REGULAR MEETING Des MOINES CITY COUNCIL

MINUTES October 11, 2001

The regular meeting of the Des Moines City Council was called to order at 7:31 p.m. by Mayor Thomasson in the Council Chambers, 21630 11th Avenue South, #B.

PLEDGE OF ALLEGIANCE to the Flag was led by Councilmember Towe.

ROLL CALL - Present: Mayor Scott Thomasson, Councilmembers Terry Brazil, Dave Kaplan, Dan Sherman, Gary Towe and Don Wasson. Absent: Mayor Pro Tem Bob Sheckler (ill). Also present were City Manager Bob Olander, Assistant City Manager Tony Piasecki, City Attorney Gary McLean, Assistant City Attorney Linda Marousek, Public Works Director Tim Heydon, Planning Manager Corbitt Loch, Finance Director Scott McCarty, Budget Accountant Peggy Watson and City Clerk Denis Staab.

MOTION was made by Councilmember Brazil, seconded by Councilmember Sherman, to excuse Mayor Pro Tem Sheckler. Motion passed unanimously.

COMMENTS FROM THE PUBLIC

Kelly Banner, 21612 24th Avenue South

Ms. Banner advised Council that she owns the property which is now zoned RM 2400. She informed Council that in order to develop the property she purchased adjacent property and spent $5,000 to have the property surveyed. She noted that she has applied for a lot line adjustment, which has been denied by the Public Works Department. She requested Council reconsider the Public Works Department decision to allow her to develop her property to the RM 2400 zoning, which Council enacted.

City Attorney McLean advised Ms. Banner that lot line adjustments are not a matter brought before the City Council and that the proper appeal process would be to the Hearing Examiner.

Mayor Thomasson requested Administration review Ms. Banner's situation.

Joseph Croomer, 16857 Des Moines Memorial Drive, Burien

Mr. Croomer complained that the City's sign code is being selectively enforced, in particular as it relates to political signs. He felt the ordinance is dubious as he believes it is an infringement of freedom of speech and requested the ordinance be rescinded. He further stated that the Marine View Drive project was a waste of taxpayer funds as it does not improve fish migration and concluded by stating that the fight against the 3rd runway was also a waste of taxpayer funds as it is a losing proposition.

BOARD & COMMITTEE REPORTS

AWC Board of Directors Meeting

Councilmember Brazil reported attending the meeting last Thursday and advised that at the meeting discussion ensued regarding Governor Locke's announcement that budget cuts will be made in the amount of $1 billion dollars and that these cuts will be out of local City services among other items. He further reported that various cities are very concerned that the back-fill will be cut for next year. The other issue discussed was I-747 and the devastating effects that will have on a number of cities in our state. It was felt that a number of smaller cities may have to un-incorporate as they will no longer have the funds to operate. He advised Council that there are tough decisions in the next couple of years concerning budget issues.

Executive Committee SR 509 Project

Councilmember Sherman informed Council that the Committee met yesterday regarding the preliminary E.I.S. He reported that this E.I.S. will be before Council at the November 29th meeting for review and to decide whether all considerations have been made before it goes before the public at a Public Hearing that is scheduled for February 27, 2002. He reported there currently is enough money in the project to run it through September, which equates to approximately 22% of the design phase. They will be asking the State Legislature for additional funding in the amount of about $9 million dollars to proceed to finish the design and for the right-of-way purchases. He reported that this dollar amount would also include the missing financing to complete the Marine View Drive Bridge Project.

AWC Regional Roundtable

Councilmember Brazil advised that the Roundtable meeting will be held November 7th at the Holiday Inn in Kent. Discussion will focus on regional concerns and successes. He encouraged Councilmembers to attend.

CONSENT CALENDAR was read by City Clerk Staab.

1. Motion is to approve the minutes of September 27, 2001.
2. Findings: Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.080, have been recorded on a listing which has been made available to the City Council.

   Motion: As of this date the Des Moines City Council, by unanimous vote, does approve for payment those vouchers and payroll transfers included in the above list and further described as follows:

   Claim check #78059 through #78383 in the total amount of $1,030,440.59
   Payroll fund transfers in the total amount of $287,219.40
3. Motion is that the City Manager be authorized to sign the Interlocal Agreement with King County for Commute Trip Reduction and Congestion Mitigation/Air Quality funds and services.
4. Motion is to approve purchase of 700 square feet of land with no improvements from Stephen Pearce and Joann Chambard in the amount of $9,500 plus closing costs, and to approve purchase of 630 square feet of land and improvements from Evelyn R. Fisher Revocable Trust in the amount of $12,934 plus closing costs, and to authorize the City Manager to sign Purchase and Sale Agreements substantially in the form as submitted.
5. Motion is to purchase 5,262 square feet of land with improvements including a permanent slope easement from Edward K. and Evelyn Chernoff in the amount of $68,624 plus closing costs, and further to authorize the City Manager to sign the Purchase and sale agreement substantially in the form as submitted.

