish and implement the Open Space zoning district created when the City Council adopted the 2015 Comprehensive Plan and Comprehensive Land Use Map.

Planning Services Manager Dixon noted the PowerPoint presentation is different than the one included in the agenda packet.

The proposed ordinance was reviewed by Planning Commission at four different meetings and held one public hearing on the ordinance.

The Open Space zone is meant to apply parcels that are: largely undeveloped in character, natural and urban conservancy shoreline areas, significant wildlife habitats, large stormwater detention ponds or floodplain ponds, utility corridors with public access, and watersheds or areas with significant development restrictions. The majority of the parcels are owned by the City of Auburn and generally feature either critical area, utility infrastructure, or are within the shoreline jurisdiction and subject to the City's Shoreline Master Program.

The majority of the non-City owned parcels are government-owned or utility-owned parcels and encumbered by utility infrastructure, such as transmission lines. The remaining five non-City parcels are privately owned and also feature environmental or development constraints.

The Planning Commission's recommendation recognizes that the proposed Open Space zoning amendment does not affect "Indian lands."

The ordinance is scheduled for Council consideration on Feb 20th.

IV. FINANCE AND ECONOMIC DEVELOPMENT DISCUSSION ITEMS

A. King County Draft Comprehensive Solid Waste Management Plan (Coleman) (30 Minutes)

Meg Moorehead, Strategy, Communications and Performance Manager from King County Solid Waste and Joan Nelson, City of Auburn Solid Waste and Recycling Supervisor, presented the draft King County Comprehensive Solid Waste Management Plan.

Washington State law requires that each county, in cooperation with the cities located in the county, prepare a coordinated, comprehensive solid waste management plan (Plan). King County, together with its 37 partner cities, has developed a long-term plan that presents strategies for managing waste. The current Plan was adopted in 2001.

The draft plan provides direction on how King County and cities will provide the services customers expect while keeping fees as low and stable as possible. It also recommends innovative programs to prevent, recycle, and dispose of waste that will protect human health and the

environment. A new draft Plan presents strategies for managing King County's solid waste over the next six years, with consideration of the next 20 years. It also includes policies, recommendations, and goals for: solid waste system planning; waste prevention, recycling, and solid waste collection; solid waste transfer and processing system; landfill management and solid waste disposal; and solid waste system finance.

Three major topics will affect everyone in King County:

- How to achieve the recycling goal of 70%
- What are the most important services that should be provided at King County's garbage and recycling transfer facilities
- How should King County dispose of its garbage over the long term

It was noted that the Cedar Hills landfill is projected to be full by the year 2028 unless new capacity is developed. The Plan identifies three disposal options for beyond 2028:

- Further develop Cedar Hills landfill
- Export waste by rail to an out-of-county landfill
- Build a waste to energy facility in King County (mass burn facility)

A recommended approach will be identified after the public comment period on the Plan. The public comment period on the Plan expires March 8, 2018.

B. Streamlined Sales Tax (SST) Update (Coleman) (15 Minutes)

At 7:34 p.m. Deputy Mayor Baggett recessed the meeting for a six minute intermission. The meeting was reconvened at 7:40 p.m.

At this time, Councilmember Brown, vice chair of the Finance and Economic Development Special Focus Area, presided over the Finance and Economic Development discussion items.

Finance Director Coleman provided an update on Streamlined Sales Tax (SST) and the Market Place Fairness Act implementation. She first provided a brief history of SST which began in 2007-2008 with sales tax sourcing change. Beginning in 2008-2009, the State provided mitigation for those impacted cities with high concentrations of warehousing, distribution and manufacturing.

Finance Director Coleman stated with the passage of the State's 2017-2018 biennial budget, the appropriation for mitigation ended up being ten percent under the need. There is a push by the impacted cities to have additional appropriation provided in the 2018 supplemental budget. If the ten percent shortfall is applied to mitigated cities, the impact to Auburn over the biennium is \$380,000.00.

Under Engrossed House Bill 2163, mitigation ends June 2019 with the last payment received in September 2019. However, there is a proviso in the bill directing the State Department of Revenue, working with affected cities

and other stakeholders, to analyze the projected SST mitigation losses against remote sales tax gains and evaluate options for the impacted cities. Department of Revenue has asked the Association of Washington Cities and the City of Kent to lead a work group to develop recommendations.

Finance Director Coleman also spoke about possible upcoming changes to e-Commerce and sales tax that could open the doors to more online purchasers paying sales tax.

C. Ordinance No. 6678 (Coleman) (10 Minutes)

An Ordinance of the City Council of the City of Auburn, Washington, establishing the Local Sales and Use Tax rate for Local Revitalization Financing for 2018

Finance Director Coleman provided a brief history of the state sales tax for local revitalization financing. In 2009, the state legislature passed a bill to provide financial assistance to cities to assist with financing public improvements in an identified revitalization area to promote community and economic development. The City applied for and was approved by the State for use of local revitalization financing in August 2009, authorizing up to \$250,000.00 per year for the program.

In 2010, the City issued \$7.24 million in bonds for the purpose of funding capital improvements for the Promenade. Annual debt service for these bonds continues through the year 2034. Funds from grants, combined with REET2 funds and interest earnings are used to pay for the annual debt service costs of the project.

The state sales tax credit is available to the City for up to 25 years. The year 2018 is the ninth year that the City has asked the state for the tax credit. In order for the City to continue receiving the tax credit, the City must request it each year by ordinance.

V. OTHER DISCUSSION ITEMS

Councilmember Pelosa reported he attended the King Conservation District meeting recently and learned the City was awarded a \$20,000.00 grant for the 2018 Farmers Market. The City has received approximately \$200,000.00 in grants from the King Conservation District since the inception of the Farmers Market.

VI. NEW BUSINESS

There was no new business.

VII. MATRIX

A. Matrix

Councilmembers reviewed items on their matrix.

Councilmember Trout-Manuel reported she will be meeting with staff in the

near future, after which she will provide dates for upcoming Health and Human Services Special Focus Area items.

Councilmember DaCorsi stated he would likely have updates to the Public Works and Community Development Special Focus Area items after February 14th.

Councilmember Holman reminded there will be several meetings regarding the 2019-2020 Biennial Budget. Finance Director Coleman reported the budget retreat will be scheduled soon and a Budget 101 work session will be held this summer and several budget workshops will begin in August.

Councilmember Pelozo requested the National League of Cities Service Line Warranty program be added to the March 26th Council Study Session.

Councilmember Pelozo requested the addition of Mobile Home Park Procedures to the February 26th Study Session.

Councilmember Brown announced the International Machinists Union will be creating a feature article on him for the Union's national journal. Representatives of the national journal will be at the first regular meeting in March to video record a portion of the meeting. Councilmember Brown reported he spoke with the City Attorney and the Mayor to ensure their attendance and video recording was permissible.

VIII. ADJOURNMENT

There being no further discussion, the meeting adjourned at 8:03 p.m.

APPROVED this 16th day of April, 2018.

BOB BAGGETT, DEPUTY MAYOR

Danielle Daskam, City Clerk

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