

SPECIAL MEETING DES MOINES CITY COUNCIL

MINUTES

November 18, 2006

The special meeting of the Des Moines City Council was called to order at 9:07 a.m. by Mayor Sheckler at the City of Des Moines Council Chambers, 21630 11th Ave S, Des Moines, WA.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Dave Kaplan, Ed Pina, Carmen Scott, Dr. Dan Sherman, and Susan White. Also present were City Manager Tony Piasecki, Chief of Police Roger Baker, Finance Director Paula Henderson, City Accounting Staff Member Cecelia Pollock, Planning, Building, and Public Works Director Grant Fredricks, Harbormaster Joe Dusenbury, Parks and Recreation Director Patrice Thorell, and Planning, Building, and Public Works Permit Technician Tina McVey.

DISCUSSION ITEMS

- **PUBLIC HEARING:** Draft Ordinance Adopting 2007 Budget - 1st Reading (Continued from 11/16/06 Regular Session City Council Meeting)
- City Finance Director Paula Henderson opened the discussion by referring the Councilmembers and attendees to the *City of Des Moines 2007 Preliminary Budget Overview (revised 11/17/06)* handout to begin the discussion regarding the 2007 Budget. She and City Manager Tony Piasecki explained to the Council that these numbers did not include one time monies or levy lid lift fund. This is just ongoing expense and ongoing revenue. A lot of expenses being seen in the handout have been either cut back or moved over to other funds.
 - **Page 2 - Overview showing 2007 Base, 2007 One-Time Monies, and Totals**
 1. Details of Deficit.
 1. Deficit from 2006
 2. Growth in Revenues
 3. Property Tax Revenue Shifted to Police Restoration Fund
 4. COLA and Salary Upgrades
 5. Overtime Increases (PD officers)
 6. Recruitment/Referral Incentive (PD officers)
 7. Increases in Benefits
 8. Ltd-Term Positions Moved to Regular Positions and 3 Positions Added in 2006: Bldg Div/Dev Services
 9. Additions to Base (variety of increases to base items that for the last 3-5 years hadn't been moved at all. Office supplies, etc.)
 10. Increase in Interfund Assessments
 11. Increase in Transfers
 - a. Mayor Pro Tem Scott Thomasson asked why we were having the overtime increases when we're hiring more personnel in the PD if we're not including the funds from the Levy LID lift?
 - i. City Manager Tony Piasecki stated that in order to answer this question, we had to answer the question as to why do we have higher actual overtime hours than what was budgeted for them. The answer is that we have had vacant positions so the increase in overtime expenditures was offset by their actual coming in below budget in the PD salary budget. Since the budget takes into all

positions as if there's a body in them all year long, it will show later that those amounts will be absorbed in salary costs.

- b. Councilmember Dave Kaplan requested clarification as to one-time monies and ongoing monies. He stated to clarify that when the budget was approved last year, it was predicated by the use of one-time monies.
- c. Councilmember Dr Dan Sherman wanted to know why we were starting with a deficit when the one time monies should have been used to balance the 2006 budget.
 - i. City Manager Tony Piasecki stated with ongoing revenues, ongoing expenses, and those increases to those ongoing expenses that we expect to incur for 2007, this page includes everything asked for that has been trimmed back and some that were asked for but have not been trimmed back at this point in the handout. The deficit is being covered by one time money, but this handout starts with the deficit as this reflects ongoing expenses.
 - ii. Mayor Pro Tem Scott Thomasson explained that it isn't a deficit in cash on hand, but instead the gap between ongoing costs and ongoing revenue last year.
- d. Mayor Pro Tem Scott Thomasson requested the Council resume the conversation regarding PD funding. He stated that he argued adamantly that every new dime went to the PD. He wanted to clarify that they would not be receiving the 1% and the \$1.60 in Levy Lid Lift funds.
 - i. Councilmember Ed Pina stated the Council had an obligation to hire the new police officers as the Council had told the citizens they would do when they requested the LLL.
 - ii. Councilmember Dave Kaplan stated he felt that you could not ignore the collective bargaining agreement and say the PD couldn't have one if they took the other.
 - iii. City Manager Tony Piasecki stated that he had requested for Finance Director Paula Henderson to contact the state auditor's office to have them go over the wording to make sure that the City is applying the funds correctly.
 - iv. Mayor Pro Tem Scott Thomasson stated he didn't like having a special fund such as the Police Restoration Fund. The LLL is not supposed to pay supplanted funds, so you could not reduce the \$4 Million to \$3.5 and then use the LLD to pay the other \$500,000.
 - v. City Manager Tony Piasecki stated it was his understanding that the LLL proposition wording said the City was to fund the restoration of the former positions which were held in the PD in 2000. The City should be receiving \$1.2 Million next year. The City will need \$400,000 to fund the general increase in the PD budget. The remaining \$800,000 will not fund the new police officers. \$400,000 of that will need to fund increases in 2007 and an additional \$400,000 in 2008. The LLL will have been spent and no new officers hired.
 - vi. Finance Director Paula Henderson addressed the special fund concerns of Mayor Pro Tem Scott Thomasson by saying in the LLL materials given to the public that the money would go into a special fund. Wishing to be transparent, the City created that