MOTION was made by Councilmember Sherman, seconded by Councilmember Kaplan and passed unanimously, to approve the Consent Calendar as read.

PUBLIC HEARING #1

Draft Ordinance No. 01-171 ***[ASSIGNED ORDINANCE NO. 1289]*** Zoning Map - 1st Reading

Planning Manager Loch informed Council that the draft map does not change the zoning of any property, but instead only re-creates the map using better technology. The legislative action proposed with the draft ordinance is the amendment of DMMC 18.80.010 in order to reference the new map and provide a clear history of how the City transitioned from the unregistered to the registered map. A Public Hearing is required for any amendment of Title 18 DMMC. However, staff considers this item to be "housekeeping" in nature and recommends approval.

Upon questioning by Council, Planning Manager Loch advised that this new map can be overlaid to show such things as utility lines as well as topography. He also noted that the technology will allow showing of neighboring cities zoning as it relates to City boundary lines.

City Attorney McLean inquired if there was in anyone in the audience who wished to speak on this issue. There was no response.

Mayor Thomasson opened the public hearing and inquired three times as to whether any individual wished to address Council on this matter. As there was no response, Mayor Thomasson closed the public hearing.

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

MOTION was made by Councilmember Kaplan, seconded by Councilmember Sherman and passed unanimously, to suspend Council Rule 26(b) in order to enact the draft ordinance on first reading.

MOTION was made by Councilmember Sherman, seconded by Councilmember Kaplan and passed unanimously, to approve Draft Ordinance No. 01-171.

PUBLIC HEARING #2

Draft Ordinance No. 01-180 ***[ASSIGNED ORDINANCE NO. 1290]*** Street Vacation Request - Lancaster, 28430 4th Place South - File V-2166 - 1st Reading

Mayor Thomasson introduced the subject.

Assistant City Attorney Marousek referenced material that the applicant, John Lancaster, delivered this morning. She proceeded to review the history of the information, noting this was originally filed several years ago, and was partially denied by the Public Works Director in March 1999. This denial was appealed to the Hearing Examiner, which upheld the Public Works Director's decision in June 1999. She informed Council that Mr. Lancaster was duly notified of his appeal rights and did not choose to appeal. As a result, Mr. Lancaster's request to proceed to Council with the vacation of a portion of 5th Place South is the only issue before Council at this hearing, and the documents as submitted earlier today by Mr. Lancaster are out of order.

Public Works Director Heydon proceeded to note that the existing Lancaster home is located at 28430 4th Place South. He stated that the house was built under King County's jurisdiction in the Redondo area, and a good portion of its foundation and living space are within the 5th Place South right-of-way. The owner, and applicant, was aware of this situation when he purchased the house some years ago. He stated that the applicant did apply for a street vacation with King County, but the process was never completed prior to the area being annexed into Des Moines. Mr. Heydon noted that staff is recommending approval of a portion of 5th Place South as it will have no adverse impacts on the surrounding neighborhood. Staff also recommends that the appraisal report prepared by the applicant be used, which was $7.50 per square foot, plus a 3% per year inflation factor, bringing the just compensation value to a total of $10,401.31 to be paid to the City.

In regards to the roof overhang, fence and rockery that are encroaching of the right-of-way on 4th Place South, Public Works Director Heydon recommends a right-of-way use permit be issued.

City Attorney McLean questioned whether anyone in the audience wished to address Council on this issue. Two individuals raised their hands and City Attorney McLean requested the individuals to swear that their testimony would be truthful. The individuals responded in the affirmative.

Mayor Thomasson declared the public hearing open and requested speakers.

PUBLIC COMMENTS
<u>John Lancaster 28430 4th Place South, Applicant</u>
Mr. Lancaster noted he believes that the Des Moines Hearing Examiner was limited in power to make an appropriate decision in the request for the vacation that he had earlier asked for.

<u>Janie Fiala-Kress, 28432 Soundview Drive South</u>
Ms. Fiala-Kress advised Council that she is a neighbor of Mr. Lancaster. She noted that most of the lots in the Redondo area are questionable in where actual property lines are and that surveys are almost next to impossible. She requested Council consider the request favorably.

