

REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES

June 7, 2001

The regular study session of the Des Moines City Council was called to order at 7:30 p.m. by Mayor Thomasson in the City Council Chambers, 21630 11th Avenue South, Suite B.

ROLL CALL - Present: Mayor Scott Thomasson, Mayor Pro Tem Bob Sheckler, Councilmembers Terry Brazil, Dave Kaplan, Dan Sherman, Gary Towe and Don Wasson. Also present were City Manager Bob Olander, Assistant City Manager Tony Piasecki, City Attorney Gary McLean, Harbormaster Joe Dusenbury, Public Works Director Tim Heydon, Finance Director Scott McCarty and City Clerk Denis Staab.

DISCUSSION ITEMS

Draft Resolution No. 00-277 [ASSIGNED RESOLUTION NO. 906] Marina Master Plan

Harbormaster Dusenbury briefly reviewed the history of revising the Marina Master Plan noting the process began five years ago in 1996. After adoption of the Master Plan in 1997, it was realized that a more comprehensive planning step was necessary and in 1999, additional long-term planning was begun. The final results of that effort is this draft Comprehensive Marina Master Plan now before Council. He called Council's attention to the recommended Option B: "Incremental Replacement and Rehabilitation of Assets, Plus Increased Guest Moorage". He advised that this option was selected because it best positions the Marina to meet the expected future demands of the boating industry as well as optimizes the ability to generate other revenues. As such, this option has the best opportunity to reduce the revenue requirements of permanent, wet moorage. He also advised that this is the most balanced option in meeting the needs of current boaters, trailer launching, and future market demand.

Harbormaster Dusenbury proceeded to review the Marina Master Plan Project Timeline from the year 2001 through 2009 as contained in the plan, Chapter 4, page 6. He advised Council that there are decision points all along the way which provide ample opportunity for any adjustments that may become necessary.

City Manager Olander pointed out that this schedule is a reasonable compromise to all parties concerned.

Councilmember Brazil felt it would be good to establish a citizen group, appointed by Council, to help work through the various stages of the plan.

Finance Director McCarty reviewed the Marina Master Plan Financing Timeline, using escalated dollars at 3% per year, as follows:

Year	Total Project Cost	Grant Funding	City Cost (Bonds*)
2001	\$4,403,807	\$433,584	\$3,970,3223
2005	\$7,927,189	\$990,448	\$6,936,742
2008	\$6,606,329	\$0	\$6,606,329
TOTAL	\$18,937,325	\$1,424,031	\$17,513,294

*20 year bonds @ 5.46%, 2% cost of issue

Finance Director McCarty then proceeded to review charts on pages 8 and 9 of Chapter 4 depicting:

- Revenues vs. Expenses
- Profit Before Debt vs. Debt Service
- Cash Projections

Finance Director McCarty noted it is important to remember that actual revenues and expenses may vary from the model due to CPI increases for goods and services and market rates for moorage. As such, each year, actual performance will be compared to the projections to validate the assumptions used. Assuming activity is as expected and the need for the improvements exists, the City plans to build the projects of the Plan as outlined in this document. However, if during the annual budgetary and CIP process actual activity is different from that projected, modifications are required to the assumptions, or the need for the improvements is not justifiable, the City will modify the Plan accordingly.

PUBLIC COMMENTS

Norm McDonell, 908 S 279th Place

Mr. McDonell noted that he was happy that a public boat launch has been provided for at the Marina. However, he strongly urged Council to address parking concerns in the Redondo area as he feels there are immediate public safety issues to be addressed. He requested improved enforcement of existing parking regulations until a long term solution can be reached.

John Woggell, 28313 Redondo Way South

Mr. Woggell complained of lack of enforcement for Wooten Park. He advised Council when gates are left unlocked teenage drinking and reckless driving become a real problem. He requested Police patrol of the area, and enforcement of closing gates at dusk as posted.

Tom Pollack, 20433 101st SE, Kent of Puget Sound Anglers

Mr. Pollack expressed some concern with the proposed public boat launch at the Marina as many are unable to back up a boat trailer, creating congestion. He stated that there is a real need for more protection and improvements at the Redondo launch. He noted with better fishing conditions, there will be more public demand on launching facilities.

Dan Ayers, 308 SW 295th Place, Federal Way

Mr. Ayers cited parking problems and the need to improve the public launch in the Redondo area.

Tom Sitterley, 601 S 227th Street, #203 South - President of Des Moines Marina Association

Mr. Sitterly advised Council that the Association worked closely with City staff in development of the Draft Plan and in general are in favor. However, he noted the following concerns:

- Public impression that Marina is a tax payer funded public park. Feels contributions by Marina tenants should be fully recognized.
- Plan is overly optimistic on revenue to be generated from new commercial building and the dry stack storage.
- Seawall, pilings and dock repairs should have top priority

In conclusion, Mr. Sitterly felt Council should approve the Plan, but ensure flexibility to repair and maintain the Marina as necessary.

Dennis Daus, 22211 Cliff Avenue S #302

Mr. Daus spoke in favor of the Plan, but expressed some concern with the schedule for repairs to the seawall. He felt the overall Plan will benefit everyone.

In response to public comments, Harbormaster Dusenbury noted the following plans:

- Working with Police Department to increase enforcement of violations of street right-of-ways in the Redondo area.
- Looking at dedicating personnel to the Redondo area for enforcement of parking lot area.
- Investigating an electronic gate system at Redondo parking lot with set hours for closing and opening.
- Increasing boarding at the Redondo launch and investigate protection from wind related wave action.

