



City Council Study Session

August 31, 2015 - 5:30 PM

Auburn City Hall

AGENDA

[Watch the meeting LIVE!](#)

[Watch the meeting video](#)

Meeting videos are not available until 72 hours after the meeting has concluded.

I. CALL TO ORDER

A. Roll Call

II. ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS

III. AGENDA ITEMS FOR COUNCIL DISCUSSION

A. 10-Year Economic Development Plan Consultant Introduction (30 Minute Presentation/15 Minute Q&A)* (Hinman)

B. Supported Employment Update (15 Minute Presentation/5 Minute Q&A) (Hinman)

C. RFP for Auditing Services (10 Minute Presentation/10 Minute Q&A)* (Coleman)

D. Tiered Water Rate Structure (10 Minute Presentation/10 Minute Q&A)* (Coleman)

IV. OTHER DISCUSSION ITEMS

V. ADJOURNMENT

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (<http://www.auburnwa.gov>), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.

**Denotes attachments included in the agenda packet.*



AGENDA BILL APPROVAL FORM

Agenda Subject:

10-Year Economic Development Plan Consultant
Introduction (30 Minute Presentation/15 Minute Q&A)

Date:

August 26, 2015

Department:

Administration

Attachments:

[presentation](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:**

Our consultant TIP Strategies will present an overview of the process we will go through to complete our 10-Year Economic Development Strategic Plan. The completed Council adopted plan will allow the City to be more strategic in future policy making, investment decisions and infrastructure planning to maximize return on investment. The Plan will increase the City's overall market awareness, how it lags, competes and excels in the market, the target industries that the City should pursue to create taxable value and employment opportunity value for the community. Further, this Plan will assist the City in making appropriate decisions to insure that both the community's quality of life and the quality of its workforce are at a level to insure that the City can effectively compete in the global marketplace.

Reviewed by Council Committees:**Councilmember:****Staff:**

Hinman

Meeting Date: August 31, 2015

Item Number: DI.A



TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

THE CITY OF AUBURN, WA

1

OUR TEAM

TIP STRATEGIES

FOUNDED **1995** (20 YEARS OF EXPERIENCE)

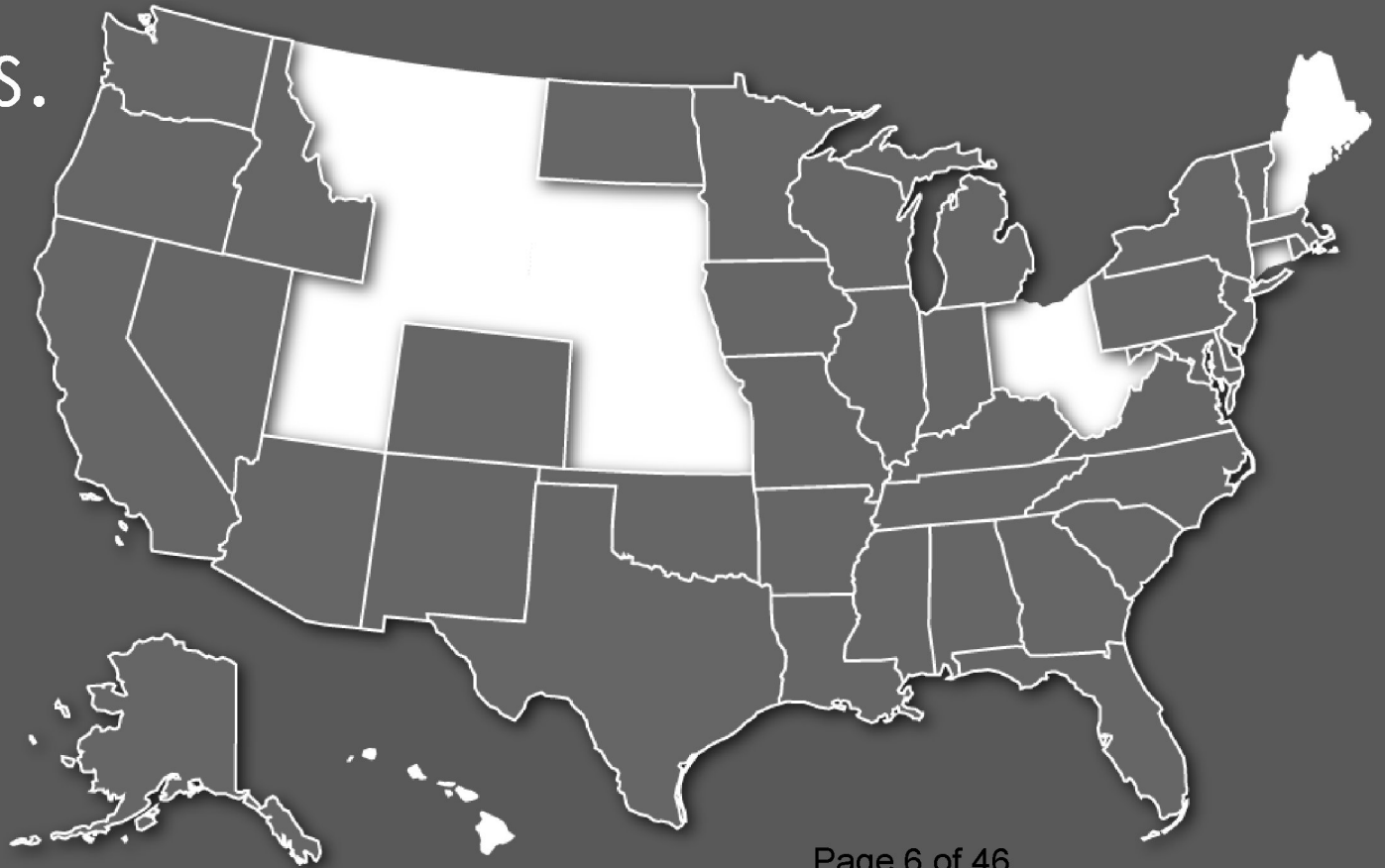
THEORY INTO PRACTICE

COMMITTED TO **HOLISTIC** THINKING &
SUSTAINABLE DEVELOPMENT

AUSTIN & SEATTLE OFFICES WITH **GLOBAL** REACH



We have **20** years of experience
in over **177** unique communities,
across **36** states
& **4** countries.





