

**CITY OF ISSAQUAH
City Council Regular Meeting**

7:00 PM
September 4, 2018

MINUTES

Council Chambers
135 E. Sunset Way

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Councilmembers:

Mariah Bettise
Stacy Goodman
Victoria Hunt
Tola Marts
Bill Ramos
Chris Reh
Paul Winterstein

Administration/Staff:

Mary Lou Pauly, Mayor
Emily Moon, Interim City Administrator
Jim Haney, City Attorney
Tisha Gieser, Deputy City Clerk

CALL TO ORDER

Mayor Pauly called the meeting to order at 7:04 PM.

PLEDGE OF ALLEGIANCE

Mayor Pauly led the Pledge of Allegiance.

SPECIAL BUSINESS

- a) ID 0335 - Mayor's Month of Concern for the Hungry Proclamation

Mayor Pauly proclaimed the month of September 2018 to be the Mayor's Month of Concern for the Hungry and strongly urged all citizens to join the Emergency Feeding Program, Issaquah Food Bank and other area food banks to "share what they can" to nourish those who are hungry. Issaquah Food & Clothing Bank's Executive Director, Cori Walters, accepted the proclamation.

- b) ID 0311 - Homeless Response System & Regional Affordable Housing Efforts

Introduced by Mayor Pauly and David Fujimoto, Sustainability Director. Kira Zylstra, Acting Director, All Home and Mark Ellerbrook, Manager, Regional Housing and Community Development gave a presentation on the continuum of work on homelessness and affordable housing regionally and efforts to date.

AUDIENCE COMMENTS

The following public comment was provided:

Robin Kelley, Chair, Sister Cities Commission, spoke regarding the Commission's receipt of the Innovation: Arts & Culture Award from Sister Cities International.

Elizabeth Taylor, 3425 NE Monterey Lane, thanked Council for approving Resolution No. 2018-13 regarding preservation of the Bergsma/Windward Property on Cougar Mountain.

Tom Harman, representing the Sammamish Plateau Water & Sewer District, made comments on the City's updated Water System Plan (AB 7538) (handout provided).

Elizabeth Maupin, representing Preserve Providence Heights, questioned whether the Providence Heights site had been tested for PCB's or other hazardous substances.

Steve Pereira, Olde Town, spoke regarding homelessness, the Hearing Examiner's decision regarding the Providence Heights campus, and the Expedited Enforcement Pilot Project Summary Report & Extension (AB 7655).

Cory Christensen, 1420 Gilman Blvd., expressed concern with the recent open house on the future off-leash dog park and recommended criteria for the park be provided.

COMMITTEE / REGIONAL REPORTS

Councilmember Reh:

- Services & Safety Committee – Announced upcoming Sept. 11, 2018 meeting. The Committee will hold a second meeting on Sept. 18, 2018.
- Eastside Fire & Rescue Board – Announced upcoming meeting.

Councilmember Ramos:

- Infrastructure Committee – Announced upcoming meeting.

Councilmember Winterstein:

- Puget Sound Regional Council (PSRC) Growth Management Policy Board – Announced upcoming meeting.
- Lodging Tax Advisory Committee – Announced upcoming meeting.

Councilmember Goodman:

- Land & Shore Committee – Announced upcoming meeting.

Deputy Council President Bettise:

- Eastside Human Services Forum Board – Announced upcoming panel.

Council President Marts:

- Sound Cities Association (SCA) Public Issues Committee – Announced upcoming meeting.
- King County Growth Management Planning Council (GMPC) – Announced upcoming meeting.

MAYOR'S REPORT

- a)
 - There was an Executive Session held this evening before the regular Council meeting.
 - In addition to the Proclamation presented earlier this evening, I also issued two additional proclamations for the month of September 2018.
 - Childhood Cancer Awareness Month, encouraging all citizens to join in the activities that will increase awareness and prevention of childhood cancer.
 - Recovery Month urging citizens to join me in observing this month with appropriate programs, activities, and ceremonies to increase awareness and understanding of mental and substance use disorders and celebrate the people who recover.
- b) REGIONAL MEETINGS
 - Aug. 7 – Attended the South East Area Legislative Transportation Coalition (SEAL-TC)

meeting in Covington.