Councilmember Sherman commented that in Chapter 3 page 18, stronger long term commitment language to address issues at Wooten Park and along Redondo Way should be included.

Mayor Thomasson felt the parking issues involved in the Redondo area require cooperative action involving the Director of Parks and the Transportation Plan.

MOTION was made by Councilmember Towe, seconded by Mayor Pro Tem Sheckler to approve Draft Resolution No. 00-277.

Mayor Thomasson read the draft resolution by title into the record.

Councilmember Towe verbally acknowledged the tremendous amount of work by Council, the Municipal Facility Committee, staff, Marina tenants and citizens that went into the making of the draft Plan. He further acknowledged the financial contributions of the Marina tenants to the Marina.

Mayor Thomasson expressed some reservations regarding the excavating of the Marina parking lot due to concerns of contamination.

Councilmember Sherman voiced the opinion that the Marina is the City's most valuable asset. He felt the process to develop the Plan has been a good one that deserved considerable attention.

Councilmember Kaplan felt there has been lots of good public input. He thanked the Municipal Facility Committee for their efforts and feels the plan represents a good compromise.

A FRIENDLY AMENDMENT was accepted to include language to better reflect implementation of recommendations contained in Chapter 3, page 18, and language to establish a "Citizens Advisory Committee."

VOTE ON MOTION: Motion passed unanimously.

9:08 p.m. Mayor Thomasson declared a 10 minute recess. [ED NOTE: Mayor Pro Tem Sheckler left the meeting.]

Draft Resolution No. 01-106 ***[ASSIGNED RESOLUTION NO. 907]*** Midway Sewer District Comprehensive Plan

Public Works Director Heydon informed Council that the Sewer District has agreed and addressed concerns raised at the April 26th Council meeting. Those items are as follows:

- Changes in language regarding adding sewers to the unsewered areas of the City in compliance with the Des Moines Creek Drainage Basin Plan.
- A boundary agreement is included between Midway and Southwest Suburban Sewer Districts.
- Attached is the thirty-year agreement between the Sewer District and the Port of Seattle regarding sewer service.

With these changes incorporated, Public Works Director Heydon recommended Council approval.

MOTION was made by Councilmember Kaplan, seconded by Councilmember Sherman, to approve Draft Resolution No. 01-106.

A FRIENDLY AMENDMENT was accepted to add language to the final paragraph, last sentence, prior to the adoption statement, to read: “and such plan shall be deemed disapproved.

City Attorney McLean advised that the title of the resolution needs to include the word “conditionally” between the words WASHINGTON, and approving.

VOTE ON MOTION: Motion passed unanimously.

Budget

Year 2000 General, Streets & Parks Budget to Actual Comparison

Finance Director McCarty proceeded to review the following:

	2000 Budget	2000 Actual	Favorable Variance	Percent of Budget
Beginning Fund Balance		\$179,220		
Revenues	\$11,532,098	\$12,191,993	\$659,895	106%
Expenditures	(\$11,154,741)	(\$10,656,738)	\$498,003	96%
Net Activity	\$377,357	\$1,535,255	\$1,157,898	
Ending Fund Balance		\$1,714,475		
Less Designations		(\$28,025)		
Unrestricted Fund Balance		\$1,686,450		

Of the Unrestricted Fund Balance Finance Director McCarty broke it out as follows:

- \$877,735 Operating Reserve; 7% of \$12.5 M. 2001 budgeted expenditures
- \$222,575 Balance to fully fund Revenue Stabilization Fund at \$1.27 M.
- \$614, 165 Available for allocation

With the use of a pie chart, Finance Director McCarty noted that Year 2000 revenues exceeded Budget by \$659,895 which equaled the following:

- Utility Taxes/Franchise Fees: \$70,000 = (10%)

- Utility Tax/Franchise Fee Audits \$75,000 = (11%)
- Interest \$70,000 = (10%)
- Building Permits and Related \$460,000 = (69%)

With the use of a pie chart, finance Director McCarty noted that year 2000 were less than Budget by \$498,003 which equaled the following:

- Street/Traffic lights \$50,000 = (10%)
- Dispatch/Jail \$50,000 = (10%)
- Salaries and benefits \$385,000 = (57%)
- All other \$113,003 = (23%)

He noted that salaries and benefits were less mainly from vacant positions that are yet to be filled after the I-695 budget impacts.

Finance Director McCarty stated that approximately \$615,000 remains available for allocation at Council discretion. He noted this amount is a direct result of one-time activities and as such, staff strongly recommends this amount be used for one-time uses. Once the amount of the City's assistance is determined by the State Legislature, staff plans to prepare an issues and options report to facilitate a discussion regarding the amount available for allocation.

1st Quarter General, Streets & Parks Financial Update

Finance Director McCarty reported that the first quarter operating revenues totaled \$2.6 M., 21% of the 12.8 M. budgeted amount. Along with the slowing economy, he cited two major reasons for the shortfall as follows:

1. A timing Issue, property taxes. Only \$93,000 of the budgeted \$2,3 M. has been received because the first half property taxes are not due until April 2001.
2. Less than anticipated fines from the traffic unit.

Finance Director McCarty concluded by informing Council that staff expects 2001 ongoing revenues and expenditures to remain close to budget. However, similar to year 2000, one-time revenues totaling \$450,000 from audits are highly probable. Also, the vacant positions during the first quarter have resulted in savings of approximately \$50,000.

NEXT MEETING DATE

Mayor Thomasson announced the next regular meeting will be June 14, 2001.

ADJOURNMENT

The meeting was adjourned at 9:40 p.m.

Respectfully submitted,

Denis Staab
City Clerk