EXPERTISE

STRATEGIC
PLANNING

WORKFORCE
ASSESSMENT

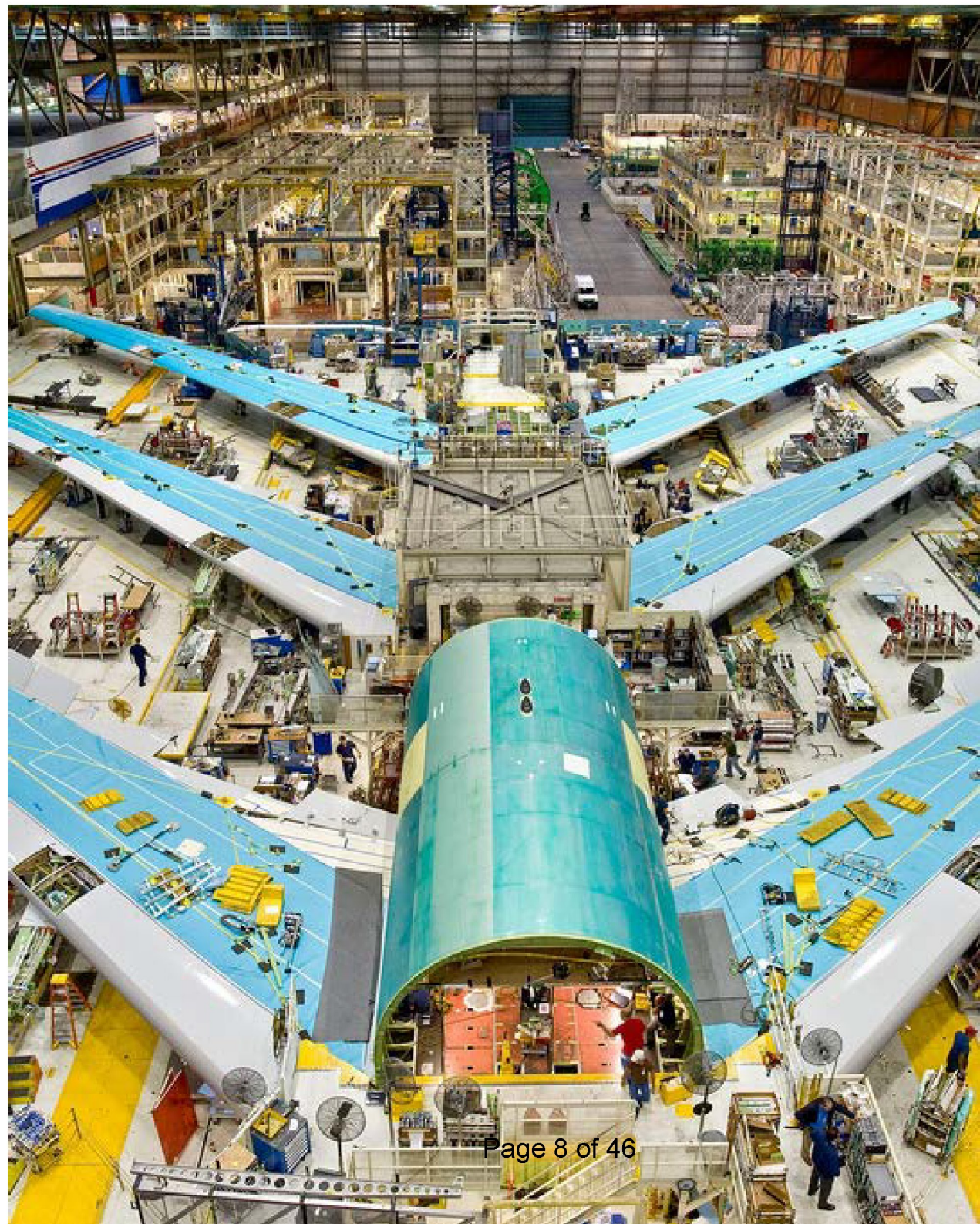
ECONOMIC
ANALYSIS

ECONOMIC & WORKFORCE STRATEGY

TIP STRATEGIES combines analytical tools with the latest thinking in economic development, workforce training, and community-based principles to create innovative and publicly supported strategies.

JEFF MARCELL'S decade of "hands on" experience in the region coupled with our national client base gives our team a unique combination of local and national knowledge.

