

RENTON CITY COUNCIL
Regular Meeting

November 3, 2008
Monday, 7 p.m.

Council Chambers
Renton City Hall

MINUTES

CALL TO ORDER

Mayor Denis Law called the meeting of the Renton City Council to order and led the Pledge of Allegiance to the flag.

**ROLL CALL OF
COUNCILMEMBERS**

MARCIE PALMER, Council President; GREG TAYLOR; RICH ZWICKER; TERRI BRIERE; KING PARKER; DON PERSSON. MOVED BY PERSSON, SECONDED BY PALMER, COUNCIL EXCUSE ABSENT COUNCILMEMBER RANDY CORMAN. CARRIED.

**CITY STAFF IN
ATTENDANCE**

DENIS LAW, Mayor; JAY COVINGTON, Chief Administrative Officer; LAWRENCE J. WARREN, City Attorney; BONNIE WALTON, City Clerk; IWEN WANG, Finance and Information Services Administrator; GREGG ZIMMERMAN, Public Works Administrator; ALEX PIETSCH, Community and Economic Development Administrator; TERRY HIGASHIYAMA, Community Services Administrator; NANCY CARLSON, Human Resources Administrator; LYS HORNSBY, Utilities Systems Director; SUZANNE DALE ESTEY, Economic Development Director; MARTY WINE, Assistant CAO; PREETI SHRIDHAR, Communications Director; FIRE CHIEF/EMERGENCY SERVICES ADMINISTRATOR I. DAVID DANIELS and DEPUTY CHIEF ROBERT VAN HORNE, Fire Department; CHIEF KEVIN MILOSEVICH and COMMANDER KENT CURRY, Police Department.

SPECIAL PRESENTATION
Board/Commission: Municipal
Arts Commission, 2008 Bravo
Award

Patricia Pepper, Municipal Arts Commission Chair, announced that Barbara Nilson is the recipient of the BRAVO Award, which honors citizens who have made a significant contribution to the enjoyment of art, and have made an impact on Renton art organizations. Ms. Pepper acknowledged Ms. Nilson's contributions to the Renton community, including encouraging and developing student journalists, writing and publishing several books focusing on local history, helping to develop the Chalk Arts Festival as President of Allied Arts, and as an Arts Unlimited board member, helping to increase opportunities for artists to display and sell work at the Annual Downtown Art and Antique Walk. Ms. Pepper thanked Ms. Nilson for contributing to artistic and cultural life in Renton. Ms. Nilson accepted the award with appreciation and expressed gratitude for being in the same company as prior recipients Star Baker and Nancy Hoben.

ADDED
Community Event: Milken
Family Foundation Award

Al Talley, Renton School District Board President, announced that Cascade Elementary School Principle Dr. Shannon Harvey won the prestigious Milken Family Foundation National Educator Award, which recognizes educators who show exceptional talent and long-range leadership. Mr. Talley explained that the award was established by the Milken Family Foundation in 1982 to acknowledge educators crucial contributions to the national well-being, and includes a \$25,000 check written to Dr. Harvey. He also remarked that Dr. Harvey received the only award given in Washington and one of only 80 awards given nationally this year. Dr. Harvey expressed her gratitude and stated that she is excited to work at Cascade Elementary School, and that the school receives great community support.

PUBLIC HEARINGBudget: 2009 Revenue Sources
& Preliminary Budget

This being the date set and proper notices having been posted and published in accordance with local and State laws, Mayor Law opened the public hearing to consider the 2009 revenue sources and preliminary budget.

Finance and Information Services Administrator Iwen Wang reported that 2009 revenue levels were projected using mid-year 2008 as a base, and explained that at the time inflation and other economic conditions were more normal compared to current economic conditions. Ms. Wang stated that even at mid-year the City anticipated a four percent budget gap in the General Governmental Fund group. She noted that with the recent spike in the inflation rate, the City now has an anticipated seven percent budget gap. Ms. Wang pointed out that all City departments were asked to provide and/or identify seven percent budget reduction options, noting that early in the budget process only some of the proposed cuts were needed, but that all of the reductions offered, with the exception of staff lay-offs, were taken. She emphasized that the City is able to avoid lay-offs by reducing department budgets.

