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

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

DENIS LAW, Mayor; JAY COVINGTON, Chief Administrative Officer; ZANETTA FONTES, Senior Assistant City Attorney; BONNIE WALTON, City Clerk; CHIP VINCENT, Community and Economic Development Administrator; IWEN WANG, Administrative Services Administrator; GREGG ZIMMERMAN, Public Works Administrator; TERRY HIGASHIYAMA, Community Services Administrator; NANCY CARLSON, Human Resources and Risk Management Administrator; PREETI SHRIDHAR, Deputy Public Affairs Administrator; SUZANNE DALE ESTEY, Economic Development Director; TIM WILLIAMS, Recreation Director; KELLY BEYMER, Parks & Golf Course Director; LESLIE BETLACH, Parks Planning & Natural Resources Director; PETER RENNER, Facilities Director; Chief MARK PETERSON, Fire & Emergency Services Administrator; CHIEF KEVIN MILOSEVICH and COMMANDER CLARK WILCOX, Police Department.

A proclamation by Mayor Law was read declaring October 17 to 21, 2012 to be “National Business Women’s Week” in the City of Renton, and encouraging all citizens to join in this special observance. MOVED BY BRIERE, SECONDED BY PALMER, COUNCIL CONCUR IN THE PROCLAMATION. CARRIED.

Laurel Winston and Irene Roberts accepted the proclamation on behalf of Renton Business and Professional Women. Ms. Winston stated that the organization has been in Renton for almost nine years, and its goal is to support women politically, professionally, and personally. She invited everyone to attend their next meeting on October 19 when they will honor the Woman of the Year and Woman of Achievement. She noted that Councilmember Terri Briere was last year’s Woman of the Year.

Ms. Roberts announced that this year’s Woman of the Year is Sabrina Mirante and Woman of Achievement is Mary Clymer. She thanked City officials for supporting the organization.

Mayor Law expressed appreciation for the opportunity to present the biennial budget proposal for 2013-2014. He stated that although the nation’s economy shows signs of improvement and Renton remains healthy, continued steps are necessary to protect the interests of Renton residents.

Pointing out that government revenues lag behind the regular marketplace, Mayor Law explained that the budget proposal reflects the continued erosion of operating revenues due primarily to declining property values. He stated that over the next two years the preliminary estimates project a $5 million per year shortfall of revenues against the rising costs of doing business.
Mayor Law remarked that with the help of employees and unions, he is presenting a balanced budget that meets these revenue shortfalls with minimum employee layoffs and some proposed fee increases. He announced that the total proposed two-year budget for 2013 and 2014 is $457 million, of which $202 million is in the General Fund that is used for police, fire and emergency services, parks, street repair, and other City services.

Mayor Law stated that because of the City's strategic investments in economic development, commitment to reforms, and through fiscal disciplines, the City's financial situation is stable and improving. He announced that 200 new firms have located in Renton this year, and 6,000 new jobs have been created over the past two years. He remarked that commercial vacancy rates have remained significantly low compared with other cities in the Puget Sound region, and The Landing continues to add new businesses every month. Mayor Law also remarked that The Boeing Company's announcement to build the 737 MAX in Renton and their increased production to 42 planes per month for the 737 Next Generation have led to over 1,000 new jobs at the Renton plant.

Mayor Law explained that despite these positive factors, the City continues to face budget challenges. He explained that property tax constitutes nearly 30% of the General Fund and property tax assessments, which lag behind the market by approximately two years, have dropped significantly. He further explained that for 2013 the assessed valuation, based on 2011 market value of homes, is projected to decline by four and a half percent. He stated that this reduces the City's property tax level by $1.9 million annually. Also, Mayor Law noted that $1.5 million in federal public safety grants that were available during the recession have expired and overhead costs have increased.

Continuing, Mayor Law announced that once again the Community Budget Advisory Group met over a period of several weeks with department administrators and the Finance Department to examine City policies and programs, and provide valuable guidance for this proposed budget. He thanked the members and stated that the budget reflects several key priorities and suggestions for cost savings recommended by the group.