DIA



TIP STRATEGIES



Tom Stellman
President & CEO



Jon Roberts
Managing Director



Jeff Marcell
Senior Partner



Alex Cooke
Senior Consultant
D.I.A



Caroline Alexander
Senior Consultant



Karen Beard
Senior Consultant



John Karras
Consultant

HEARTLAND

**PUGET SOUND-BASED REAL ESTATE ADVISORY
AND INVESTMENT FIRM**

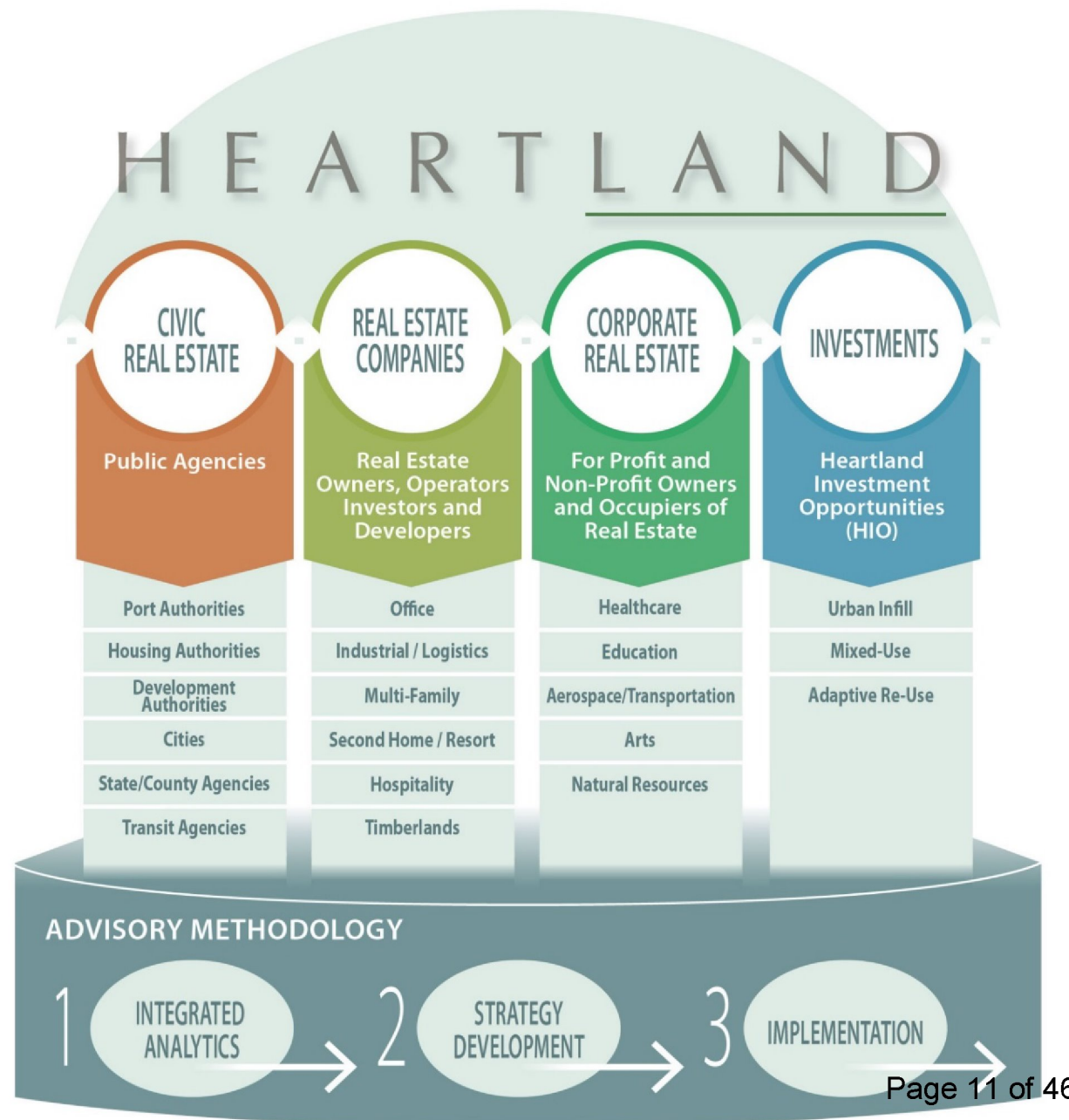
DEEP UNDERSTANDING OF LOCAL MARKET

MULTI-DISCIPLINARY AND STRATEGIC APPROACH

CULTURE OF INTELLECTUAL CURIOSITY

H E A R T L A N D

HEARTLAND'S BUSINESS LINES

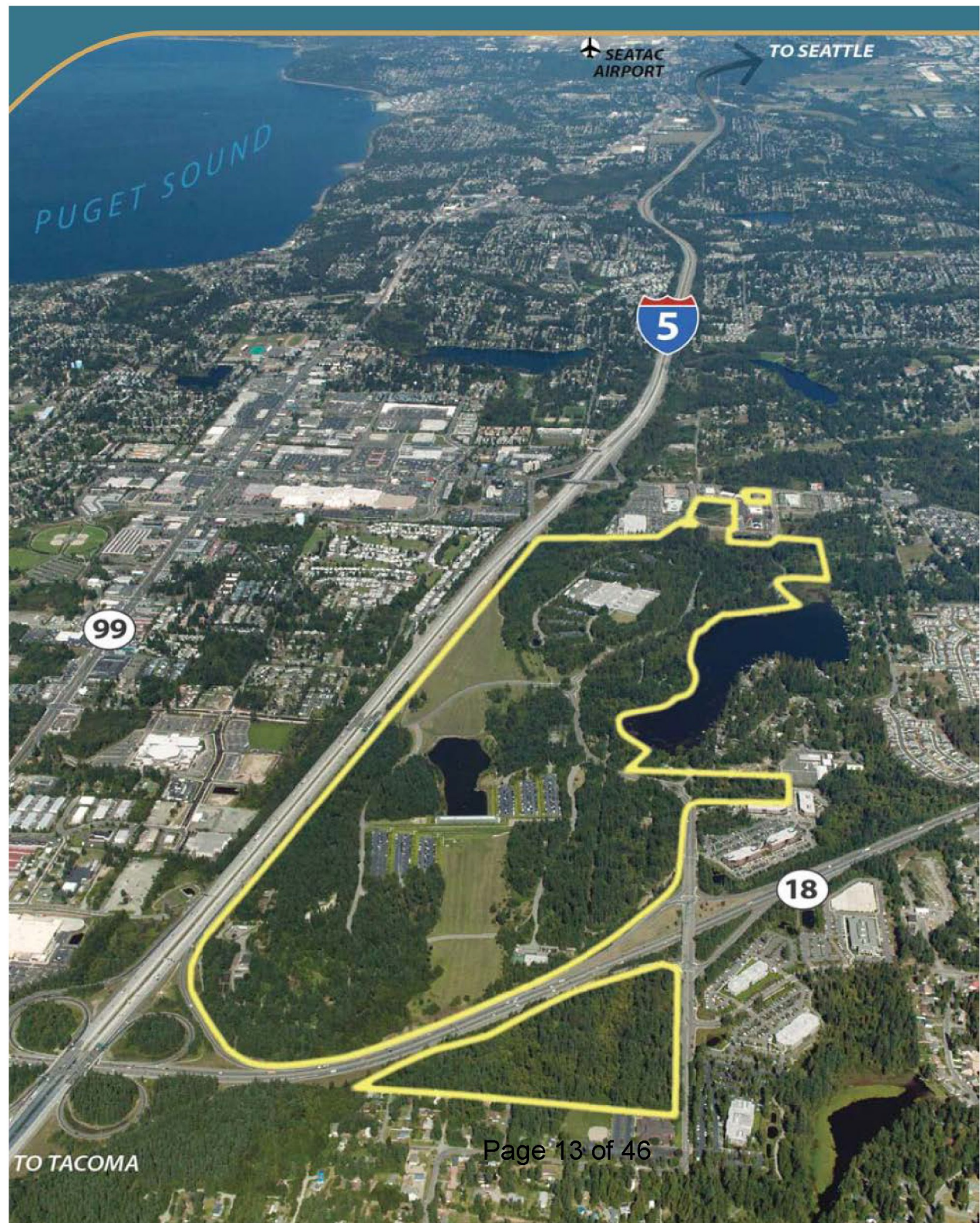


REAL ESTATE & INVESTMENT

HEARTLAND'S insights on land use, land values, and overall real estate market trends related to investment decisions result in strategic advice that is sound and actionable for its public and private sector initiatives.

MATT ANDERSON, PRINCIPAL & SENIOR PROJECT DIRECTOR, uses his nearly two decades of experience to craft market informed and actionable real estate strategies.

D.I.A



THE RETAIL COACH

WE DEVELOP AND EXECUTE RETAIL **RECRUITMENT**
AND **DEVELOPMENT** STRATEGIES

For over **15 YEARS** we have provided the
RESEARCH, RELATIONSHIPS and **STRATEGIES** to achieve
results that have helped **OVER 350 COMMUNITIES**
throughout the US expand their sales tax base
and quality of life.