Moving on to the financial summary, Ms. Wang stated that the overall proposed budget is \$252 million, which is approximately two percent above the adopted 2008 budget. She explained that approximately forty percent of the total budget is for general governmental operations, which includes providing fire, police, street services, and park and recreation services, and explained that the other sixty percent includes enterprise funds and internal services funds, eighteen percent of which are capital projects. Ms. Wang stated that overall revenue is approximately \$7 million less than the proposed expenditures. She noted that the difference will be made up from contributions of prior year fund balances to fund capital projects. Ms. Wang reported that it is not just Renton, but all governmental agencies facing budget gaps, and that Renton is focusing on basic services. She stated that overall governmental expenditures total \$101 million, and that public safety (fire, police, and court services combined) represents forty-eight percent of that \$101 million.

Continuing, Ms. Wang reported that the City is projecting \$100.8 million in general government revenues, of which over seventy-eight percent is from taxes, primarily property tax, sales tax, and utility tax. Noting that property tax is limited to one percent growth every year, she stated that approximately \$30 million in property taxes will be generated in 2009. Ms. Wang remarked that this is a \$6 million increase over 2008. She noted that \$4 million of the increase is directly due to the Benson Hill annexation.

Ms. Wang reported that the 2009 preliminary tax rate per \$1,000 of assessed valuation for Renton is now \$2.29. She explained that when the levy rate and the voter-approved bonds are included, the tax rate increases to \$2.62 per \$1,000. She noted that the City's base tax rate has only risen one percent per year since 2005, but in the same time period there has been a substantial increase in new construction and annexations. Ms. Wang explained the state property tax law and remarked that a large growth in home values has occurred in Renton. She commented that the City receives only 26.8 cents per dollar of property tax.

Regarding sales tax, Ms. Wang stated that the City projects to generate \$26 million in revenue in 2009. She noted that the assumption of 2009 sales tax revenue is based on three elements: anticipating a slight decline in base sales tax, recognizing a full year of annexation sales tax credit, and assuming a full year of impact from businesses in the Benson Hill area and The Landing. Ms. Wang stated that it is important to recognize that Renton generates over \$200

million in sales tax and that approximately seventy-two percent goes to the state, and another large portion supports transit and transportation improvements. She noted that Renton receives approximately nine percent of the sales tax revenue.

Ms. Wang stated that approximately \$15 million in utilities tax revenue is projected for 2009. She remarked that various rate increases are anticipated and that growth is primarily from the Benson Hill annexation. Ms. Wang also remarked that development fees and permits combined generate around \$6 million. She also reported that a substantial decrease in permit activity resulting in a one-third decrease in plan review fees is anticipated for 2009.

Concluding, Ms. Wang stated that even after transferring funds to cover various capital projects, including the parking garage acquisition at The Landing, the City meets all Council policies and financial management requirements regarding reserve balances.

Public Works Administrator Gregg Zimmerman reported on 2009 piped utility rates. He stated that when determining future rate scenarios, the City is mindful of the state of the economy, and has attempted to balance the needs of maintaining quality utility services, providing adequate supply and capacity, maintaining high-quality infrastructure, and providing quick responses to issues of a growing customer base. Mr. Zimmerman remarked that this translates into recommending the lowest possible revenue and rate increases while still providing responsible stewardship for utilities services.

Utility Systems Director Lys Hornsby reported that the primary drivers that determine rates for piped utilities are energy, construction and labor costs, and meeting approved financial policies, including debt to risk coverage ratios, maintaining reserves, debt to equity ratios, system reinvestment, and the rate stabilization fund. Pointing out that energy costs have grown higher than the rate of inflation, Ms. Hornsby noted that electricity, fuel, petroleum-based products, copper piping, and construction costs have grown faster than the Consumer Price Index. She stated that all of these factors influence the need to increase utility rates. She stated that after modeling rates with these assumptions and requirements, no 2009 increase for surface water utilities is proposed, and a four percent revenue increase is recommended for water and wastewater utilities for 2009.

Ms. Hornsby reported that 2008 is the first year the City used a cost of service structure and block rate structure for single families. She explained that because of the new rate structures, an increase is no longer a straight-across-the-board increase for all single families. Ms. Hornsby emphasized that by minimizing 2009 rates, higher rate increases will be needed in 2010 and beyond.

Concluding, Ms. Hornsby reported that the last utility rate recommendation is to increase the King County treatment rate to \$1.16. She commented that this increase will attempt to make the King County charge a true pass-through fee. Ms. Hornsby stated that if the proposed 2009 rate structures are approved, City utility rates will still be lower than what was charged ten years ago. She presented a chart comparing the City's rate to other jurisdictions and noted that Renton rates are currently the lowest in the region and remarked that if the new rate structures are adopted, only the City of Auburn would have lower total utility rates.