Mayor Law reported that the proposed budget reduces operating costs through additional reductions in staffing, reforms to reduce medical premium costs, and increased revenue options. He explained that the reduction in workforce by 25 positions over the biennium would be achieved mostly by attrition to avoid layoffs. Giving praise to the employee unions for their help and collaboration, Mayor Law stated that medical premium costs for the city would be reduced though increased employee premium contributions.

Regarding revenue options, Mayor Law stated that Renton prides itself for having some of the lowest fees in the county for the services that are offered. He stated that most of the fees have remained unchanged for many years despite the increase in cost of doing business. He remarked that this budget proposes to increase the business license fee which has not been increased since 1988, to establish new impact fees that will be phased-in beginning in 2014 for new development that will be paid for by developers, and to implement a new medical transport fee.
Mayor Law emphasized that it is imperative for the City to maintain its parks and facilities, roads and utility infrastructure. He announced that the City has begun a $42 million redevelopment project on Rainier Ave. S. funded largely by state and federal grants, and has broken ground on the SW 27th St./Strander Blvd. Connection that will provide access for Renton residents to the future Sound Transit Commuter Rail Station. Mayor Law also announced that to date nearly $41 million has been invested in the Sunset Area in the Renton Highlands.

Continuing, Mayor Law stated that investing in safety has been his priority, and the crime rate as measured by crimes per thousand in Renton has decreased by double digits over the last three years and is currently one of the lowest in South King County. He stated that the City is committed to finding creative ways to reduce crime, and has been effective at reducing negative impacts in several neighborhoods. He emphasized that despite reductions in staffing, police officers have successfully targeted repeat offenders and focused resources on areas experiencing high levels of criminal and dangerous activity. He noted that the City was successful in closing down a local restaurant and bar that was the site of many serious offenses and created fear for families living near it. Mayor Law also remarked that the Fire and Emergency Services Department has made sure that response time to residents has not been impacted despite reduced resources.

Mayor Law explained that on November 6 residents in the West Hill area will have the opportunity to vote and choose whether they would like to annex to Renton. He remarked that the annexation poses both a challenge and an opportunity for the City. He explained that the challenge is to provide needed services with available resources, and the opportunity is to transform West Hill into a safe urban center where residents and businesses thrive. He noted that this budget proposal does not include revenues or expenditures for West Hill.

Concluding, Mayor Law stated that Renton is defined by its excellent quality of life due to the great programs and services the City continues to provide despite significant personnel and budget cuts. He remarked that these services contribute to a safe, healthy, and vibrant community that offers opportunities for everyone. He thanked Council for their guidance and input, and asked for additional feedback and recommendations regarding the proposed budget.

CHIEF EXECUTIVE OFFICER

The Chief Administrative Officer provided an overview of the City’s recent progress towards goals and work programs adopted as part of its business plan for 2012 and beyond. One item noted was:

* Hundreds of filmmakers were seen in action all over Renton October 5 to 7, competing in Renton FilmFrenzy V, the annual 50-hour filmmaking competition. A record 25 teams, including 13 student-led teams, registered to take the challenge to write, shoot, and edit a four-minute film, completely in Renton. The public may join in viewing all the films on October 22, at 7 p.m. at Renton Civic Theatre, and may attend the Curvee Awards Gala on October 23 at 7 p.m. at the Renton Ikea Performing Arts Center. Attendance is free for both events.
CONSENT AGENDA

Council: Meeting Minutes of 10/8/2012

Appointment: Chip Vincent, CED Administrator

CAG: 11-105, Rainier Ave – S Grady Way to S 2nd St, KBA Inc

CAG: 09-170, Rainier Ave S – S Grady Way to S 2nd St, KBA Inc

CAG: 12-011, NE 3rd/4th Corridor Improvement, Phase I, Parametrix Inc

Utility: Stormwater Projects, WA DOE Grants

Approval of Council meeting minutes of 10/8/2012. Council concur.

Executive Department recommended confirmation of the appointment of Chip Vincent as the new Community & Economic Development Department (CED) Administrator, effective 6/15/2012, at Step A of the Grade m49 salary range. Council concur.

Transportation Systems Division recommended approval of Supplemental Agreement #5 to CAG-11-105, with KBA, Inc., to remove the environmental services scope and budget and reduce the contract by $120,000 for the Rainier Ave. S. (SR 167) S. Grady Way to S. 2nd St. project. Council concur.