special fund where the LLL funds will be placed. She further stated that it is her belief the auditor will state we can use the money for the new expenses, but not for the ongoing from the past.

- vii. Councilmember Dave Kaplan stated that it would be possible and would be acceptable to cut costs and lower the initial requested fees to get them below the current amount. The fees then that are incurred would be new expenses.
- viii. Councilmember Carmen Scott requested to know what percentage of the General Funds go to the PD. Finance Director stated it was about 50% or a bit over once you add in the LLL.
- ix. Council then asked what was considered the norm for percentage in other cities and City Manager Tony Piasecki, Finance Director Paula Henderson, and Chief of Police Roger Baker explained that it was normally lower than 50%, but more in the 46% range.
- x. Chief of Police Roger Baker stated that the LLL would be used solely to fund the new officers and not ongoing expenses. When asked regarding the costs for Valley Com 911 services, Chief Baker stated the community originated those calls and those numbers would remain the same. It is their expectation that with this new team in place on the streets and in the community, which would be proactive in dealing with habitual offenders and problem areas, that the calls to 911 would actually drop off rather than increase. They might increase in the beginning as more of the community gets involved in getting rid of undesirable elements, but should level off and decrease afterward. They have found by experience with the 216th owners and tenants of the property they're currently working with that the more you involve those individuals in the process, the happier they are. Tonya Seaberry and Barry Sellers, who are funded out of the Crime Free funds are working toward those goals.

- **Page 3 - Showing City Manager Recommended Cuts and Revised Deficit Totals**

- 1. City Manager Recommended Cuts to Base Budget.
 - o This includes the increases in the overtime for the PD which have been cut.
 - a. Councilmember Dr. Dan Sherman asked what else is included in the cuts. City Manager Tony Piasecki stated it was a long list of various expenses that, when accumulated, added up to the \$150,000.
- 2. Additional Adjustments to Base.
 - o Jail Services.
 - a. The City rescinded the Yakima agreement and the City still has to pay for empty beds there, as well as for actual usage with other facilities. City Manager stated the City has a claim against Yakima County which will recover that amount.
 - o PERS Correction.
 - o LEOFF Reduction Creates a Savings of \$111,330.
 - a. Councilmember Dave Kaplan voiced concerns and reservations in reducing the amount as the Legislature is now considering, and in his opinion will pass, an actual raise in LEOFF2 as medical insurance will be paid on the same level as LEOFF1. This will increase the current amount

needed by a great deal, so perhaps this should not be reduced and instead banked in case the City incurs the heavy costs.

- i. City Manager Tony Piasecki reminded the Council that this would be for retired employees, which would impact the City with heavy costs if this was to pass in congress.
- ii. Councilmember Ed Pina suggested that as we would have a surplus, the Council should leave this as is and move ahead with the rest of the discussion.

o Fuel Reduction. This decreased from \$3.00 to \$2.75.

3. Policy/Strategy Changes.

o Staff added to Building Division/Dev Services shifted to One Time Monies because that is where the funding is coming from for those costs.

o MCI Transfer which the City did not have in the prior year.

o Recommend that the Computer and Equipment Replacement Assessments balances be deferred for just one year. The City has been operating at a 20% and 33 1/3% funds for the past several years and they have adequate funds in each of those funds.