Responding to Councilmember Parker's inquiry, Mr. Zimmerman reported that there are \$12.3 million of capital projects scheduled as part of proposed rate

schedule. He remarked that there are several funding sources for capital projects including utility tax revenue and the issuance of bonds. He explained bond covenants and requirements, and pointed out that if the City does not meet those requirements, the City's bond rating will decrease, which will increase interest rates and have an impact on the City's ability to secure bonds in the future. Mr. Zimmerman acknowledged the tough economic times and stated that the proposed rate increase is as low as possible while still allowing the City to meet requirements and provide responsible stewardship of utility systems.

Councilmember Parker remarked that he does not want to raise rates but that the City must not put the system at risk. He commented that City staff has recommended a responsible rate increase required to maintain the system.

Public comment was invited.

Rich Brooks (Seattle) stated that he represents Renton Area Youth and Family Services (RAYS). He expressed appreciation for the City's continued support and remarked that RAYS will receive an eighteen percent funding cut in 2009 even though it exceeded its service goals. Mr. Brooks stated that with cuts in funding from the City, multiplied with cuts in funding from King County, RAYS will not be able to provide services to as many youth next year. He requested that Council re-examine human service funding recommendations.

Mary Ellen Stone (Renton), South King Council of Human Services President, and Executive Director of the King County Sexual Assault Resource Center (KCSARC), expressed appreciation for the City's continued support. She noted that KCSARC will receive a funding cut of approximately fifteen to twenty percent for 2009. Ms. Stone stated that the agency's ability to provide services is greatly diminished when funding cuts from the City are coupled with those from King County. She requested that Council re-examine human service funding recommendations.

Howard McOmber (Renton) requested relief from higher utility bills for senior citizens and low-income residents. City Attorney Warren stated that utility discounts are currently available for senior and/or low-income citizens.

There being no further public comment, it was MOVED BY PERSSON, SECONDED BY PARKER, COUNCIL CLOSE THE PUBLIC HEARING. CARRIED.

CONSENT AGENDA

Items on the consent agenda are adopted by one motion which follows the listing.

Council Meeting Minutes of 10/27/2008

Approval of Council meeting minutes of 10/27/2008. Council concur.

CED: Impact Fees, Issaquah, Kent, & Renton School Districts

Community and Economic Development Department recommended approval to revise the amounts of the impact fees collected on behalf of the Issaquah and Kent School Districts, adopt the 2008 Issaquah School District Capital Facilities Plan and the 2008-2009 through 2013-2014 Kent School District Capital Facilities Plan, and approve the collection of an impact fee on behalf of the Renton School District and adopt the Renton School District 2007 Capital Facilities Plan. Refer to Finance Committee; set public hearing on 11/17/2008.

Lease: Park & Ride Garage Agreement, City Center Parking Garage, King County

Community Services Department recommended approval of an amendment to LAG-04-003, King County Park & Ride Garage Agreement, to implement a higher base rate charged for additional designated spaces at the City Center parking garage. Refer to Finance Committee.