As there were no further speakers, Mayor Thomasson closed the public hearing.

Councilmember Sherman questioned whether the City would be receiving a fair price on the 10 foot strip if the vacation is approved. He cited the increased value and salability of Mr. Lancaster's home. He indicated the price should be higher since the appraiser erred in assuming the property was not a buildable lot.

Councilmember Towe felt since there are no utilities within the requested vacation area and a qualified appraisal has been made on the property he felt the price that the City would receive is a fair one.

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

<u>MOTION</u> was made by Councilmember Kaplan, seconded by Councilmember Brazil, to suspend Council Rule 26(b). Motion passed 5 to 1 with Councilmember Sherman voting NO.

<u>MOTION</u> was made by Councilmember Kaplan, seconded by Councilmember Towe, to approve Draft Ordinance No. 01-180.

Councilmember Sherman noted that while he not opposed to the vacation as requested, he feels the compensation the City would receive is too low.

Councilmember Brazil stated that City staff is professional and a professional appraiser was used to establish the compensation, therefore he feels the amount is fair and he will support the requested vacation.

Councilmember Kaplan noted that the current foundation has been over this land for many years with no conflict or problems. Therefore he supports the vacation and feels the compensation is adequate and fair.

VOTE ON MAIN MOTION: Motion passed 5 to 1 with Councilmember Sherman voting NO.

8:52 p.m. Mayor Thomasson declared a 10 minute break.

NEW BUSINESS

2001 Operating Expenditure Adjustments & Projected Fund Balance

Finance Director McCarty proceeded to brief Council on the following:

Operating Expenditures for the Quarter ended June 30, 2001

	General	Streets	Total
Original Budget	$ 11,455,523	$ 946,250	$ 12,401,773
Adjustments	37,629	(1,886)	35,743
Revised Budget	$ 11,493,152	$ 944,364	$ 12,437,516
Activity as of 6/30/01	$ 5,501,096	$ 390,538	$ 5,891,634
Percent Expended	48%	41%	47%

Finance Director McCarty advised Council that the Budget is right on track and there are no recommended adjustments at this time.

Finance Director McCarty continued with his briefing covering the following through June 30, 2001:

Streets Fund Expenditures = 41%
General Fund Expenditures = 48%
Operating Funds Financial Analysis
Revenues = 52%
Expenditures = 47%
Operating Reserves at 12/31/01

7% Operating Reserve per DMMC	*$ 900,000*	*7% of 13M 2002 Operating Budget*
Revenue Stabilization fund	*1,400,000*	
Unrestricted, Undesignated	*1,299,262*	
Operating Reserves	**$3,599,262**	

Some Council discussion ensued on how to best utilize the operating reserve amount as several options could be considered. It was determined that this decision will be made during the 2002 budget process when the Finance Director can better prepare different scenarios and projected benefits for Council's consideration.

Year 2002 Operating Budget Overview

Finance Director McCarty reviewed the comparison of the 2001 revised operating budget to the 2002 staff proposed budget noting the following:

	2001 Revised Budget	2002 Increases	2002 Budget
Revenues	$12,815,000	$305,000	$13,120,000
Expenditures	($12,435,000)	($685,000)	($13,120,000)
Contingency	$ 380,000	($380,000)	$0

Finance Director McCarty proceeded by reviewing the following:

2002 Operating Expenditures = $13.1 Million
2002 Expenditure Increase = $685,000
2002 Non-Discretionary Expenditures = $623,500 Increase
2002 Discretionary Expenditures = $56,000 Increase
2002 One-Time Expenditures = $5,500
2002 Unmet Needs = $222,500
2002 End of Year Fund Balance Projections
12/31/02 Unrestricted, unreserved operating fund balance = $1,245,000
Reserves per Council Policy = $2,355,000

Councilmember Sherman questioned whether the City should have a position on what medical services are actually critical in light of the State's position on expanding covered treatments. City Manager Olander felt this would be a good item for Council consideration of their Legislative agenda items.

In conclusion, Finance Director McCarty advised that 2002 expenditures are growing more than revenues, however felt this can be buffered to mitigate the impacts.

City Manager Olander complimented Council in maintaining and increasing the City's strategic reserves. He noted Council will have some difficult decisions ahead, but at least will have the ability to do so.

NEXT MEETING DATE

Mayor Thomasson announced the next regular meeting will be October 18, 2001.

ADJOURNMENT

The meeting was adjourned at 9:41 p.m.

Respectfully submitted,

Denis Staab
City Clerk