

REGULAR MEETING DES MOINES CITY COUNCIL

MINUTES

September 30, 2004

At 7:27 p.m., City Manager Piasecki announced that the Council would remain in Executive Session until 7:45 p.m.

At 7:45 p.m., City Manager Piasecki announced that the Council would remain in Executive Session until 7:55 p.m.

The regular meeting of the Des Moines City Council was called to order by Mayor Sheckler at 7:55 p.m. in the City Council Chambers, 21630 11th Avenue South, #B.

PLEDGE OF ALLEGIANCE to the flag was led by Councilmember Steenrod.

ROLL CALL - Present: Mayor Bob Sheckler, Mayor Pro Tem Scott Thomasson, Councilmembers Richard Benjamin, Gary Petersen, Dan Sherman, Maggie Steenrod, and Susan White. Also present were City Manager Tony Piasecki, City Attorney Linda Marousek, Community Development Director Judith Kilgore, Court Services Manager Jennefer Henson, Finance Director Paula Henderson, and Deputy City Clerk Angela Chaufy.

COMMENTS FROM THE PUBLIC

Kay Sanches, 22700 30th Avenue South, #B210

In regard to the proposed budget cuts, Ms. Sanches voiced concern that reduced lighting, closed parks, and decreased police staff could increase problems for the police. She identified the Pacific Ridge neighborhood as a high crime area and said that the parks were the only play areas for several neighborhood children.

COUNCILMEMBER COMMENTS

National Domestic Violence Awareness Month – October

Councilmember Steenrod announced that October was National Domestic Violence Awareness Month. She asked staff to display domestic violence prevention information on the City's website and public information channel. Councilmember Steenrod announced that the state's Domestic Violence Hotline telephone number is 1-800-562-6025.

Comments from the Public

Councilmember Sherman thanked Ms. Sanches for her comments. He said that Council would consider potential cascading affects throughout the budget process.

Senior Services Advisory Committee

Councilmember White said that the Senior Services Advisory Committee presented a good presentation to Council at the last meeting.

Water Forum

Councilmember White announced that she, the Harbormaster and Parks and Recreation Director would attend a water forum to discuss potential water transportation options for Des Moines.

City Logo

Mayor Pro Tem Thomasson noted that the current City logo had been approved by Council. If there was an effort to change the official logo, the matter should be brought before Council.

Domestic Violence Advocate Position

Mayor Sheckler announced that grant funding for the City's Domestic Violence Advocate had been lost. The funding for the position would be considered by Council during the budget process.

ADMINISTRATION REPORTS

City Logo

City Manager Piasecki suggested that discussions regarding the city's logo be a part of the economic development process. In the meantime, he would direct staff to stop using the unapproved logo.

Domestic Violence Advocate Position

City Manager Piasecki said that the Domestic Violence Advocate position would be included in his proposed base budget.

Port of Seattle Buyout Area Rights-of-way

City Manager Piasecki clarified that no agreement had been reached between the City and the Port of Seattle regarding the Buyout Area rights-of-way. Although discussions were being conducted, he could not at this point estimate when discussions would be completed nor how much money might be involved.

Videographer Leaving

City Manager Piasecki noted that Videographer Rita Meher from Puget Sound Assess would be moving out of the area and would no longer provide videotaping services to the City. He thanked her for her service.

Marina Tenant Rate Lawsuit

City Attorney Marousek announced that the Court of Appeals had ruled in favor of the City on all counts of the lawsuit. The Court said that the City had the right to institute rate differentials, charge rates, transfer funds from the Marina Fund to the General Fund, and operate the Marina as a business. The equal protection claims have been denied and the leasehold excise tax issues have been rejected. She recognized Attorney Mike Estes for his efforts on behalf of the City.

CONSENT CALENDAR was read by Deputy City Clerk Chaufy.

1. Motion is to enter into the attached agreement with the City of Kent for their participation at a level of \$479,370 in the construction of intersection improvements at Kent-Des Moines Road and Pacific Highway South and to authorize the City Manager to sign the agreement substantially in the form as submitted.

Councilmember Steenrod clarified that the City of Kent would be giving the City of Des Moines \$479,370.

MOTION was made by Mayor Pro Tem Thomasson, seconded by Councilmember Steenrod, and passed unanimously to approve the consent calendar as read.

NEW BUSINESS

Assessment of Permitting Process

Community Development Director Kilgore introduced Linda Paralez and Cindy Hoover of Demarche Consulting Group. She said that administration would respond to the consultant's findings at the study session in October.