86%
REPEAT
CLIENTS





**RECRUITING RETAIL
ACROSS THE NATION**

NATIONAL MARKETING





RETAIL DEVELOPMENT & RECRUITMENT

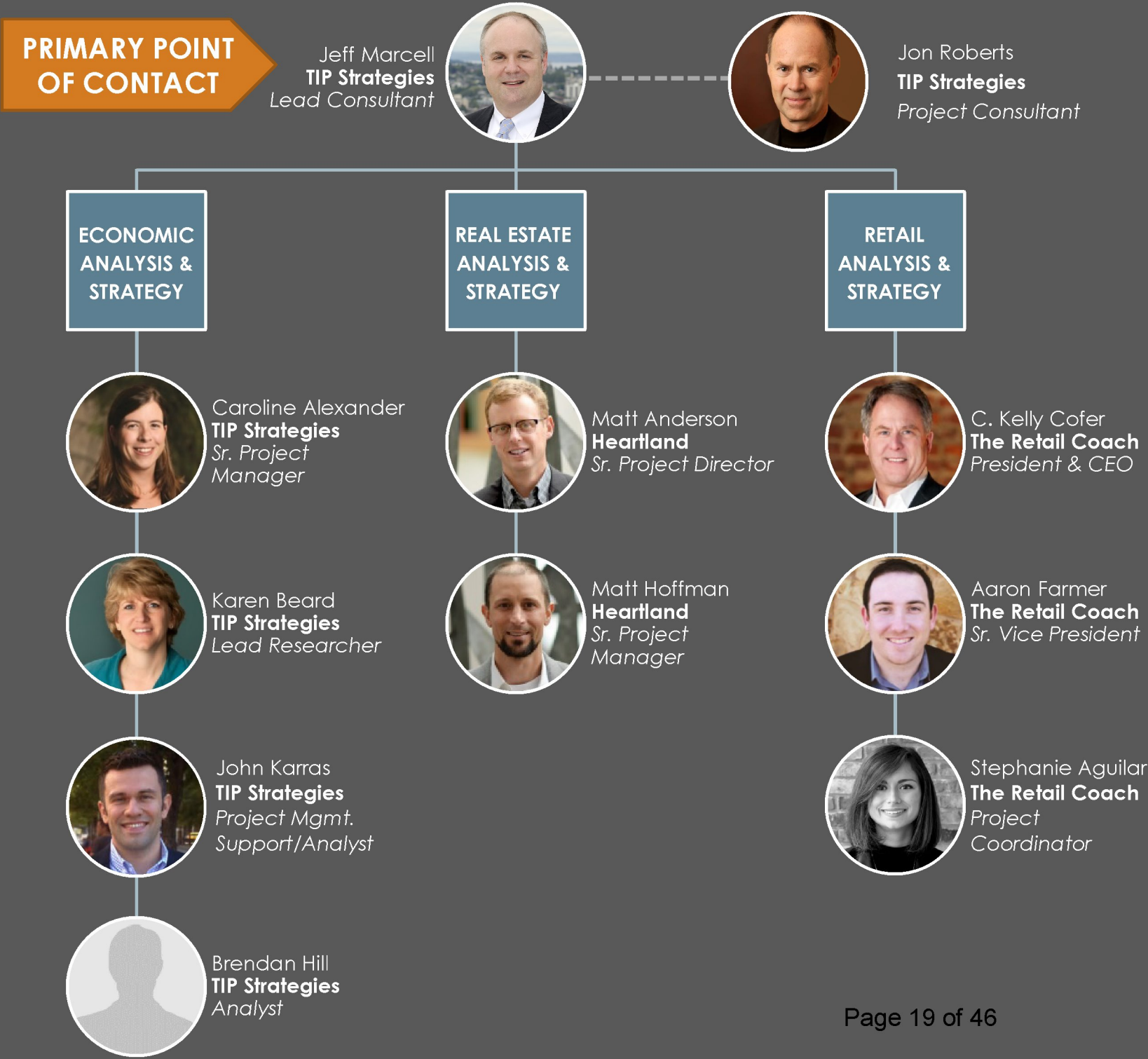
THE RETAIL COACH provides an uncommon level of customized service and expertise to help communities move beyond the data to retail recruitment results.

C. KELLY COFER, the firm's president and CEO, brings nearly three decades of experience in all aspects of retail real estate and economic development.

