

MINUTES

**DES MOINES CITY COUNCIL
REGULAR MEETING
City Council Chambers
21630 11th Avenue S, Des Moines, Washington
Thursday, November 9, 2023 - 6:00 PM**

CALL TO ORDER

Mayor Matt Mahoney called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

The flag salute was led by Councilmember Vic Pennington.

ROLL CALL

Council Present:

Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Gene Achziger; Councilmember JC Harris; Councilmember Jeremy Nutting; Councilmember Vic Pennington; and Councilmember Harry Steinmetz

Staff Present:

City Manager Michael Matthias; City Attorney Tim George; Assistant City Attorney Matt Hutchins; Assistant City Manager Adrienne Johnson-Newton; Chief Administrative Officer Bonnie Wilkins; Finance Director Jeff Friend; Judge Lisa Leone; Director of Court Administration Melissa Patrick; Harbormaster Scott Wilkins; Community Development Director Denise Lathrop; Planning & Development Services Manager Laura Techico; Senior Planner Jason Woycke; Public Works Director Andrew Merges; Building Official Dan Hopp; Assistant Police Chief Patti Richards; Director of Parks, Recreation and Senior Services Nicole Nordholm; and Events and Facilities Manager Cortney Wilt

CORRESPONDENCE NOT PREVIOUSLY RECEIVED BY COUNCIL

- There were no additional correspondence outside of the emails already received by Council.

COMMENTS FROM THE PUBLIC

- Cassie Moralez; Traffic Safety - S. 223rd
- Lloyd Lytle Jr.; Masonic Home, City's Future
- George Pettibone; Masonic Home
- Annie & Josh Pantzke; Licensing for Short Term Rentals

- Bill Linscott; Marina Steps, the Citizens Advisory Committee Meeting, and One Time Money.

COMMITTEE CHAIR REPORT

- Environment Committee Meeting: Chair Jeremy Nutting

CITY MANAGER REPORT/PRESENTATIONS/BRIEFINGS

- No Report

CONSENT AGENDA

Item 1: APPROVAL OF VOUCHERS

Motion is to approve the payment vouchers through October 27, 2023 and payroll transfers through October 20, 2023 in the attached list and further described as follows:

EFT Vendor Payments	#9080-9178	\$ 744,094.10
Wires	#2361-2374	\$2,086,873.58
Accounts Payable Checks	#165324-165415	\$ 316,238.68
Voided Checks sent to DOR		(\$1,340.63)
Payroll Checks	#19756-19756	\$ 1,013.65
Direct Deposit	#7198-7362	\$ 453,690.78

Total Checks and Wires for A/P & Payroll: \$3,600,570.16

Item 2: APPROVAL OF MINUTES

Motion is to approve the October 19, and October 26, 2023 City Council Regular Meeting Minutes.

Item 3: SMALL BUSINESS SATURDAY PROCLAMATION

Motion is to approve the Proclamation recognizing the Saturday after Thanksgiving as Small Business Saturday.

Item 4: 2024 HUMAN SERVICES ADVISORY COMMITTEE - FUNDING RECOMMENDATIONS AMENDMENT

Motion is to approve the 2024 Human Services funding recommendations amendment and authorize the City Manager to sign a contract reflecting the amendment.

Item 5: DES MOINES CREEK BUSINESS PARK WEST MASTER PARK - HEARING EXAMINER REVIEW

Motion is to remand the Master Plan decision for the Des Moines Creek Business Park West Master Plan application filed under LUS2022-0044 to the Hearing Examiner pursuant to DMMC 18.240.160(3).

Direction/Action

Motion made by Councilmember Jeremy Nutting to approve the Consent Agenda; seconded by Deputy Mayor Traci Buxton.

Councilmember JC Harris pulled Consent Agenda Item #4.

The remainder of the Consent Agenda passed 7-0.

Mayor Matt Mahoney read the Small Business Saturday Proclamation into the record.

Council discusses Consent Agenda Item #4.

Motion made by Councilmember Jeremy Nutting to approve the Consent Agenda Item #4 as presented; seconded by Councilmember Harry Steinmetz.
Motion passed 6-1.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Gene Achziger, Councilmember Jeremy Nutting, Councilmember Vic Pennington, Councilmember Harry Steinmetz.

Against: Councilmember JC Harris

PUBLIC HEARING/CONTINUED PUBLIC HEARING

2024 PROPERTY TAX LEVIES

Staff Presentation by Finance Director Jeff Friend

At 6:29 p.m. Mayor Matt Mahoney opened the Public Hearing.