- a. Councilmember Dave Kaplan asked if we had adequate funds if we loaned the 16th Avenue project \$250,000. Finance Director stated we have about \$1 Million in the account, so the City should still have adequate money to buy vehicles.
- b. Councilmember Dr. Dan Sherman requested clarification regarding the short funding of the assessments and was this permanent policy now.
- c. City Manager Tony Piasecki and Finance Director Paula Henderson stated that the City has been doing this for several years and they were only recommending that this be deferred for one year. For further clarification, it was stated by the City Manager that it was his understanding that the Council wanted these replacement schedules stretched out and these decisions have been based on that understanding.
- d. Mayor Pro Tem Scott Thomasson and Councilmember Dr. Dan Sherman interjected that their concerns were that if we didn't have the money in 2007, why does the City think the money will be there in 2008?
- e. Mayor Bob Sheckler suggested that the Council work on the premise that something greater will happen next year based on the developments coming and assume the funds will be there in 2008.
- f. City Manager Tony Piasecki gave some of the basis for the assumption that the City will be doing better economically as the passing of the streamline sales tax, development in the Pacific Ridge area, and other developments in the works.
- g. Mayor Pro Tem Scott Thomasson stated his concern was that by deferring those funds and freeing up those amounts, others would be thinking that there's surplus money for new expenses, rather than funding the deferred expenses completely.
- h. Councilmember Dan Sherman expressed the hope that future councils understand that the revenues, when they come in, should be used to fund these expenses and not used for 'new' expenses.

4. Interest Earnings to be transferred from funds 104 and 105 into the General Fund.

- o Mayor Pro Tem Scott Thomasson expressed concerns that these interest earnings would not be transferred out and would be kept with the funds unless it becomes substantially over the funded amount.
 - o Councilmember Dave Kaplan disagreed and stated that it was the Council's fiduciary responsibility to take the extra money and use it where needed to balance the budget.
 - o Mayor Bob Sheckler requested to know what the existing policy on transferring funds such as this and what would happen if this is addressed in the future.
 - a. City Manager Tony Piasecki stated that there is no set policy and that this has been done out of knowledge from past practices and Council meetings that interest earnings would be returned to the funds which created the earnings.
 - b. Councilmember Dr. Dan Sherman stated he approved and in keeping with actions from the Council from the past Thursday stated that the funds should stay where accrued.
 - c. Councilmember Carmen Scott stated that instead of making it all or nothing, the fund could be kept at a certain level and if it exceeds that, then the funds could be used in a discretionary manner.
 - 5. City Manager Tony Piasecki stated these changes then save the City \$926,683 and the revised deficit to be now at -\$708,775.
- **Page 4 - New Revenue Explanation and Amounts**
 - 1. New Revenues:
 - o Civil Engineer II/CIP Construction Manager/Tsf from CIP
 - o PBPW Engineering Serv 16th Ave S CIP Project Manager (.60 FTE)
 - o Transfer from Police Services Restoration Fund - Assistant City Attorney (Partial Funding)
 - a. Finance Director Paula Henderson stated that this position would be used primarily to do any work on behalf of the PD. The time would be tracked and authorization for expenditures would be required to go through Chief of Police Roger Baker.
 - i. Councilmember Dave Kaplan asked for clarification regarding the Prosecuting Attorney position in relation to the new position.
 - ii. City Manager Tony Piasecki stated this would pay for the shift from a part time Prosecuting Attorney position to a full time Assistant City Attorney position. He said had spoken with our current Prosecuting Attorney and that she was aware of the City's direction on this matter. He further stated there would be shifting of duties so that the new position would not be giving advice to the PD.
 - iii. During a lengthy discussion between Councilmembers, the Mayor, the City Manager, and Finance Director, it was decided that implementation of this position should wait until the current City Attorney position had been filled to obtain their thoughts on the best ways to organize and manage the Legal Department. It was thought that the Legal Department may instead end up with having 2 attorneys and 2 paralegals rather than a 3rd attorney and only 1 paralegal.
 - o Transfer from Police Services Restoration Fund - Finance Analyst (.40 FTE)