- Aug. 8 – Met with Mayor Baker of Kenmore to discuss Sound Transit.
- Aug. 22 – Attended the Road Usage Charge Steering Committee. meeting representing cities for the Governors Committee.
- Aug. 23 – Attended the Sound Transit Board meeting.
- Aug. 29 – In two separate meetings, met with Executive Dow Constantine and King Co. Councilmember Claudia Balducci to discuss Sound Transit.
- Aug. 31 – Attended King Co. Behavioral Health's Opioid Overdose Awareness Day event.

c) COMMUNITY OUTREACH

- Aug. 7 – Attended the City's National Night Out at Memorial Field and participated with Councilmembers to provide summer treats for Concerts on the Green.
- Aug. 10 – Hosted an open forum "Coffee with the Mayor" event at Anchorhead Coffee Company in Talus.
- Aug. 23 – Co-hosted a follow-up meeting with Superintendent Ron Thiele with the Darst neighborhood. We discussed possible solutions for their concerns about parking and traffic related to school activities
- Aug. 29 – Attended a Ribbon Cutting ceremony for Peak Sports and Spine.
- Aug. 30 – Attended a Ribbon Cutting ceremony for Good Health Nutrition.

d) STRATEGIC PLAN UPDATE

Following confirmation of six strategic priority areas by the City Council in July, staff have begun work on the next phase focused on Goals & Objectives. As a reminder, the six Strategic Priority Areas are:

- Growth & Development
- Social & Economic Vitality
- Mobility
- Core Infrastructure
- Environmental Stewardship
- City Leadership & Services

Staff have attended a Strategic Planning Design Charrette and formed six Strategic Priority Work Groups.

Work Groups have been meeting throughout August. They have been reviewing results of community engagement, the community charrette and local plans; applying knowledge and expertise; and considering Council feedback - to refine the draft Goal statements and develop a set of draft Objectives for each of the goals.

Next steps:

- Seeking input from the community on the draft Vision, Mission and Guiding Principles. Look for announcements in social media, the City's website and the Issaquah Insider.
- The Project Leadership Team, including the Mayor's office, Senior Leadership, Council President Marts and Deputy President Bettise will be meeting next week to review initial drafts of Goal Statements and Objectives.
- A Council Work Session on the Strategic Plan will take place on Sept. 24.
- On the Sept. 24, Council will make a final review and adopt the Vision, Mission and Guiding Principles. An initial look at the draft Objectives will be presented. These will be discussed more fully at the Oct. 15 Work Session.
- Seeking input from the community on the Goal Statements and draft Objectives starting in late September.

e) ANNOUNCEMENTS

On our agenda this evening, Agenda Bill 7673 was prepared for Council consideration to confirm my appointment of Emily Moon to the position of City Administrator.

CONSENT CALENDAR

Items listed were distributed to Councilmembers in advance for study and were enacted with one motion.

IT WAS MOVED BY MARTS, SECONDED BY BETTISE; MOTION CARRIED (7-0), TO APPROVE THE CONSENT AGENDA AS PRESENTED.