- Finance Director Jeff Friend gave Council a PowerPoint Presentation on the 2024 Property Tax Levy.

Mayor Matt Mahoney asked 3 times if anyone wished to speak.

Seeing none, Mayor Matt Mahoney asked Council if they had any questions.

At 6:34 p.m. Mayor Matt Mahoney closed the Public Hearing.

Direction/Action

Motion 1 made by Councilmember Jeremy Nutting to enact Draft Ordinance No. 23-053, determining the amount of funds to be raised by ad valorem taxes for the year 2024 for general City expenditures; seconded by Deputy Mayor Traci Buxton.
Motion passed 7-0.

Motion 2 made by Councilmember Jeremy Nutting to enact Draft Ordinance No. 23-052, authorizing the increase in ad valorem taxes for the year 2024 for general City expenditures; seconded by Deputy Mayor Traci Buxton.
Motion passed 7-0.

2024 PRELIMINARY ANNUAL BUDGET, SECOND READING
Staff Presentation by Finance Director Jeff Friend

At 6:40 p.m. Mayor Matt Mahoney opened the Public Hearing.

- Finance Director Jeff Friend gave Council a PowerPoint Presentation on the 2024 Preliminary Annual Budget.

Mayor Matt Mahoney asked 3 times if anyone wished to speak.

- Marnie Sevores; Des Moines
- Bill Linscott; Des Moines

Mayor Matt Mahoney asked Council if they had any questions.

At 7:18 p.m. Mayor Matt Mahoney closed the Public Hearing.

Direction/Action

Motion made by Councilmember Jeremy Nutting to pass Draft Ordinance No. 23-051, establishing the 2024 Annual Budget for the fiscal year ending December 31, 2024; seconded by Councilmember Vic Pennington.

Motion made by Deputy Mayor Traci Buxton to create an Ad Hoc Finance Committee in the First Quarter of 2024; seconded by Councilmember Harry Steinmetz.
Amended motion passed 5-2.

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For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember Gene Achziger, and Councilmember JC Harris.

Amended motion made by JC Harris to set aside \$100,000 to increase the IT Budget for the Website; seconded by Councilmember Gene Achziger.

Amended motion failed 2-5.

For: Councilmember Gene Achziger and Councilmember JC Harris.

Against: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

The main motion passed 7-0.

2023 ANNUAL BUDGET AMENDMENTS
Staff Presentation by Finance Director Jeff Friend

At 7:47 p.m. Mayor Matt Mahoney opened the Public Hearing.

- Finance Director Jeff Friend gave Council a PowerPoint Presentation on the 2023 Annual Budget Amendments.

Mayor Matt Mahoney asked 3 times if anyone wished to speak.

Seeing none, Mayor Matt Mahoney asked Council if they had any questions.

At 8:00 p.m. Mayor Matt Mahoney closed the Public Hearing.

Direction/Action

Motion made by Councilmember Jeremy Nutting to enact Draft Ordinance No. 23-054 relating to municipal finance, amending the 2023 Annual Budget adopted in Ordinance No. 1764; seconded by Deputy Mayor Traci Buxton.

Motion passed 6-1.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember JC Harris, Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember Gene Achziger.

NEW BUSINESS

Item 1: DRAFT ORDINANCE 23-068 - SUSPENDING RESTRICTION ON USE OF ONE-TIME REVENUE FOR 2024
Staff Presentation by Finance Director Jeff Friend

- Finance Director Jeff Friend gave Council an update on Suspending Restrictions on use of one-time revenue for 2024.

Direction/Action

Motion made by Councilmember Jeremy Nutting to enact Draft Ordinance No. 23-068, amending DMMC 3.100.020, and lifting the restriction on the use of one-time revenue in the general fund budget for the year 2024; seconded by Deputy Mayor Traci Buxton.
Motion passed 5-2.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember Gene Achziger, and Councilmember JC Harris.

Item 2: DRAFT ORDINANCE 23-055 ESTABLISHING AN ENTERPRISE FUND ENTITLED "EVENTS AND FACILITY RENTALS FUND"
Staff Presentation by Finance Director Jeff Friend

- Finance Director Jeff Friend gave Council a brief update on establishing an Enterprise Fund entitled "Events and Facility Rentals Fund."

Direction/Action

Motion made by Councilmember Jeremy Nutting to approve Draft Ordinance 23-055, adding a new section to the chapter 3.52 DMMC establishing an Enterprise Fund entitled "Event and Facility Rentals Fund"; seconded by Councilmember Vic Pennington.