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OUR APPROACH

OUR TEAM MEMBERS



TIP STRATEGIES FRAMEWORK





THEORY INTO PRACTICE PLANNING MODEL

DISCOVERY

site visits
assessment
benchmarking
focus groups
cluster analysis

DI.A

OPPORTUNITY

visioning
goal setting
consensus building
strategies
projects

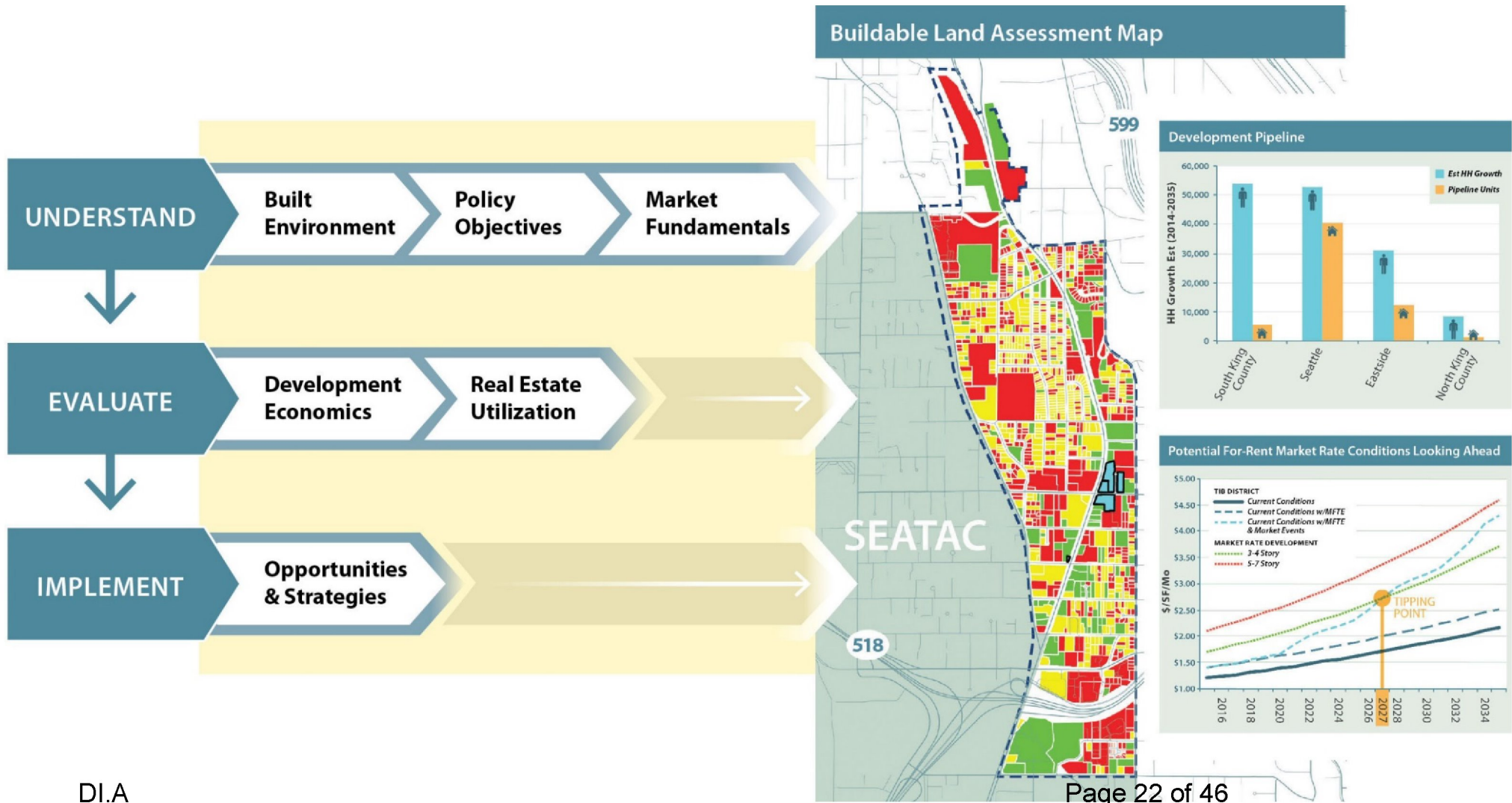
IMPLEMENTATION

specific actions
resources
leadership
milestones
metrics

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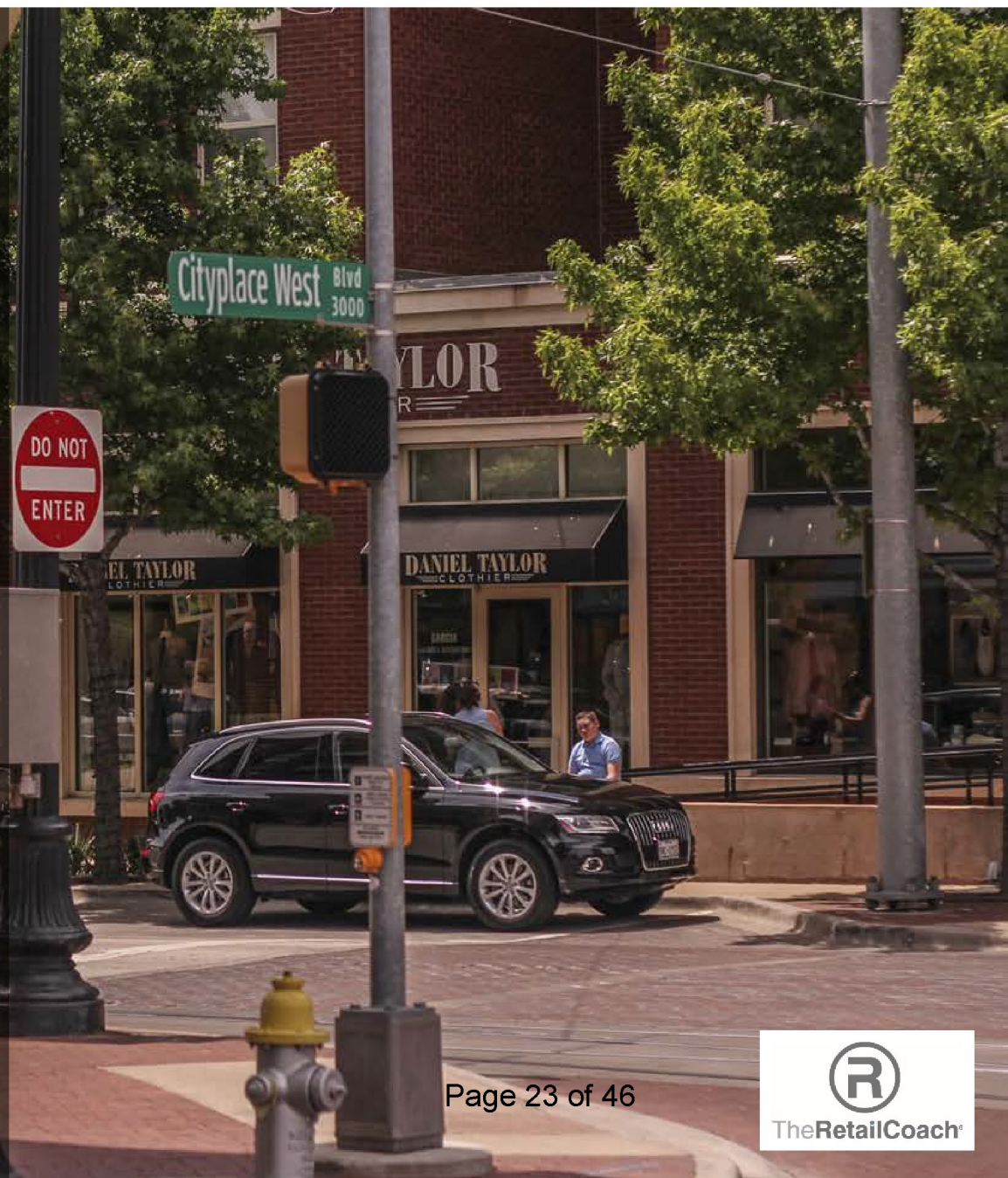
MARKET FUNDAMENTALS → STRATEGY

Land capacity is a function of existing buildings, developable land, policies and market fundamentals



RETAIL 360 PROCESS

- Analyzing the Auburn area and competing communities
- Determining retail districts
- Discussions with community stakeholders
- Interviews with existing Auburn retailers
- Determining retail trade areas
- Demographic profiling
- Consumer surveying
- Identify retail gaps in Auburn
- Identify prime retail sites in Auburn (including development and redevelopment opportunities)
- Auburn community marketing
- Downtown district focus
- Retail SWOT
- Recommendations



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OUR UNDERSTANDING

STATED PROJECT GOALS

A City-specific Strategic Plan that will ...