- Development Services: Vested Projects Established Fee Rates, King County
Development Services Division requested authorization to charge King County established fee rates when processing development projects vested to King County standards. Council concur. (See page 369 for ordinance.)
- Finance: Systems Analyst/Programmer Hire at Step D
Finance and Information Services Department recommended approval to hire a Systems Analyst/Programmer at step D of the salary range. Council concur.
- Finance: Identity Theft Prevention Program, FACTA
Finance and Information Services Department recommended approval of an Identity Theft Prevention Program pursuant to the Federal Trade Commission's Red Flag Rule to comply with Section 114 of the Fair and Accurate Credit Transaction Act (FACTA) of 2003. Refer to Finance Committee.
- Human Resources: Local 2170 AFSCME Labor Contract
Human Resources and Risk Management Department recommended approval of the Local 2170 Washington State Council of County and City Employees American Federation of State, County, and Municipal Employees, AFL-CIO labor agreement for 2009. Council concur.
- Human Resources: Local 864 Firefighter & Firefighter Battalion Chiefs Labor Contracts
Human Resources and Risk Management Department recommended approval of the Renton Firefighters' Local 864 and Renton Firefighters' Battalion Chiefs Local 864 labor agreements for 2009. Council concur.
- Human Resources: Police Officer Guild Commissioned & Non-Commissioned Labor Contracts
Human Resources and Risk Management Department recommended approval of the Renton Police Officers' Commissioned Guild and the Renton Police Officers' Non-Commissioned members labor agreements for 2009. Council concur.
- Transportation: SW 27th St/Strander Blvd Connection, WSDOT Grant
Transportation Systems Division recommended accepting \$684,380 in grant funding from the Washington State Department of Transportation to support additional design services for the SW 27th St./Strander Blvd. Connection project. Council concur.
- CAG: 08-095, Maplewood Creek Sediment Basin 2008 Cleaning & Maintenance, The Phoinix Corporation
Utility Systems Division submitted CAG-08-095, Maplewood Creek Sediment Basin 2008 Cleaning and Maintenance project; and requested approval of the project, authorization for final pay estimate in the amount of \$1,835.11, commencement of a 60-day lien period, and release of retained amount of \$3,400.25 to the Phoinix Corporation, contractor, if all required releases are obtained. Council concur.
- Utility: 2009 Solid Waste Rates
Utility Systems Division recommended approval of the 2009 Solid Waste rates. Council concur. (See page 369 for ordinance.)
- MOVED BY PALMER, SECONDED BY ZWICKER, COUNCIL CONCUR IN THE CONSENT AGENDA. CARRIED.**
- UNFINISHED BUSINESS**
Public Safety Committee
Police: Washington Auto Theft Prevention Authority Grant, Additional Employee, & 2008 Budget Amendment
Public Safety Committee Chair Taylor presented a report recommending concurrence in the staff recommendation to authorize the increase of one full-time commissioned officer position to the budget of the Police Department, contingent upon the continuation of grant funding from the Washington Auto Theft Prevention Authority. The Committee also recommended the acceptance of grant funding towards the reimbursement of the full-time commissioned officer position. The Committee further recommended that the ordinance for this matter be presented for first reading and the resolution be presented for reading and adoption. **MOVED BY TAYLOR, SECONDED BY PERSSON, COUNCIL CONCUR IN THE COMMITTEE REPORT. CARRIED.** (See later this page for resolution and page 369 for ordinance.)

**Community Services
Committee**

CED: Housing Opportunity
Fund Establishment

Community Services Committee Chair Briere presented a report recommending concurrence in the staff recommendation to transfer \$200,000 of unallocated General Fund fund balance (000) to establish a Housing Opportunity Fund (326). Funds will be used to assist public and private housing projects serving low and/or moderate income households and/or special-needs populations within City limits. Requests for funding from the Housing Opportunity Fund will be brought forward to the City Council for approval after staff review and recommendation. The Committee further recommended that this ordinance be presented for first reading. **MOVED BY BRIERE, SECONDED BY PARKER, COUNCIL CONCUR IN THE COMMITTEE REPORT. CARRIED.** (See later this page for ordinance.)

**RESOLUTIONS AND
ORDINANCES**

RESOLUTION #3981

Police: Washington Auto Theft
Prevention Authority Grant,
Additional Employee, & 2008
Budget Amendment

The following resolution was presented for reading and adoption:

A resolution was read authorizing acceptance of the grant from the State of Washington to fund a full-time Investigator to be assigned to the "Preventing Auto Theft Through Regional Operations Links" taskforce. **MOVED BY TAYLOR, SECONDED BY PERSSON, COUNCIL ADOPT THE RESOLUTION AS READ. CARRIED.**

The following ordinances were presented for first reading and referred to the Council meeting of 11/10/2008 for second and final reading:

Development Services: Vested
Projects Established Fee Rates,
King County

An ordinance was read amending Chapter 1, Administration and Enforcement, of Title IV (Development Regulations) of City Code by adding an exception for projects vested in the County to land use review fees. **MOVED BY BRIERE, SECONDED BY ZWICKER, COUNCIL REFER THE ORDINANCE FOR SECOND AND FINAL READING ON 11/10/2008. CARRIED.**

Utility: 2009 Solid Waste
Rates

An ordinance was read amending Chapter 1, Garbage, of Title VIII (Health and Sanitation) of City Code, related to year 2009 Services and Utility Rates for all customer classes. **MOVED BY ZWICKER, SECONDED BY BRIERE, COUNCIL REFER THE ORDINANCE FOR SECOND AND FINAL READING ON 11/10/2008. CARRIED.**

CED: Housing Opportunity
Fund Establishment

An ordinance was read amending the 2008 Budget to appropriate and transfer \$200,000 from the General Fund (000) to the newly created Housing Opportunity Fund (326). **MOVED BY BRIERE, SECONDED BY PARKER, COUNCIL REFER THE ORDINANCE FOR SECOND AND FINAL READING ON 11/10/2008. CARRIED.**