- a. Finance Director Paula Henderson stated this position would take over the analysis and record keeping for the Crime Free and other PD related programs such as the Levy LID Lift and the Police Restoration Fund. She has been doing the work involved for these items on her own time for the City, but can no longer continue to absorb the time it takes to do maintenance on these programs. This could be funded out of the Police Restoration Fund as it is a new expenditure and not an ongoing expenditure.
 - i. Chief of Police Roger Baker stated that this position has come about because Finance Director Paula Henderson and her staff have been doing this work unfunded on behalf of the PD.
 - ii. Mayor Pro Tem Scott Thomasson asked if there would be a downsizing or a maintenance level in the amount of funds that the Crime Free Ordinance will be charging citizens. It was his understanding that at some point, the program would be successful enough that the funds required now would not always be at the same level.
 - iii. Chief of Police Roger Baker replied that yes, there would be a leveling of the funds, but it would probably not happen for a couple of years.
 - iv. After a lengthy discussion regarding what should and should not be paid out of the Police Restoration Fund, Councilmembers requested that Finance Director Paula Henderson add the two requested positions (Assistant City Attorney that is to be partially funded by PD and Finance Analyst to be funded totally by PD) to the her list of questions to the State Auditor's office regarding the Police Restoration Fund.
- **Page 5, 6, & 7- New Expenditure Requests to be Funded**
- City Manager Tony Piasecki started the discussion by stating that the following 3 pages contained a listing of the requests for funding from the General and Street Funds budget. Those items which he considered to be of less immediate concern than the other requests are labeled in red. It was his opinion that if the City Councilmembers wished to start cutting things out of the budget, those are the things they should consider cutting before cutting any others. (Typist's note: those items are indicated below by being underlined and their type bolded.)

1. Page 5 - New Expenditure Requests - Funded

o Legislative Federal Lobbying

- a. Councilmember Kaplan requested information on whether or not we are receiving any monetary compensation for the monies being spent by the City to pay for the Lobbyist. City Manager Piasecki responded that we have not yet seen any compensation, but we will most likely be seeing something soon as Congress finishes the budget for the year. Also, having Senator Murray being a chair of the Transportation Sub-Committee on Appropriations and being number 4 in the Senate will bode well for us to go back to Congress to obtain additional appropriations. Councilmembers White and Scott stated the person in this position is well liked in the government and that with him being from Des Moines, we are probably not paying the same higher fees other cities pay. Councilmember Kaplan stated that he would be ok with allowing the line item, but he would be hesitant to consider another contract unless we

see some compensation, or knowledge of compensation coming, by the end of the year.

- o Court Probation Clerk Independent Contractor to File Clerk Employee
- o Court Reclassification Professional Services for Probation Clerk to 0.20 FTE File Clerk
- o **Court Increase Court Transport Hours from 0.475 to 0.60**
- o **Executive Add City Currents Publication Per Council Request**
- o Finance 0.40 Financial Analyst
 - a. Councilmember Kaplan stated that the position should be changed to a 0.08 employee as the finance staff is already overburdened. With the addition of the new officers at the PD and the possibility of a bi-annual budget, the 0.04 just won't cover the needs.
- o Finance - Temporary Staffing due to Medical Leave
- o Legal - Assistant City Attorney (1.0 FTE)
 - a. Councilmember Kaplan stated that this should be cut for now as it would be better to wait until we have our full time attorney and the structure of the Legal Department is ready to make decisions with the new attorney in place. There will be adequate one time monies to pay for this position once the new city attorney has been hired.
 - i. This was informally accepted by the Councilmembers.
- o Legal - Cut Prosecution Costs
 - a. Councilmembers decided by informal vote that this, too, should be cut for now until the new city attorney is in place. It was stated that we do need a Prosecutor, but that the council wished to give the new city attorney a chance to provide feedback.
- o **Legal Filing Cabinets**

2. Page 6 - New Expenditure Requests - Funded

- o PBPW Engrg Serv Civil Engr II
- o PBPW Engrg Serv 16th Ave S CIP Proj Mgr (0.60 FTE)
- o **PBPW Engrg Serv Various Small Tools and Equip**
- o **PBPW Engrg Serv Various Studies**
- o PBPW Bldg Div Wireless for 5 Users
- o PBPW Bldg Div Travel for New Inspectors
- o PBPW Bldg Div Seminars for New Inspectors and Re-certifications
- o PBPW Bldg Div Vehicle
- o PBPW Bldg Div Digital Records/Consultant to Establish City Standards
- o PBPW Bldg Div Permit System
 - a. City Manager Piasecki stated that it was his opinion that this be placemarked in the budget, but that the monies should not be given to the department until it is seen that adequate one time monies do come into the city's revenues to support the budget item. This would most likely not be until the middle of the year.
- o PBPW Plan Dev Consultant to Categorize Wetlands
- o PBPW Plan Dev to Help Finish CAO
- o PBPW Plan Dev Consultant to Complete Review of Comp Plan Downtown Element
 - a. Councilmember Scott stated that she was concerned over the multiple usage of the word consultant in the Planning/Building budget requests. It was

her feeling that if people had been in the job long enough, they should know how to do these things and have this knowledge without the City hiring outside consultants.