- a) ID 0309 - Accounts: Payables and Payroll of Aug. 20, 2018, \$ 4,752,424.74; **Approved.**
- b) ID 0250 - Accounts: Payables and Payroll of Sept. 4, 2018, \$ 2,866,443.85; **Approved.**
- c) Minutes: City Council Regular Meeting, Aug. 6, 2018; **Approved.**
- d) Minutes: City Council Special Meeting, Aug. 13, 2018; **Approved.**
- e) Minutes: City Council Special Meeting, Aug. 20, 2018; **Approved.**
- f) Minutes: Council Committee Work Session, Aug. 20, 2018; **Approved.**
- g) AB 7326 - Olde Town Subarea Plan Update; **Referred AB 7326 to the Sept. 6, 2018 Council Land & Shore Committee for review and recommendation, returning to the full Council on or before Oct. 15, 2018.**
- h) AB 7354 - 2017 Complete Streets Project, Phase 1; **Accepted the completion of the 2017 Complete Streets Project, Phase 1 and release the retainage bond.**
- i) AB 7396 - East Lake Sammamish Pkwy Project; **Accepted the completion of the East Lake Sammamish Parkway SE Widening Project and release the retainage bond.**
- j) AB 7513 - Department of Ecology Grant for Shoreline Master Program Periodic Update; **Authorized acceptance of grant funds of \$20,000 for the Shoreline Master Program periodic update and execution of the grant agreement with the Department of Ecology.**
- k) AB 7605 - 2018 First Budget Amendment; **Set the required public hearing for the Council meeting of Sept. 17, 2018; and referred AB 7605 to the Sept. 11, 2018 Council Services & Safety Committee for review and recommendation; returning to the full Council on Sept. 17, 2018.**
- l) AB 7627 - King County 2018 Senior Services Grant; **Authorized acceptance of the 2018 King County Veterans, Seniors, and Human Services Levy grant funds in the amount of \$97,430 for the Senior Center and execution of the grant agreement with King County.**

- m) AB 7631 - Visit Issaquah Destination Marketing Organization Bylaws; **Referred AB 7631 to the Sept. 11, 2018 Council Services & Safety Committee for review and recommendation, returning to the full Council on Oct. 1, 2018.**
- n) AB 7640 - Amending School Impact Fees; Referred AB 7640 to the Sept. 18, 2018 Council Services & Safety Committee for additional review, returning to the full Council on Oct. 15, 2018; **Referred AB 7640 to the Sept. 18, 2018 Council Services & Safety Committee for additional review, returning to the full Council on Oct. 15, 2018.**
- o) AB 7654 - Puget Sound Energy Green Direct 2 Agreement; **Referred AB 7654 to the Sept. 11, 2018 Council Services & Safety Committee for review and recommendation, returning to the full Council on Sept. 17, 2018.**
- p) AB 7658 - Amendments to Medical Plan for 2019; **Referred AB 7658 to the Sept. 11, 2018 Council Services & Safety Committee for review and recommendation, returning to the full Council on Sept. 17, 2018.**
- q) AB 7660 - Memorandums of Understanding with Teamsters and Issaquah Police Officers Association Re: State Paid Sick Leave Legislation; **1) Ratified the memorandum of understanding for the Issaquah Police Officers' Association; and 2) Ratified the memorandum of understanding for the Public, Professional & Office-Clerical Employees and Drivers Local Union no. 763, representing the Public Works Employees; and 3) Authorized the Mayor to execute the changes to benefits.**
- r) AB 7661 - Proposed Amendments to Central Standards Table 4.3B Permitted Land Uses; **Referred AB 7661 to the Sept. 6 and Oct. 4, 2018 Council Land & Shore Committee meetings for review and recommendation, returning to the full Council on Oct. 15, 2018.**
- s) AB 7663 - Olde Town Traffic Calming Pilot Program Project; **Accepted the completion of the Olde Town Traffic Calming Pilot Program Project and release the retainage bond.**
- t) AB 7664 - Amendments to IMC 5.02 Business Licenses; **Referred AB 7664 to the Sept. 11, 2018 Council Services & Safety Committee for review and recommendation, returning to the full Council on Sept. 17, 2018.**
- u) AB 7665 - 2019 Legislative Agenda; **Referred AB 7665 to the Sept. 10, 2018 Council Committee Work Session for review and recommendation, returning to the full Council on Sept. 17, 2018.**

REGULAR BUSINESS

- a) AB 7655 - Expedited Traffic Enforcement Pilot Project Summary Report & Extension

Introduced by Mayor Pauly and presented by Scott Behrbaum, Police Chief. Following Council discussion,

IT WAS MOVED BY REH, SECONDED BY BETTISE, TO:

Refer AB 7655 to the Sept. 18, 2018 Council Services & Safety Committee for review and recommendation; returning to the full Council for consideration and possible action on or before Oct. 15, 2018.