Dr. Paralez informed Council that Demarche Consulting Group had performed a quantitative and qualitative assessment of the city's permitting process. She highlighted the following findings:

- Permit applications have increased by 27% over the last 36 months.
- Proportional revenue growth suggests larger valuation applications.
- Staffing levels and skill sets have remained stable throughout the last 36 months.
- The Public Works review cycle time has improved over time.
- All subject matter experts are involved in service delivery.

Dr. Parlez identified the following pros and cons associated with all subject matter experts being involved in service delivery:

Pros

- Good service
- Good productivity to cost ratios
- Informal, flexible processes

Cons

- Process improvements not happening.
- Technology improvements not happening.
- New staff training absent.
- Intra-organizational interface problems not solved.
- Solutions for clients to process challenges not facilitated.
- Performance data not monitored.
- Code not updated.

In order to facilitate growth, Dr. Parlez recommended that the department obtain standard processes supported by technology, update codes, appropriately train and size the workforce, and emphasize a solutions oriented service. She noted that detailed information regarding specific design steps, related costs, schedules, and jurisdictional comparisons had been provided to the Community Development Director. Based upon her study, Dr. Parlez identified the City's top permitting process concerns as the department's lack of ability to coach an applicant through a solution process and its lack of ability to deliver the product within the time cycle promised. The lack of skill development was due to a capacity problem as staff was stretched too thin. Dr. Parlez recommended that the City collect better project data, adopt a more formal design process, and allow the subject matter experts time to apply their knowledge.

Dr. Parlez confirmed the accuracy of Councilmember Sherman's summarization of the assessment findings as follows:

- The size of the city requires more structured procedures to aid staff training.
- More staff is required.
- Due to the workload, managers are not available to manage.
- The Sierra Permitting System is not used to its full capability.
- Upgrades to the permitting system would help.
- More money needs to be spent in staff training.
- Permitting fees should pay for the services provides.

Councilmember Steenrod asked that the Community Development Director present a proposal to replace the Sierra System. The proposal should include a cost analysis on the savings to be realized through saved staff time.

Dr. Parlez emphasized that new technology would only be part of the solution.

At 9:03 p.m., Mayor Sheckler declared a ten-minute break.

Interlocal Agreement with Normandy Park for Municipal Court Services

Court Services Manager Henson introduced City of Normandy Park City Manager Merlin MacReynold and City Attorney Susan Sampson. She briefed Council on the background of the issue.

City Attorney Marousek informed Council the proposed agreement had been approved by the Normandy Park City Council two weeks ago. The proposed implementation date was January 1, 2005.

Court Services Manager Henson estimated the agreement to bring \$35,000 - \$40,000 to the City with no increased personnel costs.

Councilmember Benjamin suggested that the collected funds be earmarked to fund the Domestic Violence Advocate program.

Mayor Pro Tem Thomasson disagreed that no additional costs to the City would be incurred through the agreement. If the agreement was not approved, staffing levels could be reduced. He questioned how costs would be tracked and adjusted. He questioned whether the City currently contracted with the judge for too many hours.

Court Services Manager Henson explained the formula for determining the proposed rate.

Mayor Pro Tem Thomasson said that the formula addressed direct costs only. The full cost of the service had not been identified as overhead costs were not considered.

Councilmember Benjamin voiced support for the proposed agreement. He said that a program that would increase efficiency and result in increased revenue was good.

Councilmember Sherman voiced support for Mayor Pro Tem Thomasson's comments. He urged Council to not consider the proposed agreement as a "money maker" but recognized that it might save a staff position.

MOTION was made by Mayor Sheckler and seconded by Councilmember White to approve the interlocal agreement between the City of Normandy Park and the City of Des Moines for Municipal Court services and facilities and to authorize the City Manager to sign the agreement substantially in the form as submitted.

Upon questioning from Councilmember Sherman, Mayor Sheckler and Councilmember White confirmed that the motion referred to the corrected version of the agreement.

Mayor Pro Tem Thomasson suggested that the language in Section 5 of the proposed agreement be revised to accurately note that the Des Moines Court already exists.

City Attorney Marousek explained that the agreement was modeled after the City of Kirkland's agreement. Normandy Park was the only contracting city at this point.

In reference to Section 5(a), Mayor Pro Tem Thomasson stated that the language does not reflect the statutory process. He said that Des Moines should have sole discretion to appoint the judge.

Ms. Sampson clarified her interpretation of the language as meaning that Normandy Park would be involved in the selection process for a judge. Normandy Park accepts the current judge and Court Services Manager of Des Moines. She said that a memorandum of understanding regarding the selection process could exist between the City Managers.

As the termination clause requires twelve months notice, Councilmember Steenrod stated her preference for a memorandum of understanding.

City Manager Piasecki stated his understanding is that the Des Moines City Manager has the discretion to appoint the judge.