- i. PBPW Director Grant Fredricks explained that this came about because of work with the Environmental Committee on the Critical Area Regulations. The consultant that is helping the City did some field verifications as a subset of the wetlands identified throughout the city. A wetlands biologist came out and did a survey to state that a particular area was a wetland and to establish the habitat, values, etc. This was only a third of the wetlands in the city and the desire is to have someone to come in and finish the survey to establish proper buffers. We do not have wetland biologists on staff to do this work.
- ii. Mayor Sheckler responded to the question regarding if this was one time money by saying that it would be and stated he supported what was said by Director Fredricks.
- o PBPW Plan Dev Update Aerial Photo Imagery
 - a. Councilmember Scott requested to know if this was a necessary cost as IMAP with the county and Google's Earth program does a this service and would this not be duplicating costs? Director Fredricks stated that we have increasing access to what's in the public domain, but we do not have access to ortho imaging. Most cities do this every two years and we have the opportunity to join with other cities to cut costs by joining with other cities on their biannual updates. We have not done this in a number of years and this would be important to have updated imagery as our information is very old and we have property in for development and our information is inaccurate.
- o PBPW Plan Dev 3D Analyst Software
 - a. Councilmember Kaplan suggested that this budget cost be changed to reflect the ongoing maintenance of the program.
- o PBPW Plan Dev Digital Map

3. Page 7 - New Expenditure Requests - Funded

1. PBPW Park Ops New Mtc Worker (If cut, needs to be replaced by Median Mtc- \$25,000)

- a. Councilmember Kaplan asked what sort of other costs were related to this position and Director Henderson stated it would be payroll and benefits only. City Manager Piasecki said there would be no need for another vehicle as this position would be doing manual labor.

2. PBPW Park Ops SJU Custodian Services

3. PBPW Park Ops Gator Dump Truck

4. PBPW Park Ops Bunker Field Rake

5. Park and Rec Prog Class Rec Software

- a. Councilmember Kaplan asked if the amount requested for the software was not high for software. Park and Rec Director Patrice Thorell stated this was registration, facility management software that manages all the intake for all of the programs. There are about 30,000 registrants per year and the current software is so out of date that the company decommissioned it. They gave the city a year's grace period, but the company has stated that there will be no more time given. This software would allow for online registration. City Manager asked for clarification that there are only two kinds of software for this purpose

and Director Thorell verified his information and stated the software being considered was the one most widely used.

6. **Park and Rec Prog/Sr Services Portable Stage**
7. **Park and Rec Sr Svcs Add 0.25 Prog Coordinator**
8. **Park and Rec Sr Services Replace Chairs**
9. **PBPW Street Fund Bridge Mtc**
10. **PBPW Street Fund Supplies**
11. **PBPW Street Fund Crack Sealer**
12. PBPW Street Sign Change Out
13. **South King County Chamber of Commerce Dues**

a. Mayor ProTem Thomasson moved that we not pay these dues. The motion was not seconded and the motion was not carried.

➤ **It was decided at this point that before the City Council made any further decisions to cut or not cut something from the budget request, that the Council go through the next three pages of the document which would give more information regarding anticipated total costs and expenditures.**

14. **SKCEDI Marketing Plan**
15. **Puget Sound Regional Council (free membership till 2008)**

a. Mayor Sheckler asked clarification on this as he understood our negotiations to be that the second year would not be free, but would instead be deferred for a year. City Manager Piasecki stated he had had an in-depth conversation with a staff member at PSRC about this very item as he believed that we were to be receiving an invoice on July 1, 2006 which could then be paid by July 2007 for the membership dues. The staff member checked and assured him that we were being given two free years and not one year deferred.