- **Build** on the city's current economic asset base.
- **Identify** specific strategies and actions for overcoming Auburn's challenges.
- **Facilitate** the growth and expansion of existing business sectors while defining methods for attracting and growing new industries.
- **Promote** key redevelopment corridors that are integral to the City's economic future.
- **Increase** employment opportunities and **position** the city to attract skilled workers, high-growth entrepreneurs, and firms.

WHAT YOU ASKED FOR

1. Kick-Off Meeting
2. Existing Conditions Analysis
3. Market Capacity Study
4. Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis
5. Reverse Site Selection
6. Perception Survey (Site Selectors)
7. Best Practice Case Studies and Performance Metrics
8. Target Industry Validation & Selection
9. Public Engagement
10. Ten (10) Year Comprehensive Economic Development Strategic Plan
11. Economic Development Strategic Plan Review, Refinement & Adoption
12. Project Management

WHAT WE PROPOSED

PROJECT MANAGEMENT

- 0.1 Team meetings
- 0.2 Progress reports
- 0.3 Review process

DISCOVERY

- 1.1 Kick-off meeting
- 1.2 Existing conditions analysis
- 1.3 Market capacity study
- 1.4 SWOT analysis

OPPORTUNITY

- 2.1 Stakeholder engagement
- 2.2 Best practices research
- 2.3 Reverse site selection
- 2.4 Perception survey
- 2.5 Target industry analysis
- 2.6 Marketing review

IMPLEMENTATION

- 3.1 Ten-year strategic plan
- 3.2 Implementation matrix
- 3.3 Plan review, refinement, & adoption

SAMPLE SCHEDULE

LEGEND:

①—⑥

Team meetings



Leadership roundtable



Progress report

	2015					2016					
PHASE/TASK	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
0 Project management	IMPLEMENTATION										
Team meeting	KICKOFF → ①		②		③		④		⑤		⑥
Progress report		◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
1 Discovery											
Kick-off meeting		DISCOVERY PHASE (PRELIM.)			OPPORTUNITY WORKSHOP		STRATEGY REFINEMENT			ROLL-OUT	
Existing conditions analysis											
Market capacity study											
SWOT analysis											
2 Opportunity											
Stakeholder engagement											
Leadership roundtables			★				★		★		
Focus groups & interviews											
On-line engagement											
Best practices research											
Reverse site selection											
Perception survey											
Target industry analysis											
Marketing review											
3 Implementation											
Strategic plan (draft)											
Implementation matrix											
Plan review & adoption											

EXPECTED OUTCOMES

- Assessment of **existing conditions**, including demographic, retail, and market data.
- Documentation of Auburn's **competitive position** both within and outside the region.
- **Stakeholder engagement** in the planning process with goal of creating “buy-in” for the resulting plan.
- Identification of relevant **best practices**.
- Preparation of city-specific plan, including detailed **strategies, actions, and implementation matrix**.



QUESTIONS

THANK YOU



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TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

THE CITY OF AUBURN, WA



TEN-YEAR ECONOMIC DEVELOPMENT STRATEGIC PLAN

THE CITY OF AUBURN, WA



AGENDA BILL APPROVAL FORM

Agenda Subject:

RFP for Auditing Services (10 Minute Presentation/10 Minute Q&A)

Date:

August 26, 2015

Department:

Finance

Attachments:

[Council Notes for Audit RFP](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:**

Discussion on RFP for audit services.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: August 31, 2015

Item Number: DI.C

The City is currently audited by the State Auditor's Office (SAO). They perform three separate audits each year:

1. **Financial Audit** - An opinion audit report on the financial statements issued and published in the Comprehensive Annual Financial Report (CAFR);
2. **Single Audit** - An opinion audit report regarding an audit of the Federal grants awarded to the City and received in, or during the scope, of the financial audit.
3. **Accountability Audit** - An audit summary stating the City management safeguarded assets and complied with State law and regulations as well as its own internal policies and codes, in the areas reviewed.

Request

The City of Auburn Finance Department would like to issue an RFP for audit services for an initial 1-year term with an option for 2 additional years for the financial audit and the single audit, audit numbers 1. and 2. above. The State Auditor's Office (SAO) would continue to perform the accountability audit, noted as number 3. above. The RFP will also be sent to SAO so they may respond to the solicitation. Issuing the RFP does not necessarily mean the City will change auditors but it will provide transparency into the process.

Background

Currently the Port of Seattle and Tacoma and Seattle Public Utilities have audits performed by independent firms and reviewed by the State Auditor's Office (SAO);

Over the past several years the Auditor's office has struggled to retain staff and train staff to perform independent audits;

Finance currently is not informed of who the field auditors will be until just prior to the beginning of field work. Finance would like to know the proficiency and experience of people performing the audit;

Currently Finance staff spends a great deal of time assisting the field auditors; and

The bid by a private firm will be higher than SAO however the City will be able to discontinue a consulting contract held by a CPA firm who assists currently with promulgation and technical issues.

Note: SAO just increased their audit rate from \$88.60 an hour to \$93.00. The audit budget for the 2014 audit was \$78,676. Given the same hours it will increase by \$3,900 for the 2015 audit.

Pros hiring an independent audit firm:

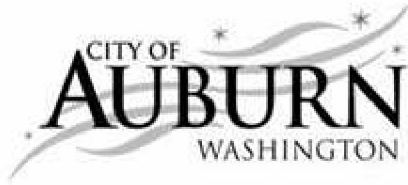
Firms stay current on new promulgation and will be able to provide input and guidance on technical issues related to accounting treatment and reporting.

Audit staff are CPA's or have passed the CPA exam and are working on attaining the required working hours for their license.

It is anticipated the assistance of Finance staff will still be required but at a much reduced amount of time.

Finally:

State law ([RCW 43.09.230](#)) specifies that the annual reports shall be certified by the Office of the State Auditor. Also, it ([RCW 43.09.260](#)) gives the Office of the State Auditor the power to examine all the financial affairs of every public office and officer.



AGENDA BILL APPROVAL FORM

Agenda Subject:

Tiered Water Rate Structure (10 Minute Presentation/10 Minute Q&A)

Date:

August 26, 2015

Department:

Finance

Attachments:

[Tiered Billing Rates](#)

Budget Impact:

\$0

Administrative Recommendation:**Background Summary:**

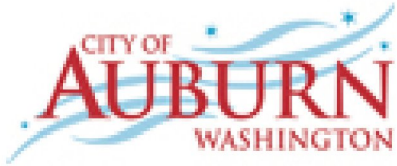
For discussion regarding the function of tiered water rates for billing.