Normandy Park's City Manager MacReynold confirmed that he was comfortable with the understanding.

City Manager Piasecki informed Council that he would be meeting with the City Managers of Normandy Park, Burien and SeaTac to discuss the potential consolidation of other services.

Mayor Pro Tem Thomasson recommended that the cost of living index and an experience analysis determine the fee for the services.

SUBSTITUTE MOTION was made by Councilmember Sherman and seconded by Mayor Pro Tem Thomasson to bring the item back to Council on the next consent calendar along with the memorandum of understanding as described.

MOTION was made by Councilmember Steenrod to designate any funds generated by the agreement to fund the Domestic Violence Advocate position.

City Attorney Marousek **ruled the motion out of order** and said that the motion should be made after a vote on the motion on the floor.

Councilmember Benjamin suggested that the agreement include a 10% contingency to act as a buffer to ensure costs are covered.

In response to Mayor Pro Tem Thomasson's questioning, Mr. MacReynold said that King County would charge Normandy Park approximately \$86,000 to provide court services.

VOTE ON MOTION: Motion failed, 2 – 5, with Mayor Pro Tem Thomasson and Councilmember Sherman voting “YES”.

Mayor Sheckler said that the **original motion** was back on the table.

Mayor Pro Tem Thomasson said that he was not opposed to the concept of the agreement but that he would not support the motion. He did not believe it was right for Des Moines to subsidize Normandy Park.

VOTE ON MOTION: Motion passed, 5 – 2, with Mayor Pro Tem Thomasson and Councilmember Sherman opposed.

2004 Year-to-Date Financial Report

Finance Director Henderson briefed Council on the 2004 financial year-to-date figures and year end estimates. She noted that revenues were below expectations. August year-to-date revenues were at 58.7% of the budget while one-time revenues estimated to year end were 73% of the budget. Finance Director Henderson explained that new construction sales tax and building permit revenues were lower than expected. She presented the following year end revenue estimates:

	<u>Year End Estimate</u>	<u>Percentage of Budget</u>
Taxes	\$8,201,515	95.6%
License/Permits	1,913,000	41.2%
Intergovernmental	1,240,129	100.0%
Charges for Services	1,636,325	161.1%
Fines/Forfeits	500,000	96.6%
Interfund	876,700	93.3%
Interest	110,000	31.4%
Miscellaneous	126,080	98.5%
Operating Transfer	715,590	100.0%

Finance Director Henderson said that layoffs may impact year end expenditure results due to vacation payouts. She then presented the following year-end expenditure estimates:

	<u>Year End Estimates</u>	<u>Percentage of Budget</u>
Salaries & Wages	\$7,376,254	99.3%
Personnel Benefits	2,263,802	94.5%
Supplies	420,070	99.1%
Other Services	2,380,196	91.9%
Intergovernmental Svcs	631,898	92.2%
Interfund Charges	1,085,617	100.0%
Capital Outlay	216,883	107.7%

Operating Transfer	623,848	83.6%
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Finance Director Henderson estimated the General and Street Funds ending fund balance to be \$1,011,946. The projected figure includes expected plan check fees from Masonic Home, Mount Rainier High School, and Walgreen's. The funds could potentially have a negative fund balance if those fees do not materialize. Finance Director Henderson said that favorable weather conditions have contributed to the revenue increase in the Marina Revenue Fund. The year end fuel revenues were expected to be 138% of budget.

Interlocal Agreement with Normandy Park for Municipal Court Services, Continued

MOTION was made by Councilmember Steenrod and seconded by Councilmember Benjamin that the Domestic Violence Advocate position be funded directly by Court revenues derived by Municipal Court services provided to other municipalities.

Mayor Pro Tem Thomasson spoke against the motion. He said that all of the revenues should go toward all of the expenses. To earmark money for court clerk and judge services for a special program was wrong. He urged Council to consider the general fund as a whole.

Councilmember Sherman stated that the domestic violence program was too important to tie its funding to this program. He said that the position should be part of the general fund and not be dependent upon this program.

Councilmember Steenrod **called for the question.**

VOTE to call the question: Motion failed, 2 – 5, with Councilmembers Petersen and Steenrod voting “YES”.

Councilmember Benjamin said that the motion would be similar to earmarking casino funds for the domestic violence program.

NEXT MEETING DATE - Study Session October 7, 2004

ADJOURNMENT

At 10:30 p.m., as time had expired, the meeting adjourned.

Respectfully submitted,

Angela M. Chaufy
Deputy City Clerk

ACTION ITEMS FROM 9/30/04 CITY COUNCIL MEETING

- Direct staff to no longer use the unapproved City logo.
- Pick up the motion on the table regarding the funding of the Domestic Violence Advocate position as the next order of business.