16. **Destination Des Moines**
17. **Arts Commission**

18. Operating Transfer to Revenue Stabilization Fund

- **Page 8 - Revised Excess (Deficit) in 2007 budget**
 - o Councilmember Sherman asked for clarification regarding the \$1.5 Million. Director Henderson stated that these are unspent funds in one time monies for the General and Street Funds. This is net after all the other requests. Councilmember Sherman wanted to know if these were anticipated funds and Director Henderson stated that yes, this was anticipated funds in one time monies. City Manager Piasecki stated this would allow Director Henderson to pay the bills for the first quarter without borrowing from other funds due to the way tax money comes in. Councilmember Sherman asked if we should then keep this amount at this level, at the least.
- **Page 9 -New Expenditure Requests - Not Funded:**
 1. Executive Restore Assistant City Manager
 2. Finance 0.40 Financial Analyst
 3. Legal File Clerk
 4. PBPW Engrg Serv Traffic Engr Aide
 5. Park and Rec Prog Auditorium Operations w/ new staff
 6. Park and Rec Prog Add Cust Serv Rep
 7. Approved

a. Director Henderson and City Manager Piasecki said this is regarding the Parks Mtc Worker or Median Mtc Contract as the City must do one or the other.

- **Page 10 - Total City 2006 Budget**

°Not counting any additions or deductions taken by the Council, we have about \$1.6 Million.

- **Page 11 - Policy Questions**

1. Legislative Federal Lobbying

- Councilmember Sherman made the motion that this be removed from the budget, Mayor Pro-Tem Thomasson seconded. Councilmember Sherman stated this was because the City had yet to recognize any compensation for this expense.
 - o Councilmember Kaplan asked if Councilmember Sherman would accept an amendment that if there were no funds seen from this investment by December 31, 2006, then the item would be removed from the budget.
 - o Councilmember Pina asked if the lobbyist would allow us to cancel the contract with a 30 days notice. City Manager Piasecki said that it could be put into the contract if it was not already in place. Councilmember Pina then stated if that was the case, he would like to give the lobbyist more time to show returns on the investment.
 - o Mayor Pro-Tem Thomasson stated he did not feel we needed a lobbyist as our normal grant application process may have garnered us the funds which we have received to fund projects.
 - o Mayor Sheckler stated he would be opposed to cancel this as he believes we are going to see returns on this money spent.
 - o Councilmember Kaplan made a motion to amend the original motion to state that if there were no funds to be realized by December 31, 2006, we should cancel the contract. The maker agreed to the amendment.

➤ Motion was made to extend the meeting until 12:30pm by Councilmember Kaplan, seconded by Councilmember Pina, motion carried.

- o The discussion continued with Councilmember Kaplan reiterated the motion was now that if there were no confirmation of funds to be realized by December 31, 2006, we should cancel the contract. City Manager Piasecki stated this was actually a substitute motion and not an amended motion.
- o Regarding the motion, the vote was passed with a 6-1 majority vote.

➤ At 11:55 a.m., Mayor Sheckler called for a five minute break.

➤ At 12:01 p.m., Mayor Sheckler called the meeting back to order.

2. South King County Chamber of Commerce Dues

- Councilmember Kaplan suggested that the Arts Commission be funded at \$5,000, Destination Des Moines at \$15,000, and SKCCofC at \$5,000. City Manager Piasecki stated that the SKCCC is an all or nothing plan. The Mayor asked for clarification on whether or not Destination Des Moines and the Arts Commission fees were one time monies for seed purposes. The Council agreed that this was their understanding as well.
- The motion was made by Councilmember Kaplan and seconded by Councilmember Scott to discuss the amounts given by Councilmember Kaplan to fund the Arts

Commission at \$5,000, Destination Des Moines at \$15,000, and SKCCofC at \$5,000.