MOTION CARRIED, 7-0.

b) AB 7673 - City Administrator Appointment

Introduced and presented by Mayor Pauly. Following Council discussion,

IT WAS MOVED BY BETTISE, SECONDED BY WINTERSTEIN, TO:

Confirm the Mayor's appointment of Emily Moon as the City Administrator; authorize the Mayor to enter into and execute the Employment Contract; and, authorize the Mayor to retain recruitment services to fill the vacant Deputy Administrator position.

IT WAS MOVED BY REH, SECONDED BY MARTS, TO:

Amend the employment contract in Section 12, Severance, to read as follows:

- A. If the Employee is terminated by the City for any reason other than as set forth in Subsection E, below, the Employee shall be entitled to a severance payment equal to 6 months of her annual base salary. ~~This severance shall be paid on a lump sum basis.~~

The meeting was recessed at approximately 8:57 PM and reconvened at 9:05 PM.

IT WAS MOVED BY REH, SECONDED BY MARTS, TO:

Amend the amendment to Section 12, Severance, by amending Subsections A and D, to read as follows:

- A. If the Employee is terminated by the City for any reason other than as set forth in Subsection E, below, the Employee shall be entitled to a severance payment equal to 6 months of her annual base salary. This severance shall be paid ~~on a lump sum basis~~ in six equal monthly installments.
- D. If the Employee secures other employment within 6 months following termination, the severance and deferred compensation benefits shall be reduced by the salary and benefits of said other employment.

AMENDMENT [AS AMENDED] CARRIED, 7-0.

MAIN MOTION AS AMENDED CARRIED, 7-0.

GOOD OF THE ORDER

Deputy Council President Bettise:

City Administrator Appointment – Congratulated Emily Moon on her appointment.

Eastside Human Services Forum Opiate & Heroin Crisis Panel – Will occur from 2-4 p.m., Sept. 5, 2018.

Mayor Pauly:

Mayor's Month of Concern – Encouraged Councilmembers to volunteer with the Issaquah Food & Clothing Bank during this food drive.

Upcoming Council Meetings – Announced anticipated agenda items.

Councilmember Winterstein:

Meals a Month – Invited families to join in volunteering for the meals program, which occurs every weekday at 5:30 p.m. at Community Hall.

EXECUTIVE SESSION – None.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 9:28 PM.

Tisha Gieser, Deputy City Clerk

Mary Lou Pauly, Mayor

**CITY OF ISSAQUAH
Council Committee Work Session**

6:30 PM
September 10, 2018

Council Chambers
135 E. Sunset Way

MINUTES

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Councilmembers:

Mariah Bettise
Stacy Goodman
Victoria Hunt
Tola Marts
Bill Ramos
Chris Reh
Paul Winterstein

Administration/Staff:

Emily Moon, City Administrator

CALL TO ORDER

Council President Marts called the meeting to order at 6:30 PM.

AGENDA ITEMS

a) **AB 7665 - 2019 Legislative Agenda**

Presented by:

*Liesl Olson, Management Analyst
Gene Paul, Management Analyst
Shelly Helder, Lobbyist
Briahna Murray, Lobbyist*

The following public comment was provided:

Steve, Issaquah resident, spoke regarding condos, statewide initiatives, and the open hours of the gun range.

b) **AB 7538 - Updated Water System Plan**

Presented by:

*Bob York, Utilities Engineering Manager
Jeff Hansen, Consultant*

The following public comment was provided:

Skip Rowley, representing Rowley Properties, emphasized the importance of fire flow to the future development of his properties.

c) **ID 0294 - Facilities Space Study**

Presented by:

*Emily Moon, City Administrator
Jeff Watling, Parks & Recreation Director
Tom Beckwith, Consultant*

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 10:33 PM.