Reviewed by Council Committees:**Councilmember:****Staff:**

Coleman

Meeting Date: August 31, 2015

Item Number: DI.D



UTILITY BILLING

Tiered Billing Rates

Water Base Rates

- All Residential and Commercial customers are billed a “Flat” or “Base” rate each month.
- The current base rate for residential customers is **\$15.05** per month.

Water Consumption Billing

- Residential water meters are read bi-monthly.
- Water usage or “consumption” is billed every other month and subject to tiered rate billing.
- The City established an inclining block rate for the quantity of water consumed to promote water conservation on December 2, 2002 (Ordinance 5712).

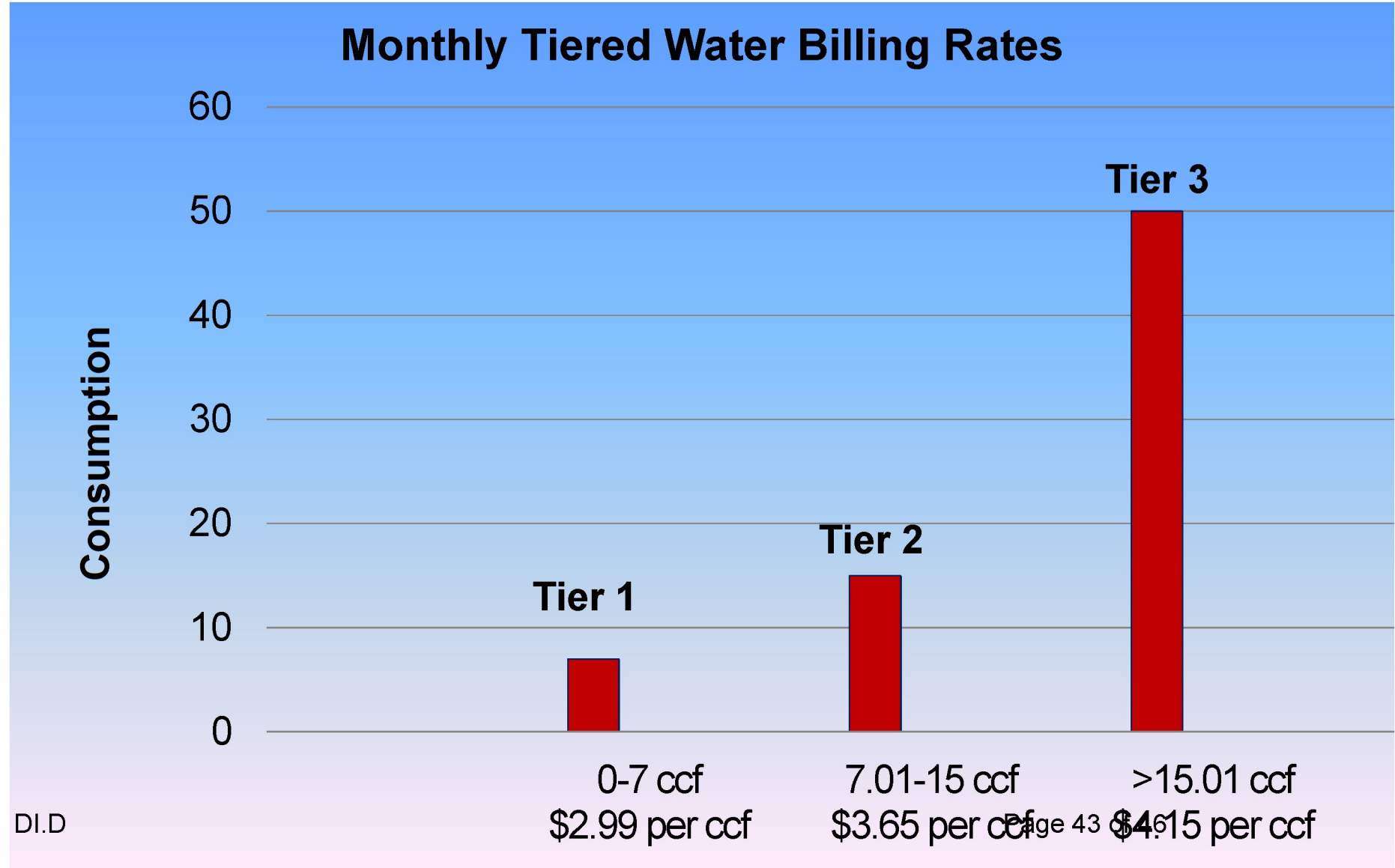
Tiered Water Rates

- Customers who use an average amount of water 7.0 ccfs per month or 14 ccfs for two months, will benefit from the lowest tier 1 rate.
- Customers who use more water move into the higher tier 2 and tier 3 billing rates.