- o Councilmember Kaplan stated that his feelings were that if the SKCCofC was not willing to take the offer of \$5,000 then we should not fund it at all. Mayor Sheckler stated that the SKCCofC may not use the money for anything as he thought the amount was either all or nothing. Councilmembers White and Pina affirmed that it was an all or nothing item.
- o Councilmember Kaplan then amended his motion to state that he was suggesting giving SKCCofC \$0 funds, Destination Des Moines at \$15,000 and the Arts Commission at \$5,000.
- o Councilmember White did not agree with the amounts suggested as it was her opinion that the SKCCofC had already provided a great level of support to the city and we should give them the money requested for dues. She suggested the City Council vote to give SKCCofC the dues for one year and it come out of one time monies.
- o The motion was made by Councilmember Ed Pina that the previous motion be removed from the floor and the amounts be discussed and then the motion be brought again. The maker and second to the motion agreed and the motion was withdrawn.
- o Councilmember Kaplan made the motion that SKCCofC, Destination Des Moines, and the Arts Commission be funded out of one time monies. Seconded by Councilmember Scott and all voted in favor of discussion regarding this item.
- Councilmember Scott suggested funding Destination Des Moines at \$15,000, the Arts Commission at \$5-10,000, and refrained from offering a suggestion on the SKCCofC as others would be more well informed on the Chamber than she is.
- Mayor Pro-Tem stated his feelings were to lean more toward giving funds to Destination Des Moines and nothing to the SKCCofC and the Arts Commission because the City does not have the funds to support being in the art business because of the related costs to having such a commission. He could agree with the \$5,000 for the Arts Commission now, but he would be voting against it later when the creation of the commission was brought before the council. He suggested funding Destination Des Moines at \$15,000, the Arts Commission at \$5,000, and the SKCCofC at \$0.
- Councilmember Kaplan made a motion to fund Destination Des Moines at \$15,000, the Arts Commission at \$5,000, and the SKCCofC at \$0. Councilmember Pina seconded the motion, the Mayor asked for discussion on the motion.
- Councilmember Sherman asked the City Manager if there was no funding given to the Arts Commission but it was voted to create it the commission, could they still meet and do things like apply for grants. City Manager Piasecki stated that yes, they could, but they would not have any money to print flyers and would not have any one to physically do things for the commission unless it was a City Worker. He also stated this would have to be done so as to not be on overtime for the city employee. City Manager Piasecki then asked Director Thorell to explain this in better detail.
 - o Director Thorell stated this generally worked in such a way that the commission would apply for matching grants. Without funding, there would be no grants to match. The commission would not be able to apply for funds.
 - o Councilmember Sherman asked for clarification on how this money would be used and if the commission would be coming back to the Council to ask for these

funds repeatedly. City Manager Piasecki and Director Thorell stated the Arts Commission would be in an advisory position and would only do what the Council agreed to have them do.

- Councilmember Sherman stated that he was ok with the motion, but not thrilled with the budget overall.
- Councilmember Scott stated she felt that the three organizations should not be allowed to have the money up front, but should be doled out as approved. City Manager Piasecki stated that in the case of Destination Des Moines, there would be a contract drawn up that could state those things. Councilmember Kaplan stated that he was sure this could be done for the two others and City Manager Piasecki stated it was definitely something that the Council could write into the contracts or agreements for the commissions.
- Councilmember Scott made the motion was made to amend the original motion to change the amounts for the Arts Commission to \$10,000 based on the knowledge that the contracts could be written to state the group(s) direction. This was seconded by Councilmember Pina. Councilmember called the question and the vote was put before the Council to end the discussion. The question failed due to lack of majority. The discussion was then allowed to continue.
- Councilmember Scott suggested that we create a fund that could be used throughout the year which might cover those things the Council would deem as important for the Art Commission to do.
- The amendment passed due to a majority of the votes in favor of the Arts Commission money to be raised to \$10,000.
- City Manager Piasecki stated for the record that this amended the original motion to now read that the Council should fund Destination Des Moines at \$15,000, the Arts Commission at \$10,000, and SKCCofC at \$0. Discussion then continued regarding this motion.
- Councilmember White disagreed with not funding the SKCCofC dues as this does not look at the bigger picture of a regional draw into the city and not just local organizations that would not necessarily bring new businesses into the City.
- After more discussion regarding the SKCCofC, Councilmember Pina made the motion to separate the SKCCofC from the current motion and concentrate on Destination Des Moines and the Arts Commission. This was accepted by the maker and second of the original motion, but there was no second to the amendment and the maker and second of the original motion withdrew their support.
- **Regarding the motion to fund Destination Des Moines at \$15,000, the Arts Commission at \$10,000 and SKCCofC at \$0, the vote was 6-1 in favor of the motion with Councilmember Susan White abstaining.**

3. South King County EDI Marketing Plan

- Councilmember Sherman asked for clarification regarding exactly what is this item. Director Fredricks stated this is our share of \$95,000. It is an initiative administratively lead by SeaTac to develop a coordinated outreach and business attraction plan for the combined Southwest King County communities. This is a new initiative which is anticipated to be an ongoing activity. This will create a more recognizable place for the City in other communities. The ongoing expense is anticipated to be \$95,000, but it could be lower. However, our \$7,500 share would most likely not go down.