Christine Eggers, City Clerk

Tola Marts, Council President



**CITY COUNCIL
AGENDA BILL**
City Council Regular Meeting - 17 Sep 2018

NEW
AB 7339 -
Consent
Calendar

Holiday Inn Lift Stations Revisions Project

Proposed Council Action:
Refer to Council Infrastructure Committee

DEPARTMENT OF	PWE - Public Works Engineering, Matt Ellis
COUNCIL LIAISON	n/a
OTHER COUNCIL MEETINGS	n/a
COMP PLAN POLICY NOS.	U - A4, U-D3
OTHER POLICIES	n/a
EXHIBITS	A. Bid Tabulation B. Proposed Resolution

SUMMARY STATEMENT

This agenda bill requests City Council action to reject all bids for the Holiday Inn Lift Stations Revisions Project and rebid the project in January, 2019.

The City received three bids for this project, ranging from \$795,000 to \$834,000. The Engineer's estimate for this project was \$556,000. The responsive low bidder was Gary Harper Construction, Inc. There are currently inadequate funds to complete the project without authorization of additional funds from the Sewer Capital Fund.

Project Description

This project is the second of two sewer projects to be constructed in the commercial area in the vicinity of Costco and Pickering Place as part of the approved Capital Improvement Plan (CIP) for Pickering Basin Improvements. The first project improved the Pickering Lift Station earlier this year.

This project would install new sewer infrastructure that replaces the existing city lift station that is located within the roadway of 12th Ave NW. The existing lift station needs to be replaced for the following reasons:

- | It was designed to be temporary but has been in service for 45 years and is in increased need of maintenance.
- | Since the existing lift station is located within the roadway, it is difficult to maintain without causing impacts to traffic and safety concerns for maintenance workers.
- | Surface water runoff enters the existing pump station from the roadway (which is considered clean water 'inflow' and adds hydraulic load to the sewer system).
- | The present location of the pump station conflicts with the 12th Avenue and NW Sammamish Road Intersection project improvements that are on the current CIP and planned for construction in 2020 or 2021 under the amended Costco Development Agreement.

The existing lift station serves two properties: City Hall NW and the Holiday Inn. By providing new sewer service to these properties, the project allows the existing lift station to be demolished. This project will greatly improve the reliability of sewer service for City Hall NW and the Holiday Inn.

Specific project elements include:

- | installation of two separate side sewer lift station systems at the City Hall NW and Holiday Inn
- | discharge piping, electrical and controls, site restoration
- | demolition of the existing lift station once the new lift stations are placed into service.

An agreement with the management of the Holiday Inn (Issaquah Hospitality LLC) has been executed, transferring ownership, operation and maintenance of their new side sewer infrastructure and lift station from the City to Issaquah Hospitality LLC, upon project completion. Various City Departments including Public Works Operations and Facilities have collaborated on the future responsibilities for operation and maintenance of the City Hall NW lift station and side sewer.

Bid Results

Bids were opened for the Holiday Inn Lift Stations Revisions Project on Aug. 29, 2018. The low responsive bidder was Gary Harper Construction, Inc. with a bid of \$794,488.20. The current budget for this project is \$744,000, which includes approximately \$350,000 for work on the Pickering Lift Station completed earlier this year and 2018 costs for the design, permitting, inspection and contingency for the Holiday Inn Lift Station Project. The Financial Information section of the agenda bill provides a more detailed breakdown of costs for this project.

The expectation had been to complete the project in either late spring or early fall, to coincide with off-season lower vacancy period for Holiday Inn as a portion of the work will occur within the Holiday Inn parking lot.

Alternatives

Given the bid results, the City has three viable options available for this project:

- l Option 1 (Preferred alternative) – Reject all bids and rebid in January 2019.
- l Option 2 – Award the bid to the apparent low bidder and authorize an additional \$375,000 out of the Sewer Capital Fund.
- l Option 3 – Reject All Bids and construct the sewer improvements as part of the 12th Avenue NW and NW Sammamish Road Intersection Project.

If Option 1 is selected, the project would rebid in early 2019. This option would require authorizing additional funds out of the Sewer Capital Fund as the current budget for this project is inadequate. Prior to rebidding the project, City staff would evaluate the design to determine ways to provide cost savings. Staff also anticipates more competitive bids in early 2019, during a period when constructors are less busy. These factors would provide a net savings in costs as opposed to awarding the contract now. If Option 1 is selected, the contractor would be able to purchase the lift station components upon contract award, with the anticipation to construct the project in either late spring 2019, or early fall 2019. The City would work with Holiday Inn to select an acceptable construction interval within their parking lot.