Amended motion made by Councilmember Gene Achziger to postpone establishing an Enterprise fund entitled "Events and Facility Rentals Fund" to 2024; seconded by Councilmember JC Harris.
Amended motion failed 1-6.

For: Councilmember Gene Achziger

Against: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember JC Harris, Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

The main motion passed 4-3.

For: Mayor Matt Mahoney; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Deputy Mayor Traci Buxton; Councilmember Gene Achziger, and Councilmember JC Harris.

Item 3: REALLOCATION OF AMERICAN RESCUE PLAN ACT FUNDS (ARPA)
Staff Presentation by Finance Director Jeff Friend

- Finance Director Jeff Friend gave Council a brief update on the Reallocation of American Rescue Plan Act Funds

Direction/Action

Motion made by Councilmember Jeremy Nutting to approve the recommended reallocation and expenditure of the unspent American Rescue Plan Act Funds; seconded by Deputy Mayor Traci Buxton.
Motion passed 7-0.

Item 4: INTERFUND LOAN TO SUPPORT ESTABLISHMENT OF EVENTS
AND FACILITY RENTALS FUND
Staff Presentation by Finance Director Jeff Friend

- Finance Director Jeff Friend gave a brief update on the Interfund loan to support establishment of Events and Facility Rentals Fund.

Direction/Action

Motion made by Councilmember Jeremy Nutting to enact Draft Ordinance No. 23-056 authorizing an interfund loan of \$750,000 from the Surface Water Management Fund to the Events and Facility Rental

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Fund to support the establishment of the new enterprise fund; seconded by Councilmember Vic Pennington.
Motion passed 4-3.

For: Mayor Matt Mahoney; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Deputy Mayor Traci Buxton; Councilmember Gene Achziger, and Councilmember JC Harris.

Item 5: NEW AGENDA ITEMS FOR CONSIDERATION – 10 Minutes

- Councilmember JC Harris called for an Executive Session under RCW 42.30.110(f) to receive and evaluate a complaint against a Public Employee.
Died for lack of Council support.

EXECUTIVE SESSION

At 8:23 p.m. Mayor Matt Mahoney called the Executive Session to order.

ROLL CALL

Council Present:

Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Gene Achziger; Councilmember JC Harris; Councilmember Jeremy Nutting; Councilmember Vic Pennington; and Councilmember Harry Steinmetz

Others Present:

Chief Administrative Officer Bonnie Wilkins, Human Resource Director Adrienne Johnson-Newton, and outside legal Counsel Evan Chinn.

PURPOSE

The purpose of the Executive Session is to discuss the Performance of a Public Employee under RCW 42.30.110(1)(g). The Executive Session was expected to last 30 Minutes.

At 8:31 p.m. Councilmember Jeremy Nutting motioned to extend the Council Meeting to 9:30 p.m. and to extend the Executive Session to 9:14 p.m.

Motion passed 4-0.

No formal action was taken.

The Executive Session lasted 51 minutes.

Direction/Action

Motion made by Mayor Matt Mahoney to terminate the employment agreement with City Manager Michael Matthias contingent upon Execution of an Interim Chief Economic Development Director Employment Agreement Substantially in the form as prepared by the City; seconded by Deputy Mayor Traci Buxton.
Motion passed 5-2.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember JC Harris, and Councilmember Gene Achziger.

Motion made by Councilmember Jeremy Nutting to extend the Council Meeting to 10:00 p.m.; seconded by Councilmember Harry Steinmetz.
Motion passed 6-1.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember JC Harris, Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember Gene Achziger.

Motion made by Mayor Matt Mahoney to appoint City Attorney Tim George to Interim City Manager and authorize the Mayor to sign the Employment Agreement substantially in the form as prepared by the City; seconded by Councilmember Harry Steinmetz.
Motion passed 5-2.

For: Mayor Matt Mahoney; Deputy Mayor Traci Buxton; Councilmember Jeremy Nutting, Councilmember Vic Pennington, and Councilmember Harry Steinmetz.

Against: Councilmember JC Harris, and Councilmember Gene Achziger.

Chief Administration Officer Bonnie Wilkins swore City Attorney Tim George in as the Interim City Manager.

NEXT MEETING DATE

November 16, 2023 City Council Regular Meeting

ADJOURNMENT

Direction/Action

Motion made by Councilmember Harry Steinmetz to adjourn; seconded by Councilmember Vic Pennington.

Motion passed 7-0.

The meeting adjourned at 9:41 p.m.