Transportation Systems Division recommended approval of Supplemental Agreement #4 to CAG-09-170, with KBA, Inc., for additional construction support services in the amount of $243,000.16 for the Rainier Ave. S. (SR 167) S. Grady Way to S. 2nd St. project. Council concur.

Transportation Systems Division recommended approval of Supplemental Agreement #2 to CAG-12-011, with Parametrix, Inc., for construction management services for the NE 3rd/4th Corridor Improvements, Phase I project. Council concur.

Utility Systems Division recommended approval of grant agreements with the Washington State Department of Ecology to accept up to $2,717,600 for design and construction of four projects: NE 10th St & Anacortes Ave NE Detention Pond Retrofit; SW 7th St Stormwater Retrofit; Sunset Terrace Regional Stormwater Facility; and Harrington Ave NE Green Connection. Council concur.

MOVED BY ZWICKER, SECONDED BY PERSSON, COUNCIL APPROVE THE CONSENT AGENDA MINUS ITEM 7.b. CARRIED.

Council President Zwicker presented a Committee of the Whole report recommending concurrence in the staff recommendation to approve the 2013/2014 revenue increases of 5% each year for water, wastewater, surface water, and solid waste, keep the King County rate stabilization charge at $1.16 per wastewater account, and raise the utility tax by 0.8% for water, surface water, and solid waste utilities.

The Committee further directs staff to prepare an ordinance to amend Chapter 1, Garbage, Chapter 2, Storm and Surface Water, Chapter 4 Water, and Chapter 5, Sewer of Title VIII (Health and Sanitation) of City Code, and recommended that the ordinance be presented for first reading.

MOVED BY ZWICKER, SECONDED BY BRIERE, COUNCIL CONCUR IN THE COMMITTEE REPORT. CARRIED.

Finance Committee

Finance Committee Chair Briere presented a report recommending approval of Claim Vouchers 315762 - 316164, two wire transfers and one payroll run with benefits withholding payments totaling $5,228,914.21, and payroll vouchers including 715 direct deposits and 64 payroll checks totaling $1,566,390.

MOVED BY BRIERE, SECONDED BY TAYLOR, COUNCIL CONCUR IN THE COMMITTEE REPORT. CARRIED.
Transportation (Aviation) Committee

Lease: Rate Increase, Acuwings, LLC, LAG-08-007

Transportation (Aviation) Committee Vice-Chair Persson presented a report recommending concurrence in the staff recommendation to approve an addendum to the airport lease with Acuwings, LLC for the 756 building (pilot lounge), the 760 building and tiedown aircraft storage, to increase the total lease revenue by $2,203.86 per year plus leasehold excise tax.

The Committee further recommended that the Mayor and City Clerk be authorized to sign the lease addendum.

MOVED BY PERSSON, SECONDED BY PALMER, COUNCIL CONCUR IN THE COMMITTEE REPORT. CARRIED.

Citizen Comment: Parsons – Post Office Box at The Landing

MOVED BY PERSSON, SECONDED BY PALMER, COUNCIL REFER TO THE ADMINISTRATION CORRESPONDENCE FROM DOROTHY PARSONS REGARDING PLACING A POST OFFICE BOX AT THE LANDING. CARRIED.

Human Resources: September 2012 WCIA Claims

MOVED BY PERSSON, SECONDED BY BRIERE, COUNCIL REFER THE (SEPTEMBER 2012) WCIA CLAIMS REPORT TO THE FINANCE COMMITTEE. CARRIED.

Community Event: Ron Nelson Memorial Service

Councilmember Persson remarked that Ron Nelson, long-time City Building Director, had passed away. He announced that Mr. Nelson’s memorial service is being held at Greenwood Memorial on Friday, October 19, at 11 a.m.

RESOLUTIONS AND ORDINANCES

RESOLUTION #4162
Finance: Retirement of 2002 General Obligation Bonds

A resolution was read authorizing the redemption of the City’s Limited Tax General Obligation Bonds, 2002, and the transfer of interfund loans; and authorizing the execution of certain documents related thereto. MOVED BY BRIERE, SECONDED BY TAYLOR, COUNCIL ADOPT THE RESOLUTION AS READ. CARRIED.