City of Auburn Billing Rates

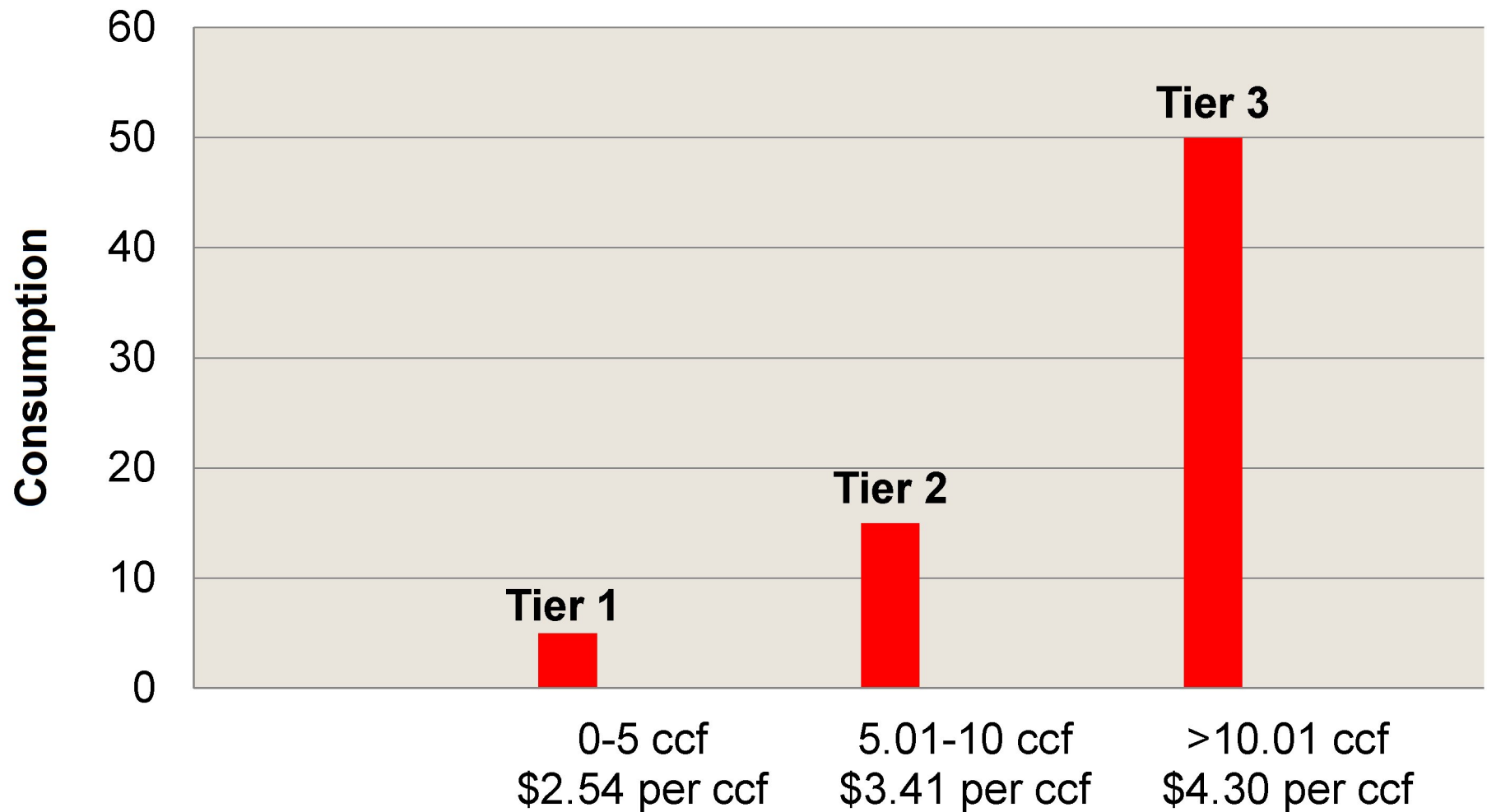
Monthly Base Rate: \$15.05



City of Renton Billing Rates

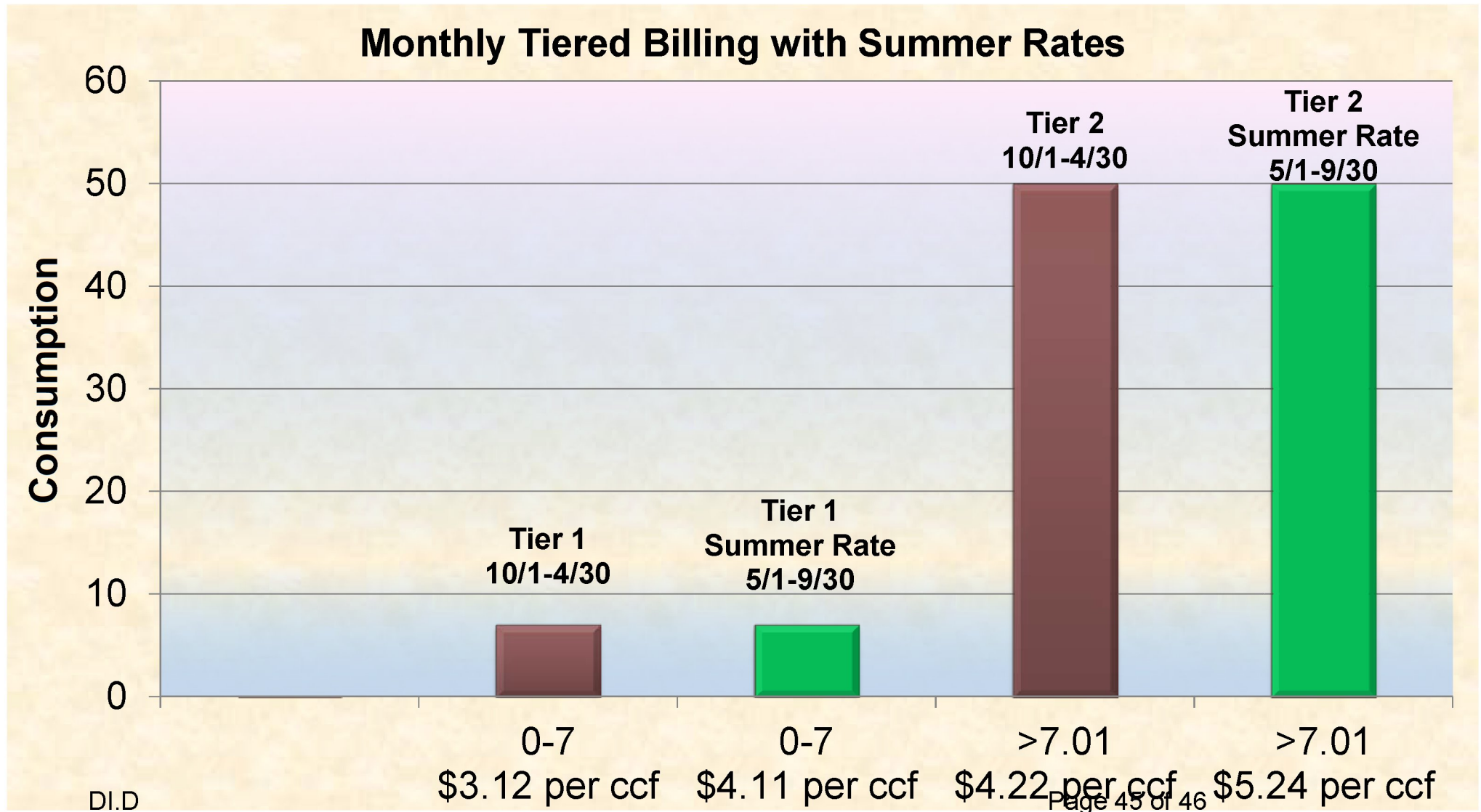
Monthly Base Rate: \$17.60

Monthly Tiered Water Billing Rates



City of Kent Billing Rates

Monthly Base Rate: \$13.10



Municipal Water Comparison

Tier	Auburn	Renton*	Winter	Summer
			Kent	
1	\$ 2.99	\$ 2.54	\$ 3.12	\$ 4.22
2	\$ 3.65	\$ 3.41	\$ 4.11	\$ 5.24
3	\$ 4.15	\$ 4.30		
	* Renton Tiers:			
	1	0-5 ccf		
	2	5-10 ccf		
	3	10+ ccf		