If Option 2 is selected, the contractor would be able to purchase the lift station components upon contract award, with anticipation to construct the project in late spring 2019. Construction costs are projected to be slightly higher than if the project was rebid in the early spring of 2019. Though the lift stations are anticipated to be fabricated and ready to install in November, due to wet weather, higher holiday shopping season traffic along 12th Ave NW and high holiday occupancy at Holiday Inn the work would be postponed until the spring (subject to Issaquah Hospitality LLC approval). Awarding the contract now would reduce the risk of the existing lift station failing and move all facilities out of the right of way in preparation for the future 12th Avenue and NW Sammamish Road Intersection Improvement Project.

If Option 3 is selected, work would coincide with the improvements occurring at the intersection of 12th Avenue NW and NW Sammamish Road in 2021. Combining the two projects could reduce the cost for certain construction components, but could require a longer period of construction at the intersection. Costs for construction projects continue to increase in the Puget Sound Region. Construction costs are projected to increase by approximately 5% per year between now and 2021. Additionally, the existing lift station is nearing the end of its functional life, and maintenance and repair work is becoming more frequent and costly to keep the lift station in service until the intersection project is constructed. It is projected that approximately \$15,000 a year is needed in operation and maintenance costs to keep the existing lift station in service. Delaying the

project until 2021 would result in authorizing an additional \$440,000 out of the Sewer Capital Fund in 2021.

Conclusion

The Administration recommends Option 1, rebidding the project in early Spring 2019, with the anticipation of receiving more competitive bids during a period when constructors are less busy. The original design will be evaluated in an effort to reduce the construction cost of the project. The delay in construction is minimal and will ensure maintenance of the existing station is minimized and all facilities are out of the right of way in preparation for the future 12th Avenue and NW Sammamish Road Intersection Improvement Project.

State law (RCW 35.23.352) requires that rejection of bids occur by resolution. A resolution to reject the bids is attached as Exhibit B.

Timing

It is recommended this agenda bill be referred to the Council Infrastructure Committee for review. The City has 45 days from the bid opening to accept or reject bids. Action will be required on the agenda bill at the Oct. 1, 2018 Council meeting.

Financial Information:

The Pickering Lift Station Improvements, a 2017 reauthorization project, was included in the 2018 Sewer Capital Fund budget at \$556,000 for the project work. This project was not included in the 2018-2022 CIP as it had already been started. An increased re-authorization of the 2017 project in the amount of \$188,000 is currently included in the pending 2018 Budget Amendment agenda bill (AB 7605). Including this re-authorization amount, the total budget available for the Pickering Basin Improvements would be \$744,000.

To date, the project has cost approximately \$164,000 for improvements to a nearby lift station (Pickering Lift Station) as well as design and encumbrances for the Holiday Inn and City Hall NW lift stations. The remaining budget for this project is \$580,000. This is not enough spending allocation for the project based on bids received.

The table below shows the projected construction costs for three options to address the estimated additional costs, including construction management, permitting, staff time, and a 10% contingency and the additional funds necessary to complete the project:

	Estimated Construction Costs	Remaining Budget	Additional Funds Necessary
	(Including construction, project management, permitting & contingency)		
Option 1: Rebid in January 2019	\$930,000*	(\$580,000)	\$350,000
Option 2: Award Bid in 2018	\$955,000	(\$580,000)	\$375,000
Option 3: Combine with 12th Avenue Int. Project in 2021	\$1,020,000**	(\$580,000)	\$440,000

*This is an estimate. It is anticipated that the low bid would come in \$25,000 less than the current bids due to the off-season timing and re-evaluation of certain design components.

**Reflects 5% annual rate of inflation for the construction contract and \$15,000 per year in prolonged maintenance of the existing facility.

Administration's Recommendation:

Approve the proposed resolution rejecting all bids for the Holiday Inn Lift Stations Revisions Project and rebid in January 2019.