- Mayor Pro-Tem Thomasson asked why this wouldn't be in the one time funds if it would be voted on each year whether to continue. City Manager Piasecki stated it was in the base funds because it would be of benefit to be in for three or more years at a time rather than just one year at a time. Councilmembers Kaplan, Scott, and White stated they felt funding this and being part of the organization would be a good investment with long time benefits. Mayor Pro-Tem stated he felt this was going to be more than \$7,500 and that was his concern. City Manager Piasecki stated that SKCEDI would be applying for a 501(c)3 and our amount funded could go down.
- **Mayor Sheckler made the motion that this be funded at the \$7,500 amount, Councilmember Kaplan seconded, the motion carried with a 5-2 majority vote.**

4. Puget Sound Regional Council

- City Manager Piasecki reiterated his statement from earlier in the meeting that we were going to receive another year free, but then would receive an invoice in July 2007 which would then have a due date of July 2008. Council agreed informally to pass.

5. Destination Des Moines

- *See notes under South King County Chamber of Commerce for discussion.*

6. Arts Commission

- *See notes under South King County Chamber of Commerce for discussion.*

7. Regional Commission on Airport Affairs

- City Manager stated that RCAA has proposed a change from the previous year of splitting the \$10,000 fund as \$5,000 for ongoing work and \$5,000 for special projects to a 2/3 to 1/3 split for 2007. Council agreed informally to pass.

8. MCI Transfer

- Council agreed informally to pass but would like to see additional monies put into this fund.

9. Defer Equipment Replacement & Computer Equipment Replacement Assessment for One Year

- Mayor Pro-Tem Thomasson stated that to his understanding, the funding was lowered by \$53,000.
- **Mayor Pro-Tem Thomasson made the motion that this money be put back into the program and would like to see \$53,000 restored in assessments from the amounts not given to the SKCCofC, Destination Des Moines, and the Arts Commission. Councilmember Dave Kaplan seconded the motion in a proportionate way. The motion passed 6-1 with Councilmember Susan White not available for voting.**

10. Transfer Interest Earnings from Rev Stab Fund & Airport Defense Fund to the General Fund

- Council agreed informally to pass with the admonition that if the anticipated one time revenue does not come through, the software item will not be funded.

11. Balancing Structural Deficit with One Time Revenues

- Council agreed informally to pass.

➤ Formal clarification on other items:

- Making Finance Analyst position from 0.40 to 0.80
 - Councilmember Kaplan made the motion, Councilmember Pina seconded, motion passed 5-2

- Leaving the Legal Department budget the same as the 2006 budget until the new attorney is in place.
 - o Council agreed informally to pass.
- Mayor Sheckler brought up the “Various Tools” line item under the PBPW budget funding request.
 - o Council agreed informally to pass.
- Councilmember Kaplan asked for clarification on comparative values concerning the Public Works/Building/Parks division using the Staffing Comparisons by Department document prepared by Finance. City Manager explained that Parks Maintenance was moved into the Planning, Building, and Public Works department with the restructuring of the division.
- Councilmember Pina requested a moment to bring to the Council’s attention the packet of information given to the members by Julia Patterson. He requested that this be brought up on a future agenda in order to discuss the contents.
- Councilmember Kaplan gave his reasons for moving toward a biannual budget in order to spend more time with the priorities of government, rather than spending so much time of the available time on the details of passing the budget. Mayor Sheckler stated he had made a commitment in order to make this easier and less burdensome and he intended to keep it. Councilmember Pina suggested we obtain help from an outside consultant in order to help the Council make positive steps toward better organization and better management. Councilmember White agreed we do need direction but it’s difficult to plan on budgeting for the funding if we can’t find the money to do what she felt would have been of more benefit to the City. Councilmember Scott suggested that if the City goes to a biannual budget that it be geared toward not having budget discussions in the first year of a new councilmember’s term. City Manager Piasecki and Director Henderson informed the Council that these things are set and must be done in at a particular time unless the Council passed an ordinance by July to change the process.

NEXT MEETING DATE - Regular Council Session, November 30, 2006.

ADJOURNMENT

At 12:35 p.m., the meeting adjourned.

Respectfully submitted,

Tina R McVey
Permit Technician
Planning Building and Public Works