The following ordinances were presented for second and final reading:

ORDINANCE #5671
Budget: 3rd Quarter 2012 Budget Amendment

An ordinance was read amending the City of Renton Fiscal Years 2011/2012 Biennial Budget as adopted by Ordinance No. 5583, and thereafter amended by Ordinance Nos. 5595, 5616, 5638, and 5656 in the amount of $8,496,583, with the total amended budget to be $540,018,705 for the biennium. MOVED BY BRIERE, SECONDED BY TAYLOR, COUNCIL ADOPT THE ORDINANCE AS READ. ROLL CALL. ALL AYES. CARRIED.

ORDINANCE #5672
Finance: Refinancing 2004 Water and Sewer Revenue Bonds and Redeem 1998 Bonds

An ordinance was read authorizing the issuance of Water and Sewer Revenue Refunding Bonds in the aggregate principal amount of not to exceed $10,000,000 for the purpose of refunding a portion of the City’s Water and Sewer Revenue Bonds, 2004; providing the form, terms and covenants of the bonds; authorizing the appointment of an escrow agent and execution of an escrow agreement; delegating certain authority to approve the final terms of the bonds; and authorizing the cash redemption of the City’s Water and Sewer Revenue Refunding Bonds, 1998. MOVED BY BRIERE, SECONDED BY TAYLOR, COUNCIL ADOPT THE ORDINANCE AS READ. ROLL CALL. ALL AYES. CARRIED.

NEW BUSINESS
Council: Puget Sound Regional Council Luncheon Invitation

Councilmember Taylor remarked that Council had received a letter from the Puget Sound Regional Council inviting them to a luncheon celebrating the career of Congressman Norm Dicks. He asked if Councilmembers were planning to attend the event. Mayor Law and Council President Zwicker each remarked that they were not currently aware of such plans.
Council: Request to Attend “Governing for Racial Equity” Conference

Councilmember Taylor announced that he would like Council consent to attend the “Governing for Racial Equity” conference sponsored by Seattle’s Race and Social Justice Initiative. He explained that he had attended the conference last year and believes there is value in attending it again. He encouraged other Councilmembers to attend the event.

Council discussion ensued. It was determined that the topic would be reviewed at the next Committee of the Whole meeting so Council has had time to read and review the conference information.

Finance: Redemption of 2002 LTGO Bonds

City Clerk Bonnie Walton remarked that although Council had earlier adopted the resolution regarding 2002 Limited Tax General Obligation (LTGO) Bonds, the Finance Committee had not presented a committee report. She asked if it was the intent to hold the referral in Committee or if the report had just been overlooked. She added that she had a draft of the report.

Finance Committee Chair Briere stated that the Committee met on the topic and she would be willing to sign the report. Senior Assistant City Attorney Fontes clarified that signing the report would not be mandatory because Council had already adopted the resolution, but it could be signed to close the referral loop.

MOVED BY PERSSON, SECONDED BY ZWICKER, COUNCIL ADJOURN. CARRIED.

Time: 7:43 p.m.

Bonnie I. Walton, CMC, City Clerk

Jason Seth, Recorder

October 15, 2012
<table>
<thead>
<tr>
<th>COMMITTEE/CHAIRMAN</th>
<th>DATE/TIME</th>
<th>AGENDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>COMMITTEE OF THE WHOLE</td>
<td>MON., 10/22</td>
<td>Councilmember Taylor’s “Governing For Racial Equity” Conference Request; Budget Deliberations</td>
</tr>
<tr>
<td>(Zwicker)</td>
<td>5 p.m.</td>
<td></td>
</tr>
<tr>
<td>COMMUNITY SERVICES</td>
<td>MON., 10/22</td>
<td>CANCELED</td>
</tr>
<tr>
<td>(Palmer)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FINANCE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Briere)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLANNING &amp; DEVELOPMENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Prince)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PUBLIC SAFETY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Persson)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRANSPORTATION (AVIATION)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Corman)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UTILITIES</td>
<td>MON., 10/22</td>
<td>CANCELED</td>
</tr>
<tr>
<td>(Taylor)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.