Police: Washington Auto Theft
Prevention Authority Grant,
Additional Employee, & 2008
Budget Amendment

An ordinance was read amending the 2008 Budget by allocating funds from a grant from the State of Washington, Washington Auto Theft Prevention Authority, in the amount of \$70,962 to fund 000/008 General Fund - Police Department; authorizing the addition of a full-time Investigator; and adding the position to the 2008 Budget index of positions. **MOVED BY TAYLOR, SECONDED BY PERSSON, COUNCIL REFER THE ORDINANCE FOR SECOND AND FINAL READING ON 11/10/2008. CARRIED.**

NEW BUSINESS

Budget: 2009 Annual City Of
Renton Budget, Public
Hearings

MOVED BY PALMER, SECONDED BY BRIERE, COUNCIL SET PUBLIC HEARING DATES OF 11/3/2008 AND 11/10/2008 (REVISED FROM 11/3/2008 AND 11/17/2008) TO CONSIDER 2009 BUDGET ITEMS. CARRIED.

Council: 2009 Council
President Election (Corman)

Stating that Council policy (#800-01) calls for election at this meeting of the Council President and President Pro tem for next year, Council President Palmer opened nominations for 2009 Council President. Councilmember Zwicker read a letter for the record from absent Councilmember Corman stating that he (Corman) would be honored to accept the role of Council President in 2009, and encouraging the election of Don Persson to the position of Council President Pro tem. **MOVED BY ZWICKER, SECONDED BY TAYLOR, COUNCIL NOMINATE COUNCILMEMBER CORMAN AS THE 2009 COUNCIL PRESIDENT.***

There being no further nominations, it was **MOVED BY PARKER, SECONDED BY ZWICKER, COUNCIL CLOSE NOMINATIONS. CARRIED.**

***MOTION CARRIED.**

Randy Corman was declared 2009 Council President.

Council: 2009 Council
President Pro Tem Election
(Persson)

Council President Palmer opened nominations for 2009 Council President Pro tem. **MOVED BY TAYLOR, SECONDED BY BRIERE, COUNCIL NOMINATE COUNCILMEMBER PERSSON AS THE 2009 COUNCIL PRESIDENT PRO TEM.***

There being no further nominations, it was **MOVED BY PARKER, SECONDED BY ZWICKER, COUNCIL CLOSE NOMINATIONS. CARRIED.**

***MOTION CARRIED.**

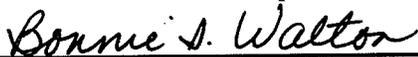
Don Persson was declared 2009 Council President Pro tem.

Community Event: Hazen
High School Poll Workers

Mayor Law commented that 144 Hazen High School Seniors will be working at polling places on elections day. He stated that the event was coordinated by Hazen High School teacher Brett Crueger.

ADJOURNMENT

MOVED BY CORMAN, SECONDED BY PERSSON, COUNCIL ADJOURN. CARRIED. Time: 8:12 p.m.



Bonnie I. Walton, CMC, City Clerk

Recorder: Jason Seth
November 3, 2008

RENTON CITY COUNCIL COMMITTEE MEETING CALENDAR
Office of the City Clerk
COUNCIL COMMITTEE MEETINGS SCHEDULED AT CITY COUNCIL MEETING
November 3, 2008

COMMITTEE/CHAIRMAN	DATE/TIME	AGENDA
COMMITTEE OF THE WHOLE (Palmer)	MON., 11/10 5:30 p.m.	Trails/Bicycle Master Plan; 2009 Budget Deliberations
COMMUNITY SERVICES (Briere)		
FINANCE (Persson)	MON., 11/10 4:30 p.m.	Vouchers; Golf Course Fees Increase; Park & Ride Garage Agreement with King County
PLANNING & DEVELOPMENT (Parker)	THURS., 11/6 3 p.m.	2008 Comprehensive Plan Amendments; Multi-Family Housing Property Tax Exemption Amendments & Liberty Square Apartments' Application
PUBLIC SAFETY (Taylor)		
TRANSPORTATION (AVIATION) (Corman)	THURS., 11/6 4 p.m.	Aerodyne Airport Ground Lease Rate Increase; Airport Fuel Flowage Fee Increase; Capital Improvement Deferrals Cost Contributions
UTILITIES (Zwicker)	THURS., 11/6 2 p.m.	Residential Plat Stormwater Facility Maintenance Policy

NOTE: Committee of the Whole meetings are held in the Council Chambers unless otherwise noted. All other committee meetings are held in the Council Conference Room unless otherwise noted.